

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

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.