Revenue Requirement Calculation

	10245258-MNGP Extended Power Uprate	Dec - 2015	Jan - 2016	Feb - 2016	Mar - 2016	Apr - 2016	May - 2016	Jun - 2016	Jul - 2016	Aug - 2016	Sep - 2016	Oct - 2016	Nov - 2016	Dec - 2016	
A	Plant In-Service (CAA Input)	643,944,985	644,068,564	643,984,072	644,019,927	644,002,631	644,002,631	644,002,631	644,002,631	644,002,631	644,002,631	644,002,631	644,002,631	644,002,631	
B	Depreciation Reserve (CAA Input)	91,091,954	94,215,766	97,339,690	100,463,474	103,587,312	106,711,100	109,834,888	112,958,676	116,082,464	119,206,252	122,330,040	125,453,828	128,577,616	
C	Accumulated Deferred Taxes (CAA Input)	113,123,196	112,970,656	112,818,115	112,665,575	112,513,034	112,360,494	112,207,953	112,055,413	111,902,872	111,750,331	111,597,791	111,445,250	111,292,710	
D	(PIS - Reserve - ADIT)	439,729,835	436,882,142	433,826,267	430,890,878	427,902,285	424,931,038	421,959,790	418,988,543	416,017,295	413,046,048	410,074,800	407,103,553	404,132,305	
E	**Average Rate Base (Prior Mo + Cur Month)/2**		**438,305,988**	**435,354,204**	**432,358,572**	**429,396,581**	**426,416,661**	**423,445,414**	**420,474,166**	**417,502,919**	**414,531,671**	**411,560,424**	**408,589,177**	**405,617,929**	
F	Tax Depreciation Expense (CAA Input)		2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	2,495,849	
G	Debt Return (Ave RB * Wtd Cost of Debt)	**[TRADE SECRET BEGINS**													**TRADE SECRET ENDS]**
H	Equity Return (Ave RB * Wtd Cost of Equity)	**[TRADE SECRET BEGINS**													**TRADE SECRET ENDS]**
I	Current Income Tax Requirement (See Below)		1,239,376	1,232,813	1,226,017	1,219,400	1,212,688	1,206,022	1,199,355	1,192,689	1,186,023	1,179,357	1,172,690	1,166,024	
J	Book Depreciation (CAA Input)		3,123,813	3,123,924	3,123,785	3,123,838	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	
K	Deferred Taxes (CAA Input)		(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	
L	Total Revenue Requirement (G+H+I+J+K)		6,847,789	6,823,577	6,798,619	6,774,234	6,749,542	6,724,999	6,700,456	6,675,912	6,651,369	6,626,826	6,602,283	6,577,739	
M	Jurisdiction Revenue Requirement (L * SD Jur Factor)		366,374	365,078	363,743	362,438	361,117	359,804	358,491	357,178	355,865	354,551	353,238	351,925	
N	Base Rates (Amt for project in 2014 Test Year)		(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	(119,942)	
O	**Rider Revenue Requirement (M - O)**		**246,432**	**245,137**	**243,801**	**242,497**	**241,176**	**239,862**	**238,549**	**237,236**	**235,923**	**234,610**	**233,297**	**231,984**	**2,870,504** Total 2016 Revenue Requirement

Authorized Cap Structure per EL14-058

		Capital Structure	Weighted Cost	
Long Term Debt	**[TRADE SECRET BEGINS**			
Short Term Debt				
Preferred Stock				
Common Equity				**TRADE SECRET ENDS]**
Required Rate of Return			7.2200%	
Tax Rate (SD)			35.0000%	
SD Jurisdictional Factor			5.3502%	

Current Tax Calculation

Equity Return (Item H)	**[TRADE SECRET BEGINS**														**TRADE SECRET ENDS]**
Book Depreciation (Item J)		3,123,813	3,123,924	3,123,785	3,123,838	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	3,123,788	
Deferred Taxes (Item K)		(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	(152,541)	
Less Tax Depreciation (Item F)		(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	(2,495,849)	
Plus CPI-Tax Interest (If Applicable)		0	0	0	0	0	0	0	0	0	0	0	0	0	
Sum		2,301,698	2,289,510	2,276,889	2,264,601	2,252,135	2,239,754	2,227,374	2,214,994	2,202,614	2,190,234	2,177,853	2,165,473	##	
Tax Rate (T/(1-T)		53.85%	53.85%	53.85%	53.85%	53.85%	53.85%	53.85%	53.85%	53.85%	53.85%	53.85%	53.85%		
Tax Calc (Sum * Tax Rate)		1,239,376	1,232,813	1,226,017	1,219,400	1,212,688	1,206,022	1,199,355	1,192,689	1,186,023	1,179,357	1,172,690	1,166,024		

CAA = Capital Asset Accounting