

Xcel Energy
South Dakota Capital Structure
Carrying Charge Calculation

State of South Dakota Jurisdiction
2014 Rate Case-Docket EL-14-058 (Order issued 7/22/15)
Base Assumptions

Capital Structure:

Long-term Debt
Short-term Debt
Preferred Stock
Common Equity

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<u>Percent</u>	<u>Cost</u>	<u>Weighted Cost</u>

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7.22%

Weighted Cost of Capital

Equity
Debt
Total

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Weighted Cost of Capital

7.22%

Book Depreciation Rate	30 years	3.33%
Tax Depreciation Life - MACRS	20 years	
Composite SD Tax Rate =	21.0000%	
Composite Company Tax Rate =	28.1100%	
Property Tax Exempt =	0	

Use these values beginning January 1, 2018:

(b) Composite SD Tax Rate 21%

(c) Carrying Charge Rate =

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Northern States Power Company
State of South Dakota- Electric Utility
DSM Cost Recovery & Incentive Mechanism - Total
2020 Actual

2020	January	February	March	April	May	June	July	August	September	October	November	December	Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
<u>EXPENSES</u>													
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1. Beg. Balance													
2. DSM Program Expenditures													
3. Accrued Incentive													
4. Total Expenditures + Incentive (Line 2 + 3)													
<u>RECOVERY</u>													
5. Calendar Month Sales Volume (MWh)													
6. DSM Adjustment Factor (\$/MWh)													
7. Cost and Incentive Recovery													
8. Sub-Balance (Over)/Under Recovery (Sum Lines 1 - 3, minus Line 7)													
9. Accumulated Deferred Income Tax (Line 8 x 21%)													
10. Net Investment (Line 8 - 9)													
11. Carrying Charge Rate													
12. Carrying Charge (Line 10 x Line 11)													
13. End of Month Balance (over)/under recovered (Line 8 + 12)													

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