

Nothern States Power Company Minnesota - South Dakota  
 Cost of Capital  
 13 Month Average for 2010 : Proposed Cost of Capital  
 (\$000's)

Docket No. EL11-\_\_\_\_  
 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)	3,086,733	47.52%	6.33%	3.01%
2	Common Equity b)	3,408,561	52.48%	11.00%	5.77%
		<u>6,495,294</u>	<u>100.00%</u>		<u>8.78%</u>

Footnotes:

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

Nothern States Power Company Minnesota - South Dakota  
 Cost of Capital  
 For the Year Ended December 31, 2010

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Line No	(A) Description	(B) Amount	(C) Percentage Of Total	(D) Cost	(E) Weighted Cost
1	Long Term Debt (1)	3,346,932,507	48.91%	6.03%	2.95%
2	Common Equity (2)	3,496,169,000	51.09%	11.00%	5.62%
		<u>6,843,101,507</u>	<u>100.00%</u>		<u>8.57%</u>

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

4 (2) Common Equity \_\_\_\_\_

5 Common Stock Issued 10,000

6 Additional Paid In Capital 2,241,387,000

7 Retained Earnings 1,251,938,000

8 Accumulated Other Comprehensive Income 2,834,000

9 Total Common Stockholders Equity\* 3,496,169,000

\*Includes Un-Regulated Subsidiaries 1,040,744

Source: NSPM 12/31/2010 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
<b>Long Term Debt</b>											
<b><u>First Mortgage Bonds</u></b>											
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	7.26398%	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	6.66725%	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	5.34480%	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	6.06936%	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	6.29458%	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	5.55350%	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	5.53121%	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	247,175,879	98.87	2.18930%	1.97%	250,000,000	4,930,700
10	Series Due August 15, 2040	8/11/2010	8/15/2040	4.850%	250,000,000	246,278,379	98.51	4.94576%	4.92%	250,000,000	12,308,226
<b><u>Pollution Control Bonds</u></b>											
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
<b>Other Debt</b>											
15	Seeley/Right of Way Notes	Various	Various	Various	32,507	32,507	100.00	Various	Various	32,507	500
16	Total Outstanding									<u>3,346,932,507</u>	<u>201,877,652</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 or 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
<b><u>Unsecured Senior Notes:</u></b>						
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	Total Outstanding				<u>1,503,979,000</u>	<u>90,005,841</u>
6	Weighted Average Cost of Debt *					5.98%

Footnote:

\* Based on principal outstanding and interest rate.

Xcel Energy Inc.\*  
 Cost of Preferred Stock  
 For the Year Ended December 31, 2010

Line No	(A) Description	(B) Date of Issue Issuance	(C) Call Price (If applicable)	(D) Terms of Conversion	(E) Dividend Rate	(F) Par Value at Issue	(G) Price to Public per Share	(H) Gross Proceeds at Issue	(I) Underwriters' Discount or Commission		(J) Issuance Expense		(M) Net Proceeds Per \$100	(N) Cost of Money <sup>(1)</sup>	(O) Weighted Cost of Money	(P) Average Amount Outstanding	(Q) Public or Subscribed Issue	
									(I) Amount	(J) % of Gross Proceeds	(K) Amount	(L) % of Gross Proceeds						
Cumulative Preferred Shares:																		
1	Series \$3.60	August 2, 1946	103.750	None	3.60	\$27,500,000	\$102.750	\$28,256,160	\$629,000	2.23%	\$99,439	0.35%	\$27,527,721	100.10	3.60	0.94	\$27,500,000	Public
3	Series \$4.08	April 27, 1954	102.000	None	4.08	15,000,000	102.000	15,300,000	274,500	1.79%	56,472	0.37%	14,969,028	99.79	4.09	0.58	15,000,000	Public
2	Series \$4.10	October 31, 1950	102.500	None	4.10	17,500,000	102.500	17,937,500	310,135	1.73%	68,321	0.38%	17,559,044	100.34	4.09	0.68	17,500,000	Public
4	Series \$4.11	August 31, 1954	103.732	None	4.11	20,000,000	101.732	20,346,400	321,200	1.58%	74,780	0.37%	19,950,420	99.75	4.12	0.78	20,000,000	Public
5	Series \$4.16	March 6, 1956	103.750	None	4.16	10,000,000	101.750	10,175,000	169,000	1.66%	40,941	0.40%	9,965,059	99.65	4.17	0.40	10,000,000	Public
6	Series \$4.56	July 30, 1964	102.470	None	4.56	15,000,000	101.333	15,199,950	171,450	1.13%	54,335	0.36%	14,974,165	99.83	4.57	0.65	15,000,000	Public
Total						\$105,000,000		\$107,215,010	\$1,875,285				\$104,945,437		4.04	\$105,000,000		

Notes:

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

\* Northern States Power-Minnesota does not hold preferred stock.  
 Preferred stock is held by the parent company Xcel Energy Inc.

	(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 <sup>(2)</sup>	Net Proceeds	Offering Price Per Share	Net Proceeds Per Share <sup>(3)</sup>	Book Value Per Share <sup>(4)</sup>	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 <sup>(1)</sup>	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													
5	2006 Total	1,456,888					\$28,500,860							
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							

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, 2006 through December 31, 2010

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	(A)	(B)	(C)	(D)
Line No	Year	Total Dividends Paid as Stock	Stock Splits	Changes in Par Value
1	2006	None	None	None
2	2007	None	None	None
3	2008	None	None	None
4	2009	None	None	None
5	2010	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 <sup>(1)</sup>	(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	2006	429,605,000	\$1.36	0.88	65%	\$19.99	14.7	4.40%
2	2007	433,131,000	\$1.35	0.91	67%	\$22.50	16.7	4.04%
3	2008	441,813,000	\$1.46	0.94	64%	\$19.96	13.7	4.71%
4	2009	457,139,000	\$1.48	0.97	66%	\$18.86	12.7	5.14%
5	2010	463,391,000	\$1.62	1.00	62%	\$21.98	13.6	4.55%
6	Jan-10	459,385,797	\$0.18			\$21.09		
7	Feb-10	459,880,198	\$0.13			\$20.51		
8	Mar-10	459,921,109	\$0.05			\$21.28		
9	Apr-10	460,147,418	\$0.05			\$21.59		
10	May-10	460,494,327	\$0.07			\$20.98		
11	Jun-10	460,633,400	\$0.18			\$20.89		
12	Jul-10	460,871,077	\$0.29			\$21.75		
13	Aug-10	462,086,422	\$0.27			\$22.03		
14	Sep-10	463,136,140	\$0.11			\$22.83		
15	Oct-10	463,976,449	\$0.05			\$23.55		
16	Nov-10	465,683,621	\$0.07			\$23.77		
17	Dec-10	483,670,369	\$0.16			\$23.55		

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, 2009 through May 31, 2011

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	(A)	(B)	(C)	(D)	(E)
Line No	Title or Series	Principal or Par Value Required	Reacquisition Costs	Gain or Loss on Reacquisition	Increase/Decrease Income Taxes due to Gain or Loss

1 No Reacquisition of Bonds or Preferred Stock for the 18 Month Period Prior to Filing.

Xcel Energy Inc.\*  
Earnings Per Share for Claimed Rate of Return  
For the Year Ended December 31, 2010

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Line No	(A) Description	(B)
1	Xcel Energy Inc. Common Equity	\$8,083,519,000
2	Return - Percentage	11.25%
3	Return - Amount	<u>\$909,395,888</u>
4	Xcel Energy Inc. Average Common Shares outstanding 2010	463,391,000
5	Earnings per Common Share - Xcel Energy Inc.	\$1.96

Note:

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