

Electric Jurisdictional Annual Report  
**2009**                      **2010**

Description	Reference	<u>Total</u>	<u>TY2009 Final Rates</u>	<u>2009</u>	<u>2010</u>
Intangible	E-39, Line 6, Column e	\$ 1,408,847	278,290	790,362	1,769,279
Production Plant	E-40, Line 17, Column e	\$ 83,050,541	62,840,706	78,387,046	81,144,622
Distribution	E-41, Line 23, Column e	\$ 88,576,317	64,603,637	65,161,992	73,707,948
General	E-42, Line 14, Column e	\$ 16,306,381	\$ 15,085,551	\$ 14,238,189	\$ 15,116,724
		\$ 189,342,086	\$ 142,808,184	\$ 158,577,589	\$ 171,738,573
Less: Production Plant		<u>\$ 83,050,541</u>			
Plant net of Production		\$ 106,291,545			
Retained Assets		<u>\$ 3,803,183</u>			
Estimated assets for sale 12/31/2012		\$ 102,488,362			
CWIP		\$ 2,701,000			
Working Capital Adjustments		<u>\$ 3,554,000</u>			
Total		\$ 108,743,362			
Estimated Booked Sales Price (Joint Petition, Attachment D, Schedule 2.7; updated in DOC 63), including working capital and CWIP adjustments.		\$ 121,692,000			
Premium before taxes and transaction costs		\$ 12,948,638			



### SUMMARY OF DEPRECIATION ACCRUAL

(Minnesota Jurisdiction)  
For Calendar Year 2012

Acct. No.	Title of Accounts	S/L STRAIGHT LINE METHOD							
		E.O.Y Gross Plant (a)	ESTIMATED NET SALVAGE % (b)	Amount (c)	Depreciated reserve (d)	NET Balance (e)	Service Life (f)	Year's Accrual (g)	ANN ACCUR % (h)
<b>INTANGIBLE PLANT</b>									
302	Franchises and consents	24,305	-	-	24,127	178		-	
303	Miscellaneous intangible plant	5,120,988	-	-	3,712,319	1,408,669		-	
	Total intangible plant	5,145,293	-	-	3,736,446	1,408,847		-	
<b>PRODUCTION PLANT</b>									
<b>STEAM PRODUCTION PLANT</b>									
310	Land and land rights	115,013	-	-	-	115,013		-	-
311	Structures & Improvements	10,412,822	(20)	-	7,749,167	2,663,655		306,576	0.00, 0.49 & 15.55
312	Boiler plant equipment	58,054,651	(20)	-	28,382,537	29,672,114	NOTE	2,309,472	0.00, 1.48 & 9.60
313	Eng's. & eng. driv. gens.	-	-	-	-	-	(1)	-	-
314	Turbogenerator units	10,261,134	(10)	-	6,350,431	3,910,703	BELOW	256,509	0.00, 0.87 & 7.39
315	Accessory electric eqpt.	7,317,570	(5)	-	3,577,923	3,739,647		224,903	0.00, 0.62 & 3.15
316	Misc. power plant eqpt.	1,998,759	(5)	-	1,053,213	945,546		62,068	0.00, 3.76 & 8.45
317	Asset Retirement Costs for Steam Prod	1,181,166	-	-	534,375	646,791		(532,509)	-
	Total steam prodn plant	89,341,115		-	47,647,646	41,693,469		2,627,019	
<b>NUCLEAR PRODN. PLANT</b>									
321	Structures & Improvements	-	-	-	-	-		-	-
322	Reactor plant equipment	-	-	-	-	-		-	-
323	Turbogenerator units	-	-	-	-	-		-	-
324	Accessory electric eqpt.	-	-	-	-	-		-	-
325	Misc. power plant eqpt.	-	-	-	-	-		-	-
	Total nuclear prodn plant	-	-	-	-	-		-	-
<b>HYDRO PRODN. PLANT</b>									
331	Structures & Improvements	-	-	-	-	-		-	-
332	Reserv., dams, waterways	-	-	-	-	-		-	-

(1) Specific retirement dates have been estimated for each power plant as detailed in Docket No. E,G-001/D-12-680 filed with the Minnesota Public Utilities Commission that was approved on October 30, 2012.

(Continued on next page)



## SUMMARY OF DEPRECIATION ACCRUAL

(Minnesota Jurisdiction)  
For Calendar Year 2012

acct. No.	TITLE OF ACCOUNTS	<u>S/L STRAIGHT LINE METHOD</u>					SERVICE LIFE (f)	YEAR'S ACCRUAL (g)	ANN ACCR % (h)
		E.O.Y. GROSS PLANT (a)	<u>ESTIMATED NET SALVAGE</u> % (b)	AMOUNT (c)	DEPRECIATION RESERVE (d)	NET BALANCE (e)			
333	Wtr. whls., turb., & gens.	-	-	-	-	-	-	-	
334	Accessory electric eqpt.	-	-	-	-	-	-	-	
335	Misc. power plant eqpt.	-	-	-	-	-	-	-	
336	Roads, RR, & bridges	-	-	-	-	-	-	-	
	Total hyd. prodn plant	-	-	-	-	-	-	-	
	<b>OTHER PROD. PLANT</b>								
340	Land and land rights	949,802	-	-	88,295	861,507	29,078	-	
341	Structures and Improvements	7,776,314	-	-	1,682,459	6,093,855	305,929	-	
342	Fuel hold, prod, acc.	1,326,381	(5)	-	522,138	804,243	NOTE	57,213	
343	Prime movers	3,078,264	(5)	-	2,059,840	1,018,424	(1)	75,510	
344	Generators	41,782,822	-	-	12,872,669	28,910,153	BELOW	1,825,985	
345	Accessory electric eqpt.	3,739,272	(5)	-	942,181	2,797,091		147,652	
346	Misc. power plant eqp.	236,631	-	-	139,120	97,511		5,204	
347	Asset Retirement Costs for Other Prod	953,318	-	-	179,030	774,288		10,315	
	Total other prodn plant	59,842,804		-	18,485,732	41,357,072		2,456,886	
	Total production plant	149,183,919		-	66,133,378	83,050,541		5,083,905	
	<b>TRANSMISSION PLANT</b>								
352	Structures & Improvements	-	-	-	-	-		-	
353	Station Equipment	-	-	-	-	-		-	
354	Towers and fixtures	-	-	-	-	-		-	
355	Poles and fixtures	-	-	-	-	-		-	
356	Overhead condrs & dev	-	-	-	-	-		-	

(1) Specific retirement dates have been estimated for each power plant as detailed in Docket No. E,G-001/D-12-680 filed with the Minnesota Public Utilities Commission that was approved on October 30, 2012.

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### SUMMARY OF DEPRECIATION ACCRUAL

(Minnesota Jurisdiction)

For Calendar Year 2012

acct. No.	TITLE OF ACCOUNTS	E.O.Y. GROSS PLANT (a)	S/L STRAIGHT LINE METHOD <u>ESTIMATED NET SALVAGE</u>		DEPRECIATION RESERVE (d)	NET BALANCE (e)	SERVICE LIFE (f)	YEAR'S ACCRUAL (g)	ANN ACCR % (h)
			% (b)	AMOUNT (c)					
357	Underground conduit	-	-	-	-	-	-	-	-
358	Underground condrs & dev	-	-	-	-	-	-	-	-
359	Roads and trails	-	-	-	-	-	-	-	-
	Total transmission plant	-	-	-	-	-	-	-	-
	<b>DISTRIBUTION PLANT</b>								
360	Land and land rights	200,298	-	-	-	200,298	-	-	-
361	Structures & Improvements	651,704	(5)	-	207,849	443,855	50	11,473	1.79
362	Station Equipment	23,655,287	(10)	-	9,778,485	13,876,802	25	668,059	3.13
363	Storage battery equipment	-	-	-	-	-	-	-	-
364	Poles, towers and fixtures	36,174,282	(50)	-	21,825,390	14,348,892	47	816,242	2.25
365	Overhead condrs & devices	38,075,042	(40)	-	14,801,949	23,273,093	42	1,168,638	3.10
366	Underground conduit & dev.	956,606	(5)	-	284,925	671,681	40	25,256	2.67
367	Underground condrs	16,450,764	(25)	-	4,554,759	11,896,005	42	479,295	3.01
368	Line transformers	16,078,599	(5)	-	6,471,473	9,607,126	39	361,796	2.03
369	Services	9,624,775	(50)	-	2,056,641	7,568,134	40	330,905	3.66
370	Meters	2,966,769	(5)	-	(1,001,447)	3,968,216	43	224,897	7.11
371	Install on cust. prem.	-	-	-	-	-	-	-	-
372	Leased prop. on cust. prem.	-	-	-	-	-	-	-	-
373	Street light & sign. sys.	4,346,966	(20)	-	1,624,751	2,722,215	23	213,789	5.00
374	Asset Retirement Costs for Distribution Plant	-	-	-	-	-	-	-	-
	Total distrib. plant	149,181,092	-	-	60,604,775	88,576,317	-	4,300,350	-

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## SUMMARY OF DEPRECIATION ACCRUAL

(Minnesota Jurisdiction)

For Calendar Year 2012

acct. No.	OF ACCOUNTS	E.O.Y. GROSS PLANT (a)	S/L STRAIGHT LINE METHOD		NET BALANCE (e)	SERVICE LIFE (f)	YEAR'S ACCRUAL (g)	ANN ACCR % (h)
			ESTIMATED NET SALVAGE % (b)	DEPRECIATION AMOUNT (c)				
<b><u>GENERAL PLANT</u></b>								
389	Land and land rights	368,630	-	-	368,630	-	-	-
390	Structures & Improvements	8,366,402	(5) & 0	-	6,390,383	50 & 20	161,409	2.01 & 18.38
391	Ofc. furn. & equipment	1,909,667	-	-	906,233	20 & 5	293,994	4.72 & 14.34
392	Transportation equipment	5,856,805	10	-	3,617,098	13	-	7.58
393	Stores equipment	12,932	-	-	(825)	25	435	3.75
394	Tools shop & garage eqpt.	2,280,991	-	-	1,502,315	25	86,029	3.91
395	Laboratory equipment	12,720	-	-	(3,555)	15	778	6.87
396	Power operated equipment	767,286	10	-	411,168	13	-	6.38
397	Communication equipment	4,812,762	-	-	3,114,147	12 & 25	396,577	5.68 & 3.68
398	Miscellaneous equipment	5,657	-	-	787	-	314	-
399	Other tangible property*	-	-	-	-	-	-	-
	Total general plant	24,393,852	-	-	16,306,381	-	939,536	
	Total of accounts	327,904,156	-	-	189,342,086		10,323,791	
<b><u>OTHER PLANT ACCTS</u></b>								
102	Electric Plant purchased**	-	-	-	-	-	-	-
102	Electric plant sold**	-	-	-	-	-	-	-
103	Exper Elect Plant Unclass	-	-	-	-	-	-	-
104	Electric plant leased to others	-	-	-	-	-	-	-
105	Elec. plant held for future use	-	-	-	-	-	-	-
106	Completed constr. not classif.	-	-	-	-	-	-	-
107	Construction work in progress	14,470,534	-	-	14,470,534	-	-	-
	Total Other Plant	14,470,534	-	-	14,470,534		-	-
	Total elect. pl. in svc.	327,904,156	-	-	189,342,086		10,323,791	

\* State the nature and use of plant included in this account and if substantial in amount submit a supplementary schedule showing sub-account classification of such plant conforming to the requirements of this schedule on page 42 "Extra".

\*\* For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold on page "42 extra".