

Revenue Requirement Calculation - Model Logic

Amounts in dollars

	Dec 2019	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Total 2020 Sum of Jan through Dec 2020
CAPX2020 Brookings														
A Plant In-Service (CAA Input)	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885	461,408,885
B Depreciation Reserve (CAA Input)	43,640,106	44,294,090	44,948,074	45,602,058	46,256,042	46,910,026	47,564,010	48,217,994	48,871,978	49,525,962	50,179,945	50,833,929	51,487,913	51,487,913
C Accumulated Deferred Taxes (CAA Input)	98,403,924	98,522,263	98,640,602	98,758,941	98,877,280	98,995,620	99,113,959	99,232,298	99,350,637	99,468,976	99,587,315	99,705,655	99,823,994	99,823,994
D (PIS - Reserve - ADIT)	319,364,855	318,592,532	317,820,209	317,047,885	316,275,562	315,503,239	314,730,916	313,958,593	313,186,270	312,413,947	311,641,624	310,869,301	310,096,978	310,096,978
E Average Rate Base (Prior Mo + Cur Month)/2		318,978,693	318,206,370	317,434,047	316,661,724	315,889,401	315,117,078	314,344,755	313,572,432	312,800,108	312,027,785	311,255,462	310,483,139	
F Tax Depreciation Expense (CAA Input)		1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	1,071,985	
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)		259,510	258,689	257,868	257,047	256,225	255,404	254,583	253,762	252,941	252,119	251,298	250,477	
J Book Depreciation (CAA Input)		653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984
K Deferred Taxes (CAA Input)		118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339
L Total Revenue Requirement (G+H+I+J+K)		2,860,645	2,855,395	2,850,146	2,844,897	2,839,648	2,834,399	2,829,149	2,823,900	2,818,651	2,813,402	2,808,153	2,802,903	
M Jurisdiction Revenue Requirement (L * SD Jur * MISO Share)		14,992	14,964	14,937	14,909	14,882	14,854	14,827	14,799	14,772	14,744	14,717	14,689	
O Rider Revenue Requirement (M - O)		14,992	14,964	14,937	14,909	14,882	14,854	14,827	14,799	14,772	14,744	14,717	14,689	178,087

Authorized Cost of Equity per EL14-058

Capital Structure	2020 Weighted Cost	Allocation Factors
Long Term Debt		SD Jur Factor
Short Term Debt		6.8090%
Preferred Stock		83.9342%
Common Equity		5.7151%
Required Rate of Return	6.8800%	9.1700%
		MISO Allocation

Tax Rate (SD)	21.0000%
MISO Responsibility Percentage	9.1700%
SD Jurisdictional Factor	5.7151%

Equity Return (Item H)														
Book Depreciation (Item J)	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984	653,984
Deferred Taxes (Item K)	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339	118,339
Less Tax Depreciation (Item F)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)	(1,071,985)
Plus CPI-Tax Interest (If Applicable)	0	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%	26.58%
Tax Calc (Sum * Tax Rate)														

Reconciliation to Attachment 4  
 Line 1 of Annual Tracker Summary  
 Difference

178,087  
 0