

Section J

20:10:13:86. Statement J -- Depreciation expense. Statement J shall show for the test period depreciation expense by functional classification. These expenses shall be shown in separate columns as follows:

- (1) Expenses for the test period per books;
- (2) Claimed adjustments, if any, to actual expense;
- (3) Total adjusted expense claimed.

The bases, methods, essential computations and derivation of unit rates for the calculation of depreciation expense for the test period and for the depreciation adjustments shall be fully and clearly explained. The amounts of depreciable plant shall be shown by the functions specified in paragraph C of account 108, accumulated provisions for depreciation of plant in service of the FERC's uniform systems of accounts for public utilities and licensees or for gas companies and, if available, for each detailed plant account in the 300 series, together with the rates used in computing such expenses. Any deviation from the rates used in disposing of the utility's last previous rate filing or determination by this commission shall be explained, showing the rate or rates previously used together with supporting data for the new rate or rates used for this filing. Material required by § 20:10:13:87 shall be submitted as a part of statement J.

Source: 2 SDR 90, effective July 7, 1976; 12 SDR 86, effective November 24, 1985; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

General Authority: SDCL [49-34A-4](#).

Law Implemented: SDCL [49-34A-7](#), [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

20:10:13:87. Schedule J-1 -- Expense charged other than prescribed depreciation. Schedule J-1 shall be included in support of statement J as a reconciliation of the aggregate investment in electric or gas plant shown in statement D, and the expense thereon charged in the first instance to other than prescribed depreciation expense accounts.

Northern States Power Company
Electric Utility- State of South Dakota
Depreciation Expense
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FERC Account	Account Description	Depreciation Base	Depreciation Rate (%)	Total Depreciation Expense (1)	Charged to Other Accounts	Net Depreciation Expense	Adjustments	Adjusted Depreciation Expense
Steam								
311	Structures & Improvements	313,464,473	*	8,746,051		8,746,051		
312	Boiler Plant Equipment	1,361,742,128	*	47,368,483		47,368,483		
314	Turbogenerator Units	302,899,210	*	11,152,630		11,152,630		
315	Accessory Electric Equipment	171,324,233	*	5,412,417		5,412,417		
316	Miscellaneous Power Plant Equipment	53,635,034	*	1,641,746		1,641,746		
		<u>2,203,065,078</u>		<u>74,321,327</u>		<u>74,321,327</u>		
Nuclear								
321	Structures & Improvements	433,326,830	*	7,793,725		7,793,725		
322	Reactor Plant Equipment	1,094,083,224	*	24,256,187		24,256,187		
323	Turbogenerator Units	502,432,637	*	18,848,126		18,848,126		
324	Accessory Electric Equipment	348,784,556	*	8,725,006		8,725,006		
325	Miscellaneous Power Plant Equipment	143,389,672	*	2,135,632		2,135,632		
		<u>2,522,016,919</u>		<u>61,758,676</u>		<u>61,758,676</u>		
Hydro								
331	Structures & Improvements	612,287	*	8,520		8,520		
332	Reservoirs, Dams & Waterways	6,698,358	*	200,565		200,565		
333	Water Wheels, Turbines & Generators	8,018,497	*	449,032		449,032		
334	Accessory Electric Equipment	2,769,330	*	154,892		154,892		
335	Miscellaneous Power Plant Equipment	60,824	*	748		748		
		<u>18,159,296</u>		<u>813,757</u>		<u>813,757</u>		
Decommissioning								
325	Nuclear Decommissioning MN Retail	-	*	14,189,136		14,189,136		
325	Nuclear Decommissioning ND Retail	-	*	276,516		276,516		
325	Nuclear Decommissioning SD Retail	-	*	1,120,506		1,120,506		
325	Nuclear Decommissioning MN Whsle	-	*	-		-		
325	Nuclear Decommissioning WI Retail	-	*	5,281,146		5,281,146		
325	Nuclear Decommissioning WI Whsle	-	*	-		-		
		<u>-</u>		<u>20,867,304</u>		<u>20,867,304</u>		
325	Less Nuclear Decommissioning MN, ND & WI Retail & Whsle			<u>19,746,798</u>		<u>19,746,798</u>		
				<u>1,120,506</u>		<u>1,120,506</u>		
Other								
340	Land/Wind Rights	14,253,721	1.09%	155,774		155,774		
341	Structures & Improvements	167,652,258	*	4,108,508		4,108,508		
342	Fuel Holders, Producers & Accessories	78,762,101	*	2,261,712		2,261,712		
344	Generators	1,395,491,792	*	52,094,008		52,094,008		
345	Accessory Electric Equipment	165,710,940	*	5,374,896		5,374,896		
346	Miscellaneous Power Plant Equipment	21,842,693	*	613,100		613,100		
		<u>1,843,713,505</u>		<u>64,607,998</u>		<u>64,607,998</u>		
Electric Production Subtotal		<u>6,586,954,798</u>		<u>202,622,264</u>		<u>202,622,264</u>		
						<u>(1,906,855)</u>		
Electric Production Total						<u>200,715,409</u>	<u>53,954,000</u>	<u>254,669,409 (6)</u>

Difference Between Financial View and SD Rules

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FERC Account	Account Description	Depreciation Base	Depreciation Rate (%)	Total Depreciation Expense (1)	Charged to Other Accounts	Net Depreciation Expense	Adjustments	Adjusted Depreciation Expense
Transmission								
352	Structures & Improvements	54,453,471	1.03%	558,253		558,253		
353	Station Equipment	905,141,421	2.02%	18,328,386		18,328,386		
354	Towers & Fixtures	118,344,459	1.83%	2,170,217		2,170,217		
355	Poles & Fixtures	638,383,242	2.15%	13,715,072		13,715,072		
356	OH Conductors	331,594,241	2.10%	6,954,210		6,954,210		
357	UG Conduit	12,658,081	1.37%	172,953		172,953		
358	UG Conductors	21,889,657	1.84%	403,400		403,400		
Transmission Subtotal		2,082,464,572		42,302,491		42,302,491		
						Pre-Funded		
						(54,523)		
						Difference Between Financial View and SD Rules		
						5,275,989		
Transmission Total							(10,326,000)	37,197,957 (6)
Transmission Plant - Acquisition Adjustment								
114	OH Conductors	222,385	0.00%	-		-		
Transmission Acquisition Adjustment Total		222,385		-		-		-
Transmission Plant - Leased								
355	Poles & Fixtures	780,937	2.17%	16,969		16,969		
356	OH Conductors	272,493	2.12%	5,780		5,780		
		1,053,430		22,749		22,749		
						Difference Between Financial View and SD Rules		
						4,583		
Transmission Leased Total							-	27,332
Distribution								
361	Structures & Improvements	34,168,197	2.31%	790,578		790,578		
362	Station Equipment	505,020,916	2.22%	11,208,119		11,208,119		
364	Poles & Fixtures	324,280,828	4.56%	14,790,783		14,790,783		
365	OH Conductors	382,281,589	2.99%	11,426,804		11,426,804		
366	UG Conduit	225,597,774	2.04%	4,612,935		4,612,935		
367	UG Conductors	945,768,441	2.13%	20,150,107		20,150,107		
368	Line Transformers	375,766,096	3.35%	12,596,207		12,596,207		
368	Capacitors	20,497,658	4.30%	880,590		880,590		
369	OH Service	79,167,640	3.95%	3,127,025		3,127,025		
369	UG Service	195,354,887	2.41%	4,717,175		4,717,175		
370	Meters	108,571,292	6.58%	7,139,988		7,139,988		
371	Customer Premise	22,705,183	0.00%	(19)		(19)		
373	Street Lighting	56,426,304	4.66%	2,627,894		2,627,894		
Distribution Subtotal		3,275,606,805		94,068,186		94,068,186		
						Amortization of SD Short Term AFUDC		
						5,000		
Distribution Total							923,000	94,996,186 (6)
Distribution-Leased								
361	Structures & Improvements	66,195	2.15%	1,424		1,424		
362	Station Equipment	1,757,841	2.17%	38,209		38,209		
Distribution Leased Total		1,824,036		39,633		39,633	-	39,633

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FERC Account	Account Description	Depreciation Base	Depreciation Rate (%)	Total Depreciation Expense (1)	Charged to Other Accounts	Net Depreciation Expense	Adjustments	Adjusted Depreciation Expense
Electric General								
390	Genl Structures & Improvements	59,083,076	2.26%	1,337,967		1,337,967		
391	General Office Furn & Equip	32,359,936	8.06%	2,607,430		2,607,430		
392	General Transp Equip	88,174,494	8.07%	7,117,131	7,117,131	-		
393	General Stores Equip	1,673,190	4.57%	76,548		76,548		
394	General Tools & Shop Equip	60,040,512	6.67%	4,006,237		4,006,237		
395	General Laboratory Equip	3,647,499	8.61%	314,217		314,217		
396	General Power Operated Equip	29,337,207	8.50%	2,493,698	2,493,698	-		
397	General Comm Equip	34,981,699	9.96%	3,483,923		3,483,923		
398	General Misc Equip	2,819,337	6.79%	191,461		191,461		
Electric General Subtotal		312,116,950		21,628,612	9,610,829 (2)	12,017,783		
Difference Between Financial View and SD Rules						(12,209)		
Electric General Total						12,005,574	(2,782,000)	9,223,574 (6)
302	Franchises and Consents	127,471,087	4.62%	5,892,357		5,892,357		
303	Intangible Amortization (3)	65,447,980	12.65%	8,280,939		8,280,939		
Electric Intangibles Subtotal		192,919,067		14,173,296		14,173,296		
Difference Between Financial View and SD Rules						14,448		
Electric Intangibles Total						14,187,744	(274,000)	13,913,744 (6)
Electric Common Plant (4) (5)				33,413,665	870,396	32,543,269		
Difference Between Financial View and SD Rules						54,790		
Electric Common Plant Total						32,598,059	857,000	33,455,059 (6)
Total Electric (Including Electric Common)		12,453,162,043		408,270,896	10,481,225	401,170,894	42,352,000	443,522,894 (6)

* 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 FERC Form 1, page 356.
- (6) See Statement M, Pages 3 - 6