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January 3, 2023

**—Via U.S. Mail and Electronic Filing—**

Steven M. Kahl, Executive Director  
North Dakota Public Service Commission, Dept. 408  
State Capitol  
600 East Boulevard  
Bismarck, ND 58505-0480

**RE: WORK PAPERS IN SUPPORT OF THE COMPANY'S COGENERATION AND  
SMALL POWER PRODUCTION REPORT (CHAPTER 69-09-07)  
CASE NO. PU-23-\_\_\_**

Dear Mr. Kahl:

Enclosed are the supporting work papers in conjunction with the recent submission of the Company's Cogeneration and Small Power Production compliance filing and the annual report of total energy produced by customers.

The supporting work papers contain trade secret information. In accordance with Section 69-02-09-02 of the North Dakota Administrative Code, an Application for Trade Secret Protection is being provided along with a single copy of the trade secret version of the work papers in a sealed envelope.

If you have any questions concerning this filing, please contact me at [alex.j.nisbet@xcelenergy.com](mailto:alex.j.nisbet@xcelenergy.com) or John Chow at [john.chow@xcelenergy.com](mailto:john.chow@xcelenergy.com).

Sincerely,

/s/

ALEX J. NISBET  
REGULATORY POLICY SPECIALIST

Enclosures

2 PU-22-419 Filed 01/03/2023 Pages: 21  
Work Papers in Support of Small Power Production and Cogeneration filing - redacted  
Northern States Power Company  
Alex Nisbet, Reg. Policy Specialist

**Northern States Power Company  
Electric Utility - State of North Dakota  
Derivation of Metering Costs**

| <b>STANDARD KWH METER</b>          | <b>Single Phase</b>       | <b>Three Phase</b>        |
|------------------------------------|---------------------------|---------------------------|
| (1) Installed Cost                 | \$129.16                  | \$421.13                  |
| (2) L.A.R.R.                       | 9.49%                     | 9.49%                     |
| (3) Levelized Cost (1)*(2)         | \$12.26                   | \$39.97                   |
| (4) Accounting Expenses \$/Cust/Yr | \$23.76                   | \$23.76                   |
| (5) Total Annual (3)+(4)           | \$36.02                   | \$63.73                   |
| (6) Total Monthly (5)/12           | \$3.00                    | \$5.31                    |
|                                    | <b>\$3.25</b><br>Proposed | <b>\$5.50</b><br>Proposed |
|                                    | \$3.25<br>Last Year       | \$5.50<br>Last Year       |

| <b>TOD KW/KWH METER</b>    | <b>Single Phase</b>       | <b>Three Phase</b>        |
|----------------------------|---------------------------|---------------------------|
| (7) Installed Cost         | \$376.58                  | \$579.30                  |
| (8) Levelized Cost (7)*(2) | \$35.74                   | \$54.98                   |
| (9) Total Annual (8)+(4)   | \$59.50                   | \$78.74                   |
| (10) Total Monthly         | \$4.96                    | \$6.56                    |
|                            | <b>\$5.25</b><br>Proposed | <b>\$7.60</b><br>Proposed |
|                            | \$5.25<br>Last Year       | \$7.60<br>Last Year       |

Source:

(1)(7) Data provided by Xcel Energy Metering Dept.

(2) See pages 4-7.

(4) See pages 2 & 3.

Assumed accounting expenses for the second meter is 50%

$(3170000+829000)/(81342+12764)*0.5$

Test year ending December 31, 2020 Class Cost of Service Study

Escalation rate = 11.83%

| <b>Operating &amp; Maint (Pg 2 of 2)</b> |                                     |               | 1=2+3+10   | 2                  | 3=4+5           | 4             | 5=6 to 9      | 6              | 7                | 8            | 9             | 10       |
|--|-------------------------------------|---------------|------------|--------------------|-----------------|---------------|---------------|----------------|------------------|--------------|---------------|----------|
| <u>Distribution Expen</u>                | <u>Allec</u>                        | <u>ND</u>     | <u>Res</u> | <u>C&amp;I Tot</u> | <u>Sm Non-D</u> | <u>Demand</u> | <u>Second</u> | <u>Primary</u> | <u>Tr Transf</u> | <u>Trans</u> | <u>St Ltg</u> |          |
| 1  | Supervision & Engrg                 | ZDTS          | 924        | 509                | 314             | 56            | 258           | 221            | 37               | 0            | 0             | 101      |
| 2  | Load Dispatching                    | D10T          | 79         | 30                 | 48              | 4             | 45            | 37             | 8                | 0            | 0             | 1        |
| 3  | Substations                         | P61           | 458        | 181                | 273             | 22            | 251           | 208            | 43               | 0            | 0             | 5        |
| 4  | Overhead Lines                      | POL           | 2,284      | 1403               | 743             | 132           | 612           | 518            | 94               | 0            | 0             | 137      |
| 5  | Underground Lines                   | PUL           | 1,474      | 1061               | 409             | 93            | 315           | 268            | 48               | 0            | 0             | 5        |
| 6  | Line Transformers                   | P68           | 3          | 2                  | 1               | 0             | 1             | 1              | 0                | 0            | 0             | 0        |
| 7  | Meters                              | C12WM         | 273        | 164                | 108             | 34            | 74            | 71             | 3                | 0            | 0             | 0        |
| 8  | Customer Install'n                  | OXDTS         | 290        | 169                | 94              | 17            | 77            | 65             | 12               | 0            | 0             | 27       |
| 9  | Street Lighting                     | Dir Assign    | 312        | 0                  | 0               | 0             | 0             | 0              | 0                | 0            | 0             | 312      |
| 10                                       | Miscellaneous                       | OXDTS         | 2,143      | 1251               | 695             | 125           | 570           | 484            | 86               | 0            | 0             | 197      |
| 11                                       | <u>Rents (Pole Attachmts)</u>       | POL           | 289        | 178                | 94              | 17            | 77            | 66             | 12               | 0            | 0             | 17       |
| 12                                       | <b>Total Distribution</b>           |               | 8,529      | 4948               | 2780            | 500           | 2280          | 1939           | 341              | 0            | 0             | 801      |
| 1  | Supervision                         |               |            |                    |                 |               |               |                |                  |              |               |          |
| 2  | Meter Reading                       |               |            |                    |                 |               |               |                |                  |              |               |          |
| 3  | Records & Collections               |               |            |                    |                 |               |               |                |                  |              |               |          |
| 4  | Uncollectibles                      |               |            |                    |                 |               |               |                |                  |              |               |          |
| 5  | <u>Misc</u>                         |               |            |                    |                 |               |               |                |                  |              |               |          |
| 13                                       | <b>Customer Accounting</b>          | C11WA         | 4,008      | 3170               | 829             | 506           | 323           | 320            | 3                | 0            | 0             | 9        |
| 14                                       | <b>Sales, Econ Dvlp &amp; Other</b> | D57E43        | 119        | 48                 | 69              | 7             | 63            | 57             | 6                | 0            | 0             | 1        |
|  | <b>Admin &amp; General</b>          |               |            |                    |                 |               |               |                |                  |              |               |          |
| 15                                       | Salaries                            | LABOR         | 6,096      | 2458               | 3513            | 321           | 3192          | 2769           | 423              | 0            | 0             | 125      |
| 16                                       | Office Supplies                     | OXTS          | 4,196      | 1645               | 2498            | 216           | 2281          | 1983           | 298              | 0            | 0             | 53       |
| 17                                       | Admin Transfer Credit               | OXTS          | (3,407)    | -1336              | -2028           | -176          | -1852         | -1610          | -242             | 0            | 0             | -43      |
| 18                                       | Outside Services                    | LABOR         | 1,096      | 442                | 631             | 58            | 574           | 498            | 76               | 0            | 0             | 22       |
| 19                                       | Property Insurance                  | NEPIS         | 414        | 168                | 241             | 21            | 221           | 191            | 30               | 0            | 0             | 4        |
| 20                                       | Pensions & Benefits                 | LABOR         | 4,998      | 2015               | 2880            | 263           | 2617          | 2270           | 347              | 0            | 0             | 102      |
| 21                                       | Injuries & Claims                   | LABOR         | 842        | 340                | 485             | 44            | 441           | 382            | 58               | 0            | 0             | 17       |
| 22                                       | Regulatory Exp                      | R01, R02      | 34         | 14                 | 20              | 2             | 18            | 16             | 2                | 0            | 0             | 0        |
| 23                                       | General Advertising                 | OXTS          | 38         | 15                 | 23              | 2             | 21            | 18             | 3                | 0            | 0             | 0        |
| 24                                       | Contributions                       | OXTS          | 0          | 0                  | 0               | 0             | 0             | 0              | 0                | 0            | 0             | 0        |
| 25                                       | Misc General Exp                    | OXTS          | (37)       | -14                | -22             | -2            | -20           | -17            | -3               | 0            | 0             | 0        |
| 26                                       | Rents                               | OXTS          | 2,458      | 963                | 1463            | 127           | 1336          | 1161           | 175              | 0            | 0             | 31       |
| 27                                       | <u>Maint of General Plant</u>       | <u>OXTS</u>   | <u>54</u>  | <u>21</u>          | <u>32</u>       | <u>3</u>      | <u>30</u>     | <u>26</u>      | <u>4</u>         | <u>0</u>     | <u>0</u>      | <u>1</u> |
| 28                                       | Total                               |               | 16,782     | 6732               | 9737            | 880           | 8857          | 7686           | 1171             | 0            | 0             | 313      |
|  | <b>Cust Service &amp; Info</b>      |               |            |                    |                 |               |               |                |                  |              |               |          |
| 29                                       | Cust Assist Exp - Non-CIP           | C11P10        | 233        | 141                | 89              | 16            | 73            | 64             | 9                | 0            | 0             | 3        |
| 30                                       | CIP Total                           | D99E1         | 0          | 0                  | 0               | 0             | 0             | 0              | 0                | 0            | 0             | 0        |
| 31                                       | <u>Instructional Advertising</u>    | <u>C11P10</u> | <u>51</u>  | <u>31</u>          | <u>19</u>       | <u>4</u>      | <u>16</u>     | <u>14</u>      | <u>2</u>         | <u>0</u>     | <u>0</u>      | <u>1</u> |
| 32                                       | Total                               |               | 284        | 172                | 109             | 20            | 89            | 78             | 11               | 0            | 0             | 4        |
| 33                                       | Amortizations                       | LABOR         | 6,232      | 2513               | 3591            | 328           | 3263          | 2830           | 432              | 0            | 0             | 127      |
| 34                                       | <b>Total O&amp;M Expense</b>        |               | 153,060    | 60009              | 91100           | 7896          | 83204         | 72317          | 10887            | 0            | 0             | 1951     |

Northern States Power Company  
Electric Utility - North Dakota 2021 CCROSS (\$000)

|                            |   | 1=2+3+10 | 2              | 3=4+5       | 4                  | 5=6 to 9        | 6             | 7             | 8              | 9                | 10           |               |
|----------------------------|---|----------|----------------|-------------|--------------------|-----------------|---------------|---------------|----------------|------------------|--------------|---------------|
| <b>EXTERNAL ALLOCATORS</b> |   | External | <b>ND</b>      | <b>Res</b>  | <b>C&amp;I Tot</b> | <b>Sm Non-D</b> | <b>Demand</b> | <b>Second</b> | <b>Primary</b> | <b>Tr Transf</b> | <b>Trans</b> | <b>St Ltg</b> |
| 1                          | Customers - Ave Monthly                   | C11      | 100.00%        | 84.60%      | 13.28%             | 9.00%           | 4.27%         | 4.24%         | 0.03%          | 0.00%            | 0.00%        | 2.12%         |
| 2                          | Cust Acctg Wtg Factor                     | C11WA    | 100.00%        | 79.08%      | 20.68%             | 12.62%          | 8.06%         | 7.98%         | 0.08%          | 0.00%            | 0.00%        | 0.24%         |
| 3                          | Mo Cus Wtd By Mtr Invest                  | C12WMM   | 100.00%        | 60.19%      | 39.71%             | 12.59%          | 27.12%        | 26.11%        | 1.01%          | 0.00%            | 0.00%        | 0.10%         |
| 4                          | Sec & Pri Customers                       | C61PS    | 100.00%        | 86.24%      | 13.51%             | 9.13%           | 4.38%         | 4.34%         | 0.03%          | 0.00%            | 0.00%        | 0.26%         |
| 5                          | Pri & Sec Cust Served w/ 1 Ph             | C61PS1Ph | 100.00%        | 93.51%      | 6.49%              | 5.57%           | 0.92%         | 0.92%         | 0.01%          | 0.00%            | 0.00%        | 0.00%         |
| 6                          | C62Sec, w/o Ltg & C/I Underground         | C62NL    | 100.00%        | 93.37%      | 6.63%              | 4.49%           | 2.14%         | 2.14%         | 0.00%          | 0.00%            | 0.00%        | 0.00%         |
| 7                          | Secondary Customers                       | C62Sec   | 100.00%        | 86.26%      | 13.48%             | 9.13%           | 4.34%         | 4.34%         | 0.00%          | 0.00%            | 0.00%        | 0.26%         |
| 8                          | Summer Peak Resp KW                       | D10S     | 100.00%        | 31.34%      | 68.66%             | 4.17%           | 64.49%        | 53.37%        | 11.12%         | 0.00%            | 0.00%        | 0.00%         |
| 9                          | Transmission Demand %                     | D10T     | 100.00%        | 35.60%      | 63.83%             | 4.71%           | 59.12%        | 50.21%        | 8.91%          | 0.00%            | 0.00%        | 0.57%         |
| 10                         | Winter Peak Resp KW                       | D10W     | 100.00%        | 41.68%      | 56.94%             | 5.47%           | 51.47%        | 45.70%        | 5.76%          | 0.00%            | 0.00%        | 1.39%         |
| 11                         | Alternative Production Allocator          | D10C     | 100.00%        | 33.64%      | 66.05%             | 4.46%           | 61.58%        | 51.66%        | 9.93%          | 0.00%            | 0.00%        | 0.31%         |
| 12                         | Sec, Pri & TT, Class Coin kW @ Substatic  | D60Sub   | 100.00%        | 39.46%      | 59.53%             | 4.73%           | 54.80%        | 45.46%        | 9.34%          | 0.00%            | 0.00%        | 1.01%         |
| 13                         | Sec & Pri, Cl Coin kW (no Min Sys; adj Re | D61PS    | 100.00%        | 36.18%      | 62.96%             | 4.16%           | 58.80%        | 48.66%        | 10.15%         | 0.00%            | 0.00%        | 0.85%         |
| 14                         | Pri & Sec Coin kW Served w/ 1 Ph          | D61PS1Ph | 100.00%        | 72.24%      | 27.76%             | 4.67%           | 23.09%        | 18.89%        | 4.19%          | 0.00%            | 0.00%        | 0.00%         |
| 15                         | D62Sec, w/o Ltg & C/I Underground         | D62NLL   | 100.00%        | 79.13%      | 20.87%             | 3.05%           | 17.82%        | 17.82%        | 0.00%          | 0.00%            | 0.00%        | 0.00%         |
| 16                         | Sec, Class Coin kW (w/o Min Sys kW)       | D62SecL  | 100.00%        | 51.66%      | 47.70%             | 4.99%           | 42.70%        | 42.70%        | 0.00%          | 0.00%            | 0.00%        | 0.64%         |
| 17                         | Direct Assign Street Lighting             | DASL     | 100.00%        | 0.00%       | 0.00%              | 0.00%           | 0.00%         | 0.00%         | 0.00%          | 0.00%            | 0.00%        | 100.00%       |
| 18                         | On + Off Sales MWH                        | E8760    | 100.00%        | 36.91%      | 62.43%             | 4.93%           | 57.50%        | 50.64%        | 6.85%          | 0.00%            | 0.00%        | 0.66%         |
| 19                         | Street Lighting (Dir Assign)              | P73      | 100.00%        | 0.00%       | 0.00%              | 0.00%           | 0.00%         | 0.00%         | 0.00%          | 0.00%            | 0.00%        | 100.00%       |
| 20                         | Present Rev                               | R01      | 100.00%        | 40.57%      | 58.43%             | 5.51%           | 52.92%        | 47.70%        | 5.22%          | 0.00%            | 0.00%        | 1.00%         |
| 21                         | Late Fee Revenue Allocator                | LateFee  | 100.00%        | 87.79%      | 12.20%             | 3.04%           | 9.16%         | 9.13%         | 0.03%          | 0.00%            | 0.00%        | 0.01%         |
|                            |   |          | 6              | 7           | 11                 | 12              | 13            | 15            | 16             | 17               | 18           | 36            |
|                            |   |          | 1=2+3+10       | 2           | 3=4+5              | 4               | 5=6 to 9      | 6             | 7              | 8                | 9            | 10            |
| <b>EXTERNAL DATA</b>       |   | C10      | <b>ND</b>      | <b>Res</b>  | <b>C&amp;I Tot</b> | <b>Sm Non-D</b> | <b>Demand</b> | <b>Second</b> | <b>Primary</b> | <b>Tr Transf</b> | <b>Trans</b> | <b>St Ltg</b> |
| 22                         | Customers - B Basis                       | C10      | 93,865         | 80,944      | 12,677             | 8,570           | 4,107         | 4,076         | 31             | 0                | 0            | 243           |
| 23                         | Cust - Ave Monthly (C10-Area Lt)          | C11      | 96,144         | 81,342      | 12,764             | 8,657           | 4,107         | 4,076         | 31             | 0                | 0            | 2,038         |
| 24                         | Mo Cus Wtd By Cus Acct                    | C11WA    | 102,860        | 81,342      | 21,276             | 12,985          | 8,291         | 8,207         | 84             | 0                | 0            | 242           |
| 25                         | Cust Acctg Wtg Factor                     | C11WAF   | 7.34           | 1.00        | 6.22               | 1.50            | 4.72          | 2.01          | 2.71           | 0.00             | 0.00         | 0.12          |
| 26                         | Cust-Ave Mo (C11 w/ Dir Assign St Ltg)    | C12      | 94,230         | 81,342      | 12,764             | 8,657           | 4,107         | 4,076         | 31             | 0                | 0            | 124           |
| 27                         | Mo Cus Wtd By Mtr Invest                  | C12WMM   | 12,656,917     | 7,617,987   | 5,026,114          | 1,593,062       | 3,433,051     | 3,304,939     | 128,112        | 0                | 0            | 12,816        |
| 28                         | Meter Invest / Cust Factor                | C12WMMF  | 5,324          | 94          | 5,127              | 184             | 4,943         | 811           | 4,133          | 0                | 0            | 103           |
| 29                         | Sec & Pri Customers                       | C61PS    | 93,865         | 80,944      | 12,677             | 8,570           | 4,107         | 4,076         | 31             | 0                | 0            | 243           |
| 30                         | % Served by Primary Single Phase          |          | 0              | 1           | 0                  | 0               | 0             | 0             | 0              | 0                | 0            | 0             |
| 31                         | Pri & Sec Cust Served w/ 1 Ph             | C61PS1Ph | 61,976         | 57,954      | 4,022              | 3,450           | 572           | 568           | 5              | 0                | 0            | 0             |
| 32                         | C62Sec, w/o Ltg & C/I Underground         | C62NL    | 86,688         | 80,944      | 5,744              | 3,892           | 1,851         | 1,851         | 0              | 0                | 0            | 0             |
| 33                         | Secondary Customers                       | C62Sec   | 93,834         | 80,944      | 12,646             | 8,570           | 4,076         | 4,076         | 0              | 0                | 0            | 243           |
| 34                         | Summer Peak Resp KW                       | D10S     | 414            | 130         | 284                | 17              | 267           | 221           | 46             | 0                | 0            | 0             |
| 35                         | Dmd (D10S x Fact + D10W)/1000             | D10T     | 10,000,000     | 3,560,028   | 6,382,730          | 470,854         | 5,911,876     | 5,020,560     | 891,317        | 0                | 0            | 57,242        |
| 36                         | Winter Peak Resp KW                       | D10W     | 332            | 138         | 189                | 18              | 171           | 152           | 19             | 0                | 0            | 5             |
| 37                         | Alternative Production Allocator          | D10C     | 10,000,000     | 3,364,298   | 6,604,749          | 446,334         | 6,158,415     | 5,165,684     | 992,731        | 0                | 0            | 30,953        |
| 38                         | Sec, Pri & TT, Class Coin kW @ Substatic  | D60Sub   | 492,965        | 194,540     | 293,455            | 23,310          | 270,145       | 224,118       | 46,027         | 0                | 0            | 4,970         |
| 39                         | Sec & Pri, Class Coin kW (w/o Min Sys; re | D61PS    | 453,056        | 163,938     | 285,253            | 18,844          | 266,409       | 220,444       | 45,965         | 0                | 0            | 3,866         |
| 40                         | Pri & Sec Coin kW Served w/ 1 Ph          | D61PS1Ph | 162,467,082    | 117,374     | 45,093             | 7,586           | 37,507        | 30,697        | 0              | 0                | 0            | 0             |
| 41                         | D62Sec, w/o Ltg & C/I Underground         | D62NLL   | 941,532,384    | 745,034     | 196,499            | 28,754          | 167,745       | 167,745       | 0              | 0                | 0            | 0             |
| 42                         | Sec, Class Coin kW (w/o Min Sys kW)       | D62SecL  | 10,000,000,000 | 5,166,364   | 4,769,801          | 499,350         | 4,270,451     | 4,270,451     | 0              | 0                | 0            | 63,835        |
| 43                         | Annual Billing kW                         | D99      | 3,287          | 0           | 3,287              | 0               | 3,287         | 2,990         | 296            | 0                | 0            | 0             |
| 44                         | Summer Billing kW                         | D99S     | 1,137          | 0           | 1,137              | 0               | 1,137         | 1,032         | 106            | 0                | 0            | 0             |
| 45                         | Winter Billing kW                         | D99W     | 2149,487408    | 0           | 2149,487408        | 0               | 2149,487408   | 1958,698099   | 190,7893093    | 0                | 0            | 0             |
| 46                         | Non-Coinc Pk Second                       | DN-Sec   | 1181527.969    | 745033.6606 | 432628.808         | 63307.09647     | 369321.7116   | 369321.7116   | 0              | 0                | 0            | 3865.5        |
| 47                         | MWh Sales                                 | E99      | 2136484.527    | 779209.0567 | 1339341.711        | 102502.3631     | 1236839.348   | 1086221.651   | 150617.6965    | 0                | 0            | 17933.75916   |
| 48                         | Late Fee Revenue Allocation               | LateFee  | 100.00%        | 87.79%      | 12.20%             | 3.04%           | 9.16%         | 9.13%         | 0.03%          | 0.00%            | 0.00%        | 0.01%         |

**REVENUE REQUIREMENTS**

**Meter Equipment**

**North Dakota**

|                    |            |
|--------------------|------------|
| Income Tax Rate    | 24.41%     |
| AFUDC Rate         | 0.00%      |
| Beginning Year     | 2023       |
| Year in Service    | 2023       |
| Salvage/(Removal)% | 10.00%     |
| Escalation Factor  | 2.28%      |
| Tax Life           | 0 years    |
| Book Life          | 30.0 years |
| Property Tax Rate  | 0.82%      |

|           | Cost of Capital |         | Before-Tax    | After-Tax     |
|-----------|-----------------|---------|---------------|---------------|
|           | Cost            | Ratio   | Weighted Cost | Weighted Cost |
| Equity    | 9.50%           | 52.50%  | 4.99%         | 4.99%         |
| Preferred | 0.00%           | 0.00%   | 0.00%         | 0.00%         |
| L-T Debt  | 4.22%           | 46.72%  | 1.97%         | 1.49%         |
| S-T Debt  | 1.00%           | 0.78%   | 0.01%         | 0.01%         |
|           |                 | 100.00% | 6.97%         | 6.49%         |

**Carrying Charge Rate**

|                                  |              |
|----------------------------------|--------------|
| Return Requirement               | 4.54%        |
| Depreciation Requirement         | 3.08%        |
| Income Tax Requirement           | 1.05%        |
| <b>Total Capital Requirement</b> | <b>8.67%</b> |
| O&M Requirement                  | 0.00%        |
| Property Tax                     | 0.82%        |
| <b>Total LARR =</b>              | <b>9.49%</b> |

(LARR) Levelized Annual Revenue Requirement

| Time Period | Year | Capital Expend. | AFUDC | Total CWIP | Plant in Service BOY | Plant in Service EOY | Average Plant in Service | Average Accum. Deprec. | Average Net Plant in Service | Average Acc. Def. Income Taxes | Average Rate Base | Rate of Return (Equity) | Rate of Return (Debt) | AFUDC | Operating Expenses | Book Deprec. Expense | Deferred Income Taxes | Salvage | Income Taxes | Property Taxes |
|-------------|------|-----------------|-------|------------|----------------------|----------------------|--------------------------|------------------------|------------------------------|--------------------------------|-------------------|-------------------------|-----------------------|-------|--------------------|----------------------|-----------------------|---------|--------------|----------------|
| 0           | 2023 | 1,000           | 0     | 1,000      | 0                    | 1,000                | 500                      | 8                      | 493                          | 3                              | 490               | 24                      | 10                    | 0     | 0.00               | 15                   | 5                     | 0       | 2            | 0              |
| 1           | 2024 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 30                     | 970                          | 11                             | 959               | 48                      | 19                    | 0     | 0.00               | 30                   | 10                    | 0       | 5            | 8              |
| 2           | 2025 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 60                     | 940                          | 20                             | 920               | 46                      | 18                    | 0     | 0.00               | 30                   | 9                     | 0       | 6            | 8              |
| 3           | 2026 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 90                     | 910                          | 29                             | 881               | 44                      | 17                    | 0     | 0.00               | 30                   | 8                     | 0       | 6            | 8              |
| 4           | 2027 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 120                    | 880                          | 36                             | 844               | 42                      | 17                    | 0     | 0.00               | 30                   | 7                     | 0       | 7            | 8              |
| 5           | 2028 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 150                    | 850                          | 42                             | 808               | 40                      | 16                    | 0     | 0.00               | 30                   | 6                     | 0       | 7            | 8              |
| 6           | 2029 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 180                    | 820                          | 47                             | 773               | 39                      | 15                    | 0     | 0.00               | 30                   | 5                     | 0       | 8            | 8              |
| 7           | 2030 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 210                    | 790                          | 51                             | 739               | 37                      | 15                    | 0     | 0.00               | 30                   | 4                     | 0       | 8            | 8              |
| 8           | 2031 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 240                    | 760                          | 55                             | 705               | 35                      | 14                    | 0     | 0.00               | 30                   | 4                     | 0       | 8            | 8              |
| 9           | 2032 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 270                    | 730                          | 58                             | 672               | 34                      | 13                    | 0     | 0.00               | 30                   | 4                     | 0       | 7            | 8              |
| 10          | 2033 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 300                    | 700                          | 62                             | 638               | 32                      | 13                    | 0     | 0.00               | 30                   | 4                     | 0       | 7            | 8              |
| 11          | 2034 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 330                    | 670                          | 66                             | 604               | 30                      | 12                    | 0     | 0.00               | 30                   | 4                     | 0       | 6            | 8              |
| 12          | 2035 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 360                    | 640                          | 69                             | 571               | 28                      | 11                    | 0     | 0.00               | 30                   | 4                     | 0       | 6            | 8              |
| 13          | 2036 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 390                    | 610                          | 73                             | 537               | 27                      | 11                    | 0     | 0.00               | 30                   | 4                     | 0       | 5            | 8              |
| 14          | 2037 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 420                    | 580                          | 76                             | 504               | 25                      | 10                    | 0     | 0.00               | 30                   | 4                     | 0       | 5            | 8              |
| 15          | 2038 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 450                    | 550                          | 80                             | 470               | 23                      | 9                     | 0     | 0.00               | 30                   | 4                     | 0       | 4            | 8              |
| 16          | 2039 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 480                    | 520                          | 83                             | 437               | 22                      | 9                     | 0     | 0.00               | 30                   | 4                     | 0       | 3            | 8              |
| 17          | 2040 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 510                    | 490                          | 87                             | 403               | 20                      | 8                     | 0     | 0.00               | 30                   | 4                     | 0       | 3            | 8              |
| 18          | 2041 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 540                    | 460                          | 91                             | 369               | 18                      | 7                     | 0     | 0.00               | 30                   | 4                     | 0       | 2            | 8              |
| 19          | 2042 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 570                    | 430                          | 94                             | 336               | 17                      | 7                     | 0     | 0.00               | 30                   | 4                     | 0       | 2            | 8              |
| 20          | 2043 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 600                    | 400                          | 95                             | 305               | 15                      | 6                     | 0     | 0.00               | 30                   | (2)                   | 0       | 7            | 8              |
| 21          | 2044 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 630                    | 370                          | 90                             | 280               | 14                      | 6                     | 0     | 0.00               | 30                   | (7)                   | 0       | 12           | 8              |
| 22          | 2045 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 660                    | 340                          | 83                             | 257               | 13                      | 5                     | 0     | 0.00               | 30                   | (7)                   | 0       | 11           | 8              |
| 23          | 2046 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 690                    | 310                          | 76                             | 234               | 12                      | 5                     | 0     | 0.00               | 30                   | (7)                   | 0       | 11           | 8              |
| 24          | 2047 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 720                    | 280                          | 68                             | 212               | 11                      | 4                     | 0     | 0.00               | 30                   | (7)                   | 0       | 11           | 8              |
| 25          | 2048 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 750                    | 250                          | 61                             | 189               | 9                       | 4                     | 0     | 0.00               | 30                   | (7)                   | 0       | 10           | 8              |
| 26          | 2049 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 780                    | 220                          | 54                             | 166               | 8                       | 3                     | 0     | 0.00               | 30                   | (7)                   | 0       | 10           | 8              |
| 27          | 2050 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 810                    | 190                          | 46                             | 144               | 7                       | 3                     | 0     | 0.00               | 30                   | (7)                   | 0       | 10           | 8              |
| 28          | 2051 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 840                    | 160                          | 39                             | 121               | 6                       | 2                     | 0     | 0.00               | 30                   | (7)                   | 0       | 9            | 8              |
| 29          | 2052 |                 | 0     | 0          | 1,000                | 1,000                | 1,000                    | 870                    | 130                          | 32                             | 98                | 5                       | 2                     | 0     | 0.00               | 30                   | (7)                   | 0       | 9            | 8              |
|             |      | 1,000           | 0     | 1,000      |                      |                      |                          |                        |                              |                                |                   |                         |                       |       | 0                  | 885                  | 28                    | 0       | 208          | 238            |

Levelized Annual

Revenue

As % of Total

**REVENUE REQUIREMENTS**

**Meter Equipment**

**North Dakota**

- Income Tax Rate
- AFUDC Rate
- Beginning Year
- Year in Service
- Salvage/(Removal)%
- Escalation Factor
- Tax Life
- Book Life
- Property Tax Rate

| Time Period | Year                        | Revenue Req. | PV Revenue Req. | PV of Book Deprec. | PV of Equity Return | PV of Debt Return | PV of AFUDC | PV of Operating Expenses | PV of Property Taxes | PV of Def. Taxes | PV of Income Taxes |       |
|-------------|-----------------------------|--------------|-----------------|--------------------|---------------------|-------------------|-------------|--------------------------|----------------------|------------------|--------------------|-------|
| 0           | 2023                        | 57           | 57              | 15                 | 24                  | 10                | 0           | 0                        | 0                    | 5                | 2                  |       |
| 1           | 2024                        | 121          | 113             | 28                 | 45                  | 18                | 0           | 0                        | 8                    | 10               | 5                  |       |
| 2           | 2025                        | 117          | 103             | 26                 | 40                  | 16                | 0           | 0                        | 7                    | 8                | 5                  |       |
| 3           | 2026                        | 114          | 94              | 25                 | 36                  | 14                | 0           | 0                        | 7                    | 6                | 5                  |       |
| 4           | 2027                        | 111          | 86              | 23                 | 33                  | 13                | 0           | 0                        | 6                    | 5                | 5                  |       |
| 5           | 2028                        | 108          | 79              | 22                 | 29                  | 12                | 0           | 0                        | 6                    | 4                | 5                  |       |
| 6           | 2029                        | 105          | 72              | 21                 | 26                  | 10                | 0           | 0                        | 6                    | 3                | 5                  |       |
| 7           | 2030                        | 102          | 65              | 19                 | 24                  | 9                 | 0           | 0                        | 5                    | 2                | 5                  |       |
| 8           | 2031                        | 99           | 60              | 18                 | 21                  | 8                 | 0           | 0                        | 5                    | 2                | 5                  |       |
| 9           | 2032                        | 96           | 54              | 17                 | 19                  | 8                 | 0           | 0                        | 5                    | 2                | 4                  |       |
| 10          | 2033                        | 93           | 50              | 16                 | 17                  | 7                 | 0           | 0                        | 4                    | 2                | 4                  |       |
| 11          | 2034                        | 90           | 45              | 15                 | 15                  | 6                 | 0           | 0                        | 4                    | 2                | 3                  |       |
| 12          | 2035                        | 87           | 41              | 14                 | 13                  | 5                 | 0           | 0                        | 4                    | 2                | 3                  |       |
| 13          | 2036                        | 84           | 37              | 13                 | 12                  | 5                 | 0           | 0                        | 4                    | 2                | 2                  |       |
| 14          | 2037                        | 81           | 34              | 12                 | 10                  | 4                 | 0           | 0                        | 3                    | 1                | 2                  |       |
| 15          | 2038                        | 79           | 31              | 12                 | 9                   | 4                 | 0           | 0                        | 3                    | 1                | 2                  |       |
| 16          | 2039                        | 76           | 28              | 11                 | 8                   | 3                 | 0           | 0                        | 3                    | 1                | 1                  |       |
| 17          | 2040                        | 73           | 25              | 10                 | 7                   | 3                 | 0           | 0                        | 3                    | 1                | 1                  |       |
| 18          | 2041                        | 70           | 23              | 10                 | 6                   | 2                 | 0           | 0                        | 3                    | 1                | 1                  |       |
| 19          | 2042                        | 67           | 20              | 9                  | 5                   | 2                 | 0           | 0                        | 2                    | 1                | 1                  |       |
| 20          | 2043                        | 64           | 18              | 9                  | 4                   | 2                 | 0           | 0                        | 2                    | (1)              | 2                  |       |
| 21          | 2044                        | 62           | 17              | 8                  | 4                   | 1                 | 0           | 0                        | 2                    | (2)              | 3                  |       |
| 22          | 2045                        | 60           | 15              | 8                  | 3                   | 1                 | 0           | 0                        | 2                    | (2)              | 3                  |       |
| 23          | 2046                        | 58           | 14              | 7                  | 3                   | 1                 | 0           | 0                        | 2                    | (2)              | 3                  |       |
| 24          | 2047                        | 56           | 12              | 7                  | 2                   | 1                 | 0           | 0                        | 2                    | (2)              | 2                  |       |
| 25          | 2048                        | 54           | 11              | 6                  | 2                   | 1                 | 0           | 0                        | 2                    | (2)              | 2                  |       |
| 26          | 2049                        | 52           | 10              | 6                  | 2                   | 1                 | 0           | 0                        | 2                    | (1)              | 2                  |       |
| 27          | 2050                        | 51           | 9               | 5                  | 1                   | 1                 | 0           | 0                        | 2                    | (1)              | 2                  |       |
| 28          | 2051                        | 49           | 8               | 5                  | 1                   | 0                 | 0           | 0                        | 1                    | (1)              | 2                  |       |
| 29          | 2052                        | 47           | 8               | 5                  | 1                   | 0                 | 0           | 0                        | 1                    | (1)              | 1                  |       |
|             |                             | 2,381        | 1,239           | 403                | 425                 | 169               | 0           | 0                        | 106                  | 49               | 89                 |       |
|             | Annual Revenue Requirement: |              | 95              | 31                 | 32                  | 13                | 0           | 0                        | 8                    | 4                | 7                  |       |
|             | Original Cost:              |              | 9.48%           | 3.08%              | 3.25%               | 1.29%             | 0.00%       | 0.00%                    | 0.81%                | 0.37%            | 0.68%              | 9.48% |

**REVENUE REQUIREMENTS**

**Meter Equipment**

**North Dakota**

Income Tax Rate

AFUDC Rate

Beginning Year

Year in Service

Salvage/(Removal)%

Escalation Factor

Tax Life

Book Life

Property Tax Rate

|             |      | Tax Depreciation Table |      |      |      |      |       |     |     |         |
|-------------|------|------------------------|------|------|------|------|-------|-----|-----|---------|
| Time Period | Year | 2023                   | 2024 | 2025 | 2026 | 2027 | Total | BOY | EOY | Average |
| 0           | 2023 | 38                     |      |      |      |      | 38    | 0   | 0   | 0       |
| 1           | 2024 | 72                     | 0    |      |      |      | 72    | 0   | 0   | 0       |
| 2           | 2025 | 67                     | 0    | 0    |      |      | 67    | 0   | 0   | 0       |
| 3           | 2026 | 62                     | 0    | 0    | 0    |      | 62    | 0   | 0   | 0       |
| 4           | 2027 | 57                     | 0    | 0    | 0    | 0    | 57    | 0   | 0   | 0       |
| 5           | 2028 | 53                     | 0    | 0    | 0    | 0    | 53    | 0   | 0   | 0       |
| 6           | 2029 | 49                     | 0    | 0    | 0    | 0    | 49    | 0   | 0   | 0       |
| 7           | 2030 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 8           | 2031 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 9           | 2032 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 10          | 2033 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 11          | 2034 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 12          | 2035 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 13          | 2036 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 14          | 2037 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 15          | 2038 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 16          | 2039 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 17          | 2040 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 18          | 2041 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 19          | 2042 | 45                     | 0    | 0    | 0    | 0    | 45    | 0   | 0   | 0       |
| 20          | 2043 | 22                     | 0    | 0    | 0    | 0    | 22    | 0   | 0   | 0       |
| 21          | 2044 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 22          | 2045 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 23          | 2046 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 24          | 2047 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 25          | 2048 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 26          | 2049 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 27          | 2050 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 28          | 2051 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
| 29          | 2052 | 0                      | 0    | 0    | 0    | 0    | 0     | 0   | 0   | 0       |
|             |      | 1,000                  | 0    | 0    | 0    | 0    | 1,000 |     |     |         |

|             |      | Book Depreciation Table |      |      |      |      |       |     |     |         |
|-------------|------|-------------------------|------|------|------|------|-------|-----|-----|---------|
| Time Period | Year | 2023                    | 2024 | 2025 | 2026 | 2027 | Total | BOY | EOY | Average |
| 0           | 2023 | 15                      |      |      |      |      | 15    | 0   | 15  | 8       |
| 1           | 2024 | 30                      | 0    |      |      |      | 30    | 15  | 45  | 30      |
| 2           | 2025 | 30                      | 0    | 0    |      |      | 30    | 45  | 75  | 60      |
| 3           | 2026 | 30                      | 0    | 0    | 0    |      | 30    | 75  | 105 | 90      |
| 4           | 2027 | 30                      | 0    | 0    | 0    | 0    | 30    | 105 | 135 | 120     |
| 5           | 2028 | 30                      | 0    | 0    | 0    | 0    | 30    | 135 | 165 | 150     |
| 6           | 2029 | 30                      | 0    | 0    | 0    | 0    | 30    | 165 | 195 | 180     |
| 7           | 2030 | 30                      | 0    | 0    | 0    | 0    | 30    | 195 | 225 | 210     |
| 8           | 2031 | 30                      | 0    | 0    | 0    | 0    | 30    | 225 | 255 | 240     |
| 9           | 2032 | 30                      | 0    | 0    | 0    | 0    | 30    | 255 | 285 | 270     |
| 10          | 2033 | 30                      | 0    | 0    | 0    | 0    | 30    | 285 | 315 | 300     |
| 11          | 2034 | 30                      | 0    | 0    | 0    | 0    | 30    | 315 | 345 | 330     |
| 12          | 2035 | 30                      | 0    | 0    | 0    | 0    | 30    | 345 | 375 | 360     |
| 13          | 2036 | 30                      | 0    | 0    | 0    | 0    | 30    | 375 | 405 | 390     |
| 14          | 2037 | 30                      | 0    | 0    | 0    | 0    | 30    | 405 | 435 | 420     |
| 15          | 2038 | 30                      | 0    | 0    | 0    | 0    | 30    | 435 | 465 | 450     |
| 16          | 2039 | 30                      | 0    | 0    | 0    | 0    | 30    | 465 | 495 | 480     |
| 17          | 2040 | 30                      | 0    | 0    | 0    | 0    | 30    | 495 | 525 | 510     |
| 18          | 2041 | 30                      | 0    | 0    | 0    | 0    | 30    | 525 | 555 | 540     |
| 19          | 2042 | 30                      | 0    | 0    | 0    | 0    | 30    | 555 | 585 | 570     |
| 20          | 2043 | 30                      | 0    | 0    | 0    | 0    | 30    | 585 | 615 | 600     |
| 21          | 2044 | 30                      | 0    | 0    | 0    | 0    | 30    | 615 | 645 | 630     |
| 22          | 2045 | 30                      | 0    | 0    | 0    | 0    | 30    | 645 | 675 | 660     |
| 23          | 2046 | 30                      | 0    | 0    | 0    | 0    | 30    | 675 | 705 | 690     |
| 24          | 2047 | 30                      | 0    | 0    | 0    | 0    | 30    | 705 | 735 | 720     |
| 25          | 2048 | 30                      | 0    | 0    | 0    | 0    | 30    | 735 | 765 | 750     |
| 26          | 2049 | 30                      | 0    | 0    | 0    | 0    | 30    | 765 | 795 | 780     |
| 27          | 2050 | 30                      | 0    | 0    | 0    | 0    | 30    | 795 | 825 | 810     |
| 28          | 2051 | 30                      | 0    | 0    | 0    | 0    | 30    | 825 | 855 | 840     |
| 29          | 2052 | 30                      | 0    | 0    | 0    | 0    | 30    | 855 | 885 | 870     |
|             |      | 885                     | 0    | 0    | 0    | 0    | 885   |     |     |         |

**REVENUE REQUIREMENTS**

**Meter Equipment**

**North Dakota**

Income Tax Rate

AFUDC Rate

Beginning Year

Year in Service

Salvage/(Removal)%

Escalation Factor

Tax Life

Book Life

Property Tax Rate

| Time Period | Year | Salvage | Deferred Taxes | BOY                   | EOY                   | Avg. Acc. Deferred Taxes | Book Depreciation | Tax Depreciation | Tax Depreciation Rates |         |         |         |         |         |
|-------------|------|---------|----------------|-----------------------|-----------------------|--------------------------|-------------------|------------------|------------------------|---------|---------|---------|---------|---------|
|             |      |         |                | Accum. Deferred Taxes | Accum. Deferred Taxes |                          |                   |                  | MACRS Half Year        |         |         |         |         |         |
|             |      |         |                |                       |                       |                          |                   |                  | 3-year                 | 5-year  | 7-year  | 10-year | 15-year | 20-year |
| 0           | 2023 | 0       | 5              | 0                     | 5                     | 3                        | 1.67%             | 3.75%            | 33.33%                 | 20.00%  | 14.29%  | 10.00%  | 5.00%   | 3.75%   |
| 1           | 2024 | 0       | 10             | 5                     | 16                    | 11                       | 3.33%             | 7.22%            | 44.45%                 | 32.00%  | 24.49%  | 18.00%  | 9.50%   | 7.22%   |
| 2           | 2025 | 0       | 9              | 16                    | 25                    | 20                       | 3.33%             | 6.68%            | 14.81%                 | 19.20%  | 17.49%  | 14.40%  | 8.55%   | 6.68%   |
| 3           | 2026 | 0       | 8              | 25                    | 33                    | 29                       | 3.33%             | 6.18%            | 7.41%                  | 11.52%  | 12.49%  | 11.52%  | 7.70%   | 6.18%   |
| 4           | 2027 | 0       | 7              | 33                    | 39                    | 36                       | 3.33%             | 5.71%            |                        | 11.52%  | 8.93%   | 9.22%   | 6.93%   | 5.71%   |
| 5           | 2028 | 0       | 6              | 39                    | 45                    | 42                       | 3.33%             | 5.29%            |                        | 5.76%   | 8.92%   | 7.37%   | 6.23%   | 5.29%   |
| 6           | 2029 | 0       | 5              | 45                    | 49                    | 47                       | 3.33%             | 4.89%            |                        |         | 8.93%   | 6.55%   | 5.90%   | 4.89%   |
| 7           | 2030 | 0       | 4              | 49                    | 53                    | 51                       | 3.33%             | 4.52%            |                        |         | 4.46%   | 6.55%   | 5.90%   | 4.52%   |
| 8           | 2031 | 0       | 4              | 53                    | 57                    | 55                       | 3.33%             | 4.46%            |                        |         |         | 6.55%   | 5.91%   | 4.46%   |
| 9           | 2032 | 0       | 4              | 57                    | 60                    | 58                       | 3.33%             | 4.46%            |                        |         |         | 6.55%   | 5.90%   | 4.46%   |
| 10          | 2033 | 0       | 4              | 60                    | 64                    | 62                       | 3.33%             | 4.46%            |                        |         |         | 3.28%   | 5.91%   | 4.46%   |
| 11          | 2034 | 0       | 4              | 64                    | 67                    | 66                       | 3.33%             | 4.46%            |                        |         |         |         | 5.90%   | 4.46%   |
| 12          | 2035 | 0       | 4              | 67                    | 71                    | 69                       | 3.33%             | 4.46%            |                        |         |         |         | 5.91%   | 4.46%   |
| 13          | 2036 | 0       | 4              | 71                    | 74                    | 73                       | 3.33%             | 4.46%            |                        |         |         |         | 5.90%   | 4.46%   |
| 14          | 2037 | 0       | 4              | 74                    | 78                    | 76                       | 3.33%             | 4.46%            |                        |         |         |         | 5.91%   | 4.46%   |
| 15          | 2038 | 0       | 4              | 78                    | 82                    | 80                       | 3.33%             | 4.46%            |                        |         |         |         | 2.95%   | 4.46%   |
| 16          | 2039 | 0       | 4              | 82                    | 85                    | 83                       | 3.33%             | 4.46%            |                        |         |         |         |         | 4.46%   |
| 17          | 2040 | 0       | 4              | 85                    | 89                    | 87                       | 3.33%             | 4.46%            |                        |         |         |         |         | 4.46%   |
| 18          | 2041 | 0       | 4              | 89                    | 92                    | 91                       | 3.33%             | 4.46%            |                        |         |         |         |         | 4.46%   |
| 19          | 2042 | 0       | 4              | 92                    | 96                    | 94                       | 3.33%             | 4.46%            |                        |         |         |         |         | 4.46%   |
| 20          | 2043 | 0       | (2)            | 96                    | 94                    | 95                       | 3.33%             | 2.23%            |                        |         |         |         |         | 2.23%   |
| 21          | 2044 | 0       | (7)            | 94                    | 87                    | 90                       | 3.33%             |                  | 100.00%                | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| 22          | 2045 | 0       | (7)            | 87                    | 79                    | 83                       | 3.33%             |                  |                        |         |         |         |         |         |
| 23          | 2046 | 0       | (7)            | 79                    | 72                    | 76                       | 3.33%             |                  |                        |         |         |         |         |         |
| 24          | 2047 | 0       | (7)            | 72                    | 65                    | 68                       | 3.33%             |                  |                        |         |         |         |         |         |
| 25          | 2048 | 0       | (7)            | 65                    | 57                    | 61                       | 3.33%             |                  |                        |         |         |         |         |         |
| 26          | 2049 | 0       | (7)            | 57                    | 50                    | 54                       | 3.33%             |                  |                        |         |         |         |         |         |
| 27          | 2050 | 0       | (7)            | 50                    | 43                    | 46                       | 3.33%             |                  |                        |         |         |         |         |         |
| 28          | 2051 | 0       | (7)            | 43                    | 35                    | 39                       | 3.33%             |                  |                        |         |         |         |         |         |
| 29          | 2052 | 0       | (7)            | 35                    | 28                    | 32                       | 3.33%             |                  |                        |         |         |         |         |         |
|             |      |         | 28             |                       |                       |                          | 98.33%            |                  |                        |         |         |         |         |         |

**Northern States Power Company  
Electric Utility - State of North Dakota  
Derivation of Energy Payments**

| <b>NET ENERGY BILLING SERVICE</b>   | <b>Average Summer</b> | <b>Average Winter</b> | <b>Wtd Avg Annual</b> |
|---|-----------------------|-----------------------|-----------------------|
| (1) Estimated System Average Incremental Energy Costs for 2023 (¢/kWh)            | 3.434                 | 3.688                 |                       |
| (2) Energy Loss Factors   | 0.9659                | 0.9648                |                       |
| (3) Estimated System Average Incremental Energy Costs Adjusted for Losses (1)/(2) | 3.555                 | 3.823                 |                       |
| (4) Average Annual (Cents/kWh)<br><small>((1)*4/12) + ((2)*8/12)</small>          |                       |                       | <b>3.734</b>          |

| <b>PURCHASE AND SALE BILLING SERVICE</b>  | <b>Average Summer</b> | <b>Average Winter</b> |
|---|-----------------------|-----------------------|
| (1) Estimated System Average Incremental Energy Costs for 2023 (¢/kWh)            | 3.434                 | 3.688                 |
| (2) Energy Loss Factors   | 0.9659                | 0.9648                |
| (3) Estimated System Average Incremental Energy Costs Adjusted for Losses (1)/(2) | <b>3.555</b>          | <b>3.823</b>          |

| <b>TIME OF DAY PURCHASE SERVICE</b>  | <b>Summer On Peak</b> | <b>Summer Off Peak</b> | <b>Winter On Peak</b> | <b>Winter Off Peak</b> |
|--|-----------------------|------------------------|-----------------------|------------------------|
| (1) Estimated System Average Incremental Energy Costs for 2023 (¢/kWh)           | 5.032                 | 2.586                  | 4.549                 | 3.232                  |
| (2) Energy Loss Factors  | 0.9616                | 0.9682                 | 0.9612                | 0.9667                 |
| (3) Estimated System Average Incremental Energy Costs Adjusted for Losses(1)/(2) | <b>5.233</b>          | <b>2.671</b>           | <b>4.732</b>          | <b>3.343</b>           |

Sources:  
Incremental Energy Cost Data provided by Xcel Energy's Generation Modeling .

**Northern States Power Company  
Electric Utility - State of North Dakota  
Calculation of Net Annual Avoided Capacity Costs**

[TRADE SECRET  
DATA BEGINS  
(Highlighted)]

|   |         |               |
|---|---------|---------------|
| (1) Completed Cost of C.T. Unit (2023 \$)   |         | /kW           |
| (2) Inflation Net of Technical Progress   | 2.00%   |               |
| (3) Average Service Life  | 40      | Years         |
| (4) Discount Rate (After Tax)   |         |               |
| Calculation of Marginal Capital Carry Charge Rate   |         |               |
| (5) Present Value of Revenue Requirements   |         | /kW           |
| (6) Annuity Factor Adjustment for Inflation   | 0.05466 |               |
| (7) Present Value of Revenue Requirements<br>Adjusted for Inflation (5)*(6) **  |         |               |
| (8) Marginal Capital Carrying Charge Rate<br>(7)/(1)  |         |               |
| (9) First Year Revenue Requirement (1)*(8)  |         | /kW (2023 \$) |
| (10) Present Value at 7.16% for 0 years   |         | /kW           |
| (11) Present Value of Average Annual Fuel Savings   |         | /kW           |
| (12) Annual Avoided Capacity Cost<br>(10)-(11)  |         | /kW           |
| (13) Adjusted for 15% Reserve Margin<br>(12)*1.15   |         | /kW           |
| (14) Plus \$10.60/kW Fixed O & M (2023 \$)<br>(13)+O&M  |         | /kW           |
| (15) Adjusted for losses (14)*(1+(1-0.9652))  |         | /kW           |
| (16) NET ANNUAL AVOIDED CAPACITY COST   | \$48.07 | /kW           |
|   |         |               |
| (17) Net Winter On-Peak Avoided Capacity Cost (TOD PURCHASE)<br>(16)*0.2229/2023                                      | 0.00519 | \$/kWh        |
| (18) Net Summer On-Peak Avoided Capacity Cost (TOD PURCHASE)<br>(16)*0.7771/1022                                      | 0.03677 | \$/kWh        |
| (19) Net Annual On-Peak Avoided Capacity Cost<br>(16)/3045  | 0.01579 | \$/kWh        |
| (20) Net Winter Avoided Capacity Cost<br>Averaged Over All Winter Hours (PURCHASE & SALE BILLING)<br>(16)*0.2340/5832 | 0.00180 | \$/kWh        |
| (21) Net Summer Aoided Capacity Cost<br>Averaged Over All Summer Hours (PURCHASE & SALE BILLING)<br>(16)*0.7660/2928  | 0.01283 | \$/kWh        |
| (22) Net Annual Avoided Capacity Cost<br>Average Over All Hours<br>(16)/8760  | 0.00549 | \$/kWh        |

\*\*  $AC = k*(r-j)*(1+j)^{(t-1)}*[1/(1-(1+j)^n/(1+r)^n)]$   
 Where AC = Annual Charge in year t  
 t = Year (=1)  
 K = Total Present Value Cost of Original Investment  
 r = Discount Rate (Overall Marginal Cost of Capital) ( % )  
 j = Inflation Rate Net of Technology Progress (2.00%)  
 n = Expected Service Life of Investment (40 Years)

Note: The weighting factors 77.7% and 22.3% are obtained from NSP's most recent Cost of Service Study. These ratios represent relative summer and winter season capacity costs on NSP's System.

|                 |         |
|-----------------|---------|
| Summer Percent: | 78.17%  |
| Winter Percent: | 21.83%  |
| Total:          | 100.00% |
| O & M           |         |

|              | <u>On-Peak</u> | <u>Off-Peak</u> |
|--------------|----------------|-----------------|
| Winter Hours | 2,023          | 3,809           |
| Summer Hours | <u>1,022</u>   | <u>1,906</u>    |
| Total        | 3,045          | 5,715           |

TRADE SECRET DATA ENDS]

**Northern States Power Company  
System Peak Demands  
Summer/Winter Factors**

| Month                           | System MW     |               |
|---------------------------------|---------------|---------------|
|                                 | Full          | Net           |
| 1                               | 6,174         | 1,306         |
| 2                               | 5,892         | 1,024         |
| 3                               | 5,676         | 808           |
| 4                               | 5,191         | 323           |
| 5                               | 6,377         | 1,509         |
| 6                               | 8,332         | 3,464         |
| 7                               | 9,073         | 4,205         |
| 8                               | 8,500         | 3,632         |
| 9                               | 7,352         | 2,484         |
| 10                              | 5,520         | 652           |
| 11                              | 5,641         | 773           |
| 12                              | 6,173         | 1,305         |
| Annual Average Hourly Load      | <b>4,868</b>  |               |
| <b>Average of Monthly Peaks</b> |               |               |
| Year                            | 6,658         | 1,790         |
| Summer                          | 8,314         | 3,446         |
| Winter                          | <u>5,831</u>  | <u>963</u>    |
| Total                           | 14,145        | 4,409         |
| <b>Summer:Winter Ratio</b>      | <b>1.4260</b> | <b>3.5805</b> |
| Summer Percent                  | 58.78%        | 78.17%        |
| Winter Percent                  | <u>41.22%</u> | <u>21.83%</u> |
|                                 | 100.00%       | 100.00%       |

**Notes:**

*Full system ratio used to weight actual summer class peaks*

*Net system ratio used to split total peaking plant into summer and winter*

Northern States Power Company  
**Electric Utility - State of North Dakota**  
**Marginal Cost of Capital**

| <i>(Before Tax)</i>     | Capitalization Ratio (%) | Cost (%) | Weighted (%) |
|-------------------------|--------------------------|----------|--------------|
| LT- Debt                | 46.72%                   | 4.22%    | 1.97%        |
| ST- Debt                | 0.78%                    | 1.00%    | 0.01%        |
| Common Equity           | 52.50%                   | 9.50% *  | 4.99%        |
| <b>Weighted Average</b> | 100.00%                  |          | <b>6.97%</b> |

| <i>(After Tax)</i>      | Capitalization Ratio (%) | Cost (%) | Weighted (%) |
|-------------------------|--------------------------|----------|--------------|
| LT-Debt                 | 46.72%                   | 4.22%    | 1.49%        |
| ST-Debt                 | 0.78%                    | 1.00%    | 0.01%        |
| Common Equity           | 52.50%                   | 9.50% *  | 4.99%        |
| <b>Weighted Average</b> | 100.00%                  |          | <b>6.49%</b> |

\* Common Equity is Commission approved return in case no. PU-20-441 (Order issued 8/18/2021)

Source:

Order on Settlement of NSP 2021 Electric Rate Increase Application in case no. PU-20-441 (Order issued 8/18/2021)  
 Tax rate - NSP Corporate Assumptions Memo (May 11, 2022)

REVENUE REQUIREMENTS

Combustion Turbine Plant

North Dakota

|                    |            |
|--------------------|------------|
| Income Tax Rate    | 24.41%     |
| AFUDC Rate         | 8.02%      |
| Beginning Year     | 2023       |
| Year in Service    | 2023       |
| Salvage/(Removal)% | 0.00%      |
| Escalation Factor  | 2.28%      |
| Tax Life           | 20 years   |
| Book Life          | 27.5 years |
| Property Tax Rate  | 0.82%      |

|           | Cost of Capital |         | Before-Tax    | After-Tax     |
|-----------|-----------------|---------|---------------|---------------|
|           | Cost            | Ratio   | Weighted Cost | Weighted Cost |
| Equity    | 9.50%           | 52.50%  | 4.99%         | 4.99%         |
| Preferred | 0.00%           | 0.00%   | 0.00%         | 0.00%         |
| L-T Debt  | 4.22%           | 46.72%  | 1.97%         | 1.49%         |
| S-T Debt  | 1.00%           | 0.78%   | 0.01%         | 0.01%         |
|           |                 | 100.00% | 6.97%         | 6.49%         |

| Carrying Charge Rate      |              |
|---------------------------|--------------|
| Return Requirement        | 7.07%        |
| Depreciation Requirement  | 0.00%        |
| Income Tax Requirement    | 1.78%        |
| Total Capital Requirement | 8.85%        |
| O&M Requirement           | 0.00%        |
| Property Tax              | 0.82%        |
| <b>Total LARR =</b>       | <b>9.67%</b> |

(LARR) Levelized Annual Revenue Requirement

| Time Period | Year | Capital Expend. | AFUDC | Total CWIP | Plant in Service BOY | Plant in Service EOY | Average Plant in Service | Average Accum. Deprec. | Average Net Plant in Service | Average Acc. Def. Income Taxes | Average Rate Base | Rate of Return (Equity) | Rate of Return (Debt) | AFUDC | Operating Expenses | Book Deprec. Expense | Deferred Income Taxes | Salvage | Income Taxes |
|-------------|------|-----------------|-------|------------|----------------------|----------------------|--------------------------|------------------------|------------------------------|--------------------------------|-------------------|-------------------------|-----------------------|-------|--------------------|----------------------|-----------------------|---------|--------------|
| 0           | 2022 | 1,000           | 40    | 1,040      | 0                    | 0                    | 0                        | 0                      | 0                            | 0                              | 520               | 26                      | 10                    | (40)  | 0.00               | 0                    | 0                     | 0       | 8            |
| 1           | 2023 |                 | 42    | 1,082      | 0                    | 1,082                | 541                      | 0                      | 541                          | 0                              | 541               | 27                      | 11                    | (42)  | 0.00               | 0                    | 0                     | 0       | 9            |
| 2           | 2024 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 3           | 2025 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 4           | 2026 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 5           | 2027 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 6           | 2028 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 7           | 2029 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 8           | 2030 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 9           | 2031 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 10          | 2032 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 11          | 2033 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 12          | 2034 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 13          | 2035 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 14          | 2036 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 15          | 2037 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 16          | 2038 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 17          | 2039 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 18          | 2040 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 19          | 2041 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 20          | 2042 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 21          | 2043 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 22          | 2044 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 23          | 2045 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 24          | 2046 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 25          | 2047 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 26          | 2048 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 27          | 2049 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 28          | 2050 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
| 29          | 2051 |                 | 0     | 0          | 1,082                | 1,082                | 1,082                    | 0                      | 1,082                        | 0                              | 1,082             | 54                      | 21                    | 0     | 0.00               | 0                    | 0                     | 0       | 17           |
|             |      | 1,000           | 82    | 1,082      |                      |                      |                          |                        |                              |                                |                   |                         |                       | 0     | 0                  | 0                    | 0                     | 0       | 505          |

REVENUE REQUIREMENTS

Combustion Turbine Plant

North Dakota

Income Tax Rate

AFUDC Rate

Beginning Year

Year in Service

Salvage/(Removal)%

Escalation Factor

Tax Life

Book Life

Property Tax Rate

| Time Period | Year | Property Taxes                        | Revenue Req. | PV Revenue Req. | PV of Book Deprec. | PV of Equity Return | PV of Debt Return | PV of AFUDC | PV of Operating Expenses | PV of Property Taxes | PV of Def. Taxes | PV of Income Taxes |       |
|-------------|------|---------------------------------------|--------------|-----------------|--------------------|---------------------|-------------------|-------------|--------------------------|----------------------|------------------|--------------------|-------|
| 0           | 2022 | 0                                     | 5            | 5               | 0                  | 26                  | 10                | (40)        | 0                        | 0                    | 0                | 8                  |       |
| 1           | 2023 | 8                                     | 13           | 12              | 0                  | 25                  | 10                | (39)        | 0                        | 8                    | 0                | 8                  |       |
| 2           | 2024 | 8                                     | 101          | 89              | 0                  | 48                  | 19                | 0           | 0                        | 7                    | 0                | 15                 |       |
| 3           | 2025 | 8                                     | 101          | 84              | 0                  | 45                  | 18                | 0           | 0                        | 7                    | 0                | 14                 |       |
| 4           | 2026 | 8                                     | 101          | 79              | 0                  | 42                  | 17                | 0           | 0                        | 6                    | 0                | 14                 |       |
| 5           | 2027 | 8                                     | 101          | 74              | 0                  | 39                  | 16                | 0           | 0                        | 6                    | 0                | 13                 |       |
| 6           | 2028 | 8                                     | 101          | 69              | 0                  | 37                  | 15                | 0           | 0                        | 6                    | 0                | 12                 |       |
| 7           | 2029 | 8                                     | 101          | 65              | 0                  | 35                  | 14                | 0           | 0                        | 5                    | 0                | 11                 |       |
| 8           | 2030 | 8                                     | 101          | 61              | 0                  | 33                  | 13                | 0           | 0                        | 5                    | 0                | 11                 |       |
| 9           | 2031 | 8                                     | 101          | 57              | 0                  | 31                  | 12                | 0           | 0                        | 5                    | 0                | 10                 |       |
| 10          | 2032 | 8                                     | 101          | 54              | 0                  | 29                  | 11                | 0           | 0                        | 4                    | 0                | 9                  |       |
| 11          | 2033 | 8                                     | 101          | 51              | 0                  | 27                  | 11                | 0           | 0                        | 4                    | 0                | 9                  |       |
| 12          | 2034 | 8                                     | 101          | 48              | 0                  | 25                  | 10                | 0           | 0                        | 4                    | 0                | 8                  |       |
| 13          | 2035 | 8                                     | 101          | 45              | 0                  | 24                  | 9                 | 0           | 0                        | 4                    | 0                | 8                  |       |
| 14          | 2036 | 8                                     | 101          | 42              | 0                  | 22                  | 9                 | 0           | 0                        | 3                    | 0                | 7                  |       |
| 15          | 2037 | 8                                     | 101          | 39              | 0                  | 21                  | 8                 | 0           | 0                        | 3                    | 0                | 7                  |       |
| 16          | 2038 | 8                                     | 101          | 37              | 0                  | 20                  | 8                 | 0           | 0                        | 3                    | 0                | 6                  |       |
| 17          | 2039 | 8                                     | 101          | 35              | 0                  | 19                  | 7                 | 0           | 0                        | 3                    | 0                | 6                  |       |
| 18          | 2040 | 8                                     | 101          | 33              | 0                  | 17                  | 7                 | 0           | 0                        | 3                    | 0                | 6                  |       |
| 19          | 2041 | 8                                     | 101          | 31              | 0                  | 16                  | 6                 | 0           | 0                        | 2                    | 0                | 5                  |       |
| 20          | 2042 | 8                                     | 101          | 29              | 0                  | 15                  | 6                 | 0           | 0                        | 2                    | 0                | 5                  |       |
| 21          | 2043 | 8                                     | 101          | 27              | 0                  | 14                  | 6                 | 0           | 0                        | 2                    | 0                | 5                  |       |
| 22          | 2044 | 8                                     | 101          | 25              | 0                  | 14                  | 5                 | 0           | 0                        | 2                    | 0                | 4                  |       |
| 23          | 2045 | 8                                     | 101          | 24              | 0                  | 13                  | 5                 | 0           | 0                        | 2                    | 0                | 4                  |       |
| 24          | 2046 | 8                                     | 101          | 22              | 0                  | 12                  | 5                 | 0           | 0                        | 2                    | 0                | 4                  |       |
| 25          | 2047 | 8                                     | 101          | 21              | 0                  | 11                  | 4                 | 0           | 0                        | 2                    | 0                | 4                  |       |
| 26          | 2048 | 8                                     | 101          | 20              | 0                  | 11                  | 4                 | 0           | 0                        | 2                    | 0                | 3                  |       |
| 27          | 2049 | 8                                     | 101          | 18              | 0                  | 10                  | 4                 | 0           | 0                        | 2                    | 0                | 3                  |       |
| 28          | 2050 | 8                                     | 101          | 17              | 0                  | 9                   | 4                 | 0           | 0                        | 1                    | 0                | 3                  |       |
| 29          | 2051 | 8                                     | 101          | 16              | 0                  | 9                   | 3                 | 0           | 0                        | 1                    | 0                | 3                  |       |
|             |      | 238                                   | 2,846        | 1,227           | 0                  | 698                 | 277               | (79)        | 0                        | 106                  | 0                | 225                |       |
|             |      | Levelized Annual Revenue Requirement: |              | 97              | 0                  | 55                  | 22                | (6)         | 0                        | 8                    | 0                | 18                 |       |
|             |      | As % of Original Cost:                |              | 9.68%           | 0.00%              | 5.51%               | 2.19%             | -0.63%      | 0.00%                    | 0.84%                | 0.00%            | 1.78%              | 9.68% |





**Northern States Power Company  
Electric Utility - State of North Dakota  
Derivation of Seasonal Loss Factors**

50%

ENERGY LOSS FACTORS

|                     |        |        |
|---------------------|--------|--------|
| (1) Summer On Peak  | 0.9232 | 0.9616 |
| (2) Summer Off Peak | 0.9364 | 0.9682 |
| (3) Summer Average  | 0.9318 | 0.9659 |
| (4) Winter On Peak  | 0.9225 | 0.9612 |
| (5) Winter Off Peak | 0.9334 | 0.9667 |
| (6) Winter Average  | 0.9296 | 0.9648 |

DEMAND LOSS FACTOR

|                    |        |        |
|--------------------|--------|--------|
| (7) Annual Average | 0.9303 | 0.9652 |
|--------------------|--------|--------|

Source:  
Information provided by Xcel Energy Load Research Dept.

Table 1

**Standard Contract Offer  
by  
Northern States Power Company**

**2023 Rate Sheet**

| <b>Years</b>           | <b>\$/kW-mth</b>          | <b>Years</b>          | <b>\$/MWh</b>               |
|------------------------|---------------------------|-----------------------|-----------------------------|
| <b>Contract Length</b> | <b>Levelized Capacity</b> | <b>Payment Period</b> | <b>Levelized Energy (1)</b> |
| 1                      | 3.44                      |                       |                             |
| 2                      | 3.47                      |                       |                             |
| 3                      | 3.51                      |                       |                             |
| 4                      | 3.54                      |                       |                             |
| 5                      | 3.58                      |                       |                             |
| 6                      | 3.61                      | 1                     | 29.79                       |
| 7                      | 3.65                      | 2                     | 28.95                       |
| 8                      | 3.69                      | 3                     | 28.20                       |
| 9                      | 3.73                      | 4                     | 27.51                       |
| 10                     | 3.76                      | 5                     | 26.86                       |
| 11                     | 3.80                      | 6                     | 26.25                       |
| 12                     | 3.84                      | 7                     | 25.68                       |
| 13                     | 3.88                      | 8                     | 25.13                       |
| 14                     | 3.92                      | 9                     | 24.61                       |
| 15                     | 3.96                      | 10                    | 24.10                       |
| 16                     | 4.00                      | 11                    | 23.62                       |
| 17                     | 4.05                      | 12                    | 23.15                       |
| 18                     | 4.09                      | 13                    | 22.70                       |
| 19                     | 4.13                      | 14                    | 22.27                       |
| 20                     | 4.17                      | 15                    | 21.84                       |
| 21                     | 4.22                      | 16                    | 21.43                       |
| 22                     | 4.26                      | 17                    | 21.04                       |
| 23                     | 4.31                      | 18                    | 20.65                       |
| 24                     | 4.36                      | 19                    | 20.28                       |
| 25                     | 4.40                      | 20                    | 19.92                       |
| 26                     | 4.45                      |                       |                             |
| 27                     | 4.50                      |                       |                             |
| 28                     | 4.55                      |                       |                             |
| 29                     | 4.59                      |                       |                             |
| 30                     | 4.64                      |                       |                             |
| 31                     | 4.69                      |                       |                             |
| 32                     | 4.75                      |                       |                             |
| 33                     | 4.80                      |                       |                             |
| 34                     | 4.85                      |                       |                             |
| 35                     | 4.90                      |                       |                             |

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 29.79 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 21.84 \$/MWh for each year with the remaining 5 years for payback account corrections.

**Standard Contract Offer  
by  
Northern States Power Company**

**2024 Rate Sheet**

| <b>Years</b>           | <b>\$/kW-mth</b>          | <b>Years</b>          | <b>\$/MWh</b>               |
|------------------------|---------------------------|-----------------------|-----------------------------|
| <b>Contract Length</b> | <b>Levelized Capacity</b> | <b>Payment Period</b> | <b>Levelized Energy (1)</b> |
| 1                      | 0.00                      |                       |                             |
| 2                      | 0.00                      |                       |                             |
| 3                      | 0.00                      |                       |                             |
| 4                      | 0.00                      |                       |                             |
| 5                      | 0.74                      |                       |                             |
| 6                      | 1.25                      | 1                     | 25.54                       |
| 7                      | 1.63                      | 2                     | 25.52                       |
| 8                      | 1.92                      | 3                     | 25.38                       |
| 9                      | 2.15                      | 4                     | 25.16                       |
| 10                     | 2.35                      | 5                     | 24.89                       |
| 11                     | 2.51                      | 6                     | 24.58                       |
| 12                     | 2.66                      | 7                     | 24.25                       |
| 13                     | 2.79                      | 8                     | 23.90                       |
| 14                     | 2.91                      | 9                     | 23.55                       |
| 15                     | 3.02                      | 10                    | 23.19                       |
| 16                     | 3.12                      | 11                    | 22.83                       |
| 17                     | 3.21                      | 12                    | 22.46                       |
| 18                     | 3.30                      | 13                    | 22.10                       |
| 19                     | 3.38                      | 14                    | 21.75                       |
| 20                     | 3.46                      | 15                    | 21.40                       |
| 21                     | 3.54                      | 16                    | 21.05                       |
| 22                     | 3.62                      | 17                    | 20.71                       |
| 23                     | 3.69                      | 18                    | 20.37                       |
| 24                     | 3.76                      | 19                    | 20.04                       |
| 25                     | 3.83                      | 20                    | 19.71                       |
| 26                     | 3.90                      |                       |                             |
| 27                     | 3.97                      |                       |                             |
| 28                     | 4.04                      |                       |                             |
| 29                     | 4.10                      |                       |                             |
| 30                     | 4.17                      |                       |                             |
| 31                     | 4.24                      |                       |                             |
| 32                     | 4.30                      |                       |                             |
| 33                     | 4.37                      |                       |                             |
| 34                     | 4.43                      |                       |                             |
| 35                     | 4.50                      |                       |                             |

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 25.54 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 21.40 \$/MWh for each year with the remaining 5 years for payback account corrections.

**Standard Contract Offer  
by  
Northern States Power Company**

**2025 Rate Sheet**

| <b>Years</b>           | <b>\$/kW-mth</b>          | <b>Years</b>          | <b>\$/MWh</b>               |
|------------------------|---------------------------|-----------------------|-----------------------------|
| <b>Contract Length</b> | <b>Levelized Capacity</b> | <b>Payment Period</b> | <b>Levelized Energy (1)</b> |
| 1                      | 0.00                      |                       |                             |
| 2                      | 0.00                      |                       |                             |
| 3                      | 0.00                      |                       |                             |
| 4                      | 0.00                      |                       |                             |
| 5                      | 0.74                      |                       |                             |
| 6                      | 1.25                      | 1.00                  | 20.70                       |
| 7                      | 1.63                      | 2.00                  | 21.61                       |
| 8                      | 1.92                      | 3.00                  | 22.15                       |
| 9                      | 2.15                      | 4.00                  | 22.46                       |
| 10                     | 2.35                      | 5.00                  | 22.60                       |
| 11                     | 2.51                      | 6.00                  | 22.62                       |
| 12                     | 2.66                      | 7.00                  | 22.57                       |
| 13                     | 2.79                      | 8.00                  | 22.45                       |
| 14                     | 2.91                      | 9.00                  | 22.28                       |
| 15                     | 3.02                      | 10.00                 | 22.08                       |
| 16                     | 3.12                      | 11.00                 | 21.86                       |
| 17                     | 3.21                      | 12.00                 | 21.62                       |
| 18                     | 3.30                      | 13.00                 | 21.36                       |
| 19                     | 3.39                      | 14.00                 | 21.10                       |
| 20                     | 3.47                      | 15.00                 | 20.83                       |
| 21                     | 3.55                      | 16.00                 | 20.55                       |
| 22                     | 3.62                      | 17.00                 | 20.27                       |
| 23                     | 3.69                      | 18.00                 | 19.99                       |
| 24                     | 3.77                      | 19.00                 | 19.71                       |
| 25                     | 3.84                      | 20.00                 | 19.43                       |
| 26                     | 3.91                      |                       |                             |
| 27                     | 3.97                      |                       |                             |
| 28                     | 4.04                      |                       |                             |
| 29                     | 4.11                      |                       |                             |
| 30                     | 4.17                      |                       |                             |
| 31                     | 4.24                      |                       |                             |
| 32                     | 4.30                      |                       |                             |
| 33                     | 4.37                      |                       |                             |
| 34                     | 4.44                      |                       |                             |
| 35                     | 4.50                      |                       |                             |

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 20.70 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 20.83 \$/MWh for each year with the remaining 5 years for payback account corrections.

Northern States Power Company  
 Electric Operations - State of North Dakota  
**Annual Report of Total Energy Produced By Customers**

| <b>Bill</b>   | <b>Total Customer KWh Use</b> | <b>Net KWh Delivered By Company</b> | <b>KWh Received From Customers</b> | <b>Excess KWh Sold To Company</b> |
|---------------|-------------------------------|-------------------------------------|------------------------------------|-----------------------------------|
| 2022 December | 13,095                        | 12,773                              | 322                                | -                                 |
| November      | 7,344                         | 6,344                               | 1,159                              | 159                               |
| October       | 4,416                         | 2,914                               | 2,618                              | 1,116                             |
| September     | 4,895                         | 3,632                               | 2,110                              | 847                               |
| August        | 4,097                         | 2,760                               | 2,443                              | 1,106                             |
| July          | 3,908                         | 2,400                               | 2,770                              | 1,262                             |
| June          | 2,563                         | 1,520                               | 2,875                              | 1,832                             |
| May           | 4,020                         | 2,933                               | 1,753                              | 666                               |
| April         | 3,755                         | 3,005                               | 1,264                              | 514                               |
| March         | 2,657                         | 2,129                               | 945                                | 417                               |
| February      | 3,192                         | 2,893                               | 299                                | -                                 |
| January       | 3,842                         | 3,699                               | 143                                | -                                 |
| <b>Total</b>  | <b>57,784</b>                 | <b>47,002</b>                       | <b>18,701</b>                      | <b>7,919</b>                      |

Source: Company billing records