

2011 Employee Expense

Template V1.2

Rate Base

Statement of Operations

Period	Mn Co Electric												Mn Co Gas		Jur Electric				Jur Gas		
	Production				Transmission				Distribution				MN	ND	MN	ND	SD	Whis	MN	ND	
	MN	ND	SD	Whis	MN	ND	SD	Whis	MN	ND	SD	Whis									
Operating Expenses:																					
Fuel & Purchased Energy	Annual																				
Power Production	Annual																				
Transmission	Annual																				
Distribution	Annual																				
Customer Accounting	Annual																				
Customer Service & Informat	Annual																				
Sales, Econ Dvlp & Other	Annual																				
Administrative & General	Annual	(249)	(249)	(249)	(249)	(51)	(51)	(51)	(51)	(135)	(135)	(135)	(135)			(385)	(26)	(25)	0		
Total Operating Expenses:	Annual	(249)	(249)	(249)	(249)	(51)	(51)	(51)	(51)	(135)	(135)	(135)	(135)	0	0	(385)	(26)	(25)	0	0	0
Depreciation	Annual																				
Amortization	Annual																				
Taxes:																					
Property	Annual																				
Gross Earnings Tax	Annual																				
Deferred Income Tax & ITC	Annual																				
Payroll & other	Annual																				
Total Taxes:	Annual	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AFUDC	Annual																				

Juris Income Tax

Jurisdiction Cash Working Capital

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**2011 Employee Expense Adjustment
Adjustment To A&G**

Electric	Total	MN	ND	SD	Whlsl
Employee Expense Concession	(436,311)	(385,000)	(26,041)	(24,912)	(358)
	ETwoFactorAlloc	88.2399%	5.9684%	5.7096%	0.0821%
P	57.18%	(249,482)			
T	11.79%	(51,441)			
D	31.03%	<u>(135,387)</u>			
		<u>(436,311)</u>			

Based on detailed analysis of the 2009 Actual ConCur Employee expense transactions

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**2011 Employee Expense Adjustment Worksheet
Based on Review of 2009 Actual Transactions**

Adjustment Category	Adjustment Sub-Category	NSPM MN Electric Jurisdiction Amount
Key Word Search*		104,199
Category Search		
	Dues/Clubs**	3,534
	Alcohol (est.)	25,770
	Tickets	10,214
	Sports related	36,515
	Sponsorships	8,649
	Additional Entertainment***	12,257
	EI (VP & above)	13,142
Transaction Identified Manually		
	VP & above	33,179
	Board of Directors	22,813
Total Identified Expenses Adjustment		270,272
Additional Adjustment****		114,728
ADJUSTMENT GRAND TOTAL		\$ 385,000

* Keywords include: anniversary, celebration, entertainment, expo, holiday, christmas, party, retirement, social, team building, and coaching.

** Identifies country club and other dues and club membership driven below the line pursuant to last rate case.

*** Includes spas, retreats, golf, gala and other identified business purposes we committed to driving below the line.

**** Adjustment estimate for items not identified through search; miscoded and other

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