

**Northern States Power Co
Year End Adjustment Detail
South Dakota Electric**

The purpose of the Year End Adjustment is to align Year End Rate Base with Year End Revenue.

**Northern States Power Company
 South Dakota Year End Revenue Adjustment**

	SUM	WIN	ANN
Total Revenue - Present			
AllRes	292	552	843
RES	161	252	413
RSH	130	300	430
SCI	500	738	1,238
LCI	250	371	621
LTG	-1	-2	-3
OPA	0	0	0
Retail	1,041	1,659	2,700

	SUM	WIN	ANN
Fuel - Present			
AllRes	-34	-26	-61
RES	-50	-64	-114
RSH	16	37	53
SCI	1	1	2
LCI	25	36	61
LTG	-1	-2	-3
OPA	0	0	0
Retail	-8	8	0

	SUM	WIN	ANN
Base Revenue - Present			
AllRes	272	466	738
RES	176	257	433
RSH	96	209	305
SCI	398	567	966
LCI	161	230	391
LTG	0	0	0
OPA	0	0	0
Retail	832	1,263	2,095

	SUM	WIN	ANN
Riders - Present			
AllRes	54	112	166
RES	35	58	94
RSH	19	54	72
SCI	100	170	270
LCI	63	106	169
LTG	0	0	0
OPA	0	0	0
Retail	217	388	605

	SUM	WIN	ANN
GWH Sales - Rev Month Act			
AllRes	327,089	476,376	803,465
RES	300,662	414,721	715,383
RSH	26,427	61,655	88,082
SCI	370,228	600,267	970,496
LCI	150,249	253,891	404,141
LTG	2,939	8,269	11,208
OPA	0	0	0
Retail	850,506	1,338,804	2,189,309

	SUM	WIN	ANN
GWH Sales - WN Calendar - Target			
AllRes	285,408	488,066	773,474
RES	262,154	422,600	684,755
RSH	23,254	65,466	88,720
SCI	352,907	600,058	952,966
LCI	152,853	252,302	405,155
LTG	2,901	8,403	11,305
OPA	0	0	0
Retail	794,070	1,348,830	2,142,900

**Northern States Power Company
South Dakota Year End Revenue Adjustment**

Line No.	MEP - Record Type Validation	Total	NSPM SD Electric
		HTY - 2021	HTY- 2021
1	<u>Composite Income Tax Rate</u>		
2	State Tax Rate		
3	Federal Statutory Tax Rate	21.00%	21.00%
4	<u>Federal Effective Tax Rate</u>	<u>21.00%</u>	<u>21.00%</u>
5	Composite Tax Rate	21.00%	21.00%
6	Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823	1.265823
7			
8	<u>Weighted Cost of Capital</u>		
9	Active Rates and Ratios Version	Proposed	Proposed
10	Cost of Short Term Debt		
11	Cost of Long Term Debt	4.15%	4.15%
12	Cost of Common Equity	10.75%	10.75%
13	Ratio of Short Term Debt		
14	Ratio of Long Term Debt	46.99%	46.99%
15	Ratio of Common Equity	53.01%	53.01%
16	Weighted Cost of STD		
17	Weighted Cost of LTD	1.95%	1.95%
18	Weighted Cost of Debt	1.95%	1.95%
19	<u>Weighted Cost of Equity</u>	<u>5.70%</u>	<u>5.70%</u>
20	Required Rate of Return	7.65%	7.65%
21			
22	<u>Rate Base</u>		
23	Plant Investment		
24	<u>Depreciation Reserve</u>	-	-
25	Net Utility Plant		
26	CWIP		
27			
28	Accumulated Deferred Taxes		
29	DTA - NOL Average Balance		
30	DTA - Federal Tax Credit Average Balance	-	-
31	Total Accum Deferred Taxes		
32			
33	Cash Working Capital		
34	Materials and Supplies		
35	Fuel Inventory		
36	Non-plant Assets and Liabilities		
37	Customer Advances		
38	Customer Deposits		
39	Prepays and Other		
40	<u>Regulatory Amortizations</u>	-	-
41	Total Other Rate Base Items		
42			
43	Total Rate Base		
44			
45	<u>Operating Revenues</u>		
46	Retail	2,699,634	2,699,634

**Northern States Power Company
South Dakota Year End Revenue Adjustment**

Line No.	MEP - Record Type Validation	Total	NSPM SD Electric
		HTY - 2021	HTY- 2021
47	Interdepartmental		
48	<u>Other Operating Rev - Non-Retail</u>	-	-
49	Total Operating Revenues	2,699,634	2,699,634
50			
51	<u>Expenses</u>		
52	Operating Expenses:		
53	Fuel		
54	Deferred Fuel		
55	Variable IA Production Fuel		
56	<u>Purchased Energy - Windsourc</u>	<u>0</u>	<u>0</u>
57	Fuel & Purchased Energy Total		
58	Production - Fixed		
59	Production - Fixed IA Investment		
60	Production - Fixed IA O&M		
61	Production - Variable		
62	Production - Variable IA O&M		
63	<u>Production - Purchased Demand</u>	<u>0</u>	<u>0</u>
64	Production Total		
65	Regional Markets		
66	Transmission IA		
67	Transmission		
68	Distribution		
69	Customer Accounting		
70	Customer Service & Information		
71	Sales, Econ Dvlp & Other		
72	<u>Administrative & General</u>	<u>0</u>	<u>0</u>
73	Total Operating Expenses		
74			
75	Depreciation		
76	Amortization		
77			
78	<u>Taxes:</u>		
79	Property Taxes		
80	ITC Amortization		
81	Deferred Taxes		
82	Deferred Taxes - NOL		
83	Less State Tax Credits deferred		
84	Less Federal Tax Credits deferred		
85	Deferred Income Tax & ITC		
86	Payroll & Other Taxes		
87	Total Taxes Other Than Income		
88			
89	<u>Income Before Taxes</u>		
90	Total Operating Revenues	2,699,634	2,699,634
91	less: Total Operating Expenses		
92	Book Depreciation		

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Line No.	MEP - Record Type Validation	Total	
		HTY - 2021	NSPM SD Electric HTY- 2021
93	Amortization		
94	<u>Taxes Other than Income</u>	-	-
95	Total Before Tax Book Income	2,699,634	2,699,634
96			
97	<u>Tax Additions</u>		
98	Book Depreciation		
99	Deferred Income Taxes and ITC		
100	Nuclear Fuel Burn (ex. D&D)		
101	Nuclear Outage Accounting		
102	Avoided Tax Interest		
103	<u>Other Book Additions</u>	-	-
104	Total Tax Additions		
105			
106	<u>Tax Deductions</u>		
107	Total Rate Base		
108	Weighted Cost of Debt	<u>1.95%</u>	<u>1.95%</u>
109	Debt Interest Expense		
110	Nuclear Outage Accounting		
111	Tax Depreciation and Removals		
112	NOL Utilized / (Generated)		
113	<u>Other Tax / Book Timing Differences</u>	<u>0</u>	<u>0</u>
114	Total Tax Deductions		
115			
116	<u>State Taxes</u>		
117	State Taxable Income	2,699,634	2,699,634
118	State Income Tax Rate	-	-
119	State Taxes before Credits	-	-
120	<u>Less State Tax Credits applied</u>	-	-
121	Total State Income Taxes		
122			
123	<u>Federal Taxes</u>		
124	Federal Sec 199 Production Deduction		
125	Federal Taxable Income	2,699,634	2,699,634
126	Federal Income Tax Rate	<u>21.00%</u>	<u>21.00%</u>
127	Federal Tax before Credits	566,923	566,923
128	<u>Less Federal Tax Credits</u>	-	-
129	Total Federal Income Taxes	566,923	566,923
130			
131	Total Taxes		
132	Total Taxes Other than Income		
133	Total Federal and State Income Taxes	566,923	566,923
134	Total Taxes	566,923	566,923
135			
136	Total Operating Revenues	2,699,634	2,699,634
137	Total Expenses	566,923	566,923
138			

**Northern States Power Company
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Line No.	MEP - Record Type Validation	Total	
		HTY - 2021	NSPM SD Electric HTY- 2021
139	AFDC Debt		
140	AFDC Equity		
141			
142	Net Income	2,132,711	2,132,711
143			
144	<u>Rate of Return (ROR)</u>		
145	Total Operating Income	2,132,711	2,132,711
146	<u>Total Rate Base</u>	-	-
147	ROR (Operating Income / Rate Base)		
148			
149	<u>Return on Equity (ROE)</u>		
150	Net Operating Income	2,132,711	2,132,711
151	Debt Interest (Rate Base * Weighted Cost of Debt)		
152	Earnings Available for Common	2,132,711	2,132,711
153	<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	-	-
154	ROE (earnings for Common / Equity)		
155			
156	<u>Revenue Deficiency</u>		
157	Required Operating Income (Rate Base * Required Return)		
158	<u>Net Operating Income</u>	2,132,711	2,132,711
159	Operating Income Deficiency	(2,132,711)	(2,132,711)
160			
161	Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823	1.265823
162	Revenue Deficiency (Income Deficiency * Conversion Factor)	(2,699,634)	(2,699,634)
163			
164	<u>Total Revenue Requirements</u>		
165	Total Retail Revenues	2,699,634	2,699,634
166	<u>Revenue Deficiency</u>	<u>(2,699,634)</u>	<u>(2,699,634)</u>
167	Total Revenue Requirements		
168			