

**WEIGHTED AVERAGE COST OF CAPITAL**

<b><u>Capitalization:</u></b>	<b><u>(\$000's) Amount</u></b>	<b><u>Percent of Total Capitalization</u></b>	<b><u>Cost of Capital</u></b>	<b><u>Weighted Cost of Capital*</u></b>
Long-Term Debt	\$7,892,080	47.13%	4.48%	2.11%
Net Common Equity	<u>\$8,854,177</u>	<u>52.87%</u>	10.30%	<u>5.45%</u>
Total Capitalization	<u>\$16,746,257</u>	<u>100.00%</u>		<u>7.56%</u>

Short Term Debt and Long Term Debt Amounts are 12 Month Average Balances.  
Equity Amounts are 13 Month Average Balances.

**TEST YEAR - FORECASTED EQUITY BALANCES (\$000s)**

<u>Month</u>	<u>GAAP Common Equity Outstanding</u>	<u>Non-Regulated Subsidiaries (1)</u>	<u>Regulated Common Equity</u>
2023 Dec *	\$8,207,356	\$1,827	\$8,205,528
2024 Jan	\$8,374,880	\$1,912	\$8,372,968
Feb	\$8,588,936	\$14,389	\$8,574,547
Mar	\$8,673,969	\$14,374	\$8,659,595
Apr	\$8,850,812	\$14,371	\$8,836,441
May	\$8,887,135	\$14,347	\$8,872,788
Jun	\$8,854,651	\$14,338	\$8,840,313
Jul	\$8,972,545	\$14,328	\$8,958,217
Aug	\$9,122,003	\$14,318	\$9,107,685
Sep	\$9,100,741	\$14,309	\$9,086,432
Oct	\$9,179,119	\$14,304	\$9,164,815
Nov	\$9,181,148	\$14,293	\$9,166,855
Dec	\$9,272,399	\$14,280	\$9,258,119
13 Month Average	\$8,866,592	\$12,415	\$8,854,177

(1) United Power and Land.

TEST YEAR - FORECASTED LONG TERM DEBT AND COST (\$000s)

										Total Bond Cost						
Description	Coupon Rate	Issue Date	Maturity Date	Amount	Premium or Hedge Gain/(Loss)	Bond Discount	Bond Expense	LRD Expense	(1) Capital Employed	(2) Interest Charge	Premium/ Hedge Amortization	Discount Amortization	Expense Amortization	LRD Amortization	Cost of Capital	Capital Cost %
First Mortgage Bonds																
Series due July 1, 2025 (FMB) (3)	7.1250	Jul-95	Jul-25	250,000	-	78	63	-	249,859	17,813	-	78	63	-	17,953	7.19%
Series due March 1, 2028 (FMB)	6.5000	Mar-98	Mar-28	150,000	-	215	180	-	149,605	9,750	-	59	49	-	9,858	6.59%
Series Due July 15, 2035 (FMB)	5.2500	Jul-05	Jul-35	250,000	-	178	1,116	-	248,705	13,125	-	16	101	-	13,242	5.32%
Series Due June 1, 2036 (FMB)	6.2500	May-06	May-36	400,000	6,493	557	1,936	-	404,000	25,000	546	47	162	-	24,663	6.10%
Series Due July 1, 2037 (FMB)	6.2000	Jun-07	Jun-37	350,000	-	861	1,878	-	347,261	21,700	-	66	144	-	21,911	6.31%
Series Due November 1, 2039 (FMB)	5.3500	Nov-09	Nov-39	300,000	(1,642)	292	2,126	-	295,940	16,050	(107)	19	139	-	16,315	5.51%
Series Due August 15, 2040 (FMB)	4.8500	Aug-10	Aug-40	250,000	-	380	1,622	-	247,998	12,125	-	24	101	-	12,249	4.94%
Series Due August 15, 2042 (FMB)	3.4000	Aug-12	Aug-42	500,000	(27,135)	2,307	3,790	-	466,768	17,000	(1,501)	127	209	-	18,837	4.04%
Series Due May 15, 2044 (FMB)	4.1250	May-14	May-44	300,000	-	578	2,532	-	296,890	12,375	-	29	127	-	12,532	4.22%
Series Due Aug 15, 2045 (FMB)	4.0000	Aug-15	Aug-45	300,000	-	3,447	2,745	-	293,808	12,000	-	163	130	-	12,293	4.18%
Series Due May 15, 2046 (FMB)	3.6000	May-16	May-46	350,000	-	1,528	3,948	-	344,524	12,600	-	70	181	-	12,850	3.73%
Series Due Sep 15, 2047 (FMB)	3.6000	Sep-17	Sep-47	600,000	-	4,626	6,806	6,476	582,092	21,600	-	199	293	280	22,372	3.84%
Series Due Mar 1, 2050 (FMB)	2.9000	Sep-19	Sep-49	600,000	-	9,747	7,354	-	582,899	17,400	-	380	287	-	18,066	3.10%
Series Due Jun 1, 2051 (FMB)	2.6000	Jun-20	Jun-51	700,000	-	11,452	8,512	-	680,036	18,200	-	425	316	-	18,942	2.79%
Series Due Apr 1, 2031 (FMB)	2.2500	Mar-21	Apr-31	425,000	-	1,198	3,465	-	420,337	9,563	-	177	513	-	10,253	2.44%
Series Due Apr 1, 2052 (FMB)	3.2000	Mar-21	Apr-52	425,000	-	1,411	5,444	-	418,145	13,600	-	51	196	-	13,847	3.31%
Series Due Jun 1, 2052 (FMB)	4.5000	May-22	Jun-52	500,000	-	3,348	7,064	-	489,588	22,500	-	120	253	-	22,873	4.67%
Series Due May 1, 2053 (FMB)	5.1000	May-23	May-53	800,000	4,607	5,740	10,991	-	787,876	40,800	160	199	380	-	41,219	5.23%
Series Due Mar 1, 2054 (FMB)	5.4000	Feb-24	Mar-54	592,308	7,094	2,260	8,323	-	588,819	31,985	226	76	277	-	32,111	5.45%
Other Debt																
Right of Way Notes	var	var	var		-	-	-	-	-	-	-	-	-	-	-	n/a
TOTAL DEBT				8,042,308	(10,582)	50,203	79,896	6,476	7,895,150	345,185	(676)	2,325	3,923	280	352,388	4.46%
Unamortized Loss on Reacquired Debt									(3,070)							
Fees on 5-year Credit Facility (6)									-							
GRAND TOTAL and COST OF DEBT									7,892,080							
															353,293	4.48%

(1) Capital Employed is based on the Premium / Discount / Expense Balances representing average declining balances. New and Maturing Debt averaged on number of months in the year.  
(2) Interest Expense is a Straight Interest Expense calculation.  
(3) NSPM 1995 issuance of \$250M 30 year bond, balance is 4 of 12 months reflective of a planned early call.  
(4) NSPM planned 2025 issuance of \$600M 30 year bond, average balance for 8 of 12 months.  
(5) NSPM planned 2025 issuance of \$600M 10 year bond, average balance for 8 of 12 months.  
(6) Fees associated with the 5 Year Credit Facility are amortized over the life of the facility and are incorporated into the long-term debt rate.