

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>(672,291)</u>
Net Utility Plant	672,291
CWIP	
Accumulated Deferred Taxes	215,999
DTA - NOL Average Balance	
DTA - Federal Tax Credit Average Balance	-
Total Accum Deferred Taxes	215,999
Cash Working Capital	
Materials and Supplies	
Fuel Inventory	
Non-plant Assets and Liabilities	
Customer Advances	
Customer Deposits	
Prepays and Other	
<u>Regulatory Amortizations</u>	<u>-</u>
Total Other Rate Base Items	
Total Rate Base	456,293

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Operating Revenues

Retail	
Interdepartmental	
<u>Other Operating Rev - Non-Retail</u>	(179,422)
Total Operating Revenues	(179,422)

Expenses

Operating Expenses:

Fuel	
Deferred Fuel	
Variable IA Production Fuel	
<u>Purchased Energy - Windsources</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	(1,344,583)
Amortization	

Taxes:

Property Taxes	
ITC Amortization	
Deferred Taxes	431,997
Deferred Taxes - NOL	
Less State Tax Credits deferred	
Less Federal Tax Credits deferred	
Deferred Income Tax & ITC	431,997
Payroll & Other Taxes	

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Total Taxes Other Than Income	431,997
<u>Income Before Taxes</u>	
Total Operating Revenues	(179,422)
less: Total Operating Expenses	
Book Depreciation	(1,344,583)
Amortization	
<u>Taxes Other than Income</u>	<u>431,997</u>
Total Before Tax Book Income	733,163
<u>Tax Additions</u>	
Book Depreciation	(1,344,583)
Deferred Income Taxes and ITC	431,997
Nuclear Fuel Burn (ex. D&D)	
Nuclear Outage Accounting	
Avoided Tax Interest	
<u>Other Book Additions</u>	-
Total Tax Additions	(912,585)
<u>Tax Deductions</u>	
Total Rate Base	456,293
Weighted Cost of Debt	<u>2.11%</u>
Debt Interest Expense	9,628
Nuclear Outage Accounting	
Tax Depreciation and Removals	
NOL Utilized / (Generated)	
<u>Other Tax / Book Timing Differences</u>	<u>0</u>
Total Tax Deductions	9,628
<u>State Taxes</u>	
State Taxable Income	(189,050)
State Income Tax Rate	-
State Taxes before Credits	
<u>Less State Tax Credits applied</u>	-
Total State Income Taxes	
<u>Federal Taxes</u>	
Federal Sec 199 Production Deduction	
Federal Taxable Income	(189,050)
Federal Income Tax Rate	<u>21.00%</u>
Federal Tax before Credits	(39,701)
<u>Less Federal Tax Credits</u>	-
Total Federal Income Taxes	(39,701)

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Total Taxes

Total Taxes Other than Income	431,997
Total Federal and State Income Taxes	(39,701)
Total Taxes	392,297

Total Operating Revenues

Total Expenses	(952,286)
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AFDC Debt

AFDC Equity -

Net Income	772,864
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Rate of Return (ROR)

Total Operating Income	772,864
<u>Total Rate Base</u>	<u>456,293</u>
ROR (Operating Income / Rate Base)	169.38%

Return on Equity (ROE)

Net Operating Income	772,864
Debt Interest (Rate Base * Weighted Cost of Debt)	(9,628)
Earnings Available for Common	763,236
<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	<u>241,242</u>
ROE (earnings for Common / Equity)	316.38%

Revenue Deficiency

Required Operating Income (Rate Base * Required Return)	34,496
<u>Net Operating Income</u>	<u>772,864</u>
Operating Income Deficiency	(738,368)

Revenue Conversion Factor (1/(1--Composite Tax Rate)) 1.265823

Revenue Deficiency (Income Deficiency * Conversion Factor)	(934,643)
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Total Revenue Requirements

Total Retail Revenues	
<u>Revenue Deficiency</u>	<u>(934,643)</u>
Total Revenue Requirements	(934,643)