

Authorized Cap Structure per EL14-058

| Capital Structure                         | [TRADE SECRET BEGINS                       |       | Weighted              |          |
|---|--|-------|-----------------------|----------|
|   | Rate                                       | Ratio | Cost                  |          |
| Long Term Debt                            |  |       |                       |          |
| Short Term Debt                           |  |       |                       |          |
| Preferred Stock                           |  |       |                       |          |
| Common Equity                             |  |       |                       |          |
| Required Rate of Return                   |  |       |                       | 7.2200%  |
| Tax Rate (SD)                             | 21.0000%                                   |       |                       |          |
| Tax Gross-up                              |  |       |                       | 1.3300%  |
| Cost of Capital Including Taxes (annual)  |  |       |                       | 8.5500%  |
| Cost of Capital Including Taxes (monthly) |  |       |                       | 0.6860%  |
| Actual 2013 WN                            |  |       | Actual 2013 WN        |          |
| Demand Prod SD Jur %                      | 6.1080%                                    |       | Energy Prod SD Jur %  | 5.8614%  |
| Demand MN Co %                            | 84.8812%                                   |       | Demand MN Co %        | 84.8812% |
| South Dakota Post I/A                     | 5.1845%                                    |       | South Dakota Post I/A | 4.9752%  |
| Actual 2014                               | Based on 2014 Actual Master Allocator File |       | Actual 2014           |          |
| Demand Prod SD Jur %                      | 6.1588%                                    |       | Energy Prod SD Jur %  | 5.9259%  |
| Demand MN Co %                            | 84.7923%                                   |       | Demand MN Co %        | 84.7923% |
| South Dakota Post I/A                     | 5.2222%                                    |       | South Dakota Post I/A | 5.0247%  |
| Actual 2015                               | Based on 2015 Act Allocator Master List    |       | Actual 2015           |          |
| Demand Prod SD Jur %                      | 6.3495%                                    |       | Energy Prod SD Jur %  | 6.0245%  |
| Demand MN Co %                            | 84.5789%                                   |       | Demand MN Co %        | 84.5789% |
| South Dakota Post I/A                     | 5.3703%                                    |       | South Dakota Post I/A | 5.0955%  |
| Actual 2016                               | Based on 2016 Act Allocator Master List    |       | Actual 2016           |          |
| Demand Prod SD Jur %                      | 6.0868%                                    |       | Energy Prod SD Jur %  | 6.1736%  |
| Demand MN Co %                            | 84.1349%                                   |       | Demand MN Co %        | 84.1349% |
| South Dakota Post I/A                     | 5.1211%                                    |       | South Dakota Post I/A | 5.1942%  |
| Actual 2017                               | Based on 2017 Act Allocator Master List    |       | Actual 2017           |          |
| Demand Prod SD Jur %                      | 6.6108%                                    |       | Energy Prod SD Jur %  | 6.2718%  |
| Demand MN Co %                            | 84.2464%                                   |       | Demand MN Co %        | 84.2464% |
| South Dakota Post I/A                     | 5.5694%                                    |       | South Dakota Post I/A | 5.2838%  |
| FY 2018                                   | Based on 2019 Bud Allocators Master List   |       | FY 2018               |          |
| Demand Prod SD Jur %                      | 6.3147%                                    |       | Energy Prod SD Jur %  | 6.2377%  |
| Demand MN Co %                            | 84.0798%                                   |       | Demand MN Co %        | 84.0798% |
| South Dakota Post I/A                     | 5.3094%                                    |       | South Dakota Post I/A | 5.2446%  |
| FY 2019                                   | Based on 2019 Bud Allocators Master List   |       | FY 2019               |          |
| Demand Prod SD Jur %                      | 6.6117%                                    |       | Energy Prod SD Jur %  | 6.3774%  |
| Demand MN Co %                            | 83.8717%                                   |       | Demand MN Co %        | 83.8717% |
| South Dakota Post I/A                     | 5.5453%                                    |       | South Dakota Post I/A | 5.3488%  |

| 2017 Allocation Factors   |          |            |                               |           |           |                      |
|---------------------------|----------|------------|-------------------------------|-----------|-----------|----------------------|
| Utility                   |          | ELECTRIC   | GAS                           |           |           |                      |
| 3 Factor                  |          | 92.4276%   | 7.5724%                       | 100.0000% |           | Updated with Actuals |
| Software                  | Common   | 91.4900%   | 8.5100%                       | 100.0000% |           | Updated with Actuals |
| Function                  |          | Production | Elec Trans                    | ElecDist  |           |                      |
| 2 Factor                  |          | 60.1200%   | 13.4400%                      | 26.4400%  | 100.0000% | Updated with Actuals |
| 3 Factor                  |          | 55.2300%   | 21.1900%                      | 23.5800%  | 100.0000% | Updated with Actuals |
| Software                  | Common   | 59.9220%   | 11.0481%                      | 29.0299%  | 100.0000% | Updated with Actuals |
| Software                  | Electric | 57.8205%   | 20.3376%                      | 21.8419%  | 100.0000% | Updated with Actuals |
| EMS                       | Electric | 3.2923%    | 59.3965%                      | 37.3112%  | 100.0000% | Updated with Actuals |
| Jurisdiction              | SD       | 6.6108%    | 6.6108%                       | 6.3374%   |           | Updated with Actuals |
|                           |          | 6.6108%    | 6.6108%                       | 6.3374%   |           | Updated with Actuals |
|                           |          | 6.6108%    | 6.6108%                       | 6.3374%   |           | Updated with Actuals |
|                           |          | 6.6108%    | 6.6108%                       | 6.3374%   |           | Updated with Actuals |
| Common Composite          |          | 6.0434%    | NSPM ECommonComposite         |           |           |                      |
| Common Software Composite |          | 5.9756%    | NSPM ECommonSoftwareComposite |           |           |                      |
| Electric EMS              |          | 6.5088%    | NSPM ECommonEMS               |           |           |                      |
| Software Composite        |          | 6.5511%    | NSPM ESoftwareComposite       |           |           |                      |

| 2018 Allocation Factors   |          |            |                               |           |           |  |
|---------------------------|----------|------------|-------------------------------|-----------|-----------|--|
| Utility                   |          | ELECTRIC   | GAS                           |           |           |  |
| 3 Factor                  |          | 91.9548%   | 8.0452%                       | 100.0000% |           |  |
| Software                  | Common   | 91.1100%   | 8.8900%                       | 100.0000% |           |  |
| Function                  |          | Production | Elec Trans                    | ElecDist  |           |  |
| 2 Factor                  |          | 60.3200%   | 13.6500%                      | 26.0300%  | 100.0000% |  |
| 3 Factor                  |          | 55.2300%   | 21.1900%                      | 23.5800%  | 100.0000% |  |
| Software                  | Common   | 41.0083%   | 8.8615%                       | 50.1302%  | 100.0000% |  |
| Software                  | Electric | 22.3992%   | 71.1978%                      | 6.4030%   | 100.0000% |  |
| EMS                       | Electric | 3.2923%    | 59.3965%                      | 37.3112%  | 100.0000% |  |
| Jurisdiction              | SD       | 6.3147%    | 6.3147%                       | 6.3663%   |           |  |
|                           |          | 6.3147%    | 6.3147%                       | 6.3663%   |           |  |
|                           |          | 6.3147%    | 6.3147%                       | 6.3663%   |           |  |
|                           |          | 6.3147%    | 6.3147%                       | 6.3663%   |           |  |
| Common Composite          |          | 5.8190%    | NSPM ECommonComposite         |           |           |  |
| Common Software Composite |          | 5.7769%    | NSPM ECommonSoftwareComposite |           |           |  |
| Electric EMS              |          | 6.3340%    | NSPM ECommonEMS               |           |           |  |
| Software Composite        |          | 6.3180%    | NSPM ESoftwareComposite       |           |           |  |

| 2019 Allocation Factors   |          |            |                               |           |           |  |
|---------------------------|----------|------------|-------------------------------|-----------|-----------|--|
| Utility                   |          | ELECTRIC   | GAS                           |           |           |  |
| 3 Factor                  |          | 91.9548%   | 8.0452%                       | 100.0000% |           |  |
| Software                  | Common   | 91.1100%   | 8.8900%                       | 100.0000% |           |  |
| Function                  |          | Production | Elec Trans                    | ElecDist  |           |  |
| 2 Factor                  |          | 60.3200%   | 13.6500%                      | 26.0300%  | 100.0000% |  |
| 3 Factor                  |          | 53.2700%   | 22.0900%                      | 24.6400%  | 100.0000% |  |
| Software                  | Common   | 60.0857%   | 11.2073%                      | 28.7070%  | 100.0000% |  |
| Software                  | Electric | 57.9528%   | 20.4765%                      | 21.5707%  | 100.0000% |  |
| EMS                       | Electric | 3.2923%    | 59.3965%                      | 37.3112%  | 100.0000% |  |
| Jurisdiction              | SD       | 6.6117%    | 6.6117%                       | 6.4138%   |           |  |
|                           |          | 6.6117%    | 6.6117%                       | 6.4138%   |           |  |
|                           |          | 6.6117%    | 6.6117%                       | 6.4138%   |           |  |
|                           |          | 6.6117%    | 6.6117%                       | 6.4138%   |           |  |
| Common Composite          |          | 6.0324%    | NSPM ECommonComposite         |           |           |  |
| Common Software Composite |          | 5.9722%    | NSPM ECommonSoftwareComposite |           |           |  |
| Electric EMS              |          | 6.5379%    | NSPM ECommonEMS               |           |           |  |
| Software Composite        |          | 6.5690%    | NSPM ESoftwareComposite       |           |           |  |