

Northern States Power Company
 South Dakota Electric Jurisdiction

Known and Measurable Property Tax

NSPM - 00 Complete Revenue Requirements by Jurisdiction, Yr 1 - DRAFT	Dec - 2021		
	Total	SD Electric	Other

Composite Income Tax Rate

State Tax Rate			
Federal Statutory Tax Rate	21.00%	21.00%	21.00%
<u>Federal Effective Tax Rate</u>	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
Composite Tax Rate	21.00%	21.00%	21.00%
Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823	1.265823	1.265823

Weighted Cost of Capital

Active Rates and Ratios Version	Proposed	Proposed	Proposed
Cost of Short Term Debt			
Cost of Long Term Debt	4.15%	4.15%	4.15%
Cost of Common Equity	10.75%	10.75%	10.75%
Ratio of Short Term Debt			
Ratio of Long Term Debt	46.99%	46.99%	46.99%
Ratio of Common Equity	53.01%	53.01%	53.01%
Weighted Cost of STD			
Weighted Cost of LTD	1.95%	1.95%	1.95%
Weighted Cost of Debt	1.95%	1.95%	1.95%
<u>Weighted Cost of Equity</u>	<u>5.70%</u>	<u>5.70%</u>	<u>5.70%</u>
Required Rate of Return	7.65%	7.65%	7.65%

Rate Base

Plant Investment			
<u>Depreciation Reserve</u>	-	-	-
Net Utility Plant			
CWIP			
Accumulated Deferred Taxes			
DTA - NOL Average Balance			
DTA - Federal Tax Credit Average Balance	=	=	=
Total Accum Deferred Taxes			
Cash Working Capital			
Materials and Supplies			
Fuel Inventory			
Non-plant Assets and Liabilities			
Customer Advances			
Customer Deposits			

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Prepays and Other			
<u>Regulatory Amortizations</u>	-	-	-
Total Other Rate Base Items			

Total Rate Base

Operating Revenues

Retail			
Interdepartmental			
<u>Other Operating Rev - Non-Retail</u>	-	-	-

Total Operating Revenues

Expenses

Operating Expenses:

Fuel			
Deferred Fuel			
Variable IA Production Fuel			
<u>Purchased Energy - Windsource</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fuel & Purchased Energy Total			
Production - Fixed			
Production - Fixed IA Investment			
Production - Fixed IA O&M			
Production - Variable			
Production - Variable IA O&M			
<u>Production - Purchased Demand</u>	<u>0</u>	<u>0</u>	<u>0</u>
Production Total			
Regional Markets			
Transmission IA			
Transmission			
Distribution			
Customer Accounting			
Customer Service & Information			
Sales, Econ Dvlp & Other			
<u>Administrative & General</u>	<u>0</u>	<u>0</u>	<u>0</u>

Total Operating Expenses

Depreciation
 Amortization

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Taxes:

Property Taxes	28,771,460	1,553,181	27,218,279
ITC Amortization			
Deferred Taxes			
Deferred Taxes - NOL			
Less State Tax Credits deferred			
Less Federal Tax Credits deferred			
Deferred Income Tax & ITC			
Payroll & Other Taxes			
Total Taxes Other Than Income	28,771,460	1,553,181	27,218,279

Income Before Taxes

Total Operating Revenues			
less: Total Operating Expenses			
Book Depreciation			
Amortization			
<u>Taxes Other than Income</u>	<u>28,771,460</u>	<u>1,553,181</u>	<u>27,218,279</u>
Total Before Tax Book Income	(28,771,460)	(1,553,181)	(27,218,279)

Tax Additions

Book Depreciation			
Deferred Income Taxes and ITC			
Nuclear Fuel Burn (ex. D&D)			
Nuclear Outage Accounting			
Avoided Tax Interest			
<u>Other Book Additions</u>	-	-	-
Total Tax Additions			

Tax Deductions

Total Rate Base			
Weighted Cost of Debt	<u>1.95%</u>	<u>1.95%</u>	<u>1.95%</u>
Debt Interest Expense			
Nuclear Outage Accounting			
Tax Depreciation and Removals			
NOL Utilized / (Generated)			
<u>Other Tax / Book Timing Differences</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Tax Deductions			

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	Total	SD Electric	Other

State Taxes

State Taxable Income	(28,771,460)	(1,553,181)	(27,218,279)
State Income Tax Rate	-	-	-
State Taxes before Credits	-	-	-
<u>Less State Tax Credits applied</u>	-	-	-

Total State Income Taxes

Federal Taxes

Federal Sec 199 Production Deduction			
Federal Taxable Income	(28,771,460)	(1,553,181)	(27,218,279)
Federal Income Tax Rate	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
Federal Tax before Credits	(6,042,007)	(326,168)	(5,715,839)
<u>Less Federal Tax Credits</u>	-	-	-
Total Federal Income Taxes	(6,042,007)	(326,168)	(5,715,839)

Total Taxes

Total Taxes Other than Income	28,771,460	1,553,181	27,218,279
Total Federal and State Income Taxes	(6,042,007)	(326,168)	(5,715,839)
Total Taxes	22,729,454	1,227,013	21,502,441

Total Operating Revenues

Total Expenses	22,729,454	1,227,013	21,502,441
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AFDC Debt

AFDC Equity

Net Income	(22,729,454)	(1,227,013)	(21,502,441)
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Rate of Return (ROR)

Total Operating Income	(22,729,454)	(1,227,013)	(21,502,441)
<u>Total Rate Base</u>	-	-	-
ROR (Operating Income / Rate Base)			

Return on Equity (ROE)

Net Operating Income	(22,729,454)	(1,227,013)	(21,502,441)
Debt Interest (Rate Base * Weighted Cost of Debt)			
Earnings Available for Common	(22,729,454)	(1,227,013)	(21,502,441)

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Equity Rate Base (Rate Base * Equity Ratio) - - -

ROE (earnings for Common / Equity)

Revenue Deficiency

Required Operating Income (Rate Base * Required Return)

Net Operating Income (22,729,454) (1,227,013) (21,502,441)

Operating Income Deficiency 22,729,454 1,227,013 21,502,441

Revenue Conversion Factor (1/(1--Composite Tax Rate)) 1.265823 1.265823 1.265823

Revenue Deficiency (Income Deficiency * Conversion Factor) **28,771,460 1,553,181 27,218,279**

Total Revenue Requirements

Total Retail Revenues

Revenue Deficiency 28,771,460 1,553,181 27,218,279

Total Revenue Requirements 28,771,460 1,553,181 27,218,279

Northern States Power Company
 Electric Utility - State of South Dakota

2023 over 2021 Forecast Property Taxes

	-----2023 over 2021 Property Taxes Total----->				-----NSPM Jurisdiction Total----->					SD St * IA Alloc
	2023/2021 Total Minn 1	2023/2021 Total No Dak 2	2023/2021 Total So Dak 3	2023/2021 Total NSPM 4	2023/2021 Total Minn 5	2023/2021 Total No Dak 6	2023/2021 Total So Dak 7	2023/2021 Total Wholesale 8	2023/2021 Total NSPM 9	2023/2021 Total SD St Net of IA 10
Electric										
1 Production	12,510,576	(108,479)	987,693	13,389,790	11,644,190	841,709	903,891	0	13,389,790	756,363
2 Transmission	7,624,412	151,449	195,720	7,971,581	6,932,342	501,109	538,130	0	7,971,581	450,299
3 Distribution	10,196,720	353,326	346,518	10,896,564	10,196,720	353,326	346,518	0	10,896,564	346,518
4 Common	0	0	0	0	0	0	0	0	0	0
5 Total Electric	30,331,708	396,296	1,529,931	32,257,935	28,773,251	1,696,145	1,788,539	0	32,257,935	1,553,181
Gas										
6 Production	569,299	0	0	569,299	496,297	73,002	0	0	569,299	
7 Transmission	(75,818)	673	0	(75,145)	(75,818)	673	0	0	(75,145)	
8 Distribution	(273,697)	342,541	0	68,844	(273,697)	342,541	0	0	68,844	
9 Common	0	0	0	0	0	0	0	0	0	
10 Total Gas	219,784	343,214	0	562,998	146,782	416,216	0	0	562,998	
11 Total Operating	30,551,492	739,509	1,529,931	32,820,933	28,920,033	2,112,361	1,788,539	0	32,820,933	
Common										
Non-Utility	1,726	0	0	1,726					Total Property Tax	32,822,659
Gen Off #7045	0	0	0	0					Less Non-Utility	1,726
Bal of Comm	0	0	0	0					Total Operating	<u>32,820,933</u>
	1,726	0	0	1,726						
Common w/o NU	0	0	0	0						

Allocators:

		-----NSPM Jurisdiction Allocators----->				
		Minn	No Dak	So Dak	Wholesale	TOTAL
<u>NSPM Company Allocators</u>						
Electric	Productio E12CP	86.9632%	6.2862%	6.7506%	0.0000%	100.0000%
	Transmiss E12CPT	86.9632%	6.2862%	6.7506%	0.0000%	100.0000%
		Minn	No Dak			TOTAL
Gas	Productio GDDAY	87.1768%	12.8232%			100.0000%
<u>Interchange Agreement Demand Allocators</u>						
		NSPM CO	NSPW CO			TOTAL
Electric	Productio 36 month CP	83.6786%	16.3214%			100.0000%
	Transmiss 36 month CP	83.6786%	16.3214%			100.0000%
<u>3 Factor Utility Allocator(Common)</u>						
		Electric	Gas			
		93.5946%	6.4054%			100.0000%

Northern States Power Company
 Electric Utility - State of South Dakota

2023 Property Taxes

	-----2023 Property Taxes Total----->				-----NSPM Jurisdiction Total----->					SD St * IA Alloc
	2023 Total Minn 1	2023 Total No Dak 2	2023 Total So Dak 3	2023 Total NSPM 4	2023 Total Minn 5	2023 Total No Dak 6	2023 Total So Dak 7	2023 Total Wholesale 8	2023 Total NSPM 9	2023 Total SD St Net of IA 10
Electric										
1 Production	104,604,000	2,157,600	2,798,400	109,560,000	95,276,882	6,887,161	7,395,957	0	109,560,000	6,188,834
2 Transmission	51,741,600	1,965,600	1,466,400	55,173,600	47,980,728	3,468,323	3,724,549	0	55,173,600	3,116,650
3 Distribution	62,636,400	2,144,400	1,873,200	66,654,000	62,636,400	2,144,400	1,873,200	0	66,654,000	1,873,200
4 Common	0	0	0	0	0	0	0	0	0	0
5 Total Electric	218,982,000	6,267,600	6,138,000	231,387,600	205,894,010	12,499,884	12,993,706	0	231,387,600	11,178,684
Gas										
6 Production	1,549,200	0	0	1,549,200	1,350,543	198,657	0	0	1,549,200	
7 Transmission	1,340,400	30,000	0	1,370,400	1,340,400	30,000	0	0	1,370,400	
8 Distribution	16,490,400	1,430,400	0	17,920,800	16,490,400	1,430,400	0	0	17,920,800	
9 Common	0	0	0	0	0	0	0	0	0	
10 Total Gas	19,380,000	1,460,400	0	20,840,400	19,181,343	1,659,057	0	0	20,840,400	
11 Total Operating	238,362,000	7,728,000	6,138,000	252,228,000	225,075,353	14,158,941	12,993,706	0	252,228,000	
Common										
Non-Utility	66,000	0	0	66,000	Total Property Tax			252,294,000		
Gen Off #7045	0	0	0	0	Less Non-Utility			66,000		
Bal of Comm	0	0	0	0	Total Operating			252,228,000		
	66,000	0	0	66,000						
Common w/o NU	0	0	0	0						

Allocators:

		-----NSPM Jurisdiction Allocators----->				
		Minn	No Dak	So Dak	Wholesale	TOTAL
<u>NSPM Company Allocators</u>						
Electric	Productio E12CP	86.9632%	6.2862%	6.7506%	0.0000%	100.0000%
	Transmiss E12CPT	86.9632%	6.2862%	6.7506%	0.0000%	100.0000%
		Minn	No Dak			TOTAL
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	Transmiss 36 month CP	83.6786%	16.3214%			100.0000%
<u>3 Factor Utility Allocator(Common)</u>		Electric	Gas			
		93.5946%	6.4054%			100.0000%

Northern States Power Company
 Electric Utility - State of South Dakota

2021 Property Taxes

	-----2021 Property Taxes Total----->				-----NSPM Jurisdiction Total----->					SD St * IA Alloc
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total SD St
	Minn	No Dak	So Dak	NSPM	Minn	No Dak	So Dak	Wholesale	NSPM	Net of IA
	1	2	3	4	5	6	7	8	9	10
Electric										
1 Production	92,093,424	2,266,079	1,810,707	96,170,210	83,632,692	6,045,452	6,492,066	0	96,170,210	5,432,470
2 Transmission	44,117,188	1,814,151	1,270,680	47,202,019	41,048,387	2,967,213	3,186,420	0	47,202,019	2,666,351
3 Distribution	52,439,680	1,791,074	1,526,682	55,757,436	52,439,680	1,791,074	1,526,682	0	55,757,436	1,526,682
4 Common	0	0	0	0	0	0	0	0	0	0
5 Total Electric	188,650,292	5,871,304	4,608,069	199,129,665	177,120,759	10,803,739	11,205,167	0	199,129,665	9,625,503
Gas										
6 Production	979,901	0	0	979,901	854,246	125,655	0	0	979,901	
7 Transmission	1,416,218	29,327	0	1,445,545	1,416,218	29,327	0	0	1,445,545	
8 Distribution	16,764,097	1,087,859	0	17,851,956	16,764,097	1,087,859	0	0	17,851,956	
9 Common	0	0	0	0	0	0	0	0	0	
10 Total Gas	19,160,216	1,117,186	0	20,277,402	19,034,561	1,242,841	0	0	20,277,402	
11 Total Operating	207,810,508	6,988,491	4,608,069	219,407,067	196,155,320	12,046,580	11,205,167	0	219,407,067	
Common										
Non-Utility	64,274	0	0	64,274					Total Property Tax	219,471,341
Gen Off #7045	0	0	0	0					Less Non-Utility	64,274
Bal of Comm	0	0	0	0					Total Operating	<u>219,407,067</u>
	64,274	0	0	64,274						
Common w/o NU	0	0	0	0						

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		Minn	No Dak			TOTAL
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Interchange Agreement Demand Allocators						
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