Proposed Customer Bill Notice

Transmission Cost Recovery Rider Rate Increase Effective January 1, 2026

Xcel Energy has upgraded transmission facilities to help ensure continued safe and reliable service to our South Dakota customers. The South Dakota Public Utilities Commission has approved a Transmission Cost Recovery (TCR) Rider as a separate line item on your monthly electric bill to recover the cost of new and modified transmission facilities. The TCR rate will increase from \$0.000441 per kWh to \$0.001067 per kWh beginning January 1, 2026.

Residential Electric Service

The chart below shows the change to customer bills from the TCR rate increase. The comparison does not reflect any other rate changes that may occur at the same time.

| | Prior | | | | New | | | | | |
|-------|----------|------------|--------|----------|----------|------------|--------|----------|--------|---------|
| Usage | Other | Prior TCR | Prior | Prior | Other | New TCR | New | New | Bill | Percent |
| (kWh) | Charges | Rate | TCR | Bill | Charges | Rate | TCR | Bill | Change | Change |
| 400 | \$56.91 | \$0.000441 | \$0.18 | \$57.09 | \$56.91 | \$0.001067 | \$0.43 | \$57.34 | \$0.25 | 0.44% |
| 500 | \$69.07 | \$0.000441 | \$0.22 | \$69.29 | \$69.07 | \$0.001067 | \$0.53 | \$69.60 | \$0.31 | 0.45% |
| 600 | \$81.22 | \$0.000441 | \$0.26 | \$81.48 | \$81.22 | \$0.001067 | \$0.64 | \$81.86 | \$0.38 | 0.47% |
| 750 | \$99.45 | \$0.000441 | \$0.33 | \$99.78 | \$99.45 | \$0.001067 | \$0.80 | \$100.25 | \$0.47 | 0.47% |
| 1000 | \$129.83 | \$0.000441 | \$0.44 | \$130.27 | \$129.83 | \$0.001067 | \$1.07 | \$130.90 | \$0.63 | 0.48% |
| 2000 | \$251.37 | \$0.000441 | \$0.88 | \$252.25 | \$251.37 | \$0.001067 | \$2.13 | \$253.50 | \$1.25 | 0.50% |

You may examine the new rate riders by visiting our website at xcelenergy.com/SDRates.