

Northern States Power Company
South Dakota Electric Jurisdiction
2021 Actual HTY

COVID Cost Deferral Amortization

FERC Account	Amount	Description
407	1,733,635	Deferral balance as of 3/31/2022
Amortization Years	3	
Amortization Months	36	
Annual Amortization	577,878	
Monthly Amortization	48,157	

COVID-19 Related Bad Debt Expense as of March 31, 2022

	Actual Expense	Baseline Amount	Regulatory Asset / (Liability)	Short Description and Methodology Used
Uncollectible Accounts Expenses (Mar 13-Dec 31, 2020)	\$1,216,541	\$475,136	\$741,405	Actual bad debt expense compared with 2013 Test Year in Docket No. EL14-058. Annual authorized (baseline) bad debt expense of \$584,836 prorated by month based on annual budgeted revenues.
Uncollectible Accounts Expenses (Jan 1-Dec 31, 2021)	\$1,341,931	\$584,836	\$757,095	
Uncollectible Accounts Expenses (Jan 1-Mar 31, 2022)	\$372,064	\$136,929	\$235,135	
Total Incremental Bad Debt Expense			\$1,733,635	

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Line No.		NSPM SD Electric Retail	
		2021 HTY	
1	Expenses		
2	Operating Expenses:		
3	Fuel & Purchased Energy Total		
4	Production Total		
5	Regional Markets		
6	Transmission IA		
7	Transmission		
8	Distribution		
9	Customer Accounting		
10	Customer Service & Information		
11	Sales, Econ Dvlp & Other		
12	<u>Administrative & General</u>		0
13	Total Operating Expenses		
14			
15	Depreciation		
16	Amortization	577,878	
17			
18	Total Taxes		
19	Total Taxes Other than Income		
20	Total Federal and State Income Taxes	(121,354)	
21	Total Taxes	(121,354)	
22			
23	Total Operating Revenues		
24	Total Expenses	456,524	
25			
26	Net Income	(456,524)	
27			
28	Rate of Return (ROR)		
29	Total Operating Income	(456,524)	
30	<u>Total Rate Base</u>		-
31	ROR (Operating Income / Rate Base)		
32			
33	Return on Equity (ROE)		
34	Net Operating Income	(456,524)	
35	Debt Interest (Rate Base * Weighted Cost of Debt)		
36	Earnings Available for Common	(456,524)	
37	<u>Equity Rate Base (Rate Base * Equity Ratio)</u>		-
38	ROE (earnings for Common / Equity)		
39			
40	Revenue Deficiency		
41	Required Operating Income (Rate Base * Required Return)		
42	<u>Net Operating Income</u>	(456,524)	
43	Operating Income Deficiency	456,524	
44			
45	Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823	
46	Revenue Deficiency (Income Deficiency * Conversion Factor)	577,878	