

**NORTHERN STATES POWER COMPANY**

Electric Utility - South Dakota  
Staff Proposed Spread of Revenue Increase  
Test Year Ended December 31, 2011

(A)	Total (B)	Residential (C)	Non-Demand (D)	Demand (E)	Street Ltg. (F)
<b>NPS's claimed cost of service excluding MDS</b>					
1. Adjusted revenue requirement	\$187,420	\$77,004	\$9,429	\$99,068	\$1,918
2. Present revenues	168,052	70,525	9,026	86,802	1,699
3. Deficiency per NSP	\$19,368	\$6,479	\$403	\$12,266	\$219
4. Percentage of present rates	11.53%	9.19%	4.46%	14.13%	12.89%
5. Ratio: Class %/ Total %	1.00	0.80	0.39	1.23	1.12
<b>Revenue Increase Allocation</b>					
6. Present revenues	\$168,052	\$70,525	\$9,026	\$86,802	\$1,699
7. Revenue spread at NSP's proposed increase	19,368	7,716	881	10,569	202
8. Percentage of present rates	11.53%	10.94%	9.76%	12.18%	11.86%
9. Percentage of revenue deficiency	100.00%	39.84%	4.55%	54.57%	1.04%
10. Staff's determination of NSP's revenue deficiency	\$6,359	\$2,533	\$289	\$3,470	\$66

Sources:

Exhibit\_\_\_\_(DEP-1), page 2

Line 8: Represents 25% of the difference between cost-based and system-wide average percentage increase

For example, for Residential  $10.94\% = 11.53\% + (25\% * (9.19\% - 11.53\%))$