Direct Testimony and Schedules
Randy A. Capra

Before the Minnesota Public Utilities Commission
State of Minnesota

In the Matter of the Application of Northern States Power Company
for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G002/GR-25-356
Exhibit___(RAC-1)

Gas Plants

October 31, 2025

Table of Contents

Schedules

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND TITLE.

A. My name is Randy A. Capra. I am Regional Vice President of Power Generation for Xcel Energy Services Inc. (XES), which is the service company affiliate of Northern States Power Company, a Minnesota corporation (NSPM or the Company) and an operating company of Xcel Energy Inc. (Xcel Energy).

Q. PLEASE SUMMARIZE YOUR QUALIFICATIONS AND EXPERIENCE.

A. I have worked for Xcel Energy since 1985, including assignments as an Instrument and Control Specialist, Plant Supervisor, Engineering Manager, Operations Manager, Plant Director, and General Manager. In my current position as Regional Vice President of Power Generation, I am responsible for all thermal operations throughout the NSP generation fleet. My statement of qualifications is attached as Exhibit___(RAC-1), Schedule 1.

Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY IN THIS PROCEEDING?

A. The purpose of my Direct Testimony is to provide support for the Company's capital and O&M budgets related to gas plant operations in the 2026 test year.[1] The Company's gas plants include the Wescott, Sibley, and Maplewood peaking plants. My testimony supports Energy Supply's 2026 test year budgets for the gas plants. I also provide an overview of recent capital additions at the plants

[1] In the Company's last gas rate case filed in Docket No. G002/GR-23-413 (the 2024 Gas Rate Case), capital investments and O&M related to gas peaking plants were included in the Gas Operations business area's budgets and addressed in the Direct Testimony of Company witness Alicia E. Berger. However, as of January 1, 2025, responsibility for the budgets and operations of the gas peaking plants was moved to the Company's Energy Supply business area. As such, I support the Gas Plants capital and O&M budgets that are now separate from Gas Operations' budgets. I discuss this change further in Section III of my Direct Testimony.

and comparisons to historical actuals, linking the project descriptions and budgets information presented in the Gas Operations testimony in prior rate cases.

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. In my Direct Testimony, I primarily support the Company's capital additions and O&M expenses in the 2026 test year. I also discuss how in the last few years the Company has made major investments in the fire suppression systems at all three gas plants, as well as a new control room for the Wescott facility, which together result in substantial capital additions in 2025. The Company discussed the fire suppression upgrades in the 2024 Gas Rate Case. I provide an update on these projects in my testimony, and I discuss the Wescott control room that will be in-serviced in 2025. While these projects result in significant capital additions in 2025, and are key drivers of this rate case, this level of investment is not indicative of the capital investments in the gas plants going forward. As I will discuss in my testimony, the level of capital investments in 2026 represents investments in smaller projects that are necessary for the continued safe and reliable operation of the plants.

Q. HOW IS THE REMAINDER OF YOUR TESTIMONY ORGANIZED?

A. The remainder of my testimony is organized into the following sections:

- *Section II* – Gas Plants Overview
- *Section III* – Capital Investments
- *Section IV* – O&M Budget
- *Section V* – Conclusion

II. GAS PLANTS OVERVIEW

Q. PLEASE DESCRIBE THE COMPANY'S GAS PEAKING PLANTS.

A. The Company owns and operates three above-ground peaking facilities, including the Wescott liquefied natural gas (LNG) plant and the Sibley and Maplewood propane air plants. These plants essentially store liquefied natural gas or propane that can be vaporized and injected into the system to help meet firm customer requirements on the coldest winter days. These plants are used to ensure we can meet our firm customers' demand for natural gas on those occasions where we approach design day conditions,[2] and also to assist in intra-day balancing. Because these plants generally are available to provide gas to firm customers during peak conditions, the Company is able to avoid incremental pipeline capacity purchases to meet the same need. The peaking plants also provide diversity to the Company's capacity portfolio, in addition to third-party interstate pipeline capacity.

Q. PLEASE DESCRIBE THE WESCOTT PLANT.

A. The Wescott LNG plant, built in the 1970s, is located in Inver Grove Heights, Minnesota, and consists of two storage vessels capable of storing approximately 26 million gallons of LNG. During non-winter months, the Company purchases natural gas, which is delivered to the plant. The Company cools down the natural gas to approximately -260 F until it turns into a liquid form where it is stored in the tank. This process is known as liquefaction. The gas is then stored in a liquefied state until it is needed during the heating season, when it is vaporized and injected back into the distribution system.

[2] Company witness Berger discusses design day system modeling and peak day temperatures in her Direct Testimony.

During winter months, Wescott is utilized as a peak-shaving resource to supplement pipeline capacity during peak demand conditions. When the plant is dispatched, the reverse process, known as vaporization, occurs, where the LNG is heated until it turns back to its original gaseous form and is injected into the Company's distribution system, where it is delivered to our customers.

Q. PLEASE DESCRIBE THE SIBLEY AND MAPLEWOOD PROPANE PLANTS.

A. The Sibley Propane Air peaking plant is located in Mendota Heights, and the Maplewood Propane Air peaking plant is located in Maplewood. Both plants were built in the 1950s. Propane is delivered in its liquid state via truck to Sibley and Maplewood and is stored at the plants until needed. These two facilities combined store 2.6 million gallons of propane. When dispatched during winter months, the Company blends the propane with air and injects the gas into the distribution system where it is blended with natural gas and ultimately delivered to our customers. Like Wescott, the Sibley and Maplewood peaking plants are primarily used to support gas supply requirements during peak demand conditions.

Q. WHY ARE THESE PEAKING PLANTS IMPORTANT TO THE SYSTEM?

A. These three peak-shaving plants ensure we can meet our firm customers' needs as we approach design day temperatures, and they can be used for economic dispatch when supply constraints or price volatility conditions exist. Although these conditions do not regularly occur, the peaking plants are still important to design day plans. Wescott can deliver 156,000 dekatherms per day (Dth/d) and Sibley and Maplewood, combined, are capable of delivering an additional 90,000 Dth/d. The ability of these plants to provide gas to customers during peak demand conditions enables the Company to avoid incremental pipeline capacity

purchases to meet the same need. Further, these plants provide a customer benefit related to fuel price because the Company purchases the natural gas for liquefaction at the Wescott plant and the liquid propane to be stored at the Maplewood and Sibley plants during the non-winter months when fuel prices are lower. This supply is then used during the heating season when prices are higher for other spot market fuel purchases.

Q. CAN YOU PROVIDE A HIGH-LEVEL SUMMARY OF THE REFURBISHMENT PROJECTS THAT WERE RECENTLY COMPLETED AT THE PEAKING PLANTS?

A. Yes. As discussed in our 2022 Gas Rate Case (Docket No. G002/GR-21-678), routine testing at the Westcott plant in late 2020 and early 2021 resulted in an unplanned release of natural gas to the atmosphere. As a result, the Company ceased operations at Wescott, as well as Sibley and Maplewood, so that we could review the vaporization processes at those plants. Detailed plant assessments conducted by Company personnel, as well as an independent review of the plants by third-party engineering consultants, identified necessary peaking plant refurbishment and remediation projects. These projects included control system overhauls, valve replacements, relief system modifications, and life safety system upgrades at all the plants, as well as vaporization equipment and associated system refurbishments at the propane plants.

The refurbishment and remediation projects prioritized investments and testing critical to resume vaporization at the plants, but also identified renewal work that would be needed but could be completed after the plants returned to service. The Wescott plant was brought back online for vaporization in December 2021, and the Maplewood and Sibley plants resumed regular operations in January 2022. The vast majority of discrete Plants capital additions

in 2022 related to the primary phases of these refurbishment projects, with the fire detection/suppression system work to follow.

Q. DID THESE INVESTMENTS IN THE PEAKING PLANTS IMPROVE THEIR OPERATIONAL LIVES?

A. Yes. The investments at the plants extended their operational life expectancy, enabling them to serve customers beyond their then-current lives. In the Company's 2023 Annual Remaining Lives proceeding, the Company proposed, and the Commission approved, an adjustment to depreciation for the plants to align with the lengthened service lives of all three peaking plants to December 2041.[3]

Q. CAN YOU PROVIDE A HIGH-LEVEL DESCRIPTION OF THE FIRE DETECTION AND SUPPRESSION SYSTEM UPGRADES THAT FOLLOWED THE REFURBISHMENT PROJECTS DESCRIBED ABOVE?

A. Yes. Prior to the recent upgrades, the fire detection and suppression systems at each of the plants were original to the plants – late 1950s for Sibley and Maplewood, and 1970s for Wescott. The purpose of these systems is to identify fire potentials – when smoke or gas is detected – and to provide fire curtains and cool tanks in the event of a fire. The systems also work to safely shut down the plant in the event of fire. The recent fire detection and suppression system upgrades at the Wescott and Maplewood plants, discussed in the Company's 2024 Gas Rate Case, included upgrades to the firewater systems and the gas,

[3] *In the Matter of Northern States Power Company, d/b/a Xcel Energy's Petition for Approval of the 2022 Annual Review of Remaining Lives (ARL) and Depreciation Rates for Electric and Gas Production and Gas Storage Facilities (EGPS) & for Transmission, Distribution, and General Accounts (TDG) & Five-Year Transmission, Distribution, and General Depreciation Study*, ORDER APPROVING PETITION WITH MODIFICATIONS AND SETTING ADDITIONAL FILING REQUIREMENTS, Docket No. E,G002/D-22-299, at 9 and Order Points 2 and 5 (January 9, 2024).

flame, heat, and smoke detection equipment throughout the plants. As I will discuss further below, the fire detection/suppression upgrades at the Wescott plant were placed in-service in 2024, and the upgrades at the Maplewood plant will be in-serviced in 2025.

Q. IS THE COMPANY COMPLETING SIMILAR FIRE DETECTION/SUPPRESSION WORK AT THE SIBLEY PLANT?

A. Yes. As noted in the Company's 2024 Gas Rate Case, fire detection/suppression system upgrades were also planned for the Sibley plant, but this work was not anticipated to be in-service during the 2024 test year in that case. The Company is currently implementing upgrades to the fire detection/suppression system at Sibley, and the work is largely consistent with the work implemented at the Maplewood plant. This work is also expected to be in-serviced in 2025.

Q. DO THE RECENT FIRE DETECTION/SUPPRESSION SYSTEM UPGRADES SUPPORT ADDITIONAL LIFE EXTENSIONS FOR EACH OF THE PLANTS?

A. Yes, the investments to upgrade the fire detection/suppression systems at the peaking plants are anticipated to extend their operational life expectancy, enabling them to serve customers beyond their current lives through 2041. As I will discuss further below, a reasonable estimate is that these investments support life extension of the plants through approximately 2055. The Company has not included a request for these life extensions in this case. However, if the Commission and parties are supportive of these life extensions, the Company could incorporate the impact to depreciation expense into the rebuttal revenue requirement in this case. These potential life extensions are discussed further in the Direct Testimonies of Company witnesses Michele A. Kietzman and Amy A. Liberkowski.

III. CAPITAL INVESTMENTS

Q. WHAT TYPES OF PROJECTS ARE INCLUDED IN THE PLANTS CATEGORY OF CAPITAL INVESTMENT?

A. Capital projects included in this category include projects to maintain the Company's Wescott, Sibley, and Maplewood peak-shaving plants to ensure plant safety and reliability and compliance with state and federal codes. The capital costs in the Plants category are divided between routine work and discrete projects. The routine budgets are primarily for emergent work that may arise during the year. These will typically be smaller projects related to routine capital maintenance. Discrete projects include investments in specific projects that have been identified related to equipment refurbishment or replacement costs.

Q. YOU MENTIONED ABOVE THAT AS OF JANUARY 1, 2025, RESPONSIBILITY FOR THE BUDGETS AND OPERATIONS OF THE GAS PEAKING PLANTS WERE MOVED FROM GAS OPERATIONS TO THE COMPANY'S ENERGY SUPPLY BUSINESS AREA. WHY WAS THAT CHANGE MADE?

A. The peaking plant assets more closely align with the Company's generation fleet, specifically with respect to the assets' functions and the planning, engineering, and support staff necessary to operate and maintain these facilities on behalf of our customers. In contrast, the Gas Operation business area provides gas sales and transportation service to customers in our service territory. As such, the Company moved responsibility for budgeting and operating the gas peaking plant from Gas Operations to Energy Supply to facilitate coordination between personnel and the areas responsible for various common aspects of managing the generation fleet and the gas peaking plants.

Q. WHAT TYPES OF INVESTMENTS ARE INCLUDED FOR PLANTS IN THIS CASE?

A. The peaking plant investments include projects that have been planned during the course of Energy Supply's annual budgeting process. These include both routine investments as well as discrete projects necessary to maintain operational safety and reliability and compliance with state and federal codes. For the 2026 test year, the discrete projects are primarily related to work at the Wescott plant, including the water ethylene glycol skid replacement, a gas turbine overhaul, and replacement of the administration building roof. The capital additions in 2025 are primarily related to the fire suppression/detection upgrades at the plants, as well as a new control room at Wescott.

Q. PLEASE SUMMARIZE THE PLANTS CAPITAL ADDITIONS THAT ARE INCLUDED IN THIS RATE CASE.

A. Table 1 below summarizes the Company's capital additions for Plants in the 2026 test year, 2025 forecasted additions, and a three-year trend of capital additions from 2022 to 2024 (the most recent three years of actual data). As described earlier in my Direct Testimony, in the last few years the Company has made major investments in the fire suppression systems at all three gas plants, as well as a new control room for the Wescott facility, culminating in the substantial capital additions in 2025 set forth in Table 1. This level of capital investment is not anticipated going forward because large capital projects like those in-serviced in 2025 are not included in the 2026 test year, nor are they anticipated in the 2027-2028 timeframe. The investment outlined in 2026 represents investments in smaller projects that are necessary for the continued safe and reliable operation of the plants. Overall, capital additions by project are provided in Exhibit___(RAC-1), Schedule 2.

Table 1
Gas Plants Capital Additions 2022-2026
State of Minnesota Gas Jurisdiction ($ millions)

Capital Additions MN Jurisdiction	2022 Actuals	2023 Actuals	2024 Actuals	2025 Forecast	2026 Test Year
Plants	$53.4	$15.0	$24.3	$94.8	$14.3

Q. HOW DOES NSPM BUDGET FOR CAPITAL SPENDING FOR ITS PEAKING PLANTS?

A. We have a well-defined process for identifying, ranking, and budgeting gas capital projects. This process involves the identification of potential system risks and mitigations (associated solutions), review of mitigation for accuracy, completeness, and reasonableness, and prioritization of projects. The specific projects to be completed are based on these prioritizations in combination with assessment of overall budget dollars available. The specific discrete projects identified and the routine work to be funded are assigned in-service dates or closing patterns based on the attributes of the work and receive oversight throughout work deployment.

Q. YOU REFER TO "RISKS," "SOLUTIONS," "MITIGATIONS," AND "PROJECTS." CAN YOU EXPLAIN WHAT YOU MEAN BY THESE TERMS IN THE CONTEXT OF DEVELOPING A CAPITAL BUDGET?

A. "Risks" are potential detrimental impacts or threats to safety, the quality/reliability of our service, environmental quality, our ability to meet our legal obligations, or our financial standing. These identified risks result in initiatives that address the risks. These initiatives, in turn, often require capital expenditures. In the capital budgeting process, potential "solutions" or "mitigations" are essentially "projects" (*i.e.*, work to be performed that will mitigate a certain risk or set of risks). These projects are the focus of the capital

budget process. Projects are evaluated against each other based on their costs, how effectively they address certain risks, and how critical the risks are.

Q. PLEASE EXPLAIN THE PROCESS OF MANAGING CAPITAL COSTS AFTER THE CAPITAL BUDGET IS DEVELOPED.

A. Energy Supply, along with the corporate Finance organization, monitors all distribution and capital dollars to ensure that authorized projects align with the established budget. Detailed monthly reports are produced that compare actual capital expenditures and plant in-service to budgeted levels for routine and specific projects. Key stakeholders within the organization meet to review program and specific project capital expenditures and variances. Adjustments and corrective measures are implemented as needed.

Q. WHAT INCENTIVES ARE IN PLACE TO PROMOTE THE ACCURACY OF THE CAPITAL BUDGET?

A. Management employees that have job responsibilities with a direct impact to capital budget expenditures and plant in-service (*e.g.*, project management, engineering, investment delivery, etc.) have specific budgetary goals that are incorporated into their performance evaluations. Performance is measured monthly to ensure adherence to these goals and to address variances. This metric is aimed at developing accurate budgets and managing to the budgeted levels.

Q. WHAT ARE THE "ROUTINE" PROJECT TYPES YOU MENTIONED EARLIER?

A. The routine budgets are primarily for emergent work that is not generally defined until the current year. These projects will typically be for smaller, more routine capital work.

Q. CAN YOU DESCRIBE HOW THE COMPANY BUDGETS FOR ROUTINES?

A. Yes. The routine budget for emergent work considers the historical levels of routine work, and reflects the expected routine work anticipated at each of the plants. Costs are based on prior similar work completed, plus corporate escalation (inflation) factors. This routine grouping of projects serves to allocate funding for projects at the plants necessary to address smaller projects that may be identified during maintenance activities or emergent operational issues with equipment.

Q. WHAT ARE DISCRETE PROJECTS?

A. Discrete projects, which may be larger, multi-month or multi-year projects, are projects for which the Company sets up a discrete work order to track the specific cost of the project. Discrete projects are identified through the Company's planning processes. Discrete plant projects are identified based on the system risks from sources such as operations, gas engineering, and integrated system planning. These projects could include tools needed to maintain the plants, or replacement or upgrades of assets due to obsolescence.

Q. HOW DOES THE COMPANY BUDGET FOR DISCRETE PROJECTS?

A. During the Company's annual budget cycle, we follow a rigorous budgeting process that identifies the optimal mix of projects and expenditures for a given year. If a discrete project is known and of high enough priority to be included in the annual budget, it is added to the budget during the regular budget cycle.

Q. IN GENERAL, HOW DOES THE COMPANY DETERMINE COST ESTIMATES FOR INDIVIDUAL DISCRETE PROJECTS?

A. Given the nature of our business, the Company must estimate the costs of projects that contain unknown variables that may impact the final cost of the project. The project development process is a tiered approach with prescribed planning requirements at each gate within a project's lifecycle. This requires project managers to develop a registry of project risks including material availability, contractor resourcing strategy, operational schedules, and public impact. To the extent a budget contains a level of contingency to account for unanticipated variables to minimize the impacts of the overall budget, such contingencies are refined as a project goes through the process.

Finally, once a project is under way, the project manager meets regularly with key staff (*i.e.*, siting and land rights, sourcing, construction/operations, etc.) where issues and concerns are identified, and solutions are developed. The overall goal is to achieve safe and timely completion of the project at no more than the budgeted cost.

Q. WHAT ARE THE TOTAL PLANTS CAPITAL ADDITIONS FOR ROUTINE AND DISCRETE PROJECTS FOR 2022 THROUGH THE 2026 TEST YEAR?

A. Table 2 below shows the total investments in the peaking plants, divided between routine and discrete projects.

Table 2
Gas Plants Capital Additions - Routines vs. Discrete Projects
State of Minnesota Gas Jurisdiction ($ millions)

Project Name	2022 Actuals	2023 Actuals	2024 Actuals	2025 Forecast	2026 Test Year
Routine	$5.7	$0.7	$0.6	$0.7	$2.4
Discrete	$47.7	$14.3	$23.6	$94.0	$11.9
Total	$53.4	$15.0	$24.3	$94.8	$14.3

A. Fire Detection and Suppression Project Updates

Q. WHAT INFORMATION DO YOU PROVIDE IN THIS SECTION OF YOUR DIRECT TESTIMONY?

A. In this section of my Direct Testimony, I provide background information on the fire detection/suppression upgrades, and I provide updates on these projects at each of the peaking plants. Investments in the Maplewood and Wescott fire detection/suppression upgrade projects were supported as part of the Company's 2024 test year in the 2024 Gas Rate Case, and at that time, we indicated the Sibley upgrade project would be in-serviced after 2024. While each of these projects will be in-service prior to the 2026 test year in this current rate case, I provide an update on the upgrades at each of the plants.

Q. PLEASE SUMMARIZE THE FIRE DETECTION/SUPPRESSION INVESTMENTS AT THE PLANTS.

A. The fire detection/suppression investments at the plants are summarized in Table 3 below.

Table 3
Gas Plants Fire Detection/Suppression Capital Additions
State of Minnesota Gas Jurisdiction ($ millions)

Capital Additions MN Jurisdiction	2024 Actuals	2025 Forecast	2026 Test Year
Wescott	$15.1	($1.4)	-
Maplewood	-	$33.4	-
Sibley	-	$32.5	-

Q. AS BACKGROUND, WHAT CODES GUIDE THE COMPANY'S FIRE DETECTION AND SUPPRESSION INVESTMENTS AT THE PLANTS?

A. The codes that govern the fire detection and suppression systems at the Plants are the United States Department of Transportation Pipeline Safety Regulations, including National Fire Protection Association (NFPA) codes and standards incorporated by reference (IBR). These IBRs are the primary code governing documents:

- NFPA 59 – *Utility LP-Gas Plant Code,* for the Maplewood and Sibley plants; and
- NFPA 59A – *Standard for the Production, Storage, and Handling of Liquefied Natural Gas (LNG),* for Wescott.

These governing documents also include numerous other NFPA reference requirements. Current code provisions guided decision-making related to the fire detection and suppression upgrades at the plants.

Q. PLEASE PROVIDE AN OVERVIEW OF THE ASSESSMENT OF THE EXISTING FIRE DETECTION/SUPPRESSION SYSTEMS AT THE PLANTS.

A. As discussed in the Company's 2022 Gas Rate Case, the comprehensive investigation to identify the necessary refurbishments at the plants also proactively identified investments that would enhance reliability and improve safety systems. The comprehensive investigation included assessment of fire detection and suppression systems to determine the status of existing equipment and systems in relation to current pipeline safety regulations and NFPA codes and standards. While upgrades to the fire detection/suppression system were not necessary to return the plants to service, the fire suppression system testing and work with local authorities having jurisdiction (known as AHJs, *e.g.*, fire departments) ensured appropriate emergency response plans were in place to return the plants to service in the 2021-2022 timeframe.

However, these proactive studies also assessed what broader investments would be necessary to refresh the older plants, align with more recent codes such as NFPA 59 and NFPA 59A, and support the functionality of these plants on behalf of customers for decades to come. Much of the plant modernization investments following these studies were completed in 2022 and 2023; the fire detection/suppression system upgrades were planned to follow in a phased approach and are included in this case with in-service dates beginning in 2024.

Q. CAN YOU SUMMARIZE HOW THE STUDIES OF THE EXISTING FIRE DETECTION/SUPPRESSION SYSTEMS AT THE PLANTS WERE CONDUCTED?

A. Yes. As we also discussed in our 2022 Gas Rate Case, the Company engaged an engineering design contractor that in turn engaged a nationally recognized expert in fire detection/suppression system engineering and code compliance for this effort. The objective was to evaluate the existing fire detection/suppression systems to identify any work that would be necessary to maintain compliance with all current NFPA codes and standards. The Company also worked with local fire chiefs, the AHJs as defined by the current NFPA, to develop plant support plans while the studies were conducted and to weigh in on the Company's assessments and phased approach for implementation. The final assessments of the existing fire detection/suppression system were completed in December 2021.

Q. HOW DID THE COMPANY PROCEED ONCE THE NECESSARY FIRE DETECTION/SUPPRESSION STUDIES WERE COMPLETED?

A. The Company then worked with its contractor to develop comprehensive project plans, laying out an appropriate scope of work and schedule to address the needs at each plant while also ensuring adequate resources for each phase.

In preparing a work plan, the Company assessed the needs of the plants and current NFPA codes, the ongoing safety of Company employees and the public, prioritization of other capital work that was in progress, the extended operational lives of the plants to provide continuing service to customers, and any opportunity to refurbish existing equipment. All of these considerations contributed to the Company's plans to ensure the plants remain valuable resources on the system for the next 20 years or more.

Q. WHAT WAS THE COMPANY'S PLAN FOR COMPLETION OF THE FIRE DETECTION/SUPPRESSION UPGRADES NECESSARY AT THE PLANTS?

A. Given the extensive capital work at the plants that was in progress in 2021 and 2022, the Company planned a phased approach to implement the fire detection/suppression upgrade work beginning in 2023. The fire detection/suppression work at Wescott began in 2023, as did the design work for Maplewood, with capital additions for the fire detection/suppression upgrades initially anticipated in 2024. The in-service date for the Sibley fire detection/suppression upgrades was anticipated in 2025.

Q. CAN YOU PROVIDE A BRIEF OVERVIEW OF THE FIRE DETECTION AND SUPPRESSION UPGRADES AT THE WESCOTT PLANT?

A. Yes. To comply with NFPA current codes, upgrades at the Wescott plant included separation of the single source water supply, which had been used to supply both Wescott and the Flint Hills propane plant, upgrades to comply with total fire water system capacity requirements, and upgrades to fire and gas detection equipment. These upgrades included: connection to the city water supply at two locations, and the associated new equipment and infrastructure; installation of a new fire pump building to house fire pumps; installation of

water distribution piping from the new pumps in the pump house to existing fire water distribution piping; increasing water piping size from main water distribution pipe to the boiler building to support boiler building fire suppression requirements; installation of a new power transformer and controls as required to operate the pumps and communicate fire monitoring status back to the control room operators; and upgrades to fire and gas detection equipment and alarm and notification systems.

Q. CAN YOU PROVIDE AN UPDATE ON THE FIRE DETECTION/SUPPRESSION WORK AT THE WESCOTT PLANT?

A. Yes. In the 2024 Gas Rate Case, the Company anticipated capital additions in the fire detection and suppression systems at the Wescott peaking plant totaling $12.6 million in 2024. The Wescott upgrades were completed and in-serviced in 2024, with capital additions totaling $13.7 million.[4] Project in-service was initially projected to be February 2024, but the project was actually in-serviced in September 2024. The in-service date occurred later in 2024 than initially anticipated primarily due to the need to reach alignment between cities on allowable flow limitations and AHJ requirements, which required ongoing discussions and meetings in order to resolve.

Q. CAN YOU PROVIDE A BRIEF OVERVIEW OF HOW PLANS FOR THE FIRE DETECTION AND SUPPRESSION UPGRADES AT THE MAPLEWOOD PLANT WERE DEVELOPED?

A. Yes. To comply with NFPA current codes, it was determined that upgrades to the fire water capabilities at the Maplewood plant were needed due to the limitations of the single-source municipal water supply and the arrangement of

[4] This includes $15.1 million in capital additions in 2024, and a credit of $1.4 million in 2025 reflecting the contribution from Flint Hills for their portion of the project, offset by costs associated with minor follow-up work completed in 2025.

the existing system. Upgrades would be needed to ensure an adequate volume of water supply for the fire suppression system, and upgrades to the fire and gas detection equipment would also be needed. The Company initially contemplated connection to additional city water supplies, relocation of the pump house, the addition of a new water pump to comply with current NFPA code, and a new control center. However, the increased water volume resulting from the additional fire pump and new safety requirements would have overtaxed the existing infrastructure and supports such that all new foundations, structural steel, and supports for water distribution piping would have been required. In addition, the underground water header was reported to have significant leaks. The concern would be that these could not be addressed with a repair, but rather a replacement of the entire header due to the age of the piping.

After these issues were identified and the associated additional costs determined, the Company evaluated other potential approaches and assessed implementation of a tank mounding system to comply with current NFPA fire suppression codes, rather than upgrading the fire water suppression systems for the tanks. Tank mounding reduces pressure management requirements necessary during high ambient temperatures in the summer months. The Company assessed an alternative mounding option used at another company's gas peaking plant, through informational meetings and a tour of their facility. The Company and its contractor then developed comparable estimates for a mounding solution at the Maplewood plant, as well as the Sibley plant. Based on a comparison to the higher cost estimate for upgrading the fire water suppression system, the Company proceeded with implementation of a tank

mounding system – for both the Maplewood and Sibley plants – to comply with current NFPA fire suppression codes.

Q. PLEASE DESCRIBE THE TANK MOUNDING FIRE SUPPRESSION SYSTEM AT A HIGH LEVEL.

A. The purpose of fire suppression is to keep the tanks cool in the case of a fire at the plant site. Mounding the tanks is one method of achieving this by reducing the tanks' exposure to external conditions. Instead of upgrading the fire water system onsite, burying – or "mounding" – the tanks aligns with current NFPA 59 fire suppression code. This serves to reduce the amount of above-grade fire water suppression needed and reduce overpressure concerns with above-grade propane tanks and the impact of high ambient temperatures in the summer months.

Q. CAN YOU PROVIDE A BRIEF OVERVIEW OF THE FIRE DETECTION/SUPPRESSION WORK AT THE MAPLEWOOD PLANT?

A. Yes. The Maplewood project includes implementation of a tank mounding system to address fire suppression requirements in current NFPA code. This includes removal and resurface protection on all the tanks and a new cathodic protection system to enhance life of the tanks, a storm water drainage system in and around the mound, and retaining wall systems to reduce potential cost impacts of expanding the site beyond the current layout due to potential infringement and reassessments of wetland areas. The project also includes demolition of the existing fire water distribution system components, upgrades to the fire detection systems, addressing additional water source requirements to support fire suppression systems outside of the mounding areas, installation of new tank bank piping, valves, controls and monitoring devices to the tanks,

and relocation and replacement of the propane pumps due to mound system location and design requirements.

Q. CAN YOU PROVIDE AN UPDATE ON THE FIRE DETECTION/SUPPRESSION WORK AT THE MAPLEWOOD PLANT?

A. Yes. In the 2024 Gas Rate Case, the Company anticipated capital additions in the fire detection/suppression work at the Maplewood plant totaling $26.7 million in 2024. The Maplewood upgrades are now anticipated to total $33.4 million to be in-serviced in 2025.

Q. WHAT FACTORS IMPACTED THE IN-SERVICE DATE FOR THE MAPLEWOOD PROJECT?

A. The Company initially anticipated construction to begin in the fall of 2023. However, project construction did not begin until April 2024. The plants had a commitment to maintain LPG storage volume for the vaporization season. The detailed engineering work then identified the scope of work that could potentially be done over the winter months. However, based on the time and cost benefit for beginning some work over the winter months, this work was limited to minor demolition, and project construction then began in the spring of 2024. Additionally, once project construction began and we were able to further assess the condition of various pieces of equipment, additional necessary work was identified, primarily related to the operability of plant equipment to de-inventory tanks, prior to implementation of the tank mounding system. This included extensive tank repairs that could not have been anticipated prior to beginning work on the actual equipment. This additional work, along with above-average rainfall during the construction period, caused delays in the project schedule.

Q. PLEASE OUTLINE THE ADDITIONAL SCOPE OF WORK THAT WAS NECESSARY TO BE COMPLETED FOR THE MAPLEWOOD PROJECT AND IMPACTED OVERALL PROJECT COSTS.

A. First, while de-inventorying the tanks, the Company identified that excess flow valves were out of operation. Addressing this issue required using the drain at the bottom of the tanks. Additionally, the Company discovered that additional work would be needed to address tank integrity. This work included weld overlay repairs at the saddle areas and in locations identified while preparing the tanks for coating due to pitting in the steel. These welds were necessary to re-establish the tanks' thickness and integrity at these areas to comply with current codes. The Company also determined that the interior of the tanks would need to be cleaned due to debris found at the bottom of the tanks that could impact future operation by blocking the suction pipe. This work required further degassing due to the mercaptan liquid propane byproduct odor in the tank and confined space entry in order to perform cleaning safely.

Q. CAN YOU PROVIDE A BRIEF OVERVIEW OF THE FIRE DETECTION/SUPPRESSION WORK AT THE SIBLEY PLANT?

A. Yes. The fire detection/suppression work at the Sibley plant is largely the same as the work at the Maplewood plant, but the Sibley plant has a larger footprint. Like the Maplewood project, the Sibley project includes implementation of a tank mounding system to address fire suppression requirements in current NFPA code, including removal and resurface protection on all the tanks and a new cathodic protection system to enhance life of the tanks, and a storm water drainage system in and around the mound. The project also includes demolition of the existing fire water distribution system components, upgrades to the fire detection systems, addressing additional water source requirements to support

fire suppression systems outside of the mounding areas, installation of new tank bank piping, valves, controls and monitoring devices to the tanks, and construction of a new programmable logic controls building to house control panels. As at the Maplewood plant, work at the Sibley plant also included interior tank cleaning and tank integrity work, extending the life of the tanks.

Q. ARE THERE FACTORS THAT MAY IMPACT THE PLANNED IN-SERVICE DATE FOR THE SIBLEY PROJECT?

A. Yes. As with any construction project, there are factors outside of the Company's control that may impact the construction schedule. These factors include material lead times, unexpected resource constraints, materials performance or quality of installations, and the weather. The Company's plans going into the final months of the project account for potential impacts to the schedule, but any of the factors noted may impact the in-service date.

Q. WHAT ARE THE COSTS AND ANTICIPATED IN-SERVICE FOR FIRE DETECTION/SUPPRESSION WORK AT THE SIBLEY PLANT?

A. The forecasted capital additions for the fire detection/suppression work at the Sibley plant total $32.5 million anticipated to be in-serviced at the end of 2025, with approximately $0.3 million related to close-out work in 2026.

Q. YOU MENTIONED EARLIER THAT THE INVESTMENTS IN THE FIRE DETECTION/SUPPRESSION PROJECTS SUPPORT EXTENSION OF THE PLANT LIVES. PLEASE DESCRIBE HOW THESE INVESTMENTS CONTRIBUTE TO SUPPORTING LIFE EXTENSIONS FOR THE PLANTS.

A. Various work completed as part of the fire detection/suppression upgrades supports plant life extensions. For Wescott, this work includes:

- Enhancing the reliability of the water supply by eliminating well water for city water and redundant fire water pumps. This also eliminated the dependence of the secondary well that was shared with Flint Hill Refinery.
- Hardening the fire protection system with additional fire, gas, and smoke detection in addition to more strobes and audible tones and resolving legacy equipment issues that impacted plant operations.

For the Maplewood and Sibley plants, this work includes:

- Hardening the fire protection system with additional fire, gas, and smoke detection in addition to more strobes and audible tones. The project resolved legacy equipment issues that impacted plant operations.
- Using a sand mound approach to bury the tank. This is an accepted method of managing tank temperatures in the event of a fire. It also provides natural boil-off gas pressure management, since they are not exposed to varying ambient temperatures.
- In preparation for burial, all the tanks were sandblasted, inspected for metal pitting, repairs and re-coated. In addition to the protection the tanks get from the coating, a cathodic protection system was installed which will further protect the tanks from corrosion that would reduce the tank's life.
- The process piping and associated valves were all replaced since they are now above the mound. These were also in a degraded state prior to the project. Piping also includes coating protection.

With these upgrades, which reflect detailed inspections, renewed equipment, and safety investments, the plants are able to operate for a longer period into

the future. A reasonable estimate is that the plants could serve customers through approximately 2055.

B. Peaking Plant Discrete Projects

Q. WHAT CAPITAL COSTS DO YOU SUPPORT IN THIS SECTION OF YOUR TESTIMONY?

A. In this section of my testimony, I support the discrete capital additions in the 2026 test year, as well as the Wescott Control Room project that is being placed in service in 2025.

Table 4 below identifies the key capital projects with over $1 million in capital additions in the 2026 test year. I provide additional information on these projects in the following sections. In addition, Exhibit___(RAC-1), Schedule 3 identifies all discrete plant projects included the 2026 test year, along with a summary description of each project over $300,000.

Table 4
Gas Plants Capital Additions
Discrete Projects over $1 million 2026
State of Minnesota Gas Jurisdiction ($ millions)

Project Name	2026 Test Year
Wescott Water Ethylene Glycol Skid Replacement	$3.3
Wescott Gas Turbine 101 Overhaul	$2.2
Wescott Admin Building Roof Replacement	$1.1

1. Wescott Control Room Project

Q. WHEN WAS THE NEED FOR THE WESCOTT CONTROL ROOM PROJECT IDENTIFIED?

A. The need for this project was identified during the detailed plant assessments conducted in 2021 as described above, which identified necessary peaking plant

refurbishment and remediation projects. These comprehensive assessments prioritized investments and testing critical to resume vaporization at the plants and also identified renewal work that would be needed but could be completed after the plants returned to service – including the fire detection/suppression investments described above, and investments in a new control room at the Wescott plant.

Q. WHY IS THE WESCOTT CONTROL ROOM PROJECT NEEDED?

A. This project is needed to address a safety concern identified in the 2021 comprehensive assessment of the plants, specifically associated with the location of a Motor Control Cabinet (MCC). The MCC is an assembly that houses 480 volt electrical motors for various plant equipment. The close proximity of the MCC to our control board operators presented a safety risk in the event of a catastrophic failure of the electrical equipment housed in the MCC. As such, it was necessary to relocate the MCC. In evaluating potential solutions, including the associated costs and the impacts to plant operations, the Company determined the most effective solution was to build a new control room. Other considerations that factored into this determination included the need for adequate office space for additional plant personnel including engineering, maintenance, operations, and project management resources that support the peaking facilities in the NSP territory, to upgrade facilities, and to provide a new training room with a control simulator to train plant operators on location to improve plant proficiency and competency.

Q. PLEASE DESCRIBE THE SCOPE OF THE WESCOTT CONTROL ROOM PROJECT.

A. Investments in the new control room at the Wescott plant will include an updated control room, a new training room with a controls simulator to train

plant operators, adequate office space and meeting areas to accommodate additional engineering, maintenance, operations, leadership, and project management resources that support the peaking facilities in the NSP territory, and updates to shop space for the maintenance department. This project is currently underway and expected to be in-serviced in 2025, with capital additions of approximately $20.1 million.

2. Wescott Water Ethylene Glycol (WEG) Skid Replacement

Q. PLEASE DESCRIBE THE WESCOTT WEG SKID REPLACEMENT PROJECT.

A. The Wescott LNG Plant water ethylene glycol (WEG) skid was installed in 1974 and is at end of life. It is responsible for providing heating and cooling to several components during liquefaction, vaporization, and tank boil-off gas management processes. In addition, the WEG skid provides oil cooling to three compressor units and is undersized due to recent plant modifications associated with improving safe and reliable operation for both liquefaction and vaporization processes. The intent of the upgrade is to replace end of life components, increase capacity, and provide redundancy for both plant reliability and planned preventative maintenance activities while the plant is in operation. The project will involve building a new skid in a new location while maintaining operation of the current configuration. Work is expected to be completed prior to the 2026-2027 heating season. The budget for this project was developed in partnership with internal plant engineering resources and an outside contract engineering firm. Replacing the WEG skid at the Wescott plant will ensure continued safe and reliable operation of critical processes within the plant.

3. Wescott Gas Turbine 101 Overhaul

Q. PLEASE DESCRIBE THE WESCOTT GAS TURBINE 101 OVERHAUL PROJECT.

A. Gas Turbine 101 is the turbine driver for the C101 compressor at the Wescott plant. This equipment plays a critical role in compressing and cooling natural gas into liquid natural gas. The overhaul of Gas Turbine 101 is being conducted per the manufacturer's recommendation to overhaul every eight years or 25,000 hours of operation. The overhaul will address any issues identified, and will reset the hours, which will help ensure the continued safe and reliable operation of this equipment that is critical to plant processes.

4. Wescott Administration Building Roof Replacement

Q. PLEASE DESCRIBE THE WESCOTT ADMINISTRATION BUILDING ROOF REPLACEMENT PROJECT.

A. The current administration building roof is the roof original to the building, which was constructed in 1972. In recent years, there have been a number of roof repairs performed to address leaks that have occurred. Some of the leaks were in proximity to electrical equipment important to plant operations. Recent inspection identified soft locations in the roof, representing deteriorated substrate material, which could result in additional leaks in other locations. As a result, the Company will replace the Wescott administration building roof, which will help ensure continued safe and reliable operations of the electrical equipment important to plant operations that is housed in the building.

C. Peaking Plant Routine Projects

Q. PLEASE PROVIDE AN OVERVIEW OF THE TYPES OF PROJECTS THAT CONSTITUTE ROUTINES AT THE PLANTS.

A. The routine budgets are primarily for emergent work that arises during the year. These will typically be smaller projects related to routine capital maintenance.

Examples of routine capital plant maintenance include compressor overhauls, replacement of inoperable valves, and motor replacements.

Q. HOW IS THE BUDGET FOR PLANT ROUTINES DEVELOPED?

A. The budget for plant routines is based on a combination of historical spend and interviews with plant leadership to forecast additional annual capital maintenance routine projects to ensure plant safety and reliability. Further, inputs and assumptions regarding inflation factors are used to determine the assumed cost increases or decreases. These inflation factors include but are not limited to labor, non-labor, contractor, materials, and equipment and fleet inflation rates.

Q. PLEASE DESCRIBE THE ROUTINE PLANT BUDGETS FOR 2026.

A. Table 5 below provides a breakdown by plant of the routine plant budgets for 2026.

Table 5
Gas Plants Capital Additions
Routine Plant Projects 2026
State of Minnesota Gas Jurisdiction ($ millions)

Project Name	2026 Test Year
Wescott Gas Production-LNG	$1.3
Sibley Gas Production/Manufacturing	$0.6
Maplewood Gas Production/Manufacturing	$0.5
Total	$2.4

Q. WHY IS THE 2026 TEST YEAR ROUTINE BUDGET OF $2.4 MILLION HIGHER THAN RECENT YEAR ACTUALS SHOWN IN TABLE 2--FOR EXAMPLE, THE $0.7 MILLION IN 2023 AND THE $0.6 MILLION IN 2024?

A. As described above, the routine budget is primarily for emergent work that is not defined until the current year, and thus, routine projects are not assigned separate work orders in the budget. However, once a "routine" project is identified in a given year, it may be assigned a specific work order to account for the project costs. In this situation, the project would then be classified as a "discrete" project, so it would not be reflected in the routine actuals once completed. As a result, actual routine capital costs reflected after a given year can be lower than the initially forecasted amount.

Overall, NSPM's Plants capital budgets for the 2026 test year are intended to provide for a reasonable level of capital investment that supports continued safe and reliable operation of the gas peaking plants for the benefit of our customers.

IV. O&M BUDGET

A. O&M Overview and Trends

Q. WHAT ARE THE BASIC CATEGORIES OF ENERGY SUPPLY'S O&M BUDGET RELATED TO THE GAS PLANTS?

A. Energy Supply's O&M budget for Gas Plants can be broken down into the following categories:

1. *Labor:* Internal labor to operate and maintain the Company's gas peaking plants.
2. *Outside Services:* Consulting and staff augmentation services to supplement internal labor to operate and maintain the Company's gas peaking plants.
3. *Materials:* Costs related to consumables, hardware, and refurbished materials used in maintenance and repair operations, as well as tools and small equipment.
4. *Other:* Employee expenses, facility fees, and licenses.

Q. CAN YOU SUMMARIZE THE COMPANY'S GAS PLANTS O&M EXPENSE TRENDS IN RECENT YEARS?

A. Yes. Table 6 below summarizes the Gas Plants actual O&M expenses for 2022 through 2024, the 2025 forecast, and the budget for the 2026 test year. The O&M amounts by cost category are included in Exhibit___(RAC-1), Schedule 4, and the O&M amounts by FERC account are included in Exhibit___(RAC-1), Schedule 5.

Table 6
Gas Plants O&M Budget by Category 2022-2026
State of Minnesota Gas Jurisdiction ($ millions)

O&M Category	2022 Actuals	2023 Actuals	2024 Actuals	2025 Forecast	2026 Test Year
Labor	$2.7	$2.9	$3.1	$3.5	$3.6
Outside Services	$2.1	$1.7	$1.3	$1.2	$1.1
Materials	$0.4	$0.8	$0.4	$0.5	$0.5
Other	$1.4	$1.4	$1.6	$1.3	$1.7
Total	$6.6	$6.7	$6.4	$6.5	$6.9

Q. PLEASE DESCRIBE THE OVERALL TRENDS FOR GAS PLANTS O&M EXPENSES THROUGH 2024.

A. Over the three years from 2022 to 2024, Gas Plants O&M costs increased primarily due to internal labor expense. Labor costs have increased primarily due to annual wage increases and hiring technical staff to support the plants versus using outside engineering services. Since 2022, the plants have added mechanical and electrical reliability engineers to assist plant operations and maintenance teams with preventative maintenance plans, asset management programs, and troubleshooting. Reducing reliance on outside engineering support has been a key initiative at the gas plants to increase internal technical

competence, improve maintenance support for our frontline employees, and reduce O&M costs by reducing reliance on outside engineering support.

Q. WHAT IS THE COMPANY'S GAS PLANTS O&M BUDGET FOR THE 2026 TEST YEAR?

A. The Gas Plants O&M budget for the 2026 test year is $6.9 million as shown in Table 6 above. The basis for this budget is set forth in detail below.

Q. AT A HIGH LEVEL, WHAT ARE THE MAJOR COST DRIVERS OF THE 2026 GAS PLANTS O&M BUDGET COMPARED TO 2024?

A. The increase in O&M in 2026 compared to 2024 is primarily due to increases in compensation for bargaining and non-bargaining employees, as well as a shift in work from capital projects to O&M. I discuss each of the O&M cost categories and the drivers of increases in 2026 in Section IV.C.

B. O&M Budget Development and Management for Gas Plants

Q. HOW DOES THE COMPANY SET THE O&M BUDGET FOR GAS PLANTS?

A. The approach in setting the O&M budget for Gas Plants is similar to the Company's capital budgeting process. Both processes are based on a partnership between the corporate management of overall finances and identified business needs. More specifically, our O&M budgeting process considers our most recent historical spend across the various areas and applies known changes to labor rates and non-inflationary factors that would be applicable to the upcoming budget years. We also "normalize" our historical spend for any activities embedded in our most recent history that we would not expect to be repeated in the upcoming budget years (*e.g.*, one-time O&M projects). We then couple the normalized historical spend with a review of the

anticipated work volumes for the various O&M programs and activities we perform, factoring in any known and measurable changes expected to take effect in the upcoming budget year.

I note that we also factor in any expected efficiency gains we believe would be captured by operational improvement efforts we are continuously working on within our processes and procedures, along with productivity improvements we would expect to achieve via the implementation or wider application of new technologies. These improvements are already factored into our O&M budgets. Company witness Gregory J. Robinson further details how the Company establishes business area O&M spending guidelines and budgets based on financing availability, the specific needs of business areas, and the overall needs of the Company. The goal is to establish a reasonable annual O&M level that allows Gas Plants to complete priorities that help ensure safe and reliable service for our customers.

Q. PLEASE EXPLAIN HOW GAS PLANTS MONITORS O&M EXPENDITURES AND THE STEPS TAKEN TO MINIMIZE THESE COSTS.

A. We monitor our O&M expenditures on a monthly basis. In partnership with our Finance area, we report on our monthly and year-to-date actual expenditures versus budgets/forecasts, including deviation explanations for various categories of expenditures. Monthly review meetings are then conducted at various levels to determine any pressure points and remediation plans needed to manage our overall O&M expenditures and ensure proper prioritization of those expenditures.

Further, NSPM takes numerous steps to help minimize the growth in annual O&M expenditures related to Gas Plants. The Company is continuously looking for ways to leverage productivity gains and new technology to improve efficiency. NSPM is in the process of reviewing many of the current work processes in Gas Plants in a concerted effort to streamline these processes while simultaneously enhancing the customer experience.

C. O&M Budget Detail

Q. WHAT IS THE PURPOSE OF THIS SECTION OF YOUR TESTIMONY?

A. In this section of my Direct Testimony, I walk through each of the categories of O&M costs included in our 2026 test year, explaining the costs that are incurred and the drivers of cost changes from prior years in order to demonstrate that our 2026 Gas Plants O&M budget is reasonable.

1. Labor

Q. WHAT ARE LABOR O&M COSTS RELATED TO THE GAS PLANTS?

A. Labor O&M costs related to the gas plants include a portion of salaries, straight time labor, overtime, and premium time for internal employees who contribute to operating and maintaining the gas peaking plants for our customers. This work includes, but is not limited to, operating the plants, preventative maintenance and code compliance activities, component overhauls, calibrations, and safety relief valve testing.

Q. PLEASE DISCUSS THE TRENDS ASSOCIATED WITH LABOR O&M COSTS FOR GAS PLANTS.

A. Overall, our Labor O&M cost has increased since 2022, primarily due to negotiated annual wage increases and headcount additions in engineering,

leadership, and frontline workers to support safe and reliable operation of the three peaking plants. The addition of reliability and process engineers has helped to reduce reliance on outside engineering service providers and thus reduce costs associated with outside services. Labor O&M costs in 2025 increased due to a shift in work to O&M. Specifically, with some of our larger capital projects coming to an end, we expect that our employees' work will shift more heavily to system operations and maintenance work. Additionally, our workforce bargaining agreement includes an increase in wages for 2025, and the forecast includes the annual increase for non-bargaining employees each year. Company witness Tamra Newman's Direct Testimony discusses employee compensation.

Q. WHY IS THE O&M LEVEL FOR LABOR REASONABLE FOR THE 2026 TEST YEAR?

A. The Company works diligently each year to minimize increases in our O&M costs related to labor, but in certain years we may experience cost fluctuations for labor due to a number of factors. These fluctuations are due to the need to add headcount to enhance oversight and serve our customers accordingly. Our Labor O&M cost levels demonstrate a balance between reasonable and prudent management while also responding to internal and external changes.

2. Outside Services

Q. WHAT ARE OUTSIDE SERVICES COSTS?

A. Outside Services costs are related to the use of contract labor and consultants.

Q. WHAT IS THE BENEFIT TO USING OUTSIDE SERVICES AS OPPOSED TO RELYING SOLELY ON INTERNAL LABOR?

A. Use of Outside Services allows NSPM to increase and decrease staffing levels as workloads require to complement full-time Company staff, and to retain the

services of experts as needed for specific tasks or project efforts. As described in the Direct Testimony of Company witness Berger, the Company has a negotiated Master Service Agreement with each contractor, which includes the contracts for outside service vendors that support the gas plants.

Q. WHAT COST CHANGES ARE YOU ANTICIPATING IN THIS AREA FOR THE TEST YEAR?

A. The Company generally manages these costs to maintain a reasonable balance between internal labor and outside services to meet the technical needs of our peaking plants. The budget for outside services in 2026 is $1.1 million compared to $1.3 million actual costs for outside services incurred in 2024, and $2.1 million in 2022. As described above, this reduction in outside services costs since 2022 reflects the addition of internal mechanical and electrical reliability engineers to assist plant operations and maintenance teams with preventative maintenance plans, asset management programs, and troubleshooting. As such, our 2026 budget is a reasonable estimate of Outside Services work necessary in 2026 to support the plants.

3. Materials

Q. PLEASE DESCRIBE THE MATERIALS CATEGORY OF O&M COSTS.

A. Gas Plants materials costs include consumables, hardware, and refurbished materials used in maintenance and repair operations, as well as tools and small equipment.

Q. WHY ARE MATERIALS COSTS INCREASING IN 2026?

A. The increase in 2026 is primarily due to inflationary pressures compared to 2024 actuals, and changes in the need for materials from year to year.

4. Other O&M

Q. WHAT IS INCLUDED IN THE OTHER CATEGORY OF O&M COSTS?

A. Other O&M costs incurred in connection with the gas plants are related to employee expenses, facility costs, and licensing fees.

Q. PLEASE DESCRIBE TRENDS ASSOCIATED WITH OTHER O&M.

A. Most of the expenses in Other O&M are typically smaller amounts, such as for employee travel, that are relatively stable year over year. As the plants operate more to support the gas system, we will see an increase in facility costs commensurate with electricity costs required to operate plant equipment, *e.g.*, compressors, pumps, turbines, etc.

Q. WHAT DO YOU CONCLUDE REGARDING O&M COSTS RELATED TO GAS PLANTS FOR THE 2026 TEST YEAR?

A. We are experiencing increased costs associated primarily with the demands on our system and increasing costs associated with labor, partially offset by a decrease in costs associated with vendor contracts, and increases due to inflationary pressure. We are managing those costs to maintain a reasonable balance between internal labor and contractor work, while necessarily addressing cost increases. Overall, our O&M projections represent reasonable forecasts, based on the need to provide reliable and safe service to customers.

V. CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. I recommend that the Commission approve the Company's capital and O&M budgets related to gas plants as presented in this rate case. Our planned capital

investments are managed appropriately and are established to continue to support safe and reliable peaking plant operations for our customers. The budgets we propose are a reasonable representation of the activities we will undertake to continue serving our customers through 2026 and beyond.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

Statement of Qualifications

Randy Anthony Capra

Regional Vice President of Power Generation, Energy Supply
Xcel Energy Services Inc.

Randy A. Capra is the Regional Vice President of NSP Power Generation, Energy Supply Operations for Xcel Energy Services Inc., responsible for all thermal operations throughout the NSP generation fleet.

Mr. Capra has more than 30 years of regulated utility experience. He joined Xcel Energy in 1985. His career includes assignments as Instrument and Control Specialist, Plant Supervisor, Engineering Manager, Operations Manager, Plant Director, General Manager, and Regional Vice President.

Throughout his career with Xcel Energy, he has held a number of positions of increasing responsibility in the areas of operations, maintenance, engineering, project management and support service functions.

Mr. Capra earned a Bachelor of Science degree in Electronic Engineering from the University of Minnesota – Duluth (UMD).

								Actual Additions			Forecasted Additions	
Line #	MN Gas Witness	Major Category	Function Class Description	Project ID	Project Nbr Desc	Project Type	Rate Review Category	Major Project	2022	2023	2024	2025	2026
1	Capra	Plants	Gas Other Storage Plant	E.0000016.001	Gas Plants & Holders-Smal	Routine	Plants					(19,651)	(6,746)
2	Capra	Plants	Gas Other Storage Plant	A.0002344.002	WLG GT101 Turbine overhaul	Discrete	Plants						(2,242,055)
3	Capra	Plants	Gas Other Storage Plant	A.0002344.003	WLG Emergent Project	Routine	Plants					(154,212)	(1,290,350)
4	Capra	Plants	Gas Other Storage Plant	A.0002344.005	WLG E104 BOG Exchanger-Replace	Discrete	Plants					(103,581)	
5	Capra	Plants	Gas Other Storage Plant	A.0002344.006	WLG T1 Tank System Removal	Discrete	Plants					(59,663)	
6	Capra	Plants	Gas Other Storage Plant	A.0002344.007	WLG WEG Skid Replacement	Discrete	Plants					(164,874)	
7	Capra	Plants	Gas Other Storage Plant	A.0002344.009	WLG D100 and LNG Pump Replacement	Discrete	Plants					(373,203)	
8	Capra	Plants	Gas Other Storage Plant	A.0002344.010	WLG C101 Instrument-Software Upgrad	Discrete	Plants						(652,079)
9	Capra	Plants	Gas Other Storage Plant	A.0002344.011	WLG WEG Skid Replacement	Discrete	Plants						(3,252,462)
10	Capra	Plants	Gas Other Storage Plant	E.0000068.016	MN/Wescott/C101 Instrument-Software	Discrete	Plants						(225,482)
11	Capra	Plants	Gas Other Storage Plant	E.0000068.022	MN/Wescott/T1 Abandonment Removal	Discrete	Plants						(100,818)
12	Capra	Plants	Gas Other Storage Plant	A.0002344.025	WLG - MRL Inline Heater-29057	Discrete	Plants						(492,326)
13	Capra	Plants	Gas Other Storage Plant	A.0002344.028	WLG - MRL Isolation Valves -28997	Discrete	Plants						(303,614)
14	Capra	Plants	Gas Other Storage Plant	E.0000068.010	MN/Wescott/WEG Skid Replacement	Discrete	Plants						(19,243)
15	Capra	Plants	Gas Other Storage Plant	E.0000068.048	MN/Wesct/Depressurization Valves	Discrete	Plants						(154,249)
16	Capra	Plants	Gas Other Storage Plant	E.0000127.001	MN/WSCT/BOG Backup Power Generator	Discrete	Plants						(201,099)
17	Capra	Plants	Gas Other Storage Plant	A.0002344.032	WLG - Replace Admin Buildg Roof-290	Discrete	Plants						(1,132,876)
18	Capra	Plants	Gas Other Storage Plant	A.0002344.033	WLG - Install Sidewalks -29078	Discrete	Plants						(693,233)
19	Capra	Plants	Gas Manufactured Production Plant	A.0002346.008	MPG - Heated Safety Shower-29038	Discrete	Plants						(30,162)
20	Capra	Plants	Gas Other Storage Plant	A.0002344.037	WLG - WEG Heat Boil Cntrls -28998	Discrete	Plants						(349,709)
21	Capra	Plants	Gas Manufactured Production Plant	A.0002345.008	SPG - Heated Safety Shower-29039	Discrete	Plants						(30,162)
22	Capra	Plants	Gas Other Storage Plant	A.0002344.030	WLG - Boiler Bldg UPS Stand-29010	Discrete	Plants						(65,928)
23	Capra	Plants	Gas Other Storage Plant	A.0002344.040	WLG -C201 Suction Piping Heating -2	Discrete	Plants						(519,223)
24	Capra	Plants	Gas Other Storage Plant	A.0002344.023	WLG - Depressurization Valves-29056	Discrete	Plants						(87,527)
25	Capra	Plants	Gas Manufactured Production Plant	A.0002345.001	SPG Emergent Project	Routine	Plants					(350,268)	(594,535)
26	Capra	Plants	Gas Manufactured Production Plant	A.0002345.004	SPG C302 Compressor Rebuild	Discrete	Plants					(203,246)	
27	Capra	Plants	Gas Manufactured Production Plant	A.0002345.005	SPG - SLFRD1 Mounding Fire Prot -29	Discrete	Plants						(301,082)
28	Capra	Plants	Gas Manufactured Production Plant	A.0002345.006	SPG - Sec Instru Air Comp -28981	Discrete	Plants						(434,311)
29	Capra	Plants	Gas Other Storage Plant	A.0002344.041	WLG - Heated Safety Shower-29040	Discrete	Plants						(30,162)
30	Capra	Plants	Gas Manufactured Production Plant	A.0002346.001	MPG Emergent Project	Routine	Plants					(130,651)	(510,337)
31	Capra	Plants	Gas Manufactured Production Plant	A.0002346.002	MPG Vaporization Capacity Upgrade	Discrete	Plants					(87,482)	
32	Capra	Plants	Gas Other Storage Plant	A.0002344.024	WLG - New VFD for LNG Pump-29051	Discrete	Plants						(25,807)
33	Capra	Plants	Gas Other Storage Plant	A.0002344.031	WLG - P208 WEG Pump for C301-29041	Discrete	Plants						(65,308)
34	Capra	Plants	Gas Intangible Plant	A.0006059.546	MN/Wescott/Integrity Verification M	Discrete	Plants		(1,278,807)	(598,972)	(42,829)		
35	Capra	Plants	Gas Intangible Plant	A.0006059.547	MN/Sibley/Integrity Verification	Discrete	Plants		(463,389)	(42,094)			
36	Capra	Plants	Gas Intangible Plant	A.0006059.548	MN/Maplewood/Integrity Verification	Discrete	Plants		(511,308)	(52,783)			
37	Capra	Plants	Gas Other Storage Plant	A.0002344.038	WLG - Tioga Air Heater -29044	Discrete	Plants						(87,195)
38	Capra	Plants	Gas Other Storage Plant	E.0000021.004	Wescott Gas Production/Manufac	Routine	Plants		0	(6,751)			
39	Capra	Plants	Gas Manufactured Production Plant	E.0000021.006	Maplewood Gas Production/Manuf	Routine	Plants			(109,806)		(33,846)	
40	Capra	Plants	Gas Manufactured Production Plant	E.0000021.008	Sibley Gas Production/Manufacturing	Routine	Plants		(138,643)	(119,453)	(5,956)	(32,661)	
41	Capra	Plants	Gas Other Storage Plant	E.0000041.015	MN/Wescott/T-1 Purge and Decomossio	Discrete	Plants					(2,764)	
42	Capra	Plants	Gas Other Storage Plant	E.0000041.016	MN/Wescott/Replace D100 and LNG Pum	Discrete	Plants					(98,538)	
43	Capra	Plants	Gas Other Storage Plant	E.0000041.017	MN/WESCOTT/Inlet Meter Building Com	Discrete	Plants			(1,978,082)	(273,977)		
44	Capra	Plants	Gas Other Storage Plant	E.0000041.018	MN/Wescott/Boiler Building Louvres	Discrete	Plants					(221,877)	
45	Capra	Plants	Gas Other Storage Plant	E.0000041.022	MN/Wescott/C107 Compressor Upgrades	Discrete	Plants			0			
46	Capra	Plants	Gas Other Storage Plant	E.0000068.001	MN/Wescott/MRL Instrumentation Upgr	Discrete	Plants			(287,242)	(140)		
47	Capra	Plants	Gas Other Storage Plant	E.0000068.002	MN/Wescott/C-201 Motor Upgrade	Discrete	Plants				(144,368)		
48	Capra	Plants	Gas Other Storage Plant	E.0000068.003	MN/Wescott/C-201/C301 PLC Upgrades	Discrete	Plants			(551,030)			
49	Capra	Plants	Gas General Plant	E.0000068.004	MN/Wescott/PA System	Discrete	Plants				(444,350)		
50	Capra	Plants	Gas General Plant	E.0000068.006	MN/Wescott/Instrument Air Communica	Discrete	Plants				(291,733)	(51,288)	
51	Capra	Plants	Gas Other Storage Plant	A.0002344.029	WLG - VIM Module Rpl-29005	Discrete	Plants						(20,090)
52	Capra	Plants	Gas Other Storage Plant	E.0000068.011	MN/Wescott/Exchanger Platforms	Discrete	Plants					(434,564)	
53	Capra	Plants	Gas Other Storage Plant	A.0002344.039	WLG -Add backup air bottles NSP-290	Discrete	Plants						(65,225)
54	Capra	Plants	Gas Other Storage Plant	E.0000068.018	MN/Wescott/C201/C301 Slide Valve Re	Discrete	Plants				(32,774)		
55	Capra	Plants	Gas Other Storage Plant	E.0000068.020	MN/Wescott/Vaporizer Bldg NFPA 68	Discrete	Plants			(187,704)	(8,516)		
56	Capra	Plants	Gas Other Storage Plant	A.0002344.001	WLG Inventory Warehouse	Discrete	Plants					(4,250,960)	(228,566)
57	Capra	Plants	Gas Other Storage Plant	E.0000068.024	MN/Wescott/E104 Bypass Piping	Discrete	Plants					(19,657)	
58	Capra	Plants	Gas Other Storage Plant	E.0000068.025	MN/Wescott/T2 TankCorrosion Protect	Discrete	Plants				(456,781)		
59	Capra	Plants	Gas Other Storage Plant	E.0000068.029	MN/Wescott/Vaporization AreaStairwy	Discrete	Plants					(182,445)	
60	Capra	Plants	Gas Other Storage Plant	E.0000068.030	MN/IGH//Wescott DiffPressureTranstr	Discrete	Plants				(100,208)		
61	Capra	Plants	Gas Other Storage Plant	E.0000068.031	MN/Westcott/Inst/BoilerFlowCntrlVal	Discrete	Plants			(90,507)	(3,021)		
62	Capra	Plants	Gas Other Storage Plant	E.0000068.032	MN/Wescott/Remove Odorizer Bldg	Discrete	Plants					(1,512)	
63	Capra	Plants	Gas Other Storage Plant	E.0000068.033	MN/Wescott/Upgrade SC101A-PSV-1	Discrete	Plants					0	
64	Capra	Plants	Gas Other Storage Plant	E.0000068.034	MN/Wescott/Replace Valve CV-S112-B	Discrete	Plants					0	
65	Capra	Plants	Gas Other Storage Plant	E.0000068.035	MN/Wescott/Controller for S107-PCV-	Discrete	Plants					(0)	

								Actual Additions			Forecasted Additions	
Line #	MN Gas Witness	Major Category	Function Class Description	Project ID	Project Nbr Desc	Project Type	Rate Review Category	Major Project	2022	2023	2024	2025	2026
66	Capra	Plants	Gas Other Storage Plant	E.0000068.036	MN/Wescott/RPLC/C102-C103 Lube Oil	Discrete	Plants					(51,299)	
67	Capra	Plants	Gas Other Storage Plant	E.0000068.037	MN/Wescott/Replace TCV-T2-53B	Discrete	Plants				(49,730)		
68	Capra	Plants	Gas Other Storage Plant	E.0000068.038	MN/Wescott/MRL Gas Chromatograph	Discrete	Plants				(115,877)	99	
69	Capra	Plants	Gas Other Storage Plant	E.0000068.040	MN/Wescott/Replce Coldbox Valves	Discrete	Plants					(48,828)	
70	Capra	Plants	Gas Other Storage Plant	E.0000068.041	MN/Wescott/Replace E-EA1 Heater	Discrete	Plants					(54,063)	
71	Capra	Plants	Gas Other Storage Plant	E.0000068.042	MN/Wescott/Replace V-E103-A	Discrete	Plants					0	
72	Capra	Plants	Gas Other Storage Plant	E.0000068.043	MN/Wescott/Replace E102-V-A	Discrete	Plants				(23,096)		
73	Capra	Plants	Gas Other Storage Plant	E.0000068.044	MN/Wescott/LiquefactnMonitorg Instr	Discrete	Plants					(942,130)	
74	Capra	Plants	Gas Other Storage Plant	E.0000068.047	MN/Wescott/Abandon Heater Skid	Discrete	Plants					(151)	
75	Capra	Plants	Gas Other Storage Plant	A.0002344.034	WLG Pretreatmnt CO2 Analyzr Repl -2	Discrete	Plants						(21,882)
76	Capra	Plants	Gas Other Storage Plant	E.0000068.049	MN/Wesct/Rplace Turbine Igniters	Discrete	Plants				(35,876)	(735)	
77	Capra	Plants	Gas Other Storage Plant	E.0000068.050	MN/Wescott/Replace LNG IO Cards	Discrete	Plants				(102,614)		
78	Capra	Plants	Gas Other Storage Plant	E.0000068.051	MN/Wesct/Replce T2 Level Xmitter	Discrete	Plants					(485,153)	
79	Capra	Plants	Gas Other Storage Plant	E.0000068.059	MN/Wesct/Rplce S109 Controls	Discrete	Plants					(982,876)	
80	Capra	Plants	Gas Manufactured Production Plant	E.0000086.001	MN/MPW/MAPLEWOOD/AIR DRYER	Discrete	Plants				(1,388,157)	(39,482)	
81	Capra	Plants	Gas Manufactured Production Plant	E.0000086.003	MN/Maplewood/PLT/Fire Water Monitor	Discrete	Plants					(19,879)	
82	Capra	Plants	Gas Manufactured Production Plant	E.0000086.004	MN/Maplewood/Replace Bldg Stairs	Discrete	Plants				(29,266)		
83	Capra	Plants	Gas Manufactured Production Plant	E.0000086.005	MN/Mplewood/Rplace PRH2-PSV-2050	Discrete	Plants				(10,432)		
84	Capra	Plants	Gas Manufactured Production Plant	E.0000086.006	MN/Maplewd/Rplace WS103-TCV-7515	Discrete	Plants					(48,915)	
85	Capra	Plants	Gas Manufactured Production Plant	E.0000086.007	MN/MW/Vaporization Capacity Upgrade	Discrete	Plants					(78,720)	
86	Capra	Plants	Gas General Plant	A.0003000.781	WLG Tool Blanket	Discrete	Plants					(214,466)	(88,257)
87	Capra	Plants	Gas General Plant	E.0000201.002	MN - Gas Simulator Hardware-Cap	Discrete	Plants				(170,213)	(4,056)	
88	Capra	Plants	Gas Intangible Plant	E.0000201.003	MN - Gas Simulator Software-Cap-Rev	Discrete	Plants				(891,211)		
89	Capra	Plants	Gas Other Storage Plant	E.0010080.013	MN/Wescott LNG/Cold Box Replacement	Discrete	Plants		(625,237)	(276,848)		(8,934)	
90	Capra	Plants	Gas Other Storage Plant	E.0010080.014	MN/Wescott Gas Production-LNG	Routine	Plants		(5,602,411)	(449,290)	(619,423)	(22,331)	
91	Capra	Plants	Gas Manufactured Production Plant	E.0010080.015	MN/Sibley Valve Replacement	Discrete	Plants		(16,793)				
92	Capra	Plants	Gas Manufactured Production Plant	E.0010080.017	MN/Maplewood Truck Unloading Statio	Discrete	Plants	Maplewood Vaporization System Modernization Proj.	(4,823,027)	(845,591)	145,733	(274)	
93	Capra	Plants	Gas Other Storage Plant	E.0010080.018	MN/Wescott/E108-E109 HE Replacement	Discrete	Plants		(225)	(1)			
94	Capra	Plants	Gas Other Storage Plant	E.0010080.019	MN/Inver Grove Heights/Wescott Flow	Discrete	Plants		(813,412)				
95	Capra	Plants	Gas Other Storage Plant	E.0010080.020	MN/Wescott/C101 compressor overhaul	Discrete	Plants	Wescott Pump & Relief System Modernization Proj.		(1,071,919)	(107,998)		
96	Capra	Plants	Gas Other Storage Plant	E.0010080.022	MN/Wescott/Adsorber Sieve Changeout	Discrete	Plants	Wescott Pump & Relief System Modernization Proj.	(3,549,114)	(2,230,697)	(19,124)		
97	Capra	Plants	Gas Other Storage Plant	E.0010080.023	MN/Wescott/Control Room	Discrete	Plants	Wescott Control Room/Building				(19,988,329)	
98	Capra	Plants	Gas Other Storage Plant	E.0010080.024	MN/Wescott/GT101/C101 compressor co	Discrete	Plants	Wescott Pump & Relief System Modernization Proj.		(1,968,953)	126,668		
99	Capra	Plants	Gas Other Storage Plant	E.0010080.025	MN/Wescott/Install VFD on motors	Discrete	Plants	Wescott Pump & Relief System Modernization Proj.	(116,400)	(10)			
100	Capra	Plants	Gas Manufactured Production Plant	E.0010080.026	MN/Maplewood/Leaking Valve Replacem	Discrete	Plants			(249,348)		51	
101	Capra	Plants	Gas Manufactured Production Plant	E.0010080.031	MN/Propane Plant/Sibley/vaporizatio	Discrete	Plants	Sibley Vaporization Modernization Proj.	(16,062,997)	(183,973)			
102	Capra	Plants	Gas Manufactured Production Plant	E.0010080.032	MN/Propane Plant/Maplewood/vaporiza	Discrete	Plants	Maplewood Vaporization System Modernization Proj.	(15,184,013)	(231,264)	239,079		
103	Capra	Plants	Gas Other Storage Plant	E.0010080.035	MN/Wescott/Upgrade Fire Protection	Discrete	Plants	Wescott Fire Protection			(15,132,668)	1,420,782	
104	Capra	Plants	Gas Other Storage Plant	E.0010080.036	MN/Wescott/Thermal Relief Upgrades	Discrete	Plants	Wescott Pump & Relief System Modernization Proj.	(926,017)			(133)	
105	Capra	Plants	Gas Other Storage Plant	E.0010080.039	MN/Wescott C105 New Conpressor inst	Discrete	Plants			(18,814)			
106	Capra	Plants	Gas Other Storage Plant	E.0010080.040	MN/Wescott - Pipe Integrity Verific	Discrete	Plants	Wescott Pump & Relief System Modernization Proj.				(0)	
107	Capra	Plants	Gas Other Storage Plant	E.0010080.045	MN/WESCOTT/WLCPSV - Add liquefactio	Discrete	Plants		(973,845)	(54,394)	(1,484)		
108	Capra	Plants	Gas Other Storage Plant	E.0010080.046	MN/Wescott/Tank 2- Outlet valve req	Discrete	Plants		(1,316,417)	(184,267)	(317)		
109	Capra	Plants	Gas Other Storage Plant	E.0010080.047	MN/Wescott/WV1031 - Replace V103A T	Discrete	Plants		(170,754)	(4,387)	(19)		
110	Capra	Plants	Gas Other Storage Plant	E.0010080.048	MN/Wescott/Add Liquefaction & Boil	Discrete	Plants		(125,342)	(27,092)			
111	Capra	Plants	Gas Other Storage Plant	E.0010080.049	MN/Wescott/Dual Strainers MRL C101	Discrete	Plants			(1,744)			
112	Capra	Plants	Gas Transmission Plant	E.0010080.051	MN/NSPM/WESCOTT LINES/IMPRESSED CU	Discrete	Plants				(90,429)		
113	Capra	Plants	Gas General Plant	E.0010080.052	MN/Wescott Admin/IT Equipment	Discrete	Plants	Wescott Control Room/Building				(101,001)	
114	Capra	Plants	Gas Manufactured Production Plant	E.0010083.005	MN/MAPLEWOOD/Tank Bank Catwalk and	Discrete	Plants		(5)	(4)			
115	Capra	Plants	Gas Manufactured Production Plant	E.0010083.006	MN/MAPLEWOOD/MWBMS1 - Boiler Manage	Discrete	Plants		(372,831)	(31,851)			
116	Capra	Plants	Gas Manufactured Production Plant	E.0010083.007	MN/SIBLEY/SLTKU1 - Truck Unloading	Discrete	Plants				(3,593,304)	(234,025)	
117	Capra	Plants	Gas Manufactured Production Plant	E.0010083.008	MN/SIBLEY/Catwalk and Stairs for Ta	Discrete	Plants		8				
118	Capra	Plants	Gas Manufactured Production Plant	E.0010083.009	MN/SIBLEY/Tank Bank Elecrtical and	Discrete	Plants					0	
119	Capra	Plants	Gas Manufactured Production Plant	E.0010083.010	MN/SIBLEY/SLBMS1 - Boiler Managemen	Discrete	Plants		(358,887)	(34,757)			
120	Capra	Plants	Gas Manufactured Production Plant	E.0010083.011	MN/MAPLEWOOD/MWFWP1-MWFRD1	Discrete	Plants	Maplewood Fire Protection/Mounding				(33,395,561)	
121	Capra	Plants	Gas Manufactured Production Plant	E.0010083.012	MN/SIBLEY/SLFWP1 - SLFRD1	Discrete	Plants	Sibley Fire Protection/Mounding				(32,489,163)	
122	Capra	Plants	Gas Manufactured Production Plant	E.0010083.013	MN/MAPLEWOOD/MWPAC 1&2 - Add Air Co	Discrete	Plants			(3,065,630)	(731)		
123	Capra	Plants	Gas Manufactured Production Plant	E.0010083.014	MN/SIBLEY/Install Additional Storm	Discrete	Plants				(19,574)	(8,374)	
124	Capra	Plants	Gas Manufactured Production Plant	E.0010083.015	MN/MAPLEWOOD/Install Additional Sto	Discrete	Plants				(10,698)	(13,273)	
125	Capra	Plants	Gas Manufactured Production Plant	E.0010083.028	MN/MW/Tanks Banks 3,4,6 Piping Upgr	Discrete	Plants					0	
126	Capra	Plants	Gas Manufactured Production Plant	E.0010083.029	MN/MEH/INST/SIBLEY/PAD Gas Compres	Discrete	Plants				(353,493)	(5,102)	
127	Capra	Plants	Gas Manufactured Production Plant	E.0010083.030	MN/MPW/SEMR/INST/PAD Gas Compresr	Discrete	Plants				(211,059)		
128	Capra	Plants	Gas Manufactured Production Plant	E.0010083.031	MN/Oil-Water Separator for C301	Discrete	Plants			(25,652)			
									($53,427,844)	**($14,978,886)**	**($24,267,945)**	**($94,791,238)**	**($14,320,075)**

* Denotes projects described in detail in testimony.

Project	Description	2026 Test Year
Wescott Water Ethelyne Glycol Skid Replacement*	Replace original plant equipment to enhance operation of cooling system process.	$3.3
Wescott Gas Turbine 101 Turbine Overhaul*	Gas Turbine requires major overhaul per vendor specifications.	$2.2
Wescott Admin Building Roof Replacement*	Replace original plant administration building roof.	$1.1
Wescott C101 Instrumentation and Software	Software update to the ani-surge algorithm to level surge in operation.	$0.7
Wescott Install Sidewalks	Install sidewalks to provide safer walkways and avoid risk of snow removal equipment damaging plant equipment.	$0.7
Wescott MRL Inline Heater	Add a system that will allow mixed refrigerant to stay in its warmer state to allow the plant to liquefy at lower ambient temperatures.	$0.5
Wescott C201 Suction Piping Heating	The project will allow the plant to operate at lower temperature.	$0.5
Sibley Secondary Instrument Air Comp	Provide redundancy to plant instrumentation air system.	$0.4
Wescott MRL Isolation Valves	Add new valves to facilitate maintenance and reduce lost cost on constituent gas.	$0.3
Wescott Water Ethelyne Glycol Heat Boil Controls	Upgrade obsolete control equipment.	$0.3
Sibley Tank Mounding Fire Protection	Close-out work related to the Sibley fire protection project.	$0.3
Wescott Plant – Other	Other Wescott Plant projects.	$1.5
Maplewood Plant – Other	Other Maplewood Plant projects.	$0.0
Sibley Plant – Other	Other Sibley Plant projects.	$0.0
Total[1]		**$11.9**

[1] Total does not equal the sum of line items due to rounding.

O&M Categories	2022 Actuals	2023 Actuals	2024 Actuals	2025 Forecast	2026 Test Year
Labor	2,694,409	2,864,656	3,111,447	3,489,424	3,613,667
Outside Services	2,097,219	1,669,146	1,267,855	1,196,500	1,062,013
Materials	376,378	764,659	402,846	498,486	524,482
Other	1,393,338	1,390,809	1,630,031	1,268,545	1,691,249
Total	**$6,561,344**	**$6,689,270**	**$6,412,179**	**$6,452,956**	**$6,891,410**

FERC Account	2022 Actuals	2023 Actuals	2024 Actuals	2025 Forecast	2026 Test Year
9830000	-	226	157	-	-
9834000	85,352	85,473	174,235	146,526	170,718
9840000	-	-	16	-	-
9841000	1,175,839	1,346,349	1,185,437	1,621,282	1,622,497
9843100	212,019	36,800	157	38,750	23,598
9843200	110,195	339,735	119,585	76,893	111,180
9843300	46,778	10,461	9,324	32	-
9843600	151,636	35,330	153,596	172,597	117,270
9843700	246	1,770	14,545	3,372	-
9843800	638	-	-	-	-
9843900	35,672	31,580	23,897	28,104	42,706
9844100	-	-	35,564	26,860	-
9844300	361,352	34,927	362,576	530,132	456,038
9844500	447	217	1,182	139	-
9846200	306,353	244,651	117,318	258,863	311,929
9847200	1,195,270	1,853,014	539,646	1,172,510	867,559
9847300	1,786,781	1,390,890	2,188,664	1,571,032	1,792,453
9847500	22,445	48,731	25,363	10,178	-
9847800	3,385	352	-	-	-
9856000	-	3,063	-	-	-
9863000	-	611	756	-	-
9865000	-	-	74	-	-
9870000	3,536	16,436	22,249	15,829	-
9871000	-	16	-	-	-
9874000	791	63	59	690	-
9878000	96	-	-	-	-
9879000	108	52	2,032	46	-
9880000	1,059,142	1,204,599	1,422,838	772,058	1,375,463
9885000	-	-	2,314	5,902	-
9887000	901	1,322	8,270	206	-
9889000	131	85	162	14	-
9892000	1,752	2,050	2,076	915	-
9893000	121	211	84	25	-
9920000	358	256	-	-	-
Total	**$6,561,344**	**$6,689,270**	**$6,412,179**	**$6,452,956**	**$6,891,410**