

Line No.	Description	Production	Nuclear Fuel	Decommissioning Internal (1)	Transmission	Transmission Leased	Transmission Acquisition Adjustment	Distribution	Distribution Leased	Electric General	Electric Intangible	Total Excluding Common	Electric Common Allocated	Total
<u>Accumulated Provision for Depreciation</u>														
1.	Beginning Balance	\$ 2,722,721,165	\$ 1,435,677,031	\$ 2,519,991	\$ 567,657,144	\$ 412,885	\$ 222,385	\$ 1,184,171,010	\$ 1,369,193	\$ 81,452,268	\$ 28,771,090	\$ 6,024,974,162	\$ 246,694,893	\$ 6,271,669,055
2.	Annual Provision	146,722,713	105,368,847	(776,804)	44,063,344	21,747	0	92,054,768	55,237	15,798,410	4,276,377	407,584,639	26,172,546	433,757,185
3.	Retirements	(47,462,923)	0	0	(10,514,949)	0	0	(20,241,416)	0	(66,803)	0	(78,286,091)	0	(78,286,091)
4.	Salvage/Other	9,935	0	0	6,147,362	0	0	1,998,114	0	16,211	0	8,171,622	0	8,171,622
5.	Cost of Removal	(2,530,082)	0	0	(4,781,191)	0	0	(8,802,387)	0	(172)	0	(16,113,832)	0	(16,113,832)
6.	Transfers and Adjustments	(1,667)	0	0	433,974	1	0	(324,077)	0	(118,049)	1,670	(8,148)	(38,639)	(46,787)
7.	Gain/Loss	(35,220)	0	0	(216,970)	0	0	(25,596)	0	(91)	0	(277,877)	0	(277,877)
8.	Ending Balance	<u>\$ 2,819,423,921</u>	<u>\$ 1,541,045,878</u>	<u>\$ 1,743,187</u>	<u>\$ 602,788,714</u>	<u>\$ 434,633</u>	<u>\$ 222,385</u>	<u>\$ 1,248,830,416</u>	<u>\$ 1,424,430</u>	<u>\$ 97,081,774</u>	<u>\$ 33,049,137</u>	<u>\$ 6,346,044,475</u>	<u>\$ 272,828,800</u>	<u>\$ 6,618,873,275</u>
9.	RWIP Balance at 12/31/2010	53,322,538	0	0	1,828,575	0	0	4,719,259	0	436,213	0	60,306,585	2,457,745	62,764,330
10.	ARC Balance at 12/31/2010	121,880,835	0	0	0	0	0	48,952	0	0	0	121,929,787	(1,673,289)	120,256,498
11.	Grand Total	<u>\$ 2,887,982,218</u>	<u>\$ 1,541,045,878</u>	<u>\$ 1,743,187</u>	<u>\$ 600,960,139</u>	<u>\$ 434,633</u>	<u>\$ 222,385</u>	<u>\$ 1,244,160,109</u>	<u>\$ 1,424,430</u>	<u>\$ 96,645,561</u>	<u>\$ 33,049,137</u>	<u>\$ 6,407,667,677</u>	<u>\$ 268,697,766</u>	<u>\$ 6,676,365,443</u>

(1) FERC MN Jurisdiction Only

Northern States Power Company, a Minnesota corporation
Electric Utility - Total Company
Depreciation and Amortization Method

Docket No. EL11-____
Schedule E-2
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There have been no changes in methods or procedures since FERC Form 1 was filed for the year 2010.

WORKING PAPERS ON ALLOCATION OF OVERALL ACCOUNTS

Depreciation is computed on FERC primary account average monthly balances. The amount of depreciation is credited to the accumulated provision for depreciation primary account balances which are maintained on NSP's accounting records. Therefore, no allocation to functional groups is necessary. However, allocations are necessary within common utility plant accumulated provision for depreciation. Common utility plant accumulated provision for depreciation is maintained in total. The total must be allocated to each utility department. The allocations are determined on the basis of studies that consider customers, revenues, plant, and agreed-upon allocations between electric and gas utility departments.