

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024
	SD Electric

Composite Income Tax Rate

State Tax Rate	
Federal Statutory Tax Rate	21.00%
<u>Federal Effective Tax Rate</u>	<u>21.00%</u>
Composite Tax Rate	21.00%
Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823

Weighted Cost of Capital

Active Rates and Ratios Version	Proposed
Cost of Short Term Debt	
Cost of Long Term Debt	4.48%
Cost of Common Equity	10.30%
Ratio of Short Term Debt	
Ratio of Long Term Debt	47.13%
Ratio of Common Equity	52.87%
Weighted Cost of STD	
Weighted Cost of LTD	2.11%
Weighted Cost of Debt	2.11%
<u>Weighted Cost of Equity</u>	<u>5.45%</u>
Required Rate of Return	7.56%

Rate Base

Plant Investment	
<u>Depreciation Reserve</u>	<u>2,428,941</u>
Net Utility Plant	(2,428,941)
CWIP	
Accumulated Deferred Taxes	(912,708)
DTA - NOL Average Balance	
DTA - Federal Tax Credit Average Balance	=
Total Accum Deferred Taxes	(912,708)
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	(1,516,234)

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Operating Revenues

Retail	
Interdepartmental	
<u>Other Operating Rev - Non-Retail</u>	<u>596,210</u>
Total Operating Revenues	596,210

Expenses

Operating Expenses:

Fuel	
Deferred Fuel	
Variable IA Production Fuel	
<u>Purchased Energy - Windsource</u>	<u>0</u>
Fuel & Purchased Energy Total	
Production - Fixed	
Production - Fixed IA Investment	
Production - Fixed IA O&M	
Production - Variable	
Production - Variable IA O&M	
<u>Production - Purchased Demand</u>	<u>0</u>
Production Total	
Regional Markets	
Transmission IA	
Transmission	
Distribution	
Customer Accounting	
Customer Service & Information	
Sales, Econ Dvlp & Other	
<u>Administrative & General</u>	<u>0</u>
Total Operating Expenses	

Depreciation	4,857,883
Amortization	

Taxes:

Property Taxes	
ITC Amortization	
Deferred Taxes	(1,825,415)
Deferred Taxes - NOL	
Less State Tax Credits deferred	
Less Federal Tax Credits deferred	
Deferred Income Tax & ITC	(1,825,415)
Payroll & Other Taxes	

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Total Taxes Other Than Income **(1,825,415)**

Income Before Taxes

Total Operating Revenues	596,210
less: Total Operating Expenses	
Book Depreciation	4,857,883
Amortization	
<u>Taxes Other than Income</u>	(1,825,415)
Total Before Tax Book Income	(2,436,258)

Tax Additions

Book Depreciation	4,857,883
Deferred Income Taxes and ITC	(1,825,415)
Nuclear Fuel Burn (ex. D&D)	
Nuclear Outage Accounting	
Avoided Tax Interest	
<u>Other Book Additions</u>	-
Total Tax Additions	3,032,468

Tax Deductions

Total Rate Base	(1,516,234)
Weighted Cost of Debt	<u>2.11%</u>
Debt Interest Expense	(31,993)
Nuclear Outage Accounting	
Tax Depreciation and Removals	
NOL Utilized / (Generated)	
<u>Other Tax / Book Timing Differences</u>	<u>0</u>
Total Tax Deductions	(31,993)

State Taxes

State Taxable Income	628,203
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	628,203
Federal Income Tax Rate	<u>21.00%</u>
Federal Tax before Credits	131,923
<u>Less Federal Tax Credits</u>	-
Total Federal Income Taxes	131,923

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Total Taxes

Total Taxes Other than Income	(1,825,415)
Total Federal and State Income Taxes	131,923
Total Taxes	(1,693,493)

Total Operating Revenues

Total Expenses	3,164,390
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AFDC Debt

AFDC Equity -

Net Income	(2,568,180)
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Rate of Return (ROR)

Total Operating Income	(2,568,180)
<u>Total Rate Base</u>	<u>(1,516,234)</u>
ROR (Operating Income / Rate Base)	169.38%

Return on Equity (ROE)

Net Operating Income	(2,568,180)
Debt Interest (Rate Base * Weighted Cost of Debt)	31,993
Earnings Available for Common	(2,536,188)
<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	<u>(801,633)</u>
ROE (earnings for Common / Equity)	316.38%

Revenue Deficiency

Required Operating Income (Rate Base * Required Return)	(114,627)
<u>Net Operating Income</u>	<u>(2,568,180)</u>
Operating Income Deficiency	2,453,553

Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823
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Revenue Deficiency (Income Deficiency * Conversion Factor)	3,105,763
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Total Revenue Requirements

Total Retail Revenues	
<u>Revenue Deficiency</u>	<u>3,105,763</u>
Total Revenue Requirements	3,105,763