

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>760,934</u>
Net Utility Plant	(760,934)
CWIP	
Accumulated Deferred Taxes	(251,510)
DTA - NOL Average Balance	
DTA - Federal Tax Credit Average Balance	=
Total Accum Deferred Taxes	(251,510)
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	(509,425)

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Operating Revenues

Retail	
Interdepartmental	
<u>Other Operating Rev - Non-Retail</u>	<u>200,315</u>
Total Operating Revenues	200,315

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	1,521,868
Amortization	

Taxes:

Property Taxes	
ITC Amortization	
Deferred Taxes	(503,019)
Deferred Taxes - NOL	
Less State Tax Credits deferred	
Less Federal Tax Credits deferred	
Deferred Income Tax & ITC	(503,019)
Payroll & Other Taxes	

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Total Taxes Other Than Income		(503,019)
<u>Income Before Taxes</u>		
Total Operating Revenues		200,315
less: Total Operating Expenses		
Book Depreciation		1,521,868
Amortization		
<u>Taxes Other than Income</u>		<u>(503,019)</u>
Total Before Tax Book Income		(818,534)
<u>Tax Additions</u>		
Book Depreciation		1,521,868
Deferred Income Taxes and ITC		(503,019)
Nuclear Fuel Burn (ex. D&D)		
Nuclear Outage Accounting		
Avoided Tax Interest		
<u>Other Book Additions</u>		<u>-</u>
Total Tax Additions		1,018,849
<u>Tax Deductions</u>		
Total Rate Base		(509,425)
Weighted Cost of Debt		<u>2.11%</u>
Debt Interest Expense		(10,749)
Nuclear Outage Accounting		
Tax Depreciation and Removals		
NOL Utilized / (Generated)		
<u>Other Tax / Book Timing Differences</u>		<u>0</u>
Total Tax Deductions		(10,749)
<u>State Taxes</u>		
State Taxable Income		211,064
State Income Tax Rate		-
State Taxes before Credits		
<u>Less State Tax Credits applied</u>		<u>-</u>
Total State Income Taxes		
<u>Federal Taxes</u>		
Federal Sec 199 Production Deduction		
Federal Taxable Income		211,064
Federal Income Tax Rate		<u>21.00%</u>
Federal Tax before Credits		44,323
<u>Less Federal Tax Credits</u>		<u>-</u>
Total Federal Income Taxes		44,323

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Total Taxes

Total Taxes Other than Income	(503,019)
Total Federal and State Income Taxes	44,323
Total Taxes	(458,696)

Total Operating Revenues

Total Expenses	1,063,173
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AFDC Debt

AFDC Equity -

Net Income	(862,858)
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Rate of Return (ROR)

Total Operating Income	(862,858)
<u>Total Rate Base</u>	<u>(509,425)</u>
ROR (Operating Income / Rate Base)	169.38%

Return on Equity (ROE)

Net Operating Income	(862,858)
Debt Interest (Rate Base * Weighted Cost of Debt)	10,749
Earnings Available for Common	(852,109)
<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	<u>(269,333)</u>
ROE (earnings for Common / Equity)	316.38%

Revenue Deficiency

Required Operating Income (Rate Base * Required Return)	(38,513)
<u>Net Operating Income</u>	<u>(862,858)</u>
Operating Income Deficiency	824,345

Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823
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Revenue Deficiency (Income Deficiency * Conversion Factor)	1,043,475
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Total Revenue Requirements

Total Retail Revenues	
<u>Revenue Deficiency</u>	<u>1,043,475</u>
Total Revenue Requirements	1,043,475