

Direct Testimony and Schedules
Laurie J. Wold

Before the South Dakota Public Utilities Commission
State of South Dakota

In the Matter of the Application of Northern States Power Company
for Authority to Increase Rates for Electric Service in South Dakota

Docket No. EL25-____
Exhibit____(LJW-1)

**Overall Revenue Requirements
Rate Base
Income Statement**

June 30, 2025

1 A. The general form for calculating the revenue requirement and revenue deficiency
 2 is as follows:

	Item	2024 Pro Forma Amount (\$000s)	Exhibit (LJW-1), Sch. 2 Reference
multiplied by	Rate Base	\$947,135	Page 1, Line 44
	Cost of capital	7.65%	Page 1, Line 20
	Operating Income Requirement	\$72,456	Page 4, Line 158
plus	Current Retail Revenue	\$247,154	Page 2, Line 47 + Line 48
	Current Other Revenue	\$63,895	Page 2, Line 49
equals	Current Total Revenue	\$311,049	Page 2, Line 50
minus	Operating Expenses	\$186,583	Page 2, Line 74
minus	Depreciation Expense	\$75,079	Page 2, Line 76
minus	Amortization Expense	\$3,490	Page 2, Line 77
minus	Taxes	\$8,298	Page 3, Line 135
plus	AFUDC		Page 4, Line 140 + Line 141
equals	Total Available for Return	\$37,598	Page 4, Line 143
	Operating Income Requirement	\$72,456	Page 4, Line 158
minus	Total Available for Return	\$37,598	Page 4, Line 143
equals	Income Deficiency	\$34,858	Page 4, Line 160
multiplied by	Gross Revenue Conversion Factor	1.265823	Page 4, Line 162
equals	Revenue Deficiency	\$44,123	Page 4, Line 163
plus	Current Retail Revenue	\$247,154	Page 4, Line 166
equals	Total Revenue Requirement	\$291,277	Page 4, Line 168

22 Q. WHAT IS THE AMOUNT OF THE JURISDICTIONAL REVENUE REQUIREMENT FOR
 23 SOUTH DAKOTA?

24 A. The jurisdictional total retail revenue requirement for South Dakota electric utility
 25 operations is \$333.2 million, based on the adjusted rate base (this adjustment is
 26 discussed in further detail in Section IV) and net operating income for the pro
 27 forma year, as adjusted for known and measurable changes occurring in 2025 and
 28 2026, as appropriate for final rates that will go into effect January 1, 2026. The

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1 A. The general form for calculating the revenue requirement and revenue deficiency
 2 is as follows:

	Item	2024 Pro Forma Amount (\$000s)	Exhibit (LJW-1), Sch. 3 Reference
	multiplied by	Rate Base	\$1,239,313 Page 1, Line 45
		Cost of capital	7.56% Page 1, Line 20
		Operating Income Requirement	\$93,692 Page 4, Line 159
	plus	Current Retail Revenue	\$289,622 Page 2, Line 48
		Current Other Revenue	\$55,416 Page 2, Line 50
	equals	Current Total Revenue	\$345,038 Page 2, Line 51
	minus	Operating Expenses	\$185,949 Page 2, Line 75
	minus	Depreciation Expense	\$77,259 Page 2, Line 77
	minus	Amortization Expense	\$3,149 Page 2, Line 78
	minus	Taxes	\$19,399 Page 3, Line 136
	plus	AFUDC	Page 3, Line 141 + Line 142
	equals	Total Available for Return	\$59,282 Page 3, Line 144
		Operating Income Requirement	\$93,692 Page 4, Line 159
	minus	Total Available for Return	\$59,282 Page 4, Line 143
	equals	Income Deficiency	\$34,410 Page 4, Line 161
	multiplied by	Gross Revenue Conversion Factor	1.265823 Page 4, Line 163
	equals	Revenue Deficiency	\$43,557 Page 4, Line 164
	plus	Current Retail Revenue	\$289,622 Page 4, Line 167
	equals	Total Revenue Requirement	\$333,179 Page 4, Line 169

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