

Line No.	MEP - Record Type Validation	Total	NSPM SD Electric Retail
		HTY - 2021	HTY - 2021
1	<u>Composite Income Tax Rate</u>		
2	State Tax Rate	29.40%	9.80%
3	Federal Statutory Tax Rate	63.00%	21.00%
4	<u>Federal Effective Tax Rate</u>	<u>56.83%</u>	<u>18.94%</u>
5	Composite Tax Rate	86.23%	28.74%
6	Revenue Conversion Factor (1/(1--Composite Tax Rate))	4.210054	1.403351
7			
8	<u>Weighted Cost of Capital</u>		
9	Active Rates and Ratios Version	#VALUE!	Proposed
10	Cost of Short Term Debt	5.16%	1.72%
11	Cost of Long Term Debt	12.42%	4.14%
12	Cost of Common Equity	27.18%	9.06%
13	Ratio of Short Term Debt	0.30%	0.10%
14	Ratio of Long Term Debt	141.45%	47.15%
15	Ratio of Common Equity	158.25%	52.75%
16	Weighted Cost of STD		
17	Weighted Cost of LTD	5.85%	1.95%
18	Weighted Cost of Debt	5.85%	1.95%
19	<u>Weighted Cost of Equity</u>	<u>14.34%</u>	<u>4.78%</u>
20	Required Rate of Return	20.19%	6.73%
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		
47	Interdepartmental		
48	<u>Other Operating Rev - Non-Retail</u>	<u>501,337,845</u>	<u>33,659,000</u>
49	Total Operating Revenues	501,337,845	33,659,000
50			
51	<u>Expenses</u>		
52	Operating Expenses:		
53	Fuel		
54	Deferred Fuel		
55	Variable IA Production Fuel		
56	<u>Purchased Energy - Windsource</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	501,337,845	33,659,000
91	less: Total Operating Expenses		
92	Book Depreciation		
93	Amortization		
94	<u>Taxes Other than Income</u>	-	-
95	Total Before Tax Book Income	501,337,845	33,659,000
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>5.85%</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	501,337,845	33,659,000

118	State Income Tax Rate	<u>29.40%</u>	<u>9.80%</u>
119	State Taxes before Credits	49,131,109	3,298,582
120	<u>Less State Tax Credits applied</u>	-	-
121	Total State Income Taxes	49,131,109	3,298,582
122			
123	<u>Federal Taxes</u>		
124	Federal Sec 199 Production Deduction		
125	Federal Taxable Income	452,206,736	30,360,418
126	Federal Income Tax Rate	<u>63.00%</u>	<u>21.00%</u>
127	Federal Tax before Credits	94,963,415	6,375,688
128	<u>Less Federal Tax Credits</u>	-	-
129	Total Federal Income Taxes	94,963,415	6,375,688
130			
131	Total Taxes		
132	Total Taxes Other than Income		
133	Total Federal and State Income Taxes	144,094,523	9,674,270
134	Total Taxes	144,094,523	9,674,270
135			
136	Total Operating Revenues	501,337,845	33,659,000
137	Total Expenses	144,094,523	9,674,270
138			
139	AFDC Debt		
140	AFDC Equity		
141			
142	<u>Net Income</u>	<u>357,243,322</u>	<u>23,984,730</u>
143			
144	<u>Rate of Return (ROR)</u>		
145	Total Operating Income	357,243,322	23,984,730
146	<u>Total Rate Base</u>	-	-
147	ROR (Operating Income / Rate Base)		
148			
149	<u>Return on Equity (ROE)</u>		
150	Net Operating Income	357,243,322	23,984,730
151	Debt Interest (Rate Base * Weighted Cost of Debt)		
152	Earnings Available for Common	357,243,322	23,984,730
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>	357,243,322	23,984,730
159	Operating Income Deficiency	(357,243,322)	(23,984,730)
160			
161	Revenue Conversion Factor (1/(1--Composite Tax Rate))	4.210054	1.403351
162	<u>Revenue Deficiency (Income Deficiency * Conversion Factor)</u>	<u>(501,337,845)</u>	<u>(33,659,000)</u>
163			
164	<u>Total Revenue Requirements</u>		
165	Total Retail Revenues		
166	<u>Revenue Deficiency</u>	(501,337,845)	(33,659,000)
167	Total Revenue Requirements	(501,337,845)	(33,659,000)
168			

**Northern States Power Company
 South Dakota Electric Jurisdiction
 2021 Historic Test Year (HTY)
 Interchange Revenues**

						MN Company
						2021 Totals
4210100	IA Fixed - Decommissioning Revenue	700000000095	NSPM IA Fix-Nuclear DCM	1008	Minnesota-N Dakota-S Dakota Electric	(4,830,146.16)
4211100	IA Fixed - OM Revenue	700000000096	NSPM IA Fix-Steam O&M	1008	Minnesota-N Dakota-S Dakota Electric	(9,875,208.54)
4211100	IA Fixed - OM Revenue	700000000097	NSPM IA Fix-Nuclear O&M	1008	Minnesota-N Dakota-S Dakota Electric	(46,642,235.43)
4211100	IA Fixed - OM Revenue	700000000177	NSPM IA Fix-Hydro O&M	1008	Minnesota-N Dakota-S Dakota Electric	(135,492.37)
4211100	IA Fixed - OM Revenue	700000000178	NSPM IA Fix-Other O&M	1008	Minnesota-N Dakota-S Dakota Electric	(11,630,920.87)
4211100	IA Fixed - OM Revenue	700000000179	NSPM IA Fix-Production O&M	1008	Minnesota-N Dakota-S Dakota Electric	(694,282.87)
4211110	IA Fixed - OM Chemical Revenue	700000000098	NSPM IA Fix-Other Chem O&M	1008	Minnesota-N Dakota-S Dakota Electric	(99,621.59)
4211110	IA Fixed - OM Chemical Revenue	700000000180	NSPM IA Fix-Steam Chem O&M	1008	Minnesota-N Dakota-S Dakota Electric	(529,868.34)
4211120	IA Fixed - Fixed Charge Revenue	700000000099	NSPM IA Fix-Steam Fixed	1008	Minnesota-N Dakota-S Dakota Electric	(28,502,445.39)
4211120	IA Fixed - Fixed Charge Revenue	700000000100	NSPM IA Fix-Hydro Fixed	1008	Minnesota-N Dakota-S Dakota Electric	(512,552.12)
4211120	IA Fixed - Fixed Charge Revenue	700000000101	NSPM IA Fix-Other Fixed	1008	Minnesota-N Dakota-S Dakota Electric	(92,270,494.24)
4211120	IA Fixed - Fixed Charge Revenue	700000000102	NSPM IA Fix-Nuclear Fixed	1008	Minnesota-N Dakota-S Dakota Electric	(57,561,284.98)
4211120	IA Fixed - Fixed Charge Revenue	700000010733	NSPM IA Fix-Other Fixed Wind PTC	1008	Minnesota-N Dakota-S Dakota Electric	36,240,789.55
4211130	IA Fixed - STOU Revenue	700000000103	NSPM IA Fix-STOU Revenue	1008	Minnesota-N Dakota-S Dakota Electric	266,571.86
4211140	IA Fixed - Fuel Handling Revenue	700000000104	NSPM IA Fix-Nuclear Fuel Hndlg	1008	Minnesota-N Dakota-S Dakota Electric	(118,341.01)
4211160	IA Fixed - CC Nuclear Outage Deferral Revenue	700000000105	NSPM IA Fix-Outage Dfrrl Carry Cge	1008	Minnesota-N Dakota-S Dakota Electric	(250,463.11)
4211170	IA Fixed - Renewable Development Fund Revenue	700000000106	NSPM IA Fix-Ren Dvlpt Fund	1008	Minnesota-N Dakota-S Dakota Electric	(52,533.31)

**Northern States Power Company
 South Dakota Electric Jurisdiction
 2021 Historic Test Year (HTY)
 Interchange Revenues**

						MN Company
						2021 Totals
4211180	IA Fixed - Fixed Purchase Revenue	700000000107	NSPM IA Fix-Purchased Pwr	1008	Minnesota-N Dakota-S Dakota Electric	(24,419,296.57)
4212100	IA Variable - OM Revenue	700000000108	NSPM IA Var-Steam O&M	1008	Minnesota-N Dakota-S Dakota Electric	(5,598,824.85)
4212100	IA Variable - OM Revenue	700000000109	NSPM IA Var-Hydro O&M	1008	Minnesota-N Dakota-S Dakota Electric	(39,344.66)
4212100	IA Variable - OM Revenue	700000000110	NSPM IA Var-Other O&M	1008	Minnesota-N Dakota-S Dakota Electric	0.00
4212100	IA Variable - OM Revenue	700000000111	NSPM IA Var-Nuclear O&M	1008	Minnesota-N Dakota-S Dakota Electric	(10,512,793.15)
4212120	IA Variable - MISO Admin Revenue	700000000114	NSPM IA Var-MISO Admin	1008	Minnesota-N Dakota-S Dakota Electric	(1,465,868.82)
4212130	IA Variable - Fuel Other Revenue	700000000115	NSPM IA Var-Steam Fuel Other	1008	Minnesota-N Dakota-S Dakota Electric	1,271,688.46
4212130	IA Variable - Fuel Other Revenue	700000000116	NSPM IA Var-Other Fuel Other	1008	Minnesota-N Dakota-S Dakota Electric	(2,853,212.70)
4212140	IA Variable - Fuel Nuclear EOL Revenue	700000000118	NSPM IA Var-Nuclear EOL	1008	Minnesota-N Dakota-S Dakota Electric	(478,477.96)
4212150	IA Variable - Fuel Handling Revenue	700000000119	NSPM IA Var-Steam Fuel Hndlg	1008	Minnesota-N Dakota-S Dakota Electric	(3,688,818.14)
4212160	IA Variable - CC Fuel Inventory Revenue	700000000122	NSPM IA Var-Fuel Inv Carry Cge	1008	Minnesota-N Dakota-S Dakota Electric	(1,133,890.18)
4212170	IA Variable - CC Nuclear Outage Deferral Revenue	700000000123	NSPM IA Var-Outage Dfrrl Carry Cge	1008	Minnesota-N Dakota-S Dakota Electric	(228,204.11)
4212500	IA Variable - Fuel Revenue	700000000124	NSPM IA Var-Steam Fuel	1008	Minnesota-N Dakota-S Dakota Electric	(35,575,997.05)
4212500	IA Variable - Fuel Revenue	700000000125	NSPM IA Var-Other Fuel	1008	Minnesota-N Dakota-S Dakota Electric	(37,154,131.15)
4212500	IA Variable - Fuel Revenue	700000000126	NSPM IA Var-Nuclear Fuel	1008	Minnesota-N Dakota-S Dakota Electric	(18,640,849.79)
4212510	IA Variable - Purchased Power Revenue	700000000127	NSPM IA Var-Purchased Pwr	1008	Minnesota-N Dakota-S Dakota Electric	(154,590,215.28)
4212520	IA Variable - STOU Revenue	700000000128	NSPM IA Var-STOU Revenue	1008	Minnesota-N Dakota-S Dakota Electric	73,352,182.00

**Northern States Power Company
 South Dakota Electric Jurisdiction
 2021 Historic Test Year (HTY)
 Interchange Revenues**

						MN Company
						2021 Totals
4213100	IA Transmission - OM Revenue	700000000129	NSPM IA Xsmn-O&M	1008	Minnesota-N Dakota-S Dakota Electric	(8,113,869.30)
4213110	IA Transmission - Fixed Charge Revenue	700000000130	NSPM IA Xsmn-Fixed	1008	Minnesota-N Dakota-S Dakota Electric	(56,006,736.07)
4213120	IA Transmission - Wheeling Revenue	700000000131	NSPM IA Xsmn-Whlg Revenue	1008	Minnesota-N Dakota-S Dakota Electric	40,442,734.03
4213130	IA Transmission - Wheeling COGS Revenue	700000000132	NSPM IA Xsmn-Whlg COGS	1008	Minnesota-N Dakota-S Dakota Electric	(38,705,390.97)
						(501,337,845.18)