

ROE = 7.54%
Deficiency = \$7,095
% Increase = 4.83%
Required ROE = 11.25%

Northern States Power Company (MN)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2008 Actual/Baseline

Summary Reports

June 30, 2009

Northern States Power Company (MN)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2008 Actual/Baseline

(Dollars in Thousands)

Rate Base Summary

	Total Company Electric			South Dakota Retail Electric			All Other		
	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Average Balance</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Average Balance</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Average Balance</u>
1 Plant Investment	10,954,477	10,954,477	10,954,477	589,212	589,212	589,212	10,365,265	10,365,265	10,365,265
2 Depreciation Reserve	<u>(5,861,819)</u>	<u>(5,861,819)</u>	<u>(5,861,819)</u>	<u>(312,270)</u>	<u>(312,270)</u>	<u>(312,270)</u>	<u>(5,549,549)</u>	<u>(5,549,549)</u>	<u>(5,549,549)</u>
3 Net Utility Plant	5,092,658	5,092,658	5,092,658	276,942	276,942	276,942	4,815,716	4,815,716	4,815,716
4 C.W.I.P.	0	0	0	0	0	0	0	0	0
5 Accumulated Deferred Taxes	(855,388)	(855,388)	(855,388)	(49,023)	(49,023)	(49,023)	(806,365)	(806,365)	(806,365)
Other Rate Base:									
6 Cash Working Capital	36,870	36,870	36,870	2,279	2,279	2,279	34,591	34,591	34,591
7 Materials & Supplies	94,856	94,856	94,856	4,944	4,944	4,944	89,912	89,912	89,912
8 Fuel Inventory	111,084	111,084	111,084	5,879	5,879	5,879	105,205	105,205	105,205
9 Non-Plant Assets & Liab	(121,267)	(121,267)	(121,267)	(6,518)	(6,518)	(6,518)	(114,749)	(114,749)	(114,749)
10 Prepaids & Other	43,306	43,306	43,306	6,148	6,148	6,148	37,158	37,158	37,158
11 Total Rate Base	4,402,119	4,402,119	4,402,119	240,651	240,651	240,651	4,161,468	4,161,468	4,161,468

Northern States Power Company (MN)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2008 Actual/Baseline

(Dollars in Thousands)

Income Statement Summary

	<u>Total Company Electric</u>	<u>South Dakota Retail Electric</u>	<u>All Other</u>	
<u>Operating Revenues</u>				
1	Retail	2,907,274	146,879	2,760,395
2	CIP Adjustment to Program Costs	0	-	0
3	Interdepartmental	564	-	564
4	Other Operating	742,763	36,505	706,258
5 #	Gross Earnings Tax	0	-	0
6	Total Operating Revenues	3,650,601	183,384	3,467,217
<u>Expenses</u>				
Operating Expenses:				
7	Fuel & Purchased Energy	1,477,787	76,263	1,401,524
8	Power Production	588,245	30,517	557,728
9	Transmission	147,078	7,551	139,527
10	Distribution	102,935	5,917	97,018
11	Customer Accounting	64,638	4,212	60,426
12	Customer Service & Information	60,978	415	60,563
13	Sales, Econ Dvlp & Other	152	3	149
14	Administrative & General	181,541	9,917	171,624
15	Total Operating Expenses	2,623,354	134,795	2,488,559
16	Depreciation	364,094	20,214	343,880
17	Amortization	11,758	4	11,754
Taxes:				
18	Property	97,785	4,436	93,349
19	Gross Earnings	0	-	0
20	Deferred Income Tax & ITC	113,218	5,119	108,099
21	State & Federal Income (see Page 3)	45,940	340	45,599
22	Payroll & Other	25,697	1,381	24,316
23	Total Taxes	282,640	11,276	271,363
24	Total Expenses	3,281,846	166,289	3,115,556
25	AFUDC	0	-	0
26	Total Operating Income	368,755	17,095	351,661

Northern States Power Company (MN)
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2008 Actual/Baseline

(Dollars in Thousands)

Income Tax Summary

	<u>Total Company Electric</u>	<u>SD Retail Electric</u>	<u>All Other</u>	
<u>Income Before Taxes</u>				
1	Total Operating Revenues	3,650,601	183,384	3,467,217
2	less: Total Operating Expenses	(2,623,354)	(134,795)	(2,488,559)
3	Book Depreciation & Amortization	(375,852)	(20,218)	(355,634)
4	Taxes (Other Than Current Income)	(236,700)	(10,936)	(225,764)
5 #	Total Before Tax Book Income	414,695	17,435	397,260
<u>Tax Additions</u>				
6	Book Depreciation	364,094	20,214	343,880
7	Deferred Income Taxes & ITC	113,218	5,119	108,099
8	Nuclear Fuel Burn (ex D&D)	76,752	3,940	72,812
9	Nuclear Outage Accounting	13,174	675	12,499
10	Avoided Tax Interest	43,578	2,267	41,311
11	Confiruration Mgmt	0	0	0
12	TBT Production	(9)	0	(9)
13	TBT Transmission	(3)	0	(3)
14	TBT Distribution	(6)	0	(6)
15	Open Line	0	0	0
16	Other Book Additions	0	0	0
17	Total Tax Additions	610,798	32,215	578,583
<u>Tax Deductions</u>				
18	Debt Interest Expense	141,308	7,725	133,583
19	Tax Depreciation & Removal	783,849	41,694	742,155
20	Manufacture Production Deduction	1,154	69	1,085
21	Meal & Fas 106	2,093	112	1,981
22	Open	0	0	0
23	Open	0	0	0
24	Other Tax/Book Timing Differences	(25,370)	(1,468)	(23,902)
25	Net Preferred Stock Deduction	0	0	0
26	Total Tax Deductions	903,034	48,132	854,902
27	State Taxable Income	122,459	1,518	120,941
28	State Income Tax Rate	9.00%	0.00%	N/A
29	State Taxes before Credits	11,018	0	11,018
30	State Credits	593	0	593
31	Total State Income Taxes	10,425	0	10,425
32	Federal Taxable Income	112,034	1,518	110,516
33	Federal Income Tax Rate	35.00%	35.00%	35.00%
34	Federal Tax before Credits	39,212	531	38,681
35	Federal Tax Credits	3,697	191	0
36	Total Federal Income Taxes	35,515	340	38,681
37	Total Federal & State Income Taxes	45,940	340	49,105

Northern States Power Company (MN)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2008 Actual/Baseline

Revenue Requirement & Return Summary

(Dollars in Thousands)

	<u>Capital Structure</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted Cost</u>	<u>Composite Income Tax Rates</u>	
1	Long Term Debt	6.6400%	48.3700%	3.2100%	State of South Dakota Tax rate	0.00%
2	Short Term Debt	0.0000%	0.0000%	0.0000%	Federal Statutory Tax rate	35.00%
3	Preferred Stock	0.0000%	0.0000%	0.0000%	Federal Effective Tax Rate (1-State Rate * Fed Rate)	35.00%
4	Common Equity	11.2500%	51.6300%	5.8100%	Total South Dakota Composite Tax Rate	35.00%
5	Required Rate of Return			9.0200%	Total Corporate Composite Tax Rate	40.85%

	<u>Total Company Electric</u>	<u>SD Retail Electric</u>	<u>All Other</u>
Rate of Return (ROR)			
6	Total Operating Income	368,755	17,095
7	Total Average Rate Base	4,402,119	240,651
8	ROR (Operating Income / Rate Base)	8.38%	7.10%
			8.45%

Return on Equity (ROE)			
9	Total Operating Income	368,755	17,095
10	Debt Interest (Rate Base * Weighted Debt Cost)	(141,308)	(7,725)
11	Preferred Stock (Rate Base * Weighted Preferred Cost)	0	0
12	Earnings Available for Common	227,447	9,370
13	Equity Rate Base (Rate Base * Equity Ratio)	2,272,814	124,248
14	ROE (Earnings for Common / Equity Rate Base)	10.01%	7.54%
			10.15%

Revenue Deficiency			
15	Require Operating Income (Rate Base * Required Return)	397,071	21,707
16	Operating Income	368,755	17,095
17	Operating Income Deficiency	28,316	4,612
18	Revenue Conversion Factor (1/(1-Composite Tax Rate))	1.69056	1.53846
19	Revenue Deficiency (Income Deficiency * Conversion Factor)	47,870	7,095
			40,775

Total Retail Revenue Requirements			
20	Retail Related Revenues	2,907,838	146,879
21	Revenue Deficiency	47,870	7,095
22	Total Retail Revenue Requirements	2,955,708	153,974
			2,801,734

23	Percentage Increase (Decrease)	1.65%	4.83%
			1.48%

**Northern States Power Company (MN)
 Electric Utility - South Dakota Retail Jurisdiction
 Cost of Service Study
 2008 Actual/Baseline**

(Dollars in Thousands)

Rate Base Detail - Cash Working Capital

		<u>Total Company Electric</u>		<u>South Dakota Retail Electric</u>		<u>All Other</u>			
<u>Expenses</u>									
<u>Includable Expenses</u>	<u>Lead Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>		
<u>Fuel Expenses</u>									
1 ## Coal & Rail Transport	21.08	356,593	7,515,911	18,874	397,807	337,719	7,118,103		
2 Gas for Generation	38.45	101,778	3,912,957	5,387	207,109	96,391	3,705,848		
3 Oil	22.51	5,023	113,043	266	5,986	4,757	107,056		
4 Nuclear & EOL	0.00	76,907	0	4,218	0	72,689	0		
5 Nuclear Disposal	76.00	<u>12,549</u>	<u>953,724</u>	<u>644</u>	<u>48,944</u>	<u>11,905</u>	<u>904,780</u>		
6		552,850	12,495,634	29,389	659,846	523,461	11,835,788		
<u>Purchased Power</u>									
7 Purchases	28.12	1,102,305	30,992,407	56,808	1,597,214	1,045,497	29,395,194		
8 Interchange	38.21	<u>106,362</u>	<u>4,064,092</u>	<u>5,498</u>	<u>210,079</u>	<u>100,864</u>	<u>3,854,013</u>		
		1,208,667	35,056,499	62,306	1,807,292	1,146,361	33,249,207		
<u>Labor & Related Costs</u>									
9 Regular Payroll	12.31	352,911	4,344,334	18,336	225,716	334,575	4,118,618		
10 Incentive Compensation	255.05	(9,738)	(2,483,677)	(212)	(54,071)	(9,526)	(2,429,606)		
11 Pension & Benefits	19.20	<u>54,624</u>	<u>1,048,781</u>	<u>2,968</u>	<u>56,986</u>	<u>51,656</u>	<u>991,795</u>		
12 Subtotal Labor & Related		397,797	2,909,438	21,092	228,631	376,705	2,680,807		
13									
14 All Other Operating Expenses	35.01	464,040	16,244,648	22,008	770,434	442,032	15,474,214		
15 Property Tax	356.72	97,785	34,881,865	4,436	1,582,410	93,349	33,299,455		
16 Employer's Payroll Taxes	26.56	25,697	682,512	1,381	36,679	24,316	645,833		
17 Gross Earnings Tax	51.98	0	0	0	0	0	0		
18 Federal Income Tax	37.75	35,515	1,340,691	340	12,848	35,175	1,327,843		
19 State Income Tax	37.75	10,425	393,533	0	0	10,425	393,533		
20 State Sales Tax Customer Billings	35.73	125,632	4,488,831	5,320	190,084	120,312	4,298,748		
21 Total Expenses	37.18	2,918,408	108,493,653	36.15	146,272	5,288,224	37.23	2,772,135	103,205,429
22 Net Annual Expense Amount			297,243			14,488		282,755	
<u>Revenues</u>									
23 Computer Billing	100.00%	42.83	2,907,274	124,513,603	146,879	6,290,578	2,760,395	118,223,025	
24 Hand Billed	0.00%	42.83	0	0	0	0	0	0	
25 Retail Revenue Adjustments	0.00	0	0	0	0	0	0	0	
26 Interdepartmental	0.00	564	0	0	0	564	0	0	
27 Late Payment	0.00	5,644	0	354	0	5,290	0	0	
28 Connect and Trouble Charges	42.83	1,931	82,701	227	9,722	1,704	72,979	0	
29 CIP Incentive	0.00	0	0	0	0	0	0	0	
30 Rentals	114.17	4,128	471,294	241	27,515	3,887	443,779	0	
31 Interchange Revenues	38.21	380,382	14,534,396	19,857	758,736	360,525	13,775,660	0	
32 Sales for Resale	37.10	255,234	9,469,181	10,522	390,366	244,712	9,078,815	0	
33 Production Associated Revenues	37.10	5,759	213,659	305	11,316	5,454	202,343	0	
34 MISO	14.00	7,178	100,492	368	5,152	6,810	95,340	0	
35 Point to Point Firm	37.10	45,238	1,678,330	2,323	86,183	42,915	1,592,147	0	
36 Services & Facilities	37.10	8,611	319,468	438	16,250	8,173	303,218	0	
37 Ancillary	37.10	14,033	520,624	720	26,712	13,313	493,912	0	
38 Distribution Associated Revenues	42.83	476	20,386	0	0	476	20,386	0	
39 Other	42.83	17,171	735,405	1,310	56,105	15,861	679,300	0	
40 JOA - Rev fr/to PSC	37.10	(3,022)	(112,116)	(160)	(5,936)	(2,862)	(106,180)	0	
41 (blank)	0.00	0	0	0	0	0	0	0	
42 (blank)	0.00	0	0	0	0	0	0	0	
43 (blank)	0.00	0	0	0	0	0	0	0	
44 Total Revenues	41.79	3,650,601	152,547,424	41.84	183,384	7,672,699	41.78	3,467,217	144,874,725
45 Net Annual Amount			417,938			21,021		396,917	
46 Expense / Revenue Factor			0.799432124			0.797628667			
47 Allocated Revenue Amount			334,113			16,767			
48 Net Cash Working Capital			36,870			2,279		34,592	

ROE = 2.98%
Deficiency = \$18,583
% Increase = 12.69%
Required ROE = 11.25%

Northern States Power Company (MN)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2008 Pro Forma

Summary Reports

June 30, 2009

Northern States Power Company (MN)
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(Dollars in Thousands)

Rate Base Summary

	Total Company Electric			South Dakota Retail Electric			All Other		
	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Average Balance</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Average Balance</u>	<u>Beginning Balance</u>	<u>Ending Balance</u>	<u>Average Balance</u>
1 Plant Investment	11,700,141	11,700,141	11,700,141	635,320	635,320	635,320	11,064,821	11,064,821	11,064,821
2 Depreciation Reserve	<u>(5,891,292)</u>	<u>(5,891,292)</u>	<u>(5,891,292)</u>	<u>(314,088)</u>	<u>(314,088)</u>	<u>(314,088)</u>	<u>(5,577,204)</u>	<u>(5,577,204)</u>	<u>(5,577,204)</u>
3 Net Utility Plant	5,808,849	5,808,849	5,808,849	321,232	321,232	321,232	5,487,617	5,487,617	5,487,617
4 C.W.I.P.	0	0	0	0	0	0	0	0	0
5 Accumulated Deferred Taxes	(958,947)	(958,947)	(958,947)	(55,793)	(55,793)	(55,793)	(903,154)	(903,154)	(903,154)
Other Rate Base:									
6 Cash Working Capital	29,812	29,812	29,812	1,866	1,866	1,866	27,947	27,947	27,947
7 Materials & Supplies	94,856	94,856	94,856	4,944	4,944	4,944	89,912	89,912	89,912
8 Fuel Inventory	111,084	111,084	111,084	5,879	5,879	5,879	105,205	105,205	105,205
9 Non-Plant Assets & Liab	(48,905)	(48,905)	(48,905)	(2,637)	(2,637)	(2,637)	(46,268)	(46,268)	(46,268)
10 Prepaids & Other	61,262	61,262	61,262	7,149	7,149	7,149	54,113	54,113	54,113
11 Total Rate Base	5,098,011	5,098,011	5,098,011	282,640	282,640	282,640	4,815,372	4,815,372	4,815,372

Northern States Power Company (MN)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
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(Dollars in Thousands)

Income Statement Summary

	<u>Total Company Electric</u>	<u>South Dakota Retail Electric</u>	<u>All Other</u>	
<u>Operating Revenues</u>				
1	Retail	2,906,779	146,384	2,760,395
2	CIP Adjustment to Program Costs	0	-	0
3	Interdepartmental	564	-	564
4	Other Operating	743,947	34,933	709,014
5 #	Gross Earnings Tax	0	-	0
6	Total Operating Revenues	3,651,290	181,317	3,469,973
<u>Expenses</u>				
Operating Expenses:				
7	Fuel & Purchased Energy	1,470,130	74,867	1,395,263
8	Power Production	634,321	32,794	601,527
9	Transmission	155,646	7,988	147,658
10	Distribution	105,630	6,045	99,585
11	Customer Accounting	65,189	4,244	60,945
12	Customer Service & Information	60,895	332	60,563
13	Sales, Econ Dvlp & Other	391	103	288
14	Administrative & General	193,942	10,864	183,078
15	Total Operating Expenses	2,686,144	137,237	2,548,907
16	Depreciation	381,954	21,470	360,484
17	Amortization	12,106	352	11,754
Taxes:				
18	Property	106,720	4,956	101,764
19	Gross Earnings	0	-	0
20	Deferred Income Tax & ITC	114,362	4,819	109,543
21	State & Federal Income (see Page 3)	(4,900)	(2,384)	(2,516)
22	Payroll & Other	27,154	1,452	25,702
23	Total Taxes	243,336	8,843	234,493
24	Total Expenses	3,323,540	167,902	3,155,638
25	AFUDC	0	-	0
26	Total Operating Income	327,750	13,415	314,335

**Northern States Power Company (MN)
 Electric Utility - South Dakota Retail Jurisdiction
 Cost of Service Study
 2008 Pro Forma**

(Dollars in Thousands)

Income Tax Summary

	<u>Total Company Electric</u>	<u>SD Retail Electric</u>	<u>All Other</u>	
<u>Income Before Taxes</u>				
1	Total Operating Revenues	3,651,290	181,317	3,469,973
2	less: Total Operating Expenses	(2,686,144)	(137,237)	(2,548,907)
3	Book Depreciation & Amortization	(394,060)	(21,822)	(372,238)
4	Taxes (Other Than Current Income)	(248,236)	(11,227)	(237,009)
5 #	Total Before Tax Book Income	322,850	11,031	311,819
<u>Tax Additions</u>				
6	Book Depreciation	381,954	21,470	360,484
7	Deferred Income Taxes & ITC	114,362	4,819	109,543
8	Nuclear Fuel Burn (ex D&D)	79,775	4,095	75,680
9	Nuclear Outage Accounting	43,739	2,242	41,497
10	Avoided Tax Interest	52,295	2,707	49,588
11	Confiruration Mgmt	57	57	0
12	TBT Production	(9)	0	(9)
13	TBT Transmission	(3)	0	(3)
14	TBT Distribution	(6)	0	(6)
15	Open Line	0	0	0
16	Other Book Additions	0	0	0
17	Total Tax Additions	672,164	35,390	636,774
<u>Tax Deductions</u>				
18	Debt Interest Expense	163,646	9,073	154,573
19	Tax Depreciation & Removal	840,635	44,018	796,617
20	Manufacture Production Deduction	0	0	0
21	Meal & Fas 106	2,093	112	1,981
22	Open	0	0	0
23	Open	0	0	0
24	Other Tax/Book Timing Differences	(24,075)	(1,399)	(22,676)
25	Net Preferred Stock Deduction	0	0	0
26	Total Tax Deductions	982,299	51,804	930,495
27	State Taxable Income	12,715	(5,383)	18,097
28	State Income Tax Rate	9.00%	0.00%	N/A
29	State Taxes before Credits	1,144	0	1,144
30	State Credits	593	0	593
31	Total State Income Taxes	551	0	551
32	Federal Taxable Income	12,164	(5,383)	17,546
33	Federal Income Tax Rate	35.00%	35.00%	35.00%
34	Federal Tax before Credits	4,257	(1,884)	6,141
35	Federal Tax Credits	9,708	500	0
36	Total Federal Income Taxes	(5,451)	(2,384)	6,141
37	Total Federal & State Income Taxes	(4,900)	(2,384)	6,692

**Northern States Power Company (MN)
 Electric Utility - South Dakota Retail Jurisdiction
 Cost of Service Study
 2008 Pro Forma**

Revenue Requirement & Return Summary

(Dollars in Thousands)

	<u>Capital Structure</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted Cost</u>	<u>Composite Income Tax Rates</u>	
1	Long Term Debt	6.6400%	48.3700%	3.2100%	State of South Dakota Tax rate	0.00%
2	Short Term Debt	0.0000%	0.0000%	0.0000%	Federal Statutory Tax rate	35.00%
3	Preferred Stock	0.0000%	0.0000%	0.0000%	Federal Effective Tax Rate (1-State Rate * Fed Rate)	35.00%
4	Common Equity	11.2500%	51.6300%	5.8100%	Total South Dakota Composite Tax Rate	35.00%
5	Required Rate of Return			9.0200%	Total Corporate Composite Tax Rate	40.85%

	<u>Total Company Electric</u>	<u>SD Retail Electric</u>	<u>All Other</u>
Rate of Return (ROR)			
6	Total Operating Income	327,750	13,415
7	Total Average Rate Base	5,098,011	282,640
8	ROR (Operating Income / Rate Base)	6.43%	4.75%
			6.53%

Return on Equity (ROE)			
9	Total Operating Income	327,750	13,415
10	Debt Interest (Rate Base * Weighted Debt Cost)	(163,646)	(9,073)
11	Preferred Stock (Rate Base * Weighted Preferred Cost)	0	0
12	Earnings Available for Common	164,104	4,342
13	Equity Rate Base (Rate Base * Equity Ratio)	2,632,103	145,927
14	ROE (Earnings for Common / Equity Rate Base)	6.23%	2.98%
			6.43%

Revenue Deficiency			
15	Require Operating Income (Rate Base * Required Return)	459,841	25,494
16	Operating Income	327,750	13,415
17	Operating Income Deficiency	132,091	12,079
18	Revenue Conversion Factor (1/(1-Composite Tax Rate))	1.69056	1.53846
19	Revenue Deficiency (Income Deficiency * Conversion Factor)	223,308	18,583
			204,725

Total Retail Revenue Requirements			
20	Retail Related Revenues	2,907,343	146,384
21	Revenue Deficiency	223,308	18,583
22	Total Retail Revenue Requirements	3,130,651	164,967
			2,965,684

23	Percentage Increase (Decrease)	7.68%	12.69%
			7.41%

**Northern States Power Company (MN)
 Electric Utility - South Dakota Retail Jurisdiction
 Cost of Service Study
 2008 Pro Forma**

(Dollars in Thousands)

Rate Base Detail - Cash Working Capital

		<u>Total Company Electric</u>		<u>South Dakota Retail Electric</u>		<u>All Other</u>				
<u>Expenses</u>										
<u>Includable Expenses</u>	<u>Lead Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>			
<u>Fuel Expenses</u>										
1 ##	Coal & Rail Transport	21.08	356,593	7,515,911	18,874	397,807	337,719	7,118,103		
2	Gas for Generation	38.45	101,778	3,912,957	5,387	207,109	96,391	3,705,848		
3	Oil	22.51	5,023	113,043	266	5,986	4,757	107,056		
4	Nuclear & EOL	0.00	76,907	0	4,218	0	72,689	0		
5	Nuclear Disposal	76.00	<u>12,549</u>	<u>953,724</u>	<u>644</u>	<u>48,944</u>	<u>11,905</u>	<u>904,780</u>		
6			552,850	12,495,634	29,389	659,846	523,461	11,835,788		
<u>Purchased Power</u>										
7	Purchases	28.12	1,102,305	30,992,407	56,808	1,597,214	1,045,497	29,395,194		
8	Interchange	38.21	<u>106,362</u>	<u>3,064,092</u>	<u>5,498</u>	<u>210,079</u>	<u>100,864</u>	<u>3,854,013</u>		
			1,208,667	35,056,499	62,306	1,807,292	1,146,361	33,249,207		
<u>Labor & Related Costs</u>										
9	Regular Payroll	12.31	352,911	4,344,334	18,336	225,716	334,575	4,118,618		
10	Incentive Compensation	255.05	(9,738)	(2,483,677)	(212)	(54,071)	(9,526)	(2,429,606)		
11	Pension & Benefits	19.20	<u>54,624</u>	<u>1,048,781</u>	<u>2,968</u>	<u>56,986</u>	<u>51,656</u>	<u>991,795</u>		
12	Subtotal Labor & Related		397,797	2,909,438	21,092	228,631	376,705	2,680,807		
13										
14	All Other Operating Expenses	35.01	526,830	18,442,749	24,450	855,927	502,380	17,586,822		
15	Property Tax	356.72	106,720	38,069,158	4,956	1,767,904	101,764	36,301,254		
16	Employer's Payroll Taxes	26.56	27,154	721,210	1,452	38,565	25,702	682,645		
17	Gross Earnings Tax	51.98	0	0	0	0	0	0		
18	Federal Income Tax	37.75	(5,451)	(205,766)	(2,384)	(89,996)	(3,067)	(115,769)		
19	State Income Tax	37.75	551	20,798	0	0	551	20,798		
20	State Sales Tax Customer Billings	35.73	125,632	4,488,831	5,320	190,084	120,312	4,298,748		
21	Total Expenses	38.09	2,940,750	111,998,553	37.24	146,581	5,458,253	38.13	2,794,169	
22	Net Annual Expense Amount			306,845			14,954		291,891	
<u>Revenues</u>										
		<u>Lag Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>	<u>Dollars</u>	<u>Dollar x Days</u>		
23	Computer Billing	100.00%	42.83	2,906,779	124,492,403	42.83	146,879	6,290,578	2,759,900	118,201,825
24	Hand Billed	0.00%	42.83	0	0	42.83	0	0	0	0
25	Retail Revenue Adjustments		0.00	0	0	0.00	0	0	0	0
26	Interdepartmental		0.00	564	0	0.00	0	564	0	0
27	Late Payment		0.00	5,644	0	0.00	354	5,290	0	0
28	Connect and Trouble Charges		42.83	1,931	82,701	42.83	227	9,722	1,704	72,979
29	CIP Incentive		0.00	0	0	0.00	0	0	0	0
30	Rentals		114.17	4,128	471,294	114.17	241	27,515	3,887	443,779
31	Interchange Revenues		38.21	380,382	14,534,396	38.21	19,857	758,736	360,525	13,775,660
32	Sales for Resale		37.10	251,774	9,340,815	37.10	8,712	323,215	243,062	9,017,600
33	Production Associated Revenues		37.10	5,759	213,659	37.10	305	11,316	5,454	202,343
34	MISO		14.00	7,178	100,492	14.00	368	5,152	6,810	95,340
35	Point to Point Firm		37.10	49,882	1,850,622	37.10	2,561	95,013	47,321	1,755,609
36	Services & Facilities		37.10	8,611	319,468	37.10	438	16,250	8,173	303,218
37	Ancillary		37.10	14,033	520,624	37.10	720	26,712	13,313	493,912
38	Distribution Associated Revenues		42.83	476	20,386	42.83	0	0	476	20,386
39	Other		42.83	17,171	735,405	42.83	1,310	56,105	15,861	679,300
40	JOA - Rev fr/to PSC		37.10	(3,022)	(112,116)	37.10	(160)	(5,936)	(2,862)	(106,180)
41	(blank)		0.00	0	0	0.00	0	0	0	0
42	(blank)		0.00	0	0	0.00	0	0	0	0
43	(blank)		0.00	0	0	0.00	0	0	0	0
44	Total Revenues	41.79	3,651,290	152,570,150	41.88	181,812	7,614,378	41.78	3,469,478	144,955,773
45	Net Annual Amount			418,000			20,861		397,139	
46	Expense / Revenue Factor			0.80540042			0.806223735			
47	Allocated Revenue Amount			336,658			16,819			
48	Net Cash Working Capital			29,812			1,865		27,948	

Name of Respondent Northern States Power Company (Minnesota)	Year Ended December 31, 2008	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
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ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	36,205,989
3	Steam	18,560,478	23	Requirements Sales for Resale (See instruction 4, page 311.)	7,623,880
4	Nuclear	12,993,160	24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	4,296,099
5	Hydro-Conventional	44,090	25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	38,334
7	Other	1,099,287	27	Total Energy Losses	1,087,082
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	49,251,184
9	Net Generation (Enter Total of lines 3 through 8)	32,697,015			
10	Purchases	16,505,213			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received	2,088,708			
17	Delivered	2,039,752			
18	Net Transmission for Other (Line 16 minus line 17)	48,956			
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	49,251,184			

Name of Respondent Northern States Power Company (Minnesota)	This Report Is: (1) <input type="checkbox"/> An Original (2) <input checked="" type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2008/Q4
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MONTHLY PEAKS AND OUTPUT

- (1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on line 2 by month the system's output in Megawatt hours for each month.
- (3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
- (4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
- (5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.

NAME OF SYSTEM: Northern States Power Company (MN-WI-SD)

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	4,337,849	236,171	5,296	30	1900
30	February	4,109,936	386,869	5,220	11	1900
31	March	3,969,270	367,235	4,820	6	2000
32	April	3,699,796	440,127	4,419	11	1100
33	May	4,196,082	564,219	4,536	6	1200
34	June	4,358,259	294,028	6,309	25	1700
35	July	3,955,536	193,622	6,901	29	1400
36	August	4,542,661	281,767	6,653	18	1700
37	September	3,856,421	226,520	5,556	2	1200
38	October	3,712,361	193,294	4,510	6	2000
39	November	3,943,219	476,539	4,834	20	1800
40	December	4,569,794	635,708	5,389	15	1900
41	TOTAL	49,251,184	4,296,099			