

Xcel Energy  
South Dakota Capital Structure  
Carrying Charge Calculation

State of South Dakota Jurisdiction  
2023 Rate Case-Docket EL-22-17 (Order issued 6/8/23)  
Base Assumptions

Capital Structure:	Percent	Cost	Weighted Cost
Long-term Debt	[CONFIDENTIAL DATA BEGINS HERE]		
Short-term Debt			
Perferred Stock			
Common Equity			
			6.82%

Weighted Cost of Capital		
Equity	[CONFIDENTIAL DATA BEGINS HERE]	
Debt		
Total		
Weighted Cost of Capital		6.82%

Book Depreciation Rate	30 years	3.33%
Tax Depreciation Life - MACRS	20 years	
Composite SD Tax Rate =	21.0000%	
Composite Company Tax Rate =	28.0300%	
Property Tax Exempt =	0	

Use these values beginning January 1, 2023:	
(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  
2024 Actual

2024	January	February	March	April	May	June	July	August	September	October	November	December	Total
<u>EXPENSES</u>	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
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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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