

Revenue Requirement Calculation - Model Logic

Amounts in dollars

	Dec 2018	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total 2019 Sum of Jan through Dec 2019
CAPX2020 Brookings														
A Plant In-Service (CAA Input)	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	452,830,057	
B Depreciation Reserve (CAA Input)	35,792,347	36,445,768	37,099,189	37,752,610	38,406,031	39,059,453	39,712,874	40,366,295	41,019,716	41,673,137	42,326,558	42,979,979	43,633,400	
C Accumulated Deferred Taxes (CAA Input)	96,724,679	96,864,434	97,004,189	97,143,944	97,283,698	97,423,453	97,563,208	97,702,963	97,842,718	97,982,473	98,122,228	98,261,983	98,401,738	
D (PIS - Reserve - ADIT)	320,313,031	319,519,855	318,726,679	317,933,503	317,140,328	316,347,151	315,553,975	314,760,799	313,967,623	313,174,447	312,381,271	311,588,095	310,794,919	
E Average Rate Base (Prior Mo + Cur Month)/2		319,916,443	319,123,267	318,330,091	317,536,916	316,743,740	315,950,563	315,157,387	314,364,211	313,571,035	312,777,859	311,984,683	311,191,507	
F Tax Depreciation Expense (CAA Input)		1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	1,148,042	
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)		251,502	250,645	249,787	248,930	248,073	247,215	246,358	245,500	244,643	243,785	242,928	242,070	
J Book Depreciation (CAA Input)		653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	
K Deferred Taxes (CAA Input)		139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	
L Total Revenue Requirement (G+H+I+J+K)		2,910,858	2,905,373	2,899,889	2,894,405	2,888,920	2,883,436	2,877,952	2,872,467	2,866,983	2,861,499	2,856,015	2,850,530	
M Jurisdiction Revenue Requirement (L * SD Jur * MISO Share)		14,802	14,774	14,746	14,718	14,690	14,663	14,635	14,607	14,579	14,551	14,523	14,495	
O Rider Revenue Requirement (M - O)		14,802	14,774	14,746	14,718	14,690	14,663	14,635	14,607	14,579	14,551	14,523	14,495	175,783

Authorized Cost of Equity per EL14-058

Capital Structure

2019
Weighted
Cost

Long Term Debt														
Short Term Debt														
Preferred Stock														
Common Equity														
Required Rate of Return		7.0000%	9.1700%											

Tax Rate (SD)	21.0000%													
MISO Responsibility Percentage	9.1700%													
SD Jurisdictional Factor	5.54535%													

Equity Return (Item H)														
Book Depreciation (Item J)	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	653,421	
Deferred Taxes (Item K)	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	139,755	
Less Tax Depreciation (Item F)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	(1,148,042)	
Plus CPI-Tax Interest (If Applicable)	0	0	0	0	0	0	0	0	0	0	0	0	0	
Sum														
Tax Rate (T)/(1-T)	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	26.58%	
Tax Calc (Sum * Tax Rate)														

Reconciliation to Attachment 4
 Line 1 of Annual Tracker Summary
 Difference

175,783
 (0)