

## Statement M

**20:10:13:96. Statement M -- Overall cost of service.** Statement M shall show for the test period the overall cost of service per books for the filing public utility's utility operations during the test period, including allowances for return and income taxes based upon the rate of return claimed, together with the operating revenues of the filing public utility for the test period. If the filing public utility claims any adjustments to book figures, the cost of service based upon the claimed adjustments shall be shown on a separate schedule. If the amount of the filing public utility's total utility operating revenue differs significantly from its overall cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and return expressed as a percentage of rate base.

**Source:** 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

**General Authority:** SDCL 49-34A-4.

**Law Implemented:** SDCL 49-34A-10, 49-34A-12, 49-34A-41.

NorthWestern Corporation, dba NorthWestern Energy  
 South Dakota Electric Rate Case  
 Financial Summary - South Dakota Electric  
 Twelve Months Ending September 30, 2014

Line No.	Description	Reference	Base Period			Adjustments to Reflect Requested Return	Test Period Total
			Not Normalized	Normalizing Adjustments	Normalized		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
			\$	\$	\$	\$	\$
1	<b>Operating Revenues</b>						
2	Electric Sales Revenues	Stmt I, B6	126,645,528	339,137	126,984,665	26,509,557	153,494,222
3	Wholesale Revenues	Stmt I, B8	1,190,132	0	1,190,132	0	1,190,132
4	Other Revenues	Stmt I, B19	2,638,735	193,868	2,832,603	0	2,832,603
5							
6	<b>Total</b>		<u>130,474,395</u>	<u>533,005</u>	<u>131,007,400</u>	<u>26,509,557</u>	<u>157,516,957</u>
7							
8	<b>Operating Expenses</b>						
9	Cost of Electric Supply					0	0
10	Operating & Maintenance Expense	Stmt H, P3, C49	85,053,163	869,711	85,922,874	0	85,922,874
11	Depreciation and Amortization	Stmt J, P2, H49	18,057,445	3,395,540	21,452,985	0	21,452,985
12	Regulatory Credits	Stmt B, F11	850,305	6,281	856,586	0	856,586
13	Taxes Other Than Income Taxes	Stmt L, C13	6,334,185	53,839	6,388,024	39,764	6,427,788
14	Federal and State Income Taxes	Stmt K, C55	1,922,721	(3,048,509)	(1,125,788)	9,264,428	8,138,640
15							
16							
17	<b>Total</b>		<u>112,217,819</u>	<u>1,276,860</u>	<u>113,494,680</u>	<u>9,304,193</u>	<u>122,798,874</u>
18							
19	<b>Operating Income</b>		<u>18,256,576</u>	<u>(743,857)</u>	<u>17,512,719</u>	<u>17,205,365</u>	<u>34,718,084</u>
20							
21	<b>Rate Base</b>	Sch M-1, L40	<u>296,638,358</u>	<u>150,759,628</u>	<u>447,397,986</u>		<u>447,397,986</u>
22							
23	<b>Return on Rate Base</b>		<u>6.15%</u>	<u>-2.24%</u>	<u>3.91%</u>	<u>3.85%</u>	<u>7.76%</u>
24							
25	<b>Return on Equity</b>		7.00%	-4.18%	2.82%	7.18%	10.00%