

Transmission Cost Recovery Rider
TCR Tracker Account Calculation - 2011

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Annual
North Mankato													
Rate Base													
Plus CWIP Ending Balance	120,96C												
Plus Plant In-Service	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Book Depreciation Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Accum Deferred Taxes	(6,332)	(9,706)	(14,222)	(19,387)	(25,172)	(31,555)	(38,441)	(45,712)	(53,264)	(61,047)	(69,090)	(77,440)	(77,440)
End Of Month Rate Base	127,292	130,666	135,181	140,347	146,132	152,515	159,40C	166,672	174,223	182,007	190,05C	198,40C	198,40C
Average Rate Base (BOM/EOM)	126,213	128,979	132,924	137,764	143,239	149,323	155,958	163,036	170,448	178,115	186,028	194,225	155,521
Calculation of Return													
Plus Debt Return	325	332	342	355	369	385	402	420	439	459	479	500	4,806
Plus Equity Return	556	569	586	607	631	658	688	719	751	785	820	856	8,227
Total Return	881	901	928	962	1,000	1,043	1,089	1,139	1,190	1,244	1,299	1,356	13,033
Income Statement Items													
Plus Operating Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Accrued Costs / Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Avoided Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Deferred Taxes	(2,158)	(3,374)	(4,515)	(5,166)	(5,785)	(6,383)	(6,885)	(7,272)	(7,551)	(7,784)	(8,043)	(8,350)	(73,266)
Plus Gross Up for Income Tax	6,763	10,406	13,848	15,858	17,786	19,666	21,270	22,542	23,506	24,337	25,250	26,315	227,546
Less AFUDC	0	0	0	0	0	0	0	0	0	0	0	0	0
Less AFUDC Gross Up for Income Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
Less OATT Credit to retail customers	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Wind Production Tax Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Wind PTC Gross up for Income Tax (Fed only)	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Income Statement Expense	4,605	7,032	9,333	10,692	12,001	13,282	14,385	15,271	15,954	16,553	17,208	17,965	154,28C
Total Revenue Requirements	5,486	7,933	10,261	11,654	13,001	14,325	15,474	16,409	17,145	17,797	18,507	19,321	167,313
MN Jurisdictional Revenue Requirement	257	371	480	545	608	670	724	768	802	833	866	904	7,828

Transmission Cost Recovery Rider
TCR Tracker Account Calculation - 2011

	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Annual
Blue Lake/Wilmarth/Lakefield													
Rate Base													
Plus CWIP Ending Balance	2	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Plus Plant In-Service	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560	2,924,560
Less Book Depreciation Reserve	157,255	163,713	170,171	176,629	183,087	189,546	196,004	202,462	208,920	215,378	221,836	228,294	228,294
Less Accum Deferred Taxes	40,694	46,858	53,023	59,187	65,352	71,517	77,681	83,846	90,011	96,175	102,340	108,505	108,505
End Of Month Rate Base	2,726,612	2,713,990	2,701,368	2,688,745	2,676,122	2,663,500	2,650,877	2,638,254	2,625,632	2,613,009	2,600,386	2,587,764	2,587,764
Average Rate Base (BOM/EOM)	2,732,922	2,720,300	2,707,675	2,695,050	2,682,434	2,669,811	2,657,188	2,644,566	2,631,942	2,619,320	2,606,698	2,594,075	2,663,495
Calculation of Return													
Plus Debt Return	7,037	7,005	6,972	6,940	6,907	6,875	6,842	6,810	6,777	6,745	6,712	6,680	82,302
Plus Equity Return	12,048	11,992	11,936	11,881	11,825	11,769	11,714	11,658	11,602	11,547	11,491	11,436	140,899
Total Return	19,085	18,997	18,909	18,820	18,732	18,644	18,556	18,468	18,380	18,292	18,203	18,115	223,201
Income Statement Items													
Plus Operating Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Accrued Costs / Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Avoided Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Property Taxes	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	3,377	40,525
Plus Book Depreciation	6,457	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,458	6,458	77,495
Plus Deferred Taxes	6,165	6,165	6,165	6,165	6,165	6,165	6,165	6,165	6,165	6,165	6,165	6,165	73,976
Plus Gross Up for Income Tax	1,866	1,837	1,807	1,777	1,747	1,717	1,687	1,657	1,627	1,597	1,567	1,537	20,421
Less AFUDC	2	0	0	0	0	0	0	0	0	0	0	0	2
Less AFUDC Gross Up for Income Tax	1	0	0	0	0	0	0	0	0	0	0	0	1
Less OATT Credit to retail customers	7,322	7,300	7,277	7,253	7,230	7,207	7,183	7,160	7,136	7,113	7,090	7,066	86,338
Less Wind Production Tax Credit	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Wind PTC Gross up for Income Tax (Fed only)	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Income Statement Expense	10,540	10,536	10,529	10,523	10,516	10,510	10,503	10,497	10,490	10,484	10,477	10,470	126,076
Total Revenue Requirements	29,625	29,533	29,438	29,343	29,249	29,154	29,059	28,965	28,870	28,775	28,680	28,586	349,277
SD Jurisdictional Revenue Requirement	1,386	1,382	1,377	1,373	1,368	1,364	1,360	1,355	1,351	1,346	1,342	1,337	16,341

Transmission Cost Recovery
Base Assumptions

Public Document Trade Secret Data Has Been
Excised

Weighted Cost of Capital

	2008 Actual			2009 - 2011		
	Rate	Ratio	Weighted Cost	Rate	Ratio	Weighted Cost
Long Term Debt						
Preferred Stock						
Short Term Debt						
Common Equity						
Required Rate of Return			8.37%			8.38%

Composite Income Tax Rates

	2008	2009	2010	2011
State of South Dakota Tax rate	0.00%	0.00%	0.00%	0.00%
Federal Statutory Tax rate	35.00%	35.00%	35.00%	35.00%
Federal Effective Tax Rate (1-State Rate * Fed Rate)	35.00%	35.00%	35.00%	35.00%
Total South Dakota Composite Tax Rate	35.0000%	35.0000%	35.0000%	35.0000%
Total Corporate Composite Tax Rate (2009 Forecast)	40.8752%	40.8630%	40.8669%	40.8568%

State of SD Transmission Demand Factor (1)

36 Month Coincident Peak Demand Allocator	4.3342%	4.4651%	4.6258%	4.6785%
State of South Dakota Retail Demand Allocator	84.4224%	83.8829%	83.6422%	83.8756%
	5.1340%	5.3230%	5.5305%	5.5779%

Composite Depreciation Rates

Depreciation Rate - Lines	2.1259%	2.6518%	2.6518%	2.6518%
Depreciation Rate - Substations	2.4936%	2.6151%	2.6151%	2.6151%

Property Tax Rates

Property Tax Rate: MN State Electric Personal Property Tax Rate	1.620%	1.386%	1.386%	1.386%
---	--------	--------	--------	--------

OATT Revenue Credit for Non-Retail Transmission Recovery

	25.0400%	23.8700%	20.3100%	19.8200%
--	----------	----------	----------	----------

Transmission Cost Recovery
Base Assumptions

Public Document Trade Secret Data Has Been
Excised

(1) Calculation of State of South Dakota - Demand Allocators

	Total	Minnesota Company	Minnesota	N Dakota	S Dakota	Wholesale	WI Co
<u>2008 Transmission Demand Allocators</u>							
36 Month Coin Peak Demand	100.0000%	84.4224%					15.5776%
12 Month Jurisdictional Demand	100.0000%		86.7317%	5.6655%	5.1340%	2.4688%	
2008 State of SD Transmission Demand Factor					4.3342%		
<u>2009 Transmission Demand Allocators</u>							
36 Month Coin Peak Demand	100.0000%	83.8829%					16.1171%
12 Month Jurisdictional Demand	100.0000%		87.0761%	5.6745%	5.3230%	1.9264%	
2009 State of SD Transmission Demand Factor					4.4651%		
<u>2010 Transmission Demand Allocators</u>							
36 Month Coin Peak Demand	100.0000%	83.6422%					16.3578%
12 Month Jurisdictional Demand	100.0000%		87.7595%	5.8462%	5.5305%	0.8638%	
2010 State of SD Transmission Demand Factor					4.6258%		
<u>2011 Transmission Demand Allocators</u>							
36 Month Coin Peak Demand	100.0000%	83.8756%					16.1244%
12 Month Jurisdictional Demand	100.0000%		88.4924%	5.8107%	5.5779%	0.1190%	
2011 State of SD Transmission Demand Factor					4.6785%		

2008 Actual

<u>Cost of Capital**</u>	<u>Annual</u>			
Weighted Cost of Debt				
Weighted Cost of Equity				
Total Cost of Capital		8.37%		
Tax Gross-up	2.7693%	Monthly***	Composite Tax Rate - SD	35.00%
Cost of Capital Including Taxes	11.1373%	0.8839%		

2009 Actual - 2011 Forecast

<u>Cost of Capital**</u>	<u>Annual</u>			
Weighted Cost of Debt				
Weighted Cost of Equity				
Total Cost of Capital		8.38%		
Tax Gross-up	2.8504%	Monthly***	Composite Tax Rate - SD	35.00%
Cost of Capital Including Taxes	11.2324%	0.8910%		

***The Annual Cost of Capital was adjusted for monthly compounding.

Northern States Power Company, a Minnesota corporation - Electric (State of South Dakota)
Transmission Cost Recovery Rider

TCR Projected Tracker Activity for 2010														
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	
	Beg Balance	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	2010 Total
Project 1 - 825 Wind Main Project (1)		51,414	-	-	-	-	-	-	-	-	-	-	-	51,414
Project 2 - Yankee Collector Stn (2)		1,480	-	-	-	-	-	-	-	-	-	-	-	1,480
Project 3 - Fenton Collector Stn (3)		2,022	-	-	-	-	-	-	-	-	-	-	-	2,022
Project 4 - Series Capacitor Stn (4)		1,946	-	-	-	-	-	-	-	-	-	-	-	1,946
Project 5 - Nobles Co Collector Stn (5)		783	-	-	-	-	-	-	-	-	-	-	-	783
Project 6 - Rock Co Collector Stn (6)		825	-	-	-	-	-	-	-	-	-	-	-	825
Subtotal Transmission Statute Projects		58,472												58,472
TCR True-up Carryover (7)	223,703	-	-	-	-	-	-	-	-	-	-	-	-	223,703
Total Expense (8)	\$ 223,703	\$ 282,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 282,174					
Revenues (9)	151,483	(42,678)	15,463	13,227	13,947	16,818	20,017	19,769	15,252	14,756	13,862	15,931	\$ 267,847	
Expenses Less Revenues (10)	223,703	130,692	42,678	(15,463)	(13,227)	(13,947)	(16,818)	(20,017)	(19,769)	(15,252)	(14,756)	(13,862)	(15,931)	14,327
Balance before Carrying Charge (11)		130,692	174,534	160,626	148,830	136,209	120,605	101,662	82,799	68,285	54,137	40,758	25,190	\$ 14,327
Carrying Charge (12)		1,164	1,555	1,431	1,326	1,214	1,075	906	738	608	482	363	224	\$ 11,087
Ending Balance (13)	223,703	131,856	176,089	162,057	150,156	137,423	121,679	102,568	83,537	68,893	54,620	41,121	25,414	\$ 25,414

Notes:

- (1) Revenue Requirements calculated for Project 1 on Attachment 8
- (2) Revenue Requirements calculated for Project 2 on Attachment 9
- (3) Revenue Requirements calculated for Project 3 on Attachment 10
- (4) Revenue Requirements calculated for Project 4 on Attachment 11
- (5) Revenue Requirements calculated for Project 5 Attachment 12
- (6) Revenue Requirements calculated for Project 6 on Attachment 13
- (7) The beginning balance in 2010 is carried over from the 2009 ending balance.
- (8) Total Expense for Transmission and Renewable Transmission Projects.
- (9) See Attachment 24 for the calculation of revenues collected under this rate adjustment rider. The factors are also shown on Attachment 24.
- (10) Expenses Less Revenues is the amount over (under) collected or the difference between the total revenue requirements and the amount of revenue that would have been received from customers under this rider.
- (11) Balance before carrying charge for the month.
- (12) Carrying charge
- (13) Ending balance is the amount over (under) collected or the difference between the total revenue requirements and the amount of revenue received from customers under this rider, including the carrying charge.

Northern States Power Company, a Minnesota corporation - Electric (State of South Dakota)
 Transmission Cost Recovery Rider
 2010 Revenue Calculation

	Total Revenue	Retail Sales (3)	Average kWh Use Per Residential Customer	\$/kWh
Adjustment Factors				
2010 TCR Rates (1)	\$0.000094		750	\$ 0.0705
Jan-10 Actual	151,483	170,044,072		
Feb-10 Actual	(42,678)	146,799,434		
Mar-10 Actual	15,463	161,549,033		
Apr-10 Actual	13,227	139,540,501		
May-10 Actual	13,947	143,461,042		
Jun-10 Actual	16,818	181,965,525		
Jul-10 Actual	20,017	205,391,073		
Aug-10 Actual	19,769	200,294,467		
Sep-10 (2)	15,252	162,253,307		
Oct-10 (2)	14,756	156,983,016		
Nov-10 (2)	13,862	147,473,275		
Dec-10 (2)	15,931	169,479,790		
Total Jan-Dec	\$ 267,847	1,985,234,535		

Notes:

- (1) 2010 TCR Adjustment Factor was determined in 12/2009 as an estimate based on a 1/1/2010 Rate Case settlement implementation date.
- (2) 2010 estimated revenues to be recovered under the TCR Rate Rider are calculated by multiplying the TCR Adjustment Factor, listed above, by the forecast sales for the month.
- (3) Sales are based on the 2011 State of South Dakota budget sales by calendar month.

Northern States Power Company, a Minnesota corporation - Electric (State of South Dakota)
TCR Rider Factor Calculation

Attachment 25

TCR Projected Tracker Activity for 2009														
	Actual													
Beg Balance	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	2009 Total	
Project 1 - 825 Wind Main Project (1)	90,338	90,100	89,854	89,599	89,341	88,964	88,711	88,579	88,320	88,348	88,372	88,105	1,068,632	
Project 2 - Yankee Collector Stn (2)	2,611	2,603	2,595	2,587	2,578	2,570	2,562	2,554	2,545	2,537	2,529	2,521	30,791	
Project 3 - Fenton Collector Stn (3)	3,568	3,557	3,545	3,534	3,523	3,512	3,500	3,489	3,478	3,467	3,455	3,444	42,072	
Project 4 - Series Capacitor Stn (4)	3,429	3,420	3,410	3,399	3,389	3,377	3,366	3,357	3,346	3,335	3,325	3,314	40,467	
Project 5 - Nobles Co Collector Stn (5)	1,379	1,375	1,371	1,366	1,362	1,358	1,353	1,349	1,345	1,340	1,334	1,330	16,261	
Project 6 - Rock Co Collector Stn (6)	1,458	1,453	1,448	1,444	1,439	1,434	1,429	1,425	1,420	1,415	1,411	1,406	17,182	
Subtotal Transmission Statute Projects	-	102,783	102,508	102,223	101,929	101,632	101,214	100,923	100,752	100,454	100,442	100,426	100,120	1,215,405
TCR True-up Carryover (7)	588,697	-	-	-	-	-	-	-	-	-	-	-	-	588,697
Total Expense (8)	\$ 588,697	\$ 691,480	\$ 102,508	\$ 102,223	\$ 101,929	\$ 101,632	\$ 101,214	\$ 100,923	\$ 100,752	\$ 100,454	\$ 100,442	\$ 100,426	\$ 100,120	\$ 1,804,102
Revenues (9)	-	135,816	153,416	129,776	139,094	149,468	166,389	171,777	147,102	142,637	140,331	155,111	1,630,916	
Expenses Less Revenues (10)	691,480	(33,308)	(51,193)	(27,847)	(37,461)	(48,253)	(65,466)	(71,025)	(46,648)	(42,195)	(39,905)	(54,991)	\$ 173,187	
Balance before Carrying Charge (11)	691,480	664,333	619,059	596,728	564,584	521,361	460,540	393,618	350,478	311,405	274,275	221,727	\$ 173,187	
Carrying Charge (12)	6,161	5,919	5,516	5,317	5,030	4,645	4,103	3,507	3,123	2,775	2,444	1,976	\$ 50,516	
Ending Balance (13)	588,697	697,641	670,252	624,575	602,045	569,614	526,006	464,644	397,126	353,600	314,180	276,719	\$ 223,703	

- Notes:
- (1) Revenue Requirements calculated for Project 1 on Attachment 8
 - (2) Revenue Requirements calculated for Project 2 on Attachment 9
 - (3) Revenue Requirements calculated for Project 3 on Attachment 10
 - (4) Revenue Requirements calculated for Project 4 on Attachment 11
 - (5) Revenue Requirements calculated for Project 5 Attachment 12
 - (6) Revenue Requirements calculated for Project 6 on Attachment 13
 - (7) The beginning balance in 2009 is carried over from the 2008 ending balance.
 - (8) Total Expense for Transmission and Renewable Transmission Projects.
 - (9) Actual Revenues collected in 2009 under this rate adjustment rider.
 - (10) Expenses Less Revenues is the amount over (under) collected or the difference between the total revenue requirements and the amount of revenue that would have been received from customers under this rider.
 - (11) Balance before carrying charge for the month.
 - (12) Carrying charge
 - (13) Ending balance is the amount over (under) collected or the difference between the total revenue requirements and the amount of revenue received from customers under this rider, including the carrying charge.

Northern States Power Company, a Minnesota corporation - Electric (State of South Dakota)
TCR Rider Factor Calculation

TCR Projected Tracker Activity for 2008														
	Beg Balance	Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	Actual Nov-08	Actual Dec-08	2008 Total
Project 1 - 825 Wind Main Project (1)	-	-	-	-	-	-	-	79,104	84,458	84,703	84,466	83,928	83,356	500,014
Project 2 - Yankee Collector Stn (2)	-	-	-	-	-	-	-	2,658	2,562	2,553	2,544	2,536	2,528	15,380
Project 3 - Fenton Collector Stn (3)	-	-	-	-	-	-	-	3,504	3,493	3,482	3,470	3,459	3,448	20,855
Project 4 - Series Capacitor Stn (4)	-	-	-	-	-	-	-	3,373	3,362	3,351	3,340	3,330	3,320	20,076
Project 5 - Nobles Co Collector Stn (5)	-	-	-	-	-	-	-	1,200	1,197	1,193	1,190	1,187	1,183	7,150
Project 6 - Rock Co Collector Stn (6)	-	-	-	-	-	-	-	1,232	1,230	1,229	1,231	1,231	1,228	7,381
Subtotal Transmission Statute Projects	-	-	-	-	-	-	-	91,070	96,300	96,511	96,242	95,670	95,063	570,856
TCR True-up Carryover (7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expense (8)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,070	\$ 96,300	\$ 96,511	\$ 96,242	\$ 95,670	\$ 95,063	\$ 570,856
Revenues (9)	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -
Expenses Less Revenues (10)	-	-	-	-	-	-	-	91,070	96,300	96,511	96,242	95,670	95,063	\$ 570,856
Balance before Carrying Charge (11)	-	-	-	-	-	-	-	91,070	188,176	286,349	385,123	484,197	583,539	\$ 570,856
Carrying Charge (12)	-	-	-	-	-	-	-	805	1,663	2,531	3,404	4,280	5,158	\$ 17,841
Ending Balance (13)	-	-	-	-	-	-	-	91,875	189,839	288,880	388,527	488,476	588,697	\$ 588,697

Notes:

- (1) Revenue Requirements calculated for Project 1 on Attachment 8
- (2) Revenue Requirements calculated for Project 2 on Attachment 9
- (3) Revenue Requirements calculated for Project 3 on Attachment 10
- (4) Revenue Requirements calculated for Project 4 on Attachment 11
- (5) Revenue Requirements calculated for Project 5 Attachment 12
- (6) Revenue Requirements calculated for Project 6 on Attachment 13
- (7) The beginning balance in 2008 is zero (there are no under/over recovered amounts to bring forward to 2008).
- (8) Total Expense for Transmission and Renewable Transmission Projects.
- (9) Actual Revenues collected in 2008 under this rate adjustment rider.
- (10) Expenses Less Revenues is the amount over (under) collected or the difference between the total revenue requirements and the amount of revenue that would have been received from customers under this rider.
- (11) Balance before carrying charge for the month.
- (12) Carrying charge
- (13) Ending balance is the amount over (under) collected or the difference between the total revenue requirements and the amount of revenue received from customers under this rider, including the carrying charge.

Northern States Power, a Minnesota corporation
Transmission Revenue From Others
NSP Revenue Credits for FERC Account 456
2010 Forecast

JDE Account	Description	Total 2010	Not Included in Gross Revenue Requirement	Included in Gross Revenue Requirement	Sch 26
801699	517210.1010	PTP Firm - Tsmn RTO	8,546,755.00	8,546,755.00	
801699	517220.1000	Grandfathered TM1	4,259,077.00	4,259,077.00	
801699	517220.1010	PTP Non-Firm - Tsmn R	1,557,507.00	1,557,507.00	
801699	517230.1000	Network - Tsmn - OATT	25,565,024.00	25,565,024.00	
801699	517230.1010	Network - Tsmn RTO	11,420,810.00	11,420,810.00	
881100	517250.1130	Contracts-SD State Pen	78,478.00	78,478.00	
801699	517250.1160	Contracts-WPPI Meter S	37,440.00	37,440.00	
801699	517250.1170	Contracts-UPA	8,040,000.00	8,040,000.00	
801699	517250.1190	Contracts-UND	53,896.00	53,896.00	
801699	517250.1210	Contracts-Granite Fall	14,063.00	14,063.00	
801699	517250.1220	Contracts-E Grand Fork	44,472.00	44,472.00	
881100	517250.1500	Contracts - Miscellane	0.00	0.00	
801699	517270.1000	Sch 1 - Tsmn OATT	207,412.00	207,412.00	
801699	517270.1010	Sch 1 - Tsmn RTO	1,001,387.00	1,001,387.00	
200107	517280.1000	Sch 2 - Tsmn-OATT	126,806.00	126,806.00	
200107	517280.1010	Sch 2 - Tsmn-RTO	9,160,657.00	9,160,657.00	
200107	517280.1240	Sch 2-PTP	52,910.00	52,910.00	
200107	517290.1000	Sch 3 - Tsmn-OATT	(1,883.00)	(1,883.00)	
200107	517310.1000	Sch 5 - Tsmn-OATT	0.00	0.00	
200107	517320.1000	Sch 6 - Tsmn-OATT	0.00	0.00	
801699	517322.0000	Sch 24 - Bal Auth	1,693,096.00	1,693,096.00	
801699	517323.1010	Sch 14 Reg Thru & Out-	0.00	0.00	
801699	517324.1010	Sch 26 Sub-Reg Rate Ad	4,406,224.00		4,406,224.00
801699	517328.0000	FERC Assmt Passthrough	0.00		
801699	517329.1000	RTO-Passthrough Rev -	182,154.00	182,154.00	
Totals (Ties to FERC Form 1, Page 330)		76,446,285.00	12,422,539.00	59,617,522.00	4,406,224.00
Includable Transmission Revenues				59,617,522.00	
2010 Total OATT (Attachment O) Tran Rev Req				293,598,269.00	
OATT Adjustment Factor				20.31%	

Northern States Power, a Minnesota corporation
 Transmission Revenue From Others
 NSP Revenue Credits for FERC Account 456
 2011 Forecast

JDE Account	Description	Total 2011	Not Included in Gross Revenue Requirement	Included in Gross Revenue Requirement	Sch 26
801699 517210.1010	PTP Firm - Tsmn RTO	11,064,460.00		11,064,460.00	
801699 517220.1000	Grandfathered TM1	4,260,775.00		4,260,775.00	
801699 517220.1010	PTP Non-Frim - Tsmn RT	541,435.00		541,435.00	
801699 517230.1000	Network - Tsmn - OATT	27,292,308.00		27,292,308.00	
801699 517230.1010	Network - Tsmn RTO	11,745,727.00		11,745,727.00	
881100 517250.1130	Contracts-SD State Pen	144,240.00		144,240.00	
801699 517250.1160	Contracts-WPPI Meter S	37,440.00		37,440.00	
801699 517250.1170	Contracts-UPA	8,040,000.00		8,040,000.00	
801699 517250.1190	Contracts-UND	54,609.00		54,609.00	
801699 517250.1210	Contracts-Granite Fall	14,064.00		14,064.00	
801699 517250.1220	Contracts-E Grand Fork	44,472.00		44,472.00	
881100 517250.1500	Contracts - Miscellaneous	0.00		0.00	
801699 517270.1000	Sch 1 - Tsmn OATT	210,098.00	210,098.00		
801699 517270.1010	Sch 1. - Tsmn RTO	1,056,777.00	1,056,777.00		
200107 517280.1000	Sch 2 - Tsmn-OATT	121,581.00	121,581.00		
200107 517280.1010	Sch 2 - Tsmn-RTO	9,017,338.00	9,017,338.00		
200107 517280.1240	Sch 2-PTP	0.00	0.00		
200107 517290.1000	Sch 3 - Tsmn-OATT	0.00	0.00		
200107 517310.1000	Sch 5 - Tsmn-OATT	0.00	0.00		
200107 517320.1000	Sch 6 - Tsmn-OATT	0.00	0.00		
801699 517322.0000	Sch 24 - Bal Auth	1,578,755.00	1,578,755.00		
801699 517323.1010	Sch 14 Reg Thru & Out-	0.00	0.00		
801699 517324.1010	Sch 26 Sub-Reg Rate Ad	10,716,000.00			10,716,000.00
801699 517328.0000	FERC Assmt Passthrough	0.00			
801699 517329.1000	RTO-Passthrough Rev -	207,325.00	207,325.00		
Totals		86,147,404.00	12,191,874.00	63,239,530.00	10,716,000.00
Includable Transmission Revenues				63,239,530.00	
2011 Total OATT (Attachment O) Tran Rev Req				319,098,968.00	
OATT Adjustment Factor				19.82%	

TCR Budget Adjustment
 Annual Revenue Requirement in Base Rates
 2008 Pro Forma Test Year
 Docket No. EL09-009

Public Document Trade Secret Data
 Has Been Excised

<u>Rate Analysis</u>	<u>BRIGO</u>
Plant Investment	5,121,754
Depreciation Reserve	(5,611)
CWIP	-
Accumulated Deferred Taxes	(5,593,694)
	<u>(477,551)</u>
Average Rate Base	(477,551)
Debt Return	(14,518)
Equity Return	(25,215)
Current Income Tax Requirement	(7,844,250)
Book Depreciation	72,965
Annual Deferred Tax	11,187,388
ITC Flow Thru	-
Tax Depreciation & Removal Expense	29,137,369
AFUDC Expenditure	-
Book Depreciation Cleared to Operatin	-
Avoided Tax Interest	3,260,379
Property Tax @ 1.444%	73,958
Total Revenue Requirements	3,450,329
SD Electric Jurisdiction Rev Req	149,546

<u>Capital Structure</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted Cost</u>
Long Term Debt			
Short Term Debt			
Preferred Stock			
Common Equity			
			<u>8.3200%</u>
Required Rate of Return			
Tax Rate (SD)	35.0000%		

36 Mo CP Demand	84.4224%
Tran Demand	5.1340%
State of SD Elec Jur	4.3342%

Calculation of RECB Revenue Credit

	RECB Recovery Percentage	% in Pricing Zone	NSP % of Pricing Zone	Postage Stamp to NSP Zone
LaCrosse				
RECB Expense				
NSP Pricing Zone	60.00% (1)	53.33%	89.53%	28.65%
GRE Pricing Zone	60.00% (1)	1.47%	6.32%	0.06%
OTP Pricing Zone	60.00% (1)	0.14%	38.08%	0.03%
ITC(M) Pricing Zone	60.00% (1)	9.90%	0.21%	0.01%
MP Pricing Zone	60.00% (1)	1.53%	0.06%	0.00%
RECB Expense to NSP				28.74%
RECB Revenue Percentage of Total Project Cost				60.00%
LaCrosse Revenue Credit				31.26%
Fargo				
RECB Expense				
NSP Pricing Zone	100.00%	51.87%	89.53%	46.44%
GRE Pricing Zone	100.00%	3.09%	6.32%	0.20%
OTP Pricing Zone	100.00%	16.37%	38.08%	6.24%
ITC(M) Pricing Zone	100.00%	1.19%	0.21%	0.00%
MP Pricing Zone	100.00%	9.43%	0.06%	0.01%
RECB Expense to NSP				52.88%
RECB Revenue Percentage of Total Project Cost				100.00%
Fargo Revenue Credit				47.12%
Bemidji				
RECB Expense				
NSP Pricing Zone	68.50% (2)	32.43%	89.53%	19.89%
GRE Pricing Zone	68.50% (2)	1.84%	6.32%	0.08%
OTP Pricing Zone	68.50% (2)	35.25%	38.08%	9.20%
ITC(M) Pricing Zone	68.50% (2)	0.44%	0.21%	0.00%
MP Pricing Zone	68.50% (2)	25.53%	0.06%	0.01%
RECB Expense to NSP				29.17%
RECB Revenue Percentage of Total Project Cost				68.50%
Bemidji Revenue Credit				39.33%

(1) 40% of LaCrosse recovered through Attachment O.

(2) MPC pays for 31.50% of project and that is not cost shared through RECB.

TCR Merricourt Network Upgrades
Annual Revenue Requirement

Attachment 31

2011 Revenue Requirement	Forecast Jan	Forecast Feb	Forecast Mar	Forecast Apr	Forecast May	Forecast Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Total
Expense	-	-	-	-	-	-	-	-	-	493,300	493,300	493,300	1,479,900
Total 2011 Rev Requirement	-	-	-	-	-	-	-	-	-	493,300	493,300	493,300	1,479,900
Demand Allocator - State of SD Jur.	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%	4.6785%
State of SD Rev. Requirements	-	-	-	-	-	-	-	-	-	23,079	23,079	23,079	69,237

2011 Transmission Demand Allocator	Total	Minnesota Company	Minnesota	N Dakota	S Dakota	Wholesale	WI Co
36 Month Coin Peak Demand - 2011 Billings	100.0000%	83.8756%					16.1244%
12 Month Jurisdictional Demand - 2011 Budg	100.0000%		88.4924%	5.8107%	5.5779%	0.1190%	
2011 State of SD Transmission Demand Factor					4.6785%		