

Transmission Cost Recovery  
TCR Tracker Account Calculation - 2007  
Project 5 - Nobles Co. Wind Collector Station  
Transmission Subs

State of South Dakota	Beginning Balance	Ending Balance												Total
		Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	
<b>Calculation of End of Year Balances</b>														
Capital Expenditures	\$300,000	\$300,000	\$0	\$0	\$300,000	\$0	\$0	\$1,880,000	\$0	\$0	\$0	\$300,000	\$0	\$3,080,000
Capital Expenditures - Land	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditures - AFUDC	\$5,294	\$3,211	\$4,292	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,797
Total Capital Expenditures	\$305,294	\$303,211	\$4,292	\$0	\$300,000	\$0	\$0	\$1,880,000	\$0	\$0	\$0	\$300,000	\$0	\$3,092,797
Classification	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$3,092,797	-\$3,092,797
CWIP Balance	\$305,294	\$608,505	\$612,797	\$612,797	\$912,797	\$912,797	\$912,797	\$2,792,797	\$2,792,797	\$2,792,797	\$2,792,797	\$3,092,797	\$0	\$0
EOY Plant In Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,092,797	\$3,092,797
<b>Calculation of State of SD Retail</b>														
36 Month Coincident Peak Demand Allocator (1)	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%	84.2864%
CWIP Balance - NSP-MN Company	\$257,321	\$512,887	\$516,505	\$516,505	\$769,364	\$769,364	\$769,364	\$2,353,948	\$2,353,948	\$2,353,948	\$2,353,948	\$2,606,807	\$0	\$0
Plant In Service - NSP-MN Company	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,606,807	\$2,606,807
State of SD Retail Demand Allocator (2)	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%	5.1232%
CWIP Balance - St of SD Retail	\$13,183	\$26,276	\$26,462	\$26,462	\$39,416	\$39,416	\$39,416	\$120,597	\$120,597	\$120,597	\$120,597	\$133,552	\$0	\$0
Plant In Service - St of SD Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$133,552	\$133,552
<b>Average CWIP Balance - St of SD Retail</b>	<b>\$13,183</b>	<b>\$19,730</b>	<b>\$26,369</b>	<b>\$26,462</b>	<b>\$32,939</b>	<b>\$39,416</b>	<b>\$39,416</b>	<b>\$80,007</b>	<b>\$120,597</b>	<b>\$120,597</b>	<b>\$120,597</b>	<b>\$127,075</b>	<b>\$66,776</b>	<b>\$6,592</b>
<b>Calculation of Average Rate Base</b>														
Plant In Service - St of SD Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$133,552	\$133,552
Tax Depr - Monthly		-\$113	-\$151	-\$152	-\$191	-\$229	-\$231	-\$466	-\$704	-\$708	-\$712	-\$358	\$6,887	\$2,871
Book Depr - Monthly		-	-	-	-	-	-	-	-	-	-	-	146	\$146
Less Accumulated Book Reserve		-	-	-	-	-	-	-	-	-	-	-	146	\$146
Timing Difference		(113)	(151)	(152)	(191)	(229)	(231)	(466)	(704)	(708)	(712)	(358)	6,741	\$2,725
Deferred Tax Expense		(46)	(62)	(62)	(78)	(93)	(94)	(190)	(286)	(288)	(289)	(146)	2,741	\$1,108
Less Accumulated Deferred Taxes	-\$77	(123)	(184)	(246)	(324)	(417)	(511)	(700)	(987)	(1,274)	(1,564)	(1,709)	1,031	\$1,031
End of Month Rate Base	\$77	123	184	246	324	417	511	700	987	1,274	1,564	1,709	132,375	\$132,375
<b>Average Rate Base (BOY/EOY)</b>	<b>\$100</b>	<b>\$154</b>	<b>\$215</b>	<b>\$285</b>	<b>\$370</b>	<b>\$464</b>	<b>\$606</b>	<b>\$844</b>	<b>\$1,130</b>	<b>\$1,419</b>	<b>\$1,637</b>	<b>\$67,042</b>	<b>\$66,226</b>	
<b>Calculation of Return</b>														
Debt Return - CWIP				\$75	\$93	\$111	\$111	\$226	\$341	\$341	\$341	\$359	\$189	\$2,186
Debt Return - Rate Base				\$1	\$1	\$1	\$1	\$2	\$2	\$3	\$4	\$5	\$189	\$209
Equity Return - CWIP				\$136	\$169	\$202	\$202	\$410	\$618	\$618	\$618	\$651	\$342	\$3,966
Equity Return - Rate Base				\$1	\$1	\$2	\$2	\$3	\$4	\$6	\$7	\$8	\$344	\$379
<b>Total Return</b>		\$0	\$0	\$212	\$264	\$316	\$317	\$641	\$965	\$968	\$970	\$1,023	\$1,064	\$6,741
<b>Income Statement Items</b>														
Expense Items (3)				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Property Taxes				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Book Depreciation				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$146	\$146
Deferred Taxes				-\$62	-\$78	-\$93	-\$94	-\$190	-\$286	-\$288	-\$289	-\$146	\$2,741	\$1,216
Current Taxes - CWIP				\$73	\$91	\$109	\$109	\$221	\$333	\$333	\$333	\$351	\$184	\$2,136
Current Taxes - Rate Base				\$49	\$62	\$74	\$75	\$151	\$227	\$229	\$231	\$119	-\$1,969	-\$751
<b>Total Income Statement Expense</b>		\$0	\$0	\$60	\$75	\$90	\$90	\$182	\$274	\$274	\$275	\$324	\$1,101	\$2,746
<b>Total Revenue Requirements</b>		\$0	\$0	\$272	\$339	\$406	\$407	\$823	\$1,239	\$1,242	\$1,245	\$1,347	\$2,165	\$9,486
Less OATT Revenue Credit for Non-Retail Transmission Recovery (4)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net State of SD Rev. Requirements - Retail</b>		\$0	\$0	\$272	\$339	\$406	\$407	\$823	\$1,239	\$1,242	\$1,245	\$1,347	\$2,165	\$9,486
Should be Equal to Equity Return Check				\$137	\$170	\$204	\$204	\$413	\$622	\$624	\$625	\$660	\$686	\$4,345
				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Notes:  
(1) The 2007 budget 36 Month Coincident Peak Demand allocator is used in the Interchange Agreement to allocate demand-related costs between NSP-Minnesota Company and NSP-Wisconsin Company.  
(2) The 2007 budget 12 Month Coincident Peak Demand allocator is used to isolate the State of South Dakota jurisdictional portion from total NSP-Minnesota Company.  
(3) Recoverable expense items related to Project 5.  
(4) An OATT Revenue Credit will be applied to prior year transmission revenue requirements to recognize revenue recovery from non-Xcel Energy sources