

**Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year**

Foundation Administration Adjustment

Consistent with the Commission's decision in Docket No. E002/GR-08-1065, we are excluding 100 percent of administrative costs related to the Xcel Energy Foundation administration from the test year.

**Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year**

Foundation Administration Adjustment

|   | MN Gas          |
|---|-----------------|
|   | 2022 Test Year  |
| <b><u>Expenses</u></b>  |                 |
| Operating Expenses:   |                 |
| Fuel & Purchased Energy Total                                     |                 |
| Production Total  |                 |
| Transmission  |                 |
| Distribution  |                 |
| Customer Accounting   |                 |
| Customer Service & Information                                    |                 |
| Sales, Econ Dvlp & Other  |                 |
| <u>Administrative &amp; General</u>                               | (10,291)        |
| <b>Total Operating Expenses</b>                                   | <b>(10,291)</b> |
| <br><b>Total Taxes</b>  |                 |
| Total Taxes Other than Income                                     | (441)           |
| Total Federal and State Income Taxes                              | 3,084           |
| <b>Total Taxes</b>  | <b>2,644</b>    |
| <br><b>Total Operating Revenues</b>                               |                 |
| <b>Total Expenses</b>   | <b>(7,647)</b>  |
| <br><b>Net Income</b>   | <b>7,647</b>    |
| <br><b><u>Rate of Return (ROR)</u></b>                            |                 |
| Total Operating Income  | 7,647           |
| <u>Total Rate Base</u>  | -               |
| <b>ROR (Operating Income / Rate Base)</b>                         |                 |
| <br><b><u>Return on Equity (ROE)</u></b>                          |                 |
| Net Operating Income  | 7,647           |
| Debt Interest (Rate Base * Weighted Cost of Debt)                 |                 |
| Earnings Available for Common                                     | 7,647           |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                | -               |
| <b>ROE (earnings for Common / Equity)</b>                         |                 |
| <br><b><u>Revenue Deficiency</u></b>                              |                 |
| Required Operating Income (Rate Base * Required Return)           |                 |
| <u>Net Operating Income</u>                                       | 7,647           |
| <b>Operating Income Deficiency</b>                                | <b>(7,647)</b>  |
| <br>Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351        |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(10,731)</b> |

**Northern States Power Company  
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Foundation Administration Adjustment

Sum of NSPM Gas

| FERC Account | 2022   |
|--------------|--------|
| 9408101      | 497    |
| 9920000      | 4,543  |
| 9921000      | 5,024  |
| 9923000      | 749    |
| 9925000      | 30     |
| 9926000      | 1,062  |
| 9930100      | 25     |
| 9930200      | 175    |
| Grand Total  | 12,105 |

MN Gas Jurisdiction

| FERC Account | 2022 Test Year |
|--------------|----------------|
| 9408101      | 441            |
| 9920000      | 4,027          |
| 9921000      | 4,454          |
| 9923000      | 664            |
| 9925000      | 27             |
| 9926000      | 941            |
| 9930100      | 22             |
| 9930200      | 155            |
| Grand Total  | 10,731         |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Foundation Administration Adjustment

| Fiscal Year | Version - Text             | V G/L Account - Key (Not Compounded) | V G/L Account - Long Text                       | Final Company Code - Key | V Final Responsible Cost Center - Medium Text | V Final Profit Center - Text | V Regulatory Account - Key (Not Compounded) | V Regulatory Account - Long Text    | Amount | Gas Utility Allocator | NSPM Gas | Gas Jurisdictional Allocator | MN Gas Jurisdiction |
|-------------|----------------------------|--------------------------------------|---|--------------------------|---|------------------------------|---|-------------------------------------|--------|-----------------------|----------|------------------------------|---------------------|
| 2022        | AI 08-2021 August Forecast | 5540001                              | Productive Labor                                | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9920000                                     | Administrative and general salaries | 27,719 | 6.41%                 | 1,776    | GCustomer/MN/SD/ND           | 1,574               |
| 2022        | AI 08-2021 August Forecast | 5540001                              | Productive Labor                                | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9920000                                     | Administrative and general salaries | 39,599 | 6.41%                 | 2,536    | GCustomer/MN/SD/ND           | 2,249               |
| 2022        | AI 08-2021 August Forecast | 5600001                              | Contract Labor                                  | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9923000                                     | Outside services employed           | 5,845  | 6.41%                 | 374      | GCustomer/MN/SD/ND           | 332                 |
| 2022        | AI 08-2021 August Forecast | 5600006                              | Consulting Professional Services Other          | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9923000                                     | Outside services employed           | 5,845  | 6.41%                 | 374      | GCustomer/MN/SD/ND           | 332                 |
| 2022        | AI 08-2021 August Forecast | 5600091                              | Print and Copy Cost - Other                     | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 4,286  | 6.41%                 | 275      | GCustomer/MN/SD/ND           | 243                 |
| 2022        | AI 08-2021 August Forecast | 5600191                              | Employee Expenses Airfare                       | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 1,403  | 6.41%                 | 90       | GCustomer/MN/SD/ND           | 80                  |
| 2022        | AI 08-2021 August Forecast | 5600201                              | Employee Expenses Taxi and Bus                  | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 234    | 6.41%                 | 15       | GCustomer/MN/SD/ND           | 13                  |
| 2022        | AI 08-2021 August Forecast | 5600206                              | Employee Expenses Mileage                       | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 195    | 6.41%                 | 12       | GCustomer/MN/SD/ND           | 11                  |
| 2022        | AI 08-2021 August Forecast | 5600211                              | Employee Expenses Conf Seminar Tmg              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 1,948  | 6.41%                 | 125      | GCustomer/MN/SD/ND           | 111                 |
| 2022        | AI 08-2021 August Forecast | 5600216                              | Employee Expenses Hotel                         | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 1,870  | 6.41%                 | 120      | GCustomer/MN/SD/ND           | 106                 |
| 2022        | AI 08-2021 August Forecast | 5600221                              | Employee Expenses Meals                         | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 1,169  | 6.41%                 | 75       | GCustomer/MN/SD/ND           | 66                  |
| 2022        | AI 08-2021 August Forecast | 5600226                              | Employee Expenses Meals Non-Employee            | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 31,563 | 6.41%                 | 2,022    | GCustomer/MN/SD/ND           | 1,792               |
| 2022        | AI 08-2021 August Forecast | 5600231                              | Employee Expenses Parking                       | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 195    | 6.41%                 | 12       | GCustomer/MN/SD/ND           | 11                  |
| 2022        | AI 08-2021 August Forecast | 5600251                              | Employee Expense Personal Communication Devices | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 701    | 6.41%                 | 45       | GCustomer/MN/SD/ND           | 40                  |
| 2022        | AI 08-2021 August Forecast | 5600256                              | Office Supplies                                 | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 390    | 6.41%                 | 25       | GCustomer/MN/SD/ND           | 22                  |
| 2022        | AI 08-2021 August Forecast | 5600261                              | Workforce Administration Expense                | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 19,484 | 6.41%                 | 1,248    | GCustomer/MN/SD/ND           | 1,106               |
| 2022        | AI 08-2021 August Forecast | 5600276                              | Life Events                                     | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 78     | 6.41%                 | 5        | GCustomer/MN/SD/ND           | 4                   |
| 2022        | AI 08-2021 August Forecast | 5600351                              | Moves Adds Changes                              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 117    | 6.41%                 | 7        | GCustomer/MN/SD/ND           | 7                   |
| 2022        | AI 08-2021 August Forecast | 5600436                              | Postage   | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 3,117  | 6.41%                 | 200      | GCustomer/MN/SD/ND           | 177                 |
| 2022        | AI 08-2021 August Forecast | 5600511                              | Advertising - Brand Image                       | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9930100                                     | General advertising expenses        | 390    | 6.41%                 | 25       | GCustomer/MN/SD/ND           | 22                  |
| 2022        | AI 08-2021 August Forecast | 5600591                              | Dues - Professional Association                 | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9921000                                     | Office supplies and expenses        | 11,690 | 6.41%                 | 749      | GCustomer/MN/SD/ND           | 664                 |
| 2022        | AI 08-2021 August Forecast | 5600596                              | Dues - Utility Association Other                | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9930200                                     | Miscellaneous general expenses      | 2,728  | 6.41%                 | 175      | GCustomer/MN/SD/ND           | 155                 |
| 2022        | AI 08-2021 August Forecast | 8900060                              | XCOA/8900060                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 817    | 8.08%                 | 66       | GCustomer/MN/SD/ND           | 59                  |
| 2022        | AI 08-2021 August Forecast | 8900065                              | XCOA/8900065                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (8)    | 8.08%                 | (1)      | GCustomer/MN/SD/ND           | (1)                 |
| 2022        | AI 08-2021 August Forecast | 8900070                              | XCOA/8900070                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 2,278  | 8.08%                 | 184      | GCustomer/MN/SD/ND           | 163                 |
| 2022        | AI 08-2021 August Forecast | 8900075                              | XCOA/8900075                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (24)   | 8.08%                 | (2)      | GCustomer/MN/SD/ND           | (2)                 |
| 2022        | AI 08-2021 August Forecast | 8900080                              | XCOA/8900080                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 4      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900085                              | XCOA/8900085                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900100                              | XCOA/8900100                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 0      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900120                              | XCOA/8900120                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 12     | 8.08%                 | 1        | GCustomer/MN/SD/ND           | 1                   |
| 2022        | AI 08-2021 August Forecast | 8900125                              | XCOA/8900125                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900130                              | XCOA/8900130                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 3,523  | 8.08%                 | 285      | GCustomer/MN/SD/ND           | 252                 |
| 2022        | AI 08-2021 August Forecast | 8900135                              | XCOA/8900135                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (43)   | 8.08%                 | (3)      | GCustomer/MN/SD/ND           | (3)                 |
| 2022        | AI 08-2021 August Forecast | 8900140                              | XCOA/8900140                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 111    | 8.08%                 | 9        | GCustomer/MN/SD/ND           | 8                   |
| 2022        | AI 08-2021 August Forecast | 8900145                              | XCOA/8900145                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (1)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900150                              | XCOA/8900150                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 237    | 8.08%                 | 19       | GCustomer/MN/SD/ND           | 17                  |
| 2022        | AI 08-2021 August Forecast | 8900155                              | XCOA/8900155                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (3)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900160                              | XCOA/8900160                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 16     | 8.08%                 | 1        | GCustomer/MN/SD/ND           | 1                   |
| 2022        | AI 08-2021 August Forecast | 8900165                              | XCOA/8900165                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900170                              | XCOA/8900170                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 13     | 8.08%                 | 1        | GCustomer/MN/SD/ND           | 1                   |
| 2022        | AI 08-2021 August Forecast | 8900175                              | XCOA/8900175                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900180                              | XCOA/8900180                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9408101                                     | Tax Other Than Income Tax - Payroll | 2,743  | 8.08%                 | 222      | GCustomer/MN/SD/ND           | 197                 |
| 2022        | AI 08-2021 August Forecast | 8900185                              | XCOA/8900185                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9408101                                     | Tax Other Than Income Tax - Payroll | 2      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900190                              | XCOA/8900190                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9925000                                     | Injuries and damages                | 15     | 8.08%                 | 1        | GCustomer/MN/SD/ND           | 1                   |
| 2022        | AI 08-2021 August Forecast | 8900195                              | XCOA/8900195                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9925000                                     | Injuries and damages                | (0)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900200                              | XCOA/8900200                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9925000                                     | Injuries and damages                | 321    | 8.08%                 | 26       | GCustomer/MN/SD/ND           | 23                  |
| 2022        | AI 08-2021 August Forecast | 8900205                              | XCOA/8900205                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9925000                                     | Injuries and damages                | (5)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900285                              | XCOA/8900285                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 0      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900295                              | XCOA/8900295                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 1      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900305                              | XCOA/8900305                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | -      | 8.08%                 | -        | GCustomer/MN/SD/ND           | -                   |
| 2022        | AI 08-2021 August Forecast | 8900335                              | XCOA/8900335                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8900345                              | XCOA/8900345                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 0      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900355                              | XCOA/8900355                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 0      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900365                              | XCOA/8900365                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 0      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900375                              | XCOA/8900375                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 0      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8900395                              | XCOA/8900395                                    | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9408101                                     | Tax Other Than Income Tax - Payroll | 2      | 8.08%                 | 0        | GCustomer/MN/SD/ND           | 0                   |
| 2022        | AI 08-2021 August Forecast | 8901120                              | XCOA/8901120                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 899    | 8.08%                 | 73       | GCustomer/MN/SD/ND           | 64                  |
| 2022        | AI 08-2021 August Forecast | 8901125                              | XCOA/8901125                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 48     | 8.08%                 | 4        | GCustomer/MN/SD/ND           | 3                   |
| 2022        | AI 08-2021 August Forecast | 8901130                              | XCOA/8901130                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 1,830  | 8.08%                 | 148      | GCustomer/MN/SD/ND           | 131                 |
| 2022        | AI 08-2021 August Forecast | 8901135                              | XCOA/8901135                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (56)   | 8.08%                 | (5)      | GCustomer/MN/SD/ND           | (4)                 |
| 2022        | AI 08-2021 August Forecast | 8901140                              | XCOA/8901140                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 71     | 8.08%                 | 6        | GCustomer/MN/SD/ND           | 5                   |
| 2022        | AI 08-2021 August Forecast | 8901145                              | XCOA/8901145                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (7)    | 8.08%                 | (1)      | GCustomer/MN/SD/ND           | (1)                 |
| 2022        | AI 08-2021 August Forecast | 8901160                              | XCOA/8901160                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 10     | 8.08%                 | 1        | GCustomer/MN/SD/ND           | 1                   |
| 2022        | AI 08-2021 August Forecast | 8901165                              | XCOA/8901165                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (3)    | 8.08%                 | (0)      | GCustomer/MN/SD/ND           | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8901170                              | XCOA/8901170                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 107    | 8.08%                 | 9        | GCustomer/MN/SD/ND           | 8                   |
| 2022        | AI 08-2021 August Forecast | 8901175                              | XCOA/8901175                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (34)   | 8.08%                 | (3)      | GCustomer/MN/SD/ND           | (2)                 |
| 2022        | AI 08-2021 August Forecast | 8901180                              | XCOA/8901180                                    | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 3,482  | 8.08%                 | 282      | GCustomer/MN/SD/ND           | 250                 |

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| Fiscal Year | Version - Text             | V G/L Account - Key (Not Compounded) | V G/L Account - Long Text | Final Company Code - Key | V Final Responsible Cost Center - Medium Text | V Final Profit Center - Text | V Regulatory Account - Key (Not Compounded) | V Regulatory Account - Long Text    | Amount | Gas Utility Allocator | NSPM Gas | Gas Jurisdictional Allocator | MN Gas Jurisdiction |
|-------------|----------------------------|--------------------------------------|---------------------------|--------------------------|---|------------------------------|---|-------------------------------------|--------|-----------------------|----------|------------------------------|---------------------|
| 2022        | AI 08-2021 August Forecast | 8901185                              | XCOA/8901185              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (135)  | 8.08%                 | (11)     | GCustomerMN/SD/ND            | (10)                |
| 2022        | AI 08-2021 August Forecast | 8901190                              | XCOA/8901190              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 274    | 8.08%                 | 22       | GCustomerMN/SD/ND            | 20                  |
| 2022        | AI 08-2021 August Forecast | 8901195                              | XCOA/8901195              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (31)   | 8.08%                 | (3)      | GCustomerMN/SD/ND            | (2)                 |
| 2022        | AI 08-2021 August Forecast | 8901200                              | XCOA/8901200              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 215    | 8.08%                 | 17       | GCustomerMN/SD/ND            | 15                  |
| 2022        | AI 08-2021 August Forecast | 8901205                              | XCOA/8901205              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (20)   | 8.08%                 | (2)      | GCustomerMN/SD/ND            | (1)                 |
| 2022        | AI 08-2021 August Forecast | 8901210                              | XCOA/8901210              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 5      | 8.08%                 | 0        | GCustomerMN/SD/ND            | 0                   |
| 2022        | AI 08-2021 August Forecast | 8901215                              | XCOA/8901215              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (2)    | 8.08%                 | (0)      | GCustomerMN/SD/ND            | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8901220                              | XCOA/8901220              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 1      | 8.08%                 | 0        | GCustomerMN/SD/ND            | 0                   |
| 2022        | AI 08-2021 August Forecast | 8901225                              | XCOA/8901225              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomerMN/SD/ND            | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8901230                              | XCOA/8901230              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9408101                                     | Tax Other Than Income Tax - Payroll | 3,199  | 8.08%                 | 259      | GCustomerMN/SD/ND            | 229                 |
| 2022        | AI 08-2021 August Forecast | 8901235                              | XCOA/8901235              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9408101                                     | Tax Other Than Income Tax - Payroll | 202    | 8.08%                 | 16       | GCustomerMN/SD/ND            | 14                  |
| 2022        | AI 08-2021 August Forecast | 8901250                              | XCOA/8901250              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9925000                                     | Injuries and damages                | 61     | 8.08%                 | 5        | GCustomerMN/SD/ND            | 4                   |
| 2022        | AI 08-2021 August Forecast | 8901255                              | XCOA/8901255              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9925000                                     | Injuries and damages                | (14)   | 8.08%                 | (1)      | GCustomerMN/SD/ND            | (1)                 |
| 2022        | AI 08-2021 August Forecast | 8901260                              | XCOA/8901260              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9920000                                     | Administrative and general salaries | 3,488  | 6.41%                 | 223      | GCustomerMN/SD/ND            | 198                 |
| 2022        | AI 08-2021 August Forecast | 8901265                              | XCOA/8901265              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9920000                                     | Administrative and general salaries | 112    | 6.41%                 | 7        | GCustomerMN/SD/ND            | 6                   |
| 2022        | AI 08-2021 August Forecast | 8910116                              | XCOA/8910116              | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (84)   | 8.08%                 | (7)      | GCustomerMN/SD/ND            | (6)                 |
| 2022        | AI 08-2021 August Forecast | 8910118                              | XCOA/8910118              | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (1)    | 8.08%                 | (0)      | GCustomerMN/SD/ND            | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8910122                              | XCOA/8910122              | 0010                     | Corporate Giving NSPM C-Final                 | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (0)    | 8.08%                 | (0)      | GCustomerMN/SD/ND            | (0)                 |
| 2022        | AI 08-2021 August Forecast | 8950116                              | XCOA/8950116              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | 95     | 8.08%                 | 8        | GCustomerMN/SD/ND            | 7                   |
| 2022        | AI 08-2021 August Forecast | 8950118                              | XCOA/8950118              | 0010                     | Chief Administrative Office NSPM C-Final      | MN - ND - SD C               | 9926000                                     | Employee pensions and benefits      | (460)  | 8.08%                 | (37)     | GCustomerMN/SD/ND            | (33)                |

|      | Amount  | NSPM Gas | MN Gas Jurisdiction |
|------|---------|----------|---------------------|
| 2022 | 183,829 | 12,105   | 10,731              |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Annual Incentive Amount over 25% of Base Salary

The purpose of this adjustment is to remove all Annual Incentive Plan amounts above 25 percent of each individual's base pay. Details regarding this adjustment are discussed in the Direct Testimony of Ruth K. Lowenthal.

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Annual Incentive Amount over 25% of Base Salary

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

Fuel & Purchased Energy Total

Production Total

Regional Markets

Transmission IA

Transmission

Distribution

Customer Accounting

Customer Service & Information

Sales, Econ Dvlp & Other

Administrative & General

(113,849)

**Total Operating Expenses**

(113,849)

**Total Taxes**

Total Taxes Other than Income

Total Federal and State Income Taxes

32,722

**Total Taxes**

32,722

**Total Operating Revenues**

**Total Expenses**

(81,126)

AFDC Debt

AFDC Equity

|                   |               |
|-------------------|---------------|
| <b>Net Income</b> | <b>81,126</b> |
|-------------------|---------------|

**Rate of Return (ROR)**

Total Operating Income

81,126

Total Rate Base

-

**ROR (Operating Income / Rate Base)**

**Return on Equity (ROE)**

Net Operating Income

81,126

Debt Interest (Rate Base \* Weighted Cost of Debt)

Earnings Available for Common

81,126

Equity Rate Base (Rate Base \* Equity Ratio)

-

**ROE (earnings for Common / Equity)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return)

Net Operating Income

81,126

**Operating Income Deficiency**

(81,126)

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

1.403351

**Revenue Deficiency (Income Deficiency \* Conversion Factor)**

(113,849)

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Annual Incentive Amount over 25% of Base Salary

|                          | 2022 (2nd year) at 100% |   |
|--------------------------|-------------------------|---|
|                          | Total AIP               | AIP in excess of<br>25% of est base<br>salary |
| MN (non nuclear)         | \$ 6,395,291            | \$ 122,572                                    |
| MN (nuclear)             | \$ 10,149,289           | \$ 437,820                                    |
| PSC                      | \$ 5,435,389            | \$ 123,085                                    |
| SPS                      | \$ 3,212,477            | \$ 79,825                                     |
| WI                       | \$ 1,254,958            | \$ 78,537                                     |
| XS                       | \$ 53,599,391           | \$ 4,449,802                                  |
| <b>Total (non-union)</b> | <b>\$ 80,046,795</b>    | <b>\$ 5,291,642</b>                           |

|                                    |                     |
|------------------------------------|---------------------|
|                                    | <b>TY Gas</b>       |
|                                    | <b>Amt over 25%</b> |
| <b>XES Allocators</b>              |                     |
| XES Allocated to NSPM Electric O&M | 24.71%              |
| XES Allocated to NSPM Gas O&M      | 2.71%               |

|                           |        |
|---------------------------|--------|
| <b>Utility Allocators</b> |        |
| 3-Factor Electric         | 93.59% |
| 3-Factor Gas              | 6.41%  |

|                             |           |
|-----------------------------|-----------|
| <b>NSPM Electric</b>        |           |
| NSPM Electric - Non Nuclear | 114,721   |
| NSPM Electric - Nuclear     | 437,820   |
| NSPM Electric - XES         | 1,099,409 |
| Total NSPM Electric         | 1,651,950 |

|                        |                |
|------------------------|----------------|
| <b>NSPM Gas</b>        |                |
| NSPM Gas - Non Nuclear | 7,851          |
| NSPM Gas - Nuclear     | -              |
| NSPM Gas - XES         | 120,574        |
| Total NSPM Gas         | <u>128,425</u> |

|                                  |          |
|----------------------------------|----------|
| <b>Jurisdictional Allocators</b> |          |
| MN Gas Customers                 | 88.6497% |

|                                      |  |               |                     |         |
|--------------------------------------|--|---------------|---------------------|---------|
| Final Incentive Adjustment<br>MN Gas | <table><tr><td><b>TY Gas</b></td></tr><tr><td><b>Amt over 25%</b></td></tr><tr><td>113,849</td></tr></table> | <b>TY Gas</b> | <b>Amt over 25%</b> | 113,849 |
| <b>TY Gas</b>                        |  |               |                     |         |
| <b>Amt over 25%</b>                  |  |               |                     |         |
| 113,849                              |  |               |                     |         |



Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

### Long Term Incentive Removal Adjustment

This adjustment removes Long-Term Incentive from recovery. Adjustments A20 and A21 add back Environmental and Time Based components of LTI. The Direct Testimony of Ms. Ruth Lowenthal discusses Long-Term Incentive in more depth.

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Long Term Incentive Removal Adjustment

| Reporting Line           | Natural Account        | Record Type                                  | NSPM MN<br>Gas Retail |
|--------------------------|------------------------|--|-----------------------|
|                          |                        |  | 2022 Test<br>Year     |
| Administration & General | Performance Share Plan | Base OM                                      | 323,825               |
| Administration & General | Restricted Stock Units | Base OM                                      | <u>440,446</u>        |
|                          |                        | Total Long Term Incentive                    | 764,271               |
| Administration & General | Performance Share Plan | NSPM-Incentive Pay_Remove Long Term          | (323,825)             |
| Administration & General | Restricted Stock Units | NSPM-Incentive Pay_Remove Long Term          | <u>(440,446)</u>      |
|                          |                        | Total Long Term Incentive Removal Adjustment | (764,271)             |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Long Term Incentive Removal Adjustment

| MEP - Record Type Validation | MN Gas         |
|------------------------------|----------------|
|                              | 2022 Test Year |

**Expenses**

Operating Expenses:

|                                      |                  |
|--------------------------------------|------------------|
| Fuel & Purchased Energy Total        |                  |
| Production - Fixed                   |                  |
| Production - Fixed IA Investment     |                  |
| Production - Fixed IA O&M            |                  |
| Production - Variable                |                  |
| Production - Variable IA O&M         |                  |
| <u>Production - Purchased Demand</u> | 0                |
| Production Total                     |                  |
| Regional Markets                     |                  |
| Transmission IA                      |                  |
| Transmission                         |                  |
| Distribution                         |                  |
| Customer Accounting                  |                  |
| Customer Service & Information       |                  |
| Sales, Econ Dvlp & Other             |                  |
| <u>Administrative &amp; General</u>  | (764,271)        |
| <b>Total Operating Expenses</b>      | <b>(764,271)</b> |

**Total Taxes**

|                                      |                |
|--------------------------------------|----------------|
| Total Taxes Other than Income        |                |
| Total Federal and State Income Taxes | 219,667        |
| <b>Total Taxes</b>                   | <b>219,667</b> |

**Total Operating Revenues**

|                       |                  |
|-----------------------|------------------|
| <b>Total Expenses</b> | <b>(544,604)</b> |
| <b>Net Income</b>     | <b>544,604</b>   |

**Rate of Return (ROR)**

|   |         |
|---|---------|
| Total Operating Income                    | 544,604 |
| <u>Total Rate Base</u>                    | -       |
| <b>ROR (Operating Income / Rate Base)</b> |         |

**Return on Equity (ROE)**

|  |         |
|--|---------|
| Net Operating Income                               | 544,604 |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |         |
| Earnings Available for Common                      | 544,604 |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | -       |
| <b>ROE (earnings for Common / Equity)</b>          |         |

**Revenue Deficiency**

|   |                  |
|---|------------------|
| Required Operating Income (Rate Base * Required Return) |                  |
| <u>Net Operating Income</u>                             | 544,604          |
| <b>Operating Income Deficiency</b>                      | <b>(544,604)</b> |

|   |                  |
|---|------------------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351         |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(764,271)</b> |

**Northern States Power Company**  
**State of Minnesota Gas Jurisdiction**  
**2022 Test Year**

XES to NSPM Pension NonQualified Restoration Removal

This adjustment excludes from the test year all non-qualified pension expenses related to the Company's Restoration Plan.

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Pension: Non-Qualified Restoration Removal

NSPM Gas

|                             | 2022 Test Year |
|-----------------------------|----------------|
| SERP                        | (25,464)       |
| Restoration                 | (90,007)       |
| Total                       | (115,472)      |
| Richard Schrubbe Schedule 2 | (115,472)      |
| Difference                  | -              |
| Jurisdictional Allocator    | 88.65%         |
| MN Gas Restoration Amount   | (79,791)       |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Pension: Non-Qualified Restoration Removal

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

Fuel & Purchased Energy Total  
Production Total  
Regional Markets  
Transmission IA  
Transmission  
Distribution  
Customer Accounting  
Customer Service & Information  
Sales, Econ Dvlp & Other  
Administrative & General

(79,791)

**Total Operating Expenses**

(79,791)

**Total Taxes**

Total Taxes Other than Income

Total Federal and State Income Taxes

22,934

**Total Taxes**

22,934

**Total Operating Revenues**

**Total Expenses**

(56,858)

|                   |               |
|-------------------|---------------|
| <b>Net Income</b> | <b>56,858</b> |
|-------------------|---------------|

**Rate of Return (ROR)**

Total Operating Income

56,858

Total Rate Base

-

**ROR (Operating Income / Rate Base)**

**Return on Equity (ROE)**

Net Operating Income

56,858

Debt Interest (Rate Base \* Weighted Cost of Debt)

Earnings Available for Common

56,858

Equity Rate Base (Rate Base \* Equity Ratio)

-

**ROE (earnings for Common / Equity)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return)

Net Operating Income

56,858

**Operating Income Deficiency**

(56,858)

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

1.403351

**Revenue Deficiency (Income Deficiency \* Conversion Factor)**

(79,791)

**Northern States Power Company**  
**State of Minnesota Gas Jurisdiction**  
**2022 Test Year**

XES to NSPM Pension NonQualified SERP Removal

This adjustment excludes from the test year all non-qualified pension expenses related to the Company's Supplemental Executive Retirement Plan (SERP).

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Pension: Non-Qualified SERP Removal

NSPM Gas

|                             | 2022 Test Year |
|-----------------------------|----------------|
| SERP                        | (25,464)       |
| Restoration                 | (90,007)       |
| Total                       | (115,472)      |
| Richard Schrubbe Schedule 2 | (115,472)      |
| Difference                  | -              |
| Jurisdictional Allocator    | 88.65%         |
| MN Gas Amount               | (22,574)       |



Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Pension: Non-Qualified SERP Removal

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

Fuel & Purchased Energy Total  
Production Total  
Regional Markets  
Transmission IA  
Transmission  
Distribution  
Customer Accounting  
Customer Service & Information  
Sales, Econ Dvlp & Other  
Administrative & General

(22,574)

**Total Operating Expenses**

(22,574)

**Total Taxes**

Total Taxes Other than Income

Total Federal and State Income Taxes

6,488

**Total Taxes**

6,488

**Total Operating Revenues**

**Total Expenses**

(16,086)

|                   |               |
|-------------------|---------------|
| <b>Net Income</b> | <b>16,086</b> |
|-------------------|---------------|

**Rate of Return (ROR)**

Total Operating Income

16,086

Total Rate Base

-

**ROR (Operating Income / Rate Base)**

**Return on Equity (ROE)**

Net Operating Income

16,086

Debt Interest (Rate Base \* Weighted Cost of Debt)

Earnings Available for Common

16,086

Equity Rate Base (Rate Base \* Equity Ratio)

-

**ROE (earnings for Common / Equity)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return)

Net Operating Income

16,086

**Operating Income Deficiency**

(16,086)

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

1.403351

**Revenue Deficiency (Income Deficiency \* Conversion Factor)**

(22,574)

Northern States Power Company  
Minnesota Gas Jurisdiction

Black Dog Pipeline

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | NSPM MN Gas<br>Retail |
|----------|---|-----------------------|
|          |   | Dec - 2022            |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                       |
| 2        | State Tax Rate  | 9.80%                 |
| 3        | Federal Statutory Tax Rate                                    | 21.00%                |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>         |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>         |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351              |
| 7        |   |                       |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                       |
| 9        | Active Rates and Ratios Version                               | Proposed              |
| 10       | Cost of Short Term Debt                                       | 0.94%                 |
| 11       | Cost of Long Term Debt  | 4.13%                 |
| 12       | Cost of Common Equity   | 10.50%                |
| 13       | Ratio of Short Term Debt                                      | 0.61%                 |
| 14       | Ratio of Long Term Debt                                       | 46.89%                |
| 15       | Ratio of Common Equity  | 52.50%                |
| 16       | Weighted Cost of STD  | 0.01%                 |
| 17       | Weighted Cost of LTD  | 1.94%                 |
| 18       | Weighted Cost of Debt   | 1.95%                 |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>          |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>          |
| 21       |   |                       |
| 22       | <b><u>Rate Base</u></b>                                       |                       |
| 23       | Plant Investment  | (4,631,732)           |
| 24       | <u>Depreciation Reserve</u>                                   | <u>(269,179)</u>      |
| 25       | Net Utility Plant   | (4,362,553)           |
| 26       | CWIP  |                       |
| 27       |   |                       |
| 28       | Accumulated Deferred Taxes                                    | (371,149)             |
| 29       | DTA - NOL Average Balance                                     |                       |
| 30       | DTA - Federal Tax Credit Average Balance                      | =                     |
| 31       | Total Accum Deferred Taxes                                    | (371,149)             |
| 32       |   |                       |
| 33       | Cash Working Capital  |                       |
| 34       | Materials and Supplies  |                       |
| 35       | Fuel Inventory  |                       |
| 36       | Non-plant Assets and Liabilities                              |                       |
| 37       | Customer Advances   |                       |

Northern States Power Company  
Minnesota Gas Jurisdiction

Black Dog Pipeline

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | NSPM MN Gas<br>Retail |
|----------|---|-----------------------|
|          |   | Dec - 2022            |
| 38       | Customer Deposits   |                       |
| 39       | Prepays and Other   |                       |
| 40       | <u>Regulatory Amortizations</u>                               | -                     |
| 41       | Total Other Rate Base Items                                   |                       |
| 42       |   |                       |
| 43       | <b>Total Rate Base</b>  | <b>(3,991,403)</b>    |
| 44       |   |                       |
| 45       | <b><u>Operating Revenues</u></b>                              |                       |
| 46       | Retail  |                       |
| 47       | Interdepartmental   |                       |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                     |
| 49       | <b>Total Operating Revenues</b>                               |                       |
| 50       |   |                       |
| 51       | <b><u>Expenses</u></b>  |                       |
| 52       | Operating Expenses:   |                       |
| 53       | Fuel  |                       |
| 54       | Deferred Fuel   |                       |
| 55       | Variable IA Production Fuel                                   |                       |
| 56       | <u>Purchased Energy - Windsource</u>                          | <u>0</u>              |
| 57       | Fuel & Purchased Energy Total                                 |                       |
| 58       | Production - Fixed  |                       |
| 59       | Production - Fixed IA Investment                              |                       |
| 60       | Production - Fixed IA O&M                                     |                       |
| 61       | Production - Variable   |                       |
| 62       | Production - Variable IA O&M                                  |                       |
| 63       | <u>Production - Purchased Demand</u>                          | <u>0</u>              |
| 64       | Production Total  |                       |
| 65       | Regional Markets  |                       |
| 66       | Transmission IA   |                       |
| 67       | Transmission  |                       |
| 68       | Distribution  |                       |
| 69       | Customer Accounting   |                       |
| 70       | Customer Service & Information                                |                       |
| 71       | Sales, Econ Dvlp & Other                                      |                       |
| 72       | <u>Administrative &amp; General</u>                           | <u>0</u>              |
| 73       | <b>Total Operating Expenses</b>                               |                       |
| 74       |   |                       |

Northern States Power Company  
Minnesota Gas Jurisdiction

Black Dog Pipeline

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | NSPM MN Gas<br>Retail |
|----------|---|-----------------------|
|          |   | Dec - 2022            |
| 75       | Depreciation  | (66,581)              |
| 76       | Amortization  |                       |
| 77       |   |                       |
| 78       | <b><u>Taxes:</u></b>  |                       |
| 79       | Property Taxes  |                       |
| 80       | ITC Amortization  |                       |
| 81       | Deferred Taxes  | (70,151)              |
| 82       | Deferred Taxes - NOL  |                       |
| 83       | Less State Tax Credits deferred                               |                       |
| 84       | Less Federal Tax Credits deferred                             |                       |
| 85       | Deferred Income Tax & ITC                                     | (70,151)              |
| 86       | Payroll & Other Taxes   |                       |
| 87       | <b>Total Taxes Other Than Income</b>                          | <b>(70,151)</b>       |
| 88       |   |                       |
| 89       | <b><u>Income Before Taxes</u></b>                             |                       |
| 90       | Total Operating Revenues                                      |                       |
| 91       | less: Total Operating Expenses                                |                       |
| 92       | Book Depreciation   | (66,581)              |
| 93       | Amortization  |                       |
| 94       | <u>Taxes Other than Income</u>                                | <u>(70,151)</u>       |
| 95       | <b>Total Before Tax Book Income</b>                           | <b>136,732</b>        |
| 96       |   |                       |
| 97       | <b><u>Tax Additions</u></b>                                   |                       |
| 98       | Book Depreciation   | (66,581)              |
| 99       | Deferred Income Taxes and ITC                                 | (70,151)              |
| 100      | Nuclear Fuel Burn (ex. D&D)                                   |                       |
| 101      | Nuclear Outage Accounting                                     |                       |
| 102      | Avoided Tax Interest  |                       |
| 103      | <u>Other Book Additions</u>                                   | -                     |
| 104      | <b>Total Tax Additions</b>                                    | <b>(136,732)</b>      |
| 105      |   |                       |
| 106      | <b><u>Tax Deductions</u></b>                                  |                       |
| 107      | Total Rate Base   | (3,991,403)           |
| 108      | Weighted Cost of Debt   | <u>1.95%</u>          |
| 109      | Debt Interest Expense   | (77,832)              |
| 110      | Nuclear Outage Accounting                                     |                       |
| 111      | Tax Depreciation and Removals                                 | (316,321)             |

Northern States Power Company  
Minnesota Gas Jurisdiction

Black Dog Pipeline

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | NSPM MN Gas<br>Retail |
|----------|---|-----------------------|
|          |   | Dec - 2022            |
| 112      | NOL Utilized / (Generated)                                    |                       |
| 113      | <u>Other Tax / Book Timing Differences</u>                    | 0                     |
| 114      | <b>Total Tax Deductions</b>                                   | <b>(394,153)</b>      |
| 115      |   |                       |
| 116      | <b><u>State Taxes</u></b>                                     |                       |
| 117      | State Taxable Income  | 394,153               |
| 118      | State Income Tax Rate   | <u>9.80%</u>          |
| 119      | State Taxes before Credits                                    | 38,627                |
| 120      | <u>Less State Tax Credits applied</u>                         | -                     |
| 121      | <b>Total State Income Taxes</b>                               | 38,627                |
| 122      |   |                       |
| 123      | <b><u>Federal Taxes</u></b>                                   |                       |
| 124      | Federal Sec 199 Production Deduction                          |                       |
| 125      | Federal Taxable Income  | 355,526               |
| 126      | Federal Income Tax Rate                                       | <u>21.00%</u>         |
| 127      | Federal Tax before Credits                                    | 74,661                |
| 128      | <u>Less Federal Tax Credits</u>                               | -                     |
| 129      | <b>Total Federal Income Taxes</b>                             | 74,661                |
| 130      |   |                       |
| 131      | <b>Total Taxes</b>  |                       |
| 132      | Total Taxes Other than Income                                 | <b>(70,151)</b>       |
| 133      | Total Federal and State Income Taxes                          | 113,288               |
| 134      | <b>Total Taxes</b>  | 43,136                |
| 135      |   |                       |
| 136      | <b>Total Operating Revenues</b>                               |                       |
| 137      | <b>Total Expenses</b>   | <b>(23,445)</b>       |
| 138      |   |                       |
| 139      | AFDC Debt   |                       |
| 140      | AFDC Equity   |                       |
| 141      |   |                       |
| 142      | <b>Net Income</b>   | <b>23,445</b>         |
| 143      |   |                       |
| 144      | <b><u>Rate of Return (ROR)</u></b>                            |                       |
| 145      | Total Operating Income  | 23,445                |
| 146      | <u>Total Rate Base</u>  | <b>(3,991,403)</b>    |
| 147      | <b>ROR (Operating Income / Rate Base)</b>                     | <b>(0.59%)</b>        |
| 148      |   |                       |

Northern States Power Company  
Minnesota Gas Jurisdiction

Black Dog Pipeline

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs            | NSPM MN Gas<br>Retail   |
|----------|--|-------------------------|
|          |  | Dec - 2022              |
| 149      | <b><u>Return on Equity (ROE)</u></b>                                     |                         |
| 150      | Net Operating Income   | 23,445                  |
| 151      | Debt Interest (Rate Base * Weighted Cost of Debt)                        | 77,832                  |
| 152      | Earnings Available for Common  | 101,277                 |
| 153      | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                       | <u>(2,095,487)</u>      |
| 154      | <b>ROE (earnings for Common / Equity)</b>                                | <b>(4.83%)</b>          |
| 155      |  |                         |
| 156      | <b><u>Revenue Deficiency</u></b>   |                         |
| 157      | Required Operating Income (Rate Base * Required Return)                  | (297,759)               |
| 158      | <u>Net Operating Income</u>  | 23,445                  |
| 159      | <b>Operating Income Deficiency</b>                                       | <b>(321,204)</b>        |
| 160      |  |                         |
| 161      | Revenue Conversion Factor (1/(1--Composite Tax Rate))                    | 1.403351                |
| 162      | <b><u>Revenue Deficiency (Income Deficiency * Conversion Factor)</u></b> | <b><u>(450,761)</u></b> |
| 163      |  |                         |
| 164      | <b><u>Total Revenue Requirements</u></b>                                 |                         |
| 165      | Total Retail Revenues  |                         |
| 166      | <u>Revenue Deficiency</u>  | <u>(450,761)</u>        |
| 167      | Total Revenue Requirements   | (450,761)               |
| 168      |  |                         |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

CIP Approved Program Levels

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Operating Revenues**

|   |                    |
|---|--------------------|
| Retail                                  | (3,187,058)        |
| Interdepartmental                       |                    |
| <u>Other Operating Rev - Non-Retail</u> | -                  |
| <b>Total Operating Revenues</b>         | <b>(3,187,058)</b> |

**Expenses**

Operating Expenses:

|                                     |                    |
|-------------------------------------|--------------------|
| Fuel & Purchased Energy Total       |                    |
| Production Total                    |                    |
| Regional Markets                    |                    |
| Transmission IA                     |                    |
| Transmission                        |                    |
| Distribution                        |                    |
| Customer Accounting                 |                    |
| Customer Service & Information      | (3,187,058)        |
| Sales, Econ Dvlp & Other            |                    |
| <u>Administrative &amp; General</u> | 0                  |
| <b>Total Operating Expenses</b>     | <b>(3,187,058)</b> |

**Total Taxes**

|                                      |   |
|--------------------------------------|---|
| Total Taxes Other than Income        |   |
| Total Federal and State Income Taxes | 0 |
| <b>Total Taxes</b>                   |   |

|                                 |                    |
|---------------------------------|--------------------|
| <b>Total Operating Revenues</b> | <b>(3,187,058)</b> |
| <b>Total Expenses</b>           | <b>(3,187,058)</b> |

**Net Income**

**Rate of Return (ROR)**

|   |   |
|---|---|
| Total Operating Income                    |   |
| <u>Total Rate Base</u>                    | - |
| <b>ROR (Operating Income / Rate Base)</b> |   |

**Return on Equity (ROE)**

|  |   |
|--|---|
| Net Operating Income                               |   |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |   |
| Earnings Available for Common                      |   |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | - |
| <b>ROE (earnings for Common / Equity)</b>          |   |

**Revenue Deficiency**

|   |  |
|---|--|
| Required Operating Income (Rate Base * Required Return) |  |
| <u>Net Operating Income</u>                             |  |
| <b>Operating Income Deficiency</b>                      |  |

|   |          |
|---|----------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351 |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> |          |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

CIP Approved Program Levels

|                                | Record Type                                    | MN Gas           |
|--------------------------------|--|------------------|
|                                |  | 2022 Test Year   |
| Base                           | Expense in Base O&M                            | 17,688,851       |
| Base                           | CIP Revenue - CCRC                             | (4,092,004)      |
| Base                           | CIP Incentive                                  | 511,685          |
| Base                           | CIP Rider Revenue                              | (17,762,269)     |
| Base                           | CIP Incentive - Retain Shareholder Portion     | <u>3,653,737</u> |
| Base                           | Base Level of CIP                              | 0                |
|                                |  |                  |
|                                | CIP Revenue - Reduce to Approved Program Level | 3,187,058        |
| Rider Removal                  | CIP Expense - Reduce to Approved Program Level | (3,187,058)      |
|                                |  |                  |
| <b>Total CIP in Base Rates</b> |  | <b>0</b>         |



Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

CIP Approved Program Levels

| Minnesota Gas Jurisdiction                     |                |
|--|----------------|
|  | 2022 Test Year |
| Base Revenue - CCRC                            | 4,092,491      |
| Rider Revenue                                  | 17,762,269     |
| CIP current year Incentive                     | 3,653,737      |
| Reversal of previous year Incentive            | (4,165,422)    |
| CIP Revenue Impact                             | (511,685)      |
| Remove current yr Incentive                    | (3,653,737)    |
| Remove previous yr Incentive                   | 4,165,422      |
| Total Adjustments                              | 511,685        |
| Total CIP Revenue in Test Year                 | 21,854,760     |
|  | 2022           |
| Total Expense in SAP Integration               | 15,429,315     |
| Expense difference due to forecast vintage     | 2,260,023      |
| Reversal of Incentive included in Base         | 4,165,422      |
| Total CIP Expense in Test Year                 | 21,854,760     |
| CIP Impact on Deficiency                       | 0              |
| CIP Authorized Level                           | 18,667,702     |
| Base Rev (CCRC) adjustment                     | -              |
| Rider Revenue adjustment                       | (3,187,058)    |
| Expense Adjustment                             | (3,187,058)    |
| Impact on the deficiency (rev decreases, exp d | -              |

**NSPM DSM/CIP Forecast/Budget Update for CFM**

| 2022   | Jan             | Feb             | Mar                 | Apr             | May             | Jun                 | Jul             | Aug             | Sep                 | Oct             | Nov             | Dec                 | Total                |
|--|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|----------------------|
| <b>ELECTRIC</b>                              |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                      |
| CIP/DSM Revenue:                             |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                      |
| MN Electric Base Revenue (CCRC)              | \$ 7,139,593    | \$ 6,336,076    | \$ 6,775,104        | \$ 5,957,985    | \$ 6,607,046    | \$ 7,385,122        | \$ 8,481,900    | \$ 8,258,570    | \$ 6,937,582        | \$ 6,745,585    | \$ 6,513,333    | \$ 7,143,244        | \$ 84,281,141        |
| MN Electric Rider                            | 6,649,232       | 5,900,903       | 6,309,777           | 5,548,779       | 6,153,262       | 6,877,898           | 7,899,347       | 7,691,355       | 6,461,096           | 5,910,127       | 5,706,640       | 6,258,535           | 77,366,952           |
| Incentive Accrual Reversals (Elec)           | (2,628,797)     | (2,263,348)     | (2,514,034)         | (2,223,258)     | (2,423,155)     | (2,707,890)         | (2,998,886)     | (2,857,990)     | (2,591,723)         | (1,782,404)     | (1,764,882)     | (1,920,188)         | (28,676,556)         |
| ND Electric Base Rates                       | 22,242          | 22,242          | 22,242              | 22,242          | 22,242          | 22,242              | 22,242          | 22,242          | 22,242              | 22,242          | 22,242          | 22,242              | 266,904              |
| SD Elec Rider (non-incentive)                | 101,653         | 87,242          | 60,828              | 83,718          | 91,264          | 57,089              | 118,826         | 111,955         | 32,888              | 94,425          | 88,361          | 1,460               | 929,707              |
| SD Electric Incentive True-up                |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     | -                    |
| SD Electric Rider Incentive                  | -               | -               | 36,545              | -               | -               | 48,727              | -               | -               | 60,909              | -               | -               | 97,455              | 243,636              |
| MN Electric Incentive True-up                |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     | -                    |
| MN Electric Incentive                        | -               | -               | 1,895,256           | -               | -               | 4,365,858           | -               | -               | 5,832,426           | -               | -               | 8,212,777           | 20,306,317           |
| Total Electric Revenue                       | \$ 11,283,923   | \$ 10,083,114   | \$ 12,585,718       | \$ 9,389,467    | \$ 10,450,660   | \$ 16,049,046       | \$ 13,523,429   | \$ 13,226,132   | \$ 16,755,419       | \$ 10,989,974   | \$ 10,565,694   | \$ 19,815,525       | \$ 154,718,102       |
| CIP/DSM Expenses:                            |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                      |
| O&M Expense - Electric MN                    | \$ 13,788,825   | \$ 12,236,979   | \$ 13,084,882       | \$ 11,506,764   | \$ 12,760,308   | \$ 14,263,021       | \$ 16,381,247   | \$ 15,949,925   | \$ 13,398,677       | \$ 12,655,712   | \$ 12,219,974   | \$ 13,401,780       | \$ 161,648,093       |
| Incentive Accrual Reversals (Elec)           | (2,628,797)     | (2,263,348)     | (2,514,034)         | (2,223,258)     | (2,423,155)     | (2,707,890)         | (2,998,886)     | (2,857,990)     | (2,591,723)         | (1,782,404)     | (1,764,882)     | (1,920,188)         | (28,676,556)         |
| O&M Expense - Electric SD                    | 101,653         | 87,242          | 60,828              | 83,718          | 91,264          | 57,089              | 118,826         | 111,955         | 32,888              | 94,425          | 88,361          | 1,460               | 929,707              |
| Amortization Expense - Electric ND           |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     | -                    |
| ND Elec O&M Programs                         | 16,183          | 16,183          | 16,183              | 16,183          | 16,183          | 16,183              | 16,183          | 16,183          | 16,183              | 16,183          | 16,183          | 16,183              | 194,200              |
| Total Electric Expense                       | \$ 11,277,864   | \$ 10,077,056   | \$ 10,647,859       | \$ 9,383,408    | \$ 10,444,601   | \$ 11,628,403       | \$ 13,517,371   | \$ 13,220,073   | \$ 10,856,025       | \$ 10,983,916   | \$ 10,559,636   | \$ 11,499,235       | \$ 134,095,445       |
| <b>True Electric Income Statement Impact</b> | <b>\$ 6,059</b> | <b>\$ 6,059</b> | <b>\$ 1,937,860</b> | <b>\$ 6,059</b> | <b>\$ 6,059</b> | <b>\$ 4,420,644</b> | <b>\$ 6,059</b> | <b>\$ 6,059</b> | <b>\$ 5,899,394</b> | <b>\$ 6,059</b> | <b>\$ 6,059</b> | <b>\$ 8,316,291</b> | <b>\$ 20,622,657</b> |
| <b>GAS</b>                                   |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                      |
| CIP/DSM Revenue:                             |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                      |
| MN Gas Base Revenue (CCRC)                   | \$ 727,949      | \$ 595,072      | \$ 501,754          | \$ 286,638      | \$ 162,444      | \$ 121,627          | \$ 100,109      | \$ 107,728      | \$ 129,457          | \$ 263,325      | \$ 454,115      | \$ 641,786          | \$ 4,092,004         |
| MN Gas Rider                                 | 2,855,775       | 2,334,493       | 1,968,404           | 1,124,493       | 637,274         | 477,150             | 392,733         | 422,621         | 507,865             | 1,364,152       | 2,352,539       | 3,324,768           | 17,762,269           |
| Incentive Accrual Reversals (Gas)            | (601,621)       | (502,409)       | (478,604)           | (337,201)       | (235,280)       | (192,544)           | (239,146)       | (215,031)       | (193,936)           | (259,435)       | (397,664)       | (512,552)           | (4,165,422)          |
| ND Gas Base Revenue                          | 11,517          | 11,517          | 11,517              | 11,517          | 11,517          | 11,517              | 11,517          | 11,517          | 11,517              | 11,517          | 11,517          | 11,517              | 138,202              |
| MN Gas Incentive True-up                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     | -                    |
| MN Gas Incentive                             | -               | -               | 341,015             | -               | -               | 785,553             | -               | -               | 1,049,435           | -               | -               | 1,477,734           | 3,653,737            |
| Total Gas Revenue                            | \$ 2,993,620    | \$ 2,438,672    | \$ 2,344,086        | \$ 1,085,446    | \$ 575,954      | \$ 1,203,304        | \$ 265,214      | \$ 326,835      | \$ 1,504,338        | \$ 1,379,560    | \$ 2,420,508    | \$ 4,943,253        | \$ 21,480,790        |
| CIP/DSM Expenses:                            |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     |                      |
| O&M Expense - Gas MN                         | \$ 3,583,724    | \$ 2,929,564    | \$ 2,470,159        | \$ 1,411,130    | \$ 799,717      | \$ 598,778          | \$ 492,843      | \$ 530,349      | \$ 637,322          | \$ 1,627,477    | \$ 2,806,655    | \$ 3,966,554        | \$ 21,854,273        |
| Incentive Accrual Reversals - Gas MN         | (601,621)       | (502,409)       | (478,604)           | (337,201)       | (235,280)       | (192,544)           | (239,146)       | (215,031)       | (193,936)           | (259,435)       | (397,664)       | (512,552)           | (4,165,422)          |
| Additional Amortization Expense              |                 |                 |                     |                 |                 |                     |                 |                 |                     |                 |                 |                     | -                    |
| ND Gas O&M Program Forecast                  | 11,473          | 11,473          | 11,473              | 11,473          | 11,473          | 11,473              | 11,473          | 11,473          | 11,473              | 11,473          | 11,473          | 11,473              | 137,676              |
| Total Gas Expense                            | \$ 2,993,576    | \$ 2,438,628    | \$ 2,003,028        | \$ 1,085,402    | \$ 575,910      | \$ 417,707          | \$ 265,170      | \$ 326,791      | \$ 454,860          | \$ 1,379,516    | \$ 2,420,464    | \$ 3,465,476        | \$ 17,826,527        |
| <b>True Gas Income Statement Impact</b>      | <b>\$ 44</b>    | <b>\$ 44</b>    | <b>\$ 341,059</b>   | <b>\$ 44</b>    | <b>\$ 44</b>    | <b>\$ 785,597</b>   | <b>\$ 44</b>    | <b>\$ 44</b>    | <b>\$ 1,049,479</b> | <b>\$ 44</b>    | <b>\$ 44</b>    | <b>\$ 1,477,778</b> | <b>\$ 3,654,263</b>  |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Credit Card Auto Pay Fees

|                                 | 2022 Test Year     | 2023 Plan Year     | 2024 Plan Year     |
|---------------------------------|--------------------|--------------------|--------------------|
| Minnesota Common Estimated Fees | 0                  | 0                  | \$8,300,000        |
| FERC 901 Utility Allocators     |                    |                    |                    |
| Electric                        | 79.6146%           | 79.6146%           | 79.6146%           |
| Gas                             | <u>20.3854%</u>    | <u>20.3854%</u>    | <u>20.3854%</u>    |
| Total                           | 100.0000%          | 100.0000%          | 100.0000%          |
| MN Electric Jurisdiction Amount | 0                  | 0                  | \$6,608,012        |
| MN Gas Jurisdiction Amount      | <u>\$1,691,988</u> | <u>\$1,691,988</u> | <u>\$1,691,988</u> |
| check                           | \$1,691,988        | \$1,691,988        | \$8,300,000        |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Credit Card Auto Pay Fees

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

|                                     |                  |
|-------------------------------------|------------------|
| Fuel & Purchased Energy Total       |                  |
| Production Total                    |                  |
| Regional Markets                    |                  |
| Transmission IA                     |                  |
| Transmission                        |                  |
| Distribution                        |                  |
| Customer Accounting                 | 1,691,988        |
| Customer Service & Information      |                  |
| Sales, Econ Dvlp & Other            |                  |
| <u>Administrative &amp; General</u> | <u>0</u>         |
| <b>Total Operating Expenses</b>     | <b>1,691,988</b> |

**Total Taxes**

|                                      |                  |
|--------------------------------------|------------------|
| Total Taxes Other than Income        |                  |
| Total Federal and State Income Taxes | (486,311)        |
| <b>Total Taxes</b>                   | <b>(486,311)</b> |

**Total Operating Revenues**

|                       |                  |
|-----------------------|------------------|
| <b>Total Expenses</b> | <b>1,205,677</b> |
|-----------------------|------------------|

|                   |                    |
|-------------------|--------------------|
| <b>Net Income</b> | <b>(1,205,677)</b> |
|-------------------|--------------------|

**Rate of Return (ROR)**

|   |             |
|---|-------------|
| Total Operating Income                    | (1,205,677) |
| <u>Total Rate Base</u>                    | <u>-</u>    |
| <b>ROR (Operating Income / Rate Base)</b> |             |

**Return on Equity (ROE)**

|  |             |
|--|-------------|
| Net Operating Income                               | (1,205,677) |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |             |
| Earnings Available for Common                      | (1,205,677) |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | <u>-</u>    |
| <b>ROE (earnings for Common / Equity)</b>          |             |

**Revenue Deficiency**

|   |                    |
|---|--------------------|
| Required Operating Income (Rate Base * Required Return) |                    |
| <u>Net Operating Income</u>                             | <u>(1,205,677)</u> |
| <b>Operating Income Deficiency</b>                      | <b>1,205,677</b>   |

|  |          |
|--|----------|
| Revenue Conversion Factor (1/(1-Composite Tax Rate)) | 1.403351 |
|--|----------|

|   |                  |
|---|------------------|
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>1,691,988</b> |
|---|------------------|

Northern States Power Company  
State of MN Gas  
Depreciation Study TD &G

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total            | NSPM MN Gas Retail |
|----------|---|------------------|--------------------|
|          |   | Dec-22           | Dec-22             |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                  |                    |
| 2        | State Tax Rate  | 9.80%            | 9.80%              |
| 3        | Federal Statutory Tax Rate                                    | 21.00%           | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>    | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>    | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351         | 1.403351           |
| 7        |   |                  |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                  |                    |
| 9        | Active Rates and Ratios Version                               | Proposed         | Proposed           |
| 10       | Cost of Short Term Debt                                       | 0.94%            | 0.94%              |
| 11       | Cost of Long Term Debt  | 4.13%            | 4.13%              |
| 12       | Cost of Common Equity   | 10.50%           | 10.50%             |
| 13       | Ratio of Short Term Debt                                      | 0.61%            | 0.61%              |
| 14       | Ratio of Long Term Debt                                       | 46.89%           | 46.89%             |
| 15       | Ratio of Common Equity  | 52.50%           | 52.50%             |
| 16       | Weighted Cost of STD  | 0.01%            | 0.01%              |
| 17       | Weighted Cost of LTD  | 1.94%            | 1.94%              |
| 18       | Weighted Cost of Debt   | 1.95%            | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>     | <u>5.51%</u>       |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>     | <b>7.46%</b>       |
| 21       |   |                  |                    |
| 22       | <b><u>Rate Base</u></b>                                       |                  |                    |
| 23       | Plant Investment  |                  |                    |
| 24       | <u>Depreciation Reserve</u>                                   | <u>723,782</u>   | <u>466,631</u>     |
| 25       | Net Utility Plant   | (723,782)        | (466,631)          |
| 26       | CWIP  |                  |                    |
| 27       |   |                  |                    |
| 28       | Accumulated Deferred Taxes                                    | (202,667)        | (130,662)          |
| 29       | DTA - NOL Average Balance                                     |                  |                    |
| 30       | DTA - Federal Tax Credit Average Balance                      | -                | -                  |
| 31       | Total Accum Deferred Taxes                                    | (202,667)        | (130,662)          |
| 32       |   |                  |                    |
| 33       | Cash Working Capital  |                  |                    |
| 34       | Materials and Supplies  |                  |                    |
| 35       | Fuel Inventory  |                  |                    |
| 36       | Non-plant Assets and Liabilities                              |                  |                    |
| 37       | Customer Advances   |                  |                    |
| 38       | Customer Deposits   |                  |                    |
| 39       | Prepays and Other   |                  |                    |
| 40       | <u>Regulatory Amortizations</u>                               | -                | -                  |
| 41       | Total Other Rate Base Items                                   |                  |                    |
| 42       |   |                  |                    |
| 43       | <b>Total Rate Base</b>  | <b>(521,115)</b> | <b>(335,969)</b>   |
| 44       |   |                  |                    |
| 45       | <b><u>Operating Revenues</u></b>                              |                  |                    |
| 46       | Retail  |                  |                    |
| 47       | Interdepartmental   |                  |                    |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                | -                  |
| 49       | <b>Total Operating Revenues</b>                               |                  |                    |
| 50       |   |                  |                    |
| 51       | <b><u>Expenses</u></b>  |                  |                    |
| 52       | Operating Expenses:   |                  |                    |
| 53       | Fuel  |                  |                    |

|     |                                      |                    |                  |
|-----|--------------------------------------|--------------------|------------------|
| 54  | Deferred Fuel                        |                    |                  |
| 55  | Variable IA Production Fuel          |                    |                  |
| 56  | <u>Purchased Energy - Windsource</u> | <u>0</u>           | <u>0</u>         |
| 57  | Fuel & Purchased Energy Total        |                    |                  |
| 58  | Production - Fixed                   |                    |                  |
| 59  | Production - Fixed IA Investment     |                    |                  |
| 60  | Production - Fixed IA O&M            |                    |                  |
| 61  | Production - Variable                |                    |                  |
| 62  | Production - Variable IA O&M         |                    |                  |
| 63  | <u>Production - Purchased Demand</u> | <u>0</u>           | <u>0</u>         |
| 64  | Production Total                     |                    |                  |
| 65  | Regional Markets                     |                    |                  |
| 66  | Transmission IA                      |                    |                  |
| 67  | Transmission                         |                    |                  |
| 68  | Distribution                         |                    |                  |
| 69  | Customer Accounting                  |                    |                  |
| 70  | Customer Service & Information       |                    |                  |
| 71  | Sales, Econ Dvlp & Other             |                    |                  |
| 72  | <u>Administrative &amp; General</u>  | <u>0</u>           | <u>0</u>         |
| 73  | <b>Total Operating Expenses</b>      |                    |                  |
| 74  |                                      |                    |                  |
| 75  | Depreciation                         | 1,447,564          | 933,263          |
| 76  | Amortization                         |                    |                  |
| 77  |                                      |                    |                  |
| 78  | <b><u>Taxes:</u></b>                 |                    |                  |
| 79  | Property Taxes                       |                    |                  |
| 80  | ITC Amortization                     |                    |                  |
| 81  | Deferred Taxes                       | (405,334)          | (261,324)        |
| 82  | Deferred Taxes - NOL                 |                    |                  |
| 83  | Less State Tax Credits deferred      |                    |                  |
| 84  | Less Federal Tax Credits deferred    |                    |                  |
| 85  | Deferred Income Tax & ITC            | (405,334)          | (261,324)        |
| 86  | Payroll & Other Taxes                |                    |                  |
| 87  | <b>Total Taxes Other Than Income</b> | <b>(405,334)</b>   | <b>(261,324)</b> |
| 88  |                                      |                    |                  |
| 89  | <b><u>Income Before Taxes</u></b>    |                    |                  |
| 90  | Total Operating Revenues             |                    |                  |
| 91  | less: Total Operating Expenses       |                    |                  |
| 92  | Book Depreciation                    | 1,447,564          | 933,263          |
| 93  | Amortization                         |                    |                  |
| 94  | <u>Taxes Other than Income</u>       | <u>(405,334)</u>   | <u>(261,324)</u> |
| 95  | <b>Total Before Tax Book Income</b>  | <b>(1,042,230)</b> | <b>(671,939)</b> |
| 96  |                                      |                    |                  |
| 97  | <b><u>Tax Additions</u></b>          |                    |                  |
| 98  | Book Depreciation                    | 1,447,564          | 933,263          |
| 99  | Deferred Income Taxes and ITC        | (405,334)          | (261,324)        |
| 100 | Nuclear Fuel Burn (ex. D&D)          |                    |                  |
| 101 | Nuclear Outage Accounting            |                    |                  |
| 102 | Avoided Tax Interest                 |                    |                  |
| 103 | <u>Other Book Additions</u>          | -                  | -                |
| 104 | <b>Total Tax Additions</b>           | <b>1,042,230</b>   | <b>671,939</b>   |
| 105 |                                      |                    |                  |
| 106 | <b><u>Tax Deductions</u></b>         |                    |                  |
| 107 | Total Rate Base                      | (521,115)          | (335,969)        |
| 108 | Weighted Cost of Debt                | <u>1.95%</u>       | <u>1.95%</u>     |
| 109 | Debt Interest Expense                | (10,162)           | (6,551)          |
| 110 | Nuclear Outage Accounting            |                    |                  |
| 111 | Tax Depreciation and Removals        |                    |                  |

|     |   |                    |                  |
|-----|---|--------------------|------------------|
| 112 | NOL Utilized / (Generated)  |                    |                  |
| 113 | <u>Other Tax / Book Timing Differences</u>                        | <u>0</u>           | <u>0</u>         |
| 114 | <b>Total Tax Deductions</b>                                       | <b>(10,162)</b>    | <b>(6,551)</b>   |
| 115 |   |                    |                  |
| 116 | <b><u>State Taxes</u></b>   |                    |                  |
| 117 | State Taxable Income  | 10,162             | 6,551            |
| 118 | State Income Tax Rate   | <u>9.80%</u>       | <u>9.80%</u>     |
| 119 | State Taxes before Credits  | 996                | 642              |
| 120 | <u>Less State Tax Credits applied</u>                             | -                  | -                |
| 121 | <b>Total State Income Taxes</b>                                   | <b>996</b>         | <b>642</b>       |
| 122 |   |                    |                  |
| 123 | <b><u>Federal Taxes</u></b>                                       |                    |                  |
| 124 | Federal Sec 199 Production Deduction                              |                    |                  |
| 125 | Federal Taxable Income  | 9,166              | 5,909            |
| 126 | Federal Income Tax Rate   | <u>21.00%</u>      | <u>21.00%</u>    |
| 127 | Federal Tax before Credits  | 1,925              | 1,241            |
| 128 | <u>Less Federal Tax Credits</u>                                   | -                  | -                |
| 129 | <b>Total Federal Income Taxes</b>                                 | <b>1,925</b>       | <b>1,241</b>     |
| 130 |   |                    |                  |
| 131 | <b>Total Taxes</b>  |                    |                  |
| 132 | Total Taxes Other than Income                                     | (405,334)          | (261,324)        |
| 133 | Total Federal and State Income Taxes                              | 2,921              | 1,883            |
| 134 | <b>Total Taxes</b>  | <b>(402,413)</b>   | <b>(259,441)</b> |
| 135 |   |                    |                  |
| 136 | <b>Total Operating Revenues</b>                                   |                    |                  |
| 137 | <b>Total Expenses</b>   | <b>1,045,151</b>   | <b>673,822</b>   |
| 138 |   |                    |                  |
| 139 | AFDC Debt   |                    |                  |
| 140 | AFDC Equity   |                    |                  |
| 141 |   |                    |                  |
| 142 | <b>Net Income</b>   | <b>(1,045,151)</b> | <b>(673,822)</b> |
| 143 |   |                    |                  |
| 144 | <b><u>Rate of Return (ROR)</u></b>                                |                    |                  |
| 145 | Total Operating Income  | (1,045,151)        | (673,822)        |
| 146 | <u>Total Rate Base</u>  | <u>(521,115)</u>   | <u>(335,969)</u> |
| 147 | <b>ROR (Operating Income / Rate Base)</b>                         | <b>200.56%</b>     | <b>200.56%</b>   |
| 148 |   |                    |                  |
| 149 | <b><u>Return on Equity (ROE)</u></b>                              |                    |                  |
| 150 | Net Operating Income  | (1,045,151)        | (673,822)        |
| 151 | Debt Interest (Rate Base * Weighted Cost of Debt)                 | 10,162             | 6,551            |
| 152 | Earnings Available for Common                                     | (1,034,989)        | (667,270)        |
| 153 | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                | <u>(273,585)</u>   | <u>(176,384)</u> |
| 154 | <b>ROE (earnings for Common / Equity)</b>                         | <b>378.31%</b>     | <b>378.31%</b>   |
| 155 |   |                    |                  |
| 156 | <b><u>Revenue Deficiency</u></b>                                  |                    |                  |
| 157 | Required Operating Income (Rate Base * Required Return)           | (38,875)           | (25,063)         |
| 158 | <u>Net Operating Income</u>                                       | <u>(1,045,151)</u> | <u>(673,822)</u> |
| 159 | <b>Operating Income Deficiency</b>                                | <b>1,006,276</b>   | <b>648,758</b>   |
| 160 |   |                    |                  |
| 161 | Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351           | 1.403351         |
| 162 | <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>1,412,158</b>   | <b>910,436</b>   |
| 163 |   |                    |                  |
| 164 | <b><u>Total Revenue Requirements</u></b>                          |                    |                  |
| 165 | Total Retail Revenues   |                    |                  |
| 166 | <u>Revenue Deficiency</u>   | <u>1,412,158</u>   | <u>910,436</u>   |
| 167 | Total Revenue Requirements  | 1,412,158          | 910,436          |
| 168 |   |                    |                  |

Northern States Power Company

State of MN Gas

Depreciation Study Remaining Life 2022 Test Year

| SMC - Financial Category Summary by Record Type [SAP]<br>Adjustment Summary | Dec - 2022  |             |           |
|---|-------------|-------------|-----------|
|   | Total       | MN Gas      | Other     |
| <b>Depreciation Reserve</b>   |             |             |           |
| NSPM-MN Gas Remaining Life  |             |             |           |
| Gas Manufactured Production Plant   | (1,392,409) | (1,216,859) | (175,551) |
| Gas Other Storage Plant   | 89,213      | 77,965      | 11,248    |
| Subtotal Depreciation Reserve   | (1,303,196) | (1,138,893) | (164,303) |
| <b>Accumulated Deferred Taxes</b>   |             |             |           |
| NSPM-MN Gas Remaining Life  |             |             |           |
| Gas Manufactured Production Plant   | 389,890     | 340,734     | 49,156    |
| Gas Other Storage Plant   | (24,981)    | (21,831)    | (3,149)   |
| Subtotal Accumulated Deferred Taxes   | 364,909     | 318,903     | 46,007    |
| <b>Depreciation</b>   |             |             |           |
| NSPM-MN Gas Remaining Life  |             |             |           |
| Gas Manufactured Production Plant   | (1,530,083) | (1,337,174) | (192,908) |
| Gas Other Storage Plant   | 70,017      | 61,190      | 8,828     |
| Subtotal Depreciation   | (1,460,065) | (1,275,985) | (184,081) |
| <b>Deferred Taxes</b>   |             |             |           |
| NSPM-MN Gas Remaining Life  |             |             |           |
| Gas Manufactured Production Plant   | 428,440     | 374,424     | 54,016    |
| Gas Other Storage Plant   | (19,606)    | (17,134)    | (2,472)   |
| Subtotal Deferred Taxes   | 408,834     | 357,290     | 51,545    |



Northern States Power Company  
State of MN Gas  
Depreciation Study Remaining Life

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total              | NSPM MN Gas Retail |
|----------|---|--------------------|--------------------|
|          |   | Dec - 2022         | Dec - 2022         |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                    |                    |
| 2        | State Tax Rate  | 9.80%              | 9.80%              |
| 3        | Federal Statutory Tax Rate                                    | 21.00%             | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>      | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>      | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351           | 1.403351           |
| 7        |   |                    |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                    |                    |
| 9        | Active Rates and Ratios Version                               | Proposed           | Proposed           |
| 10       | Cost of Short Term Debt                                       | 0.94%              | 0.94%              |
| 11       | Cost of Long Term Debt  | 4.13%              | 4.13%              |
| 12       | Cost of Common Equity   | 10.50%             | 10.50%             |
| 13       | Ratio of Short Term Debt                                      | 0.61%              | 0.61%              |
| 14       | Ratio of Long Term Debt                                       | 46.89%             | 46.89%             |
| 15       | Ratio of Common Equity  | 52.50%             | 52.50%             |
| 16       | Weighted Cost of STD  | 0.01%              | 0.01%              |
| 17       | Weighted Cost of LTD  | 1.94%              | 1.94%              |
| 18       | Weighted Cost of Debt   | 1.95%              | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>       | <u>5.51%</u>       |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>       | <b>7.46%</b>       |
| 21       |   |                    |                    |
| 22       | <b><u>Rate Base</u></b>                                       |                    |                    |
| 23       | Plant Investment  |                    |                    |
| 24       | <u>Depreciation Reserve</u>                                   | <u>(1,303,196)</u> | <u>(1,138,893)</u> |
| 25       | Net Utility Plant   | 1,303,196          | 1,138,893          |
| 26       | CWIP  |                    |                    |
| 27       |   |                    |                    |
| 28       | Accumulated Deferred Taxes                                    | 364,909            | 318,903            |
| 29       | DTA - NOL Average Balance                                     |                    |                    |
| 30       | DTA - Federal Tax Credit Average Balance                      | =                  | =                  |
| 31       | Total Accum Deferred Taxes                                    | 364,909            | 318,903            |
| 32       |   |                    |                    |
| 33       | Cash Working Capital  |                    |                    |
| 34       | Materials and Supplies  |                    |                    |
| 35       | Fuel Inventory  |                    |                    |
| 36       | Non-plant Assets and Liabilities                              |                    |                    |
| 37       | Customer Advances   |                    |                    |
| 38       | Customer Deposits   |                    |                    |
| 39       | Prepays and Other   |                    |                    |
| 40       | <u>Regulatory Amortizations</u>                               | =                  | =                  |
| 41       | Total Other Rate Base Items                                   |                    |                    |
| 42       |   |                    |                    |
| 43       | <b>Total Rate Base</b>  | <b>938,287</b>     | <b>819,991</b>     |

Northern States Power Company  
State of MN Gas  
Depreciation Study Remaining Life

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total       | NSPM MN Gas Retail |
|----------|---|-------------|--------------------|
|          |   | Dec - 2022  | Dec - 2022         |
| 44       |   |             |                    |
| 45       | <b><u>Operating Revenues</u></b>                              |             |                    |
| 46       | Retail  |             |                    |
| 47       | Interdepartmental   |             |                    |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -           | -                  |
| 49       | <b>Total Operating Revenues</b>                               |             |                    |
| 50       |   |             |                    |
| 51       | <b><u>Expenses</u></b>  |             |                    |
| 52       | Operating Expenses:   |             |                    |
| 53       | Fuel  |             |                    |
| 54       | Deferred Fuel   |             |                    |
| 55       | Variable IA Production Fuel                                   |             |                    |
| 56       | <u>Purchased Energy - Windsource</u>                          | 0           | 0                  |
| 57       | Fuel & Purchased Energy Total                                 |             |                    |
| 58       | Production - Fixed  |             |                    |
| 59       | Production - Fixed IA Investment                              |             |                    |
| 60       | Production - Fixed IA O&M                                     |             |                    |
| 61       | Production - Variable   |             |                    |
| 62       | Production - Variable IA O&M                                  |             |                    |
| 63       | <u>Production - Purchased Demand</u>                          | 0           | 0                  |
| 64       | Production Total  |             |                    |
| 65       | Regional Markets  |             |                    |
| 66       | Transmission IA   |             |                    |
| 67       | Transmission  |             |                    |
| 68       | Distribution  |             |                    |
| 69       | Customer Accounting   |             |                    |
| 70       | Customer Service & Information                                |             |                    |
| 71       | Sales, Econ Dvlp & Other                                      |             |                    |
| 72       | <u>Administrative &amp; General</u>                           | 0           | 0                  |
| 73       | <b>Total Operating Expenses</b>                               |             |                    |
| 74       |   |             |                    |
| 75       | Depreciation  | (1,460,065) | (1,275,985)        |
| 76       | Amortization  |             |                    |
| 77       |   |             |                    |
| 78       | <b><u>Taxes:</u></b>  |             |                    |
| 79       | Property Taxes  |             |                    |
| 80       | ITC Amortization  |             |                    |
| 81       | Deferred Taxes  | 408,834     | 357,290            |
| 82       | Deferred Taxes - NOL  |             |                    |
| 83       | Less State Tax Credits deferred                               |             |                    |
| 84       | Less Federal Tax Credits deferred                             |             |                    |
| 85       | Deferred Income Tax & ITC                                     | 408,834     | 357,290            |
| 86       | Payroll & Other Taxes   |             |                    |

Northern States Power Company  
State of MN Gas  
Depreciation Study Remaining Life

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total              | NSPM MN Gas Retail |
|----------|---|--------------------|--------------------|
|          |   | Dec - 2022         | Dec - 2022         |
| 87       | <b>Total Taxes Other Than Income</b>                          | <b>408,834</b>     | <b>357,290</b>     |
| 88       |   |                    |                    |
| 89       | <b><u>Income Before Taxes</u></b>                             |                    |                    |
| 90       | Total Operating Revenues                                      |                    |                    |
| 91       | less: Total Operating Expenses                                |                    |                    |
| 92       | Book Depreciation   | (1,460,065)        | (1,275,985)        |
| 93       | Amortization  |                    |                    |
| 94       | <u>Taxes Other than Income</u>                                | <u>408,834</u>     | <u>357,290</u>     |
| 95       | <b>Total Before Tax Book Income</b>                           | <b>1,051,231</b>   | <b>918,695</b>     |
| 96       |   |                    |                    |
| 97       | <b><u>Tax Additions</u></b>                                   |                    |                    |
| 98       | Book Depreciation   | (1,460,065)        | (1,275,985)        |
| 99       | Deferred Income Taxes and ITC                                 | 408,834            | 357,290            |
| 100      | Nuclear Fuel Burn (ex. D&D)                                   |                    |                    |
| 101      | Nuclear Outage Accounting                                     |                    |                    |
| 102      | Avoided Tax Interest  |                    |                    |
| 103      | <u>Other Book Additions</u>                                   | -                  | -                  |
| 104      | <b>Total Tax Additions</b>                                    | <b>(1,051,231)</b> | <b>(918,695)</b>   |
| 105      |   |                    |                    |
| 106      | <b><u>Tax Deductions</u></b>                                  |                    |                    |
| 107      | Total Rate Base   | 938,287            | 819,991            |
| 108      | Weighted Cost of Debt   | <u>1.95%</u>       | <u>1.95%</u>       |
| 109      | Debt Interest Expense   | 18,297             | 15,990             |
| 110      | Nuclear Outage Accounting                                     |                    |                    |
| 111      | Tax Depreciation and Removals                                 |                    |                    |
| 112      | NOL Utilized / (Generated)                                    |                    |                    |
| 113      | <u>Other Tax / Book Timing Differences</u>                    | <u>0</u>           | <u>0</u>           |
| 114      | <b>Total Tax Deductions</b>                                   | <b>18,297</b>      | <b>15,990</b>      |
| 115      |   |                    |                    |
| 116      | <b><u>State Taxes</u></b>                                     |                    |                    |
| 117      | State Taxable Income  | (18,297)           | (15,990)           |
| 118      | State Income Tax Rate   | <u>9.80%</u>       | <u>9.80%</u>       |
| 119      | State Taxes before Credits                                    | (1,793)            | (1,567)            |
| 120      | <u>Less State Tax Credits applied</u>                         | -                  | -                  |
| 121      | <b>Total State Income Taxes</b>                               | <b>(1,793)</b>     | <b>(1,567)</b>     |
| 122      |   |                    |                    |
| 123      | <b><u>Federal Taxes</u></b>                                   |                    |                    |
| 124      | Federal Sec 199 Production Deduction                          |                    |                    |
| 125      | Federal Taxable Income  | (16,504)           | (14,423)           |
| 126      | Federal Income Tax Rate                                       | <u>21.00%</u>      | <u>21.00%</u>      |
| 127      | Federal Tax before Credits                                    | (3,466)            | (3,029)            |
| 128      | <u>Less Federal Tax Credits</u>                               | -                  | -                  |
| 129      | <b>Total Federal Income Taxes</b>                             | <b>(3,466)</b>     | <b>(3,029)</b>     |

Northern States Power Company  
State of MN Gas  
Depreciation Study Remaining Life

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs     | Total              | NSPM MN Gas Retail |
|----------|---|--------------------|--------------------|
|          |   | Dec - 2022         | Dec - 2022         |
| 130      |   |                    |                    |
| 131      | <b>Total Taxes</b>  |                    |                    |
| 132      | Total Taxes Other than Income                                     | 408,834            | 357,290            |
| 133      | Total Federal and State Income Taxes                              | (5,259)            | (4,596)            |
| 134      | <b>Total Taxes</b>  | 403,576            | 352,694            |
| 135      |   |                    |                    |
| 136      | <b>Total Operating Revenues</b>                                   |                    |                    |
| 137      | <b>Total Expenses</b>   | (1,056,490)        | (923,291)          |
| 138      |   |                    |                    |
| 139      | AFDC Debt   |                    |                    |
| 140      | AFDC Equity   |                    |                    |
| 141      |   |                    |                    |
| 142      | <b>Net Income</b>   | <b>1,056,490</b>   | <b>923,291</b>     |
| 143      |   |                    |                    |
| 144      | <b><u>Rate of Return (ROR)</u></b>                                |                    |                    |
| 145      | Total Operating Income  | 1,056,490          | 923,291            |
| 146      | <u>Total Rate Base</u>  | <u>938,287</u>     | <u>819,991</u>     |
| 147      | <b>ROR (Operating Income / Rate Base)</b>                         | 112.60%            | 112.60%            |
| 148      |   |                    |                    |
| 149      | <b><u>Return on Equity (ROE)</u></b>                              |                    |                    |
| 150      | Net Operating Income  | 1,056,490          | 923,291            |
| 151      | Debt Interest (Rate Base * Weighted Cost of Debt)                 | (18,297)           | (15,990)           |
| 152      | Earnings Available for Common                                     | 1,038,193          | 907,301            |
| 153      | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                | <u>492,601</u>     | <u>430,495</u>     |
| 154      | <b>ROE (earnings for Common / Equity)</b>                         | <b>210.76%</b>     | <b>210.76%</b>     |
| 155      |   |                    |                    |
| 156      | <b><u>Revenue Deficiency</u></b>                                  |                    |                    |
| 157      | Required Operating Income (Rate Base * Required Return)           | 69,996             | 61,171             |
| 158      | <u>Net Operating Income</u>                                       | 1,056,490          | 923,291            |
| 159      | <b>Operating Income Deficiency</b>                                | (986,494)          | (862,119)          |
| 160      |   |                    |                    |
| 161      | Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351           | 1.403351           |
| 162      | <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(1,384,397)</b> | <b>(1,209,856)</b> |
| 163      |   |                    |                    |
| 164      | <b><u>Total Revenue Requirements</u></b>                          |                    |                    |
| 165      | Total Retail Revenues   |                    |                    |
| 166      | <u>Revenue Deficiency</u>   | (1,384,397)        | (1,209,856)        |
| 167      | Total Revenue Requirements  | (1,384,397)        | (1,209,856)        |
| 168      |   |                    |                    |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Environmental LTI

The environmental LTI recognizes the Company's commitment to reduced carbon emissions in line with state policy goals. This adjustment includes the environmental LTI amounts for recovery through base rates.

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Environmental LTI

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

|                                     |                |
|-------------------------------------|----------------|
| Fuel & Purchased Energy Total       |                |
| Production Total                    |                |
| Regional Markets                    |                |
| Transmission IA                     |                |
| Transmission                        |                |
| Distribution                        |                |
| Customer Accounting                 |                |
| Customer Service & Information      |                |
| Sales, Econ Dvlp & Other            |                |
| <u>Administrative &amp; General</u> | 133,990        |
| <b>Total Operating Expenses</b>     | <b>133,990</b> |

**Total Taxes**

|                                      |                 |
|--------------------------------------|-----------------|
| Total Taxes Other than Income        |                 |
| Total Federal and State Income Taxes | (38,511)        |
| <b>Total Taxes</b>                   | <b>(38,511)</b> |

**Total Operating Revenues**

|                       |               |
|-----------------------|---------------|
| <b>Total Expenses</b> | <b>95,479</b> |
|-----------------------|---------------|

|                   |                 |
|-------------------|-----------------|
| <b>Net Income</b> | <b>(95,479)</b> |
|-------------------|-----------------|

**Rate of Return (ROR)**

|   |          |
|---|----------|
| Total Operating Income                    | (95,479) |
| <u>Total Rate Base</u>                    | -        |
| <b>ROR (Operating Income / Rate Base)</b> |          |

**Return on Equity (ROE)**

|  |          |
|--|----------|
| Net Operating Income                               | (95,479) |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |          |
| Earnings Available for Common                      | (95,479) |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | -        |
| <b>ROE (earnings for Common / Equity)</b>          |          |

**Revenue Deficiency**

|   |               |
|---|---------------|
| Required Operating Income (Rate Base * Required Return) |               |
| <u>Net Operating Income</u>                             | (95,479)      |
| <b>Operating Income Deficiency</b>                      | <b>95,479</b> |

|   |                |
|---|----------------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351       |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>133,990</b> |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Environmental LTI

**Total NSPM E&G Environmental w Modifier Long Term Incentive Awards**

|                      | 2022             |
|----------------------|------------------|
| NSPM Direct Assigned | 110,338          |
| Nuclear              | 326,860          |
| XES                  | <u>2,249,320</u> |
| Total                | 2,686,518        |

**NSPM Utility Allocation**

|                      | Electric | Gas     | Total     |                                    |
|----------------------|----------|---------|-----------|------------------------------------|
| NSPM Direct Assigned | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |
| Nuclear              | 100%     | 0%      | 100.0000% |                                    |
| XES                  | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |

**Total NSPM GAS Environmental w Modifier LTI**

|                      | 2022           | MN Jur Gas Alloc |
|----------------------|----------------|------------------|
| NSPM Direct Assigned | 7,068          | 88.6497%         |
| Nuclear              | -              | 88.6497%         |
| XES                  | <u>144,078</u> | 88.6497%         |
| Total                | 151,146        |                  |

**Total MINNESOTA JUR GAS Environmental LTI**

|                      | 2022           |
|----------------------|----------------|
| NSPM Direct Assigned | 6,265          |
| Nuclear              | -              |
| XES                  | <u>127,725</u> |
| Total                | 133,990        |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Environmental LTI

| 2022                           |             |        |           |
|--------------------------------|-------------|--------|-----------|
| 2020 Grant -- Carbon Emissions | 35,000      | 100%   | 35,000    |
| 2021 Grant -- Carbon Emissions | 36,750      | 100%   | 36,750    |
| 2022 Grant -- Carbon Emissions | 38,588      | 100%   | 38,588    |
|                                |             |        | -         |
| 2020 Grant -- Carbon Emissions | 178,000     | 100%   | 178,000   |
| 2021 Grant -- Carbon Emissions | 110,250     | 100%   | 110,250   |
| 2022 Grant -- Carbon Emissions | 115,763     | 100%   | 115,763   |
| Forefitures                    | (77,153)    | 100%   | (77,153)  |
| 2020 Grant -- Carbon Emissions | 2,230,841   | 39.55% | 882,239   |
| 2021 Grant -- Carbon Emissions | 2,175,863   | 39.55% | 860,497   |
| 2022 Grant -- Carbon Emissions | 2,284,656   | 39.55% | 903,522   |
| Forefitures                    | (1,003,704) | 39.55% | (396,939) |
|                                |             |        | 2,686,518 |



Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Time Based LTI

The time-based LTI is used to ensure that eligible employees engage in long-term planning for the benefit of the Company, and that they remain with Xcel Energy long enough to implement those long-term plans. This adjustment includes the time based incentive amounts for recovery through base rates.

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Time Based LTI

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

|                                     |                |
|-------------------------------------|----------------|
| Fuel & Purchased Energy Total       |                |
| Production Total                    |                |
| Regional Markets                    |                |
| Transmission IA                     |                |
| Transmission                        |                |
| Distribution                        |                |
| Customer Accounting                 |                |
| Customer Service & Information      |                |
| Sales, Econ Dvlp & Other            |                |
| <u>Administrative &amp; General</u> | <u>238,863</u> |
| <b>Total Operating Expenses</b>     | <b>238,863</b> |

**Total Taxes**

|                                      |                 |
|--------------------------------------|-----------------|
| Total Taxes Other than Income        |                 |
| Total Federal and State Income Taxes | (68,654)        |
| <b>Total Taxes</b>                   | <b>(68,654)</b> |

**Total Operating Revenues**

|                       |                |
|-----------------------|----------------|
| <b>Total Expenses</b> | <b>170,209</b> |
|-----------------------|----------------|

|                   |                  |
|-------------------|------------------|
| <b>Net Income</b> | <b>(170,209)</b> |
|-------------------|------------------|

**Rate of Return (ROR)**

|   |           |
|---|-----------|
| Total Operating Income                    | (170,209) |
| <u>Total Rate Base</u>                    | -         |
| <b>ROR (Operating Income / Rate Base)</b> |           |

**Return on Equity (ROE)**

|  |           |
|--|-----------|
| Net Operating Income                               | (170,209) |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |           |
| Earnings Available for Common                      | (170,209) |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | -         |
| <b>ROE (earnings for Common / Equity)</b>          |           |

**Revenue Deficiency**

|   |                  |
|---|------------------|
| Required Operating Income (Rate Base * Required Return) |                  |
| <u>Net Operating Income</u>                             | <u>(170,209)</u> |
| <b>Operating Income Deficiency</b>                      | <b>170,209</b>   |

|   |          |
|---|----------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate)) | 1.403351 |
|---|----------|

|   |                |
|---|----------------|
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>238,863</b> |
|---|----------------|

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Time Based LTI

**Total NSPM E&G Time Based w Modifier Long Term Incentive Awards**

|                      | 2022             |
|----------------------|------------------|
| NSPM Direct Assigned | 560,994          |
| Nuclear              | 2,567,400        |
| XES                  | <u>3,645,542</u> |
| Total                | 6,773,936        |

**NSPM Utility Allocation**

|                      | Electric | Gas     | Total     |                                    |
|----------------------|----------|---------|-----------|------------------------------------|
| NSPM Direct Assigned | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |
| Nuclear              | 100%     | 0%      | 100.0000% |                                    |
| XES                  | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |

**Total NSPM GAS Time Based w Modifier LTI**

|                      | 2022           | MN Jur Gas Alloc |
|----------------------|----------------|------------------|
| NSPM Direct Assigned | 35,934         | 88.6497%         |
| Nuclear              | -              | 88.6497%         |
| XES                  | <u>233,512</u> | 88.6497%         |
| Total                | 269,445        |                  |

**Total MINNESOTA JUR GAS Time Based w Modifier LTI**

|                      | 2022           |
|----------------------|----------------|
| NSPM Direct Assigned | 31,855         |
| Nuclear              | -              |
| XES                  | <u>207,007</u> |
| Total                | 238,863        |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Time Based LTI

|                                | 2022      |        |           |
|--------------------------------|-----------|--------|-----------|
| 2020 Grant -- Time Based       | 23,333    | 100%   | 23,333    |
| 2021 Grant -- Time Based       | 24,500    | 100%   | 24,500    |
| 2022 Grant -- Time Based       | 25,725    | 100%   | 25,725    |
|                                |           |        | -         |
| 2020 Grant -- Time Based       | 118,667   | 100%   | 118,667   |
| 2021 Grant -- Time Based       | 73,500    | 100%   | 73,500    |
| 2022 Grant -- Time Based       | 77,175    | 100%   | 77,175    |
| Forefitures                    | (51,435)  | 100%   | (51,435)  |
| 2020 Grant -- Time Based w mod | 136,824   | 100%   | 136,824   |
| 2021 Grant -- Time Based w mod | 158,406   | 100%   | 158,406   |
| 2022 Grant -- Time Based w mod | 192,206   | 100%   | 192,206   |
|                                |           |        | -         |
| 2020 Grant -- Time Based w Mod | 870,942   | 100%   | 870,942   |
| 2021 Grant -- Time Based w Mod | 981,239   | 100%   | 981,239   |
| 2022 Grant -- Time Based w Mod | 997,946   | 100%   | 997,946   |
| Forefitures                    | (500,634) | 100%   | (500,634) |
| 2020 Grant -- Time Based       | 1,324,894 | 39.55% | 523,961   |
| 2021 Grant -- Time Based       | 1,450,575 | 39.55% | 573,665   |
| 2022 Grant -- Time Based       | 1,523,104 | 39.55% | 602,348   |
| Forefitures                    | (644,786) | 39.55% | (254,996) |
| 2020 Grant -- Time Based w Mod | 2,071,783 | 39.55% | 819,336   |
| 2021 Grant -- Time Based w Mod | 2,197,792 | 39.55% | 869,169   |
| 2022 Grant -- Time Based w Mod | 2,276,747 | 39.55% | 900,394   |
| Forefitures                    | (981,948) | 39.55% | (388,335) |
|                                |           |        | 6,773,936 |

Northern States Power Company  
Minnesota Gas Jurisdiction  
2022 Test Year

New Area Surcharge Adjustment

|  | MN Gas         |
|--|----------------|
|  | 2022 Test Year |

**Operating Revenues**

|   |                  |
|---|------------------|
| Retail                                  |                  |
| Interdepartmental                       |                  |
| <u>Other Operating Rev - Non-Retail</u> | <u>1,670,905</u> |
| <b>Total Operating Revenues</b>         | <b>1,670,905</b> |

**Total Taxes**

|                                      |                |
|--------------------------------------|----------------|
| Total Taxes Other than Income        |                |
| Total Federal and State Income Taxes | 480,252        |
| <b>Total Taxes</b>                   | <b>480,252</b> |

|                                 |                  |
|---------------------------------|------------------|
| <b>Total Operating Revenues</b> | <b>1,670,905</b> |
| <b>Total Expenses</b>           | <b>480,252</b>   |

AFDC Debt  
AFDC Equity

|                   |                  |
|-------------------|------------------|
| <b>Net Income</b> | <b>1,190,654</b> |
|-------------------|------------------|

**Rate of Return (ROR)**

|   |           |
|---|-----------|
| Total Operating Income                    | 1,190,654 |
| <u>Total Rate Base</u>                    | -         |
| <b>ROR (Operating Income / Rate Base)</b> |           |

**Return on Equity (ROE)**

|  |           |
|--|-----------|
| Net Operating Income                               | 1,190,654 |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |           |
| Earnings Available for Common                      | 1,190,654 |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | -         |
| <b>ROE (earnings for Common / Equity)</b>          |           |

**Revenue Deficiency**

|   |                    |
|---|--------------------|
| Required Operating Income (Rate Base * Required Return)           |                    |
| <u>Net Operating Income</u>                                       | 1,190,654          |
| <b>Operating Income Deficiency</b>                                | <b>(1,190,654)</b> |
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351           |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(1,670,905)</b> |

**Total Revenue Requirements**

|                                   |                    |
|-----------------------------------|--------------------|
| Total Retail Revenues             |                    |
| <u>Revenue Deficiency</u>         | <u>(1,670,905)</u> |
| <b>Total Revenue Requirements</b> | <b>(1,670,905)</b> |

2022 Test Year Revenue Requirement calculation  
Recalculated at Retail Proposed capital structure

|                      |                   |         |        |         |         |          |               |         |        |          |           |          |               | *collected in<br>base rates |           |  |
|----------------------|-------------------|---------|--------|---------|---------|----------|---------------|---------|--------|----------|-----------|----------|---------------|-----------------------------|-----------|--|
|                      | Net<br>Investment | Equity  | Debt   | Book    | Tax     | Deferred | Excess Def Tx |         | Income | Property | Operating | Pipeline | Total Revenue | Retail                      | Surcharge |  |
| Area                 | Rate Base         | Return  | Return | Dep'n   | Dep'n   | Taxes    | Amort         | Salvage | Taxes  | Taxes    | Expenses  | Supplier | Requirement   | Revenues                    | Revenues  |  |
| Barnesville          | 3,225,621         | 180,990 | 64,053 | 141,826 | 170,807 | 8,145    | (6,558)       | -       | 42,724 | 33,788   | 128,327   | 614,101  | 1,207,396     | 530,547                     | 676,850   |  |
| Holdingford          | 2,441,882         | 137,541 | 48,676 | 115,294 | 114,668 | (176)    | (6,483)       | -       | 38,833 | 55,868   | 110,133   | 236,258  | 735,943       | 322,044                     | 413,900   |  |
| Pillager             | 3,007,057         | 173,138 | 61,274 | 102,960 | 156,277 | (44,277) | 865           | -       | 92,939 | 53,704   | 154,286   | 594,889  | 594,889       | 378,317                     | 216,573   |  |
| Ulen-Hitterdahl      | 1,908,490         | 107,247 | 37,955 | 72,770  | 102,977 | 8,490    | (5,439)       | 0       | 21,653 | 19,533   | 76,560    | 377,310  | 716,077       | 352,494                     | 363,583   |  |
| Total                |                   |         |        |         |         |          |               |         |        |          |           |          | 3,254,306     | 1,583,401                   | 1,670,905 |  |
| Total Revenue Upload |                   |         |        |         |         |          |               |         |        |          |           |          |               |                             |           |  |

**Xcel Energy**  
**2021 Budget - Year 2022**  
**CIAC For 2022 Rate Case**  
**Correction to Remove Plant**

**Plant**

|                  | Total Company |              | MN Jurisdiction |              | Average  |
|------------------|---------------|--------------|-----------------|--------------|----------|
|                  | BOY           | EOY          | BOY             | EOY          |          |
| Gas Adjustment   | -             | (149,243.00) | -               | (149,243.00) | (74,622) |
| COSS Adj (000's) | -             | (149)        | -               | (149)        | (75)     |

**Reserve**

|                  | Total Company |            | MN Jurisdiction |            | Average |
|------------------|---------------|------------|-----------------|------------|---------|
|                  | BOY           | EOY        | BOY             | EOY        |         |
| Gas Adjustment   | -             | (4,850.40) | -               | (4,850.40) | (2,425) |
| COSS Adj (000's) | -             | (5)        | -               | (5)        | (3)     |

**Accumulated Deferred**

|                  | Total Company |          | MN Jurisdiction |          | Average |
|------------------|---------------|----------|-----------------|----------|---------|
|                  | BOY           | EOY      | BOY             | EOY      |         |
| Gas Adjustment   | -             | (208.95) | -               | (208.95) | (104)   |
| COSS Adj (000's) | -             | -        | -               | -        | -       |

**Book Depreciation**

|                  | Total Company |  | MN Jurisdiction |  |
|------------------|---------------|--|-----------------|--|
|                  | Annual        |  | Annual          |  |
| Gas Adjustment   | (4,850.40)    |  | (4,850.40)      |  |
| COSS Adj (000's) | (5)           |  | (5)             |  |

**Annual Deferred**

|                  | Total Company |  | MN Jurisdiction |  |
|------------------|---------------|--|-----------------|--|
|                  | Annual        |  | Annual          |  |
| Gas Adjustment   | (208.95)      |  | (208.95)        |  |
| COSS Adj (000's) | -             |  | -               |  |

**Tax Depreciation**

|                  | Total Company |  | MN Jurisdiction |  |
|------------------|---------------|--|-----------------|--|
|                  | Annual        |  | Annual          |  |
| Gas Adjustment   | (5,596.61)    |  | (5,596.61)      |  |
| COSS Adj (000's) | (6)           |  | (6)             |  |

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | NSPM MN Gas Retail |
|----------|---|--------------------|
|          |   | Dec-22             |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                    |
| 2        | State Tax Rate  | 9.80%              |
| 3        | Federal Statutory Tax Rate                                    | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351           |
| 7        |   |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                    |
| 9        | Active Rates and Ratios Version                               | Proposed           |
| 10       | Cost of Short Term Debt                                       | 0.94%              |
| 11       | Cost of Long Term Debt  | 4.13%              |
| 12       | Cost of Common Equity   | 10.50%             |
| 13       | Ratio of Short Term Debt                                      | 0.61%              |
| 14       | Ratio of Long Term Debt                                       | 46.89%             |
| 15       | Ratio of Common Equity  | 52.50%             |
| 16       | Weighted Cost of STD  | 0.01%              |
| 17       | Weighted Cost of LTD  | 1.94%              |
| 18       | Weighted Cost of Debt   | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>       |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>       |
| 21       |   |                    |
| 22       | <b><u>Rate Base</u></b>                                       |                    |
| 23       | Plant Investment  | (74,622)           |
| 24       | <u>Depreciation Reserve</u>                                   | <u>(2,425)</u>     |
| 25       | Net Utility Plant   | (72,196)           |
| 26       | CWIP  |                    |
| 27       |   |                    |
| 28       | Accumulated Deferred Taxes                                    | (104)              |
| 29       | DTA - NOL Average Balance                                     |                    |
| 30       | DTA - Federal Tax Credit Average Balance                      | =                  |
| 31       | Total Accum Deferred Taxes                                    | (104)              |
| 32       |   |                    |
| 33       | Cash Working Capital  |                    |
| 34       | Materials and Supplies  |                    |
| 35       | Fuel Inventory  |                    |
| 36       | Non-plant Assets and Liabilities                              |                    |
| 37       | Customer Advances   |                    |
| 38       | Customer Deposits   |                    |
| 39       | Prepays and Other   |                    |
| 40       | <u>Regulatory Amortizations</u>                               | =                  |
| 41       | Total Other Rate Base Items                                   |                    |
| 42       |   |                    |
| 43       | <b>Total Rate Base</b>  | <b>(72,092)</b>    |
| 44       |   |                    |
| 45       | <b><u>Operating Revenues</u></b>                              |                    |
| 46       | Retail  |                    |
| 47       | Interdepartmental   |                    |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                  |
| 49       | <b>Total Operating Revenues</b>                               |                    |
| 50       |   |                    |
| 51       | <b><u>Expenses</u></b>  |                    |
| 52       | Operating Expenses:   |                    |
| 53       | Fuel  |                    |
| 54       | Deferred Fuel   |                    |
| 55       | Variable IA Production Fuel                                   |                    |
| 56       | <u>Purchased Energy - Windsources</u>                         | 0                  |



|     |  |                |
|-----|--|----------------|
| 57  | Fuel & Purchased Energy Total              |                |
| 58  | Production - Fixed                         |                |
| 59  | Production - Fixed IA Investment           |                |
| 60  | Production - Fixed IA O&M                  |                |
| 61  | Production - Variable                      |                |
| 62  | Production - Variable IA O&M               |                |
| 63  | <u>Production - Purchased Demand</u>       | <u>0</u>       |
| 64  | Production Total                           |                |
| 65  | Regional Markets                           |                |
| 66  | Transmission IA                            |                |
| 67  | Transmission                               |                |
| 68  | Distribution                               |                |
| 69  | Customer Accounting                        |                |
| 70  | Customer Service & Information             |                |
| 71  | Sales, Econ Dvlp & Other                   |                |
| 72  | <u>Administrative &amp; General</u>        | <u>0</u>       |
| 73  | <b>Total Operating Expenses</b>            |                |
| 74  |  |                |
| 75  | Depreciation                               | (4,850)        |
| 76  | Amortization                               |                |
| 77  |  |                |
| 78  | <b><u>Taxes:</u></b>                       |                |
| 79  | Property Taxes                             |                |
| 80  | ITC Amortization                           |                |
| 81  | Deferred Taxes                             | (209)          |
| 82  | Deferred Taxes - NOL                       |                |
| 83  | Less State Tax Credits deferred            |                |
| 84  | Less Federal Tax Credits deferred          |                |
| 85  | Deferred Income Tax & ITC                  | (209)          |
| 86  | Payroll & Other Taxes                      |                |
| 87  | <b>Total Taxes Other Than Income</b>       | <b>(209)</b>   |
| 88  |  |                |
| 89  | <b><u>Income Before Taxes</u></b>          |                |
| 90  | Total Operating Revenues                   |                |
| 91  | less: Total Operating Expenses             |                |
| 92  | Book Depreciation                          | (4,850)        |
| 93  | Amortization                               |                |
| 94  | <u>Taxes Other than Income</u>             | <u>(209)</u>   |
| 95  | <b>Total Before Tax Book Income</b>        | <b>5,059</b>   |
| 96  |  |                |
| 97  | <b><u>Tax Additions</u></b>                |                |
| 98  | Book Depreciation                          | (4,850)        |
| 99  | Deferred Income Taxes and ITC              | (209)          |
| 100 | Nuclear Fuel Burn (ex. D&D)                |                |
| 101 | Nuclear Outage Accounting                  |                |
| 102 | Avoided Tax Interest                       |                |
| 103 | <u>Other Book Additions</u>                | -              |
| 104 | <b>Total Tax Additions</b>                 | <b>(5,059)</b> |
| 105 |  |                |
| 106 | <b><u>Tax Deductions</u></b>               |                |
| 107 | Total Rate Base                            | (72,092)       |
| 108 | Weighted Cost of Debt                      | <u>1.95%</u>   |
| 109 | Debt Interest Expense                      | (1,406)        |
| 110 | Nuclear Outage Accounting                  |                |
| 111 | Tax Depreciation and Removals              | (5,597)        |
| 112 | NOL Utilized / (Generated)                 |                |
| 113 | <u>Other Tax / Book Timing Differences</u> | <u>0</u>       |
| 114 | <b>Total Tax Deductions</b>                | <b>(7,002)</b> |

|     |  |                        |
|-----|--|------------------------|
| 115 |  |                        |
| 116 | <b><u>State Taxes</u></b>  |                        |
| 117 | State Taxable Income   | 7,002                  |
| 118 | State Income Tax Rate  | <u>9.80%</u>           |
| 119 | State Taxes before Credits   | 686                    |
| 120 | <u>Less State Tax Credits applied</u>                                    | -                      |
| 121 | <b>Total State Income Taxes</b>  | 686                    |
| 122 |  |                        |
| 123 | <b><u>Federal Taxes</u></b>  |                        |
| 124 | Federal Sec 199 Production Deduction                                     |                        |
| 125 | Federal Taxable Income   | 6,316                  |
| 126 | Federal Income Tax Rate  | <u>21.00%</u>          |
| 127 | Federal Tax before Credits   | 1,326                  |
| 128 | <u>Less Federal Tax Credits</u>  | -                      |
| 129 | <b>Total Federal Income Taxes</b>  | 1,326                  |
| 130 |  |                        |
| 131 | <b>Total Taxes</b>   |                        |
| 132 | Total Taxes Other than Income  | (209)                  |
| 133 | Total Federal and State Income Taxes                                     | 2,013                  |
| 134 | <b>Total Taxes</b>   | 1,804                  |
| 135 |  |                        |
| 136 | <b>Total Operating Revenues</b>  |                        |
| 137 | <b>Total Expenses</b>  | (3,047)                |
| 138 |  |                        |
| 139 | AFDC Debt  |                        |
| 140 | AFDC Equity  |                        |
| 141 |  |                        |
| 142 | <b><u>Net Income</u></b>   | <b><u>3,047</u></b>    |
| 143 |  |                        |
| 144 | <b><u>Rate of Return (ROR)</u></b>                                       |                        |
| 145 | Total Operating Income   | 3,047                  |
| 146 | <u>Total Rate Base</u>   | (72,092)               |
| 147 | <b>ROR (Operating Income / Rate Base)</b>                                | (4.23%)                |
| 148 |  |                        |
| 149 | <b><u>Return on Equity (ROE)</u></b>                                     |                        |
| 150 | Net Operating Income   | 3,047                  |
| 151 | Debt Interest (Rate Base * Weighted Cost of Debt)                        | 1,406                  |
| 152 | Earnings Available for Common  | 4,453                  |
| 153 | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                       | (37,848)               |
| 154 | <b>ROE (earnings for Common / Equity)</b>                                | (11.76%)               |
| 155 |  |                        |
| 156 | <b><u>Revenue Deficiency</u></b>   |                        |
| 157 | Required Operating Income (Rate Base * Required Return)                  | (5,378)                |
| 158 | <u>Net Operating Income</u>  | 3,047                  |
| 159 | <b>Operating Income Deficiency</b>                                       | (8,425)                |
| 160 |  |                        |
| 161 | Revenue Conversion Factor (1/(1--Composite Tax Rate))                    | 1.403351               |
| 162 | <b><u>Revenue Deficiency (Income Deficiency * Conversion Factor)</u></b> | <b><u>(11,823)</u></b> |
| 163 |  |                        |
| 164 | <b><u>Total Revenue Requirements</u></b>                                 |                        |
| 165 | Total Retail Revenues  |                        |
| 166 | <u>Revenue Deficiency</u>  | (11,823)               |
| 167 | <b>Total Revenue Requirements</b>  | (11,823)               |

Rate Base Balance Check

|                   |          |           |       |          |           |       |         |         |          |          |            |            |            |   |
|-------------------|----------|-----------|-------|----------|-----------|-------|---------|---------|----------|----------|------------|------------|------------|---|
| Plant = (149,243) |          |           |       |          |           |       |         |         |          |          |            |            |            |   |
|                   | Tax Depr | Book Depr | Diff  | CTR      | Annual DT | ADIT  | Average |         | Book Res | Average  | Average RB | Worksheets | Difference |   |
| 2021              | -        | -         | -     | 0.281092 | -         | -     | -       | -       | -        | -        | -          | -          | -          | - |
| 2022              | (5,597)  | (4,850)   | (746) | 0.281092 | (210)     | (210) | (105)   | (4,850) | (2,425)  | (72,091) | (72,092)   |            |            | 0 |

Northern States Power Company  
State of MN Gas  
MN Gas Remaining Life Extension 2022 Test Year

| SMC - Financial Category Summary by Record Type [SAP]<br>Adjustment Summary | Dec - 2022   |              |             |
|---|--------------|--------------|-------------|
|   | Total        | MN Gas       | Other       |
| <b>Depreciation Reserve</b>   |              |              |             |
| NSPM-MN Gas Remaining Life Extension  |              |              |             |
| Gas Manufactured Production Plant   | (2,653,719)  | (2,319,146)  | (334,573)   |
| Gas Other Storage Plant   | (4,742,571)  | (4,144,642)  | (597,929)   |
| Subtotal Depreciation Reserve   | (7,396,291)  | (6,463,789)  | (932,502)   |
| <b>Accumulated Deferred Taxes</b>   |              |              |             |
| NSPM-MN Gas Remaining Life Extension  |              |              |             |
| Gas Manufactured Production Plant   | 743,071      | 649,386      | 93,684      |
| Gas Other Storage Plant   | 1,327,972    | 1,160,545    | 167,427     |
| Subtotal Accumulated Deferred Taxes   | 2,071,043    | 1,809,932    | 261,111     |
| <b>Depreciation</b>   |              |              |             |
| NSPM-MN Gas Remaining Life Extension  |              |              |             |
| Gas Manufactured Production Plant   | (5,307,439)  | (4,638,293)  | (669,146)   |
| Gas Other Storage Plant   | (9,485,143)  | (8,289,285)  | (1,195,858) |
| Subtotal Depreciation   | (14,792,581) | (12,927,577) | (1,865,004) |
| <b>Deferred Taxes</b>   |              |              |             |
| NSPM-MN Gas Remaining Life Extension  |              |              |             |
| Gas Manufactured Production Plant   | 1,486,141    | 1,298,773    | 187,368     |
| Gas Other Storage Plant   | 2,655,944    | 2,321,091    | 334,853     |
| Subtotal Deferred Taxes   | 4,142,086    | 3,619,864    | 522,222     |

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total              | NSPM MN Gas Retail |
|----------|---|--------------------|--------------------|
|          |   | Dec - 2022         | Dec - 2022         |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                    |                    |
| 2        | State Tax Rate  | 9.80%              | 9.80%              |
| 3        | Federal Statutory Tax Rate                                    | 21.00%             | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>      | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>      | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351           | 1.403351           |
| 7        |   |                    |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                    |                    |
| 9        | Active Rates and Ratios Version                               | Proposed           | Proposed           |
| 10       | Cost of Short Term Debt                                       | 0.94%              | 0.94%              |
| 11       | Cost of Long Term Debt  | 4.13%              | 4.13%              |
| 12       | Cost of Common Equity   | 10.50%             | 10.50%             |
| 13       | Ratio of Short Term Debt                                      | 0.61%              | 0.61%              |
| 14       | Ratio of Long Term Debt                                       | 46.89%             | 46.89%             |
| 15       | Ratio of Common Equity  | 52.50%             | 52.50%             |
| 16       | Weighted Cost of STD  | 0.01%              | 0.01%              |
| 17       | Weighted Cost of LTD  | 1.94%              | 1.94%              |
| 18       | Weighted Cost of Debt   | 1.95%              | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>       | <u>5.51%</u>       |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>       | <b>7.46%</b>       |
| 21       |   |                    |                    |
| 22       | <b><u>Rate Base</u></b>                                       |                    |                    |
| 23       | Plant Investment  |                    |                    |
| 24       | <u>Depreciation Reserve</u>                                   | <u>(7,396,291)</u> | <u>(6,463,789)</u> |
| 25       | Net Utility Plant   | 7,396,291          | 6,463,789          |
| 26       | CWIP  |                    |                    |
| 27       |   |                    |                    |
| 28       | Accumulated Deferred Taxes                                    | 2,071,043          | 1,809,932          |
| 29       | DTA - NOL Average Balance                                     |                    |                    |
| 30       | DTA - Federal Tax Credit Average Balance                      | =                  | =                  |
| 31       | Total Accum Deferred Taxes                                    | 2,071,043          | 1,809,932          |
| 32       |   |                    |                    |
| 33       | Cash Working Capital  |                    |                    |
| 34       | Materials and Supplies  |                    |                    |
| 35       | Fuel Inventory  |                    |                    |
| 36       | Non-plant Assets and Liabilities                              |                    |                    |
| 37       | Customer Advances   |                    |                    |
| 38       | Customer Deposits   |                    |                    |
| 39       | Prepays and Other   |                    |                    |
| 40       | <u>Regulatory Amortizations</u>                               | =                  | =                  |
| 41       | Total Other Rate Base Items                                   |                    |                    |
| 42       |   |                    |                    |

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total            | NSPM MN Gas Retail |
|----------|---|------------------|--------------------|
|          |   | Dec - 2022       | Dec - 2022         |
| 43       | <b>Total Rate Base</b>  | <b>5,325,248</b> | <b>4,653,857</b>   |
| 44       |   |                  |                    |
| 45       | <b><u>Operating Revenues</u></b>                              |                  |                    |
| 46       | Retail  |                  |                    |
| 47       | Interdepartmental   |                  |                    |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                | -                  |
| 49       | <b>Total Operating Revenues</b>                               |                  |                    |
| 50       |   |                  |                    |
| 51       | <b><u>Expenses</u></b>  |                  |                    |
| 52       | Operating Expenses:   |                  |                    |
| 53       | Fuel  |                  |                    |
| 54       | Deferred Fuel   |                  |                    |
| 55       | Variable IA Production Fuel                                   |                  |                    |
| 56       | <u>Purchased Energy - Windsource</u>                          | <u>0</u>         | <u>0</u>           |
| 57       | Fuel & Purchased Energy Total                                 |                  |                    |
| 58       | Production - Fixed  |                  |                    |
| 59       | Production - Fixed IA Investment                              |                  |                    |
| 60       | Production - Fixed IA O&M                                     |                  |                    |
| 61       | Production - Variable   |                  |                    |
| 62       | Production - Variable IA O&M                                  |                  |                    |
| 63       | <u>Production - Purchased Demand</u>                          | <u>0</u>         | <u>0</u>           |
| 64       | Production Total  |                  |                    |
| 65       | Regional Markets  |                  |                    |
| 66       | Transmission IA   |                  |                    |
| 67       | Transmission  |                  |                    |
| 68       | Distribution  |                  |                    |
| 69       | Customer Accounting   |                  |                    |
| 70       | Customer Service & Information                                |                  |                    |
| 71       | Sales, Econ Dvlp & Other                                      |                  |                    |
| 72       | <u>Administrative &amp; General</u>                           | <u>0</u>         | <u>0</u>           |
| 73       | <b>Total Operating Expenses</b>                               |                  |                    |
| 74       |   |                  |                    |
| 75       | Depreciation  | (14,792,581)     | (12,927,577)       |
| 76       | Amortization  |                  |                    |
| 77       |   |                  |                    |
| 78       | <b><u>Taxes:</u></b>  |                  |                    |
| 79       | Property Taxes  |                  |                    |
| 80       | ITC Amortization  |                  |                    |
| 81       | Deferred Taxes  | 4,142,086        | 3,619,864          |
| 82       | Deferred Taxes - NOL  |                  |                    |
| 83       | Less State Tax Credits deferred                               |                  |                    |
| 84       | Less Federal Tax Credits deferred                             |                  |                    |

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total               | NSPM MN Gas Retail |
|----------|---|---------------------|--------------------|
|          |   | Dec - 2022          | Dec - 2022         |
| 85       | Deferred Income Tax & ITC                                     | 4,142,086           | 3,619,864          |
| 86       | Payroll & Other Taxes   |                     |                    |
| 87       | <b>Total Taxes Other Than Income</b>                          | <b>4,142,086</b>    | <b>3,619,864</b>   |
| 88       |   |                     |                    |
| 89       | <b><u>Income Before Taxes</u></b>                             |                     |                    |
| 90       | Total Operating Revenues                                      |                     |                    |
| 91       | less: Total Operating Expenses                                |                     |                    |
| 92       | Book Depreciation   | (14,792,581)        | (12,927,577)       |
| 93       | Amortization  |                     |                    |
| 94       | <u>Taxes Other than Income</u>                                | 4,142,086           | 3,619,864          |
| 95       | <b>Total Before Tax Book Income</b>                           | 10,650,496          | 9,307,713          |
| 96       |   |                     |                    |
| 97       | <b><u>Tax Additions</u></b>                                   |                     |                    |
| 98       | Book Depreciation   | (14,792,581)        | (12,927,577)       |
| 99       | Deferred Income Taxes and ITC                                 | 4,142,086           | 3,619,864          |
| 100      | Nuclear Fuel Burn (ex. D&D)                                   |                     |                    |
| 101      | Nuclear Outage Accounting                                     |                     |                    |
| 102      | Avoided Tax Interest  |                     |                    |
| 103      | <u>Other Book Additions</u>                                   | -                   | -                  |
| 104      | <b>Total Tax Additions</b>                                    | <b>(10,650,496)</b> | <b>(9,307,713)</b> |
| 105      |   |                     |                    |
| 106      | <b><u>Tax Deductions</u></b>                                  |                     |                    |
| 107      | Total Rate Base   | 5,325,248           | 4,653,857          |
| 108      | Weighted Cost of Debt   | 1.95%               | 1.95%              |
| 109      | Debt Interest Expense   | 103,842             | 90,750             |
| 110      | Nuclear Outage Accounting                                     |                     |                    |
| 111      | Tax Depreciation and Removals                                 |                     |                    |
| 112      | NOL Utilized / (Generated)                                    |                     |                    |
| 113      | <u>Other Tax / Book Timing Differences</u>                    | 0                   | 0                  |
| 114      | <b>Total Tax Deductions</b>                                   | <b>103,842</b>      | <b>90,750</b>      |
| 115      |   |                     |                    |
| 116      | <b><u>State Taxes</u></b>                                     |                     |                    |
| 117      | State Taxable Income  | (103,842)           | (90,750)           |
| 118      | State Income Tax Rate   | 9.80%               | 9.80%              |
| 119      | State Taxes before Credits                                    | (10,177)            | (8,894)            |
| 120      | <u>Less State Tax Credits applied</u>                         | -                   | -                  |
| 121      | <b>Total State Income Taxes</b>                               | <b>(10,177)</b>     | <b>(8,894)</b>     |
| 122      |   |                     |                    |
| 123      | <b><u>Federal Taxes</u></b>                                   |                     |                    |
| 124      | Federal Sec 199 Production Deduction                          |                     |                    |
| 125      | Federal Taxable Income  | (93,666)            | (81,857)           |
| 126      | Federal Income Tax Rate                                       | 21.00%              | 21.00%             |

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs     | Total               | NSPM MN Gas Retail  |
|----------|---|---------------------|---------------------|
|          |   | Dec - 2022          | Dec - 2022          |
| 127      | Federal Tax before Credits  | (19,670)            | (17,190)            |
| 128      | <u>Less Federal Tax Credits</u>                                   | -                   | -                   |
| 129      | <b>Total Federal Income Taxes</b>                                 | (19,670)            | (17,190)            |
| 130      |   |                     |                     |
| 131      | <b>Total Taxes</b>  |                     |                     |
| 132      | Total Taxes Other than Income                                     | 4,142,086           | 3,619,864           |
| 133      | Total Federal and State Income Taxes                              | (29,846)            | (26,083)            |
| 134      | <b>Total Taxes</b>  | 4,112,239           | 3,593,780           |
| 135      |   |                     |                     |
| 136      | <b>Total Operating Revenues</b>                                   |                     |                     |
| 137      | <b>Total Expenses</b>   | (10,680,342)        | (9,333,797)         |
| 138      |   |                     |                     |
| 139      | AFDC Debt   |                     |                     |
| 140      | AFDC Equity   |                     |                     |
| 141      |   |                     |                     |
| 142      | <b>Net Income</b>   | <b>10,680,342</b>   | <b>9,333,797</b>    |
| 143      |   |                     |                     |
| 144      | <b><u>Rate of Return (ROR)</u></b>                                |                     |                     |
| 145      | Total Operating Income  | 10,680,342          | 9,333,797           |
| 146      | <u>Total Rate Base</u>  | <u>5,325,248</u>    | <u>4,653,857</u>    |
| 147      | <b>ROR (Operating Income / Rate Base)</b>                         | 200.56%             | 200.56%             |
| 148      |   |                     |                     |
| 149      | <b><u>Return on Equity (ROE)</u></b>                              |                     |                     |
| 150      | Net Operating Income  | 10,680,342          | 9,333,797           |
| 151      | Debt Interest (Rate Base * Weighted Cost of Debt)                 | (103,842)           | (90,750)            |
| 152      | Earnings Available for Common                                     | 10,576,500          | 9,243,047           |
| 153      | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                | <u>2,795,755</u>    | <u>2,443,275</u>    |
| 154      | <b>ROE (earnings for Common / Equity)</b>                         | <b>378.31%</b>      | <b>378.31%</b>      |
| 155      |   |                     |                     |
| 156      | <b><u>Revenue Deficiency</u></b>                                  |                     |                     |
| 157      | Required Operating Income (Rate Base * Required Return)           | 397,263             | 347,178             |
| 158      | <u>Net Operating Income</u>                                       | 10,680,342          | 9,333,797           |
| 159      | <b>Operating Income Deficiency</b>                                | (10,283,079)        | (8,986,619)         |
| 160      |   |                     |                     |
| 161      | Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351            | 1.403351            |
| 162      | <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(14,430,771)</b> | <b>(12,611,383)</b> |
| 163      |   |                     |                     |
| 164      | <b><u>Total Revenue Requirements</u></b>                          |                     |                     |
| 165      | Total Retail Revenues   |                     |                     |
| 166      | <u>Revenue Deficiency</u>   | (14,430,771)        | (12,611,383)        |
| 167      | Total Revenue Requirements  | (14,430,771)        | (12,611,383)        |
| 168      |   |                     |                     |



Northern States Power Company  
Gas Utility - State of Minnesota

## 2022 Income Tax Tracker Amortization

| Line                                     | Total NSP<br>Minnesota<br>(1) | NSPM<br>Company Gas<br>(2) | Minnesota<br>Retail<br>Jurisdiction<br>(3) |
|--|-------------------------------|----------------------------|--|
| 1 Interest - Costs(Savings)              | 4,207,086                     | 280,487                    | 219,530                                    |
| 2 <b>Total Revenue Requirement</b>       | 4,207,086                     | 280,487                    | 219,530                                    |
| <b>Three - Year Amortization Expense</b> |                               |                            | <b>73,177</b>                              |

- (1) Per Income Tax Audit Schedules
- (2) Represents total Company information either direct assigned or allocated to the Gas Utility.  
Allocations based on Labor, Vehicle Utilization, Software Utilization or a general allocation factor.
- (3) Represents amounts allocated to the Minnesota Retail Jurisdiction.

NSP-Minnesota  
Interest Receivable/(Payable) Allocation

|                                   | Adjustment Description                         | Interest Total | Utility | FC     | JUR       | Composite Factor | Gas      | MN       | ND      |
|-----------------------------------|--|----------------|---------|--------|-----------|------------------|----------|----------|---------|
| 10-11                             | Tax Depreciation (All Q4 2011 CAA Adjustments) | (164,212)      | PTDG    | Ele FC | Customers | 0.769021436      | (12,874) | (11,413) | (1,461) |
| 10-11                             | Pension and Benefits Capitalized               | 14,112         | PTDG    | Ele FC | Customers | 0.769021436      | 1,106    | 981      | 126     |
| 10-11                             | Partnership Passthrough                        | 41             | NA      | NA     | NA        | 0                | -        | -        | -       |
| 10-11                             | Dry Cask Costs                                 | (48,380)       | Dir E   | Dir P  | Demand    | 0.731048496      | -        | -        | -       |
| 10-11                             | Cap Pension - Aggregate Cost Method            | 284,738        | PTDG    | Ele FC | Customers | 0.769021436      | 22,323   | 19,790   | 2,534   |
| 10-11                             | Lobbying Expense                               | 1,714          | NA      | NA     | NA        | 0                | -        | -        | -       |
| 10-11                             | T&D Sec481(a) Adjustment                       | (35,844)       | PTDG    | Ele FC | Customers | 0.769021436      | (2,810)  | (2,491)  | (319)   |
| 10-11                             | Section 174 Expense                            | 736,407        | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 10-11                             | Tax Depreciation (Sec. 174)                    | (360,487)      | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 10-11                             | Section 174 Expense                            | 731,375        | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 10-11                             | Tax Depreciation (Sec. 174)                    | (383,238)      | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 10-11                             |  | 776,226        |         |        |           |                  |          |          |         |
| Minnesot Audit Interest 2010-2014 | R & E Income Taxes                             | 193,508        | Dir E   | Dir P  | Demand    | 0.731048496      | -        | -        | -       |
| 2012                              | T&D Sec481(a) Adjustment                       | 185,872        | PTDG    | Ele FC | Customers | 0.769021436      | 14,572   | 12,918   | 1,654   |
| 2012                              | Tax Depreciation (Sec. 174)                    | (123,275)      | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 2012                              | Bonus Depreciation                             | 481,683        | PTDG    | Ele FC | Customers | 0.769021436      | 37,764   | 33,478   | 4,286   |
| 2012                              | Tax Depreciation (Sec. 174)                    | 203,878        | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 2012                              | Tax Depreciation (Sec. 174)                    | 28,213         | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 2012                              | Regulatory A/L - TCR Rider                     | (18,860)       | NA      | NA     | NA        |                  |          |          |         |
| 2012                              |  | 757,510        |         |        |           |                  |          |          |         |
| 2013                              | Bonus Depreciation                             | 2,164,617      | PTDG    | Ele FC | Customers | 0.769021436      | 169,706  | 150,444  | 19,262  |
| 2013                              | Tax Depreciation (Sec. 174)                    | (65,963)       | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 2013                              | T&D Sec481(a) Adjustment                       | 4,339          | PTDG    | Ele FC | Customers | 0.769021436      | 340      | 302      | 39      |
| 2013                              | Regulatory A/L - TCR Rider                     | 149,760        | NA      | NA     | NA        |                  |          |          |         |
| 2013                              |  | 2,252,753      |         |        |           |                  |          |          |         |
| 2013 Post RAR                     | Bonus Depreciation                             | (14,047)       | PTDG    | Ele FC | Customers | 0.769021436      | (1,101)  | (976)    | (125)   |
| 2013 Post RAR                     | Depreciation                                   | 28,097         | PTDG    | Ele FC | Customers | 0.769021436      | 2,203    | 1,953    | 250     |
| 2013 Post RAR                     | Gain/Loss                                      | (702)          | PTDG    | Ele FC | Customers | 0.769021436      | (55)     | (49)     | (6)     |
| 2013 Post RAR                     |  | 13,347         |         |        |           |                  |          |          |         |
| 2014                              | Bonus Depreciation                             | 103,650        | PTDG    | Ele FC | Customers | 0.769021436      | 8,126    | 7,204    | 922     |
| 2014                              | Tax Depreciation (Sec. 174)                    | 88,320         | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 2014                              | Regulatory A/L - TCR Rider                     | (1,124,920)    | NA      | NA     | NA        |                  |          |          |         |
|                                   |  | (932,950)      |         |        |           |                  |          |          |         |
| 2015                              | Regulatory A/L - TCR Rider                     | 547,745        | NA      | NA     | NA        |                  |          |          |         |
| 2015                              | Lobbying Expenses                              | 1,616          | NA      | NA     | NA        | 0                | -        | -        | -       |
| 2015                              | Economic Development tax Basis write-off       | (18,547)       | NA      | NA     | NA        |                  |          |          |         |
| 2015                              | Depreciation                                   | (11,657)       | PTDG    | Ele FC | Customers | 0.769021436      | (914)    | (810)    | (104)   |
| 2015                              | Bonus Depreciation                             | (175,961)      | PTDG    | Ele FC | Customers | 0.769021436      | (13,795) | (12,230) | (1,566) |
| 2015                              | Gain/Loss                                      | 407,030        | PTDG    | Ele FC | Customers | 0.769021436      | 31,911   | 28,289   | 3,622   |
|                                   |  | 750,226        |         |        |           |                  |          |          |         |
| 2016                              | Addtnl Contribution Cnvrns per TI Chng         | 8,633          | NA      | NA     | NA        |                  |          |          |         |
| 2016                              | Depreciation                                   | (14,172)       | PTDG    | Ele FC | Customers | 0.769021436      | (1,111)  | (985)    | (126)   |
| 2016                              | Bonus Depreciation                             | 95,907         | PTDG    | Ele FC | Customers | 0.769021436      | 7,519    | 6,666    | 853     |
| 2016                              | Clearing Account Book Expense                  | (238,045)      | PTDG    | Ele FC | Customers | 0.769021436      | (18,663) | (16,544) | (2,118) |
| 2016                              | PI-EPU   | 48,091         | Dir E   | Dir P  | Customers | 0.731048496      | -        | -        | -       |
| 2016                              | Gain/Loss Adjustment                           | 43,232         | PTDG    | Ele FC | Customers | 0.769021436      | 3,389    | 3,005    | 385     |
|                                   |  | (56,352)       |         |        |           |                  |          |          |         |
|                                   |  |                |         |        |           | 0.758966331      | 247,637  | 219,530  | 28,108  |

Northern States Power Company  
State of MN Gas  
Income Tax Tracker

|   |            |
|---|------------|
| NSPM - 00 Complete Revenue Requirements by Jurisdiction, Yr 2 - DRAFT | Dec - 2022 |
|   | MN Gas     |

**Composite Income Tax Rate**

|   |               |
|---|---------------|
| State Tax Rate  | 9.80%         |
| Federal Statutory Tax Rate                            | 21.00%        |
| <u>Federal Effective Tax Rate</u>                     | <u>18.94%</u> |
| <b>Composite Tax Rate</b>                             | <b>28.74%</b> |
| Revenue Conversion Factor (1/(1--Composite Tax Rate)) | 1.403351      |

**Weighted Cost of Capital**

|                                 |              |
|---------------------------------|--------------|
| Active Rates and Ratios Version | Proposed     |
| Cost of Short Term Debt         | 0.94%        |
| Cost of Long Term Debt          | 4.13%        |
| Cost of Common Equity           | 10.50%       |
| Ratio of Short Term Debt        | 0.61%        |
| Ratio of Long Term Debt         | 46.89%       |
| Ratio of Common Equity          | 52.50%       |
| Weighted Cost of STD            | 0.01%        |
| Weighted Cost of LTD            | 1.94%        |
| Weighted Cost of Debt           | 1.95%        |
| <u>Weighted Cost of Equity</u>  | <u>5.51%</u> |
| <b>Required Rate of Return</b>  | <b>7.46%</b> |

**Rate Base**

|  |                |
|--|----------------|
| Plant Investment                         |                |
| <u>Depreciation Reserve</u>              | -              |
| Net Utility Plant                        |                |
| CWIP                                     |                |
| Accumulated Deferred Taxes               |                |
| DTA - NOL Average Balance                |                |
| DTA - Federal Tax Credit Average Balance | -              |
| Total Accum Deferred Taxes               |                |
| Cash Working Capital                     |                |
| Materials and Supplies                   |                |
| Fuel Inventory                           |                |
| Non-plant Assets and Liabilities         |                |
| Customer Advances                        |                |
| Customer Deposits                        |                |
| Prepays and Other                        |                |
| <u>Regulatory Amortizations</u>          | <u>182,941</u> |
| Total Other Rate Base Items              | 182,941        |
| <b>Total Rate Base</b>                   | <b>182,941</b> |

Northern States Power Company  
State of MN Gas  
Income Tax Tracker

|   |            |
|---|------------|
| NSPM - 00 Complete Revenue Requirements by Jurisdiction, Yr 2 - DRAFT | Dec - 2022 |
|   | MN Gas     |

**Operating Revenues**

Retail

Interdepartmental

Other Operating Rev - Non-Retail

-

**Total Operating Revenues**

**Expenses**

Operating Expenses:

Fuel

Deferred Fuel

Variable IA Production Fuel

Purchased Energy - Windsource

0

Fuel & Purchased Energy Total

Production - Fixed

Production - Fixed IA Investment

Production - Fixed IA O&M

Production - Variable

Production - Variable IA O&M

Production - Purchased Demand

0

Production Total

Regional Markets

Transmission IA

Transmission

Distribution

Customer Accounting

Customer Service & Information

Sales, Econ Dvlp & Other

Administrative & General

0

**Total Operating Expenses**

Depreciation

Amortization

73,177

**Taxes:**

Property Taxes

ITC Amortization

Deferred Taxes

Deferred Taxes - NOL

Less State Tax Credits deferred

Less Federal Tax Credits deferred

Deferred Income Tax & ITC

Payroll & Other Taxes

Northern States Power Company  
State of MN Gas  
Income Tax Tracker

|   |            |
|---|------------|
| NSPM - 00 Complete Revenue Requirements by Jurisdiction, Yr 2 - DRAFT | Dec - 2022 |
|   | MN Gas     |

**Total Taxes Other Than Income**

**Income Before Taxes**

Total Operating Revenues

less: Total Operating Expenses

Book Depreciation

Amortization

73,177

Taxes Other than Income

-

**Total Before Tax Book Income**

(73,177)

**Tax Additions**

Book Depreciation

Deferred Income Taxes and ITC

Nuclear Fuel Burn (ex. D&D)

Nuclear Outage Accounting

Avoided Tax Interest

Other Book Additions

-

**Total Tax Additions**

**Tax Deductions**

Total Rate Base

182,941

Weighted Cost of Debt

1.95%

Debt Interest Expense

3,567

Nuclear Outage Accounting

Tax Depreciation and Removals

NOL Utilized / (Generated)

Other Tax / Book Timing Differences

0

**Total Tax Deductions**

**3,567**

**State Taxes**

State Taxable Income

(76,744)

State Income Tax Rate

9.80%

State Taxes before Credits

(7,521)

Less State Tax Credits applied

-

**Total State Income Taxes**

(7,521)

**Federal Taxes**

Federal Sec 199 Production Deduction

Federal Taxable Income

(69,223)

Federal Income Tax Rate

21.00%

Federal Tax before Credits

(14,537)

Less Federal Tax Credits

-

**Total Federal Income Taxes**

(14,537)

Northern States Power Company  
State of MN Gas  
Income Tax Tracker

|   |            |
|---|------------|
| NSPM - 00 Complete Revenue Requirements by Jurisdiction, Yr 2 - DRAFT | Dec - 2022 |
|   | MN Gas     |

**Total Taxes**

Total Taxes Other than Income

Total Federal and State Income Taxes (22,058)

**Total Taxes (22,058)**

**Total Operating Revenues**

**Total Expenses 51,119**

AFDC Debt

AFDC Equity

**Net Income (51,119)**

**Rate of Return (ROR)**

Total Operating Income (51,119)

Total Rate Base 182,941

**ROR (Operating Income / Rate Base) (27.94%)**

**Return on Equity (ROE)**

Net Operating Income (51,119)

Debt Interest (Rate Base \* Weighted Cost of Debt) (3,567)

Earnings Available for Common (54,686)

Equity Rate Base (Rate Base \* Equity Ratio) 96,044

**ROE (earnings for Common / Equity) (56.94%)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return) 13,647

Net Operating Income (51,119)

**Operating Income Deficiency 64,766**

Revenue Conversion Factor (1/(1--Composite Tax Rate)) 1.403351

**Revenue Deficiency (Income Deficiency \* Conversion Factor) 90,890**

**Total Revenue Requirements**

Total Retail Revenues

Revenue Deficiency 90,890

Total Revenue Requirements 90,890

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Rate Case Expense Amortization

|   | MN Gas         |
|---|----------------|
|   | 2022 Test Year |
| <b>Expenses</b>   |                |
| Operating Expenses:   |                |
| Fuel & Purchased Energy Total                                     |                |
| Production Total  |                |
| Regional Markets  |                |
| Transmission IA   |                |
| Transmission  |                |
| Distribution  |                |
| Customer Accounting   |                |
| Customer Service & Information                                    |                |
| Sales, Econ Dvlp & Other  |                |
| Administrative & General  | 0              |
| <b>Total Operating Expenses</b>                                   |                |
| Depreciation  |                |
| Amortization  | 94,174         |
| <b>Total Taxes</b>  |                |
| Total Taxes Other than Income                                     |                |
| Total Federal and State Income Taxes                              | (27,067)       |
| <b>Total Taxes</b>  | (27,067)       |
| <b>Total Operating Revenues</b>                                   |                |
| <b>Total Expenses</b>   | 67,106         |
| AFDC Debt   |                |
| AFDC Equity   |                |
| <b>Net Income</b>   | (67,106)       |
| <b>Rate of Return (ROR)</b>                                       |                |
| Total Operating Income  | (67,106)       |
| Total Rate Base   | -              |
| <b>ROR (Operating Income / Rate Base)</b>                         |                |
| <b>Return on Equity (ROE)</b>                                     |                |
| Net Operating Income  | (67,106)       |
| Debt Interest (Rate Base * Weighted Cost of Debt)                 |                |
| Earnings Available for Common                                     | (67,106)       |
| Equity Rate Base (Rate Base * Equity Ratio)                       | -              |
| <b>ROE (earnings for Common / Equity)</b>                         |                |
| <b>Revenue Deficiency</b>   |                |
| Required Operating Income (Rate Base * Required Return)           |                |
| Net Operating Income  | (67,106)       |
| <b>Operating Income Deficiency</b>                                | 67,106         |
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351       |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | 94,174         |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Rate Case Expense Amortization

|   | 2022 TY Budget   |
|---|------------------|
| Outside Legal Fees  | \$2,020,000      |
| Consulting  | 206,500          |
| Regulatory Fees   | 1,000,000        |
| Administrative Costs  | 274,500          |
| SubTotal  | \$3,501,000      |
| Less non-regulated estimate   | \$24,479         |
| Less annual rate case expense from Docket 10-1153 times<br>seven years between rate cases | \$3,194,000      |
| <b>Total Rate Case Expenses</b>   | <b>\$282,521</b> |

|                              |    |
|------------------------------|----|
| Amortization Period - Years  | 3  |
| Amortization Period - Months | 36 |

|  |          |
|--|----------|
| Annual Rate Case Expense Amortization  | \$94,174 |
| Monthly Rate Case Expense Amortization | \$7,848  |

|   |           |
|---|-----------|
| Total rate case expenses from Docket 09-1153  | 1,597,000 |
| Amortization period                           | 4         |
| Annual rate case expense amount in base rates | 399,250   |
| Addition years between rate cases             | 8         |
| Refund amount                                 | 3,194,000 |



**Northern States Power Company**  
**Calcualtion of the Allocation Percent of Rate Case Expense**  
**to Non-regulated Activities**  
**Based on the Fiscal Year Ended December 31, 2020**  
**Source: 2020 NSPM 10K**

|                          | Consolidated | All Other Non- | % of Total |
|--------------------------|--------------|----------------|------------|
|                          | Total NSP    | Reg            |            |
| Total Revenues           | 5,101        | 37             | 0.73%      |
| Less: Financing Costs    | (238)        | -              |            |
| Income Tax Expense       | 6            | 1              |            |
| Net (Income) Loss        | (591)        | (8)            |            |
| Subtotal                 | 4,278        | 30             |            |
| Other Income             | 27           |                |            |
| Total Operating Expenses | 4,305        | 30             | 0.6992%    |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

## Gas Utility Infrastructure Cost (GUIC) Rider Removal

The purpose of the GUIC rider removal adjustment is to remove the rate base, revenues, and expense components that will continue to be recovered in the GUIC Rider.

In this rate case, all expenditures after December 31, 2021 are assumed to be recovered through the GUIC rider.

**Northern States Power Company**  
**Minnesota Gas Jurisdiction**  
**GUIC Rider Removal**

**GUIC Removal - Rate Base (MN Electric Jurisdiction)**

|                                     | <b>BOY</b> | <b>EOY</b>   | <b>Average</b> | <b>GUIC Rider Removal</b> |
|-------------------------------------|------------|--------------|----------------|---------------------------|
| Plant In Service                    | 419,251    | (76,070,096) | (37,825,422)   | (37,825,422)              |
| Depreciation Reserve                | 407        | 1,322,598    | 661,502        | 661,502                   |
| Accumulated Deferred Income Tax     | 4,305      | (1,093,108)  | (589,947)      | (589,947)                 |
| <b>Total GUIC Rate Base Removal</b> |            |              |                | <b>(37,896,978)</b>       |

**GUIC Removal - Income Statement (MN Electric Jurisdiction)**

|   | <b>Full Year</b> |                    |
|---|------------------|--------------------|
| Rider Revenues (Retail Revenues)                      | (5,088,248)      | (5,088,248)        |
| <b>Total Revenues</b>                                 |                  | <b>(5,088,248)</b> |
| O&M   | (850,000)        | (850,000)          |
| Depreciation Expense                                  | (341,397)        | (341,397)          |
| Deferred Taxes  | (1,097,413)      | (1,097,413)        |
| Property Taxes  | 7,520            | 7,520              |
| Federal and State Income Taxes                        | 20,156           | 20,156             |
| <b>Total Expenses</b>                                 |                  | <b>(2,261,134)</b> |
| Required Return (Rate Base * Rate of Return)          |                  | (2,827,115)        |
| Operating Income (Total Revenues - Expenses)          |                  | (2,827,114)        |
| Income Sufficiency/(Deficiency)                       |                  | (0)                |
| Revenue Conversion Factor (1/(1--Composite Tax Rate)) |                  | 1.403351           |
| Revenue Sufficiency/(Deficiency)                      |                  | <b>(0)</b>         |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Gas Utility Infrastructure Cost (GUIC) Rider Removal

|  | MN Gas              |
|--|---------------------|
|  | 2022 Test Year      |
| <b><u>Composite Income Tax Rate</u></b>              |                     |
| State Tax Rate                                       | 9.80%               |
| Federal Statutory Tax Rate                           | 21.00%              |
| <u>Federal Effective Tax Rate</u>                    | <u>18.94%</u>       |
| <b>Composite Tax Rate</b>                            | <b>28.74%</b>       |
| Revenue Conversion Factor (1/(1-Composite Tax Rate)) | 1.403351            |
| <b><u>Weighted Cost of Capital</u></b>               |                     |
| Active Rates and Ratios Version                      | Proposed            |
| Cost of Short Term Debt                              | 0.94%               |
| Cost of Long Term Debt                               | 4.13%               |
| Cost of Common Equity                                | 10.50%              |
| Ratio of Short Term Debt                             | 0.61%               |
| Ratio of Long Term Debt                              | 46.89%              |
| Ratio of Common Equity                               | 52.50%              |
| Weighted Cost of STD                                 | 0.01%               |
| Weighted Cost of LTD                                 | 1.94%               |
| Weighted Cost of Debt                                | 1.95%               |
| <u>Weighted Cost of Equity</u>                       | <u>5.51%</u>        |
| <b>Required Rate of Return</b>                       | <b>7.46%</b>        |
| <b><u>Rate Base</u></b>                              |                     |
| Plant Investment                                     | (37,825,422)        |
| <u>Depreciation Reserve</u>                          | <u>661,502</u>      |
| Net Utility Plant                                    | (38,486,925)        |
| CWIP   |                     |
| Accumulated Deferred Taxes                           | (589,947)           |
| DTA - NOL Average Balance                            |                     |
| DTA - Federal Tax Credit Average Balance             | -                   |
| Total Accum Deferred Taxes                           | (589,947)           |
| Cash Working Capital                                 |                     |
| Materials and Supplies                               |                     |
| Fuel Inventory                                       |                     |
| Non-plant Assets and Liabilities                     |                     |
| Customer Advances                                    |                     |
| Customer Deposits                                    |                     |
| Prepays and Other                                    |                     |
| <u>Regulatory Amortizations</u>                      | -                   |
| Total Other Rate Base Items                          |                     |
| <b>Total Rate Base</b>                               | <b>(37,896,977)</b> |
| <b><u>Operating Revenues</u></b>                     |                     |
| Retail   | (5,088,248)         |
| Interdepartmental                                    |                     |
| <u>Other Operating Rev - Non-Retail</u>              | -                   |
| <b>Total Operating Revenues</b>                      | <b>(5,088,248)</b>  |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Gas Utility Infrastructure Cost (GUIC) Rider Removal

|                                      | MN Gas             |
|--------------------------------------|--------------------|
|                                      | 2022 Test Year     |
| <b>Expenses</b>                      |                    |
| Operating Expenses:                  |                    |
| Fuel                                 |                    |
| Deferred Fuel                        |                    |
| Variable IA Production Fuel          |                    |
| <u>Purchased Energy - Windsource</u> | 0                  |
| Fuel & Purchased Energy Total        |                    |
| Production - Fixed                   |                    |
| Production - Fixed IA Investment     |                    |
| Production - Fixed IA O&M            |                    |
| Production - Variable                |                    |
| Production - Variable IA O&M         |                    |
| <u>Production - Purchased Demand</u> | 0                  |
| Production Total                     |                    |
| Regional Markets                     |                    |
| Transmission IA                      |                    |
| Transmission                         |                    |
| Distribution                         |                    |
| Gas Distribution                     | (850,000)          |
| Customer Accounting                  |                    |
| Customer Service & Information       |                    |
| Sales, Econ Dvlp & Other             |                    |
| <u>Administrative &amp; General</u>  | 0                  |
| <b>Total Operating Expenses</b>      | <b>(850,000)</b>   |
| Depreciation                         | (341,397)          |
| Amortization                         |                    |
| <b>Total Taxes</b>                   |                    |
| Total Taxes Other than Income        | (1,089,893)        |
| Total Federal and State Income Taxes | 20,156             |
| <b>Total Taxes</b>                   | <b>(1,069,737)</b> |
| <b>Total Operating Revenues</b>      | <b>(5,088,248)</b> |
| <b>Total Expenses</b>                | <b>(2,261,134)</b> |
| AFDC Debt                            |                    |
| AFDC Equity                          |                    |
| <b>Net Income</b>                    | <b>(2,827,115)</b> |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Gas Utility Infrastructure Cost (GUIC) Rider Removal

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Rate of Return (ROR)**

|   |                     |
|---|---------------------|
| Total Operating Income                    | (2,827,115)         |
| <u>Total Rate Base</u>                    | <u>(37,896,977)</u> |
| <b>ROR (Operating Income / Rate Base)</b> | <b>7.46%</b>        |

**Return on Equity (ROE)**

|  |                     |
|--|---------------------|
| Net Operating Income                               | (2,827,115)         |
| Debt Interest (Rate Base * Weighted Cost of Debt)  | 738,991             |
| Earnings Available for Common                      | (2,088,123)         |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | <u>(19,895,913)</u> |
| <b>ROE (earnings for Common / Equity)</b>          | <b>10.50%</b>       |

**Revenue Deficiency**

|   |                    |
|---|--------------------|
| Required Operating Income (Rate Base * Required Return) | (2,827,115)        |
| <u>Net Operating Income</u>                             | <u>(2,827,115)</u> |
| <b>Operating Income Deficiency</b>                      |                    |

|   |          |
|---|----------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351 |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> |          |

**NSPM Minnesota Retail - Gas**  
**IRS Pro-Rate Method Accumulated Deferred Tax Adjustment**  
Including NOL Annual Deferred  
Year Ending December 31, 2022

|                             |                 |                |                                |   |                     | 2022                         |                  |
|-----------------------------|-----------------|----------------|--------------------------------|---|---------------------|------------------------------|------------------|
| Annual Deferred Tax Expense |                 | 2,375,194      |                                |   |                     | 2,375,194                    |                  |
|                             | Days to Prorate | Prorate Factor | MN Jurisdiction Plant Deferred | MN Jurisdiction Prorated Plant Deferred | MN Jurisdiction NOL | MN Jurisdiction Prorated NOL | Monthly Expense  |
| January                     | 335             | 91.78%         | 197,933                        | 181,664                                 | -                   | -                            | 197,933          |
| February                    | 307             | 84.11%         | 197,933                        | 166,481                                 | -                   | -                            | 197,933          |
| March                       | 276             | 75.62%         | 197,933                        | 149,670                                 | -                   | -                            | 197,933          |
| April                       | 246             | 67.40%         | 197,933                        | 133,401                                 | -                   | -                            | 197,933          |
| May                         | 215             | 58.90%         | 197,933                        | 116,591                                 | -                   | -                            | 197,933          |
| June                        | 185             | 50.68%         | 197,933                        | 100,322                                 | -                   | -                            | 197,933          |
| July                        | 154             | 42.19%         | 197,933                        | 83,511                                  | -                   | -                            | 197,933          |
| August                      | 123             | 33.70%         | 197,933                        | 66,701                                  | -                   | -                            | 197,933          |
| September                   | 93              | 25.48%         | 197,933                        | 50,432                                  | -                   | -                            | 197,933          |
| October                     | 62              | 16.99%         | 197,933                        | 33,621                                  | -                   | -                            | 197,933          |
| November                    | 32              | 8.77%          | 197,933                        | 17,353                                  | -                   | -                            | 197,933          |
| December                    | 1               | 0.27%          | 197,933                        | 542                                     | -                   | -                            | 197,933          |
|                             |                 |                |                                |   |                     | <b>Total</b>                 | <b>1,100,290</b> |

(Increase)/  
decrease to  
accumulated  
deferred taxes

**Increase/(Decrease) in Rate Base**

|                                       |             |
|---------------------------------------|-------------|
| Pro-Rate Method                       | (1,100,290) |
| BOY/EOY Average                       | (1,187,597) |
| Accumulated Deferred Taxes Adjustment | 87,307      |

**Capital Structure - Proposed**

|   |              |
|---|--------------|
| Composite Tax Rate                                | 28.74%       |
| Weighted Cost of STD                              | 0.01%        |
| Weighted Cost of LTD                              | 1.94%        |
| Weighted Cost of Debt                             | 1.95%        |
| <u>Weighted Cost of Equity</u>                    | <u>5.51%</u> |
| <b>Required Rate of Return</b>                    | <b>7.46%</b> |
| Equity Return Tax RR                              | 2.22%        |
| RB Revenue Requirement Factor                     | 9.6825%      |
| <b>Increase/(Decrease) in Revenue Requirement</b> |              |
| Annual Revenue Requirement Impact                 | 8,454        |

**NSPM Minnesota Retail - Gas**  
**IRS Pro-Rate Method Accumulated Deferred Tax Adjustment**  
Including NOL Annual Deferred

**Prorate Adjustment Factor**

| Days | Month  | Prorated<br>Days | Prorate<br>Factor |
|------|--------|------------------|-------------------|
|      | 31 Jan | 335              | 0.917808          |
|      | 28 Feb | 307              | 0.841096          |
|      | 31 Mar | 276              | 0.756164          |
|      | 30 Apr | 246              | 0.673973          |
|      | 31 May | 215              | 0.589041          |
|      | 30 Jun | 185              | 0.506849          |
|      | 31 Jul | 154              | 0.421918          |
|      | 31 Aug | 123              | 0.336986          |
|      | 30 Sep | 93               | 0.254795          |
|      | 31 Oct | 62               | 0.169863          |
|      | 30 Nov | 32               | 0.087671          |
|      | 31 Dec | 1                | 0.002740          |
| 365  |        |                  |                   |

**Prorate Factor Calculation**

|                           |                 |
|---------------------------|-----------------|
| Average Prorate Factor    | 0.463242        |
| BOY/EOY Average Factor    | 0.500000        |
| Prorate Adjustment Factor | <u>0.036758</u> |



## Cash Working Capital

This bridge schedule column represents the change in Cash Working Capital due to adjustments

Impact of Changes in Cash Working Capital  
Based on Proposed Capital Structure

| (In \$000's)          |                      | 2022 Test Year * |
|-----------------------|----------------------|------------------|
| Total Unadjusted CWC  | <b>a</b>             | (14,145)         |
| CWC on Adjustments    | <b>f=b-a</b>         | 398              |
| Total Adjusted CWC    | <b>b</b>             | (13,747)         |
| Return Calculation    | <b>g=f * e</b>       | 29.7122          |
| Income Tax Deductions | <b>h=f * (c + d)</b> | 8                |
| Income Tax Impact     | <b>i=h * 28.74%</b>  | 2.2323           |
| Income Deficiency     | <b>j=g - i</b>       | 27.480           |
| Tax Gross-Up Factor   | <b>k</b>             | 1.403351         |
| Total Impact          | <b>l=j * k</b>       | <u>\$38.564</u>  |

Amts in '000's

Cap Structure Proposed

|                         |          | Weighted Cost |
|-------------------------|----------|---------------|
| Short Term Debt         | <b>c</b> | 0.01%         |
| Long Term Debt          | <b>d</b> | 1.94%         |
| Common Equity           |          | <u>5.51%</u>  |
| Required Rate of Return | <b>e</b> | 7.46%         |

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | NSPM MN Gas         |
|----------|---|---------------------|
|          |   | Retail              |
|          |   | Dec - 2022          |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                     |
| 2        | State Tax Rate  | 9.80%               |
| 3        | Federal Statutory Tax Rate                                    | 21.00%              |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>       |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>       |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351            |
| 7        |   |                     |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                     |
| 9        | Active Rates and Ratios Version                               | Proposed            |
| 10       | Cost of Short Term Debt                                       | 0.94%               |
| 11       | Cost of Long Term Debt  | 4.13%               |
| 12       | Cost of Common Equity   | 10.50%              |
| 13       | Ratio of Short Term Debt                                      | 0.61%               |
| 14       | Ratio of Long Term Debt                                       | 46.89%              |
| 15       | Ratio of Common Equity  | 52.50%              |
| 16       | Weighted Cost of STD  | 0.01%               |
| 17       | Weighted Cost of LTD  | 1.94%               |
| 18       | Weighted Cost of Debt   | 1.95%               |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>        |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>        |
| 21       |   |                     |
| 22       | <b><u>Rate Base</u></b>                                       |                     |
| 23       | Plant Investment  |                     |
| 24       | <u>Depreciation Reserve</u>                                   | -                   |
| 25       | Net Utility Plant   |                     |
| 26       | CWIP  |                     |
| 27       |   |                     |
| 28       | Accumulated Deferred Taxes                                    |                     |
| 29       | DTA - NOL Average Balance                                     |                     |
| 30       | DTA - Federal Tax Credit Average Balance                      | -                   |
| 31       | Total Accum Deferred Taxes                                    |                     |
| 32       |   |                     |
| 33       | Cash Working Capital  | (13,746,970)        |
| 34       | Materials and Supplies  |                     |
| 35       | Fuel Inventory  |                     |
| 36       | Non-plant Assets and Liabilities                              |                     |
| 37       | Customer Advances   |                     |
| 38       | Customer Deposits   |                     |
| 39       | Prepays and Other   |                     |
| 40       | <u>Regulatory Amortizations</u>                               | -                   |
| 41       | Total Other Rate Base Items                                   | (13,746,970)        |
| 42       |   |                     |
| 43       | <b>Total Rate Base</b>  | <b>(13,746,970)</b> |
| 44       |   |                     |
| 45       | <b><u>Operating Revenues</u></b>                              |                     |
| 46       | Retail  |                     |
| 47       | Interdepartmental   |                     |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                   |
| 49       | <b>Total Operating Revenues</b>                               |                     |
| 50       |   |                     |
| 51       | <b><u>Expenses</u></b>  |                     |
| 52       | Operating Expenses:   |                     |
| 53       | Fuel  |                     |

|     |                                      |              |
|-----|--------------------------------------|--------------|
| 54  | Deferred Fuel                        |              |
| 55  | Variable IA Production Fuel          |              |
| 56  | <u>Purchased Energy - Windsource</u> | 0            |
| 57  | Fuel & Purchased Energy Total        |              |
| 58  | Production - Fixed                   |              |
| 59  | Production - Fixed IA Investment     |              |
| 60  | Production - Fixed IA O&M            |              |
| 61  | Production - Variable                |              |
| 62  | Production - Variable IA O&M         |              |
| 63  | <u>Production - Purchased Demand</u> | 0            |
| 64  | Production Total                     |              |
| 65  | Regional Markets                     |              |
| 66  | Transmission IA                      |              |
| 67  | Transmission                         |              |
| 68  | Distribution                         |              |
| 69  | Customer Accounting                  |              |
| 70  | Customer Service & Information       |              |
| 71  | Sales, Econ Dvlp & Other             |              |
| 72  | <u>Administrative &amp; General</u>  | 0            |
| 73  | <b>Total Operating Expenses</b>      |              |
| 74  |                                      |              |
| 75  | Depreciation                         |              |
| 76  | Amortization                         |              |
| 77  |                                      |              |
| 78  | <b><u>Taxes:</u></b>                 |              |
| 79  | Property Taxes                       |              |
| 80  | ITC Amortization                     |              |
| 81  | Deferred Taxes                       |              |
| 82  | Deferred Taxes - NOL                 |              |
| 83  | Less State Tax Credits deferred      |              |
| 84  | Less Federal Tax Credits deferred    |              |
| 85  | Deferred Income Tax & ITC            |              |
| 86  | Payroll & Other Taxes                |              |
| 87  | <b>Total Taxes Other Than Income</b> |              |
| 88  |                                      |              |
| 89  | <b><u>Income Before Taxes</u></b>    |              |
| 90  | Total Operating Revenues             |              |
| 91  | less: Total Operating Expenses       |              |
| 92  | Book Depreciation                    |              |
| 93  | Amortization                         |              |
| 94  | <u>Taxes Other than Income</u>       | -            |
| 95  | <b>Total Before Tax Book Income</b>  |              |
| 96  |                                      |              |
| 97  | <b><u>Tax Additions</u></b>          |              |
| 98  | Book Depreciation                    |              |
| 99  | Deferred Income Taxes and ITC        |              |
| 100 | Nuclear Fuel Burn (ex. D&D)          |              |
| 101 | Nuclear Outage Accounting            |              |
| 102 | Avoided Tax Interest                 |              |
| 103 | <u>Other Book Additions</u>          | -            |
| 104 | <b>Total Tax Additions</b>           |              |
| 105 |                                      |              |
| 106 | <b><u>Tax Deductions</u></b>         |              |
| 107 | Total Rate Base                      | (13,746,970) |
| 108 | Weighted Cost of Debt                | 1.95%        |
| 109 | Debt Interest Expense                | (268,066)    |

|     |  |                           |
|-----|--|---------------------------|
| 110 | Nuclear Outage Accounting  |                           |
| 111 | Tax Depreciation and Removals  |                           |
| 112 | NOL Utilized / (Generated)   |                           |
| 113 | <u>Other Tax / Book Timing Differences</u>                               | 0                         |
| 114 | <b>Total Tax Deductions</b>  | <b>(268,066)</b>          |
| 115 |  |                           |
| 116 | <b><u>State Taxes</u></b>  |                           |
| 117 | State Taxable Income   | 268,066                   |
| 118 | State Income Tax Rate  | <u>9.80%</u>              |
| 119 | State Taxes before Credits   | 26,270                    |
| 120 | <u>Less State Tax Credits applied</u>                                    | -                         |
| 121 | <b>Total State Income Taxes</b>  | <b>26,270</b>             |
| 122 |  |                           |
| 123 | <b><u>Federal Taxes</u></b>  |                           |
| 124 | Federal Sec 199 Production Deduction                                     |                           |
| 125 | Federal Taxable Income   | 241,795                   |
| 126 | Federal Income Tax Rate  | <u>21.00%</u>             |
| 127 | Federal Tax before Credits   | 50,777                    |
| 128 | <u>Less Federal Tax Credits</u>  | -                         |
| 129 | <b>Total Federal Income Taxes</b>  | <b>50,777</b>             |
| 130 |  |                           |
| 131 | <b>Total Taxes</b>   |                           |
| 132 | Total Taxes Other than Income  |                           |
| 133 | Total Federal and State Income Taxes                                     | 77,048                    |
| 134 | <b>Total Taxes</b>   | <b>77,048</b>             |
| 135 |  |                           |
| 136 | <b>Total Operating Revenues</b>  |                           |
| 137 | <b>Total Expenses</b>  | <b>77,048</b>             |
| 138 |  |                           |
| 139 | AFDC Debt  |                           |
| 140 | AFDC Equity  |                           |
| 141 |  |                           |
| 142 | <b><u>Net Income</u></b>   | <b><u>(77,048)</u></b>    |
| 143 |  |                           |
| 144 | <b><u>Rate of Return (ROR)</u></b>                                       |                           |
| 145 | Total Operating Income   | (77,048)                  |
| 146 | <u>Total Rate Base</u>   | <u>(13,746,970)</u>       |
| 147 | <b>ROR (Operating Income / Rate Base)</b>                                | <b>0.56%</b>              |
| 148 |  |                           |
| 149 | <b><u>Return on Equity (ROE)</u></b>                                     |                           |
| 150 | Net Operating Income   | (77,048)                  |
| 151 | Debt Interest (Rate Base * Weighted Cost of Debt)                        | 268,066                   |
| 152 | Earnings Available for Common  | 191,018                   |
| 153 | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                       | <u>(7,217,159)</u>        |
| 154 | <b>ROE (earnings for Common / Equity)</b>                                | <b>(2.65%)</b>            |
| 155 |  |                           |
| 156 | <b><u>Revenue Deficiency</u></b>   |                           |
| 157 | Required Operating Income (Rate Base * Required Return)                  | (1,025,524)               |
| 158 | <u>Net Operating Income</u>  | <u>(77,048)</u>           |
| 159 | <b>Operating Income Deficiency</b>                                       | <b>(948,476)</b>          |
| 160 |  |                           |
| 161 | Revenue Conversion Factor (1/(1--Composite Tax Rate))                    | 1.403351                  |
| 162 | <b><u>Revenue Deficiency (Income Deficiency * Conversion Factor)</u></b> | <b><u>(1,331,046)</u></b> |
| 163 |  |                           |

**A30. Intentionally left blank.**

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Change in Cost of Capital

Calculate the revenue requirement associated with the  
change in cost of capital from last authorized to proposed

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Change in Cost of Capital

|   | 2022 Test Year               |
|---|------------------------------|
| Total Rate Base (\$000s)                  | 934,448 <b>a</b>             |
| Change                                    | (7,569) <b>e=a * (d - c)</b> |
| Tax Impact                                | (2,766) <b>f</b>             |
|   | (4,803) <b>g=e+f</b>         |
| Tax Gross-Up Factor                       | 1.403351 <b>b</b>            |
| Total Impact                              | (6,740) <b>h=g * b</b>       |
| Cost of Capital Column BCH-1, Schedule 11 | (6,740) <b>i</b>             |
| Difference                                | 0 <b>j = h - i</b>           |

Cap Structure Last Authorized in 09-1153

|                         | Ratio   | Cost   | Weighted Cost  |
|-------------------------|---------|--------|----------------|
| Short Term Debt         | 0.80%   | 1.36%  | 0.01%          |
| Long Term Debt          | 46.74%  | 6.36%  | 2.97%          |
| Common Equity           | 52.46%  | 10.09% | 5.29%          |
| Required Rate of Return | 100.00% |        | 8.27% <b>c</b> |

Cap Structure Proposed in Current Case - 2022 Test Year

|                         | Ratio   | Cost   | Weighted Cost  |
|-------------------------|---------|--------|----------------|
| Short Term Debt         | 0.61%   | 0.94%  | 0.01%          |
| Long Term Debt          | 46.89%  | 4.13%  | 1.94%          |
| Common Equity           | 52.50%  | 10.50% | 5.51%          |
| Required Rate of Return | 100.00% |        | 7.46% <b>d</b> |



**Northern States Power Company  
2022 Budget Test Year - Interim  
Chamber of Commerce**

| <b>Gas</b> |                     | <b>2022</b> |
|------------|---------------------|-------------|
| MN         | Chamber of Commerce | (10,797.16) |
|            | 100% inclusion      | (10,797.16) |

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The Company has included membership dues paid to various Chambers of Commerce in Minnesota in the 2022 test year. Chambers of Commerce provide an essential link between the Company and the communities it serves, allowing for improved utility service. Because membership in these organizations provides benefits to all utility customers, recovery of membership dues paid to Chambers of Commerce is consistent with the Commission's June 14, 1982 Statement of Policy on Organizational Dues. Chamber of Commerce dues are initially recorded below the line; thus, an adjustment is necessary to include Chamber of Commerce dues in test year costs.

The Chamber of Commerce adjustment for the rate case was based on an allocation of 2020 actual allowances applied to the applicable test year budget. This was done to provide consistency and comparability across the test year and to base the adjustment on the last year of actual data consistent with the employee expense adjustment.

Northern States Power Company  
Chamber of Commerce  
2022 Test Year

Dues Amounts by Jurisdiction and Utility

|                | 2021   | 2022    | 2023                               | 2024    | 2025    | 2026    |
|----------------|--------|---------|------------------------------------|---------|---------|---------|
|                |        |         | Total Chamber Dues from data pull: |         |         |         |
| MN - ND - SD C | 30,445 | 85,890  | 85,890                             | 85,890  | 85,890  | 85,890  |
| MN - ND - SD E | 38     | 72      | 72                                 | 72      | 72      | 72      |
| MN - ND - SD G |        |         |                                    |         |         |         |
| MN - ND E      |        |         |                                    |         |         |         |
| MN - ND G      |        |         |                                    |         |         |         |
| MN C           | 12,383 | 148,000 | 148,000                            | 148,000 | 148,000 | 148,000 |
| MN E           |        |         |                                    |         |         |         |
| MN G           | 500    | 500     | 500                                | 500     | 500     | 500     |
| ND C           | 10,639 | 30,000  | 30,000                             | 30,000  | 30,000  | 30,000  |
| ND E           |        |         |                                    |         |         |         |
| ND G           |        |         |                                    |         |         |         |
| SD E           | 2,521  | 16,000  | 16,000                             | 16,000  | 16,000  | 16,000  |
| Xcel Common    | 95,438 | 22,088  | 22,088                             | 22,088  | 22,088  | 22,088  |

2020 Actuals

|                |         |                                      |  |               |         |
|----------------|---------|--------------------------------------|--|---------------|---------|
| MN - ND - SD C | 99.66%  | Sum of NSPM Amount                   |  | Column Labels |         |
| MN - ND - SD E | 100.00% |                                      |  | Exclude       | Include |
| MN - ND - SD G |         |                                      |  | Grand Total   |         |
| MN - ND E      |         | Minnesota Common Utility             |  | 42,355        | 70,965  |
| MN - ND G      |         | Minnesota-N Dakota-S Dakota Electric |  |               | 5,943   |
| MN C           | 62.62%  | Minnesota-N Dakota-S Dakota-Common   |  | 255           | 74,265  |
| MN E           | 100.00% | North Dakota Common Utility          |  |               | 19,546  |
| MN G           |         | South Dakota Electric                |  | 8,205         | 3,800   |
| ND C           | 100.00% | Xcel Common Utility                  |  | 1,200         | 1,200   |
| ND E           |         | Xcel Other                           |  |               | -1,000  |
| ND G           |         | Minnesota Electric                   |  |               | 2,350   |
| SD E           | 31.65%  | Grand Total                          |  | 52,015        | 175,869 |
| Xcel Common    | 0.00%   |                                      |  |               | 227,884 |

Calculation of Dues includable

|                  |        |                          |         |         |         |
|------------------|--------|--------------------------|---------|---------|---------|
|                  |        | Chamber Dues Includable: |         |         |         |
|                  | 2021   | 2022                     | 2023    | 2024    | 2025    |
| MN - ND - SD C   | 30,341 | 85,596                   | 85,596  | 85,596  | 85,596  |
| MN - ND - SD E   | 38     | 72                       | 72      | 72      | 72      |
| MN - ND - SD G   |        |                          |         |         |         |
| MN - ND E        |        |                          |         |         |         |
| MN - ND G        |        |                          |         |         |         |
| MN C             | 7,755  | 92,683                   | 92,683  | 92,683  | 92,683  |
| MN E             |        |                          |         |         |         |
| MN G             |        |                          |         |         |         |
| ND C             | 10,639 | 30,000                   | 30,000  | 30,000  | 30,000  |
| ND E             |        |                          |         |         |         |
| ND G             |        |                          |         |         |         |
| SD E             | 798    | 5,064                    | 5,064   | 5,064   | 5,064   |
| Xcel Non-Utility |        | 0                        | 0       | 0       | 0       |
|                  | 49,570 | 213,415                  | 213,415 | 213,415 | 213,415 |

Northern States Power Company  
Chamber of Commerce  
2022 Test Year

Allocations

|                  | Electric  |      |      | Gas  |      |
|------------------|-----------|------|------|------|------|
|                  | Minnesota | ND   | SD   | MN   | ND   |
| MN - ND - SD C   | 81%       | 6%   | 6%   | 6%   | 1%   |
| MN - ND - SD E   | 87%       | 7%   | 7%   |      |      |
| MN - ND - SD G   |           |      |      | 89%  | 11%  |
| MN - ND E        | 4%        | 96%  |      |      |      |
| MN - ND G        |           |      |      | 89%  | 11%  |
| MN C             | 94%       |      |      | 6%   |      |
| MN E             | 100%      | 0%   | 0%   | 0%   | 0%   |
| MN G             | 0%        | 0%   | 0%   | 100% | 0%   |
| ND C             |           | 94%  |      |      | 6%   |
| ND E             | 0%        | 100% | 0%   | 0%   | 0%   |
| ND G             | 0%        | 0%   | 0%   | 0%   | 100% |
| SD E             | 0%        | 0%   | 100% | 0%   | 0%   |
| Xcel Non-Utility | 0%        | 0%   | 0%   | 0%   | 0%   |

Total amount of Dues includable after allocation

Chamber Dues Includable & Allocated:

| Electric | Electric |        |        | Gas    |       |
|----------|----------|--------|--------|--------|-------|
|          | MN       | ND     | SD     | MN     | ND    |
| 2021     | 31,918   | 11,821 | 2,710  | 2,220  | 903   |
| 2022     | 156,286  | 33,332 | 10,456 | 10,797 | 2,545 |
| 2023     | 156,286  | 33,332 | 10,456 | 10,797 | 2,545 |
| 2024     | 156,286  | 33,332 | 10,456 | 10,797 | 2,545 |
| 2025     | 156,286  | 33,332 | 10,456 | 10,797 | 2,545 |
| 2026     | 156,286  | 33,332 | 10,456 | 10,797 | 2,545 |

Chamber approved in MN Electric  
Donations are included at 50% just MN but we also have all the other grants (Focus Area, Matching Grants, UW, Volunteering)  
Dues adjustment is 100% of the excluded amounts (dues are already included in O&M)

|      | 100%      | 0% | 0% | 100%      | 0% |
|------|-----------|----|----|-----------|----|
|      | Electric  |    |    | Gas       |    |
|      | Minnesota | ND | SD | MN        | ND |
| 2021 | 31,918    | 0  | 0  | 2219.5765 | 0  |
| 2022 | 156,286   | 0  | 0  | 10797.16  | 0  |
| 2023 | 156,286   | 0  | 0  | 10797.16  | 0  |
| 2024 | 156,286   | 0  | 0  | 10797.16  | 0  |
| 2025 | 156,286   | 0  | 0  | 10797.16  | 0  |
| 2026 | 156,286   | 0  | 0  | 10797.16  | 0  |

Northern States Power Company  
State of MN Gas  
Depreciation Study TD &G - Interim

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, Syrs | Total            | NSPM MN Gas Retail |
|----------|---|------------------|--------------------|
|          |   | Dec - 2022       | Dec - 2022         |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                  |                    |
| 2        | State Tax Rate  | 9.80%            | 9.80%              |
| 3        | Federal Statutory Tax Rate                                    | 21.00%           | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>    | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>    | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1-Composite Tax Rate))          | 1.403351         | 1.403351           |
| 7        |   |                  |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                  |                    |
| 9        | Active Rates and Ratios Version                               | Proposed         | Proposed           |
| 10       | Cost of Short Term Debt                                       | 0.94%            | 0.94%              |
| 11       | Cost of Long Term Debt  | 4.13%            | 4.13%              |
| 12       | Cost of Common Equity   | 10.50%           | 10.50%             |
| 13       | Ratio of Short Term Debt                                      | 0.61%            | 0.61%              |
| 14       | Ratio of Long Term Debt                                       | 46.89%           | 46.89%             |
| 15       | Ratio of Common Equity  | 52.50%           | 52.50%             |
| 16       | Weighted Cost of STD  | 0.01%            | 0.01%              |
| 17       | Weighted Cost of LTD  | 1.94%            | 1.94%              |
| 18       | Weighted Cost of Debt   | 1.95%            | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>     | <u>5.51%</u>       |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>     | <b>7.46%</b>       |
| 21       |   |                  |                    |
| 22       | <b><u>Rate Base</u></b>                                       |                  |                    |
| 23       | Plant Investment  |                  |                    |
| 24       | <u>Depreciation Reserve</u>                                   | <u>(723,782)</u> | <u>(466,631)</u>   |
| 25       | Net Utility Plant   | 723,782          | 466,631            |
| 26       | CWIP  |                  |                    |
| 27       |   |                  |                    |
| 28       | Accumulated Deferred Taxes                                    | 202,667          | 130,662            |
| 29       | DTA - NOL Average Balance                                     |                  |                    |
| 30       | DTA - Federal Tax Credit Average Balance                      | -                | -                  |
| 31       | Total Accum Deferred Taxes                                    | 202,667          | 130,662            |
| 32       |   |                  |                    |
| 33       | Cash Working Capital  |                  |                    |
| 34       | Materials and Supplies  |                  |                    |
| 35       | Fuel Inventory  |                  |                    |
| 36       | Non-plant Assets and Liabilities                              |                  |                    |
| 37       | Customer Advances   |                  |                    |
| 38       | Customer Deposits   |                  |                    |
| 39       | Prepays and Other   |                  |                    |
| 40       | <u>Regulatory Amortizations</u>                               | -                | -                  |
| 41       | Total Other Rate Base Items                                   |                  |                    |
| 42       |   |                  |                    |
| 43       | <b>Total Rate Base</b>  | <b>521,115</b>   | <b>335,969</b>     |
| 44       |   |                  |                    |
| 45       | <b><u>Operating Revenues</u></b>                              |                  |                    |
| 46       | Retail  |                  |                    |
| 47       | Interdepartmental   |                  |                    |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                | -                  |
| 49       | <b>Total Operating Revenues</b>                               |                  |                    |
| 50       |   |                  |                    |
| 51       | <b><u>Expenses</u></b>  |                  |                    |
| 52       | Operating Expenses:   |                  |                    |
| 53       | Fuel  |                  |                    |
| 54       | Deferred Fuel   |                  |                    |
| 55       | Variable IA Production Fuel                                   |                  |                    |
| 56       | <u>Purchased Energy - Windsource</u>                          | <u>0</u>         | <u>0</u>           |
| 57       | Fuel & Purchased Energy Total                                 |                  |                    |
| 58       | Production - Fixed  |                  |                    |
| 59       | Production - Fixed IA Investment                              |                  |                    |
| 60       | Production - Fixed IA O&M                                     |                  |                    |
| 61       | Production - Variable   |                  |                    |
| 62       | Production - Variable IA O&M                                  |                  |                    |
| 63       | <u>Production - Purchased Demand</u>                          | <u>0</u>         | <u>0</u>           |
| 64       | Production Total  |                  |                    |
| 65       | Regional Markets  |                  |                    |
| 66       | Transmission IA   |                  |                    |
| 67       | Transmission  |                  |                    |
| 68       | Distribution  |                  |                    |
| 69       | Customer Accounting   |                  |                    |
| 70       | Customer Service & Information                                |                  |                    |
| 71       | Sales, Econ Dvlp & Other                                      |                  |                    |
| 72       | <u>Administrative &amp; General</u>                           | <u>0</u>         | <u>0</u>           |
| 73       | <b>Total Operating Expenses</b>                               |                  |                    |
| 74       |   |                  |                    |
| 75       | Depreciation  | (1,447,564)      | (933,263)          |
| 76       | Amortization  |                  |                    |
| 77       |   |                  |                    |
| 78       | <b><u>Taxes:</u></b>  |                  |                    |
| 79       | Property Taxes  |                  |                    |
| 80       | ITC Amortization  |                  |                    |
| 81       | Deferred Taxes  | 405,334          | 261,324            |
| 82       | Deferred Taxes - NOL  |                  |                    |

|     |   |                    |                  |
|-----|---|--------------------|------------------|
| 83  | Less State Tax Credits deferred                                   |                    |                  |
| 84  | Less Federal Tax Credits deferred                                 |                    |                  |
| 85  | Deferred Income Tax & ITC   | 405,334            | 261,324          |
| 86  | Payroll & Other Taxes   |                    |                  |
| 87  | <b>Total Taxes Other Than Income</b>                              | <b>405,334</b>     | <b>261,324</b>   |
| 88  |   |                    |                  |
| 89  | <b><u>Income Before Taxes</u></b>                                 |                    |                  |
| 90  | Total Operating Revenues  |                    |                  |
| 91  | less: Total Operating Expenses                                    |                    |                  |
| 92  | Book Depreciation   | (1,447,564)        | (933,263)        |
| 93  | Amortization  |                    |                  |
| 94  | <u>Taxes Other than Income</u>                                    | <u>405,334</u>     | <u>261,324</u>   |
| 95  | <b>Total Before Tax Book Income</b>                               | <b>1,042,230</b>   | <b>671,939</b>   |
| 96  |   |                    |                  |
| 97  | <b><u>Tax Additions</u></b>                                       |                    |                  |
| 98  | Book Depreciation   | (1,447,564)        | (933,263)        |
| 99  | Deferred Income Taxes and ITC                                     | 405,334            | 261,324          |
| 100 | Nuclear Fuel Burn (ex. D&D)                                       |                    |                  |
| 101 | Nuclear Outage Accounting   |                    |                  |
| 102 | Avoided Tax Interest  |                    |                  |
| 103 | <u>Other Book Additions</u>                                       | <u>-</u>           | <u>-</u>         |
| 104 | <b>Total Tax Additions</b>  | <b>(1,042,230)</b> | <b>(671,939)</b> |
| 105 |   |                    |                  |
| 106 | <b><u>Tax Deductions</u></b>                                      |                    |                  |
| 107 | Total Rate Base   | 521,115            | 335,969          |
| 108 | Weighted Cost of Debt   | <u>1.95%</u>       | <u>1.95%</u>     |
| 109 | Debt Interest Expense   | 10,162             | 6,551            |
| 110 | Nuclear Outage Accounting   |                    |                  |
| 111 | Tax Depreciation and Removals                                     |                    |                  |
| 112 | NOL Utilized / (Generated)  |                    |                  |
| 113 | <u>Other Tax / Book Timing Differences</u>                        | <u>0</u>           | <u>0</u>         |
| 114 | <b>Total Tax Deductions</b>                                       | <b>10,162</b>      | <b>6,551</b>     |
| 115 |   |                    |                  |
| 116 | <b><u>State Taxes</u></b>   |                    |                  |
| 117 | State Taxable Income  | (10,162)           | (6,551)          |
| 118 | State Income Tax Rate   | <u>9.80%</u>       | <u>9.80%</u>     |
| 119 | State Taxes before Credits  | (996)              | (642)            |
| 120 | <u>Less State Tax Credits applied</u>                             | <u>-</u>           | <u>-</u>         |
| 121 | <b>Total State Income Taxes</b>                                   | <b>(996)</b>       | <b>(642)</b>     |
| 122 |   |                    |                  |
| 123 | <b><u>Federal Taxes</u></b>                                       |                    |                  |
| 124 | Federal Sec 199 Production Deduction                              |                    |                  |
| 125 | Federal Taxable Income  | (9,166)            | (5,909)          |
| 126 | Federal Income Tax Rate   | <u>21.00%</u>      | <u>21.00%</u>    |
| 127 | Federal Tax before Credits  | (1,925)            | (1,241)          |
| 128 | <u>Less Federal Tax Credits</u>                                   | <u>-</u>           | <u>-</u>         |
| 129 | <b>Total Federal Income Taxes</b>                                 | <b>(1,925)</b>     | <b>(1,241)</b>   |
| 130 |   |                    |                  |
| 131 | <b>Total Taxes</b>  |                    |                  |
| 132 | Total Taxes Other than Income                                     | 405,334            | 261,324          |
| 133 | Total Federal and State Income Taxes                              | (2,921)            | (1,883)          |
| 134 | <b>Total Taxes</b>  | <b>402,413</b>     | <b>259,441</b>   |
| 135 |   |                    |                  |
| 136 | <b>Total Operating Revenues</b>                                   |                    |                  |
| 137 | <b>Total Expenses</b>   | <b>(1,045,151)</b> | <b>(673,822)</b> |
| 138 |   |                    |                  |
| 139 | AFDC Debt   |                    |                  |
| 140 | AFDC Equity   |                    |                  |
| 141 |   |                    |                  |
| 142 | <b>Net Income</b>   | <b>1,045,151</b>   | <b>673,822</b>   |
| 143 |   |                    |                  |
| 144 | <b><u>Rate of Return (ROR)</u></b>                                |                    |                  |
| 145 | Total Operating Income  | 1,045,151          | 673,822          |
| 146 | <u>Total Rate Base</u>  | <u>521,115</u>     | <u>335,969</u>   |
| 147 | <b>ROR (Operating Income / Rate Base)</b>                         | <b>200.56%</b>     | <b>200.56%</b>   |
| 148 |   |                    |                  |
| 149 | <b><u>Return on Equity (ROE)</u></b>                              |                    |                  |
| 150 | Net Operating Income  | 1,045,151          | 673,822          |
| 151 | Debt Interest (Rate Base * Weighted Cost of Debt)                 | (10,162)           | (6,551)          |
| 152 | Earnings Available for Common                                     | 1,034,989          | 667,270          |
| 153 | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                | <u>273,585</u>     | <u>176,384</u>   |
| 154 | <b>ROE (earnings for Common / Equity)</b>                         | <b>378.31%</b>     | <b>378.31%</b>   |
| 155 |   |                    |                  |
| 156 | <b><u>Revenue Deficiency</u></b>                                  |                    |                  |
| 157 | Required Operating Income (Rate Base * Required Return)           | 38,875             | 25,063           |
| 158 | <u>Net Operating Income</u>                                       | <u>1,045,151</u>   | <u>673,822</u>   |
| 159 | <b>Operating Income Deficiency</b>                                | <b>(1,006,276)</b> | <b>(648,758)</b> |
| 160 |   |                    |                  |
| 161 | <u>Revenue Conversion Factor (1/(1--Composite Tax Rate))</u>      | <u>1.403351</u>    | <u>1.403351</u>  |
| 162 | <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(1,412,158)</b> | <b>(910,436)</b> |
| 163 |   |                    |                  |
| 164 | <b><u>Total Revenue Requirements</u></b>                          |                    |                  |
| 165 | Total Retail Revenues   |                    |                  |
| 166 | <u>Revenue Deficiency</u>   | <u>(1,412,158)</u> | <u>(910,436)</u> |
| 167 | Total Revenue Requirements  | <b>(1,412,158)</b> | <b>(910,436)</b> |
| 168 |   |                    |                  |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Environmental LTI - Interim

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

Fuel & Purchased Energy Total

Production Total

Regional Markets

Transmission IA

Transmission

Distribution

Customer Accounting

Customer Service & Information

Sales, Econ Dvlp & Other

Administrative & General

(133,990)

**Total Operating Expenses**

(133,990)

**Total Taxes**

Total Taxes Other than Income

Total Federal and State Income Taxes

38,511

**Total Taxes**

38,511

**Total Operating Revenues**

**Total Expenses**

(95,479)

**Net Income**

95,479

**Rate of Return (ROR)**

Total Operating Income

95,479

Total Rate Base

-

**ROR (Operating Income / Rate Base)**

**Return on Equity (ROE)**

Net Operating Income

95,479

Debt Interest (Rate Base \* Weighted Cost of Debt)

Earnings Available for Common

95,479

Equity Rate Base (Rate Base \* Equity Ratio)

-

**ROE (earnings for Common / Equity)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return)

Net Operating Income

95,479

**Operating Income Deficiency**

(95,479)

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

1.403351

**Revenue Deficiency (Income Deficiency \* Conversion Factor)**

(133,990)

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Environmental LTI - Interim

**Total NSPM E&G Environmental w Modifier Long Term Incentive Awards**

|                      | 2022             |
|----------------------|------------------|
| NSPM Direct Assigned | 110,338          |
| Nuclear              | 326,860          |
| XES                  | <u>2,249,320</u> |
| Total                | 2,686,518        |

**NSPM Utility Allocation**

|                      | Electric | Gas     | Total     |                                    |
|----------------------|----------|---------|-----------|------------------------------------|
| NSPM Direct Assigned | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |
| Nuclear              | 100%     | 0%      | 100.0000% |                                    |
| XES                  | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |

**Total NSPM GAS Environmental w Modifier LTI**

|                      | 2022           | MN Jur Gas Alloc |
|----------------------|----------------|------------------|
| NSPM Direct Assigned | 7,068          | 88.6497%         |
| Nuclear              | -              | 88.6497%         |
| XES                  | <u>144,078</u> | 88.6497%         |
| Total                | 151,146        |                  |

**Total MINNESOTA JUR GAS Environmental LTI**

|                      | 2022           |
|----------------------|----------------|
| NSPM Direct Assigned | 6,265          |
| Nuclear              | -              |
| XES                  | <u>127,725</u> |
| Total                | 133,990        |
| Interim Adjustment   | (133,990)      |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Time Based LTI - Interim

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

Fuel & Purchased Energy Total

Production Total

Regional Markets

Transmission IA

Transmission

Distribution

Customer Accounting

Customer Service & Information

Sales, Econ Dvlp & Other

Administrative & General

(238,863)

**Total Operating Expenses**

(238,863)

**Total Taxes**

Total Taxes Other than Income

Total Federal and State Income Taxes

68,654

**Total Taxes**

68,654

**Total Operating Revenues**

**Total Expenses**

(170,209)

|                   |                |
|-------------------|----------------|
| <b>Net Income</b> | <b>170,209</b> |
|-------------------|----------------|

**Rate of Return (ROR)**

Total Operating Income

170,209

Total Rate Base

-

**ROR (Operating Income / Rate Base)**

**Return on Equity (ROE)**

Net Operating Income

170,209

Debt Interest (Rate Base \* Weighted Cost of Debt)

Earnings Available for Common

170,209

Equity Rate Base (Rate Base \* Equity Ratio)

-

**ROE (earnings for Common / Equity)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return)

Net Operating Income

170,209

**Operating Income Deficiency**

(170,209)

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

1.403351

**Revenue Deficiency (Income Deficiency \* Conversion Factor)**

(238,863)



Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Incentive: Time Based LTI

**Total NSPM E&G Time Based w Modifier Long Term Incentive Awards**

|                      | 2022             |
|----------------------|------------------|
| NSPM Direct Assigned | 560,994          |
| Nuclear              | 2,567,400        |
| XES                  | <u>3,645,542</u> |
| Total                | 6,773,936        |

**NSPM Utility Allocation**

|                      | Electric | Gas     | Total     |                                    |
|----------------------|----------|---------|-----------|------------------------------------|
| NSPM Direct Assigned | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |
| Nuclear              | 100%     | 0%      | 100.0000% |                                    |
| XES                  | 93.5946% | 6.4054% | 100.0000% | * use Corporate 3-Factor allocator |

**Total NSPM GAS Time Based w Modifier LTI**

|                      | 2022           | MN Jur Gas Alloc |
|----------------------|----------------|------------------|
| NSPM Direct Assigned | 35,934         | 88.6497%         |
| Nuclear              | -              | 88.6497%         |
| XES                  | <u>233,512</u> | 88.6497%         |
| Total                | 269,445        |                  |

**Total MINNESOTA JUR GAS Time Based w Modifier LTI**

|                      | 2022           |
|----------------------|----------------|
| NSPM Direct Assigned | 31,855         |
| Nuclear              | -              |
| XES                  | <u>207,007</u> |
| Total                | 238,863        |
| Interim Adjustment   | (238,863)      |

**Northern States Power Company****Minnesota Gas Jurisdiction****GUIC Rider Removal Interim****GUIC Removal - Rate Base (MN Electric Jurisdiction)**

|                                     | <b>BOY</b>    | <b>EOY</b>    | <b>Average</b> | <b>GUIC Rider Removal</b> |
|-------------------------------------|---------------|---------------|----------------|---------------------------|
| Plant In Service                    | (250,149,409) | (250,394,163) | (250,271,786)  | (250,271,786)             |
| Depreciation Reserve                | (14,292,572)  | (19,670,690)  | (16,981,631)   | (16,981,631)              |
| Accumulated Deferred Income Tax     | (24,688,807)  | (27,432,817)  | (26,060,812)   | (26,060,812)              |
| <b>Total GUIC Rate Base Removal</b> |               |               |                | <b>(207,229,343)</b>      |

**GUIC Removal - Income Statement (MN Electric Jurisdiction)**

|   | <b>Full Year</b> |                     |
|---|------------------|---------------------|
| Rider Revenues (Retail Revenues)                      | (29,265,316)     | (29,265,316)        |
| <b>Total Revenues</b>                                 |                  | <b>(29,265,316)</b> |
| O&M   | -                | -                   |
| Depreciation Expense                                  | (5,378,118)      | (5,378,118)         |
| Deferred Taxes  | (2,744,010)      | (2,744,010)         |
| Property Taxes  | (4,486,812)      | (4,486,812)         |
| Federal and State Income Taxes                        | (1,614,354)      | (1,614,354)         |
| <b>Total Expenses</b>                                 |                  | <b>(14,223,294)</b> |
| Required Return (Rate Base * Rate of Return)          |                  | (13,884,366)        |
| Operating Income (Total Revenues - Expenses)          |                  | (15,042,022)        |
| Income Sufficiency/(Deficiency)                       |                  | 1,157,656           |
| Revenue Conversion Factor (1/(1--Composite Tax Rate)) |                  | 1.403351            |
| Revenue Sufficiency/(Deficiency)                      |                  | <b>1,624,597</b>    |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Gas Utility Infrastructure Cost (GUIC) Rider Removal - Interim

|  | MN Gas               |
|--|----------------------|
|  | 2022 Interim Year    |
| <b><u>Composite Income Tax Rate</u></b>              |                      |
| State Tax Rate                                       | 9.80%                |
| Federal Statutory Tax Rate                           | 21.00%               |
| <u>Federal Effective Tax Rate</u>                    | <u>18.94%</u>        |
| <b>Composite Tax Rate</b>                            | <b>28.74%</b>        |
| Revenue Conversion Factor (1/(1-Composite Tax Rate)) | 1.403351             |
| <b><u>Weighted Cost of Capital</u></b>               |                      |
| Active Rates and Ratios Version                      | Interim              |
| Cost of Short Term Debt                              | 0.94%                |
| Cost of Long Term Debt                               | 4.13%                |
| Cost of Common Equity                                | 9.04%                |
| Ratio of Short Term Debt                             | 0.61%                |
| Ratio of Long Term Debt                              | 46.89%               |
| Ratio of Common Equity                               | 52.50%               |
| Weighted Cost of STD                                 | 0.01%                |
| Weighted Cost of LTD                                 | 1.94%                |
| Weighted Cost of Debt                                | 1.95%                |
| <u>Weighted Cost of Equity</u>                       | <u>4.75%</u>         |
| <b>Required Rate of Return</b>                       | <b>6.70%</b>         |
| <b><u>Rate Base</u></b>                              |                      |
| Plant Investment                                     | (250,271,786)        |
| <u>Depreciation Reserve</u>                          | <u>(16,981,631)</u>  |
| Net Utility Plant                                    | (233,290,155)        |
| CWIP   |                      |
| Accumulated Deferred Taxes                           | (26,060,812)         |
| DTA - NOL Average Balance                            |                      |
| DTA - Federal Tax Credit Average Balance             | -                    |
| Total Accum Deferred Taxes                           | (26,060,812)         |
| Cash Working Capital                                 |                      |
| Materials and Supplies                               |                      |
| Fuel Inventory                                       |                      |
| Non-plant Assets and Liabilities                     |                      |
| Customer Advances                                    |                      |
| Customer Deposits                                    |                      |
| Prepays and Other                                    |                      |
| <u>Regulatory Amortizations</u>                      | -                    |
| Total Other Rate Base Items                          |                      |
| <b>Total Rate Base</b>                               | <b>(207,229,343)</b> |
| <b><u>Operating Revenues</u></b>                     |                      |
| Retail   | (27,481,525)         |
| Interdepartmental                                    |                      |
| <u>Other Operating Rev - Non-Retail</u>              | <u>(1,783,791)</u>   |
| <b>Total Operating Revenues</b>                      | <b>(29,265,316)</b>  |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Gas Utility Infrastructure Cost (GUIC) Rider Removal - Interim

|                                      | MN Gas            |
|--------------------------------------|-------------------|
|                                      | 2022 Interim Year |
| <b>Expenses</b>                      |                   |
| Operating Expenses:                  |                   |
| Fuel                                 |                   |
| Deferred Fuel                        |                   |
| Variable IA Production Fuel          |                   |
| <u>Purchased Energy - Windsource</u> | 0                 |
| Fuel & Purchased Energy Total        |                   |
| Production - Fixed                   |                   |
| Production - Fixed IA Investment     |                   |
| Production - Fixed IA O&M            |                   |
| Production - Variable                |                   |
| Production - Variable IA O&M         |                   |
| <u>Production - Purchased Demand</u> | 0                 |
| Production Total                     |                   |
| Regional Markets                     |                   |
| Transmission IA                      |                   |
| Transmission                         |                   |
| Distribution                         |                   |
| Gas Distribution                     |                   |
| Customer Accounting                  |                   |
| Customer Service & Information       |                   |
| Sales, Econ Dvlp & Other             |                   |
| <u>Administrative &amp; General</u>  | 0                 |
| <b>Total Operating Expenses</b>      |                   |
| Depreciation                         | (5,378,118)       |
| Amortization                         |                   |
| <b>Total Taxes</b>                   |                   |
| Total Taxes Other than Income        | (7,230,822)       |
| Total Federal and State Income Taxes | (1,614,354)       |
| <b>Total Taxes</b>                   | (8,845,176)       |
| <b>Total Operating Revenues</b>      | (29,265,316)      |
| <b>Total Expenses</b>                | (14,223,294)      |
| AFDC Debt                            |                   |
| AFDC Equity                          |                   |
| <b>Net Income</b>                    | (15,042,021)      |

Northern States Power Company  
State of Minnesota Gas Utility  
2022 Test Year

Gas Utility Infrastructure Cost (GUIC) Rider Removal - Interim

|  |                   |
|--|-------------------|
|  | MN Gas            |
|  | 2022 Interim Year |

**Rate of Return (ROR)**

|   |                      |
|---|----------------------|
| Total Operating Income                    | (15,042,021)         |
| <u>Total Rate Base</u>                    | <u>(207,229,343)</u> |
| <b>ROR (Operating Income / Rate Base)</b> | <b>7.26%</b>         |

**Return on Equity (ROE)**

|  |                      |
|--|----------------------|
| Net Operating Income                               | (15,042,021)         |
| Debt Interest (Rate Base * Weighted Cost of Debt)  | 4,040,972            |
| Earnings Available for Common                      | (11,001,049)         |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | <u>(108,795,405)</u> |
| <b>ROE (earnings for Common / Equity)</b>          | <b>10.11%</b>        |

**Revenue Deficiency**

|   |                     |
|---|---------------------|
| Required Operating Income (Rate Base * Required Return) | (13,884,366)        |
| <u>Net Operating Income</u>                             | <u>(15,042,021)</u> |
| <b>Operating Income Deficiency</b>                      | <b>1,157,655</b>    |

|   |                  |
|---|------------------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351         |
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>1,624,597</b> |

Northern States Power Company  
Minnesota Gas Jurisdiction

Distributed Intelligence Removal - Interim Adjustment

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total           | NSPM MN Gas Retail |
|----------|---|-----------------|--------------------|
|          |   | Dec - 2022      | Dec - 2022         |
| 1        | <b><u>Composite Income Tax Rate</u></b>                       |                 |                    |
| 2        | State Tax Rate  | 9.80%           | 9.80%              |
| 3        | Federal Statutory Tax Rate                                    | 21.00%          | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                             | <u>18.94%</u>   | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                                     | <b>28.74%</b>   | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate))         | 1.403351        | 1.403351           |
| 7        |   |                 |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                        |                 |                    |
| 9        | Active Rates and Ratios Version                               | Proposed        | Proposed           |
| 10       | Cost of Short Term Debt                                       | 0.94%           | 0.94%              |
| 11       | Cost of Long Term Debt  | 4.13%           | 4.13%              |
| 12       | Cost of Common Equity   | 10.50%          | 10.50%             |
| 13       | Ratio of Short Term Debt                                      | 0.61%           | 0.61%              |
| 14       | Ratio of Long Term Debt                                       | 46.89%          | 46.89%             |
| 15       | Ratio of Common Equity  | 52.50%          | 52.50%             |
| 16       | Weighted Cost of STD  | 0.01%           | 0.01%              |
| 17       | Weighted Cost of LTD  | 1.94%           | 1.94%              |
| 18       | Weighted Cost of Debt   | 1.95%           | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                                | <u>5.51%</u>    | <u>5.51%</u>       |
| 20       | <b>Required Rate of Return</b>                                | <b>7.46%</b>    | <b>7.46%</b>       |
| 21       |   |                 |                    |
| 22       | <b><u>Rate Base</u></b>                                       |                 |                    |
| 23       | Plant Investment  | (9,212,159)     | (795,422)          |
| 24       | <u>Depreciation Reserve</u>                                   | <u>(77,541)</u> | <u>(6,695)</u>     |
| 25       | Net Utility Plant   | (9,134,618)     | (788,727)          |
| 26       | CWIP  | (1,140,302)     | (98,459)           |
| 27       |   |                 |                    |
| 28       | Accumulated Deferred Taxes                                    | (421,222)       | (36,370)           |
| 29       | DTA - NOL Average Balance                                     |                 |                    |
| 30       | DTA - Federal Tax Credit Average Balance                      | =               | =                  |
| 31       | Total Accum Deferred Taxes                                    | (421,222)       | (36,370)           |
| 32       |   |                 |                    |
| 33       | Cash Working Capital  |                 |                    |
| 34       | Materials and Supplies  |                 |                    |
| 35       | Fuel Inventory  |                 |                    |
| 36       | Non-plant Assets and Liabilities                              |                 |                    |
| 37       | Customer Advances   |                 |                    |

Northern States Power Company  
Minnesota Gas Jurisdiction

Distributed Intelligence Removal - Interim Adjustment

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total              | NSPM MN Gas Retail |
|----------|---|--------------------|--------------------|
|          |   | Dec - 2022         | Dec - 2022         |
| 38       | Customer Deposits   |                    |                    |
| 39       | Prepays and Other   |                    |                    |
| 40       | <u>Regulatory Amortizations</u>                               | -                  | -                  |
| 41       | Total Other Rate Base Items                                   |                    |                    |
| 42       |   |                    |                    |
| 43       | <b>Total Rate Base</b>  | <b>(9,853,698)</b> | <b>(850,816)</b>   |
| 44       |   |                    |                    |
| 45       | <b><u>Operating Revenues</u></b>                              |                    |                    |
| 46       | Retail  |                    |                    |
| 47       | Interdepartmental   |                    |                    |
| 48       | <u>Other Operating Rev - Non-Retail</u>                       | -                  | -                  |
| 49       | <b>Total Operating Revenues</b>                               |                    |                    |
| 50       |   |                    |                    |
| 51       | <b><u>Expenses</u></b>  |                    |                    |
| 52       | Operating Expenses:   |                    |                    |
| 53       | Fuel  |                    |                    |
| 54       | Deferred Fuel   |                    |                    |
| 55       | Variable IA Production Fuel                                   |                    |                    |
| 56       | <u>Purchased Energy - Windsource</u>                          | <u>0</u>           | <u>0</u>           |
| 57       | Fuel & Purchased Energy Total                                 |                    |                    |
| 58       | Production - Fixed  |                    |                    |
| 59       | Production - Fixed IA Investment                              |                    |                    |
| 60       | Production - Fixed IA O&M                                     |                    |                    |
| 61       | Production - Variable   |                    |                    |
| 62       | Production - Variable IA O&M                                  |                    |                    |
| 63       | <u>Production - Purchased Demand</u>                          | <u>0</u>           | <u>0</u>           |
| 64       | Production Total  |                    |                    |
| 65       | Regional Markets  |                    |                    |
| 66       | Transmission IA   |                    |                    |
| 67       | Transmission  |                    |                    |
| 68       | Distribution  |                    |                    |
| 69       | Customer Accounting   |                    |                    |
| 70       | Customer Service & Information                                |                    |                    |
| 71       | Sales, Econ Dvlp & Other                                      |                    |                    |
| 72       | <u>Administrative &amp; General</u>                           | <u>0</u>           | <u>0</u>           |
| 73       | <b>Total Operating Expenses</b>                               |                    |                    |
| 74       |   |                    |                    |

Northern States Power Company  
Minnesota Gas Jurisdiction

Distributed Intelligence Removal - Interim Adjustment

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total            | NSPM MN Gas Retail |
|----------|---|------------------|--------------------|
|          |   | Dec - 2022       | Dec - 2022         |
| 75       | Depreciation  | (155,082)        | (13,391)           |
| 76       | Amortization  |                  |                    |
| 77       |   |                  |                    |
| 78       | <b><u>Taxes:</u></b>  |                  |                    |
| 79       | Property Taxes  |                  |                    |
| 80       | ITC Amortization  |                  |                    |
| 81       | Deferred Taxes  | (837,381)        | (72,304)           |
| 82       | Deferred Taxes - NOL  |                  |                    |
| 83       | Less State Tax Credits deferred                               |                  |                    |
| 84       | Less Federal Tax Credits deferred                             |                  |                    |
| 85       | Deferred Income Tax & ITC                                     | (837,381)        | (72,304)           |
| 86       | Payroll & Other Taxes   |                  |                    |
| 87       | <b>Total Taxes Other Than Income</b>                          | <b>(837,381)</b> | <b>(72,304)</b>    |
| 88       |   |                  |                    |
| 89       | <b><u>Income Before Taxes</u></b>                             |                  |                    |
| 90       | Total Operating Revenues                                      |                  |                    |
| 91       | less: Total Operating Expenses                                |                  |                    |
| 92       | Book Depreciation   | (155,082)        | (13,391)           |
| 93       | Amortization  |                  |                    |
| 94       | <u>Taxes Other than Income</u>                                | <u>(837,381)</u> | <u>(72,304)</u>    |
| 95       | <b>Total Before Tax Book Income</b>                           | 992,463          | 85,694             |
| 96       |   |                  |                    |
| 97       | <b><u>Tax Additions</u></b>                                   |                  |                    |
| 98       | Book Depreciation   | (155,082)        | (13,391)           |
| 99       | Deferred Income Taxes and ITC                                 | (837,381)        | (72,304)           |
| 100      | Nuclear Fuel Burn (ex. D&D)                                   |                  |                    |
| 101      | Nuclear Outage Accounting                                     |                  |                    |
| 102      | Avoided Tax Interest  |                  |                    |
| 103      | <u>Other Book Additions</u>                                   | -                | -                  |
| 104      | <b>Total Tax Additions</b>                                    | <b>(992,463)</b> | <b>(85,694)</b>    |
| 105      |   |                  |                    |
| 106      | <b><u>Tax Deductions</u></b>                                  |                  |                    |
| 107      | Total Rate Base   | (9,853,698)      | (850,816)          |
| 108      | Weighted Cost of Debt   | <u>1.95%</u>     | <u>1.95%</u>       |
| 109      | Debt Interest Expense   | (192,147)        | (16,591)           |
| 110      | Nuclear Outage Accounting                                     |                  |                    |
| 111      | Tax Depreciation and Removals                                 | (2,965,926)      | (256,092)          |



Northern States Power Company  
Minnesota Gas Jurisdiction

Distributed Intelligence Removal - Interim Adjustment

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs | Total              | NSPM MN Gas Retail |
|----------|---|--------------------|--------------------|
|          |   | Dec - 2022         | Dec - 2022         |
| 112      | NOL Utilized / (Generated)                                    |                    |                    |
| 113      | <u>Other Tax / Book Timing Differences</u>                    | 0                  | 0                  |
| 114      | <b>Total Tax Deductions</b>                                   | <b>(3,158,074)</b> | <b>(272,683)</b>   |
| 115      |   |                    |                    |
| 116      | <b><u>State Taxes</u></b>                                     |                    |                    |
| 117      | State Taxable Income  | 3,158,074          | 272,683            |
| 118      | State Income Tax Rate   | <u>9.80%</u>       | <u>9.80%</u>       |
| 119      | State Taxes before Credits                                    | 309,491            | 26,723             |
| 120      | <u>Less State Tax Credits applied</u>                         | -                  | -                  |
| 121      | <b>Total State Income Taxes</b>                               | 309,491            | 26,723             |
| 122      |   |                    |                    |
| 123      | <b><u>Federal Taxes</u></b>                                   |                    |                    |
| 124      | Federal Sec 199 Production Deduction                          |                    |                    |
| 125      | Federal Taxable Income  | 2,848,582          | 245,960            |
| 126      | Federal Income Tax Rate                                       | <u>21.00%</u>      | <u>21.00%</u>      |
| 127      | Federal Tax before Credits                                    | 598,202            | 51,652             |
| 128      | <u>Less Federal Tax Credits</u>                               | -                  | -                  |
| 129      | <b>Total Federal Income Taxes</b>                             | 598,202            | 51,652             |
| 130      |   |                    |                    |
| 131      | <b>Total Taxes</b>  |                    |                    |
| 132      | Total Taxes Other than Income                                 | <b>(837,381)</b>   | <b>(72,304)</b>    |
| 133      | Total Federal and State Income Taxes                          | 907,693            | 78,375             |
| 134      | <b>Total Taxes</b>  | 70,312             | 6,071              |
| 135      |   |                    |                    |
| 136      | <b>Total Operating Revenues</b>                               |                    |                    |
| 137      | <b>Total Expenses</b>   | <b>(84,770)</b>    | <b>(7,319)</b>     |
| 138      |   |                    |                    |
| 139      | AFDC Debt   | <b>(175,919)</b>   | <b>(15,190)</b>    |
| 140      | AFDC Equity   | <b>(425,795)</b>   | <b>(36,765)</b>    |
| 141      |   |                    |                    |
| 142      | <b>Net Income</b>   | <b>(516,945)</b>   | <b>(44,635)</b>    |
| 143      |   |                    |                    |
| 144      | <b><u>Rate of Return (ROR)</u></b>                            |                    |                    |
| 145      | Total Operating Income  | <b>(516,945)</b>   | <b>(44,635)</b>    |
| 146      | <u>Total Rate Base</u>  | <b>(9,853,698)</b> | <b>(850,816)</b>   |
| 147      | <b>ROR (Operating Income / Rate Base)</b>                     | 5.25%              | 5.25%              |
| 148      |   |                    |                    |

Northern States Power Company  
Minnesota Gas Jurisdiction

Distributed Intelligence Removal - Interim Adjustment

| Line No. | NSPM - 00 Complete Revenue Requirements by Jurisdiction, 5yrs            | Total                   | NSPM MN Gas Retail     |
|----------|--|-------------------------|------------------------|
|          |  | Dec - 2022              | Dec - 2022             |
| 149      | <b><u>Return on Equity (ROE)</u></b>                                     |                         |                        |
| 150      | Net Operating Income   | (516,945)               | (44,635)               |
| 151      | Debt Interest (Rate Base * Weighted Cost of Debt)                        | 192,147                 | 16,591                 |
| 152      | Earnings Available for Common  | (324,798)               | (28,045)               |
| 153      | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                       | <u>(5,173,192)</u>      | <u>(446,678)</u>       |
| 154      | <b>ROE (earnings for Common / Equity)</b>                                | <b>6.28%</b>            | <b>6.28%</b>           |
| 155      |  |                         |                        |
| 156      | <b><u>Revenue Deficiency</u></b>   |                         |                        |
| 157      | Required Operating Income (Rate Base * Required Return)                  | (735,086)               | (63,471)               |
| 158      | <u>Net Operating Income</u>  | (516,945)               | (44,635)               |
| 159      | <b>Operating Income Deficiency</b>                                       | (218,141)               | (18,835)               |
| 160      |  |                         |                        |
| 161      | Revenue Conversion Factor (1/(1--Composite Tax Rate))                    | 1.403351                | 1.403351               |
| 162      | <b><u>Revenue Deficiency (Income Deficiency * Conversion Factor)</u></b> | <b><u>(306,129)</u></b> | <b><u>(26,433)</u></b> |
| 163      |  |                         |                        |
| 164      | <b><u>Total Revenue Requirements</u></b>                                 |                         |                        |
| 165      | Total Retail Revenues  |                         |                        |
| 166      | <u>Revenue Deficiency</u>  | (306,129)               | (26,433)               |
| 167      | Total Revenue Requirements   | (306,129)               | (26,433)               |
| 168      |  |                         |                        |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Credit Card Auto Pay Fees - Interim Adjustment

|  | 2022 Test Year     | 2023 Plan Year     | 2024 Plan Year     |
|--|--------------------|--------------------|--------------------|
| Minnesota Common Estimated Fees        | 0                  | 0                  | \$8,300,000        |
| FERC 901 Utility Allocators            |                    |                    |                    |
| Electric                               | 79.6146%           | 79.6146%           | 79.6146%           |
| Gas                                    | <u>20.3854%</u>    | <u>20.3854%</u>    | <u>20.3854%</u>    |
| Total                                  | 100.0000%          | 100.0000%          | 100.0000%          |
| MN Electric Jurisdiction Amount        | 0                  | 0                  | \$6,608,012        |
| MN Gas Jurisdiction Amount             | <u>\$1,691,988</u> | <u>\$1,691,988</u> | <u>\$1,691,988</u> |
| Total                                  | \$1,691,988        | \$1,691,988        | \$8,300,000        |
| MN Gas Jurisdiction Interim Adjustment | -\$1,691,988       |                    |                    |

Northern States Power Company  
State of Minnesota Gas Jurisdiction  
2022 Test Year

Credit Card Auto Pay Fees - Interim Adjustment

|  |            |
|--|------------|
|  | MN Gas     |
|  | Dec - 2022 |

**Expenses**

Operating Expenses:

|                                     |                    |
|-------------------------------------|--------------------|
| Fuel & Purchased Energy Total       |                    |
| Production Total                    |                    |
| Regional Markets                    |                    |
| Transmission IA                     |                    |
| Transmission                        |                    |
| Distribution                        |                    |
| Customer Accounting                 | (1,691,988)        |
| Customer Service & Information      |                    |
| Sales, Econ Dvlp & Other            |                    |
| <u>Administrative &amp; General</u> | 0                  |
| <b>Total Operating Expenses</b>     | <b>(1,691,988)</b> |

**Total Taxes**

|                                      |                |
|--------------------------------------|----------------|
| Total Taxes Other than Income        |                |
| Total Federal and State Income Taxes | 486,311        |
| <b>Total Taxes</b>                   | <b>486,311</b> |

**Total Operating Revenues**

|                       |                    |
|-----------------------|--------------------|
| <b>Total Expenses</b> | <b>(1,205,677)</b> |
|-----------------------|--------------------|

|                   |                  |
|-------------------|------------------|
| <b>Net Income</b> | <b>1,205,677</b> |
|-------------------|------------------|

**Rate of Return (ROR)**

|   |           |
|---|-----------|
| Total Operating Income                    | 1,205,677 |
| <u>Total Rate Base</u>                    | -         |
| <b>ROR (Operating Income / Rate Base)</b> |           |

**Return on Equity (ROE)**

|  |           |
|--|-----------|
| Net Operating Income                               | 1,205,677 |
| Debt Interest (Rate Base * Weighted Cost of Debt)  |           |
| Earnings Available for Common                      | 1,205,677 |
| <u>Equity Rate Base (Rate Base * Equity Ratio)</u> | -         |
| <b>ROE (earnings for Common / Equity)</b>          |           |

**Revenue Deficiency**

|   |                    |
|---|--------------------|
| Required Operating Income (Rate Base * Required Return) |                    |
| <u>Net Operating Income</u>                             | 1,205,677          |
| <b>Operating Income Deficiency</b>                      | <b>(1,205,677)</b> |

|  |          |
|--|----------|
| Revenue Conversion Factor (1/(1-Composite Tax Rate)) | 1.403351 |
|--|----------|

|   |                    |
|---|--------------------|
| <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>(1,691,988)</b> |
|---|--------------------|

Northern States Power Company  
Minnesota Gas Jurisdiction  
2022 Test Year

Using FTE Method instead of Number of Employees Interim  
Minnesota Jurisdiction

|   | 2022 TY                     |
|---|-----------------------------|
| NSPM Total Change due to Allocators:                  |                             |
| Common Profit Center                                  | (7,226,727)                 |
| Electric Profit Center                                | (119,103)                   |
| Gas Profit Center                                     | (13,583)                    |
| Non-Utility Profit Center                             | (16,276)                    |
| <br>MN Juris Gas Adjustment                           | <br>(422,405)               |
| MN Juris Gas LT Incentive                             | <u>11,413</u>               |
| MN Juris O&M Adjustment                               | (410,992)                   |
| <br>MN Juris Payroll Tax Adjustment                   | <br>(4,484)                 |
| <br>Total MN Gas Impact of FTE on Revenue Requirement | <br><u><u>(415,476)</u></u> |

Northern States Power Company  
Minnesota Gas Jurisdiction  
2022 Test Year

Using FTE Method instead of Number of Employees Interim

|  |                |
|--|----------------|
|  | MN Gas         |
|  | 2022 Test Year |

**Expenses**

Operating Expenses:

Fuel & Purchased Energy Total  
Production Total  
Regional Markets  
Transmission IA  
Transmission  
Distribution  
Customer Accounting  
Customer Service & Information  
Sales, Econ Dvlp & Other  
Administrative & General

(410,992)

**Total Operating Expenses**

(410,992)

**Total Taxes**

Total Taxes Other than Income  
Total Federal and State Income Taxes  
**Total Taxes**

(4,484)

119,416

114,932

**Total Operating Revenues**

**Total Expenses**

(296,060)

AFDC Debt  
AFDC Equity

|                   |                |
|-------------------|----------------|
| <b>Net Income</b> | <b>296,060</b> |
|-------------------|----------------|

**Rate of Return (ROR)**

Total Operating Income 296,060  
Total Rate Base -  
**ROR (Operating Income / Rate Base)**

**Return on Equity (ROE)**

Net Operating Income 296,060  
Debt Interest (Rate Base \* Weighted Cost of Debt)  
Earnings Available for Common 296,060  
Equity Rate Base (Rate Base \* Equity Ratio) -  
**ROE (earnings for Common / Equity)**

**Revenue Deficiency**

Required Operating Income (Rate Base \* Required Return)  
Net Operating Income 296,060  
**Operating Income Deficiency** (296,060)

|  |                  |
|--|------------------|
| Revenue Conversion Factor (1/(1--Composite Tax Rate))          | 1.403351         |
| <b>Revenue Deficiency (Income Deficiency * Conversion Fact</b> | <b>(415,476)</b> |

2022 FTE Calculation

| Allocating Cost Center | Work Order Title                            | Allocation Method  | No. of Employees Method | FTE Method | Variance | XES Total Amount (2022 Forecast) | NSPM Total Company Amount | NSPM Total Company Revised Amount | NSPM Impact | E/G Allocator |  | Allocator |  |
|------------------------|---|--|-------------------------|------------|----------|----------------------------------|---------------------------|-----------------------------------|-------------|---------------|--|-----------|--|
|                        |   |  |                         |            |          |                                  |                           |                                   |             | 6.41%         |  | 88.65%    |  |
|                        |   |  |                         |            |          |                                  |                           |                                   |             | NSPM Gas      |  | MN Gas    |  |
| 200063                 | Executive - Corp Governance                 | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 71,765,372                       | 27,918,237                | 26,846,564                        | (1,071,672) | (68,645)      |  | (60,854)  |  |
| 200064                 | Shareholder - Corp Gov                      | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200065                 | Investor Relations - Corp Gov               | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 2,028,471                        | 789,118                   | 758,827                           | (30,291)    | (1,940)       |  | (1,720)   |  |
| 200066                 | Acctg. & Reporting - Corp Gov               | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 24,201,439                       | 9,414,868                 | 9,053,468                         | (361,400)   | (23,149)      |  | (20,522)  |  |
| 200067                 | Audit Services - Corp Gov                   | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 3,207,021                        | 1,247,599                 | 1,199,708                         | (47,890)    | (3,068)       |  | (2,720)   |  |
| 200068                 | Finance & Treasury - Corp Gov               | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 10,572,481                       | 4,112,917                 | 3,955,038                         | (157,879)   | (10,113)      |  | (8,965)   |  |
| 200069                 | Risk Management - Corp Gov                  | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 506,010                          | 196,849                   | 189,292                           | (7,556)     | (484)         |  | (429)     |  |
| 200070                 | Corporate Strategy & Bus Dev - Corp Gov     | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 2,409,439                        | 937,322                   | 901,342                           | (35,980)    | (2,305)       |  | (2,043)   |  |
| 200071                 | Legal - Corp Governance                     | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 14,724,042                       | 5,727,962                 | 5,508,085                         | (219,874)   | (14,084)      |  | (12,485)  |  |
| 200072                 | Communications - Corp Gov                   | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 6,374,057                        | 2,479,642                 | 2,384,458                         | (95,184)    | (6,097)       |  | (5,405)   |  |
| 200073                 | HR Corp Governance                          | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 6,139,212                        | 2,388,282                 | 2,296,605                         | (91,677)    | (5,872)       |  | (5,206)   |  |
| 200074                 | Corporate Systems                           | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9021%                | 37.4088%   | -1.4933% | 22,315,250                       | 8,681,101                 | 8,347,867                         | (333,234)   | (21,345)      |  | (18,922)  |  |
| 200075                 | Board of Directors - Corp Gov               | Asset/Revenue/Number of Employees                          | 38.9021%                | 37.4088%   | -1.4933% | 4,091,672                        | 1,591,746                 | 1,530,645                         | (61,101)    | (3,914)       |  | (3,470)   |  |
| 200076                 | Xcel Foundation                             | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9671%                | 37.4780%   | -1.4891% | 1,345,143                        | 524,163                   | 504,133                           | (20,031)    | (1,283)       |  | (1,137)   |  |
| 200077                 | Branding                                    | Assets/Revenue/No. of Employees (Corp Gov)                 | 38.9671%                | 37.4780%   | -1.4891% | 12,911,285                       | 5,031,153                 | 4,838,891                         | (192,262)   | (12,315)      |  | (10,917)  |  |
| 200078                 | Governmental Affairs                        | Assets/Revenue/No. of Employees                            | 38.9904%                | 37.5013%   | -1.4891% | 4,325,610                        | 1,686,573                 | 1,622,160                         | (64,413)    | (4,126)       |  | (3,658)   |  |
| 200079                 | Federal Lobbying                            | Assets/Revenue/No. of Employees                            | 38.9904%                | 37.5013%   | -1.4891% | 1,093,002                        | 426,166                   | 409,890                           | (16,276)    | 0             |  | 0         |  |
| 200080                 | CA ACCTG                                    | Assets/Revenue/No. of Employees/Unique Iteration of method | 44.1421%                | 42.6226%   | -1.5195% | 1,025,501                        | 452,678                   | 437,095                           | (15,582)    | (998)         |  | (885)     |  |
| 200081                 | Acctg, Reporting, & Taxes                   | Assets/Revenue/No. of Employees                            | 44.2178%                | 42.7022%   | -1.5156% | 129,069                          | 57,071                    | 55,115                            | (1,956)     | (125)         |  | (111)     |  |
| 200082                 | Audit Services                              | Assets/Revenue/No. of Employees                            | 44.2178%                | 42.7022%   | -1.5156% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200083                 | Finance & Treasury                          | Asset/Revenue/Number of Employees                          | 44.2178%                | 42.7022%   | -1.5156% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200084                 | Risk Management                             | Asset/Revenue/Number of Employees                          | 44.2178%                | 42.7022%   | -1.5156% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200086                 | Legal                                       | Assets/Revenue/No. of Employees                            | 44.2178%                | 42.7022%   | -1.5156% | 992,834                          | 439,009                   | 423,962                           | (15,047)    | (964)         |  | (855)     |  |
| 200087                 | Accounting - Op Co's                        | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 11,801,610                       | 5,219,734                 | 5,040,904                         | (178,830)   | (11,455)      |  | (10,155)  |  |
| 200088                 | Accounting OPCos Elec                       | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 7,098,191                        | 3,139,459                 | 3,031,900                         | (107,559)   | 0             |  | 0         |  |
| 200089                 | AUDIT Serv OPCos                            | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 147,492                          | 65,234                    | 62,999                            | (2,235)     | (143)         |  | (127)     |  |
| 200090                 | Risk OPCos                                  | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 3,606,029                        | 1,594,911                 | 1,540,268                         | (54,642)    | (3,500)       |  | (3,103)   |  |
| 200091                 | Captive Insurance                           | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 19,673,639                       | 8,701,454                 | 8,403,339                         | (298,115)   | (19,095)      |  | (16,928)  |  |
| 200092                 | CORP STRAT OPCo                             | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 5,940,864                        | 2,627,585                 | 2,537,563                         | (90,022)    | (5,766)       |  | (5,112)   |  |
| 200093                 | LEGAL OPCos                                 | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 56,100                           | 24,812                    | 23,962                            | (850)       | (54)          |  | (48)      |  |
| 200094                 | Supply Chain                                | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200095                 | Energy Supply Asset Management              | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200096                 | Energy Markets - Business Services          | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 3,675,100                        | 1,625,460                 | 1,569,771                         | (55,689)    | (3,567)       |  | (3,162)   |  |
| 200097                 | PCI   | Asset/Revenue/Number of Employees                          | 44.2290%                | 42.7137%   | -1.5153% | 588,912                          | 260,470                   | 251,546                           | (8,924)     | (572)         |  | (507)     |  |
| 200098                 | Transm Elec FERC 566                        | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | 761,860                          | 336,963                   | 325,419                           | (11,544)    | 0             |  | 0         |  |
| 200099                 | Elec Dist FERC 588                          | Assets/Revenue/No. of Employees                            | 44.2290%                | 42.7137%   | -1.5153% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200100                 | AUDIT OPCos Gas                             | Assets/Revenue/No. of Employees                            | 52.1537%                | 50.4677%   | -1.6860% | 63,096                           | 32,907                    | 31,843                            | (1,064)     | (1,064)       |  | (943)     |  |
| 200101                 | Legal OPCo Gas                              | Assets/Revenue/No. of Employees                            | 52.1537%                | 50.4677%   | -1.6860% | 646,710                          | 337,283                   | 326,380                           | (10,904)    | (10,904)      |  | (9,666)   |  |
| 200102                 | Gas Dist FERC 813                           | Assets/Revenue/No. of Employees                            | 52.1537%                | 50.4677%   | -1.6860% | 95,821                           | 49,974                    | 48,359                            | (1,616)     | (1,616)       |  | (1,433)   |  |
| 200105                 | Accounting NSPM & NSPW                      | Assets/Revenue/No. of Employees                            | 86.9558%                | 86.1580%   | -0.7978% | 558,468                          | 485,620                   | 481,165                           | (4,455)     | (285)         |  | (253)     |  |
| 200106                 | Acctg NSPM & NSPW Electric                  | Assets/Revenue/No. of Employees                            | 86.9558%                | 86.1580%   | -0.7978% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |
| 200107                 | LEGAL NSPM & NSPW                           | Assets/Revenue/No. of Employees                            | 86.9558%                | 86.1580%   | -0.7978% | 35,000                           | 30,435                    | 30,155                            | (279)       | (18)          |  | (16)      |  |
| 200111                 | EAI/ESB (Enterprise Application Integrator) | Average of a Select Set of Software Allocators             | 39.0533%                | 38.0516%   | -1.0017% | 119,907,184                      | 46,827,712                | 45,626,602                        | (1,201,110) | (76,936)      |  | (68,204)  |  |
| 200112                 | Mainframe Charges From IBM                  | Average of a Select Set of Software Allocators             | 28.0236%                | 26.5351%   | -1.4885% | 5,181,009                        | 1,451,905                 | 1,374,786                         | (77,119)    | (4,940)       |  | (4,379)   |  |
| 200115                 | Misc. Applications                          | Average of All Software Percentages                        | 35.5212%                | 34.8985%   | -0.6227% | 33,019,684                       | 11,728,988                | 11,523,374                        | (205,614)   | (13,170)      |  | (11,675)  |  |
| 200149                 | CES   | Number of Computers/Number of Customers/Number of Emplo    | 45.3742%                | 43.8591%   | -1.5151% | 5,207,904                        | 2,363,045                 | 2,284,140                         | (78,905)    | (5,054)       |  | (4,480)   |  |
| 200163                 | Employee Communications                     | No. Of Employees   | 48.5194%                | 44.0539%   | -4.4655% | 647,823                          | 314,320                   | 285,391                           | (28,929)    | (1,853)       |  | (1,643)   |  |
| 200164                 | Payroll                                     | No. Of Employees   | 48.5194%                | 44.0539%   | -4.4655% | 1,442,474                        | 699,880                   | 635,466                           | (64,414)    | (4,126)       |  | (3,658)   |  |
| 200165                 | Security Systems                            | No. Of Employees   | 48.5194%                | 44.0539%   | -4.4655% | 17,805,266                       | 8,639,008                 | 7,843,914                         | (795,094)   | (50,929)      |  | (45,148)  |  |
| 200166                 | HR (Diversity/Safety/Emp Relations)         | No. Of Employees   | 48.6004%                | 44.0553%   | -4.5451% | 27,688,540                       | 13,456,741                | 12,198,269                        | (1,258,472) | (80,610)      |  | (71,461)  |  |
| 200167                 | e-Business                                  | No. Of Employees   | 48.6004%                | 44.0553%   | -4.5451% | -                                | -                         | -                                 | -           | 0             |  | 0         |  |

| XES Total Amount (2022 Budget) | NSPM Total Company Amount | NSPM Total Company Revised Amount | NSPM 2021 Budget Impact | Total % Variance |           |           |
|--------------------------------|---------------------------|-----------------------------------|-------------------------|------------------|-----------|-----------|
| 455,805,687                    | 184,116,356               | 176,740,667                       | (7,375,689)             | -4.0060%         | (476,484) | (422,405) |

Payroll Tax Expenses  
From XES (Company 50) to NSPM (Company 10)  
SAP 2021 August Forecast v52

NSPM Payroll Taxes in Common Cost Centers

|  |  | TOTAL PAYROLL<br>TAX EXPENSE<br>FROM FERC<br>DETAIL REPORT |                                 | Change in<br>Payroll Tax<br>due to FTE<br>Allocation |
|--|--|--|---------------------------------|--|
| Source<br>Responsible Cost<br>Center - Key (Not<br>Compounded) | Source Responsible Cost Center - Medium Text | 2022   | Change in<br>Allocation         | 2022   |
| 200063   | 3 Factor Corporate Govovernance 1-Alloc      | 422,306  | -0.014933                       | (6,306)  |
| 200065   | 3 Factor Corporate Govovernance 3-Alloc      | 16,183   | -0.014933                       | (242)  |
| 200066   | 3 Factor Corporate Govovernance 4-Alloc      | 363,194  | -0.014933                       | (5,424)  |
| 200067   | 3 Factor Corporate Govovernance 5-Alloc      | 69,108   | -0.014933                       | (1,032)  |
| 200068   | 3 Factor Corporate Govovernance 6-Alloc      | 79,749   | -0.014933                       | (1,191)  |
| 200069   | 3 Factor Corporate Govovernance 7-Alloc      | 10,922   | -0.014933                       | (163)  |
| 200070   | 3 Factor Corporate Govovernance 8-Alloc      | 51,899   | -0.014933                       | (775)  |
| 200071   | 3 Factor Corporate Govovernance 9-Alloc      | 218,381  | -0.014933                       | (3,261)  |
| 200072   | 3 Factor Corporate Govovernance 10-Alloc     | 121,637  | -0.014933                       | (1,816)  |
| 200073   | 3 Factor Corporate Govovernance 11-Alloc     | 122,184  | -0.014933                       | (1,825)  |
| 200074   | 3 Factor Corporate Govovernance 12-Alloc     | 266,311  | -0.014933                       | (3,977)  |
| 200076   | 3 Factor Corporate Govovernance 14-Alloc     | 3,401  | -0.014891                       | (51)   |
| 200077   | 3 Factor Corporate Govovernance 15-Alloc     | 70,247   | -0.014891                       | (1,046)  |
| 200078   | 3 Factor Corporate Govovernance 16-Alloc     | 60,743   | -0.014891                       | (905)  |
| 200080   | 3 Factor 1-Alloc                             | 25,920   | -0.015195                       | (394)  |
| 200081   | 3 Factor 2-Alloc                             |  | -0.015156                       |  |
| 200086   | 3 Factor 7-Alloc                             | 18,573   | -0.015156                       | (281)  |
| 200087   | 3 Factor 8-Alloc                             | 263,384  | -0.015153                       | (3,991)  |
| 200088   | 3 Factor 9-Alloc                             | 85,759   | -0.015153                       | (1,300)  |
| 200089   | 3 Factor 10-Alloc                            |  | -0.015153                       |  |
| 200090   | 3 Factor 11-Alloc                            | 76,385   | -0.015153                       | (1,157)  |
| 200091   | 3 Factor 12-Alloc                            | 12,083   | -0.015153                       | (183)  |
| 200092   | 3 Factor 13-Alloc                            | 83,592   | -0.015153                       | (1,267)  |
| 200093   | 3 Factor 14-Alloc                            |  | -0.015153                       |  |
| 200096   | 3 Factor 17-Alloc                            |  | -0.015153                       |  |
| 200097   | 3 Factor 18-Alloc                            |  | -0.015153                       |  |
| 200098   | 3 Factor 19-Alloc                            | 19,017   | -0.015153                       | (288)  |
| 200100   | 3 Factor 21-Alloc                            |  | -0.016860                       |  |
| 200101   | 3 Factor 22-Alloc                            |  | -0.016860                       |  |
| 200102   | 3 Factor 23-Alloc                            | 2,861  | -0.016860                       | (48)   |
| 200105   | 3 Factor 26-Alloc                            | 25,856   | -0.007978                       | (206)  |
| 200106   | 3 Factor 27-Alloc                            |  | -0.007978                       |  |
| 200107   | 3 Factor 28-Alloc                            |  | -0.007978                       |  |
| 200115   | Average of All Software Percent-Alloc        | 1,518  | -0.006227                       | (9)  |
| 200163   | Number of Employees 1-Alloc                  | 17,998   | -0.044655                       | (804)  |
| 200164   | Number of Employees 2-Alloc                  | 39,973   | -0.044655                       | (1,785)  |
| 200165   | Number of Employees 3-Alloc                  | 347,121  | -0.044655                       | (15,501)   |
| 200166   | Number of Employees 4-Alloc                  | <u>522,215</u>   | -0.045451                       | <u>(23,735)</u>                                      |
|  | Total Payroll Taxes in XES Cost Centers      | 3,418,518  |                                 | (78,962)   |
|  |  |  | 3 Factor Gas Allocator          | 6.41%  |
|  |  |  | MN Juris Gas 3 Factor Allocator | 88.65%   |
|  |  |  | MN G Jurisdiction Payroll Taxes | (4,484)  |



Long Term Incentive  
From XES (Company 50) to NSPM (Company 10)  
SAP 2021 August Forecast v52

**Minnesota Gas Jurisdiction**

| Cost Center | Cost Element | Cost Element - Medium Text                    | 2022 Interim |
|-------------|--------------|---|--------------|
| 200063      | 5540240      | Performance Share Plan & Deferred Comp I      | 323,825      |
|             | 5540250      | Restricted Stock Units                        | 440,446      |
|             |              | Total Minnesota Gas Jur LTI                   | 764,271      |
|             |              | Amount of LTI NOT Included in MN Gas Recovery | 764,271      |
|             |              | Percent Change in FTE Allocator               | -1.49%       |
|             |              | Change in Non-Recovered LTI due to FTE        | (11,413)     |

**Xcel Energy**  
**2022 Rate Case**  
**Interim Adjustment for SEP Rider**

|           | <b>2022</b> |
|-----------|-------------|
| SEP Rider | -1,036,675  |

The Purpose of this adjustment is to discontinue use of the SEP Rider. This adjustment is made to interim rates to remove the present SEP rider revenue which increases the interim rate request.

**Xcel Energy**  
**2022 Rate Case**  
**Interim Adjustment for SEP Rider**

| Line No. | MEP - Record Type Validation                          | NSPM MN Gas Retail |
|----------|---|--------------------|
|          |   | Dec - 2022         |
| 1        | <b><u>Composite Income Tax Rate</u></b>               |                    |
| 2        | State Tax Rate  | 9.80%              |
| 3        | Federal Statutory Tax Rate                            | 21.00%             |
| 4        | <u>Federal Effective Tax Rate</u>                     | <u>18.94%</u>      |
| 5        | <b>Composite Tax Rate</b>                             | <b>28.74%</b>      |
| 6        | Revenue Conversion Factor (1/(1--Composite Tax Rate)) | 1.403351           |
| 7        |   |                    |
| 8        | <b><u>Weighted Cost of Capital</u></b>                |                    |
| 9        | Active Rates and Ratios Version                       | Interim            |
| 10       | Cost of Short Term Debt                               | 0.94%              |
| 11       | Cost of Long Term Debt                                | 4.13%              |
| 12       | Cost of Common Equity                                 | 9.04%              |
| 13       | Ratio of Short Term Debt                              | 0.61%              |
| 14       | Ratio of Long Term Debt                               | 46.89%             |
| 15       | Ratio of Common Equity                                | 52.50%             |
| 16       | Weighted Cost of STD                                  | 0.01%              |
| 17       | Weighted Cost of LTD                                  | 1.94%              |
| 18       | Weighted Cost of Debt                                 | 1.95%              |
| 19       | <u>Weighted Cost of Equity</u>                        | <u>4.75%</u>       |
| 20       | <b>Required Rate of Return</b>                        | <b>6.70%</b>       |
| 21       |   |                    |
| 22       | <b><u>Rate Base</u></b>                               |                    |
| 23       | Plant Investment                                      |                    |
| 24       | <u>Depreciation Reserve</u>                           | -                  |
| 25       | Net Utility Plant                                     |                    |
| 26       | CWIP  |                    |
| 27       |   |                    |
| 28       | Accumulated Deferred Taxes                            |                    |
| 29       | DTA - NOL Average Balance                             |                    |
| 30       | DTA - Federal Tax Credit Average Balance              | -                  |
| 31       | Total Accum Deferred Taxes                            |                    |
| 32       |   |                    |
| 33       | Cash Working Capital                                  |                    |
| 34       | Materials and Supplies                                |                    |
| 35       | Fuel Inventory  |                    |
| 36       | Non-plant Assets and Liabilities                      |                    |
| 37       | Customer Advances                                     |                    |
| 38       | Customer Deposits                                     |                    |
| 39       | Prepays and Other                                     |                    |
| 40       | <u>Regulatory Amortizations</u>                       | -                  |
| 41       | Total Other Rate Base Items                           |                    |

**Xcel Energy**  
**2022 Rate Case**  
**Interim Adjustment for SEP Rider**

|    |   |                    |
|----|---|--------------------|
| 42 |   |                    |
| 43 | <b>Total Rate Base</b>                  |                    |
| 44 |   |                    |
| 45 | <b><u>Operating Revenues</u></b>        |                    |
| 46 | Retail                                  | (1,036,675)        |
| 47 | Interdepartmental                       |                    |
| 48 | <u>Other Operating Rev - Non-Retail</u> | -                  |
| 49 | <b>Total Operating Revenues</b>         | <b>(1,036,675)</b> |
| 50 |   |                    |
| 51 | <b><u>Expenses</u></b>                  |                    |
| 52 | Operating Expenses:                     |                    |
| 53 | Fuel                                    |                    |
| 54 | Deferred Fuel                           |                    |
| 55 | Variable IA Production Fuel             |                    |
| 56 | <u>Purchased Energy - Windsource</u>    | <u>0</u>           |
| 57 | Fuel & Purchased Energy Total           |                    |
| 58 | Production - Fixed                      |                    |
| 59 | Production - Fixed IA Investment        |                    |
| 60 | Production - Fixed IA O&M               |                    |
| 61 | Production - Variable                   |                    |
| 62 | Production - Variable IA O&M            |                    |
| 63 | <u>Production - Purchased Demand</u>    | <u>0</u>           |
| 64 | Production Total                        |                    |
| 65 | Regional Markets                        |                    |
| 66 | Transmission IA                         |                    |
| 67 | Transmission                            |                    |
| 68 | Distribution                            |                    |
| 69 | Customer Accounting                     |                    |
| 70 | Customer Service & Information          |                    |
| 71 | Sales, Econ Dvlp & Other                |                    |
| 72 | <u>Administrative &amp; General</u>     | <u>0</u>           |
| 73 | <b>Total Operating Expenses</b>         |                    |
| 74 |   |                    |
| 75 | Depreciation                            |                    |
| 76 | Amortization                            |                    |
| 77 |   |                    |
| 78 | <b><u>Taxes:</u></b>                    |                    |
| 79 | Property Taxes                          |                    |
| 80 | ITC Amortization                        |                    |
| 81 | Deferred Taxes                          |                    |
| 82 | Deferred Taxes - NOL                    |                    |
| 83 | Less State Tax Credits deferred         |                    |
| 84 | Less Federal Tax Credits deferred       |                    |
| 85 | Deferred Income Tax & ITC               |                    |

**Xcel Energy**

**2022 Rate Case**

**Interim Adjustment for SEP Rider**

|     |  |               |
|-----|--|---------------|
| 86  | Payroll & Other Taxes                      |               |
| 87  | <b>Total Taxes Other Than Income</b>       |               |
| 88  |  |               |
| 89  | <b><u>Income Before Taxes</u></b>          |               |
| 90  | Total Operating Revenues                   | (1,036,675)   |
| 91  | less: Total Operating Expenses             |               |
| 92  | Book Depreciation                          |               |
| 93  | Amortization                               |               |
| 94  | <u>Taxes Other than Income</u>             | -             |
| 95  | <b>Total Before Tax Book Income</b>        | (1,036,675)   |
| 96  |  |               |
| 97  | <b><u>Tax Additions</u></b>                |               |
| 98  | Book Depreciation                          |               |
| 99  | Deferred Income Taxes and ITC              |               |
| 100 | Nuclear Fuel Burn (ex. D&D)                |               |
| 101 | Nuclear Outage Accounting                  |               |
| 102 | Avoided Tax Interest                       |               |
| 103 | <u>Other Book Additions</u>                | -             |
| 104 | <b>Total Tax Additions</b>                 |               |
| 105 |  |               |
| 106 | <b><u>Tax Deductions</u></b>               |               |
| 107 | Total Rate Base                            |               |
| 108 | Weighted Cost of Debt                      | <u>1.95%</u>  |
| 109 | Debt Interest Expense                      |               |
| 110 | Nuclear Outage Accounting                  |               |
| 111 | Tax Depreciation and Removals              |               |
| 112 | NOL Utilized / (Generated)                 |               |
| 113 | <u>Other Tax / Book Timing Differences</u> | <u>0</u>      |
| 114 | <b>Total Tax Deductions</b>                |               |
| 115 |  |               |
| 116 | <b><u>State Taxes</u></b>                  |               |
| 117 | State Taxable Income                       | (1,036,675)   |
| 118 | State Income Tax Rate                      | <u>9.80%</u>  |
| 119 | State Taxes before Credits                 | (101,594)     |
| 120 | <u>Less State Tax Credits applied</u>      | -             |
| 121 | <b>Total State Income Taxes</b>            | (101,594)     |
| 122 |  |               |
| 123 | <b><u>Federal Taxes</u></b>                |               |
| 124 | Federal Sec 199 Production Deduction       |               |
| 125 | Federal Taxable Income                     | (935,081)     |
| 126 | Federal Income Tax Rate                    | <u>21.00%</u> |
| 127 | Federal Tax before Credits                 | (196,367)     |
| 128 | <u>Less Federal Tax Credits</u>            | -             |
| 129 | <b>Total Federal Income Taxes</b>          | (196,367)     |

**Xcel Energy**

**2022 Rate Case**

**Interim Adjustment for SEP Rider**

|     |   |                  |
|-----|---|------------------|
| 130 |   |                  |
| 131 | <b>Total Taxes</b>  |                  |
| 132 | Total Taxes Other than Income                                     |                  |
| 133 | Total Federal and State Income Taxes                              | (297,961)        |
| 134 | <b>Total Taxes</b>  | (297,961)        |
| 135 |   |                  |
| 136 | <b>Total Operating Revenues</b>                                   | (1,036,675)      |
| 137 | <b>Total Expenses</b>   | (297,961)        |
| 138 |   |                  |
| 139 | AFDC Debt   |                  |
| 140 | AFDC Equity   |                  |
| 141 |   |                  |
| 142 | <b>Net Income</b>   | <b>(738,714)</b> |
| 143 |   |                  |
| 144 | <b><u>Rate of Return (ROR)</u></b>                                |                  |
| 145 | Total Operating Income  | (738,714)        |
| 146 | <u>Total Rate Base</u>  | -                |
| 147 | <b>ROR (Operating Income / Rate Base)</b>                         |                  |
| 148 |   |                  |
| 149 | <b><u>Return on Equity (ROE)</u></b>                              |                  |
| 150 | Net Operating Income  | (738,714)        |
| 151 | Debt Interest (Rate Base * Weighted Cost of Debt)                 |                  |
| 152 | Earnings Available for Common                                     | (738,714)        |
| 153 | <u>Equity Rate Base (Rate Base * Equity Ratio)</u>                | -                |
| 154 | <b>ROE (earnings for Common / Equity)</b>                         |                  |
| 155 |   |                  |
| 156 | <b><u>Revenue Deficiency</u></b>                                  |                  |
| 157 | Required Operating Income (Rate Base * Required Return)           |                  |
| 158 | <u>Net Operating Income</u>                                       | (738,714)        |
| 159 | <b>Operating Income Deficiency</b>                                | 738,714          |
| 160 |   |                  |
| 161 | Revenue Conversion Factor (1/(1--Composite Tax Rate))             | 1.403351         |
| 162 | <b>Revenue Deficiency (Income Deficiency * Conversion Factor)</b> | <b>1,036,675</b> |
| 163 |   |                  |
| 164 | <b><u>Total Revenue Requirements</u></b>                          |                  |
| 165 | Total Retail Revenues   | (1,036,675)      |
| 166 | <u>Revenue Deficiency</u>   | <u>1,036,675</u> |
| 167 | Total Revenue Requirements  |                  |
| 168 |   |                  |