

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other
<u>Composite Income Tax Rate</u>			
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
<u>Weighted Cost of Capital</u>			
Active Rates and Ratios Version	Proposed	Proposed	Proposed
Cost of Short Term Debt			
Cost of Long Term Debt	4.48%	4.48%	4.48%
Cost of Common Equity	10.30%	10.30%	10.30%
Ratio of Short Term Debt			
Ratio of Long Term Debt	47.13%	47.13%	47.13%
Ratio of Common Equity	52.87%	52.87%	52.87%
Weighted Cost of STD			
Weighted Cost of LTD	2.11%	2.11%	2.11%
Weighted Cost of Debt	2.11%	2.11%	2.11%
<u>Weighted Cost of Equity</u>	<u>5.45%</u>	<u>5.45%</u>	<u>5.45%</u>
Required Rate of Return	7.56%	7.56%	7.56%
<u>Rate Base</u>			
Plant Investment			
<u>Depreciation Reserve</u>	<u>3,883,796</u>	<u>937,193</u>	<u>2,946,602</u>
Net Utility Plant	(3,883,796)	(937,193)	(2,946,602)
CWIP			
Accumulated Deferred Taxes	(1,368,169)	(316,406)	(1,051,763)
DTA - NOL Average Balance			
DTA - Federal Tax Credit Average Balance	-	-	-
Total Accum Deferred Taxes	(1,368,169)	(316,406)	(1,051,763)
Cash Working Capital			
Materials and Supplies			
Fuel Inventory			
Non-plant Assets and Liabilities			
Customer Advances			
Customer Deposits			
Prepays and Other			
<u>Regulatory Amortizations</u>	-	-	-
Total Other Rate Base Items			
Total Rate Base	(2,515,627)	(620,787)	(1,894,840)
<u>Operating Revenues</u>			
Retail			
Interdepartmental			
<u>Other Operating Rev - Non-Retail</u>	<u>973,104</u>	<u>68,518</u>	<u>904,586</u>
Total Operating Revenues	973,104	68,518	904,586
<u>Expenses</u>			
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			

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Production - Fixed			
Production - Fixed IA Investment			
Production - Fixed IA O&M			
Production - Variable			
Production - Variable IA O&M			
<u>Production - Purchased Demand</u>	0	0	0
Production Total			
Regional Markets			
Transmission IA			
Transmission			
Distribution			
Customer Accounting			
Customer Service & Information			
Sales, Econ Dvlp & Other			
<u>Administrative & General</u>	0	0	0
Total Operating Expenses			
Depreciation	7,767,591	1,874,386	5,893,205
Amortization			
<u>Taxes:</u>			
Property Taxes			
ITC Amortization			
Deferred Taxes	(2,736,337)	(632,812)	(2,103,525)
Deferred Taxes - NOL			
Less State Tax Credits deferred			
Less Federal Tax Credits deferred			
Deferred Income Tax & ITC	(2,736,337)	(632,812)	(2,103,525)
Payroll & Other Taxes			
Total Taxes Other Than Income	(2,736,337)	(632,812)	(2,103,525)
<u>Income Before Taxes</u>			
Total Operating Revenues	973,104	68,518	904,586
less: Total Operating Expenses			
Book Depreciation	7,767,591	1,874,386	5,893,205
Amortization			
<u>Taxes Other than Income</u>	<u>(2,736,337)</u>	<u>(632,812)</u>	<u>(2,103,525)</u>
Total Before Tax Book Income	(4,058,150)	(1,173,056)	(2,885,094)
<u>Tax Additions</u>			
Book Depreciation	7,767,591	1,874,386	5,893,205
Deferred Income Taxes and ITC	(2,736,337)	(632,812)	(2,103,525)
Nuclear Fuel Burn (ex. D&D)			
Nuclear Outage Accounting			
Avoided Tax Interest			
<u>Other Book Additions</u>	-	-	-
Total Tax Additions	5,031,254	1,241,574	3,789,679
<u>Tax Deductions</u>			
Total Rate Base	(2,515,627)	(620,787)	(1,894,840)
Weighted Cost of Debt	<u>2.11%</u>	<u>2.11%</u>	<u>2.11%</u>
Debt Interest Expense	(53,080)	(13,099)	(39,981)
Nuclear Outage Accounting			
Tax Depreciation and Removals			
NOL Utilized / (Generated)			
<u>Other Tax / Book Timing Differences</u>	0	0	0
Total Tax Deductions	(53,080)	(13,099)	(39,981)

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State Taxes			
State Taxable Income	1,026,183	81,617	944,567
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	1,026,183	81,617	944,567
Federal Income Tax Rate	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
Federal Tax before Credits	215,499	17,140	198,359
<u>Less Federal Tax Credits</u>	-	-	-
Total Federal Income Taxes	215,499	17,140	198,359
Total Taxes			
Total Taxes Other than Income	(2,736,337)	(632,812)	(2,103,525)
Total Federal and State Income Taxes	215,499	17,140	198,359
Total Taxes	(2,520,839)	(615,672)	(1,905,166)
Total Operating Revenues	973,104	68,518	904,586
Total Expenses	5,246,752	1,258,714	3,988,038
AFDC Debt			
AFDC Equity	-	-	-
Net Income	(4,273,649)	(1,190,196)	(3,083,453)
Rate of Return (ROR)			
Total Operating Income	(4,273,649)	(1,190,196)	(3,083,453)
<u>Total Rate Base</u>	<u>(2,515,627)</u>	<u>(620,787)</u>	<u>(1,894,840)</u>
ROR (Operating Income / Rate Base)	169.88%	191.72%	162.73%
Return on Equity (ROE)			
Net Operating Income	(4,273,649)	(1,190,196)	(3,083,453)
Debt Interest (Rate Base * Weighted Cost of Debt)	53,080	13,099	39,981
Earnings Available for Common	(4,220,569)	(1,177,097)	(3,043,472)
<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	<u>(1,330,012)</u>	<u>(328,210)</u>	<u>(1,001,802)</u>
ROE (earnings for Common / Equity)	317.33%	358.64%	303.80%
Revenue Deficiency			
Required Operating Income (Rate Base * Required Return)	(190,181)	(46,932)	(143,250)
<u>Net Operating Income</u>	<u>(4,273,649)</u>	<u>(1,190,196)</u>	<u>(3,083,453)</u>
Operating Income Deficiency	4,083,467	1,143,264	2,940,203
Revenue Conversion Factor (1/(1-Composite Tax Rate))	1.265823	1.265823	1.265823
Revenue Deficiency (Income Deficiency * Conversion Factor)	5,168,946	1,447,170	3,721,776
Total Revenue Requirements			
Total Retail Revenues			
<u>Revenue Deficiency</u>	<u>5,168,946</u>	<u>1,447,170</u>	<u>3,721,776</u>
Total Revenue Requirements	5,168,946	1,447,170	3,721,776