

Southwestern Public Service Company

Weighted Average Cost of Capital

Actual Weighted Average Cost of Capital as of September 30, 2020

Line No.	Description	Component Aggregate Total	Applicable Component Weighting	Applicable Component Cost	Weighted Cost
1	Common Stockholder's Equity @ 9/30/2020	\$ 3,297,081,433	54.60%	10.35%	5.65%
2	Preferred Stockholder's Equity	-	0.00%	0.00%	0.00%
3	Long-Term Debt	2,741,626,101	45.40%	4.20%	1.91%
4	Total Capitalization	\$ 6,038,707,534	100.00%		7.56%

Description	Schedule Reference	Amount
5 Original Cost Rate Base	B-1	\$ 6,217,752,174
6 Overall Claimed Rate of Return	K-1	7.56%
7 Total Claimed Dollar Return on Original Cost Rate Base		\$ 470,062,064

Southwestern Public Service Company

Weighted Average Cost of Capital

Actual Weighted Average Cost of Capital as of December 31, 2020

Line No.	Description	Actual 9/30/2020 Balance	10/2020-12/2020 Adjustments ⁽¹⁾	Actual 12/31/2020 Balance	Applicable Component Weighting	Applicable Component Cost	Weighted Cost
1	Common Stockholder's Equity	\$ 3,297,081,433	\$ 1,879,156	\$ 3,298,960,589	54.61%	10.35%	5.65%
2	Preferred Stockholder's Equity	-	-	-	0.00%	0.00%	0.00%
3	Long-Term Debt	2,741,626,101	642,840	2,742,268,941	45.39%	4.20%	1.91%
4	Total Capitalization	\$ 6,038,707,534	\$ 2,521,997	\$ 6,041,229,530	100.00%		7.56%

⁽¹⁾Equity includes \$55M in dividends, \$3M in equity infusions and three months of retained earnings.

Description	Schedule Reference	Amount
5 Original Cost Rate Base	B-1	\$ 6,217,752,174
6 Overall Claimed Rate of Return	K-1	7.56%
7 Total Claimed Dollar Return on Original Cost Rate Base		\$ 470,062,064