



414 Nicollet Mall
Minneapolis, MN 55401

July 31, 2014

—Via Electronic Filing—

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: COMMENTS
DECOMMISSIONING POLICIES RELATED TO DEPRECIATION
DOCKET NO. E,G999/CI-13-626

Dear Dr. Haar:

Northern States Power Company, doing business as Xcel Energy, submits the attached Comments in response to the Department of Commerce's May 7, 2014 Comments and the Commission's May 16, 2014 Notice of Comment Period submitted in the above-noted docket.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list.

Please contact Amber Hedlund at amber.r.hedlund@xcelenergy.com or 612-337-2268 if you have any questions regarding this filing.

Sincerely,

/s/

LISA H. PERKETT
DIRECTOR
CAPITAL ASSET ACCOUNTING

Enclosures
c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

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

IN THE MATTER OF A COMMISSION
INQUIRY INTO DECOMMISSIONING
POLICIES RELATED TO DEPRECIATION

DOCKET NO. E,G999/CI-13-626

COMMENTS

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission this filing in response to the Department of Commerce's, May 7, 2014 Comments and the Commission's May 16, 2014 Notice of Comment Period regarding utility decommissioning and depreciation policies and practices.

We provide the information requested in italics below along with our response.

COMMENTS

- 1. Provide reasons and descriptions of why the Utility does or does not adjust decommissioning estimates based on expected inflation, and what impact this has on decommissioning estimates over time.*

The Company does not adjust decommissioning estimates used to calculate net salvage rates for production facilities to account for inflation. When a decommissioning cost estimate is commissioned by the Company, the estimates are presented in current dollars. This current dollar estimate, after potentially being adjusted for probability, is compared to current plant balances in order to calculate a net salvage rate.

While inflation is not built into the decommissioning cost estimate, the total amount expected to be collected for future decommissioning tends to grow year-by-year. Once a net salvage rate is calculated and approved by the Commission in a depreciation filing, the Company uses that net salvage rate for its depreciation

calculations going forward until a new net salvage rate is approved. The natural progression of plant balances for electric production plants is to increase year-over-year. As these plant balances increase, the net salvage rate approved by the Commission is not adjusted to account for these higher plant balances. Thus, as the net salvage rate is applied to ever growing plant balances, the amount collected for decommissioning will grow outside of adjusting the decommissioning estimates for inflation. However, it should be noted that this natural increase is not a direct gauge of inflation. The growth in the amount expected to be collected may either surpass or trail what may be expected if an actual inflation rate was applied to the cost study.

Finally, it is important to note that while we do not build inflation into our decommissioning cost estimates, we do update the estimates every five years. While each estimate is completed in nominal dollars, they are updated often enough to make sure they do not get too far out of touch with the real cost to decommission. Further, as we have demonstrated with our Minnesota Valley production plant, once the actual decommissioning timeline and activities are certain, we update the expected cost of removal more frequently.

2. *Provide the following data, reaching as far back in time as practicable, for each of the Utility's plants and units:*
 - *Annual decommissioning accruals by plant or unit;*
 - *The decommissioning estimate used to calculate each annual accrual;*
 - *The decommissioning probability used to calculate each accrual.*

The annual decommissioning accrual information for 1983-2013 has been provided as Attachment A. The Company initially used probabilities in relation to decommissioning cost estimates starting in 1983 for five steam production plants. We have provided the requested information for all steam production plants starting in 1983. For hydro production, gas production, and gas storage, we have provided the requested information for all years starting in 1993. The Company began calculating depreciation related to final decommissioning for other production starting in 2005. During the stated timeframe, we have not calculated depreciation related to final decommissioning costs of our nuclear plants. No information has been provided for the nuclear facilities.

3. *Provide in explanation whether decommissioning uncertainty is addressed in a different manner in Wisconsin. If so, please explain the method used. If not, explain whether the Company has ever proposed the use of decommissioning probabilities in Wisconsin and the reasons the use of decommissioning probabilities was denied.*

Currently, we do not address uncertainty in decommissioning when calculating depreciation in Wisconsin. Prior to 2000, we used the average service life method of depreciation for all our production facilities in Wisconsin. Under the average service life method, rather than using decommissioning cost estimates to calculate a net salvage rate, which is what we do in Minnesota, the calculation of net salvage rates in Wisconsin was an actuarial exercise based on historical cost of removal and salvage information. This calculation did not have any method to address uncertainty built into it.

When we converted, in 2000, from using the average service life method to the remaining life method of depreciation for Wisconsin production assets, the previous actuarial-calculated net salvage rates were kept for all Wisconsin production depreciation groups. Unlike Minnesota, in Wisconsin we are not required to file routine decommissioning costs studies, and as such, we have not completed a decommissioning cost study of Wisconsin assets since we converted to using the remaining life method of depreciation. We have kept the same net salvage rates, which are based on historical data and do not have uncertainty built into them, for all of our Wisconsin production assets since our change in depreciation method.

CONCLUSION

We appreciate the opportunity to provide this information on our decommissioning and depreciation policies and procedures. We look forward to working with the Commission and other parties as this issue is further explored in this proceeding.

Dated: July 31, 2014

Northern States Power Company

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	61,055	6,372,000	50%	
High Bridge	60,001	4,084,000	50%	
Allen S King	67,097	6,647,000	50%	
Minnesota Valley	8,144	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,185	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	4,211	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	52,024	5,589,000	50%	
Sherco	328,139	14,297,000	50%	
Wilmarth	3,804	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	130,229	6,372,000	50%	
High Bridge	79,930	4,084,000	50%	
Allen S King	235,079	6,647,000	50%	
Minnesota Valley	7,489	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,831	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	4,434	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	91,249	5,589,000	50%	
Sherco	223,387	14,297,000	50%	
Wilmarth	3,464	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	132,220	6,372,000	50%	
High Bridge	82,168	4,084,000	50%	
Allen S King	245,129	6,647,000	50%	
Minnesota Valley	8,033	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,832	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	4,442	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	103,178	5,589,000	50%	
Sherco	224,298	14,297,000	50%	
Wilmarth	3,571	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	136,026	6,372,000	50%	
High Bridge	85,507	4,084,000	50%	
Allen S King	246,861	6,647,000	50%	
Minnesota Valley	8,330	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,804	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	6,214	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	120,367	5,589,000	50%	
Sherco	225,234	14,297,000	50%	
Wilmarth	3,640	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	107,416	6,372,000	50%	
High Bridge	97,684	4,084,000	50%	
Allen S King	262,907	6,647,000	50%	
Minnesota Valley	8,370	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,778	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	14,509	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	97,430	5,589,000	50%	
Sherco	255,471	14,297,000	50%	
Wilmarth	2,802	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	105,628	6,372,000	50%	
High Bridge	108,487	4,084,000	50%	
Allen S King	285,878	6,647,000	50%	
Minnesota Valley	8,361	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,765	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	6,127	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	72,736	5,589,000	50%	
Sherco Units 1&2	230,792	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	421,303			
Wilmarth	1,299	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	96,815	6,372,000	50%	
High Bridge	99,406	4,084,000	50%	
Allen S King	251,483	6,647,000	50%	
Minnesota Valley	6,932	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	9,755	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	10,197	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	63,426	5,589,000	50%	
Sherco Units 1&2	218,897	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	393,013			
Wilmarth	1,563	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	110,481	6,372,000	50%	
High Bridge	109,699	4,084,000	50%	
Allen S King	258,366	6,647,000	50%	
Minnesota Valley	6,383	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,667	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	12,948	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	77,745	5,589,000	50%	
Sherco Units 1&2	241,152	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	428,699			
Wilmarth	2,025	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	110,267	6,372,000	50%	
High Bridge	94,532	4,084,000	50%	
Allen S King	266,833	6,647,000	50%	
Minnesota Valley	6,887	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,696	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	13,942	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	82,988	5,589,000	50%	
Sherco Units 1&2	243,503	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	429,971			
Wilmarth	2,086	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	112,606	6,372,000	50%	
High Bridge	47,047	4,084,000	50%	
Allen S King	277,402	6,647,000	50%	
Minnesota Valley	5,647	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,636	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	15,747	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	90,999	5,589,000	50%	
Sherco Units 1&2	241,508	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	430,857			
Wilmarth	5,455	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	112,845	6,372,000	50%	
High Bridge	49,602	4,084,000	50%	
Allen S King	296,487	6,647,000	50%	
Minnesota Valley	7,163	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,636	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	19,044	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	92,504	5,589,000	50%	
Sherco Units 1&2	241,172	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	429,155			
Wilmarth	14,533	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Hydro Production</u>				
Hennepin Island	2,535	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	3,282	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,351	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
St. Croix Falls	937	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(3,167)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Maplewood	(4,260)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Sibley	(18,698)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Wescott	(7,897)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Storage</u>				
Wescott	(27,769)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	114,052	6,372,000	50%	
High Bridge	52,046	4,084,000	50%	
Allen S King	301,618	6,647,000	50%	
Minnesota Valley	8,919	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,636	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	20,152	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	95,044	5,589,000	50%	
Sherco Units 1&2	241,580	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	433,475			
Wilmarth	16,001	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Hydro Production</u>				
Hennepin Island	965	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	4,075	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,636	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
St. Croix Falls	474	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(2,903)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Maplewood	(22,487)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Sibley	(19,989)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Wescott	(13,626)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Storage</u>				
Wescott	(30,437)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	116,642	6,372,000	50%	
High Bridge	54,070	4,084,000	50%	
Allen S King	373,147	6,647,000	50%	
Minnesota Valley	51,380	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,636	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	22,915	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	98,641	5,589,000	50%	
Sherco Units 1&2	243,341	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	438,629			
Wilmarth	18,134	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Hydro Production</u>				
Hennepin Island	1,894	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	4,096	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,629	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(1,532)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1995.
Maplewood	(21,051)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Sibley	(22,063)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Wescott	(11,249)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	(28,934)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	126,701	6,372,000	50%	
High Bridge	58,348	4,084,000	50%	
Allen S King	381,863	6,647,000	50%	
Minnesota Valley	29,770	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,573	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	32,270	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	101,089	5,589,000	50%	
Sherco Units 1&2	253,164	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	433,607			
Wilmarth	32,432	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Hydro Production</u>				
Hennepin Island	2,086	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	4,095	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,647	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(546)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
Maplewood	(18,428)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	(8,299)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	(8,555)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	(33,428)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	127,727	6,372,000	50%	
High Bridge	84,338	4,084,000	50%	
Allen S King	388,983	6,647,000	50%	
Minnesota Valley	18,691	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,235	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	45,831	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	109,799	5,589,000	50%	
Sherco Units 1&2	267,250	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	456,623			
Wilmarth	41,935	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Hydro Production</u>				
Hennepin Island	2,083	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	4,419	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,647	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(576)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
Maplewood	(20,877)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	(13,318)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	(10,637)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	(24,621)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	289,455	6,372,000	50%	
High Bridge	54,359	4,084,000	50%	
Allen S King	398,793	6,647,000	50%	
Minnesota Valley	12,263	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Pathfinder	10,588	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Red Wing	57,920	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Riverside	124,543	5,589,000	50%	
Sherco Units 1&2	268,794	14,297,000	50%	Decommissioning Cost Estimate was for total Sherco facility.
Sherco Unit 3	461,627			
Wilmarth	46,510	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Hydro Production</u>				
Hennepin Island	2,208	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	5,341	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,655	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(576)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
Maplewood	(20,884)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	(13,658)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	(10,732)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	(17,015)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	222,464	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
High Bridge	71,329	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Allen S King	410,183	6,647,000	50%	
Minnesota Valley	31,901	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Pathfinder	26,329	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Red Wing	100,703	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Riverside	160,037	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Sherco Units 1&2	428,769	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Sherco Unit 3	683,156	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
Wilmarth	60,266	N/A	-	No site specific cost study. Net salvage rate was adjusted to account for fact that no new study had been completed since 1983
<u>Hydro Production</u>				
Hennepin Island	4,322	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	5,429	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	7,655	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
6" Pipe	(576)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
Maplewood	(21,557)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	(14,765)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	(11,199)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	(26,288)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	207,934	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
High Bridge	96,035	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Allen S King	474,349	6,647,000	50%	
Minnesota Valley	21,366	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Pathfinder	30,222	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Red Wing	134,107	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Riverside	167,805	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Units 1&2	400,494	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Unit 3	743,767	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Wilmarth	99,827	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
<u>Hydro Production</u>				
Hennepin Island	2,204	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	2,819	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	115,723	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
Grand Forks	329	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
Maplewood	(10,274)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	(6,265)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	(4,263)	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	303	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	193,404	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
High Bridge	120,741	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Allen S King	538,514	6,647,000	50%	
Minnesota Valley	10,830	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Pathfinder	34,115	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Red Wing	167,511	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Riverside	175,572	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Units 1&2	372,219	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Unit 3	804,378	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Wilmarth	139,388	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
<u>Hydro Production</u>				
Hennepin Island	86	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	209	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	223,792	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
Grand Forks	329	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
Maplewood	1,009	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	2,235	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	2,672	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	26,893	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	42,945	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
High Bridge	149,675	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Allen S King	575,304	6,647,000	50%	
Minnesota Valley	35,308	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Pathfinder	34,115	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Red Wing	197,356	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Riverside	177,159	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Units 1&2	384,384	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Unit 3	817,454	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Wilmarth	183,382	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
<u>Hydro Production</u>				
Hennepin Island	99	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Lower Dam	729	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
Upper Dam	(198,844)	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.
<u>Gas Production</u>				
Maplewood	1,014	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Sibley	2,235	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1996.
Wescott	2,918	N/A	-	No site specific cost study. Net salvage rates was generic rate approved in 1995.
<u>Gas Storage</u>				
Wescott	30,007	N/A	-	No site specific cost study. Net salvage rate was generic rate approved in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	53,920	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
High Bridge	284,354	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Allen S King	264,633	6,647,000	50%	
Minnesota Valley	68,871	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Red Wing	204,121	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Riverside	184,094	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Units 1&2	386,878	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Unit 3	821,183	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Wilmarth	225,376	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983 No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
<u>Hydro Production</u>				
Hennepin Island	146	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.
Lower Dam	729	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.
Upper Dam	14,631	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.
<u>Gas Production</u>				
Grand Forks	-	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1995.
Maplewood	1,014	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1995.
Sibley	2,583	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1996.
Wescott	2,918	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1995.
<u>Gas Storage</u>				
Wescott	30,770	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Notes
<u>Steam Production</u>				
Black Dog	51,192	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
High Bridge	355,477	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Allen S King	161,321	6,647,000	50%	
Minnesota Valley	82,702	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Red Wing	207,890	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Riverside	189,331	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Units 1&2	387,662	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Sherco Unit 3	826,129	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
Wilmarth	234,930	N/A	-	No site specific cost study. Net salvage rate was adjusted in 1999 to account for fact that no new study had been completed since 1983
<u>Hydro Production</u>				
Hennepin Island	1,585	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.
Lower Dam	729	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.
Upper Dam	14,631	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.
<u>Gas Production</u>				
Grand Forks	-	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1995.
Maplewood	1,014	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1995.
Sibley	4,945	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1996.
Wescott	1,207	N/A	-	No site specific cost study. Net salvage rates was generic rate developed in 1995.
<u>Gas Storage</u>				
Wescott	10,677	N/A	-	No site specific cost study. Net salvage rate was generic rate developed in 1977.

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	311,787	17,830,000	50%	Probability was approximately 50%. An exact probability was not used.
High Bridge	742,874	20,000,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Allen S King	270,952	18,140,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Minnesota Valley	313,125	10,130,000	100%	To give time to collect additional decommissioning costs, life was lengthened and net salvage rate was applied to all plant assets.
Red Wing	400,413	3,400,000	75%	Probability was approximately 75%. An exact probability was not used.
Riverside	405,921	30,650,300	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Sherco Units 1&2	603,514	43,320,000	50%	Probability was approximately 50%. An exact probability was not used.
Sherco Unit 3	841,888	38,340,000	50%	Probability was approximately 50%. An exact probability was not used.
Wilmarth	497,777	3,250,000	75%	Probability was approximately 75%. An exact probability was not used.
<u>Hydro Production</u>				
Hennepin Island	10,342	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	2,468	-	-	
Upper Dam	23,939	-	-	
<u>Other Production</u>				
Alliant Tech	-	-	N/A	
Angus Anson	10,044	1,280,000	50%	Decommissioning Cost Estimate was for total Angus Anson facility. Probability was approximately 50%. An exact probability was not used.
Angus Anson Unit 4	109	-	-	
Black Dog Unit 5	17,920	2,610,000	50%	Probability was approximately 50%. An exact probability was not used.
Blue Lake	10,673	820,000	50%	Decommissioning Cost Estimate was for total Blue Lake facility. Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 7&8	1,245	-	-	
Granite City	66,245	1,590,000	50%	Probability was approximately 50%. An exact probability was not used.
Inver Hills	818,822	920,000	50%	Probability was approximately 50%. An exact probability was not used.
Key City	377,049	1,590,000	100%	Net salvage rate was applied to all plant assets.
United Health	-	-	N/A	
United Hospital	-	-	N/A	
West Faribault	327,692	1,590,000	100%	Net salvage rate was applied to all plant assets.
<u>Gas Production</u>				
Grand Forks	1,905	2,000	100%	
Maplewood	5,352	(121,000)	100%	
Sibley	408	(239,500)	100%	
Wescott	(410)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	10,964	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	332,115	17,830,000	50%	Probability was approximately 50%. An exact probability was not used.
High Bridge	741,647	20,000,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Allen S King	422,428	18,140,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Minnesota Valley	714,717	10,130,000	100%	To give time to collect additional decommissioning costs, life was lengthened and net salvage rate was applied to all plant assets.
Red Wing	607,418	3,400,000	75%	Probability was approximately 75%. An exact probability was not used.
Riverside	446,044	30,650,300	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Sherco Units 1&2	1,035,656	43,320,000	50%	Probability was approximately 50%. An exact probability was not used.
Sherco Unit 3	880,012	38,340,000	50%	Probability was approximately 50%. An exact probability was not used.
Wilmarth	784,206	3,250,000	75%	Probability was approximately 75%. An exact probability was not used.
<u>Hydro Production</u>				
Hennepin Island	22,433	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	4,886	-	-	
Upper Dam	36,879	-	-	
<u>Other Production</u>				
Alliant Tech	-	-	N/A	
Angus Anson Units 2&3	39,853	1,280,000	50%	Decommissioning Cost Estimate was for total Angus Anson facility. Probability was approximately 50%. An exact probability was not used.
Angus Anson Unit 4	316	-	-	
Black Dog Unit 5	46,869	2,610,000	50%	Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 1 thru 4	21,874	820,000	50%	Decommissioning Cost Estimate was for total Blue Lake facility. Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 7&8	3,585	-	-	
Granite City	150,721	1,590,000	50%	Probability was approximately 50%. An exact probability was not used.
Inver Hills	426,981	920,000	50%	Probability was approximately 50%. An exact probability was not used.
Key City	516,494	1,590,000	100%	Net salvage rate was applied to all plant assets.
United Health	-	-	N/A	
United Hospital	-	-	N/A	
West Faribault	721,649	1,590,000	100%	Net salvage rate was applied to all plant assets.
<u>Gas Production</u>				
Grand Forks	2,662	2,000	100%	
Maplewood	8,221	(121,000)	100%	
Sibley	(6,764)	(239,500)	100%	
Wescott	(3,339)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	12,128	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	362,270	17,830,000	50%	Probability was approximately 50%. An exact probability was not used.
High Bridge	966,344	20,000,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Allen S King	457,636	18,140,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Minnesota Valley	714,717	10,130,000	100%	To give time to collect additional decommissioning costs, life was lengthened and net salvage rate was applied to all plant assets.
Red Wing	97,059	3,400,000	75%	Probability was approximately 75%. An exact probability was not used.
Riverside	498,364	30,650,300	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Sherco Units 1&2	1,185,335	43,320,000	50%	Probability was approximately 50%. An exact probability was not used.
Sherco Unit 3	904,279	38,340,000	50%	Probability was approximately 50%. An exact probability was not used.
Wilmarth	163,026	3,250,000	75%	Probability was approximately 75%. An exact probability was not used.
<u>Hydro Production</u>				
Hennepin Island	23,569	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	4,886			
Upper Dam	36,879			
<u>Other Production</u>				
Alliant Tech	-	-	N/A	
Angus Anson Units 2&3	75,697	1,280,000	50%	Decommissioning Cost Estimate was for total Angus Anson facility. Probability was approximately 50%. An exact probability was not used.
Angus Anson Unit 4	361	-	-	
Black Dog Unit 5	51,488	2,610,000	50%	Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 1 thru 4	(6,878)	820,000	50%	Decommissioning Cost Estimate was for total Blue Lake facility. Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 7&8	4,292	-	-	
Granite City	153,564	1,590,000	50%	Probability was approximately 50%. An exact probability was not used.
Inver Hills	357,973	920,000	50%	Probability was approximately 50%. An exact probability was not used.
Key City	215,186	1,590,000	100%	Net salvage rate was applied to all plant assets.
United Health	-	-	N/A	
United Hospital	-	-	N/A	
West Faribault	-	1,590,000	100%	Net salvage rate was applied to all plant assets.
<u>Gas Production</u>				
Grand Forks	1,194	2,000	100%	
Maplewood	10,554	(121,000)	100%	
Sibley	(6,840)	(239,500)	100%	
Wescott	(5,731)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	13,340	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	364,979	17,830,000	50%	Probability was approximately 50%. An exact probability was not used.
High Bridge	(104,931)	20,000,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Allen S King	504,940	18,140,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Minnesota Valley	702,617	10,130,000	100%	To give time to collect additional decommissioning costs, life was lengthened and net salvage rate was applied to all plant assets.
Red Wing	140,765	3,400,000	75%	Probability was approximately 75%. An exact probability was not used.
Riverside	1,708,629	30,650,300	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Sherco Units 1&2	1,160,749	43,320,000	50%	Probability was approximately 50%. An exact probability was not used.
Sherco Unit 3	790,149	38,340,000	50%	Probability was approximately 50%. An exact probability was not used.
Wilmarth	51,616	3,250,000	75%	Probability was approximately 75%. An exact probability was not used.
<u>Hydro Production</u>				
Hennepin Island	30,205	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	4,886			
Upper Dam	36,879			
<u>Other Production</u>				
Alliant Tech	-	-	N/A	
Angus Anson Units 2&3	81,078	1,280,000	50%	Decommissioning Cost Estimate was for total Angus Anson facility. Probability was approximately 50%. An exact probability was not used.
Angus Anson Unit 4	362	-	-	
Black Dog Unit 5	147,499	2,610,000	50%	Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 1 thru 4	10,828	820,000	50%	Decommissioning Cost Estimate was for total Blue Lake facility. Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 7&8	4,432	-	-	
Grand Meadow	97,903	-	N/A	No decommissioning cost estimate was available for plant. A generic -10% net salvage rate was assumed.
Granite City	66,073	1,590,000	50%	Probability was approximately 50%. An exact probability was not used.
High Bridge	699,252	-	N/A	A generic -10% net salvage rate was assumed for all new plant assets.
Inver Hills	270,203	920,000	50%	Probability was approximately 50%. An exact probability was not used.
Key City	85,676	1,590,000	100%	Net salvage rate was applied to all plant assets.
United Hospital	-	-	N/A	
West Faribault	-	1,590,000	100%	Net salvage rate was applied to all plant assets.
<u>Gas Production</u>				
Grand Forks	1,194	2,000	100%	
Maplewood	10,684	(121,000)	100%	
Sibley	(5,273)	(239,500)	100%	
Wescott	(3,274)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	10,337	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	429,135	17,830,000	50%	Probability was approximately 50%. An exact probability was not used.
Allen S King	563,308	18,140,000	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Minnesota Valley	696,072	10,130,000	100%	To give time to collect additional decommissioning costs, life was lengthened and net salvage rate was applied to all plant assets.
Red Wing	253,136	3,400,000	75%	Probability was approximately 75%. An exact probability was not used.
Riverside	814,837	30,650,300	N/A	For existing projects associated with MERP, the Company did not use new decommissioning estimate, recommended no change
Sherco Units 1&2	1,179,312	43,320,000	50%	Probability was approximately 50%. An exact probability was not used.
Sherco Unit 3	813,697	38,340,000	50%	Probability was approximately 50%. An exact probability was not used.
Wilmarth	89,433	3,250,000	75%	Probability was approximately 75%. An exact probability was not used.
<u>Hydro Production</u>				
Hennepin Island	32,553	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	4,886			
Upper Dam	36,879			
<u>Other Production</u>				
Alliant Tech	-	-	N/A	
Angus Anson Units 2&3	85,144	1,280,000	50%	Decommissioning Cost Estimate was for total Angus Anson facility. Probability was approximately 50%. An exact probability was not used.
Angus Anson Unit 4	363	-	-	
Black Dog Unit 5	195,472	2,610,000	50%	Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 1 thru 4	10,403	820,000	50%	Decommissioning Cost Estimate was for total Blue Lake facility. Probability was approximately 50%. An exact probability was not used.
Blue Lake Units 7&8	4,326	-	-	
Grand Meadow	812,308	-	N/A	No decommissioning cost estimate was available for plant. A generic -10% net salvage rate was assumed.
Granite City	65,006	1,590,000	50%	Probability was approximately 50%. An exact probability was not used.
High Bridge	1,059,773	-	N/A	A generic -10% net salvage rate was assumed for all new plant assets.
Inver Hills	278,752	920,000	50%	Probability was approximately 50%. An exact probability was not used.
Key City	87,706	1,590,000	100%	Net salvage rate was applied to all plant assets.
Riverside	934,190	-	N/A	A generic -10% net salvage rate was assumed for all new plant assets.
United Hospital	-	-	N/A	
Wind Storage	-	1,590,000	100%	Net salvage rate was applied to all plant assets.
<u>Gas Production</u>				
Grand Forks	1,194	2,000	100%	
Maplewood	11,733	(121,000)	100%	
Sibley	(1,876)	(239,500)	100%	
Wescott	(2,328)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	11,342	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	6,593,968	23,786,570	100%	
Allen S King	1,503,555	33,401,000	100%	
Minnesota Valley	1,277,666	13,875,000	100%	
Red Wing	1,144,638	10,392,000	100%	
Sherco Units 1&2	1,448,446	36,236,953	75%	
Sherco Unit 3	586,443	47,856,384	100%	
Wilmarth	981,363	9,373,000	100%	
<u>Hydro Production</u>				
Hennepin Island	65,476	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	4,886			
Upper Dam	36,879			
<u>Other Production</u>				
Alliant Tech	(142)	-	N/A	
Angus Anson Units 2&3	415,131	3,249,262	100%	
Angus Anson Unit 4	64,424	1,989,208	100%	
Black Dog Unit 5	441,524	13,493,635	75%	
Blue Lake Units 1 thru 4	966,542	2,882,769	100%	
Blue Lake Units 7&8	137,112	7,232,384	50%	
Grand Meadow	700,815	17,146,000	100%	
Granite City	928,905	3,319,000	100%	
High Bridge	162,477	11,536,000	100%	
Inver Hills	442,432	7,944,000	75%	
Key City	624,460	3,319,000	100%	
Nobles	48,474	-	N/A	No decommissioning cost estimate has been completed for Nobles. Net Salvage rate is based off approved rate for Grand Meadow.
Riverside	798,166	32,501,168	50%	
United Hospital	(203)	-	N/A	
Wind Storage	(88)	-	N/A	
<u>Gas Production</u>				
Grand Forks	3,582	2,000	100%	
Maplewood	7,392	(121,000)	100%	
Sibley	(970)	(239,500)	100%	
Wescott	(1,393)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	14,078	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	2,770,493	23,786,570	100%	
Allen S King	1,383,407	33,401,000	100%	
Minnesota Valley	1,274,634	13,875,000	100%	
Red Wing	1,278,497	10,392,000	100%	
Sherco Units 1&2	1,520,955	36,236,953	75%	
Sherco Unit 3	611,529	47,856,384	100%	
Wilmarth	1,044,636	9,373,000	100%	
<u>Hydro Production</u>				
Hennepin Island	85,539	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	4,886			
Upper Dam	36,879			
<u>Other Production</u>				
Alliant Tech	(243)	-	N/A	
Angus Anson Units 2&3	411,704	3,249,262	100%	
Angus Anson Unit 4	63,586	1,989,208	100%	
Black Dog Unit 5	431,771	13,493,635	75%	
Blue Lake Units 1 thru 4	945,860	2,882,769	100%	
Blue Lake Units 7&8	135,547	7,232,384	50%	
Grand Meadow	697,931	17,146,000	100%	
Granite City	913,625	3,319,000	100%	
High Bridge	583,795	11,536,000	100%	
Inver Hills	448,378	7,944,000	75%	
Key City	614,307	3,319,000	100%	
Nobles	1,774,022	-	N/A	No decommissioning cost estimate has been completed for Nobles. Net Salvage rate is based off approved rate for Grand Meadow.
Riverside	686,081	32,501,168	50%	
United Hospital	(348)	-	N/A	
Wind Storage	(151)	-	N/A	
<u>Gas Production</u>				
Grand Forks	-	2,000	100%	
Maplewood	7,220	(121,000)	100%	
Sibley	(590)	(239,500)	100%	
Wescott	(519)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	16,357	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	3,047,245	23,786,570	100%	
Allen S King	1,459,215	33,401,000	100%	
Minnesota Valley	1,563,328	13,875,000	100%	
Red Wing	1,415,496	10,392,000	100%	
Sherco Units 1&2	1,683,624	36,236,953	75%	
Sherco Unit 3	669,181	47,856,384	100%	
Wilmarth	1,189,433	9,373,000	100%	
<u>Hydro Production</u>				
Hennepin Island	154,040	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	(1,800)			
Upper Dam	36,879			
<u>Other Production</u>				
Alliant Tech	(202)	-	N/A	
Angus Anson Units 2&3	421,232	3,249,262	100%	
Angus Anson Unit 4	63,681	1,989,208	100%	
Black Dog Unit 5	467,318	13,493,635	75%	
Blue Lake Units 1 thru 4	979,168	2,882,769	100%	
Blue Lake Units 7&8	135,712	7,232,384	50%	
Grand Meadow	708,455	17,146,000	100%	
Granite City	938,959	3,319,000	100%	
High Bridge	943,740	11,536,000	100%	
Inver Hills	465,215	7,944,000	75%	
Key City	630,075	3,319,000	100%	
Nobles	1,779,733	-	N/A	No decommissioning cost estimate has been completed for Nobles. Net Salvage rate is based off approved rate for Grand Meadow.
Riverside	801,337	32,501,168	50%	
United Hospital	(348)	-	N/A	
Wind Storage	(151)	-	N/A	
<u>Gas Production</u>				
Maplewood	7,781	(121,000)	100%	
Sibley	(44)	(239,500)	100%	
Wescott	(303)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	19,962	(227,000)	100%	

Plant	Annual Cost of Removal Depreciation Expense	Decommissioning Cost Estimate	Decommissioning Probability	Note
<u>Steam Production</u>				
Black Dog	3,354,820	23,786,570	100%	
Allen S King	1,757,672	33,401,000	100%	
Minnesota Valley	(0)	N/A	N/A	Reserve was transferred from other steam production facilities in order to cover amount of decommissioning costs yet to be recovered.
Red Wing	1,831,675	10,392,000	100%	
Sherco Units 1&2	2,526,813	36,236,953	75%	
Sherco Unit 3	1,010,949	47,856,384	100%	
Wilmarth	1,389,372	9,373,000	100%	
<u>Hydro Production</u>				
Hennepin Island	183,956	11,820,000	20%	Decommissioning Cost Estimate was for total St. Anthony Falls facility (includes lower and upper dam).
Lower Dam	(4,328)			
Upper Dam	36,879			
<u>Other Production</u>				
Angus Anson Units 2&3	427,733	3,249,262	100%	
Angus Anson Unit 4	65,695	1,989,208	100%	
Black Dog Unit 5	519,420	13,493,635	75%	
Blue Lake Units 1 thru 4	9,121	2,882,769	100%	
Blue Lake Units 7&8	135,892	7,232,384	50%	
Grand Meadow	725,945	17,146,000	100%	
Granite City	12,454	3,319,000	100%	
High Bridge	940,049	11,536,000	100%	
Inver Hills	478,198	7,944,000	75%	
Key City	-	3,319,000	100%	
Nobles	1,786,484	-	N/A	No decommissioning cost estimate has been completed for Nobles. Net Salvage rate is based off approved rate for Grand Meadow.
Riverside	744,886	32,501,168	50%	
United Hospital	(348)	-	N/A	
Wind Storage	(151)	-	N/A	
<u>Gas Production</u>				
Maplewood	7,776	(121,000)	100%	
Sibley	887	(239,500)	100%	
Wescott	(293)	(23,000)	100%	
<u>Gas Storage</u>				
Wescott	27,355	(227,000)	100%	

CERTIFICATE OF SERVICE

I, Theresa Sarafolean, hereby certify that I have this day served copies or summaries of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States Mail at Minneapolis, Minnesota

xx electronic filing

DOCKET NO. E,G999/CI-13-626

Dated this 31st day of July 2014

/s/

Theresa Sarafolean
Administrative Assistant

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