

**1 Calculate Carrying Cost Ratio by year (for actuals and forecast)**

Year	PSCo Plant in Service	Accumulated Depreciation/Amortization	Net Book Value	Annual Depreciation/Amortization	Accumulated Deferred	(1) 6.97% Return On Rate Base	Total Carrying Costs	Carrying Costs Ratio
	(a)	(b)	(c) = (a) - (b)	(d)	(e)	(f) = [(beg (c) - (e)) + (end (c) - (e))/2 ] X 6.97%	(g) = (d) + (f)	(h) = (g) / (d)
2020	\$ 50,533,789	\$ 1,038,831	\$ 49,494,958	\$ 5,633,409	\$ 1,973,674	\$ 4,440,330	\$ 10,073,739	1.7882
2021	\$ 92,860,109	\$ 6,672,240	\$ 86,187,870	\$ 9,729,920	\$ 6,296,523	\$ 6,242,556	\$ 15,972,476	1.6416
2022	\$ 128,353,125	\$ 16,402,160	\$ 111,950,965	\$ 13,146,763	\$ 12,715,894	\$ 7,115,305	\$ 20,262,068	1.5412
2023	\$ 153,249,429	\$ 29,548,923	\$ 123,700,506	\$ 15,470,426	\$ 18,766,127	\$ 7,289,665	\$ 22,760,090	1.4712
2024	\$ 171,599,224	\$ 45,019,348	\$ 126,579,875	\$ 17,791,411	\$ 22,341,659	\$ 7,085,424	\$ 24,876,835	1.3982
2025	\$ 185,419,756	\$ 62,810,759	\$ 122,608,997	\$ 19,648,385	\$ 23,535,198	\$ 6,905,444	\$ 26,553,829	1.3515

(1) Source: June 2020 Corporate Assumptions Memo; 2026 forecast data unavailable so return on rate base for 2025 is Beginning Net Book Value less the Beginning Accumulated Deferred multiplied by the Return on Rate Base Percentage

**2 Determine split of meter deployment on a quarterly basis**

If a material change in the meter deployment occurs between quarters then update the allocation.

**As of March 31, 2020**

NSPM	56.06%	(i)
PSCo	43.94%	

**3 Actual Shared Asset Allocation Entry**

Assets and related depreciation expense is tracked in Powerplan subledger system.

On a monthly basis, the actual depreciation expense is multiplied by the Carrying Costs Ratio in step 1.

This amount is multiplied by the jurisdictional percentages found in step 2 to determine the split by state for tracking purposes.

PSCo regulatory account 922 (Administrative Expenses) is credited  
Service Company regulatory account 902 (Meter Reading Expenses) is debited

**June 2020 Entry**

PSCo Depr Expense	\$	557,206	(j)			
					(k) = (h) X (i) X (j)	
	<b>Debit/Credit</b>	<b>Company</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>	
	Debit	Service Company	PSCo AMI NSPM State MN	902	\$ 558,563	
	Credit	PSCo	Credit for PSCo AMI MN	922	\$ 558,563	

**4 Forecasted Shared Asset Credit**

Multiply the forecasted depreciation expense for AGR projects by the respective annual carrying cost ratio in step 1.

That amount is multiplied by the forecasted jurisdictional meter deployment split (see below table) to determine the forecasted shared asset credit for PSCo.

**Forecasted meter deployment split**

Opco	2021	2022	2023	2024	2025	
NSPM	25.33%	47.97%	47.32%	42.01%	41.32%	
NSPW	0.00%	0.00%	2.55%	5.15%	6.72%	
PSCo	74.67%	52.03%	43.91%	42.06%	41.36%	
SPS	0.00%	0.00%	6.22%	10.78%	10.60%	
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	
ex-PSCo %	25.33%	47.97%	56.09%	57.94%	58.64%	(l)
	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	
<b>Forecasted Shared Asset Credit</b>						(m) = (d) X (h) X (l)
	4,045,518	9,719,088	12,766,999	14,414,447	15,571,198	
Revenue Requirement	(4,045,518)	(9,719,088)	(12,737,703)	(12,915,485)	(12,515,402)	
PSC_Rider_RB_IS_Detail (l)	(0.09)	0.16	29,295.77	1,498,962.48	3,055,796.18	