

PUBLIC

**Xcel Energy
South Dakota Capital Structure
Carrying Charge Calculation**

**State of South Dakota Jurisdiction
2014 Rate Case-Docket EL-14-058
Base Assumptions**

<u>Capital Structure:</u>	<u>Percent</u>	<u>Cost</u>	<u>Weighted Cost</u>
Long-term Debt	[CONFIDENTIAL DATA BEGINS HERE]		
Short-term Debt			
Perferred Stock			
Common Equity			7.22%

[CONFIDENTIAL
DATA ENDS
HERE]

<u>Weighted Cost of Capital</u>		
Equity	[CONFIDENTIAL DATA BEGINS HERE]	
Debt		
Total		
Weighted Cost of Capital		7.22%

[CONFIDENTIAL
DATA ENDS
HERE]

Book Depreciation Rate	30 years	3.33%
Tax Depreciation Life - MACRS	20 years	
Composite SD Tax Rate =	35.0000%	
Composite Company Tax Rate =	40.8481%	
Property Tax Exempt =	0.000%	

<u>Use these values beginning June 1, 2015:</u>	
(b) Composite SD Tax Rate	35.0000%
(c) Carrying Charge Rate =	[CONFIDENTIAL DATA BEGINS HERE]

[CONFIDENTIAL DATA ENDS HERE]