

**MINNESOTA POWER
PRODUCTION PLANT
COMPARISON
2013**

	Depreciable Plant Balance 12/31/12	Depreciation Reserve 12/31/12	Present Rates			Original Proposed Rates			Effect of Rate Changes to 2013 Accrual	Rates Assuming 100% Decommissioning Probability			Additional Increase to 2013 Accrual due to Reflecting 100% Decomm. Probability in Salvage Rates
			Remaining Life (01/01/13)	Salvage Value (01/01/13)	2013 Annual Accrual	Remaining Life (01/01/13)	Salvage Value (01/01/13)	2013 Annual Accrual		Remaining Life (01/01/13)	Salvage Value (01/01/13)	2013 Annual Accrual	
Steam Generation													
<u>Hibbard SE Station:</u>	85,991,724	54,785,722	12.0	0.00%	2,600,500	12.0	0.00%	2,600,500	0	12.0	0.00%	2,600,500	0
<u>Laskin Energy Center</u>	78,897,626	49,835,819	12.0	-4.44%	2,713,738	12.0	-10.87%	3,136,498	422,760	12.0	-10.87%	3,136,498	0
<u>Boswell Energy Center:</u>	1,058,952,179	389,150,481			33,970,855			34,477,658	506,803			35,670,972	1,193,314
Unit No. 1	45,632,633	21,791,308	12.0	-1.41%	2,040,395	12.0	-1.82%	2,055,987	15,592	12.0	-3.64%	2,125,196	69,209
Unit No. 2	35,288,124	21,623,826	12.0	-1.05%	1,169,569	12.0	-2.27%	1,205,445	35,876	12.0	-4.53%	1,271,904	66,459
Unit No. 3	449,977,387	106,678,373	22.0	-3.19%	16,256,968	22.0	-4.19%	16,461,503	204,535	22.0	-5.59%	16,747,852	286,349
Unit No. 4	352,488,077	155,919,299	23.0	-2.81%	8,977,117	23.0	-3.84%	9,134,970	157,853	23.0	-7.68%	9,723,472	588,502
Common	175,565,958	83,137,675	17.0	-0.87%	5,526,806	17.0	-1.77%	5,619,753	92,947	17.0	-3.54%	5,802,548	182,795
<u>Taconite Harbor Energy Center</u>	147,580,116	42,855,140			8,340,953			8,356,171	15,218			8,470,302	114,131
Structure/Unit	142,587,224	38,840,591	14.0	-3.48%	7,764,905	14.0	-3.60%	7,777,127	12,222	14.0	-4.50%	7,868,790	91,663
Ash Ponds*	4,992,892	4,014,549	2.0	-3.48%	576,048	2.0	-3.60%	579,044	2,996	2.0	-4.50%	601,512	22,468
<u>Cloquet Energy Center</u>	8,344,314	5,033,770	12.0	0.00%	275,879	12.0	0.00%	275,879	0	12.0	0.00%	275,879	0
Total Steam Generation	1,379,765,959	541,660,932			47,901,925			48,846,706	944,781			50,154,151	1,307,445
Wind Generation													
Bison 1A	73,886,471	1,463,202	32.0	0.00%	2,263,227	32.0	0.00%	2,263,227	0	32.0	0.00%	2,263,227	0
Bison 1B	75,948,263	3,838,292	33.0	0.00%	2,185,151	33.0	0.00%	2,185,151	0	33.0	0.00%	2,185,151	0
Bison 2	154,144,123	1,878,382	34.0	0.00%	4,478,404	34.0	0.00%	4,478,404	0	34.0	0.00%	4,478,404	0
Bison 3	145,678,396	173,015	34.0	0.00%	4,279,570	34.0	0.00%	4,279,570	0	34.0	0.00%	4,279,570	0
Subtotal Bison	449,657,253	7,352,891			13,206,352			13,206,352	0			13,206,352	0
Taconite Ridge I Energy Center	47,237,872	6,059,405	30.0	0.00%	1,372,616	30.0	0.00%	1,372,616	0	30.0	0.00%	1,372,616	0
Total Wind Generation	496,895,125	13,412,296			14,578,968			14,578,968	0			14,578,968	0
Total Generation	1,876,661,084	555,073,228			62,480,893			63,425,674	944,781			64,733,119	1,307,445
												Percentage Increase in 2013	2.1%
												Total Increase in 2013	2,252,226
												Total Percentage Increase in 2013	3.6%

The ash ponds have a 5 year life, as they are built and filled in on a 5-year cycle.

* New Ash Ponds with 5 year life added in 2010