

**Xcel Energy - Electric (State of South Dakota)**  
**Transmission Cost Recovery Rider**  
 Split Method as Implemented in EL10-015

TCR Projected Tracker Activity for 2012	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	2012 Total
	Beg Balance	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	
Project 1 - 825 Wind Main Project (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 2 - Yankee Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 3 - Fenton Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 4 - Series Capacitor Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 5 - Nobles Co Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 6 - Rock Co Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 7 - BRIGO (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 8 - Chisago Apple River (1)	20,966	20,909	20,851	20,793	20,736	20,678	20,621	20,563	20,505	20,448	20,390	20,332	20,332	247,792
Project 9 - CAPX2020 - Fargo (2)	34,577	36,465	38,831	41,180	43,490	46,186	48,239	50,464	53,803	57,174	60,518	63,027	63,027	573,953
Project 10 - CAPX2020 - Brookings (3)	1,579	1,681	1,817	1,989	2,243	2,551	2,985	3,509	4,106	4,829	5,625	6,547	6,547	39,460
Project 11 - CAPX2020 - La Crosse 1 (1)	5	14	81	239	437	620	816	1,096	1,451	1,771	2,425	3,619	3,619	12,574
Project 11 - CAPX2020 - La Crosse 2 (4)	4,353	4,450	4,552	4,659	4,787	4,955	5,155	5,358	5,684	6,155	6,561	8,067	8,067	64,736
Project 12 - CAPX2020 - Bemidji (5)	12,570	13,777	15,310	16,749	17,907	18,717	19,462	20,184	20,591	20,778	20,932	34,960	34,960	231,936
Project 13 - North Mankato (1)	1,907	2,015	2,026	2,036	2,047	2,058	2,068	2,111	2,152	2,158	2,167	2,178	2,178	24,923
Project 14 - Blue Lake / Wilmarth (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 15 - Pleasant Valley Byron (1)	1,452	1,596	1,631	1,656	1,743	1,803	1,798	1,794	1,789	1,784	1,780	1,775	1,775	20,600
Project 16 - Glencoe - Waconia (1)	418	430	703	1,179	1,689	2,101	2,321	2,947	3,682	4,101	4,496	4,896	4,896	28,962
Project 17 - St. Cloud Loop (1)	519	519	522	528	535	548	581	648	799	1,156	1,502	2,235	2,235	10,093
Project 18 - Sioux Falls Northern (1)	5	89	212	410	669	804	859	961	1,087	1,173	1,389	1,767	1,767	9,425
Project 19 - Grove Lake - Glenwood (1)	1,178	1,196	1,435	1,656	1,651	1,647	1,642	1,638	1,633	1,629	1,625	1,620	1,620	18,549
Project 20 - Hiawatha (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 21 - Sauk Center - Osakis (1)	920	922	944	987	1,222	1,433	1,428	1,423	1,419	1,414	1,410	1,406	1,406	14,927
Project 22 - Hollydale (1)	181	222	263	345	428	431	434	440	450	459	595	1,009	1,009	5,255
Project 23 - Meadow Lake (1)	403	423	423	434	444	444	445	445	445	445	445	445	445	5,239
RECB Schedule 26 (6)	29,573	11,140	3,647	9,696	8,745	44,334	28,617	33,671	16,419	12,260	23,923	(7,651)	(7,651)	214,375
<b>Subtotal Transmission Statute Projects</b>	<b>-</b>	<b>110,606</b>	<b>95,846</b>	<b>93,247</b>	<b>104,538</b>	<b>108,773</b>	<b>149,310</b>	<b>137,468</b>	<b>147,250</b>	<b>136,015</b>	<b>137,734</b>	<b>155,781</b>	<b>146,232</b>	<b>1,522,800</b>
Revenue Requirement in Base Rates (7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TCR True-up Carryover (8)	487,888	-	-	-	-	-	-	-	-	-	-	-	-	487,888
<b>Total Expense (9)</b>	<b>\$ 487,888</b>	<b>\$ 598,494</b>	<b>\$ 95,846</b>	<b>\$ 93,247</b>	<b>\$ 104,538</b>	<b>\$ 108,773</b>	<b>\$ 149,310</b>	<b>\$ 137,468</b>	<b>\$ 147,250</b>	<b>\$ 136,015</b>	<b>\$ 137,734</b>	<b>\$ 155,781</b>	<b>\$ 146,232</b>	<b>\$ 2,010,688</b>
Revenues (10)	-	15,444	13,782	14,926	13,442	15,049	17,795	18,673	18,692	501,617	447,595	442,270	491,368	\$ 2,010,653
<b>Expenses Less Revenues (11)</b>	<b>487,888</b>	<b>583,050</b>	<b>82,064</b>	<b>78,322</b>	<b>91,096</b>	<b>93,724</b>	<b>131,515</b>	<b>118,795</b>	<b>128,558</b>	<b>(365,602)</b>	<b>(309,861)</b>	<b>(286,489)</b>	<b>(345,136)</b>	<b>35</b>
<b>Balance before Carrying Charge (12)</b>	<b>583,050</b>	<b>669,956</b>	<b>753,842</b>	<b>851,199</b>	<b>951,992</b>	<b>1,091,413</b>	<b>1,219,272</b>	<b>1,357,956</b>	<b>1,003,632</b>	<b>702,106</b>	<b>421,448</b>	<b>79,812</b>	<b>79,812</b>	<b>\$ 35</b>
<b>Carrying Charge (13)</b>	<b>4,842</b>	<b>5,564</b>	<b>6,261</b>	<b>7,069</b>	<b>7,906</b>	<b>9,064</b>	<b>10,126</b>	<b>11,278</b>	<b>8,335</b>	<b>5,831</b>	<b>3,500</b>	<b>663</b>	<b>663</b>	<b>\$ 80,440</b>
<b>Ending Balance (14)</b>	<b>487,888</b>	<b>587,892</b>	<b>675,520</b>	<b>760,103</b>	<b>858,268</b>	<b>959,898</b>	<b>1,100,477</b>	<b>1,229,398</b>	<b>1,369,234</b>	<b>1,011,967</b>	<b>707,937</b>	<b>424,948</b>	<b>80,475</b>	<b>\$ 80,475</b>

- Notes:**
- Projects 1-8, 11(La Crosse 1), and 13-23: Settlement Stipulation Attachment 4
  - Revenue Requirements calculated for Project 9 on Exhibit (BAM-2), Schedule 4
  - Revenue Requirements calculated for Project 10 on Exhibit (BAM-2), Schedule 5
  - Revenue Requirements calculated for Project 11 (La Crosse 2) on Exhibit (BAM-2), Schedule 6
  - Revenue Requirements calculated for Project 12 on Exhibit (BAM-2), Schedule 7
  - Revenue Requirements calculated for RECB - Schedule 26 on Exhibit (BAM-2), Schedule 9
  - There are no Revenue Requirements in Base Rates
  - See Exhibit (BAM-2), Schedule 8 for the calculation of the TCR True-up Carryover.
  - Total Expense represents the total TCR Forecasted revenue requirements for 2012.
  - See Exhibit (BAM-2), Schedule 3 for the calculation of revenues.
  - 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.
  - Balance before carrying charge for the month.
  - Carrying Charge
  - Balance is the amount under (over) 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**  
**Transmission Cost Recovery Rider**  
**2012 TCR Adjustment Factor Calculation**  
 Split Method as Implemented in EL10-015

		Retail
TCR Adjustment Factor (1)	Cost Per kWh	\$0.002909
	SD retail Sales	647,249,969
	SD retail Cost (2)	\$1,882,885

**Notes:**

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- 1) The average retail cost per kWh is calculated by using the South Dakota electric retail cost divided by the annual South Dakota retail sales.
  - 2) The South Dakota Retail Cost remaining to be recovered through December 2012 is equal to the total revenue requirements of \$2,010,688 less the revenues through August of 2012 \$127,803 netting to \$1,882,885.

**Northern States Power Company, a Minnesota corporation**  
**Transmission Cost Recovery Rider**

**2012 Revenue Calculation**

**Split Method as Implemented in EL10-015**

	<b>Total Revenue (2)</b>	<b>Retail Sales (3)</b>	<b>Average kWh Use Per Residential Customer</b>	<b>\$/Month</b>
<b>Adjustment Factors</b>				
<b>2010 TCR Rate</b>	<b>\$0.000094</b>		750	\$ 0.0705
<b>2012 TCR Rate (1)</b>	<b>\$0.002909</b>		750	\$ 2.1818
Jan-12 <b>Actual</b>	15,444	164,364,640		
Feb-12 <b>Actual</b>	13,782	146,661,092		
Mar-12 <b>Actual</b>	14,926	162,036,859		
Apr-12 <b>Actual</b>	13,442	141,925,439		
May-12 <b>Actual</b>	15,049	157,811,911		
Jun-12 <b>Actual</b>	17,795	174,337,670		
Jul-12 <b>2010 Rate</b>	18,673	198,653,739		
Aug-12 <b>2010 Rate</b>	18,692	198,853,552		
Sep-12	501,617	172,436,387		
Oct-12	447,595	153,865,588		
Nov-12	442,270	152,035,094		
Dec-12	491,368	168,912,901		
<b>Total Jan-Dec</b>	<b>\$ 2,010,653</b>	<b>1,991,894,871</b>		
<b>Total Sept-Dec</b>	<b>\$ 1,882,850</b>	<b>647,249,969</b>		

**Notes:**

- (1) 2012 TCR Adjustment Factor is calculated on Exhibit\_\_(BAM-2), Schedule 2.
- (2) 2012 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 2012 State of South Dakota budget sales by calendar month.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

	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
<b>CAPX2020 - Fargo</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	18,884,565	20,162,458	21,643,013	24,292,066	25,529,959	28,922,230	31,176,884	33,860,053	35,912,356	37,903,718	40,355,215	13,758,360	13,758,360
Plus Plant In-Service	635,659	639,110	1,065,309	1,076,880	1,320,558	1,343,487	1,317,418	1,319,959	1,321,724	1,318,343	2,172,525	31,538,130	31,538,130
Less Book Depreciation Reserve	3,308	4,713	6,586	8,937	11,568	14,494	17,417	20,314	23,216	26,117	29,013	60,757	60,757
Less Accum Deferred Taxes	(533)	(24,096)	(45,669)	(60,421)	(83,424)	(110,734)	(142,556)	(176,180)	(214,430)	(255,524)	(299,590)	(13,738)	(13,738)
End Of Month Rate Base	19,517,448	20,820,951	22,747,405	25,420,430	26,922,373	30,361,957	32,619,440	35,335,878	37,425,294	39,451,469	42,798,317	45,249,471	45,249,471
<b>Average Rate Base (BOM/EOM)</b>	<b>18,990,881</b>	<b>20,169,200</b>	<b>21,784,178</b>	<b>24,083,918</b>	<b>26,171,401</b>	<b>28,642,165</b>	<b>31,490,699</b>	<b>33,977,659</b>	<b>36,380,586</b>	<b>38,438,381</b>	<b>41,124,893</b>	<b>44,023,894</b>	<b>30,439,821</b>
<b>Calculation of Return</b>													
Plus Debt Return	46,686	49,583	53,553	59,206	64,338	70,412	77,415	83,528	89,436	94,494	101,099	108,225	897,975
Plus Equity Return	74,856	79,500	85,866	94,931	103,159	112,898	124,126	133,929	143,400	151,511	162,101	173,528	1,439,804
<b>Total Return</b>	<b>121,542</b>	<b>129,083</b>	<b>139,419</b>	<b>154,137</b>	<b>167,497</b>	<b>183,310</b>	<b>201,540</b>	<b>217,457</b>	<b>232,836</b>	<b>246,006</b>	<b>263,199</b>	<b>281,753</b>	<b>2,337,778</b>
<b>Income Statement Items</b>													
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	684	684	684	684	684	684	684	684	684	684	684	684	8,211
Plus Book Depreciation	1,359	1,405	1,873	2,350	2,632	2,926	2,923	2,897	2,902	2,900	2,896	31,744	58,807
Plus Deferred Taxes	(19,353)	(23,563)	(21,573)	(14,751)	(23,003)	(27,310)	(31,822)	(33,624)	(38,250)	(41,094)	(44,066)	285,852	(32,558)
Plus Gross Up for Income Tax	55,443	61,236	63,108	62,656	73,540	82,152	91,727	98,414	107,131	113,723	121,749	(130,041)	800,838
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 RECB 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
<b>Total Income Statement Expense</b>	<b>38,133</b>	<b>39,762</b>	<b>44,093</b>	<b>50,939</b>	<b>53,853</b>	<b>58,452</b>	<b>63,511</b>	<b>68,371</b>	<b>72,468</b>	<b>76,213</b>	<b>81,264</b>	<b>188,239</b>	<b>835,298</b>
<b>Total Revenue Requirements</b>	<b>159,674</b>	<b>168,845</b>	<b>183,512</b>	<b>205,076</b>	<b>221,350</b>	<b>241,762</b>	<b>265,052</b>	<b>285,828</b>	<b>305,303</b>	<b>322,219</b>	<b>344,463</b>	<b>469,992</b>	<b>3,173,077</b>
<b>Total Revenue Requirements RECB Cost Allocation</b>	<b>225,929</b>	<b>238,905</b>	<b>259,657</b>	<b>290,170</b>	<b>313,196</b>	<b>342,078</b>	<b>375,031</b>	<b>404,429</b>	<b>431,985</b>	<b>455,919</b>	<b>487,393</b>	<b>665,009</b>	<b>4,489,701</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>10,927</b>	<b>11,554</b>	<b>12,558</b>	<b>14,034</b>	<b>15,147</b>	<b>16,544</b>	<b>18,138</b>	<b>19,560</b>	<b>20,892</b>	<b>22,050</b>	<b>23,572</b>	<b>32,162</b>	<b>217,139</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 16

Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit (BAM-1), Schedule 1

SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

(2) EL10-015 did not specifically address projects in which the Company's responsibility was greater than its investment. This scenario did not exist for Otter Tail projects and first presented itself in EL10-014 for Xcel. For these types of projects, use of the "split method" could require inclusion of Xcel's total project responsibility in rate base. Staff does not believe the "split method" intended rate base to include more than the Company's investment. The "refined split" method as used in EL12-035 allows all cost-shared projects to be treated equally, with rate base only including the Company's responsibility for its own investment.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Annual
<b>CAPX2020 - Fargo</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	14,710,465	17,545,311	21,646,156	25,860,611	29,983,024	35,266,392	37,230,923	43,012,299	47,713,888	49,827,034	55,493,809	58,776,743	58,776,743
Plus Plant In-Service	32,720,536	33,755,940	33,917,521	33,917,845	33,929,178	34,111,505	34,109,126	34,469,126	35,536,040	39,687,733	39,687,733	39,687,733	39,687,733
Less Book Depreciation Reserve	122,623	186,838	252,125	317,410	382,709	448,219	513,925	579,629	645,332	711,036	776,740	842,443	842,443
Less Accum Deferred Taxes	21,997	58,449	91,336	117,285	135,947	147,149	150,632	145,102	129,417	102,769	64,960	18,774	18,774
End Of Month Rate Base	47,286,380	51,055,964	55,220,217	59,343,761	63,393,546	68,782,530	70,675,492	76,756,694	82,475,178	88,700,962	94,339,843	97,603,259	97,603,259
<b>Average Rate Base (BOM/EOM)</b>	<b>46,267,926</b>	<b>49,171,172</b>	<b>53,138,090</b>	<b>57,281,989</b>	<b>61,368,653</b>	<b>66,088,038</b>	<b>69,729,011</b>	<b>73,716,093</b>	<b>79,615,936</b>	<b>85,588,070</b>	<b>91,520,402</b>	<b>95,971,551</b>	<b>69,121,411</b>
<b>Calculation of Return</b>													
Plus Debt Return	111,043	118,011	127,531	137,477	147,285	158,611	167,350	176,919	191,078	205,411	219,649	230,332	1,990,697
Plus Equity Return	189,313	201,192	217,423	234,379	251,100	270,410	285,308	301,622	325,762	350,198	374,471	392,684	3,393,861
<b>Total Return</b>	<b>300,356</b>	<b>319,203</b>	<b>344,955</b>	<b>371,856</b>	<b>398,385</b>	<b>429,022</b>	<b>452,657</b>	<b>478,540</b>	<b>516,840</b>	<b>555,609</b>	<b>594,120</b>	<b>623,015</b>	<b>5,384,558</b>
<b>Income Statement Items</b>													
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	36,190	36,190	36,190	36,190	36,190	36,190	36,190	36,190	36,190	36,190	36,190	36,190	434,280
Plus Book Depreciation	61,866	64,215	65,287	65,286	65,299	65,510	65,706	65,704	65,704	65,704	65,704	65,704	781,686
Plus Deferred Taxes	35,735	36,451	32,887	25,949	18,662	11,202	3,483	(5,530)	(15,685)	(26,648)	(37,809)	(46,186)	32,512
Plus Gross Up for Income Tax	74,087	79,928	91,459	106,016	120,721	136,956	151,017	166,853	187,797	209,532	231,334	247,694	1,803,394
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 RECB 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
<b>Total Income Statement Expense</b>	<b>207,879</b>	<b>216,784</b>	<b>225,822</b>	<b>233,441</b>	<b>240,872</b>	<b>249,858</b>	<b>256,397</b>	<b>263,217</b>	<b>274,005</b>	<b>284,777</b>	<b>295,419</b>	<b>303,402</b>	<b>3,051,873</b>
<b>Total Revenue Requirements</b>	<b>508,235</b>	<b>535,987</b>	<b>570,777</b>	<b>605,297</b>	<b>639,257</b>	<b>678,879</b>	<b>709,054</b>	<b>741,757</b>	<b>790,846</b>	<b>840,387</b>	<b>889,538</b>	<b>926,418</b>	<b>8,436,431</b>
<b>Total Revenue Requirements RECB Cost Allocation</b>	<b>722,187</b>	<b>761,621</b>	<b>811,057</b>	<b>860,108</b>	<b>908,364</b>	<b>964,667</b>	<b>1,007,545</b>	<b>1,054,015</b>	<b>1,123,768</b>	<b>1,194,164</b>	<b>1,264,008</b>	<b>1,316,412</b>	<b>11,987,916</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>34,577</b>	<b>36,465</b>	<b>38,831</b>	<b>41,180</b>	<b>43,490</b>	<b>46,186</b>	<b>48,239</b>	<b>50,464</b>	<b>53,803</b>	<b>57,174</b>	<b>60,518</b>	<b>63,027</b>	<b>573,953</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 16  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit (BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

(2) EL10-015 did not specifically address projects in which the Company's responsibility was greater than its investment. This scenario did not exist for Otter Tail projects and first presented itself in EL10-014 for Xcel. For these types of projects, use of the "split method" could require inclusion of Xcel's total project responsibility in rate base. Staff does not believe the "split method" intended rate base to include more than the Company's investment. The "refined split" method as used in EL12-035 allows all cost-shared projects to be treated equally, with rate base only including the Company's responsibility for its own investment.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

Exhibit\_\_\_(BAM-2)  
Schedule 5  
Page 1 of 2

	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
<b>CAPX2020 - Brookings</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	17,597,460	17,815,702	18,185,530	18,585,161	19,083,380	19,630,890	20,026,710	21,767,500	22,428,662	23,526,267	25,948,170	28,138,718	28,138,718
Plus Plant In-Service	748,628	748,634	749,039	749,628	749,959	749,959	749,959	751,556	752,528	752,538	1,639,548	1,639,548	1,639,548
Less Book Depreciation Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Accum Deferred Taxes	(263,495)	(292,682)	(323,545)	(352,121)	(386,899)	(424,425)	(462,997)	(500,992)	(540,968)	(582,630)	(627,297)	(676,797)	(676,797)
End Of Month Rate Base	18,609,583	18,857,018	19,258,114	19,686,911	20,220,237	20,805,274	21,239,666	23,020,049	23,722,159	24,861,435	28,215,015	30,455,063	30,455,063
<b>Average Rate Base (BOM/EOM)</b>	18,488,126	18,733,301	19,057,566	19,472,512	19,953,574	20,512,756	21,022,470	22,129,857	23,371,104	24,291,797	26,538,225	29,335,039	21,908,861
<b>Calculation of Return</b>													
Plus Debt Return	45,450	46,053	46,850	47,870	49,053	50,427	51,680	54,403	57,454	59,717	65,240	72,115	646,311
Plus Equity Return	72,874	73,840	75,119	76,754	78,650	80,854	82,864	87,229	92,121	95,750	104,605	115,629	1,036,289
<b>Total Return</b>	118,324	119,893	121,968	124,624	127,703	131,282	134,544	141,631	149,575	155,467	169,845	187,744	1,682,600
<b>Income Statement Items</b>													
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	838	838	838	838	838	838	838	838	838	838	838	838	10,058
Plus Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Deferred Taxes	(26,071)	(29,187)	(30,863)	(28,576)	(34,777)	(37,526)	(38,572)	(37,995)	(39,976)	(41,662)	(44,666)	(49,501)	(439,373)
Plus Gross Up for Income Tax	59,627	62,584	64,583	63,675	69,546	72,882	74,782	76,681	80,865	84,137	91,254	100,971	901,588
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
<b>Total Income Statement Expense</b>	34,394	34,235	34,558	35,938	35,607	36,194	37,048	39,524	41,727	43,313	47,426	52,308	472,274
<b>Total Revenue Requirements</b>	152,718	154,129	156,527	160,562	163,310	167,476	171,592	181,155	191,302	198,781	217,271	240,053	2,154,874
<b>Total Revenue Requirements MVP Cost Allocation</b>	19,294	19,472	19,775	20,285	20,632	21,158	21,678	22,887	24,168	25,113	27,449	30,327	272,240
<b>SD Jurisdictional Revenue Requirement</b>	933	942	956	981	998	1,023	1,048	1,107	1,169	1,215	1,328	1,467	13,167

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 17  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit\_\_\_(BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Annual
<b>CAPX2020 - Brookings</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	29,243,718	32,087,718	34,536,718	38,802,718	44,490,718	50,889,718	61,554,718	71,508,718	85,017,718	99,948,718	116,301,718	136,210,718	136,210,718
Plus Plant In-Service	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548	1,639,548
Less Book Depreciation Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0
Less Accum Deferred Taxes	(731,257)	(789,773)	(853,659)	(924,307)	(1,004,866)	(1,097,436)	(1,206,862)	(1,336,645)	(1,489,616)	(1,670,674)	(1,882,688)	(2,130,595)	(2,130,595)
End Of Month Rate Base	31,614,522	34,517,039	37,029,924	41,366,573	47,135,132	53,626,702	64,401,128	74,484,910	88,146,881	103,258,939	119,823,954	139,980,860	139,980,860
<b>Average Rate Base (BOM/EOM)</b>	<b>31,034,793</b>	<b>33,065,781</b>	<b>35,773,482</b>	<b>39,198,249</b>	<b>44,250,852</b>	<b>50,380,917</b>	<b>59,013,915</b>	<b>69,443,019</b>	<b>81,315,896</b>	<b>95,702,910</b>	<b>111,541,447</b>	<b>129,902,407</b>	<b>65,051,972</b>
<b>Calculation of Return</b>													
Plus Debt Return	74,484	79,358	85,856	94,076	106,202	120,914	141,633	166,663	195,158	229,687	267,699	311,766	1,873,497
Plus Equity Return	126,984	135,294	146,373	160,386	181,060	206,142	241,465	284,138	332,718	391,584	456,390	531,517	3,194,052
<b>Total Return</b>	<b>201,468</b>	<b>214,652</b>	<b>232,230</b>	<b>254,462</b>	<b>287,262</b>	<b>327,056</b>	<b>383,099</b>	<b>450,801</b>	<b>527,876</b>	<b>621,271</b>	<b>724,090</b>	<b>843,283</b>	<b>5,067,549</b>
<b>Income Statement Items</b>													
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	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	1,881	22,577
Plus Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
Plus Deferred Taxes	(54,460)	(58,516)	(63,886)	(70,648)	(80,560)	(92,570)	(109,426)	(129,782)	(152,971)	(181,058)	(212,014)	(247,907)	(1,453,797)
Plus Gross Up for Income Tax	110,984	118,632	128,799	141,635	160,522	183,424	215,632	254,536	298,836	352,509	411,623	480,158	2,857,289
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
<b>Total Income Statement Expense</b>	<b>58,406</b>	<b>61,997</b>	<b>66,795</b>	<b>72,868</b>	<b>81,843</b>	<b>92,735</b>	<b>108,087</b>	<b>126,635</b>	<b>147,747</b>	<b>173,332</b>	<b>201,490</b>	<b>234,132</b>	<b>1,426,068</b>
<b>Total Revenue Requirements</b>	<b>259,873</b>	<b>276,649</b>	<b>299,024</b>	<b>327,330</b>	<b>369,105</b>	<b>419,791</b>	<b>491,186</b>	<b>577,436</b>	<b>675,622</b>	<b>794,603</b>	<b>925,580</b>	<b>1,077,416</b>	<b>6,493,617</b>
<b>Total Revenue Requirements MVP Cost Allocation</b>	<b>32,984</b>	<b>35,113</b>	<b>37,953</b>	<b>41,546</b>	<b>46,848</b>	<b>53,281</b>	<b>62,343</b>	<b>73,290</b>	<b>85,752</b>	<b>100,853</b>	<b>117,477</b>	<b>136,749</b>	<b>824,188</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>1,579</b>	<b>1,681</b>	<b>1,817</b>	<b>1,989</b>	<b>2,243</b>	<b>2,551</b>	<b>2,985</b>	<b>3,509</b>	<b>4,106</b>	<b>4,829</b>	<b>5,625</b>	<b>6,547</b>	<b>39,460</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 17  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit\_\_\_(BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

**Transmission Cost Recovery Rider**  
**TCR Tracker Account Calculation - 2011-2012**  
Split Method as Implemented in EL10-015

	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
<b>CAPX2020 - La Crosse 2</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	10,976,164	11,120,083	11,330,498	11,702,997	11,883,825	12,306,917	12,938,771	13,154,822	13,453,435	13,663,828	13,829,488	14,107,256	14,107,256
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	(170,601)	(189,742)	(209,804)	(229,092)	(251,257)	(274,806)	(296,774)	(318,336)	(340,829)	(363,802)	(386,412)	(408,851)	(408,851)
End Of Month Rate Base	11,146,765	11,309,825	11,540,302	11,932,089	12,135,083	12,581,723	13,235,545	13,473,158	13,794,263	14,027,630	14,215,900	14,516,106	14,516,106
<b>Average Rate Base (BOM/EOM)</b>	<b>11,106,364</b>	<b>11,228,295</b>	<b>11,425,063</b>	<b>11,736,195</b>	<b>12,033,586</b>	<b>12,358,403</b>	<b>12,908,634</b>	<b>13,354,351</b>	<b>13,633,711</b>	<b>13,910,947</b>	<b>14,121,765</b>	<b>14,366,003</b>	<b>12,681,943</b>
<b>Calculation of Return</b>													
Plus Debt Return	27,303	27,603	28,087	28,851	29,583	30,381	31,734	32,829	33,516	34,198	34,716	35,316	374,117
Plus Equity Return	43,778	44,258	45,034	46,260	47,432	48,713	50,882	52,638	53,740	54,832	55,663	56,626	599,856
<b>Total Return</b>	<b>71,081</b>	<b>71,861</b>	<b>73,120</b>	<b>75,112</b>	<b>77,015</b>	<b>79,094</b>	<b>82,615</b>	<b>85,468</b>	<b>87,256</b>	<b>89,030</b>	<b>90,379</b>	<b>91,942</b>	<b>973,973</b>
<b>Income Statement Items</b>													
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	(17,608)	(19,141)	(20,062)	(19,288)	(22,165)	(23,549)	(21,968)	(21,562)	(22,493)	(22,973)	(22,610)	(22,438)	(255,858)
Plus Gross Up for Income Tax	37,342	38,800	39,937	39,992	42,874	44,645	44,577	45,205	46,526	47,490	47,654	48,038	523,078
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 RECB 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
<b>Total Income Statement Expense</b>	<b>19,734</b>	<b>19,658</b>	<b>19,875</b>	<b>20,704</b>	<b>20,708</b>	<b>21,096</b>	<b>22,609</b>	<b>23,643</b>	<b>24,033</b>	<b>24,517</b>	<b>25,043</b>	<b>25,599</b>	<b>267,221</b>
<b>Total Revenue Requirements</b>	<b>90,815</b>	<b>91,519</b>	<b>92,996</b>	<b>95,816</b>	<b>97,723</b>	<b>100,190</b>	<b>105,224</b>	<b>109,111</b>	<b>111,289</b>	<b>113,547</b>	<b>115,423</b>	<b>117,542</b>	<b>1,241,194</b>
<b>Total Revenue Requirements RECB Cost Allocation</b>	<b>67,989</b>	<b>68,517</b>	<b>69,622</b>	<b>71,734</b>	<b>73,162</b>	<b>75,008</b>	<b>78,777</b>	<b>81,687</b>	<b>83,318</b>	<b>85,008</b>	<b>86,413</b>	<b>87,999</b>	<b>929,236</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>3,288</b>	<b>3,314</b>	<b>3,367</b>	<b>3,469</b>	<b>3,538</b>	<b>3,628</b>	<b>3,810</b>	<b>3,951</b>	<b>4,030</b>	<b>4,111</b>	<b>4,179</b>	<b>4,256</b>	<b>44,941</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 18b  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit (BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Annual
<b>CAPX2020 - La Crosse 2</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	14,348,899	14,707,560	14,981,350	15,379,133	15,787,743	16,444,396	17,069,336	17,740,582	19,164,919	19,047,952	20,066,876	15,446,993	15,446,993
Plus Plant In-Service	0	0	0	0	0	0	0	0	0	1,729,896	1,729,896	7,354,370	7,354,370
Less Book Depreciation Reserve	0	0	0	0	0	0	0	0	0	0	0	6,204	6,204
Less Accum Deferred Taxes	(436,195)	(464,260)	(493,078)	(522,691)	(553,158)	(584,662)	(617,413)	(651,434)	(686,890)	(724,080)	(763,314)	(677,519)	(677,519)
End Of Month Rate Base	14,785,094	15,171,819	15,474,428	15,901,823	16,340,901	17,029,057	17,686,748	18,392,016	19,851,809	21,501,927	22,560,085	23,472,679	23,472,679
<b>Average Rate Base (BOM/EOM)</b>	<b>14,650,600</b>	<b>14,978,457</b>	<b>15,323,124</b>	<b>15,688,126</b>	<b>16,121,362</b>	<b>16,684,979</b>	<b>17,357,903</b>	<b>18,039,382</b>	<b>19,121,912</b>	<b>20,676,868</b>	<b>22,031,006</b>	<b>23,016,382</b>	<b>17,807,508</b>
<b>Calculation of Return</b>													
Plus Debt Return	35,161	35,948	36,775	37,652	38,691	40,044	41,659	43,295	45,893	49,624	52,874	55,239	512,856
Plus Equity Return	59,945	61,287	62,697	64,191	65,963	68,269	71,023	73,811	78,240	84,603	90,144	94,175	874,349
<b>Total Return</b>	<b>95,107</b>	<b>97,235</b>	<b>99,473</b>	<b>101,842</b>	<b>104,655</b>	<b>108,313</b>	<b>112,682</b>	<b>117,106</b>	<b>124,133</b>	<b>134,227</b>	<b>143,018</b>	<b>149,415</b>	<b>1,387,205</b>
<b>Income Statement Items</b>													
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	6,204	6,204
Plus Deferred Taxes	(27,345)	(28,064)	(28,819)	(29,612)	(30,468)	(31,504)	(32,751)	(34,021)	(35,456)	(37,189)	(39,234)	85,795	(268,669)
Plus Gross Up for Income Tax	53,672	54,957	56,307	57,732	59,356	61,408	63,867	66,362	69,870	74,651	79,235	(16,400)	681,016
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 RECB 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
<b>Total Income Statement Expense</b>	<b>26,327</b>	<b>26,893</b>	<b>27,488</b>	<b>28,120</b>	<b>28,888</b>	<b>29,904</b>	<b>31,116</b>	<b>32,341</b>	<b>34,413</b>	<b>37,462</b>	<b>40,000</b>	<b>75,598</b>	<b>418,551</b>
<b>Total Revenue Requirements</b>	<b>121,434</b>	<b>124,128</b>	<b>126,961</b>	<b>129,962</b>	<b>133,543</b>	<b>138,218</b>	<b>143,797</b>	<b>149,446</b>	<b>158,546</b>	<b>171,689</b>	<b>183,018</b>	<b>225,013</b>	<b>1,805,756</b>
<b>Total Revenue Requirements RECB Cost Allocation</b>	<b>90,927</b>	<b>92,944</b>	<b>95,065</b>	<b>97,312</b>	<b>99,994</b>	<b>103,494</b>	<b>107,672</b>	<b>111,902</b>	<b>118,716</b>	<b>128,557</b>	<b>137,040</b>	<b>168,484</b>	<b>1,352,108</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>4,353</b>	<b>4,450</b>	<b>4,552</b>	<b>4,659</b>	<b>4,787</b>	<b>4,955</b>	<b>5,155</b>	<b>5,358</b>	<b>5,684</b>	<b>6,155</b>	<b>6,561</b>	<b>8,067</b>	<b>64,736</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 18b  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit (BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

	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
<b>CAPX2020 - Bemidji</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	6,703,711	5,575,335	6,544,945	8,440,702	7,738,279	8,087,884	9,505,314	11,496,488	12,084,644	13,179,534	15,153,352	18,670,295	18,670,295
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	(56,176)	(66,525)	(77,141)	(89,090)	(104,431)	(120,145)	(137,668)	(157,609)	(180,282)	(203,563)	(223,182)	(251,598)	(251,598)
End Of Month Rate Base	6,759,887	5,641,860	6,622,086	8,529,791	7,842,710	8,208,028	9,642,982	11,654,097	12,264,926	13,383,097	15,376,534	18,921,893	18,921,893
<b>Average Rate Base (BOM/EOM)</b>	<b>5,930,839</b>	<b>6,200,873</b>	<b>6,131,973</b>	<b>7,575,939</b>	<b>8,186,251</b>	<b>8,025,369</b>	<b>8,925,505</b>	<b>10,648,540</b>	<b>11,959,512</b>	<b>12,824,012</b>	<b>14,379,816</b>	<b>17,149,213</b>	<b>9,828,153</b>
<b>Calculation of Return</b>													
Plus Debt Return	14,580	15,244	15,074	18,624	20,125	19,729	21,942	26,178	29,400	31,526	35,350	42,158	289,931
Plus Equity Return	23,377	24,442	24,170	29,862	32,267	31,633	35,181	41,973	47,140	50,548	56,680	67,596	464,872
<b>Total Return</b>	<b>37,957</b>	<b>39,686</b>	<b>39,245</b>	<b>48,486</b>	<b>52,392</b>	<b>51,362</b>	<b>57,123</b>	<b>68,151</b>	<b>76,541</b>	<b>82,074</b>	<b>92,031</b>	<b>109,755</b>	<b>754,802</b>
<b>Income Statement Items</b>													
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	(8,957)	(10,349)	(10,616)	(11,948)	(15,342)	(15,714)	(17,523)	(19,942)	(22,673)	(23,281)	(19,618)	(28,416)	(204,379)
Plus Gross Up for Income Tax	19,592	21,254	21,317	25,423	29,372	29,321	32,647	38,195	43,113	45,424	45,861	58,619	410,139
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 RECB 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
<b>Total Income Statement Expense</b>	<b>10,635</b>	<b>10,905</b>	<b>10,700</b>	<b>13,475</b>	<b>14,030</b>	<b>13,608</b>	<b>15,124</b>	<b>18,253</b>	<b>20,440</b>	<b>22,143</b>	<b>26,243</b>	<b>30,203</b>	<b>205,759</b>
<b>Total Revenue Requirements</b>	<b>48,593</b>	<b>50,590</b>	<b>49,945</b>	<b>61,961</b>	<b>66,422</b>	<b>64,970</b>	<b>72,247</b>	<b>86,404</b>	<b>96,981</b>	<b>104,216</b>	<b>118,274</b>	<b>139,958</b>	<b>960,562</b>
<b>Total Revenue Requirements RECB Cost Allocation</b>	<b>77,466</b>	<b>80,650</b>	<b>79,622</b>	<b>98,777</b>	<b>105,889</b>	<b>103,574</b>	<b>115,175</b>	<b>137,744</b>	<b>154,606</b>	<b>166,140</b>	<b>188,551</b>	<b>223,119</b>	<b>1,531,315</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>3,747</b>	<b>3,901</b>	<b>3,851</b>	<b>4,777</b>	<b>5,121</b>	<b>5,009</b>	<b>5,570</b>	<b>6,662</b>	<b>7,477</b>	<b>8,035</b>	<b>9,119</b>	<b>10,791</b>	<b>74,060</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 19  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit (BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

(2) EL10-015 did not specifically address projects in which the Company's responsibility was greater than its investment. This scenario did not exist for Otter Tail projects and first presented itself in EL10-014 for Xcel. For these types of projects, use of the "split method" could require inclusion of Xcel's total project responsibility in rate base. Staff does not believe the "split method" intended rate base to include more than the Company's investment. The "refined split" method as used in EL12-035 allows all cost-shared projects to be treated equally, with rate base only including the Company's responsibility for its own investment.

Transmission Cost Recovery Rider  
TCR Tracker Account Calculation - 2011-2012  
Split Method as Implemented in EL10-015

	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Annual
<b>CAPX2020 - Bemidji</b>													
<b>Rate Base</b>													
Plus CWIP Ending Balance	18,512,193	20,857,178	22,940,315	24,860,783	26,409,664	27,495,080	28,841,730	29,739,503	30,008,543	30,206,935	30,369,689	386,109	386,109
Plus Plant In-Service	1,504,511	1,543,291	1,809,298	1,946,051	1,876,116	1,764,867	1,686,079	1,681,066	1,685,024	1,688,982	1,692,940	32,045,015	32,045,015
Less Book Depreciation Reserve	0	0	0	0	0	0	0	0	0	0	0	33,613	33,613
Less Accum Deferred Taxes	(285,886)	(324,154)	(367,247)	(414,395)	(465,104)	(518,587)	(574,663)	(633,163)	(693,062)	(753,693)	(814,958)	(193,962)	(193,962)
End Of Month Rate Base	20,302,589	22,724,622	25,116,859	27,221,228	28,750,883	29,778,533	31,102,471	32,053,731	32,386,628	32,649,609	32,877,586	32,591,473	32,591,473
<b>Average Rate Base (BOM/EOM)</b>	<b>19,612,241</b>	<b>21,513,606</b>	<b>23,920,740</b>	<b>26,169,043</b>	<b>27,986,055</b>	<b>29,264,708</b>	<b>30,440,502</b>	<b>31,578,101</b>	<b>32,220,179</b>	<b>32,518,118</b>	<b>32,763,598</b>	<b>32,734,530</b>	<b>28,393,452</b>
<b>Calculation of Return</b>													
Plus Debt Return	47,069	51,633	57,410	62,806	67,167	70,235	73,057	75,787	77,328	78,043	78,633	78,563	817,731
Plus Equity Return	80,247	88,027	97,876	107,075	114,510	119,741	124,552	129,207	131,834	133,053	134,058	133,939	1,394,118
<b>Total Return</b>	<b>127,316</b>	<b>139,659</b>	<b>155,285</b>	<b>169,881</b>	<b>181,676</b>	<b>189,977</b>	<b>197,610</b>	<b>204,995</b>	<b>209,163</b>	<b>211,097</b>	<b>212,690</b>	<b>212,502</b>	<b>2,211,850</b>
<b>Income Statement Items</b>													
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	33,613	33,613
Plus Deferred Taxes	(34,288)	(38,268)	(43,093)	(47,148)	(50,709)	(53,483)	(56,076)	(58,500)	(59,899)	(60,631)	(61,265)	620,996	57,635
Plus Gross Up for Income Tax	70,036	77,339	86,417	94,543	101,332	106,320	110,939	115,342	117,851	119,081	120,117	(413,582)	705,736
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 RECB 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
<b>Total Income Statement Expense</b>	<b>35,748</b>	<b>39,071</b>	<b>43,324</b>	<b>47,395</b>	<b>50,623</b>	<b>52,837</b>	<b>54,863</b>	<b>56,842</b>	<b>57,952</b>	<b>58,449</b>	<b>58,852</b>	<b>241,028</b>	<b>796,985</b>
<b>Total Revenue Requirements</b>	<b>163,064</b>	<b>178,730</b>	<b>198,610</b>	<b>217,276</b>	<b>232,300</b>	<b>242,814</b>	<b>252,473</b>	<b>261,836</b>	<b>267,115</b>	<b>269,546</b>	<b>271,542</b>	<b>453,529</b>	<b>3,008,835</b>
<b>Total Revenue Requirements RECB Cost Allocation</b>	<b>262,540</b>	<b>287,763</b>	<b>319,770</b>	<b>349,823</b>	<b>374,012</b>	<b>390,940</b>	<b>406,492</b>	<b>421,568</b>	<b>430,066</b>	<b>433,980</b>	<b>437,195</b>	<b>730,201</b>	<b>4,844,349</b>
<b>SD Jurisdictional Revenue Requirement</b>	<b>12,570</b>	<b>13,777</b>	<b>15,310</b>	<b>16,749</b>	<b>17,907</b>	<b>18,717</b>	<b>19,462</b>	<b>20,184</b>	<b>20,591</b>	<b>20,778</b>	<b>20,932</b>	<b>34,960</b>	<b>231,936</b>

**SOURCES:**

Total Revenue Requirements: Settlement Stipulation Attachment 19  
Total Revenue Requirements RECB Cost Allocation: Total Revenue Requirements \* Responsibility % / Investment % (See Exhibit (BAM-1), Schedule 1  
SD Jurisdictional Revenue Requirement: Total Revenue Requirements RECB Cost Allocation \* Transmission Demand Allocator

**NOTES:**

(1) In EL10-015, the settlement included in SD rate base all of the Company's responsibility of the entire project cost. The difference between the split method and the refined split method lies in the return allowed on the Company's responsibility for others' investment. The Company is charged Schedule 26 expenses at the FERC return through MISO for its responsibility in others' investment. Under the split method, the Company is not allowed to earn the FERC return on these charges, only the SD return. Since the Company did not invest in this portion of the project, the charges allocated to it due to its responsibility level in MISO are simply a cost of membership in MISO. Staff and Xcel agree the state rate making approach cannot decrease the return Xcel is allowed on charges from other MISO members and should not deny the utility its right to recover that return. Therefore, the refined split method only includes in SD rate base the Company's responsibility for its own investment.

(2) EL10-015 did not specifically address projects in which the Company's responsibility was greater than its investment. This scenario did not exist for Otter Tail projects and first presented itself in EL10-014 for Xcel. For these types of projects, use of the "split method" could require inclusion of Xcel's total project responsibility in rate base. Staff does not believe the "split method" intended rate base to include more than the Company's investment. The "refined split" method as used in EL12-035 allows all cost-shared projects to be treated equally, with rate base only including the Company's responsibility for its own investment.

Northern States Power Company, a Minnesota corporation - Electric (State of South Dakota)  
**Transmission Cost Recovery Rider**  
 Split Method as Implemented in EL10-015

Exhibit\_\_\_(BAM-2)  
 Schedule 8

TCR Projected Tracker Activity for 2011														
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
Beg Balance	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	2011 Total	
Project 1 - 825 Wind Main Project (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 2 - Yankee Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 3 - Fenton Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 4 - Series Capacitor Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 5 - Nobles Co Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 6 - Rock Co Collector Stn (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 7 - BRIGO (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Project 8 - Chisago Apple River (1)	20,612	20,660	20,860	21,021	21,737	22,345	22,167	22,062	21,978	21,873	21,757	21,646	258,718	
Project 9 - CAPX2020 - Fargo (2)	10,927	11,554	12,558	14,034	15,147	16,544	18,138	19,560	20,892	22,050	23,572	32,162	217,139	
Project 10 - CAPX2020 - Brookings (3)	933	942	956	981	998	1,023	1,048	1,107	1,169	1,215	1,328	1,467	13,167	
Project 11 - CAPX2020 - La Crosse 1 (1)	-	-	-	1	2	3	4	5	5	5	5	5	34	
Project 11 - CAPX2020 - La Crosse 2 (4)	3,288	3,314	3,367	3,469	3,538	3,628	3,810	3,951	4,030	4,111	4,179	4,256	44,941	
Project 12 - CAPX2020 - Bemidji (5)	3,747	3,901	3,851	4,777	5,121	5,009	5,570	6,662	7,477	8,035	9,119	10,791	74,060	
Project 13 - North Mankato (1)	18	58	(134)	(126)	(118)	772	1,369	1,484	1,487	1,455	1,511	1,551	9,329	
Project 14 - Blue Lake / Wilmarth (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	
RECB Schedule 26 (6)	(2,063)	7,824	51,500	(4,112)	5,318	9,884	8,133	(1,967)	4,070	1,375	(3,355)	2,128	78,735	
<b>Subtotal Transmission Statute Projects</b>	-	<b>37,462</b>	<b>48,254</b>	<b>92,959</b>	<b>40,045</b>	<b>51,743</b>	<b>59,208</b>	<b>60,240</b>	<b>52,863</b>	<b>61,108</b>	<b>60,119</b>	<b>58,116</b>	<b>74,006</b>	<b>696,123</b>
Revenue Requirement in Base Rates (7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TCR True-up Carryover (8)	(41,316)	-	-	-	-	-	-	-	-	-	-	-	-	(41,316)
<b>Total Expense (9)</b>	<b>\$ (41,316)</b>	<b>\$ (3,855)</b>	<b>\$ 48,254</b>	<b>\$ 92,959</b>	<b>\$ 40,045</b>	<b>\$ 51,743</b>	<b>\$ 59,208</b>	<b>\$ 60,240</b>	<b>\$ 52,863</b>	<b>\$ 61,108</b>	<b>\$ 60,119</b>	<b>\$ 58,116</b>	<b>\$ 74,006</b>	<b>\$ 654,807</b>
Revenues (10)		16,788	13,824	15,286	13,393	14,683	15,802	20,770	18,842	15,380	14,420	14,020	15,629	\$ 188,837
Expenses Less Revenues (11)	(41,316)	(20,643)	34,430	77,673	26,652	37,060	43,406	39,470	34,021	45,729	45,699	44,096	58,377	465,969
Balance before Carrying Charge (12)		(20,643)	13,619	91,402	118,799	156,827	201,511	242,622	278,619	326,618	374,978	422,129	483,945	\$ 465,969
Carrying Charge (13)		(168,176)	111	745	968	1,278	1,642	1,977	2,270	2,661	3,055	3,439	3,943	\$ 21,919
<b>Ending Balance (14)</b>	<b>(41,316)</b>	<b>(20,811)</b>	<b>13,730</b>	<b>92,147</b>	<b>119,767</b>	<b>158,105</b>	<b>203,152</b>	<b>244,599</b>	<b>280,889</b>	<b>329,279</b>	<b>378,033</b>	<b>425,568</b>	<b>487,888</b>	<b>\$ 487,888</b>

Notes:

- (1) Projects 1-8, 11(La Crosse 1), and 13-14: Settlement Stipulation Attachment 32
- (2) Revenue Requirements calculated for Project 9 on Exhibit\_\_\_(BAM-2), Schedule 4
- (3) Revenue Requirements calculated for Project 10 on Exhibit\_\_\_(BAM-2), Schedule 5
- (4) Revenue Requirements calculated for Project 11 (La Crosse 2) on Exhibit\_\_\_(BAM-2), Schedule 6
- (5) Revenue Requirements calculated for Project 12 on Exhibit\_\_\_(BAM-2), Schedule 7
- (6) Revenue Requirements calculated for RECB - Schedule 26 on Exhibit\_\_\_(BAM-2), Schedule 9
- (7) There are no Revenue Requirements in Base Rates
- (8) See Settlement Stipulation Attachment 34 for the calculation of the TCR True-up Carryover.
- (9) Total Expense represents the total TCR revenue requirements for 2011.
- (10) See Settlement Stipulation Attachment 32
- (11) 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.
- (12) Balance before carrying charge for the month.
- (13) Carrying Charge
- (14) Balance is the amount under (over) collected or the difference between the total revenue requirements and the amount of revenue received from customers under this rider, including the carrying charge.

TCR RECB Schedule Detail  
Split Method as Implemented in EL10-015

Exhibit\_\_\_(BAM-2)  
Schedule 9

2011 Revenue Requirement		Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Actual Total				
Expense		633,852	1,114,629	2,038,539	916,564	1,030,440	1,429,692	1,583,823	1,347,427	1,371,365	1,035,001	942,551	1,059,954	14,503,835				
Revenue		(551,534)	(784,060)	(801,596)	(825,073)	(756,834)	(1,013,344)	(1,173,500)	(1,150,305)	(1,065,414)	(829,270)	(833,766)	(837,156)	(10,621,852)				
MTEP #	Description	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Actual Oct	Actual Nov	Actual Dec	Actual Total	Revenues to Ratepayers	% Revenue to Ratepayers	2011 Rev to Projects	2011 Attachment GG
1366	Yankee (Colvill) Gen Station	(65,665)	(93,349)	(95,437)	(98,232)	(90,108)	(120,647)	(139,715)	(136,954)	(126,847)	(98,732)	(99,267)	(99,671)	(1,264,623)	100.00%	(1,264,623)	(1,203,903)	
1456	Cannon Falls	(32,431)	(46,103)	(47,134)	(48,515)	(44,502)	(59,585)	(69,003)	(67,639)	(62,647)	(48,762)	(49,026)	(49,225)	(624,572)	100.00%	(624,572)	(594,584)	
1457	Nobles Gen Station	(42,950)	(61,057)	(62,423)	(64,251)	(58,937)	(78,913)	(91,385)	(89,578)	(82,968)	(64,578)	(64,928)	(65,192)	(827,161)	100.00%	(827,161)	(787,445)	
1953	St. Cloud / Sauk River	(73,717)	(104,796)	(107,140)	(110,278)	(101,157)	(135,442)	(156,849)	(153,748)	(142,402)	(110,839)	(111,440)	(111,893)	(1,419,703)	100.00%	(1,419,703)	(1,351,537)	
279	Bemidji	(94,474)	(134,303)	(137,307)	(141,329)	(129,640)	(173,578)	(201,011)	(197,038)	(182,497)	(142,047)	(142,818)	(143,398)	(1,819,441)	159.42%	(1,141,297)	(1,086,499)	
286	Twin Cities - Fargo	(291,010)	(413,699)	(422,951)	(435,338)	(399,333)	(534,677)	(619,181)	(606,943)	(562,151)	(437,553)	(439,925)	(441,714)	(5,604,477)	141.49%	(3,960,940)	(3,770,758)	
1024	Twin Cities - Rochester	(49,579)	(70,481)	(72,058)	(74,168)	(68,034)	(91,092)	(105,489)	(103,404)	(95,773)	(74,545)	(74,949)	(75,254)	(954,827)	74.87%	(1,275,376)	(1,214,140)	
1458	G349 37774-01 Upgrades for G349	(4,423)	(6,288)	(6,429)	(6,617)	(6,070)	(8,127)	(9,412)	(9,226)	(8,545)	(6,651)	(6,687)	(6,714)	(85,191)	100.00%	(85,191)	(81,100)	
2765	Ulik Wind Farm (G185)	(1,194)	(1,697)	(1,735)	(1,786)	(1,638)	(2,193)	(2,540)	(2,490)	(2,306)	(1,795)	(1,805)	(1,812)	(22,989)	100.00%	(22,989)	(21,885)	
<b>Split Method Allocation of Revenues</b>		<b>(655,442)</b>	<b>(931,775)</b>	<b>(952,615)</b>	<b>(980,514)</b>	<b>(899,420)</b>	<b>(1,204,256)</b>	<b>(1,394,585)</b>	<b>(1,367,020)</b>	<b>(1,266,136)</b>	<b>(985,502)</b>	<b>(990,846)</b>	<b>(994,874)</b>	<b>(12,622,984)</b>			<b>(10,621,852)</b>	<b>(10,111,851)</b>

Total 2011 Rev Requirement	(21,590)	182,854	1,085,924	(63,950)	131,020	225,436	189,238	(19,593)	105,229	49,499	(48,295)	65,080	1,880,852
Demand Allocator - State of SD Jur.	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%	4.8364%
<b>State of SD Rev. Requirements</b>	<b>(1,044)</b>	<b>8,843</b>	<b>52,519</b>	<b>(3,093)</b>	<b>6,337</b>	<b>10,903</b>	<b>9,152</b>	<b>(948)</b>	<b>5,089</b>	<b>2,394</b>	<b>(2,336)</b>	<b>3,148</b>	<b>90,965</b>
<b>Less RECB in Base Rates</b>	<b>(1,019)</b>	<b>(12,230)</b>											
<b>Net State of SD Rev. Requirements</b>	<b>(2,063)</b>	<b>7,824</b>	<b>51,500</b>	<b>(4,112)</b>	<b>5,318</b>	<b>9,884</b>	<b>8,133</b>	<b>(1,967)</b>	<b>4,070</b>	<b>1,375</b>	<b>(3,355)</b>	<b>2,128</b>	<b>78,735</b>

RECB Expense 2012		Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Total
Schedule 26		2,040,702	1,829,768	1,934,359	1,721,982	2,246,834	2,704,813	2,920,470	2,795,615	2,536,710	1,940,921	2,098,924	2,228,709	26,999,807
Schedule 26A		154,398	117,149	130,631	118,623	125,321	139,873	162,437	155,493	141,092	107,954	116,743	123,961	1,593,675
<b>Net RECB Expense</b>		<b>2,195,100</b>	<b>1,946,917</b>	<b>2,064,990</b>	<b>1,840,605</b>	<b>2,372,156</b>	<b>2,844,686</b>	<b>3,082,907</b>	<b>2,951,108</b>	<b>2,677,803</b>	<b>2,048,875</b>	<b>2,215,666</b>	<b>2,352,670</b>	<b>28,593,482</b>

RECB Revenue 2012		Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Total
Schedule 26		(1,151,535)	(1,268,224)	(1,480,343)	(1,214,309)	(1,639,460)	(1,421,499)	(1,840,801)	(1,663,350)	(1,746,302)	(1,328,017)	(1,266,601)	(1,881,612)	(17,902,052)
Schedule 26A		(757,703)	(653,002)	(666,597)	(599,410)	(635,215)	(710,593)	(924,411)	(852,695)	(697,572)	(666,024)	(683,360)	(725,636)	(8,572,217)

MTEP #	Description	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Total	Revenues to Ratepayers	% Revenue to Ratepayers	2012 Rev to Projects	2012 Attachment GG
1366	Yankee (Colvill) Gen Station	(64,509)	(71,046)	(82,929)	(68,025)	(91,842)	(79,632)	(103,121)	(93,181)	(97,827)	(74,395)	(70,955)	(105,408)	(1,002,869)	100.00%	(1,002,869)	(984,911)	
1456	Cannon Falls	(31,859)	(35,087)	(40,956)	(33,596)	(45,358)	(39,328)	(50,928)	(46,019)	(48,314)	(36,742)	(35,042)	(52,058)	(495,286)	100.00%	(495,286)	(486,417)	
1457	Nobles Gen Station	(49,508)	(54,525)	(63,645)	(52,207)	(70,486)	(61,115)	(79,142)	(71,513)	(75,079)	(57,096)	(54,455)	(80,897)	(769,669)	100.00%	(769,669)	(755,886)	
1953	St. Cloud / Sauk River	(85,475)	(94,136)	(109,881)	(90,134)	(121,692)	(105,513)	(136,637)	(123,465)	(129,622)	(98,574)	(94,016)	(139,666)	(1,328,811)	100.00%	(1,328,811)	(1,305,016)	
279	Bemidji	(391,036)	(430,662)	(502,693)	(412,353)	(556,725)	(482,710)	(625,096)	(564,838)	(593,006)	(450,966)	(430,110)	(638,955)	(6,079,150)	161.00%	(3,775,772)	(3,708,158)	
286	Twin Cities - Fargo	(739,077)	(813,970)	(950,112)	(779,366)	(1,052,236)	(912,345)	(1,181,460)	(1,067,569)	(1,120,809)	(852,347)	(812,928)	(1,207,654)	(11,489,874)	142.10%	(8,085,936)	(7,941,138)	
1024	Twin Cities - Rochester	(111,475)	(122,771)	(143,306)	(117,552)	(158,709)	(137,609)	(178,200)	(161,022)	(169,052)	(128,560)	(122,614)	(182,151)	(1,733,022)	74.88%	(2,314,471)	(2,273,025)	
1458	G349 37774-01 Upgrades for G349	(5,569)	(6,133)	(7,159)	(5,872)	(7,928)	(6,874)	(8,902)	(8,044)	(8,445)	(6,422)	(6,125)	(9,099)	(86,574)	100.00%	(86,574)	(85,023)	
2765	Ulik Wind Farm (G185)	(2,744)	(3,022)	(3,528)	(2,894)	(3,907)	(3,388)	(4,387)	(3,964)	(4,162)	(3,165)	(3,018)	(4,484)	(42,663)	100.00%	(42,663)	(41,899)	
<b>Split Method Allocation of Revenues</b>		<b>(1,481,252)</b>	<b>(1,631,353)</b>	<b>(1,904,207)</b>	<b>(1,562,000)</b>	<b>(2,108,884)</b>	<b>(1,828,514)</b>	<b>(2,367,874)</b>	<b>(2,139,614)</b>	<b>(2,246,318)</b>	<b>(1,708,267)</b>	<b>(1,629,265)</b>	<b>(2,420,371)</b>	<b>(23,027,918)</b>			<b>(17,902,052)</b>	<b>(17,581,473)</b>

MTEP #	Description	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Forecast Jul	Forecast Aug	Forecast Sep	Forecast Oct	Forecast Nov	Forecast Dec	Forecast Total	Revenues to Ratepayers	% Revenue to Ratepayers	2012 Rev to Projects	2012 Attachment MM
1203	Brookings-MVP	(96,170)	(82,881)	(84,606)	(76,079)	(80,623)	(90,191)	(117,329)	(108,226)	(88,538)	(84,534)	(86,734)	(92,100)	(1,088,010)	12.69%	(8,572,217)	(8,876,452)	
<b>Net Split Method Allocation of Revenues</b>		<b>(1,577,422)</b>	<b>(1,714,234)</b>	<b>(1,988,814)</b>	<b>(1,638,079)</b>	<b>(2,189,507)</b>	<b>(1,918,705)</b>	<b>(2,485,203)</b>	<b>(2,247,841)</b>	<b>(2,334,855)</b>	<b>(1,792,800)</b>	<b>(1,715,999)</b>	<b>(2,512,471)</b>	<b>(24,115,929)</b>				
Total 2012 Rev Requirement		617,679	232,684	76,176	202,527	182,648	925,981	597,704	703,267	342,947	256,075	499,668	(159,801)	4,477,554				
Demand Allocator - State of SD Jur.		4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%	4.7878%				
<b>State of SD Rev. Requirements</b>		<b>29,573</b>	<b>11,140</b>	<b>3,647</b>	<b>9,696</b>	<b>8,745</b>	<b>44,334</b>	<b>28,617</b>	<b>33,671</b>	<b>16,419</b>	<b>12,260</b>	<b>23,923</b>	<b>(7,651)</b>	<b>214,375</b>				

2010 Transmission Demand Allocator		Total	Minnesota Company	Minnesota	N Dakota	S Dakota	Wholesale	WI Co
36 Month Coin Peak Demand - 2010 Billings		100.0000%	83.6422%					16.3578%
12 Month Jurisdictional Demand - 2010 Actual		100.0000%		87.9815%	5.5779%	5.5961%	0.8445%	
2010 State of MN Transmission Demand Factor						4.6807%		
2011 Transmission Demand Allocator		Total	Minnesota Company	Minnesota	N Dakota	S Dakota	Wholesale	WI Co
36 Month Coin Peak Demand - 2011 Billings		100.0000%	83.8019%					16.1981%
12 Month Jurisdictional Demand - 2011 Actual		100.0000%		88.3621%	5.7511%	5.7712%	0.1156%	
2011 State of MN Transmission Demand Factor						4.8364%		
2012 Transmission Demand Allocator		Total	Minnesota Company	Minnesota	N Dakota	S Dakota	Wholesale	WI Co
36 Month Coin Peak Demand - 2012 Billings		100.0000%	83.9899%					16.0101%
12 Month Jurisdictional Demand - 2012 Budget		100.0000%		88.3762%	5.8349%	5.7004%	0.0885%	
2011 State of MN Transmission Demand Factor						4.7878%		

**Sources:**  
 % Revenue to Ratepayers: Responsibility % / Investment % (See Exhibit\_\_\_(BAM-1), Schedule 1  
 Revenues to Ratepayers per month: Project Attachment GG / Total Attachment GG \* Monthly Schedule 26 Revenue \* % Revenue to Ratepayers  
 Total Revenue Requirement = Schedule 26 Expenses + Allocated Schedule 26 Revenues