

Adjustment Type	Adjustment	Adjustment Description
Normalization	Weather Normalization	Adjust for normal weather
Normalization	Fuel Lag Adjustment	Required to record fuel expense and revenue on a calendar versus billing basis
Normalization	Incentive Compensation	Excludes items not eligible for recovery
Normalization	Vegetation Management	Normalize vegetation management expenses over 5 years
Normalization	Storm Damage	Normalize storm expenses over 5 years
Normalization	Claims & Injury Compensation	Normalize claims expenses over 5 years
Regulatory Practice	Advertising Expenses	Adjustment made for advertising costs to allowed level of recovery
Regulatory Practice	Economic Development Costs	Adjustment made for economic development costs to allowed level of recovery
Regulatory Practice	Interest on Customer Deposits	Adjustment made for interest on customer deposits to allowed level of recovery
Regulatory Practice	Professional and Utility Association Dues	Adjustment made for Association Dues to allowed level of recovery
Regulatory Practice	Charitable Contributions/Donations	Adjustment made for donations to allowed level of recovery
Regulatory Practice	SFAS 106 Post Retirement Medical (PayGo)	To adjust SFAS106 to pay as you go accounting
Regulatory Practice	2012 Rate Case Expense	Amortization of rate case expenses incurred in preparation of current case
Regulatory Practice	PTC moved to Fuel Clause	Traditional adjustment made to transfer Production Tax Credits to the Fuel Clause
Regulatory Practice	Economic Development Labor Costs	Adjustment made to remove labor for economic development activities
Known and Measurable	Black Dog CT Exhaust Replacement	Incorporate 2013 revenue requirements based upon 2012 plant additions
Known and Measurable	Monticello Appendix R Cable Replacement Project	Incorporate 2013 revenue requirements on 2011/2012 plant additions
Known and Measurable	Monticello Fire Model Project	Incorporate 2013 revenue requirements based upon 2012 plant additions
Known and Measurable	Prairie Island ZE Piping Replacement Project	Incorporate 2013 revenue requirements on 2011/2012 plant additions
Known and Measurable	Prairie Island TN40 Casks	Incorporate 2013 revenue requirements based upon 2012 plant additions
Known and Measurable	Prairie Island Receiving Warehouse	Incorporate 2013 revenue requirements based upon 2012 plant additions
Known and Measurable	Prairie Island NFPA805 Fire Model	Incorporate 2013 revenue requirements based upon 2012 plant additions
Known and Measurable	Prairie Island H Line Protection Replacement Project	Incorporate 2013 revenue requirements based upon 2012 plant additions
Known and Measurable	Monticello EPU/LCM	Incorporate 2013 revenue requirements on 2013 plant additions
Known and Measurable	Prairie Island Steam Generator	Incorporate 2013 revenue requirements on 2013 plant additions
Known and Measurable	Sherco 3 Plant Additions	Incorporate 2013 revenue requirements on 2013 plant additions
Known and Measurable	Sherco 3 Cooling Towers	Incorporate 2013 revenue requirements on 2013 plant additions
Known and Measurable	Nuclear Decommissioning	Incorporate 2013 activity
Known and Measurable	Remaining Lives (Sherco, Black Dog, Red Wing, Wilmarth)	Update remaining lives and net salvage
Known and Measurable	Remaining Lives (Riverside, Inver Hills)	Update remaining lives and net salvage
Known and Measurable	Remaining Lives (MN Valley)	Update remaining lives and net salvage
Known and Measurable	Remaining Lives (Blue Lake, Granite City, Key City)	Update remaining lives and net salvage
Known and Measurable	Depreciation (Production, Transmission, Distribution)	Recognize depreciation expense reduction
Known and Measurable	Net Operating Loss	Adjust for tax loss position in 2011
Known and Measurable	Union Wages Adjustment	Known union wage increases
Known and Measurable	Margin Sharing on Trading Activity	Remove shareholder portion of margins related to asset and non-asset trading
Known and Measurable	Wholesale Billing Adjustment	To allocate an appropriate level of costs to wholesale
Known and Measurable	Foundation Administrative Expenses	Remove foundation administration
Known and Measurable	Employee Expense Reduction	To ensure no inappropriate costs are included in test year based on a study of 2011 costs
Known and Measurable	Pension and Insurance Adjustment	Known increases for pension and medical expenses
Known and Measurable	Weather Normalized Allocator	Update allocators to reflect normal weather
Known and Measurable	EL11-019 Outcome Adjustment	Recognize low end revenue outcome from pending rate case
Known and Measurable	Aviation	Limit aviation costs to one plane
Known and Measurable	Corporate Allocations	Correct for incorrect corporate allocation factors
Known and Measurable	Removal of DSM Costs	Remove DSM costs from test period to rider
Known and Measurable	Withholding Tax Availability	Establish rate base adjustment for federal Taxes withheld
Known and Measurable	Remove TCR Revenue and Costs	Remove TCR Revenues and costs remaining in the rider
Known and Measurable	Remove ECR Revenue and Costs	Remove ECR Revenues and costs remaining in the rider
Amortization	Private Fuel Storage Amortization	Record annual amortization costs
Amortization	SO2 Emissions Amortization	Record annual amortization costs
Amortization	Incremental Rate Case Amortization - Docket EL11-019	Request updated amortization for Rate Case costs
Amortization	Rider Amortization	Record annual amortization costs for riders
Amortization	Black Dog Write-off Amortization	Request amortization treatment