

Nothern States Power Company Minnesota - South Dakota
 Cost of Capital
 13 Month Average for 2011 : Proposed Cost of Capital
 (\$000's)

Docket No. EL12-____
 Statement G
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Line No	(A) Description	(B) Amount	(C) Percentage Of Total	(D) Cost	(E) Weighted Cost
1	Long Term Debt a)	3,286,352	47.11%	6.12%	2.88%
2	Common Equity b)	3,690,284	52.89%	10.65%	5.63%
		<u>6,976,636</u>	<u>100.00%</u>		<u>8.51%</u>

Footnotes:

- a) Cost of Long Term Debt adjusted for Becker Bonds.
- b) Adjusted to remove non-regulated subsidiary UP&L.

Line No	(A) Description	(B) Amount	(C) Percentage Of Total	(D) Cost	(E) Weighted Cost
1	Long Term Debt (1)	3,346,910,310	47.33%	6.03%	2.85%
2	Common Equity (2)	3,724,776,000	52.67%	10.65%	5.61%
		<u>7,071,686,310</u>	<u>100.00%</u>		<u>8.46%</u>

3 (1) Statement G, Page 3, Annualized Cost

4	(2) Common Equity				
5	Common Stock Issued		10,000		
6	Additional Paid In Capital		2,366,391,000		
7	Retained Earnings		1,372,727,000		
8	Accumulated Other Comprehensive Income		(14,352,000)		
9	Total Common Stockholders Equity*		<u>3,724,776,000</u>		

*Includes Un-Regulated Subsidiaries 891,351

Source: NSPM 12/31/2011 10K

	(A)	(B)	(C)	(E)	(D)	(F)	(G)	(H)	(I)	(J)	(K)
Line No	Title	Issue	Maturity	Interest Rate	Amount Issued	Net Proceeds	Per Unit	Yield To Maturity	Cost of Money	Principal Outstanding	Annual Cost
Long Term Debt											
<u>First Mortgage Bonds</u>											
1	Series due August 28, 2012	8/8/2002	8/28/2012	8.000%	450,000,000	444,313,265	98.74	8.18511%	8.10%	450,000,000	36,460,762
2	Series due July 21, 2025	7/7/1995	7/1/2025	7.125%	250,000,000	245,771,667	98.31	7.26409%	7.25%	250,000,000	18,118,952
3	Series due March 1, 2028	3/11/1998	3/1/2028	6.500%	150,000,000	146,764,115	97.84	6.66703%	6.64%	150,000,000	9,964,970
4	Series due July 15, 2035	7/21/2005	7/15/2035	5.250%	250,000,000	246,482,886	98.59	5.34458%	5.32%	250,000,000	13,312,283
5	Series due June 1, 2036	5/25/2006	6/1/2036	6.250%	400,000,000	409,921,275	102.48	6.06935%	6.10%	400,000,000	24,394,928
6	Series due July 1, 2037	6/26/2007	7/1/2037	6.200%	350,000,000	345,569,157	98.73	6.29428%	6.28%	350,000,000	21,978,235
7	Series due March 1, 2018	3/18/2008	3/1/2018	5.250%	500,000,000	488,497,492	97.70	5.55359%	5.37%	500,000,000	26,868,101
8	Series due November 1, 2039	11/17/2009	11/1/2039	5.350%	300,000,000	292,067,479	97.36	5.53150%	5.50%	300,000,000	16,485,916
9	Series Due August 15, 2015	8/11/2010	8/15/2015	1.950%	250,000,000	247,170,854	98.87	2.18965%	1.97%	250,000,000	4,930,800
10	Series Due August 15, 2040	8/11/2010	8/15/2040	4.850%	250,000,000	246,273,354	98.51	4.94580%	4.92%	250,000,000	12,308,477
<u>Pollution Control Bonds</u>											
11	Becker (92A) due March 1, 2019 (Series N)	3/1/1992	3/1/2019	8.500%	27,900,000	26,739,784	95.84	8.90956%	8.87%	27,900,000	2,474,397
12	Becker (93A) due September 1, 2019 (Series O & P)	9/21/1993	9/1/2019	8.500%	50,000,000	48,927,432	97.85	8.70941%	8.69%	50,000,000	4,343,167
13	Becker (93B) due September 1, 2019 (Series O & P)	9/21/1993	9/1/2019	8.500%	50,000,000	48,942,886	97.89	8.70543%	8.68%	50,000,000	4,341,795
14	Becker (00A) due April 1, 2030 (Series S)	4/4/2000	4/1/2030	8.500%	69,000,000	68,652,119	99.50	8.54638%	8.54%	69,000,000	5,894,720
Other Debt											
15	Seeley/Right of Way Notes	Various	Various	Various	10,310	10,310	100.00	Various	Various	10,310	0
16	Total Outstanding									<u>3,346,910,310</u>	<u>201,877,503</u>
17	Weighted Average Cost of Debt										6.03%

Footnotes:

Column "I" - Cost of Money is defined as Annualized Interest Expense divided by Net Proceeds.

Column "K" - Annual Cost is defined as Cost of Money multiplied by the Principal Outstanding.

Northern States Power Company
INDENTURE PROVISIONS RELATED
TO MINIMUM INTEREST COVERAGE

Excerpt from Trust Indenture
from Northern States Power Company to
Harris Trust and Savings Bank
Dated May 1, 1988

Article I, Section 1.03

The term “gross revenues” means and includes all operating revenues, other revenues and other income of the Company determined in accordance with generally accepted accounting principles.

The term “earnings applicable to bond interest” for any applicable period means an amount computed as follows: From Gross Revenues of the Company, plus losses sustained from the disposition, write down or write off of capital assets, subtract (1) all profit realized from the sale of capital assets; (2) deductions (other than taxes measured by income and interest charges) for all operating expenses and other income deductions (including, to the extent not otherwise deducted, all losses sustained from the disposition, write down or write off of capital assets); and (3) any amount by which the actual expenditures or charges of the Company for ordinary repairs and maintenance and charges for reserves, renewals, replacements, retirements, depreciation and depletion are less than 2.50% of Completed Depreciable Property, as of the end of such period.

The term “net earnings certificate” means an Accountant’s Certificate stating the amount of Earnings Applicable to Bond Interest for a specified period, computed as provided herein, and describing, in reasonable detail, how the same has been calculated and, to that end, specifying the amounts deducted from Gross Revenues on account of the items required to be deducted pursuant to the definition of Earnings Applicable to Bond Interest. When applicable the following rules shall be applied:

(1) for purposes of calculating: (i) the interest requirements applicable to any Bonds, Prior Lien Obligations or Permitted Indebtedness bearing interest at adjustable, floating or variable rates and (ii) the interest requirements applicable to any Bonds, Prior Lien Obligations or Permitted Indebtedness on which interest charges attributable to such Bonds, Prior Lien Obligations or Permitted Indebtedness will not become payable until a date more than one year after the date of such calculation, the interest rate used shall be the higher of (x) the interest rate applicable to such Bonds, Prior Lien Obligations or Permitted Indebtedness on the date of such calculation, or (y) the average interest rate payable on all

Bonds Outstanding, Prior Lien Obligations and Permitted Indebtedness during the 12-month period immediately preceding the date of such calculation.

(2) if any property is owned by the Company at the time of: (i) the authentication and delivery of any Bonds applied for or (ii) the withdrawal of any cash, either or both of which require a Net Earnings Certificate, then, although not owned during the whole, or any part, of the period for which the computation of Earnings Applicable to Bond Interest is made, the net earnings or income of such property during the whole of such period (computed in the same manner as Earnings Applicable to Bond Interest is computed), may at the option of the Company be included in Earnings Applicable to Bond Interest for all purposes of the Indenture; provided that if any such property has been acquired in exchange or substitution for property released from the Lien Hereof of through the use of cash deposited with the Trustee under any of the provisions hereof (other than cash deposited in accordance with the provisions of Article VII as a basis for the issuance of Bonds) then the earnings from the property released or which is represented by such cash shall be excluded from Earnings Applicable to Bond Interest.

Article V, Section 5.04

No Bonds shall be authenticated and delivered under this Article V unless, as shown by a Net Earnings Certificate, the Earnings Applicable to Bond Interest for a period of 12 consecutive calendar months within the 15 calendar months immediately preceding the date of any Application for authentication and delivery of Bonds shall have been, in the aggregate, at least twice the interest requirements for a period of one year upon (a) the Bonds applied for, (b) all Bonds Outstanding on the date of such Application and (c) all Prior Lien Obligations and Permitted Indebtedness maturing more than one year after the date of such calculation.

	(A)	(B)	(C)	(E)	(F)	(K)
Line No	Title	Issue	Maturity	Interest Rate	Principal Outstanding	Annual Interest Cost
<u>Unsecured Senior Notes:</u>						
1	Series due April 1, 2017	3/30/2007	4/1/2017	5.613%	253,979,000	14,255,841
2	Series due July 1, 2036	6/9/2006	7/1/2036	6.500%	300,000,000	19,500,000
3	Series due January 1, 2068	1/16/2008	1/1/2068	7.600%	400,000,000	30,400,000
4	Series due May 15, 2020	5/13/2010	5/15/2020	4.700%	550,000,000	25,850,000
5	Series due September 15, 2041	9/12/2011	9/15/2041	4.800%	250,000,000	12,000,000
6	Total Outstanding				<u>1,753,979,000</u>	<u>102,005,841</u>
7	Weighted Average Cost of Debt *					5.82%

Footnote:

* Based on principal outstanding and interest rate.

Xcel Energy Inc.*
 Cost of Preferred Stock
 For the Year Ended December 31, 2011

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	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
									<u>Underwriters' Discount or Commission</u>		<u>Issuance Expense</u>							
Line No	Description	Date of Issue Issuance	Call Price (If applicable)	Terms of Conversion	Dividend Rate	Par Value at Issue	Price to Public per Share	Gross Proceeds at Issue	Amount	% of Gross Proceeds	Amount	% of Gross Proceeds	Net Proceeds	Per \$100	Cost of Money ⁽¹⁾	Weighted Cost of Money	Average Amount Outstanding	Public or Subscribed Issue

Cumulative Preferred Shares: NONE
 Preferred stock was held by the parent company Xcel Energy Inc. and redeemed in October 2011.

Notes:
 1) Cost of Money = Dividend Rate / Net Proceeds per \$100

* Northern States Power-Minnesota does not hold preferred stock.

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(O)	
Line No	Title	Number of Shares Issued	Gross Proceeds at Offering Price	Underwriters' Discount	Proceeds to Company	Issuance Expense ⁽²⁾	Net Proceeds	Offering Price Per Share	Net Proceeds Per Share ⁽³⁾	Book Value Per Share ⁽⁴⁾	Closing Market Price at Trading Date Prior to Date of Issuance	Earnings/Shares at Date of Issuance	Dividend Rate at Day of Issuance	Public or Subscribed Issue
1	September 9, 2008 Public Offering	15,000,000	\$303,000,000	\$1,500,000	\$301,500,000	\$108,352	\$301,391,648	\$20.20	\$20.09	\$14.79	\$20.80	1.35	0.91	Public
2	Over-Allotment Exercised Pursuant to September 9, 2008 Offering ⁽¹⁾	2,250,000	\$45,450,000	\$225,000	\$45,225,000		\$45,225,000	\$20.20	\$20.09	\$14.79	\$20.80	1.35	0.91	Public
3	August 3, 2010 Public Offering	21,850,000	\$469,775,000	\$20,004,640	\$449,770,360	\$293,287	\$449,477,073	\$21.50	\$20.57	\$16.08	\$22.34	1.48	0.97	Public
Dividend Reinvestment Plan														
6	2007 Total	1,298,786					\$29,015,667							
7	2008 Total	1,451,546					\$28,479,646							
8	2009 Total	1,523,985					\$28,646,747							
9	2010 Total	1,309,021					\$28,945,721							
10	2011 Total	1,198,656					\$29,194,850							

Notes:

- (1) The over-allotment shares of 2,250,000 were issued under the same terms as the initial offering of 15,000,000 shares.
(2) The Issuance Expense is what has been recorded to date and additional costs may not yet be recorded.
Additionally, for the September 2008 offering, we can not distinguish between expenses for the initial offering and the over-allotment so all expenses have been assigned to the initial offering in this schedule.
(3) Net Proceeds per Share are calculated as Combined Net Proceeds / Combined Number of shares issued
(4) Book Value per Share = Total Common Equity / Actual Shares Outstanding at June 2008 for the September 2008 offering and at June 2010 for the August 2010 offering.

* Northern States Power Company-Minnesota does not issue public common stock.
Public common stock is issued by the parent company Xcel Energy Inc.

Xcel Energy Inc.*
Stock Dividends, Stock Splits, or Changes in Par or Stated Value
For the Period January 1, 2007 through December 31, 2011

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Schedule G-1
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	(A)	(B)	(C)	(D)
Line No	Year	Total Dividends Paid as Stock	Stock Splits	Changes in Par Value
1	2007	None	None	None
2	2008	None	None	None
3	2009	None	None	None
4	2010	None	None	None
5	2011	None	None	None

Notes:

- * Northern States Power Company-Minnesota does not issue public common stock. Public common stock is issued by the parent company Xcel Energy Inc.

Line No	(A) Year	(B) Average Shares Outstanding	(C) Earnings Per Average Share ⁽¹⁾	(D) Dividends Declared Per Share	(E) Dividends as a % of Earnings	(F) Average Monthly High / Low Market Price	(G) Price/Earnings Ratio	(H) Dividend Price Ratio
1	2007	433,131,000	\$1.35	0.91	67%	\$22.50	16.7	4.04%
2	2008	441,813,000	\$1.46	0.94	64%	\$19.96	13.7	4.71%
3	2009	457,139,000	\$1.48	0.97	66%	\$18.86	12.7	5.14%
4	2010	463,391,000	\$1.62	1.00	62%	\$21.98	13.6	4.55%
5	2011	485,615,000	\$1.72	1.03	60%	\$24.45	14.2	4.21%
6	Jan-11	483,890,385	\$0.16			\$23.70		
7	Feb-11	484,237,607	\$0.13			\$23.70		
8	Mar-11	484,772,226	\$0.12			\$23.92		
9	Apr-11	484,992,145	\$0.07			\$23.88		
10	May-11	485,309,833	\$0.08			\$24.75		
11	Jun-11	485,427,855	\$0.18			\$24.26		
12	Jul-11	487,761,504	\$0.29			\$24.21		
13	Aug-11	486,490,460	\$0.24			\$22.96		
14	Sep-11	486,068,344	\$0.15			\$24.58		
15	Oct-11	486,282,709	\$0.06			\$25.22		
16	Nov-11	486,938,534	\$0.07			\$25.59		
17	Dec-11	487,761,504	\$0.15			\$26.69		

Note:

(1) Earnings Per Average Shares are Fully Diluted and Include Discontinued Operations.

* Northern States Power Company-Minnesota does not issue public common stock.
Public common stock is issued by the parent company Xcel Energy Inc.

Northern States Power Minnesota - South Dakota
and Xcel Energy Inc.
Reacquisition of NSPM Bonds or Xcel Energy Inc. Preferred Stock
For the 18 month Period Prior to Filing
Dec 31, 2010 through May 31, 2012

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	(A)	(B)	(C)	(D)	(E)
Line No	Title or Series	Principal or Par Value Reaquired	Reaquisition Costs	Gain or Loss on Reaquisition	Increase/Decrease Income Taxes due to Gain or Loss
Cumulative Preferred Shares:					
1	Series \$3.60	\$27,500,000	\$28,531,250	\$1,031,250	N/A
3	Series \$4.08	15,000,000	15,300,000	300,000	N/A
2	Series \$4.10	17,500,000	17,937,500	437,500	N/A
4	Series \$4.11	20,000,000	20,746,400	746,400	N/A
5	Series \$4.16	9,980,000	10,354,250	374,250	N/A
6	Series \$4.56	15,000,000	15,370,500	370,500	N/A
		<u>\$104,980,000</u>	<u>\$108,239,900</u>	<u>\$3,259,900</u>	

Xcel Energy Inc.*
Earnings Per Share for Claimed Rate of Return
For the Year Ended December 31, 2011

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Line No	(A) Description	(B)
1	Xcel Energy Inc. Common Equity	\$8,482,198,000
2	Return - Percentage	10.65%
3	Return - Amount	<u>\$903,354,087</u>
4	Xcel Energy Inc. Average Common Shares outstanding 2011	485,615,000
5	Earnings per Common Share - Xcel Energy Inc.	\$1.86

Note:

* Northern States Power Company-Minnesota does not issue public common stock.
Public common stock is issued by the parent company Xcel Energy Inc.