



Alliant Energy Corporate Services, Inc.
Legal Department
319.786.4742 Telephone
319.786.4533 – Fax

Paula N. Johnson
Senior Attorney – Regulatory

Interstate Power and Light Company
An Alliant Energy Company

Alliant Tower
200 First Street SE
P.O. Box 351
Cedar Rapids, IA 52406-0351

Office: 1.800.822.4348
www.alliantenergy.com

July 22, 2014

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

RE: Interstate Power and Light Company
Docket No. E001/M-14-284
Letter in Lieu of Reply Comments

Dear Dr. Haar:

Enclosed for e-filing with the Minnesota Public Utilities Commission, please find Interstate Power and Light Company's (IPL) Letter in Lieu of Reply Comments in the above-captioned docket.

On July 15, 2014, the Minnesota Department of Commerce, Division of Energy Resources (Department), filed its Comments in this proceeding. IPL appreciates the Department's comments. The Department recommended that, in reply comments, IPL should confirm that the ending balance of IPL's Electric Conservation Improvement Program Tracker Account for 2013 was \$2,209,305.

IPL reviewed its information and discovered a formula error in the original balance filed by IPL. Tab 16 at page 1 of 25 of IPL's filing did not account for the previous year-end balance of (\$694,034). IPL concurs with the Department that the ending balance of \$2,209,305 is correct and is filing a Corrected Exhibit No. 1, Sheet 1 of 2, with this letter.

In light of this error, IPL is also submitting corrected tariff sheets, which reflect a revision to the conservation cost recovery adjustment (CCRA) factor from \$0.00368/kWh to \$0.00281/kWh. IPL requests this revised CCRS be approved effective October 1, 2014.

Dr. Burl W. Haar
July 22, 2014
Page 2 of 2

Copies of this filing have been served on the Department, the Minnesota Attorney General-Residential and Small Business Utilities Division and the attached service list.

Respectfully Submitted,

/s/ Paula N. Johnson
Paula N. Johnson
Senior Attorney – Regulatory

PNJ:kcb
Enclosures

cc: Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
David C. Boyd
Nancy Lange
Dan Lipschultz
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

IN THE MATTER OF INTERSTATE
POWER AND LIGHT COMPANY -
ELECTRIC FINANCIAL
INCENTIVES, CONSERVATION
COST RECOVERY ADJUSTMENTS

DOCKET NO. E001/M-14-284

AFFIDAVIT OF SERVICE

STATE OF IOWA)
) ss.
COUNTY OF LINN)

Kathleen C. Balvanz, being first duly sworn on oath, deposes and states:

That on the 22nd day of July, 2014, copies of the foregoing Affidavit of Service, together with Interstate Power and Light Company's Letter in Lieu of Reply Comments, were served upon the parties on the attached service list, by e-filing, overnight delivery, electronic mail, and/or first-class mail, proper postage prepaid from Cedar Rapids, Iowa.

 /s/ Kathleen C. Balvanz
Kathleen C. Balvanz

Subscribed and Sworn to Before Me
this 22nd day of July, 2014

 /s/ Kathleen J. Faine
Kathleen J. Faine
Notary Public
My Commission expires on February 20, 2015

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Bobby	Adam	bobby.adam@conagrafoods.com	ConAgra	Suite 5022 11 ConAgra Drive Omaha, NE 68102	Electronic Service	No	OFF_SL_14-284_M-14-284
George	Agriesti	gagriesti@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	OFF_SL_14-284_M-14-284
Julie Rae	Ambach	jambach@shakopeeutilities.com	Shakopee Public Utilities	255 Sarazin St Shakopee, MN 55379	Electronic Service	No	OFF_SL_14-284_M-14-284
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_14-284_M-14-284
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_14-284_M-14-284
Tom	Balster	tombalster@alliantenergy.com	Interstate Power & Light Company	PO Box 351 200 1st St SE Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_14-284_M-14-284
William	Black	bblack@mmua.org	MMUA	Suite 400 3025 Harbor Lane North Plymouth, MN 554475142	Electronic Service	No	OFF_SL_14-284_M-14-284
William A.	Blazar	bblazar@mnchamber.com	Minnesota Chamber Of Commerce	Suite 1500 400 Robert Street North St. Paul, MN 55101	Electronic Service	No	OFF_SL_14-284_M-14-284
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	Suite 4800 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	OFF_SL_14-284_M-14-284
Christina	Brusven	cbrusven@fredlaw.com	Fredrikson & Byron, P.A.	200 S 6th St Ste 4000 Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_14-284_M-14-284
Gary	Chesnut	gchesnut@agp.com	AG Processing Inc. a cooperative	12700 West Dodge Road PO Box 2047 Omaha, NE 681032047	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
City	Clerk	sschulte@ci.albertlea.mn.us	City of Albert Lea	221 E Clark St Albert Lea, MN 56007	Electronic Service	No	OFF_SL_14-284_M-14-284
Gary	Connett	gconnett@greenergy.com	Great River Energy	12300 Elm Creek Blvd N Maple Grove, MN 553694718	Electronic Service	No	OFF_SL_14-284_M-14-284
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174 Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_14-284_M-14-284
Jill	Curran	jcurran@mnychamber.com	Minnesota Waste Wise	400 Robert Street North Suite 1500 St. Paul, Minnesota 55101	Electronic Service	No	OFF_SL_14-284_M-14-284
Jeffrey A.	Daugherty	jeffrey.daugherty@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	No	OFF_SL_14-284_M-14-284
Steve	Downer	sdowner@mmua.org	MMUA	3025 Harbor Ln N Ste 400 Plymouth, MN 554475142	Electronic Service	No	OFF_SL_14-284_M-14-284
Chris	Duffrin	chrisd@thenec.org	Neighborhood Energy Connection	624 Selby Avenue St. Paul, MN 55104	Electronic Service	No	OFF_SL_14-284_M-14-284
Jim	Erchul		Daytons Bluff Neighborhood Housing Sv.	823 E 7th St St. Paul, MN 55106	Paper Service	No	OFF_SL_14-284_M-14-284
Greg	Ernst	gaernst@q.com	G. A. Ernst & Associates, Inc.	2377 Union Lake Trl Northfield, MN 55057	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Melissa S	Feine	melissa.feine@semcac.org	SEMCAC	PO Box 549 204 S Elm St Rushford, MN 55971	Electronic Service	No	OFF_SL_14-284_M-14-284
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_14-284_M-14-284
Kelsey	Genung	kelsey.genung@xcelenergy.com	Xcel Energy	414 Nicollet Mall, Fl. 6 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_14-284_M-14-284
Benjamin	Gerber	bgerber@mnchamber.com	Minnesota Chamber of Commerce	400 Robert Street North Suite 1500 St. Paul, Minnesota 55101	Electronic Service	No	OFF_SL_14-284_M-14-284
Angela E.	Gordon	angela.e.gordon@lmco.com	Lockheed Martin	1000 Clark Ave. St. Louis, MO 63102	Electronic Service	No	OFF_SL_14-284_M-14-284
Pat	Green	N/A	N Energy Dev	City Hall 401 E 21st St Hibbing, MN 55746	Paper Service	No	OFF_SL_14-284_M-14-284
David	Grover	dgrover@itctransco.com	ITC Midwest	901 Marquette Avenue Suite 1950 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
Stephan	Gunn	sgunn@appliedenergygroup.com	Applied Energy Group	1941 Pike Ln De Pere, WI 54115	Electronic Service	No	OFF_SL_14-284_M-14-284
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_14-284_M-14-284
Tony	Hainault	anthony.hainault@co.hennepin.mn.us	Hennepin County DES	701 4th Ave S Ste 700 Minneapolis, MN 55415-1842	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Patty	Hanson	phanson@rpu.org	Rochester Public Utilities	4000 E River Rd NE Rochester, MN 55906	Electronic Service	No	OFF_SL_14-284_M-14-284
Norm	Harold	N/A	NKS Consulting	5591 E 180th St Prior Lake, MN 55372	Paper Service	No	OFF_SL_14-284_M-14-284
Jared	Hendricks	hendricksj@owatonnautilities.com	Owatonna Public Utilities	PO Box 800 208 S Walnut Ave Owatonna, MN 55060-2940	Electronic Service	No	OFF_SL_14-284_M-14-284
Annete	Henkel	mui@mnutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St. Paul, MN 55101	Electronic Service	No	OFF_SL_14-284_M-14-284
Holly	Hinman	holly.r.hinman@xcelenergy.com	Xcel Energy	414 Nicollet Mall, 6th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_14-284_M-14-284
Karolanne	Hoffman	kmh@dairy.net	Dairyland Power Cooperative	PO Box 817 La Crosse, WI 54602-0817	Electronic Service	No	OFF_SL_14-284_M-14-284
Randy	Hoffman	rhoffman@eastriver.coop	East River Electric Power Coop	121 SE 1st St PO Box 227 Madison, SD 57042	Electronic Service	No	OFF_SL_14-284_M-14-284
Tom	Holt	tholt@eastriver.coop	East River Electric Power Coop., Inc.	PO Box 227 Madison, SD 57042	Electronic Service	No	OFF_SL_14-284_M-14-284
Michael	Hoy	mhoy@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024-9583	Electronic Service	No	OFF_SL_14-284_M-14-284
Anne	Hunt	anne.hunt@ci.stpaul.mn.us	City of Saint Paul	390 City Hall 15 West Kellogg Boulevard Saint Paul, MN 55102	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Eric	Jensen	ejensen@iwla.org	Izaak Walton League of America	Suite 202 1619 Dayton Avenue St. Paul, MN 55104	Electronic Service	No	OFF_SL_14-284_M-14-284
Linda	Jensen	linda.s.jensen@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street St. Paul, MN 551012134	Electronic Service	No	OFF_SL_14-284_M-14-284
Paula	Johnson	paulajohnson@alliantenergy.com	Alliant Energy-Interstate Power and Light Company	P.O. Box 351 200 First Street, SE Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_14-284_M-14-284
Dave	Johnson	N/A	Community Action of Minneapolis	2104 Park Ave S Minneapolis, MN 55404	Paper Service	No	OFF_SL_14-284_M-14-284
Joel	Johnson	joel@mrea.org	Minnesota Rural Electric Association	11640 73rd Ave N Maple Grove, MN 55369	Electronic Service	No	OFF_SL_14-284_M-14-284
Dave	Johnson	dave.johnson@aeoa.org	Arrowhead Economic Opportunity Agency	702 3rd Ave S Virginia, MN 55792	Electronic Service	No	OFF_SL_14-284_M-14-284
Larry	Johnston	lw.johnston@smmpa.org	SMMPA	500 1st Ave SW Rochester, MN 55902-3303	Electronic Service	No	OFF_SL_14-284_M-14-284
Tina	Koecher	tkoecher@mpower.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_14-284_M-14-284
Jim	Krueger	jkruieger@fmcs.coop	Freeborn-Mower Cooperative Services	Box 611 Albert Lea, MN 56007	Electronic Service	No	OFF_SL_14-284_M-14-284
Kelly	Lady	kellyl@austinutilities.com	Austin Utilities	400 4th St NE Austin, MN 55912	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Martin	Lepak	N/A	Arrowhead Economic Opportunity	702 S 3rd Ave Virginia, MN 55792	Paper Service	No	OFF_SL_14-284_M-14-284
Allan	Lian	alian@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	OFF_SL_14-284_M-14-284
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_14-284_M-14-284
Kavita	Maini	kmairi@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_14-284_M-14-284
Nick	Mark	nick.mark@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_14-284_M-14-284
Scot	McClure	scotmcclure@alliantenergy.com	Interstate Power And Light Company	4902 N Biltmore Ln PO Box 77007 Madison, WI 537071007	Electronic Service	No	OFF_SL_14-284_M-14-284
John	McWilliams	jmm@dairy.net	Dairyland Power Cooperative	3200 East Ave SPO Box 817 La Crosse, WI 54601-7227	Electronic Service	No	OFF_SL_14-284_M-14-284
Brian	Meloy	brian.meloy@stinsonleonard.com	Stinson, Leonard, Street LLP	150 S 5th St Ste 2300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
Gary	Myers	garym@hpuc.com	Hibbing Public Utilities	1902 E 6th Ave Hibbing, MN 55746	Electronic Service	No	OFF_SL_14-284_M-14-284
Susan K	Nathan	snathan@appliedenergygroup.com	Applied Energy Group	2215 NE 107th Ter Kansas City, MO 64155-8513	Electronic Service	No	OFF_SL_14-284_M-14-284
Carl	Nelson	cnelson@mncee.org	Center for Energy and Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_14-284_M-14-284
Steven	Nyhus	swnyhus@flaherty-hood.com	Flaherty & Hood PA	525 Park St Ste 470 Saint Paul, MN 55103	Electronic Service	No	OFF_SL_14-284_M-14-284
Gary	Olson		Product Recovery, Inc.	2605 E Cliff Rd Burnsville, MN 55337	Paper Service	No	OFF_SL_14-284_M-14-284
Kim	Pederson	kpederson@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_14-284_M-14-284
Audrey	Peer	audrey.peer@centerpointenergy.com	CenterPoint Energy	800 Lasalle Avenue - 14th Floor Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
Lisa	Pickard	lpickard@minnkota.com	Minnkota Power Cooperative	1822 Mill Rd PO Box 13200 Grand Forks, ND 582083200	Electronic Service	No	OFF_SL_14-284_M-14-284
Bill	Poppert		Technology North	2433 Highwood Ave St. Paul, MN 55119	Paper Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	OFF_SL_14-284_M-14-284
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-284_M-14-284
Matthew J.	Schuerger P.E.	mjsreg@earthlink.net	Energy Systems Consulting Services, LLC	PO Box 16129 St. Paul, MN 55116	Electronic Service	No	OFF_SL_14-284_M-14-284
Cindy	Schweitzer Rott	cindy.schweitzer@clearesult.com	CLEARResult's	S12637A Merrilee Rd. Spring Green, WI 53588	Electronic Service	No	OFF_SL_14-284_M-14-284
Tom	Smilanich		Passive Concepts	228 6th Ave N South St. Paul, MN 55075	Paper Service	No	OFF_SL_14-284_M-14-284
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	OFF_SL_14-284_M-14-284
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_14-284_M-14-284
Leo	Steidel	N/A	The Weidt Group	5800 Baker Rd Minnetonka, MN 55345	Paper Service	No	OFF_SL_14-284_M-14-284
John	Steinhoff		Resource Solutions, Inc.	318 Kensington Drive Madison, WI 53704	Paper Service	No	OFF_SL_14-284_M-14-284
Richard	Szydowski	rszydowski@mncee.org	Center for Energy & Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401-1459	Electronic Service	No	OFF_SL_14-284_M-14-284

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
SaGonna	Thompson	Regulatory.Records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_14-284_M-14-284
Steve	Tomac	stomac@bec.com	Basin Electric Power Cooperative	1717 E Interstate Ave Bismarck, ND 58501	Electronic Service	No	OFF_SL_14-284_M-14-284
Lisa	Wilson	lisa.wilson@enbridge.com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2 Superior, WI 54880	Electronic Service	No	OFF_SL_14-284_M-14-284
Robyn	Woeste	robynwoeste@alliantenergy.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Electronic Service	No	OFF_SL_14-284_M-14-284

Interstate Power and Light Company
Electric Utility (Minnesota)
Conservation Improvement Program (CIP)
Development of Annual Adjustment Factor

Year	Gross Expenditures	Cost Recovery Base Rates (\$0.00171)	CIP Adjust. Recovery (\$0.00291)	Net Expenditures	Carrying Charge	CIP Tracker Balance
1991	\$ 123,050	\$ (73,136)		\$ 49,914	\$ 195	\$ 50,109
1992	\$ 357,220	\$ (433,131)		\$ (75,911)	\$ (2,191)	\$ (27,993)
1993	\$ 371,865	\$ (450,598)		\$ (78,733)	\$ (5,562)	\$ (112,287)
1994	\$ 961,569	\$ (454,752)		\$ 506,817	\$ (6,833)	\$ 387,696
1995	\$ 1,463,850	\$ (480,629)		\$ 983,221	\$ 46,868	\$ 1,417,785
1996	\$ 1,534,176	\$ (774,350)		\$ 759,826	\$ 117,204	\$ 2,294,816
1997	\$ 819,664	\$ (1,219,107)		\$ (399,443)	\$ 151,999	\$ 2,047,372
1998	\$ 2,172,320	\$ (1,208,009)		\$ 964,311	\$ 156,796	\$ 3,168,479
1999	\$ 1,823,179	\$ (1,278,599)	\$ (374,473)	\$ 170,107	\$ 270,510	\$ 3,609,096
2000	\$ 3,459,202	\$ (1,296,350)	\$ (2,207,298)	\$ (44,446)	\$ 239,371	\$ 3,804,021
2001	\$ 2,756,808	\$ (1,291,238)	\$ (2,198,598)	\$ (733,028)	\$ 217,457	\$ 3,288,450
Balance Adjustment						\$ 85,468
2002	\$ 3,065,237	\$ (1,345,347)	\$ (2,290,723)	\$ (570,833)	\$ 180,530	\$ 2,983,615
		(\$0.00171)	(\$0.00215)			
Balance Adjustment						\$ 44,359
2003	\$ 3,673,166	\$ (1,339,800)	\$ (1,684,579)	\$ 648,787	\$ 201,124	\$ 3,877,886
		(\$0.00269)	(\$0.00097) Effective 9/15/2004			
2004	\$ 4,443,434	\$ (1,467,495)	\$ (1,596,076)	\$ 1,379,863	\$ 288,077	\$ 5,545,826
2005	\$ 2,329,518	\$ (2,405,653)	\$ (806,167)	\$ (882,302)	\$ 408,611	\$ 5,072,135
			(\$0.00198) Effective 8/1/2006			
2006	\$ 2,579,470	\$ (2,344,871)	\$ (1,139,650)	\$ (905,051)	\$ 409,046	\$ 4,576,131
			(0.00134) Effective 10/1/2007			
2007	\$ 2,434,193	\$ (2,316,927)	\$ (1,456,026)	\$ (1,338,760)	\$ 341,049	\$ 3,578,420
			(\$0.00126) Effective October 2008 Bill Month			
2008	\$ 2,416,354	\$ (2,333,585)	\$ (1,144,320)	\$ (1,061,551)	\$ 300,223	\$ 2,817,092
			(\$0.00157) Effective October 2009 Bill Month			
2009	\$ 2,205,502	\$ (2,242,003)	\$ (1,120,556)	\$ (1,157,057)	\$ 216,580	\$ 1,892,411
	Carrying Cost Adjustment (1)				\$ 15,796	
			(\$0.00061) Effective November 2010 Bill Month			
2010	\$ 1,363,897	\$ (2,258,557)	\$ (1,256,104)	\$ (2,150,764)	\$ 31,828	\$ (617,116)
	Carrying Cost Adjustment 2002-2009 (2)				\$ (390,592)	
			(\$0.00061) Effective November 2010 Bill Month			
			(-\$0.00059) Effective February 2012 Bill Month			
2011	\$ 1,720,282	\$ (2,283,995)	\$ (517,932)	\$ (1,081,646)	\$ (101,389)	\$ (1,800,150)
			(-\$0.00236 Effective December 2012 Billing Month)			
2012	\$ 2,819,925	\$ (2,107,650)	\$ 504,567	\$ 1,216,842	\$ (110,726)	\$ (694,034)
			(\$0.00022 Effective November 2013 Billing Month)			
2013	\$ 3,539,537	\$ (2,169,337)	\$ 1,522,264	\$ 2,892,464	\$ 10,875	\$ 2,209,305

1	Amortized CIP Tracker Account Balance at 12/31/2013	1 Year	\$ 2,209,305
2	CIP approved spending levels for 12 months beginning January 2014		\$ 2,257,040
3	CIP cost recovery through base rates Jan 2014 - Dec 2014		\$ (2,147,613)
4	CIP cost recovery through CIP factor Jan 2014 - May 2014		\$ (73,598)
5	Beginning CIP Tracker Account Balance June 2014		\$ 2,245,134

CIP Annual Adjustment:

6	Projected annual KWH sales for 2014	798,369,140
7	CIP Cost Recovery Adjustment: \$/KWH beginning June 1, 2014	\$ 0.00281

	Base	CIP Factor
Jan 2014 - Feb 2014 elec actual sales (kwh) (3)	145,933,334	0.00269
Mar 2014 - May 2014 forecast sales (kwh) (3)	188,601,827	0.00269
Jun 2014 - Dec 2014 forecast sales (kwh) (3)	463,833,979	0.00269
	<u>798,369,140</u>	

* Proposed

(1) Carrying Cost Adjustment for 2009. Total now includes 12 months instead of 11 months

(2) Carrying Cost Adjustment for 2010. Reflects correction of interest charge from 2002-2009 and identified in 2010.

Credit is for interest calculation change from compounding monthly to simple monthly interest without compounding.

(3) Excludes Op Out Customer (see Sales Tab)

RATE DESIGNATION: CONSERVATION IMPROVEMENT PROGRAM (CIP) Rider 1C
COST RECOVERY ADJUSTMENT
CLASS OF SERVICE: ALL CLASSES
SERVICE AREA: ALL MINNESOTA SERVICE AREA

APPLICABILITY SECTION

Applicable to bills for electric service under all Retail Rate Schedules:
120, 160, 167, 168, 170, 260, 267, 268, 290, 297, 298, 310, 330, 340, 350, 360, 367, 368, 370, 380, 390, 410, 420,
437, 438, 540

"Large Customer Facility" customers that have been exempted from the Company's Conservation Improvement Program charges pursuant to Minn. Stat. 216B.241, Subd. 1a (b) shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from conservation program charges, the "Large Customer Facility" customers can no longer participate in the Company's Energy Conservation Improvement Program.

RATE DETERMINATION SECTION

CIP COST RECOVERY ADJUSTMENT (CIP)

There shall be added to each non-CIP exempt customer's monthly bill a CIP cost recovery adjustment which shall be the applicable CIP adjustment factor (CCRA) multiplied by the customer's monthly kWh (kilowatt-hour) uses. The applicable CCRA shall be determined annually as described below.

For customer accounts granted exemption by the Commissioner of the Minnesota Department of Commerce, Division of Energy Resources (or successor agency) as a "Large Customer Facility" from CIP costs pursuant to Minn. Stat. 216B.241, the CCRA shall not apply. Customer accounts granted CIP exemption by a decision of the Commissioner after the beginning of a calendar year shall be credited for any CIP collections billed after January 1st of the year following the Commissioner's decision. All credits associated with the CCRA Exemption Adjustment shall be included in the CIP Tracker account.

DETERMINATION OF CCRA

The CCRA shall be the quotient of the Recoverable Tracker balance, divided by projected retail sales (kWh) of all non-CIP exempt customers for a designated 12-month recovery period. The Recoverable Tracker balance shall be determined by adjusting the prior year-end CIP Tracker balance by:

- (1) Adding financial incentives awarded by the Minnesota Public Utilities Commission (or successor agency) not reflected in the prior year-end balance;
- (2) Adding current year CIP program expenditures at their approved and/or budgeted level;
- (3) Subtracting current year CIP cost recovery through base rates as estimated based on Company's budgeted retail sales.

In addition, the prior year-end CIP Tracker account balance shall be increased by the amortization of the beginning CIP Tracker account balance during the next 24 months. All costs appropriately charged to the CIP Tracker account shall be eligible for recovery through this adjustment and all revenues received from the application of the CCRA shall be credited to the CIP tracker account.

CCRA: \$0.00281 per kWh effective October 1, 2014

DETERMINATION OF CONSERVATION COST RECOVERY CHARGE (CCRC)

The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the Minnesota Public Utilities Commission (or successor agency) in the Company's last general rate case. The CCRC is approved and applied on a per kWh basis by dividing the test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes). All revenues received from the CCRC shall be credited to the CIP Tracker account.

CCRC: \$0.00269 per kWh

Date Filed: July 22, 2014

Proposed Effective Date: October 1, 2014

By: Erik C. Madsen – Director, Regulatory Affairs

Docket No.

Order Date:

RATE DESIGNATION: CONSERVATION IMPROVEMENT PROGRAM (CIP) Rider 1C
COST RECOVERY ADJUSTMENT
CLASS OF SERVICE: ALL CLASSES
SERVICE AREA: ALL MINNESOTA SERVICE AREA

APPLICABILITY SECTION

Applicable to bills for electric service under all Retail Rate Schedules:
120, 160, 167, 168, 170, 260, 267, 268, 290, 297, 298, 310, 330, 340, 350, 360, 367, 368, 370, 380, 390, 410, 420,
437, 438, 540

"Large Customer Facility" customers that have been exempted from the Company's Conservation Improvement Program charges pursuant to Minn. Stat. 216B.241, Subd. 1a (b) shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from conservation program charges, the "Large Customer Facility" customers can no longer participate in the Company's Energy Conservation Improvement Program.

RATE DETERMINATION SECTION

CIP COST RECOVERY ADJUSTMENT (CIP)

There shall be added to each non-CIP exempt customer's monthly bill a CIP cost recovery adjustment which shall be the applicable CIP adjustment factor (CCRA) multiplied by the customer's monthly kWh (kilowatt-hour) uses. The applicable CCRA shall be determined annually as described below.

For customer accounts granted exemption by the Commissioner of the Minnesota Department of Commerce, Division of Energy Resources (or successor agency) as a "Large Customer Facility" from CIP costs pursuant to Minn. Stat. 216B.241, the CCRA shall not apply. Customer accounts granted CIP exemption by a decision of the Commissioner after the beginning of a calendar year shall be credited for any CIP collections billed after January 1st of the year following the Commissioner's decision. All credits associated with the CCRA Exemption Adjustment shall be included in the CIP Tracker account.

DETERMINATION OF CCRA

The CCRA shall be the quotient of the Recoverable Tracker balance, divided by projected retail sales (kWh) of all non-CIP exempt customers for a designated 12-month recovery period. The Recoverable Tracker balance shall be determined by adjusting the prior year-end CIP Tracker balance by:

- (1) Adding financial incentives awarded by the Minnesota Public Utilities Commission (or successor agency) not reflected in the prior year-end balance;
- (2) Adding current year CIP program expenditures at their approved and/or budgeted level;
- (3) Subtracting current year CIP cost recovery through base rates as estimated based on Company's budgeted retail sales.

In addition, the prior year-end CIP Tracker account balance shall be increased by the amortization of the beginning CIP Tracker account balance during the next 24 months. All costs appropriately charged to the CIP Tracker account shall be eligible for recovery through this adjustment and all revenues received from the application of the CCRA shall be credited to the CIP tracker account.

CCRA: \$0.00~~022281~~ per kWh effective ~~November~~October 1, 201~~34~~

DETERMINATION OF CONSERVATION COST RECOVERY CHARGE (CCRC)

The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the Minnesota Public Utilities Commission (or successor agency) in the Company's last general rate case. The CCRC is approved and applied on a per kWh basis by dividing the test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes). All revenues received from the CCRC shall be credited to the CIP Tracker account.

CCRC: \$0.00269 per kWh

Date Filed: October~~July~~ 23~~22~~, 201~~34~~

Proposed Effective Date: October 1, 20134

By: Erik C. Madsen – Director, Regulatory Affairs

Docket No. E-001/M-13-240

Order Date: October 15, 2013