

FERC Account	Account Description	Depreciation Base	Depreciation Rate (%)	Total Depreciation Expense	Charged to Other Accounts	Net Depreciation Expense	Adjustments	Adjusted Depreciation Expense
Steam								
311	Structures & Improvements	316,366,099	*	11,076,065		11,076,065		
312	Boiler Plant Equipment	1,325,444,723	*	40,417,667		40,417,667		
314	Turbogenerator Units	305,527,600	*	9,604,221		9,604,221		
315	Accessory Electric Equipment	166,671,136	*	4,828,675		4,828,675		
316	Miscellaneous Power Plant Equipment	51,058,257	*	1,482,881		1,482,881		
		<u>2,165,067,815</u>		<u>67,409,509</u>		<u>67,409,509</u>		
Nuclear								
321	Structures & Improvements	345,494,709	*	7,611,996		7,611,996		
322	Reactor Plant Equipment	831,864,767	*	38,466,117		38,466,117		
323	Turbogenerator Units	214,198,550	*	7,785,768		7,785,768		
324	Accessory Electric Equipment	226,148,565	*	7,105,611		7,105,611		
325	Miscellaneous Power Plant Equipment	134,397,096	*	3,749,345		3,749,345		
		<u>1,752,103,687</u>		<u>64,718,838</u>		<u>64,718,838</u>		
Hydro								
331	Structures & Improvements	545,260	*	4,573		4,573		
332	Reservoirs, Dams & Waterways	6,666,224	*	176,731		176,731		
333	Water Wheels, Turbines & Generators	1,105,306	*	13,654		13,654		
334	Accessory Electric Equipment	352,622	*	7,776		7,776		
335	Miscellaneous Power Plant Equipment	60,824	*	748		748		
		<u>8,730,236</u>		<u>203,482</u>		<u>203,482</u>		
Decommissioning								
325	Nuclear Decommissioning MN Retail	0	*	31,877,458		31,877,458		
325	Nuclear Decommissioning ND Retail	0	*	1,086,745		1,086,745		
325	Nuclear Decommissioning SD Retail	0	*	1,915,620		1,915,620		
325	Nuclear Decommissioning MN Whsle	0	*	-819,144		-819,144		
325	Nuclear Decommissioning WI Retail	0	*	7,573,260		7,573,260		
325	Nuclear Decommissioning WI Whsle	0	*	785,484		785,484		
		<u>0</u>		<u>42,419,423</u>		<u>42,419,423</u>		
325	Less Nuclear Decommissioning WI Retail & Whsle			<u>8,358,744</u>		<u>8,358,744</u>		
				<u>34,060,679</u>		<u>34,060,679</u>		
Other								
340	Land/Wind Rights	8,680,050	0.50%	43,039		43,039		
341	Structures & Improvements	29,110,861	*	1,080,938		1,080,938		
342	Fuel Holders, Producers & Accessories	12,116,048	*	421,340		421,340		
344	Generators	574,983,052	*	19,099,037		19,099,037		
345	Accessory Electric Equipment	33,459,886	*	1,112,184		1,112,184		
346	Miscellaneous Power Plant Equipment	4,336,345	*	139,443		139,443		
		<u>662,686,242</u>		<u>21,895,981</u>		<u>21,895,981</u>		
Electric Production Total		<u>4,588,587,980</u>		<u>188,288,489</u>		<u>188,288,489</u>	<u>14,567,000</u>	<u>202,855,489 (6)</u>

FERC Account	Account Description	Depreciation Base	Depreciation Rate (%)	Total Depreciation Expense	Charged to Other Accounts	Net Depreciation Expense	Adjustments	Adjusted Depreciation Expense
Transmission								
352	Structures & Improvements	30,531,802	2.38%	725,474		725,474		
353	Station Equipment	645,978,230	2.67%	17,224,883		17,224,883		
354	Towers & Fixtures	110,625,357	2.50%	2,764,418		2,764,418		
355	Poles & Fixtures	410,441,804	2.58%	10,602,311		10,602,311		
356	OH Conductors	239,491,194	3.11%	7,447,229		7,447,229		
357	UG Conduit	8,443,328	1.82%	153,752		153,752		
358	UG Conductors	14,535,346	2.51%	364,608		364,608		
Transmission Total		1,460,047,061		39,282,675		39,282,675	2,242,000	41,524,675 (6)
Transmission Plant - Acquisition Adjustment								
114	OH Conductors	222,385	6.64%	14,770		14,770		
Transmission Acquisition Adjustment Total		222,385		14,770		14,770	0	14,770
Transmission Plant - Leased								
353	Station Equipment	0	0.00%	0		0		
355	Poles & Fixtures	535,272	2.44%	13,084		13,084		
356	OH Conductors	295,201	3.09%	9,136		9,136		
Transmission Leased Total		830,473		22,220		22,220	0	22,220
Distribution								
361	Structures & Improvements	27,903,793	2.89%	806,261		806,261		
362	Station Equipment	413,979,065	2.89%	11,981,709		11,981,709		
364	Poles & Fixtures	270,310,799	4.75%	12,838,623		12,838,623		
365	OH Conductors	317,327,694	3.71%	11,785,080		11,785,080		
366	UG Conduit	177,776,655	2.00%	3,555,904		3,555,904		
367	UG Conductors	795,139,360	2.29%	18,172,229		18,172,229		
368	Line Transformers	321,176,478	2.81%	9,035,656		9,035,656		
368	Capacitors	17,138,096	4.00%	685,230		685,230		
369	OH Service	75,849,156	3.38%	2,561,052		2,561,052		
369	UG Service	185,039,502	3.38%	6,248,941		6,248,941		
370	Meters	111,036,617	5.92%	6,572,515		6,572,515		
371	Customer Premise	22,705,193	0.00%	0		0		
373	Street Lighting	46,293,817	4.80%	2,222,055		2,222,055		
Distribution Subtotal		2,781,676,225		86,465,256		86,465,256		
				Amortization of SD Short Term AFUDC		364,000		
Distribution Total						86,829,256	243,000	86,708,256 (6)
Distribution-Leased								
361	Structures & Improvements	71,711	2.89%	2,071		2,071		
362	Station Equipment	1,836,858	2.89%	53,166		53,166		
Distribution Leased Total		1,908,569		55,237		55,237	0	55,237
Electric General								
390	Genl Structures & Improvements	55,128,709	2.22%	1,224,833		1,224,833		

FERC Account	Account Description	Depreciation Base	Depreciation Rate (%)	Total Depreciation Expense	Charged to Other Accounts	Net Depreciation Expense	Adjustments	Adjusted Depreciation Expense
391	General Office Furn & Equip	33,486,419	11.08%	3,711,047		3,711,047		
392	General Transp Equip	27,008,239	8.23%	2,223,329	2,223,329	0		
393	General Stores Equip	2,231,349	5.01%	111,689		111,689		
394	General Tools & Shop Equip	36,259,358	6.44%	2,334,881		2,334,881		
395	General Laboratory Equip	4,811,281	9.66%	464,696		464,696		
396	General Power Operated Equip	3,664,217	8.91%	326,554	326,554	0		
397	General Comm Equip	15,956,607	9.85%	1,572,449		1,572,449		
398	General Misc Equip	2,936,574	6.42%	188,576		188,576		
Electric General Total		<u>181,482,753</u>		<u>12,158,053</u>	<u>2,549,883 (2)</u>	<u>9,608,170</u>	<u>808,000</u>	<u>10,416,170 (6)</u>
302	Franchises and Consents	35,118,971	4.22%	1,481,688		1,481,688		
303	Intangible Amortization (3)	277,863,150	2.12%	5,883,102		5,883,102		
Intangibles Total		<u>312,982,120</u>		<u>7,364,790</u>		<u>7,364,790</u>	<u>0</u>	<u>7,364,790</u>
Electric Common Plant (4)				<u>33,210,811</u>	<u>581,943</u>	<u>32,628,868</u>	<u>0</u>	<u>32,628,868</u>
Total Electric (Including Electric Common)		<u>9,327,737,567</u>		<u>366,862,302</u>	<u>3,131,826</u>	<u>364,094,476</u>	<u>17,860,000</u>	<u>381,954,476 (6)</u>

* Remaining Life Technique used for calculating Production Plant Depreciation
 For further explanation see Statement J footnote.

- (1) See Schedule E-3 for an explanation of the computation of depreciation.
- (2) Electric Utility Depreciation Expense charged to Clearing Accounts.
- (3) Computer Software
- (4) Depreciation Expense related to Electric Common Plant is not available in the same detail as Total Electric.
- (5) Common Depreciation allocation to Electric is based on the allocation found in the FERN Form 1, page 356.
- (6) See Statement M, Pages 5 & 6

For generating facilities, the depreciation rates requested are not applicable, because Northern States Power Company depreciates all generating plants using a remaining life technique. The accrual for a remaining life plant is calculated each month using net plant divided by the remaining life. Under this method, subsequent additions are depreciated over the estimated remaining life.

Electric Utility
 Steam Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
Black Dog			
E311	Structures & Improvements	-30	23.0 yrs
E312	Boiler Plant Equipment	0	4.0
E314	Turbogenerator Units	0	4.0
E315	Accessory Electric Equipment	0	4.0
E316	Miscellaneous Power Plant Equipment	0	4.0
Allen S. King			
E311	Structures & Improvements	-40	28.5 yrs
E312	Boiler Plant Equipment	0	28.5
E314	Turbogenerator Units	0	28.5
E315	Accessory Electric Equipment	0	28.5
E316	Miscellaneous Power Plant Equipment	0	28.5
Minnesota Valley			
E311	Structures & Improvements	-70	8.5 yrs
E312	Boiler Plant Equipment	-70	8.5
E314	Turbogenerator Units	-70	8.5
E315	Accessory Electric Equipment	-70	8.5
E316	Miscellaneous Power Plant Equipment	-70	8.5
Red Wing			
E311	Structures & Improvements	-35	4.0 yrs
E312	Boiler Plant Equipment	0	4.0
E314	Turbogenerator Units	0	4.0
E315	Accessory Electric Equipment	0	4.0
E316	Miscellaneous Power Plant Equipment	0	4.0
Sherco Unit 1 & 2			
E311	Structures & Improvements	-30	14.0 yrs
E312	Boiler Plant Equipment	0	14.0
E314	Turbogenerator Units	0	14.0
E315	Accessory Electric Equipment	0	14.0
E316	Miscellaneous Power Plant Equipment	0	14.0

Electric Utility
 Steam Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
Sherco Unit 3			
E311	Structures & Improvements	-20	14.0 yrs
E312	Boiler Plant Equipment	0	14.0
E314	Turbogenerator Units	0	14.0
E315	Accessory Electric Equipment	0	14.0
E316	Miscellaneous Power Plant Equipment	0	14.0
Wilmarth			
E311	Structures & Improvements	-35	4.0 yrs
E312	Boiler Plant Equipment	0	4.0
E314	Turbogenerator Units	0	4.0
E315	Accessory Electric Equipment	0	4.0
E316	Miscellaneous Power Plant Equipment	0	4.0

Electric Utility
 Nuclear Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
Monticello			
E302	Franchises & Consents	0	21.8 yrs
E321	Structures & Improvements	0	21.8
E322	Reactor Plant Equipment	0	21.8
E323	Turbogenerator Units	0	21.8
E324	Accessory Electric Equipment	0	21.8
E325	Miscellaneous Power Plant Equipment	0	21.8
Monticello - Interim Storage Facility			
E321	Structures and Improvements	0	21.8 yrs
E322	Reactor Plant Equipment	0	21.8
Prairie Island Unit 1 & 2			
E321	Structures & Improvements	0	5.3 yrs
E322	Reactor Plant Equipment	0	5.3
E323	Turbogenerator Units	0	5.3
E324	Accessory Electric Equipment	0	5.3
E325	Miscellaneous Power Plant Equipment	0	5.3
Prairie Island - Interim Storage Facility			
E321	Structures and Improvements	0	5.3 yrs
E322	Reactor Plant Equipment	0	5.3

Electric Utility
 Hydro Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
Hennepin Island			
E302	Franchises & Consents	0	25.2 yrs
E331	Structures & Improvements	-30	25.2
E332	Reservoirs, Dams & Waterways	-30	25.2
E333	Water Wheels, Turbines & Generators	-30	25.2
E334	Accessory Electric Equipment	-30	25.2
E335	Miscellaneous Power Plant Equipment	-30	25.2
Lower Dam			
E331	Structures & Improvements	-30	25.2 yrs
E332	Reservoirs, Dams & Waterways	-30	25.2
Upper Dam			
E332	Reservoirs, Dams & Waterways	-30	25.2 yrs
E335	Miscellaneous Power Plant Equipment	-30	25.2

Electric Utility
 Other Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
Alliant Tech			
E344	Generators	0	3.8 yrs
Angus C. Anson Unit 2 & 3			
E341	Structures & Improvements	-10	26.4 yrs
E342	Fuel Holders, Producers & Accessories	0	10.8
E344	Generators	0	10.8
E345	Accessory Electric Equipment	0	10.8
E346	Miscellaneous Power Plant Equipment	0	10.8
Angus C. Anson Unit 4			
E341	Structures & Improvements	-10	26.4 yrs
E342	Fuel Holders, Producers & Accessories	0	26.4
E344	Generators	0	26.4
E345	Accessory Electric Equipment	0	26.4
E346	Miscellaneous Power Plant Equipment	0	26.4
Black Dog Unit 5			
E341	Structures & Improvements	-30	23.0 yrs
E342	Fuel Holders, Producers & Accessories	0	23.0
E344	Generators	0	23.0
E345	Accessory Electric Equipment	0	23.0
E346	Miscellaneous Power Plant Equipment	0	23.0
Blue Lake Units 1 thru 4			
E341	Structures & Improvements	-25	26.4 yrs
E342	Fuel Holders, Producers & Accessories	0	4.0
E344	Generators	0	4.0
E345	Accessory Electric Equipment	0	4.0
E346	Miscellaneous Power Plant Equipment	0	4.0
Blue Lake Units 7 & 8			
E341	Structures & Improvements	-25	26.4 yrs
E342	Fuel Holders, Producers & Accessories	0	26.4
E344	Generators	0	26.4
E345	Accessory Electric Equipment	0	26.4
E346	Miscellaneous Power Plant Equipment	0	26.4

Electric Utility
 Other Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
Grand Meadow Wind Farm			
E340.1	Wind Rights	0	24.9 yrs
E341	Structures & Improvements	-10	24.9
E342	Fuel Holders, Producers & Accessories	-10	24.9
E344	Generators	-10	24.9
E345	Accessory Electric Equipment	-10	24.9
E346	Miscellaneous Power Plant Equipment	-10	24.9
Granite City			
E341	Structures & Improvements	-60	4.0 yrs
E342	Fuel Holders, Producers & Accessories	0	4.0
E344	Generators	0	4.0
E345	Accessory Electric Equipment	0	4.0
E346	Miscellaneous Power Plant Equipment	0	4.0
High Bridge			
E341	Structures & Improvements	-10	29.4 yrs
E342	Fuel Holders, Producers & Accessories	-10	29.4
E344	Generators	-10	29.4
E345	Accessory Electric Equipment	-10	29.4
E346	Miscellaneous Power Plant Equipment	-10	29.4
Inver Hills			
E341	Structures & Improvements	-30	8.0 yrs
E342	Fuel Holders, Producers & Accessories	0	8.0
E344	Generators	0	8.0
E345	Accessory Electric Equipment	0	8.0
E346	Miscellaneous Power Plant Equipment	0	8.0
Key City			
E341	Structures & Improvements	-20	4.0 yrs
E342	Fuel Holders, Producers & Accessories	-20	4.0
E344	Generators	-20	4.0
E345	Accessory Electric Equipment	-20	4.0
E346	Miscellaneous Power Plant Equipment	-20	4.0
Riverside (MERP in-service, not January 1, 2009, includes Unit 7)			
E341	Structures & Improvements	-10	30.0 yrs
E342	Fuel Holders, Producers & Accessories	-10	30.0
E344	Generators	-10	30.0
E345	Accessory Electric Equipment	-10	30.0
E346	Miscellaneous Power Plant Equipment	-10	30.0

Northern States Power Company, a Minnesota corporation
 Electric Utility - Total Company
 Depreciation Rates - Remaining Life Technique
 Effective January 1, 2009

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 Statement J Footnote
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Electric Utility
 Other Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/09
United Hospital			
E344	Generators	0	8.7 yrs
Wind-to-Battery System (In-service date, not January 1, 2009)			
E342	Fuel Holders, Producers & Accessories	0	15.0 yrs

Northern States Power Company, a Minnesota corporation
 Electric Utility - Total Company
 Expense Charged Other Than Prescribed Depreciation
 Year Ended December 31, 2008

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 Schedule J-1
 Page 1 of 1

Line No.	FERC Account (*)	Account Description	Depreciation Base	Depreciation Rate (%)	Depreciation Expense Charged To Other Accounts
1	392	Cars, Vans & Light Trucks	9,626,557	9.00%	866,269
2	392	Licensed Trailers	1,494,291	9.00%	134,509
3	392	Heavy Trucks	15,539,651	7.87%	1,222,551
4	396	Trenchers, Loaders, Cranes and Other Power Operated Equipment	3,661,061	8.92%	326,554
5	Total		<u>30,321,559</u>		<u>2,549,883</u>

* FERC Account 397 is charged to prescribed depreciation accounts.