Revenue Requirement Calculation - Model Logic

Amounts in dollars

	CAPX2020 Brookings	Dec 2017	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Total 2018 Sum of Jan through Dec 2018
A	Plant In-Service (CAA Input)	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	453,846,465	
B	Depreciation Reserve (CAA Input)	27,951,372	28,604,726	29,258,080	29,911,434	30,564,788	31,218,142	31,871,496	32,524,850	33,178,204	33,831,558	34,484,911	35,138,265	35,791,619	
C	Accumulated Deferred Taxes (CAA Input)	94,626,825	94,881,318	95,135,811	95,390,304	95,644,797	95,899,290	96,153,783	96,408,276	96,662,769	96,917,262	97,171,755	97,426,248	97,680,741	
D	(PIS - Reserve - ADIT)	331,268,268	330,360,421	329,452,574	328,544,727	327,636,880	326,729,033	325,821,186	324,913,339	324,005,492	323,097,645	322,189,798	321,281,951	320,374,104	
E	**Average Rate Base (Prior Mo + Cur Month)/2**		**330,814,344**	**329,906,497**	**328,998,650**	**328,090,803**	**327,182,957**	**326,275,110**	**325,367,263**	**324,459,416**	**323,551,569**	**322,643,722**	**321,735,875**	**320,828,028**	
F	Tax Depreciation Expense (CAA Input)		1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	1,274,522	
G	Debt Return (Ave RB * Wtd Cost of Debt)														
H	Equity Return (Ave RB * Wtd Cost of Equity)														
I	Current Income Tax Requirement (See Below)		535,865	533,852	531,840	529,827	527,815	525,803	523,790	521,778	519,765	517,753	515,741	513,728	
J	Book Depreciation (CAA Input)		653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	
K	Deferred Taxes (CAA Input)		254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	
L	Total Revenue Requirement (G+H+I+J+K)		3,395,516	3,388,147	3,380,779	3,373,410	3,366,041	3,358,673	3,351,304	3,343,935	3,336,567	3,329,198	3,321,829	3,314,461	
M	Jurisdiction Revenue Requirement (L * SD Jur * MISO Share)		16,532	16,496	16,460	16,424	16,388	16,352	16,317	16,281	16,245	16,209	16,173	16,137	
O	**Rider Revenue Requirement (M - O)**		**16,532**	**16,496**	**16,460**	**16,424**	**16,388**	**16,352**	**16,317**	**16,281**	**16,245**	**16,209**	**16,173**	**16,137**	**196,014**

Authorized Cost of Equity per EL14-058

Capital Structure	2018 Weighted Cost		
Long Term Debt			Allocation Factors
Short Term Debt		6.3147%	SD Jur Factor
Preferred Stock		84.0798%	IA Factor
Common Equity		5.3094%	SD Factor Below
Required Rate of Return	7.0800%	9.1700%	MISO Allocation

Tax Rate (SD)	35.0000%
MISO Responsibility Percentage	9.1700%
SD Jurisdictional Factor	5.30939%

Equity Return (Item H)													
Book Depreciation (Item J)	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	653,354	
Deferred Taxes (Item K)	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	254,493	
Less Tax Depreciation (Item F)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	(1,274,522)	
Plus CPI-Tax Interest (If Applicable)	0	0	0	0	0	0	0	0	0	0	0	0	
Sum													
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)													

Reconciliation to Attachment 4	
Line 1 of Annual Tracker Summary	196,014
Difference	-