

**MINNESOTA POWER**  
**ANNUALIZED DECOMMISSIONING COSTS - ASSUMING 100% DECOMMISSIONING PROBABILITY**  
**2013**

**BOSWELL ENERGY CENTER**

	<u>Unit 1</u>	<u>Unit 2</u>	<u>Unit 3</u>	<u>Unit 4</u>	<u>Common</u>	<u>Total</u>
Decommissioning Costs	1,659,770	1,599,590	25,144,338	33,838,875	6,945,883	69,188,456
MP ownership %	100.0%	100.0%	100.0%	80.0%	89.54%	
MP Share	1,659,770	1,599,590	25,144,338	27,071,100	6,219,344	61,694,142
Decommissioning Probability	100.0%	100.0%	100.0%	100.0%	100.0%	
Amt. to be Recovered	1,659,770	1,599,590	25,144,338	27,071,100	6,219,344	61,694,142
Plant in Service 12/31/2012	45,632,633	35,288,124	449,977,387	352,488,077	175,565,958	1,058,952,179
<b>Gross Salvage Rate</b>	<b>3.64%</b>	<b>4.53%</b>	<b>5.59%</b>	<b>7.68%</b>	<b>3.54%</b>	
Remaining Life-current year	12.0	12.0	22.0	23.0	17.0	
Additional Annual Depreciation	138,314	133,299	1,142,924	1,177,004	365,844	2,957,386
Monthly Amount	11,526	11,108	95,244	98,084	30,487	

**LASKIN ENERGY CENTER**

	<u>Unit 1</u>	<u>Unit 2</u>	<u>Total</u>	<b>TACONITE HARBOR</b>
Decommissioning Costs	4,287,132	4,287,132	8,574,264	6,634,859
MP ownership %	100.0%	100.0%	100.0%	100.0%
MP Share	4,287,132	4,287,132	8,574,264	6,634,859
Decommissioning Probability	100.0%	100.0%		100%
Amt. to be Recovered	4,287,132	4,287,132	8,574,264	6,634,859
Plant in Service 12/31/2012			78,897,626	147,580,116
<b>Gross Salvage Rate</b>			<b>10.87%</b>	<b>4.50%</b>
Remaining Life-current year			12.0	14.0
Additional Annual Depreciation			714,522	473,919
Monthly Amount			59,544	39,493

**MINNESOTA POWER**

**ANNUALIZED DECOMMISSIONING COSTS - SCHEDULE USED TO CALCULATE RATES FOR ORIGINAL FILING**  
**2013**

**BOSWELL ENERGY CENTER**

	<u>Unit 1</u>	<u>Unit 2</u>	<u>Unit 3</u>	<u>Unit 4</u>	<u>Common</u>	<u>Total</u>
Decommissioning Costs	1,659,770	1,599,590	25,144,338	33,838,875	6,945,883	69,188,456
MP ownership %	100.0%	100.0%	100.0%	80.0%	89.54%	
MP Share	1,659,770	1,599,590	25,144,338	27,071,100	6,219,344	61,694,142
Decommissioning Probability	50.0%	50.0%	75.0%	50.0%	50.0%	
Amt. to be Recovered	829,885	799,795	18,858,254	13,535,550	3,109,672	37,133,155
Plant in Service 12/31/2012	45,632,633	35,288,124	449,977,387	352,488,077	175,565,958	1,058,952,179
<b>Gross Salvage Rate</b>	<b>1.82%</b>	<b>2.27%</b>	<b>4.19%</b>	<b>3.84%</b>	<b>1.77%</b>	
Remaining Life-current year	12.0	12.0	22.0	23.0	17.0	
Additional Annual Depreciation	69,157	66,650	857,193	588,502	182,922	1,764,424
Monthly Amount	5,763	5,554	71,433	49,042	15,243	

**LASKIN ENERGY CENTER**

	<u>Unit 1</u>	<u>Unit 2</u>	<u>Total</u>	<b>TACONITE HARBOR</b>
Decommissioning Costs	4,287,132	4,287,132	8,574,264	6,634,859
MP ownership %	100.0%	100.0%	100.0%	100.0%
MP Share	4,287,132	4,287,132	8,574,264	6,634,859
Decommissioning Probability	100.0%	100.0%		80%
Amt. to be Recovered	4,287,132	4,287,132	8,574,264	5,307,887
Plant in Service 12/31/2012			78,897,626	147,580,116
<b>Gross Salvage Rate</b>			<b>10.87%</b>	<b>3.60%</b>
Remaining Life-current year			12.0	14.0
Additional Annual Depreciation			714,522	379,135
Monthly Amount			59,544	31,595