

Source of Distribution O&M Data for Xcel (NSP):

We used Xcel's forecast of FERC Form 1 data to estimate annual distribution O&M costs per kW of peak load. Specifically, data for the years 2019 to 2023, indicate an average value of about \$17 per kW-year:

Table 1: Forecast Distribution O&M Expense

Year	Annual Peak kW	O&M Expenses \$Millions	Per Unit O&M \$/kW-year
2019	7,175	119.3	16.63
2020	7,188	119.5	16.62
2021	7,210	119.7	16.60
2022	7,260	121.7	16.76
2023	7,284	123.0	16.89
Average			16.70

The source of this data is: (1) MNSEIA's Information Request #13 from docket 15-115, which requested NSP's current five-year forecast of annual peak load, consistent with the data provided on FERC Form 1, page 401b, column d, and (2) budgeted distribution O&M expenditures from Table 2 at page 10 of NSP's November 1, 2018 Integrated Distribution Plan in Docket No. E002/CI-18-251, which was provided in response to Information Request #9 from docket 15-115.

This forecast estimate of distribution O&M costs is consistent with historical data (see Table 2). NSP's FERC Form 1 data for the years 2016-2018 also shows about \$17/kW-year in distribution O&M expenses.

Table 2: Historical Distribution O&M Expense

Year	Annual Peak kW	O&M Expenses \$Millions	Per Unit O&M \$/kW-year
2014	7,540	166.9	22.1
2015	7,298	153.7	22.1
2016	7,680	160.0	20.8
2017	7,371	111.2	15.1
2018	7,534	122.7	16.3
Average 2014-2018			19.1
Average 2016-2018			17.4

We have also recommended a general plant loader of approximately 3%, based on historical FERC Form 1 data. The following Table 3 shows NSP Minnesota's ratios of general plant in service to all plant in service in 2016-2019. Specifically, we used the beginning-of-year data from rows 99-100 from page 204 of the Form 1 report, except for 2019 where we used end-of-year data for 2018, from page 207.

Table 3: General Plant Loader

Beginning of Year:	General Plant \$ millions	All Plant \$ millions	Ratio
2016	438.6	16,418.2	2.7%
2017	489.4	17,247.0	2.8%
2018	545.5	17,198.5	3.2%
2019	593.7	17,932.7	3.3%