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Minneapolis Minnesota 55401

August 6, 2012

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

—Via Electronic Filing—

RE: REPLY COMMENTS
2012 ANNUAL REVIEW OF REMAINING LIVES
DOCKET NO. E,G002/D-12-151

Dear Dr. Haar:

Northern States Power Company, a Minnesota corporation submits to the Minnesota Public Utilities Commission its Reply to the June 27, 2012 Minnesota Department of Commerce, Division of Energy Resources Comments in this docket.

Pursuant to Minn. Stat. §216.17, subd. 3, we have electronically filed this document with the Commission, and Public version of this filing has been served on the parties on the attached service list. Please contact me at lisa.h.perkett@xcelenergy.com or (612) 330-6950 if you have any questions regarding this filing.

SINCERELY,

/s/

LISA H. PERKETT
DIRECTOR, CAPITAL ASSET ACCOUNTING

Enclosure
c: Service Lists

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Phyllis A. Reha	Commissioner
David C. Boyd	Commissioner
J. Dennis O'Brien	Commissioner
Betsy Wergin	Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF THE CERTIFICATION
OF OUR 2012 REVIEW OF REMAINING
LIVES

DOCKET NO. E,G002/D-12-151

REPLY COMMENTS

OVERVIEW

Northern States Power Company, doing business as Xcel Energy, submits this Reply to the Comments of the Minnesota Department of Commerce, Division of Energy Resources on our 2012 Annual Review of Remaining Lives. The Department recommended approval of our proposed service lives, salvage rates, and resulting depreciation rates effective January 1, 2012, except for the proposed life extensions for the Blue Lake Units 1-4, Granite City, and Key City peaking plants, and the salvage rate for the Minnesota Valley plant.

While our original Petition complies with Commission Rules requiring an annual review of remaining lives and our proposal is consistent with past practice, in this Reply we offer an alternative proposal to resolve the issues in this docket. We believe our alternative proposal is appropriate because it:

- Effectively resolves in 2012 the issue of ongoing depreciation expense for the retired Minnesota Valley plant;
- Moves the proposed changes in electric depreciation expense from 2012 to 2013, aligning with the test year of our next electric rate case; and
- Is consistent with Commission Rules and past practice.

Specifically, we propose the following changes to our original Petition:

- Withdrawal of our request for life extensions for Blue Lake Units 1-4, Granite City, and Key City, resulting in full depreciation of these plants by the end of 2012.
- Withdrawal of our request for a change in the net salvage rate for the Minnesota Valley effective January 1, 2012. Instead we propose to reallocate the 2012 year-end accumulated depreciation reserve balances among the individual units in steam production by FERC Account such that the Minnesota Valley plant is fully depreciated by the end of 2012.

These proposed modifications to our original Petition result in no change in electric depreciation expense for 2012 over current approved amounts for the electric utility and a net decrease in electric depreciation expense of \$221,585 in 2013.

We appreciate the Department's review of our Petition and their recommendation for approval of portions of our request. We have discussed with the Department our alternative proposal for the three peaking plants and the Minnesota Valley plant and provide in these Reply Comment details for further review. We also provide the additional information requested by the Department related to the cost estimates for the demolition of the Minnesota Valley plant, including an update on the potential transfer of the dam, and the 2011 capital investment at Sherco 3.

REPLY

A. Blue Lake Units 1-4, Granite City, and Key City

As a part of its review, the Department expressed concern regarding the proposed changes in remaining lives for Blue Lake Units 1-4, Granite City, and Key City immediately following our rate case. We appreciate the Department's concern and recognize that this policy discussion has been ongoing. Because rate cases include remaining life estimates in overall test year ratemaking calculations, and we are also required to complete our review of remaining lives on an annual basis, there can be a difference between remaining lives in a rate case and those proposed in our annual remaining lives filings.

In compliance with the Commission's September 8, 1978 Order in Docket No. E002/D-77-1086A, as well as Minnesota Statutes and Rules, the Company is required to annually review the depreciation rates, lives, and salvage estimates of our electric and gas production and gas storage assets to determine if they are still appropriate. Because of the annual requirements, it is possible for depreciation expense to deviate from base rates approved by the Commission as a result of rate cases.

For example, life extensions for Blue Lake Units 1-4, Key City, and Granite City were not contemplated during our recent rate case (Docket No. E002/GR-10-971). Even at the time we were negotiating the rate case settlement agreement in September-October 2011, our 2012 annual review process had not been completed. The assessment supporting life extensions for these plants was completed early in 2012 and reflected in our February 2012 remaining lives filing.

Further, our response to Information Request DOC-159 in our rate case, submitted February 1, 2011, indicated that our February 2011 annual remaining lives filing would propose extensions for Black Dog Units 3 and 4 and Sherco Units 1 and 2, consistent with what we presented in the rate case and the information known at that time. In that response we also indicated the possibility that through the annual review process for 2012, new information could support life extensions that may be proposed in our February 2012 annual remaining lives filing.

The recommended life changes for Blue Lake Units 1-4, Granite City, and Key City reasonably reflected the best available information at the time our 2012 remaining life assessment was completed in February of 2012. However, to resolve the issues in this proceeding, we propose to withdraw our request to extend the lives of these plants. As a result of this withdrawal, the decrease to depreciation expense in 2012 related to these plants that we proposed in our original Petition will be eliminated, and these units will be fully depreciated at the end of 2012.

These plants will continue to be part of the MISO reserve and we do not plan to retire them from operations at the end of 2012. However, there will be no depreciable life after 2012 and we do not expect any capital additions will be required to continue operating these plants. We expect all work on the plants to maintain them in their current state will be handled through maintenance.

B. Minnesota Valley

The Minnesota Valley plant last burned coal in 2004. Currently, the Company is authorized to recover projected demolition and dismantlement costs for the plant through 2017. This plan was approved by the Commission in our 2005 Remaining Lives proceeding in Docket No. E,G002/D-05-288. Our current Petition requested approval of a revised net salvage rate to reflect updated removal costs, including the costs to demolish the Minnesota Falls dam, to be recovered over the remaining life of the plant. This would result in an increase of \$1,660,619 in depreciation expense.

While we continue to support the updated removal cost estimates in Section C below, to eliminate the continuation of depreciation expense for this retired asset after 2012,

we propose to use the accumulated depreciation reserve balance to fully depreciate Minnesota Valley by the end of 2012 and reallocate the depreciation expense across each FERC Account for steam production. Specifically, we propose to reallocate the 2012 year-end accumulated depreciation reserve balances among the individual units in steam production by FERC Account, such that as of the beginning of 2013, the Minnesota Valley steam plant reserve balance will equate to the sum of both the plant balance and our most recent remaining cost estimate for demolition and dismantlement of \$21,034,000. Further details related to this demolition cost estimate are provided in Section C below.

Using the current approved remaining life and net salvage rate for Minnesota Valley, the net book value is negative \$8,135,823. For Minnesota Valley to be fully depreciated at the end of 2012, the net book value needs to be a negative \$21,034,000. We propose to resolve the deficit of \$12,898,177 (\$21,034,000 - \$8,135,823) by transferring reserve from the operating steam plants to Minnesota Valley. Attachments 1 and 2 provide details regarding this reallocation.

As a result of this reallocation, the Minnesota Valley plant will be fully depreciated as of the beginning of 2013, and total steam production depreciation expense will decrease by \$221,585 for 2013, as shown in the table below. The decrease in depreciation expense for 2013 is a combination of Minnesota Valley steam plant depreciation expense decreasing by \$1,274,317, since it will be fully depreciated in 2012, and depreciation expense for all other steam production units increasing by \$1,052,732 million, since their respective depreciable basis will have increased as a result of the reallocation process.

	2013 Depreciation Expense Change
Full depreciation of Minnesota Valley in 2012	-\$1,274,317
Reallocation of Minnesota Valley balance to all other steam production units	\$1,052,732
Net Change	-\$221,585

We believe a reallocation of the accumulated depreciation reserve is a reasonable approach to resolve the Minnesota Valley steam plant reserve deficiency. First, there is more than sufficient capacity within the steam production reserve to absorb this deficiency, as the total steam production accumulated depreciation reserve balance as of January 1, 2013 is \$1.3 billion, and the projected Minnesota Valley steam plant reserve deficiency is only \$12.9 million. Further, the resulting net change in steam production depreciation expense is negligible over the short term, with a decrease of \$221,585 from 2013 through 2017, with an increase of \$1.05 million thereafter.

In addition, our proposed reallocation of the reserve balance is consistent with the treatment of reserve surplus for both the West Faribault plant (Docket No. E,G002/D-10-173) and the United Health Care generator sale (Docket No. E002/PA-07-1298). In those cases, the estimated removal costs for the plants were higher than actual costs, and once removal or sale was completed, the surplus reserve was reallocated to the total steam production unit reserve balance.

Finally, we note that although we provide an estimate for the remaining demolition costs for the Minnesota Valley plant, which is incorporated into the reserve reallocation calculations, we will continue to track the actual costs for demolition of the plant and dam. Any deviation from the estimated amount will be trued up and accounted for in the total steam production depreciation reserve.

The attached revised Schedules A and B are updated to reflect our revised proposal to withdraw the request for life extensions for Blue Lake Units 1-4, Granite City, and Key City, and our revised proposal to withdraw the request for a change in net salvage rate for the Minnesota Valley plant. As previously noted, Attachments 1 and 2 include the details of our proposed reallocation of the steam plant accumulated depreciation reserve among the individual units by FERC account.

C. Additional Information

1. Minnesota Valley Demolition Cost Estimates

As a part of our Petition, we provided an estimate of \$18,757,000 to complete the demolition, decommissioning, and dismantling of the Minnesota Valley steam production plant. The Department requested additional information to support the escalation and contingency components of these costs.

First, in reviewing our Petition, we noted an inadvertent error in the calculation of our escalation amount. Correcting the calculation provides an escalation estimate of \$653,000 as compared to our original calculation of \$2,476,000. We apologize for this inadvertent error and any confusion it may have caused.

We estimate the escalation cost component by assessing a 5 percent annual increase to the estimated costs based on when the costs are expected to occur within the decommissioning project schedule. The 5 percent figure reflects the judgment and experience of Company personnel who commonly plan and perform this type of demolition work. The corrected escalation amount is included in the accumulated depreciation reserve calculation discussed above.

We continue to support the inclusion of a contingency component as a part of the demolition costs for Minnesota Valley. As indicated in our response to the Department's Information Request No. 3, contingency costs are intended to account for unplanned or uncertain costs that arise during the construction process. The level of uncertainty is directly related to the point of the project's life cycle, with the highest level of uncertainty at the beginning of the project and very little uncertainty closer to the completion of the project. Currently, the Minnesota Valley demolition, remediation, and decommissioning project is in the conceptual planning stage. The scope of work has not been fully developed, contractors have not been selected, specific means and methods used to complete the work are undetermined, and permitting has not begun. Therefore, substantial cost uncertainty exists.

In determining the contingency component, we added an increase of 15 percent to the majority of the cost components, certain minor items were not included in the escalation calculation, and certain specific contingency costs were added based on previous project experience. The 15 percent contingency is consistent with the demolition and dismantling cost study performed by TLG Services, Inc. in 2009. In particular, TLG used a 25 percent contingency for asbestos remediation and a 15 percent contingency for all other dismantling costs. The TLG Dismantling Study was included as Attachment H to our 2010 Remaining Lives Petition (Docket No. E,G002/D-10-173).

Using the escalation factor and contingency estimate provides our best estimate of the demolition costs for the Minnesota Valley plant. As is true for all plant removal costs, any deviation between actual and estimated costs will be trued up and accounted for in the depreciation expense accounting, and customers will only be charged for actual removal costs incurred.

2. Minnesota Valley Falls Dam Update

In response to the Department's Information Request No. 9, we provided an overview of the notifications from the Minnesota Department of Natural Resources (DNR) to address deficiencies with the Minnesota Valley Falls dam. These notifications included:

- An August 1, 2006 letter noting the severely deteriorated state of the dam and need for repair. That letter noted recommendations in 2004 that the dam be classified as a hazard.
- An October 28, 2008 letter noting the severely deteriorated state of the dam and structural instability.
- A January 28, 2009 letter with recommendations from the DNR Dam Safety that measures be taken to ensure safe operation until the dam can be removed.

We further noted we had contracted with Barr Engineering to conduct a feasibility study of long-term options. Based on the results of the feasibility study, which showed removal to be the most cost effective solution, the decision to start the removal process was made in June of 2010.

Throughout the notification periods identified above, we had been contacted by various entities regarding the possibility of taking ownership of the dam. These entities included local government entities as well as local businesses. In general, there was an interest in maintaining the dam and the water level as it currently stands, both for business purposes and for recreation purposes. However, while we had been contacted regarding a potential transfer, nothing substantive resulted until late April 2012, when the Company executed a letter of intent from Granite Falls Energy LLC (GFE), to transfer ownership of the dam.

As a result, in our response to Department Information Request No. 9, we identified the possibility of a transfer of ownership, but noted uncertainty as a final agreement would have to be negotiated. While we were in negotiations, GFE submitted a request to obtain a permit from the DNR to transfer ownership and to implement the necessary repairs to bring the dam up to current dam safety standards. The DNR requested that we provide engineering and cost data to bring the dam up to current dam safety standards in the short term, as well as long term operations, maintenance, and repairs. The DNR advised that any granting of permits to GFE would in part be contingent upon the estimates provided by the Company and noted the difficulty for GFE to meet the transfer requirements.

Despite the initial statements from the DNR, based on subsequent meetings with the DNR and GFE, as well as information provided, we understood a permit may have been granted. However, on June 21, 2012, we received a letter from GFE stating its desire to stop its efforts to obtain ownership of the dam.

As a result, we will continue with the dam removal, implementing the least cost approach to meet DNR requirements. Our current cost estimate for this work has not changed from what we included in our original Petition. As we have not yet obtained the required permits to remove the dam or conducted a bidding process to obtain contractor bids for the removal, there is uncertainty regarding removal costs to remove the dam. The request for proposals was issued on July 17, 2012, and proposals are due on August 20, 2012. Currently, we expect to have an executed agreement for the removal work this Fall.

3. Sherco Unit 3 2011 Additions

The Department requested we provide additional information on the Sherco Unit 3 additions of \$23 million identified in our Petition including a confirmation that these assets were approved as a part of our 2011 test year rate case in Docket No. E002/GR-10-971. The identified Sherco Unit 3 projects were part of the uprate project to increase plant capacity. These projects had been completed at the time Sherco Unit 3 experienced a failure in November of 2011.

We placed the costs associated with the project into a Held for Future Use (HFU) Account. We confirm that these projects were included and approved in current rates for our 2011 test year and provide as Attachment 3 the proportion of these costs that were included as plant additions to rate base and related depreciation expense as well as the 2011 test year revenue requirements associated with these capital additions.

In our Petition, we noted that none of these projects were damaged in the November 2011 event; however, we have since learned that a portion of the projects were damaged. This does not affect our accounting treatment of these costs, as the current restoration of these assets is being covered by insurance and the entire project will be placed in service as expected once Sherco Unit 3 comes back on line.

CONCLUSION

We appreciate the opportunity to provide this Reply and respectfully request that the Commission approve our Petition as revised in these Reply Comments. Specifically, we request that the Commission approve:

- The proposed service lives, salvage rates, and resulting depreciation rates effective January 1, 2012 as proposed in our original Petition, except for the proposed life extensions for the Blue Lake Units 1-4, Granite City, and Key City peaking plants, and the salvage rate for the Minnesota Valley plant.
- Our request to withdraw the life extensions for Blue Lake Units 1-4, Granite City, and Key City proposed in our original Petition;
- Our request to withdraw the net salvage rate for the Minnesota Valley Plant proposed in our original Petition; and
- Reallocation of the 2012 year-end accumulated depreciation reserve balances among the individual units in steam production by FERC Account such that the Minnesota Valley plant, including the updated removal costs proposed in our original Petition, is fully depreciated by the end of 2012.

Dated: August 6, 2012

Electric Steam Production

		Rates			2012 Depr - Before Reallocation		2013					
Plant Balance		Approved Rem Life	Rem. Life (Yrs)	Net Salv %	Reserve Balance 1/1/2012	Depreciation Expense	Reserve Balance 1/1/2013	Reserve Reallocation	Reallocated Reserve Balance 1/1/2013	Depreciation Expense	Change in Depreciation Expense	
1/1/2012					1/1/2012		1/1/2013		1/1/2013			
(1)		(3)	(4)	(5)	(2)	(6)	(7)	(8)	(9)	(10)	(11)	
E311 Structures & Improvements												
Black Dog	\$ 31,803,989	21.0	20.0	-8.3	\$ 25,827,389	\$ 430,817	\$ 26,258,206	\$ (389,279)	\$ 25,868,927	\$ 451,305	\$ 20,488	
Allen S. King	35,895,405	26.5	25.5	-5.5	21,035,214	660,174	21,695,388	(439,358)	21,256,031	678,107	17,933	
Minnesota Valley	4,105,633	6.5	5.5	-101.9	6,422,472	339,418	6,761,891	3,688,162	10,450,052	-	(339,418)	
Red Wing	8,427,891	7.0	6.0	-23.3	8,094,917	382,779	8,477,696	(103,157)	8,374,539	403,410	20,631	
Sherco Unit 1 & 2	87,526,340	12.0	11.0	-5.1	74,361,382	1,602,618	75,964,001	(1,071,318)	74,892,683	1,709,750	107,132	
Sherco Unit 3	131,044,847	22.0	21.0	-4.3	100,875,010	1,704,989	102,579,998	(1,603,982)	100,976,017	1,785,188	80,199	
Wilmarth	6,623,282	7.0	6.0	-23.0	7,101,182	174,243	7,275,424	(81,069)	7,194,356	190,456	16,214	
Total/Composite	\$ 305,427,388	16.9	15.9	-7.3	\$ 243,717,566	\$ 5,295,038	\$ 249,012,604	\$ -	\$ 249,012,604	\$ 5,218,217	\$ (76,821)	
E312 Boiler Plant Equipment												
Black Dog	\$ 55,815,134	5.0	4.0	-18.0	\$ 54,435,970	\$ 2,856,472	\$ 57,292,442	\$ (268,493)	\$ 57,023,949	\$ 2,945,970	\$ 89,498	
Allen S. King	454,036,345	26.5	25.5	-5.5	105,689,205	14,639,966	120,329,171	(2,184,096)	118,145,076	14,729,113	89,147	
Minnesota Valley	6,439,804	6.5	5.5	-101.9	9,520,864	632,927	10,153,791	6,237,417	16,391,208	-	(632,927)	
Red Wing	36,085,974	7.0	6.0	-23.3	31,702,254	2,131,959	33,834,213	(173,588)	33,660,625	2,166,676	34,718	
Sherco Unit 1 & 2	329,602,293	12.0	11.0	-5.1	219,102,308	11,573,609	230,675,917	(1,585,518)	229,090,399	11,732,161	158,552	
Sherco Unit 3	388,759,371	22.0	21.0	-4.3	242,828,659	7,745,113	250,573,772	(1,870,088)	248,703,684	7,838,617	93,504	
Wilmarth	32,353,696	7.0	6.0	-23.0	30,908,751	1,481,049	32,389,800	(155,634)	32,234,166	1,512,176	31,127	
Total/Composite	\$ 1,303,092,616	18.0	17.0	-7.0	\$ 694,188,011	\$ 41,061,095	\$ 735,249,106	\$ 0	\$ 735,249,106	\$ 40,924,713	\$ (136,382)	
E314 Turbogenerator Units												
Black Dog	\$ 39,361,579	5.0	4.0	-18.0	\$ 35,891,199	\$ 2,638,866	\$ 38,530,065	\$ (286,118)	\$ 38,243,947	\$ 2,734,239	\$ 95,373	
Allen S. King	90,871,421	26.5	25.5	-5.5	24,964,973	2,780,564	27,745,537	(660,541)	27,084,996	2,807,525	26,961	
Minnesota Valley	2,156,244	6.5	5.5	-101.9	3,185,498	212,356	3,397,854	2,090,425	5,488,279	-	(212,356)	
Red Wing	2,337,456	7.0	6.0	-23.3	1,801,622	180,077	1,981,699	(16,991)	1,964,708	183,475	3,398	
Sherco Unit 1 & 2	94,892,341	12.0	11.0	-5.1	61,892,295	3,439,960	65,332,255	(689,769)	64,642,486	3,508,936	68,977	
Sherco Unit 3	57,275,182	22.0	21.0	-4.3	38,399,819	1,016,105	39,415,924	(416,331)	38,999,593	1,036,921	20,817	
Wilmarth	2,844,460	7.0	6.0	-23.0	2,506,439	165,374	2,671,813	(20,676)	2,651,137	169,510	4,135	
Total/Composite	\$ 289,738,683	14.8	13.8	-7.9	\$ 168,641,846	\$ 10,433,302	\$ 179,075,147	\$ 0	\$ 179,075,147	\$ 10,440,606	\$ 7,304	

Electric Steam Production

		Rates			2012 Depr - Before Reallocation		2013					Change in Depreciation Expense
Plant Balance	Approved Rem Life	Rem. Life	Net Salv	Reserve Balance	Depreciation	Reserve Balance	Reserve	Reallocated Reserve Balance	Depreciation			
1/1/2012	(Yrs)	(Yrs)	%	1/1/2012	Expense	1/1/2013	Reallocation	1/1/2013	Expense			
(1)	(3)	(4)	(5)	(2)	(6)	(7)	(8)	(9)	(10)	(11)		
E315 Accessory Electric Equipment												
Black Dog	\$ 14,857,379	5.0	4.0	-18.0	\$ 13,379,924	\$ 1,037,946	\$ 14,417,870	\$ (52,651)	\$ 14,365,219	\$ 1,055,496	\$ 17,550	
Allen S. King	40,149,567	26.5	25.5	-5.5	7,196,583	1,378,871	8,575,454	(142,281)	8,433,172	1,384,678	5,807	
Minnesota Valley	598,206	6.5	5.5	-101.9	883,752	58,914	942,665	579,946	1,522,611	-	(58,914)	
Red Wing	1,433,511	7.0	6.0	-23.3	1,404,211	60,551	1,464,762	(5,080)	1,459,682	61,567	1,016	
Sherco Unit 1 & 2	35,501,885	12.0	11.0	-5.1	30,161,118	650,124	30,811,242	(125,811)	30,685,431	662,705	12,581	
Sherco Unit 3	70,957,889	22.0	21.0	-4.3	40,005,971	1,619,196	41,625,167	(251,459)	41,373,708	1,631,769	12,573	
Wilmarth	751,501	7.0	6.0	-23.0	783,371	23,496	806,867	(2,663)	804,203	24,028	533	
Total/Composite	\$ 164,249,939	17.8	16.8	-6.6	\$ 93,814,929	\$ 4,829,097	\$ 98,644,026	\$ (0)	\$ 98,644,026	\$ 4,820,244	\$ (8,853)	
E316 Miscellaneous Power Plant Equipment												
Black Dog	\$ 3,153,700	5.0	4.0	-18.0	\$ 2,722,071	\$ 249,824	\$ 2,971,895	\$ (18,004)	\$ 2,953,891	\$ 255,825	\$ 6,001	
Allen S. King	7,708,078	26.5	25.5	-5.5	5,132,483	117,629	5,250,112	(44,004)	5,206,108	119,425	1,796	
Minnesota Valley	311,744	6.5	5.5	-101.9	460,550	30,702	491,252	302,228	793,480	-	(30,702)	
Red Wing	992,044	7.0	6.0	-23.3	831,619	65,262	896,881	(5,663)	891,218	66,395	1,133	
Sherco Unit 1 & 2	8,903,246	12.0	11.0	-5.1	6,880,446	225,170	7,105,616	(50,827)	7,054,789	230,252	5,083	
Sherco Unit 3	31,401,621	22.0	21.0	-4.3	18,033,380	700,881	18,734,262	(179,265)	18,554,997	709,845	8,963	
Wilmarth	782,144	7.0	6.0	-23.0	729,768	38,712	768,480	(4,465)	764,014	39,605	893	
Total/Composite	\$ 53,252,576	16.4	15.4	-6.6	\$ 34,790,318	\$ 1,428,179	\$ 36,218,497	\$ 0	\$ 36,218,497	\$ 1,421,346	\$ (6,833)	
Total Steam Production	\$ 2,115,761,203	17.4	16.4	-7.1	\$ 1,235,152,670	\$ 63,046,711	\$ 1,298,199,380	\$ 0	\$ 1,298,199,380	\$ 62,825,125	\$ (221,585)	

	Plant Balance	Current Reserve Balance	Amount To Allocate	New Reserve Balance
<hr/> E311 Structures & Improvements <hr/>				
Black Dog	31,803,989	26,258,206	(389,279)	25,868,927
Allen S. King	35,895,405	21,695,388	(439,358)	21,256,031
Minnesota Valley	4,105,633	6,761,891	3,688,162	10,450,052
Red Wing	8,427,891	8,477,696	(103,157)	8,374,539
Sherco Unit 1 & 2	87,526,340	75,964,001	(1,071,318)	74,892,683
Sherco Unit 3	131,044,847	102,579,998	(1,603,982)	100,976,017
Wilmarth	6,623,282	7,275,424	(81,069)	7,194,356
Total	305,427,388	249,012,604	-	249,012,604
<hr/> E312 Boiler Plant Equipment <hr/>				
Black Dog	55,815,134	57,292,442	(268,493)	57,023,949
Allen S. King	454,036,345	120,329,171	(2,184,096)	118,145,076
Minnesota Valley	6,439,804	10,153,791	6,237,417	16,391,208
Red Wing	36,085,974	33,834,213	(173,588)	33,660,625
Sherco Unit 1 & 2	329,602,293	230,675,917	(1,585,518)	229,090,399
Sherco Unit 3	388,759,371	250,573,772	(1,870,088)	248,703,684
Wilmarth	32,353,696	32,389,800	(155,634)	32,234,166
Total	1,303,092,616	735,249,106	0	735,249,106
<hr/> E314 Turbogenerator Units <hr/>				
Black Dog	39,361,579	38,530,065	(286,118)	38,243,947
Allen S. King	90,871,421	27,745,537	(660,541)	27,084,996
Minnesota Valley	2,156,244	3,397,854	2,090,425	5,488,279
Red Wing	2,337,456	1,981,699	(16,991)	1,964,708
Sherco Unit 1 & 2	94,892,341	65,332,255	(689,769)	64,642,486
Sherco Unit 3	57,275,182	39,415,924	(416,331)	38,999,593
Wilmarth	2,844,460	2,671,813	(20,676)	2,651,137
Total	289,738,683	179,075,147	0	179,075,147

	Plant Balance	Current Reserve Balance	Amount To Allocate	New Reserve Balance
<u>E315 Accessory Electric Equipment</u>				
Black Dog	14,857,379	14,417,870	(52,651)	14,365,219
Allen S. King	40,149,567	8,575,454	(142,281)	8,433,172
Minnesota Valley	598,206	942,665	579,946	1,522,611
Red Wing	1,433,511	1,464,762	(5,080)	1,459,682
Sherco Unit 1 & 2	35,501,885	30,811,242	(125,811)	30,685,431
Sherco Unit 3	70,957,889	41,625,167	(251,459)	41,373,708
Wilmarth	751,501	806,867	(2,663)	804,203
Total	164,249,939	98,644,026	(0)	98,644,026

E316 Miscellaneous Power Plant Equipment

Black Dog	3,153,700	2,971,895	(18,004)	2,953,891
Allen S. King	7,708,078	5,250,112	(44,004)	5,206,108
Minnesota Valley	311,744	491,252	302,228	793,480
Red Wing	992,044	896,881	(5,663)	891,218
Sherco Unit 1 & 2	8,903,246	7,105,616	(50,827)	7,054,789
Sherco Unit 3	31,401,621	18,734,262	(179,265)	18,554,997
Wilmarth	782,144	768,480	(4,465)	764,014
Total	53,252,576	36,218,497	0	36,218,497

	Plant Balance	Reserve Balance 1/1/2013	Net Book Value 1/1/2013	Net Book Value Should be	Amount of Reserve to Reallocate
<u>Minnesota Valley Steam Plant</u>					
Minnesota Valley E311	4,105,633	6,761,891	(2,656,257)	(6,344,419)	3,688,162
Minnesota Valley E312	6,439,804	10,153,791	(3,713,987)	(9,951,404)	6,237,417
Minnesota Valley E314	2,156,244	3,397,854	(1,241,610)	(3,332,035)	2,090,425
Minnesota Valley E315	598,206	942,665	(344,459)	(924,405)	579,946
Minnesota Valley #16	311,744	491,252	(179,508)	(481,736)	302,228
Minnesota Valley Total	13,611,631	21,747,453	(8,135,823)	(21,034,000)	12,898,177

**Northern States Power Company - Minnesota
Sherco Unit 3 Major Project Additions
Revenue Requirements Calculations
2011 Test Year vs. 2011 Actual**

**Docket No. E002/D-12-0151
Attachment 3**

	10 October	11 November	12 December	Total	2011 Test Year BOY/EOY Average	2011 Actual*
Closing to Plant in Service	(\$4,705,657)	(\$19,679,756)	(\$1,296,021)	(\$25,681,433)	(\$12,840,717)	\$22,978,223 \$11,489,111
Depreciation Expense	(\$46,316)	(\$116,678)	(\$2,571)	(\$165,565)	(\$82,783)	
Tax Depreciation (assumes bonus tax)				(14,124,788)		
Deferred Tax Expense				(\$5,705,134)	(\$2,852,567)	
Rate Base					\$9,905,367	\$11,489,111
Gross Up Factor					12.16558%	12.16558%
Overall Return Grossed Up for Taxes					\$1,205,046	\$1,397,717
Depreciation Expense					<u>\$165,565</u>	<u>\$0</u>
Revenue Requirements					\$1,370,611	\$1,397,717

Settlement Position

Settlement		
Base Rate	Ratio	Weighted Cost
Long Term Debt	6.0936%	46.8780%
Short Term Debt	2.4326%	0.5604%
Preferred Stock	0.0000%	0.0000%
Common Equity	10.3700%	52.5616%
Required Rate of Return		100.0000%

Equity Gross Up	3.84558%
State Composite Tax Rate	41.37000%
Corporate Composite Tax Rate	40.87000%

Xcel Energy
Summary of Proposed Remaining Lives

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Electric Utility
Steam Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Black Dog			
E311	Structures & Improvements	-8.3	20.0 yrs
E312	Boiler Plant Equipment	-18.0	4.0
E314	Turbogenerator Units	-18.0	4.0
E315	Accessory Electric Equipment	-18.0	4.0
E316	Miscellaneous Power Plant Equipment	-18.0	4.0
Allen S. King			
E311	Structures & Improvements	-5.5	25.5 yrs
E312	Boiler Plant Equipment	-5.5	25.5
E314	Turbogenerator Units	-5.5	25.5
E315	Accessory Electric Equipment	-5.5	25.5
E316	Miscellaneous Power Plant Equipment	-5.5	25.5
Minnesota Valley			
E311	Structures & Improvements	-101.9	5.5 yrs
E312	Boiler Plant Equipment	-101.9	5.5
E314	Turbogenerator Units	-101.9	5.5
E315	Accessory Electric Equipment	-101.9	5.5
E316	Miscellaneous Power Plant Equipment	-101.9	5.5
Red Wing			
E311	Structures & Improvements	-23.3	6.0 yrs
E312	Boiler Plant Equipment	-23.3	6.0
E314	Turbogenerator Units	-23.3	6.0
E315	Accessory Electric Equipment	-23.3	6.0
E316	Miscellaneous Power Plant Equipment	-23.3	6.0
Sherco Unit 1 & 2			
E311	Structures & Improvements	-5.1	11.0 yrs
E312	Boiler Plant Equipment	-5.1	11.0
E314	Turbogenerator Units	-5.1	11.0
E315	Accessory Electric Equipment	-5.1	11.0
E316	Miscellaneous Power Plant Equipment	-5.1	11.0

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Electric Utility
Steam Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Sherco Unit 3			
E311	Structures & Improvements	-4.3	21.0 yrs
E312	Boiler Plant Equipment	-4.3	21.0
E314	Turbogenerator Units	-4.3	21.0
E315	Accessory Electric Equipment	-4.3	21.0
E316	Miscellaneous Power Plant Equipment	-4.3	21.0
Wilmarth			
E311	Structures & Improvements	-23.0	6.0 yrs
E312	Boiler Plant Equipment	-23.0	6.0
E314	Turbogenerator Units	-23.0	6.0
E315	Accessory Electric Equipment	-23.0	6.0
E316	Miscellaneous Power Plant Equipment	-23.0	6.0

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Electric Utility
Nuclear Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Monticello			
E302	Franchises & Consents	0.0	18.8 yrs
E321	Structures & Improvements	0.0	18.8
E322	Reactor Plant Equipment	0.0	18.8
E323	Turbogenerator Units	0.0	18.8
E324	Accessory Electric Equipment	0.0	18.8
E325	Miscellaneous Power Plant Equipment	0.0	18.8
Monticello - Interim Storage Facility			
E321	Structures and Improvements	0.0	18.8 yrs
E322	Reactor Plant Equipment	0.0	18.8
Prairie Island Unit 1 & 2			
E321	Structures & Improvements	0.0	22.3 yrs
E322	Reactor Plant Equipment	0.0	22.3
E323	Turbogenerator Units	0.0	22.3
E324	Accessory Electric Equipment	0.0	22.3
E325	Miscellaneous Power Plant Equipment	0.0	22.3
Prairie Island - Interim Storage Facility			
E321	Structures and Improvements	0.0	22.3 yrs
E322	Reactor Plant Equipment	0.0	22.3

Xcel Energy
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Electric Utility
Hydro Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Hennepin Island			
E302	Franchises & Consents	0.0	22.2 yrs
E331	Structures & Improvements	-30.0	22.2
E332	Reservoirs, Dams & Waterways	-30.0	22.2
E333	Water Wheels, Turbines & Generators	-30.0	22.2
E334	Accessory Electric Equipment	-30.0	22.2
E335	Miscellaneous Power Plant Equipment	-30.0	22.2
Lower Dam			
E331	Structures & Improvements	-30.0	22.2 yrs
E332	Reservoirs, Dams & Waterways	-30.0	22.2
Upper Dam			
E332	Reservoirs, Dams & Waterways	-30.0	22.2 yrs
E335	Miscellaneous Power Plant Equipment	-30.0	22.2

Xcel Energy
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Electric Utility
Other Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Alliant Tech			
E344	Generators	0.0	0.8 yrs
Angus C. Anson Unit 2 & 3			
E341	Structures & Improvements	-4.5	23.4 yrs
E342	Fuel Holders, Producers & Accessories	-4.4	7.8
E344	Generators	-4.4	7.8
E345	Accessory Electric Equipment	-4.4	7.8
E346	Miscellaneous Power Plant Equipment	-4.4	7.8
Angus C. Anson Unit 4			
E341	Structures & Improvements	-4.5	23.4 yrs
E342	Fuel Holders, Producers & Accessories	-4.5	23.4
E344	Generators	-4.5	23.4
E345	Accessory Electric Equipment	-4.5	23.4
E346	Miscellaneous Power Plant Equipment	-4.5	23.4
Black Dog Unit 5			
E341	Structures & Improvements	-8.3	20.0 yrs
E342	Fuel Holders, Producers & Accessories	-8.3	20.0
E344	Generators	-8.3	20.0
E345	Accessory Electric Equipment	-8.3	20.0
E346	Miscellaneous Power Plant Equipment	-8.3	20.0
Blue Lake Units 1 thru 4			
E341	Structures & Improvements	-5.2	23.4 yrs
E342	Fuel Holders, Producers & Accessories	-11.9	1.0
E344	Generators	-11.9	1.0
E345	Accessory Electric Equipment	-11.9	1.0
E346	Miscellaneous Power Plant Equipment	-11.9	1.0
Blue Lake Units 7 & 8			
E341	Structures & Improvements	-5.2	23.4 yrs
E342	Fuel Holders, Producers & Accessories	-5.2	23.4
E344	Generators	-5.2	23.4
E345	Accessory Electric Equipment	-5.2	23.4
E346	Miscellaneous Power Plant Equipment	-5.2	23.4

Xcel Energy
Summary of Proposed Remaining Lives

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Electric Utility
Other Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Grand Meadow Wind Project			
E340.1	Wind Rights	0.0	21.9 yrs
E341	Structures & Improvements	-8.7	21.9
E342	Fuel Holders, Producers & Accessories	-8.7	21.9
E344	Generators	-8.7	21.9
E345	Accessory Electric Equipment	-8.7	21.9
E346	Miscellaneous Power Plant Equipment	-8.7	21.9
Granite City			
E341	Structures & Improvements	-38.8	1.0 yrs
E342	Fuel Holders, Producers & Accessories	-38.8	1.0
E344	Generators	-38.8	1.0
E345	Accessory Electric Equipment	-38.8	1.0
E346	Miscellaneous Power Plant Equipment	-38.8	1.0
High Bridge			
E341	Structures & Improvements	-3.1	26.4 yrs*
E342	Fuel Holders, Producers & Accessories	-3.1	26.4*
E344	Generators	-3.1	26.4*
E345	Accessory Electric Equipment	-3.1	26.4*
E346	Miscellaneous Power Plant Equipment	-3.1	26.4*
Inver Hills			
E341	Structures & Improvements	-11.0	15.0 yrs
E342	Fuel Holders, Producers & Accessories	-11.0	15.0
E344	Generators	-11.0	15.0
E345	Accessory Electric Equipment	-11.0	15.0
E346	Miscellaneous Power Plant Equipment	-11.0	15.0
Key City			
E341	Structures & Improvements	-38.6	1.0 yrs
E342	Fuel Holders, Producers & Accessories	-38.6	1.0
E344	Generators	-38.6	1.0
E345	Accessory Electric Equipment	-38.6	1.0
E346	Miscellaneous Power Plant Equipment	-38.6	1.0

Xcel Energy
Summary of Proposed Remaining Lives

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Electric Utility
Other Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Nobles Wind Project			
E340.1	Wind Rights	0.0	23.9 yrs
E341	Structures & Improvements	-8.7	23.9
E342	Fuel Holders, Producers & Accessories	-8.7	23.9
E344	Generators	-8.7	23.9
E345	Accessory Electric Equipment	-8.7	23.9
E346	Miscellaneous Power Plant Equipment	-8.7	23.9
Riverside			
E341	Structures & Improvements	-5.0	27.2 yrs*
E342	Fuel Holders, Producers & Accessories	-5.0	27.2*
E344	Generators	-5.0	27.2*
E345	Accessory Electric Equipment	-5.0	27.2*
E346	Miscellaneous Power Plant Equipment	-5.0	27.2*
United Hospital			
E344	Generators	0.0	5.7 yrs
Wind-to-Battery System			
E342	Fuel Holders, Producers & Accessories	0.0	12.0 yrs

*Note on High Bridge and Riverside: A life extension of 10 years has been proposed for each plant in a Settlement to the Company's 2010 Electric Rate Case. These life extensions have not been shown on this schedule, but would bring remaining lives to 36.4 years for High Bridge and 37.2 years for Riverside.

Xcel Energy
Summary of Proposed Remaining Lives

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Gas Utility
Gas Production

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Maplewood			
G305	Structures & Improvements	-17.0	8.0 yrs
G311	LP Gas Equipment	8.0	8.0
G320	Other Equipment	0.0	8.0
Sibley			
G305	Structures & Improvements	-1.0	8.0 yrs
G311	LP Gas Equipment	8.0	8.0
G320	Other Equipment	-1.0	8.0
Wescott			
G305	Structures & Improvements	-3.0	8.0 yrs
G311	LP Gas Equipment	1.0	8.0
G320	Other Equipment	3.0	8.0

Xcel Energy
Summary of Proposed Remaining Lives

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Gas Utility
 Gas Storage

Account	Description	Net Salvage (%)	Remaining Life 01/01/12
Wescott			
G361	Structures & Improvements	-10.0	6.0 yrs
G362	Gas Holders	5.0	6.0
G363	Purification Equipment	1.0	6.0
G363.1	Liquefaction Equipment	2.0	6.0
G363.2	Vaporizing Equipment	2.0	16.0
G363.3	Compressor Equipment	2.0	20.0
G363.4	Measuring & Regulating Equipment	6.0	6.0
G363.5	Other Equipment	0.0	6.0

Xcel Energy
Comparison of Present and Proposed Lives
Electric and Gas Utilities Summary

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	Plant Balance 1/1/2012 (1)	Reserve Balance 1/1/2012 (2)	Present				Proposed			Proposed Less Present Expense (10)
			Approved Rem Life (Yrs) (3)	Rem. Life (Yrs) (4)	Net Salv % (5)	Depreciation Expense (6)	Rem. Life (Yrs) (7)	Net Salv % (8)	Depreciation Expense (9)	
Total Steam Production	\$ 2,115,761,203	\$ 1,235,152,670	17.4	16.4	-7.1	\$ 63,046,711	16.4	-7.1	\$ 63,046,711	\$ -
Total Nuclear Production	2,401,827,244	1,373,574,586	21.2	20.2	0.0	50,953,658	20.2	0.0	50,953,658	-
Total Hydro Production	16,855,734	6,776,510	23.2	22.2	-30.0	643,191	22.2	-30.0	643,191	-
Total Other Production (Excluding High Bridge and Riverside)	1,128,304,054	252,061,195	20.3	19.3	-4.7	48,114,591	19.3	-4.7	48,114,591	-
Total Gas Production	15,665,093	12,462,422	9.0	8.0	3.0	342,098	8.0	3.0	342,098	-
Total Gas Storage	48,893,587	26,672,425	29.8	28.8	0.5	762,817	20.0	0.5	1,097,619	334,801
Total Company	<u>\$ 5,727,306,916</u>	<u>\$ 2,906,699,808</u>				<u>\$ 163,863,066</u>			<u>\$ 164,197,867</u>	<u>\$ 334,801</u>

Total Change to Depreciation Expense	\$ 334,801
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	Plant Balance 1/1/2012 (1)	Reserve Balance 1/1/2012 (2)	Present				Proposed			Proposed Less Present Expense (10)
			Approved Rem Life (Yrs) (3)	Rem. Life (Yrs) (4)	Net Salv % (5)	Depreciation Expense (6)	Rem. Life (Yrs) (7)	Net Salv % (8)	Depreciation Expense (9)	
Total Other Production (High Bridge and Riverside)	673,198,897	71,913,727	27.7	26.7	-3.9	\$ 23,482,806	36.7	-3.9	\$ 17,089,367	\$ (6,393,440)

Electric Steam Production

		Present					Proposed			Proposed
	Plant Balance 1/1/2012 (1)	Reserve Balance 1/1/2012 (2)	Approved Rem Life (Yrs) (3)	Rem. Life (Yrs) (4)	Net Salv % (5)	Depreciation Expense (6)	Rem. Life (Yrs) (7)	Net Salv % (8)	Depreciation Expense (9)	Less Present Expense (10)
<div>E311 Structures & Improvements</div>										
Black Dog	\$ 31,803,989	\$ 25,827,389	21.0	20.0	-8.3	\$ 430,817	20.0	-8.3	\$ 430,817	-
Allen S. King	35,895,405	21,035,214	26.5	25.5	-5.5	660,174	25.5	-5.5	660,174	-
Minnesota Valley	4,105,633	6,422,472	6.5	5.5	-101.9	339,418	5.5	-101.9	339,418	-
Red Wing	8,427,891	8,094,917	7.0	6.0	-23.3	382,779	6.0	-23.3	382,779	-
Sherco Unit 1 & 2	87,526,340	74,361,382	12.0	11.0	-5.1	1,602,618	11.0	-5.1	1,602,618	-
Sherco Unit 3	131,044,847	100,875,010	22.0	21.0	-4.3	1,704,989	21.0	-4.3	1,704,989	-
Wilmarth	6,623,282	7,101,182	7.0	6.0	-23.0	174,243	6.0	-23.0	174,243	-
Total/Composite	\$ 305,427,388	\$ 243,717,566	16.9	15.9	-7.3	\$ 5,295,038	15.9	-7.3	\$ 5,295,038	-
<div>E312 Boiler Plant Equipment</div>										
Black Dog	\$ 55,815,134	\$ 54,435,970	5.0	4.0	-18.0	\$ 2,856,472	4.0	-18.0	\$ 2,856,472	\$ -
Allen S. King	454,036,345	105,689,205	26.5	25.5	-5.5	14,639,966	25.5	-5.5	14,639,966	-
Minnesota Valley	6,439,804	9,520,864	6.5	5.5	-101.9	632,927	5.5	-101.9	632,927	-
Red Wing	36,085,974	31,702,254	7.0	6.0	-23.3	2,131,959	6.0	-23.3	2,131,959	-
Sherco Unit 1 & 2	329,602,293	219,102,308	12.0	11.0	-5.1	11,573,609	11.0	-5.1	11,573,609	-
Sherco Unit 3	388,759,371	242,828,659	22.0	21.0	-4.3	7,745,113	21.0	-4.3	7,745,113	-
Wilmarth	32,353,696	30,908,751	7.0	6.0	-23.0	1,481,049	6.0	-23.0	1,481,049	-
Total/Composite	\$ 1,303,092,616	\$ 694,188,011	18.0	17.0	-7.0	\$ 41,061,095	17.0	-7.0	\$ 41,061,095	\$ -
<div>E314 Turbogenerator Units</div>										
Black Dog	\$ 39,361,579	\$ 35,891,199	5.0	4.0	-18.0	\$ 2,638,866	4.0	-18.0	\$ 2,638,866	\$ -
Allen S. King	90,871,421	24,964,973	26.5	25.5	-5.5	2,780,564	25.5	-5.5	2,780,564	-
Minnesota Valley	2,156,244	3,185,498	6.5	5.5	-101.9	212,356	5.5	-101.9	212,356	-
Red Wing	2,337,456	1,801,622	7.0	6.0	-23.3	180,077	6.0	-23.3	180,077	-
Sherco Unit 1 & 2	94,892,341	61,892,295	12.0	11.0	-5.1	3,439,960	11.0	-5.1	3,439,960	-
Sherco Unit 3	57,275,182	38,399,819	22.0	21.0	-4.3	1,016,105	21.0	-4.3	1,016,105	-
Wilmarth	2,844,460	2,506,439	7.0	6.0	-23.0	165,374	6.0	-23.0	165,374	-
Total/Composite	\$ 289,738,683	\$ 168,641,846	14.8	13.8	-7.9	\$ 10,433,302	13.8	-7.9	\$ 10,433,302	\$ -

Electric Steam Production

		Present					Proposed			Proposed	
Plant		Reserve	Approved	Rem.	Net		Rem.	Net		Less	
Balance		Balance	Rem Life	Life	Salv	Depreciation	Life	Salv	Depreciation	Present	
1/1/2012		1/1/2012	(Yrs)	(Yrs)	%	Expense	(Yrs)	%	Expense	Expense	
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
E315	Accessory Electric Equipment										
Black Dog	\$	14,857,379	\$	13,379,924	5.0	4.0	-18.0	\$	1,037,946	\$	-
Allen S. King		40,149,567		7,196,583	26.5	25.5	-5.5		1,378,871		-
Minnesota Valley		598,206		883,752	6.5	5.5	-101.9		58,914		-
Red Wing		1,433,511		1,404,211	7.0	6.0	-23.3		60,551		-
Sherco Unit 1 & 2		35,501,885		30,161,118	12.0	11.0	-5.1		650,124		-
Sherco Unit 3		70,957,889		40,005,971	22.0	21.0	-4.3		1,619,196		-
Wilmarth		751,501		783,371	7.0	6.0	-23.0		23,496		-
Total/Composite	\$	164,249,939	\$	93,814,929	17.8	16.8	-6.6	\$	4,829,097	\$	-
E316	Miscellaneous Power Plant Equipment										
Black Dog	\$	3,153,700	\$	2,722,071	5.0	4.0	-18.0	\$	249,824	\$	-
Allen S. King		7,708,078		5,132,483	26.5	25.5	-5.5		117,629		-
Minnesota Valley		311,744		460,550	6.5	5.5	-101.9		30,702		-
Red Wing		992,044		831,619	7.0	6.0	-23.3		65,262		-
Sherco Unit 1 & 2		8,903,246		6,880,446	12.0	11.0	-5.1		225,170		-
Sherco Unit 3		31,401,621		18,033,380	22.0	21.0	-4.3		700,881		-
Wilmarth		782,144		729,768	7.0	6.0	-23.0		38,712		-
Total/Composite	\$	53,252,576	\$	34,790,318	16.4	15.4	-6.6	\$	1,428,179	\$	-
Total Steam Production	\$	2,115,761,203	\$	1,235,152,670	17.4	16.4	-7.1	\$	63,046,711	\$	-

Xcel Energy
Comparison of Present and Proposed Lives
Electric Nuclear Production

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		Present						Proposed			Proposed			
		Plant Balance	Reserve Balance	Approved Rem Life	Rem. Life	Net Salv	Depreciation	Rem. Life	Net Salv	Depreciation	Less Present Expense			
		1/1/2012	1/1/2012	(Yrs)	(Yrs)	%	Expense	(Yrs)	%	Expense	Expense			
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)			
E302	Franchises & Consents													
Monticello	\$	33,640,404	\$	6,559,384	19.8	18.8	0.0	\$	1,440,480	18.8	0.0	\$	1,440,480	-
Prairie Island		57,390,086		2,127,644	23.3	22.3	0.0		2,478,136	22.3	0.0		2,478,136	-
Total/Composite	\$	91,030,489	\$	8,687,027	22.0	21.0	0.0	\$	3,918,616	21.0	0.0	\$	3,918,616	\$ -
E321	Structures & Improvements													
Monticello	\$	162,075,357	\$	96,171,291	19.8	18.8	0.0	\$	3,505,535	18.8	0.0	\$	3,505,535	-
Monticello Interim Storage		23,617,714		3,424,592	19.8	18.8	0.0		1,074,102	18.8	0.0		1,074,102	-
Prairie Island Unit 1 & 2		223,880,168		170,823,221	23.3	22.3	0.0		2,379,235	22.3	0.0		2,379,235	-
PI Interim Storage		11,938,940		11,034,932	23.3	22.3	0.0		40,539	22.3	0.0		40,539	-
Total/Composite	\$	421,512,179	\$	281,454,036	21.0	20.0	0.0	\$	6,999,411	20.0	0.0	\$	6,999,411	\$ -
E322	Reactor Plant Equipment													
Monticello	\$	386,358,169	\$	243,176,591	19.8	18.8	0.0	\$	7,616,041	18.8	0.0	\$	7,616,041	-
Monticello Interim Storage		15,166,426		2,260,266	19.8	18.8	0.0		686,498	18.8	0.0		686,498	-
Prairie Island Unit 1 & 2		526,129,742		345,039,074	23.3	22.3	0.0		8,120,658	22.3	0.0		8,120,658	-
PI Interim Storage		75,287,377		30,265,078	23.3	22.3	0.0		2,018,937	22.3	0.0		2,018,937	-
Total/Composite	\$	1,002,941,715	\$	620,741,009	21.7	20.7	0.0	\$	18,442,134	20.7	0.0	\$	18,442,134	\$ -
E323	Turbogenerator Units													
Monticello	\$	282,828,525	\$	41,532,391	19.8	18.8	0.0	\$	12,834,901	18.8	0.0	\$	12,834,901	-
Prairie Island Unit 1 & 2		179,113,065		128,865,757	23.3	22.3	0.0		2,253,243	22.3	0.0		2,253,243	-
Total/Composite	\$	461,941,590	\$	170,398,148	20.3	19.3	0.0	\$	15,088,143	19.3	0.0	\$	15,088,143	\$ -

Xcel Energy
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	Plant Balance 1/1/2012 (1)	Reserve Balance 1/1/2012 (2)	Present				Proposed			Proposed Less Present Expense (10)
			Approved Rem Life (Yrs) (3)	Rem. Life (Yrs) (4)	Net Salv % (5)	Depreciation Expense (6)	Rem. Life (Yrs) (7)	Net Salv % (8)	Depreciation Expense (9)	
E324 Accessory Electric Equipment										
Monticello	\$ 88,328,989	\$ 33,423,821	19.8	18.8	0.0	\$ 2,920,488	18.8	0.0	\$ 2,920,488	-
Prairie Island Unit 1 & 2	198,598,773	158,302,648	23.3	22.3	0.0	1,807,001	22.3	0.0	1,807,001	-
Total/Composite	<u>\$ 286,927,761</u>	<u>\$ 191,726,470</u>	<u>21.1</u>	<u>20.1</u>	<u>0.0</u>	<u>\$ 4,727,489</u>	<u>20.1</u>	<u>0.0</u>	<u>\$ 4,727,489</u>	<u>\$ -</u>
E325 Miscellaneous Power Plant Equipment										
Monticello	\$ 55,898,536	\$ 41,176,743	19.8	18.8	0.0	\$ 783,074	18.8	0.0	\$ 783,074	-
Prairie Island Unit 1 & 2	81,574,973	59,391,154	23.3	22.3	0.0	994,790	22.3	0.0	994,790	-
Total/Composite	<u>\$ 137,473,509</u>	<u>\$ 100,567,897</u>	<u>21.8</u>	<u>20.8</u>	<u>0.0</u>	<u>\$ 1,777,864</u>	<u>20.8</u>	<u>0.0</u>	<u>\$ 1,777,864</u>	<u>\$ -</u>
Total Nuclear Production	<u>\$ 2,401,827,244</u>	<u>\$ 1,373,574,586</u>	<u>21.2</u>	<u>20.2</u>	<u>0.0</u>	<u>\$ 50,953,658</u>	<u>20.2</u>	<u>0.0</u>	<u>\$ 50,953,658</u>	<u>\$ -</u>

Electric Hydro Production

		Present					Proposed			Proposed
	Plant Balance 1/1/2012 (1)	Reserve Balance 1/1/2012 (2)	Approved Rem Life (Yrs) (3)	Rem. Life (Yrs) (4)	Net Salv % (5)	Depreciation Expense (6)	Rem. Life (Yrs) (7)	Net Salv % (8)	Depreciation Expense (9)	Less Present Expense (10)
E302 Franchises & Consents										
Hennepin Island	\$ 2,857,039	\$ 489,028	23.2	22.2	0.0	\$ 106,667	22.2	0.0	\$ 106,667	-
Total/Composite	\$ 2,857,039	\$ 489,028	23.2	22.2	0.0	\$ 106,667	22.2	0.0	\$ 106,667	-
E331 Structures & Improvements										
Hennepin Island	\$ 464,281	\$ 495,176	23.2	22.2	-30.0	\$ 4,882	22.2	-30.0	\$ 4,882	-
Lower Dam	42,016	48,235	23.2	22.2	-30.0	288	22.2	-30.0	288	-
Total/Composite	\$ 506,297	\$ 543,411	23.2	22.2	-30.0	\$ 5,170	22.2	-30.0	\$ 5,170	-
E332 Reservoirs, Dams & Waterways										
Hennepin Island	\$ 1,448,578	\$ 642,548	23.2	22.2	-30.0	\$ 55,883	22.2	-30.0	\$ 55,883	-
Lower Dam	762,902	790,122	23.2	22.2	-30.0	9,083	22.2	-30.0	9,083	-
Upper Dam	4,491,476	3,025,131	23.2	22.2	-30.0	126,747	22.2	-30.0	126,747	-
Total/Composite	\$ 6,702,956	\$ 4,457,801	23.2	22.2	-30.0	\$ 191,714	22.2	-30.0	\$ 191,714	-
E333 Water Wheels, Turbines & Generators										
Hennepin Island	\$ 6,360,683	\$ 953,541	23.2	22.2	-30.0	\$ 329,520	22.2	-30.0	\$ 329,520	-
Total/Composite	\$ 6,360,683	\$ 953,541	23.2	22.2	-30.0	\$ 329,520	22.2	-30.0	\$ 329,520	-
E334 Accessory Electric Equipment										
Hennepin Island	\$ 367,935	\$ 270,243	23.2	22.2	-30.0	\$ 9,373	22.2	-30.0	\$ 9,373	-
Total/Composite	\$ 367,935	\$ 270,243	23.2	22.2	-30.0	\$ 9,373	22.2	-30.0	\$ 9,373	-
E335 Miscellaneous Power Plant Equipment										
Hennepin Island	\$ 37,779	\$ 38,657	23.2	22.2	-30.0	\$ 471	22.2	-30.0	\$ 471	-
Upper Dam	23,046	23,829	23.2	22.2	-30.0	276	22.2	-30.0	276	-
Total/Composite	\$ 60,824	\$ 62,486	23.2	22.2	-30.0	\$ 747	22.2	-30.0	\$ 747	-
Total Hydro Production	\$ 16,855,734	\$ 6,776,510	23.2	22.2	-30.0 *	\$ 643,191	22.2	-30.0 *	\$ 643,191	-

* Composite Net Salvage % excludes E302

Electric Other Production (Excluding High Bridge and Riverside)

		Present					Proposed			Proposed				
		Plant	Reserve	Approved	Rem.	Net		Rem.	Net	Less				
		Balance	Balance	Rem Life	Life	Salv	Depreciation	Life	Salv	Present				
		1/1/2012	1/1/2012	(Yrs)	(Yrs)	%	Expense	(Yrs)	%	Expense				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)				
E340.1	Wind Rights													
Grand Meadow Wind Project	\$	8,686,818	\$	1,069,731	22.9	21.9	0.0	\$	347,812	21.9	0.0	\$	347,812	-
Nobles Wind Project		3,884,834		146,246	24.9	23.9	0.0		156,426	23.9	0.0		156,426	-
Total/Composite	\$	12,571,653	\$	1,215,977	23.5	22.5	0.0	\$	504,238	22.5	0.0	\$	504,238	-
E341	Structures & Improvements													
Angus C. Anson	\$	7,511,950	\$	4,448,712	24.4	23.4	-4.5	\$	145,354	23.4	-4.5	\$	145,354	-
Black Dog Unit 5		15,361,662		4,853,483	21.0	20.0	-8.3		589,160	20.0	-8.3		589,160	-
Blue Lake		1,587,263		1,189,030	24.4	23.4	-5.2		20,546	23.4	-5.2		20,546	-
Grand Meadow Wind Project		4,750,902		649,026	22.9	21.9	-8.7		206,174	21.9	-8.7		206,174	-
Granite City		1,241,718		1,721,749	2.0	1.0	-38.8		1,755	1.0	-38.8		1,755	-
Inver Hills		1,320,544		1,336,216	16.0	15.0	-11.0		8,639	15.0	-11.0		8,639	-
Key City		1,002,265		1,307,443	2.0	1.0	-38.6		81,695	1.0	-38.6		81,695	-
Nobles Wind Project		17,275,198		889,352	24.9	23.9	-8.7		748,485	23.9	-8.7		748,485	-
Total/Composite	\$	50,051,503	\$	16,395,013	22.2	21.2	-9.2	\$	1,801,808	21.2	-9.2	\$	1,801,808	-
E342	Fuel Holders, Producers & Accessories													
Angus C. Anson Unit 2 & 3	\$	1,104,673	\$	757,056	8.8	7.8	-4.4	\$	50,798	7.8	-4.4	\$	50,798	-
Black Dog Unit 5		3,072,449		924,258	21.0	20.0	-8.3		120,160	20.0	-8.3		120,160	-
Blue Lake Units 1 thru 4		1,311,529		1,353,314	2.0	1.0	-11.9		114,287	1.0	-11.9		114,287	-
Granite City		416,373		522,046	2.0	1.0	-38.8		55,880	1.0	-38.8		55,880	-
Inver Hills		2,903,525		2,301,478	16.0	15.0	-11.0		61,429	15.0	-11.0		61,429	-
Key City		242,384		318,383	2.0	1.0	-38.6		17,561	1.0	-38.6		17,561	-
Wind2Battery System		4,228,902		605,601	13.0	12.0	0.0		301,942	12.0	0.0		301,942	-
Total/Composite	\$	13,279,835	\$	6,782,137	11.4	10.4	-7.8	\$	722,056	10.4	-7.8	\$	722,056	-

Electric Other Production (Excluding High Bridge and Riverside)

		Present				Proposed			Proposed	
Plant	Reserve	Approved	Rem.	Net		Rem.	Net		Less	
Balance	Balance	Rem Life	Life	Salv	Depreciation	Life	Salv	Depreciation	Present	
1/1/2012	1/1/2012	(Yrs)	(Yrs)	%	Expense	(Yrs)	%	Expense	Expense	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
E344 Generators										
Alliant Tech	\$ 467,475	\$ 455,243	1.8	0.8	0.0	\$ 15,289	0.8	0.0	\$ 15,289	-
Angus C. Anson Unit 2 & 3	67,506,648	44,242,647	8.8	7.8	-4.4	3,363,371	7.8	-4.4	3,363,371	-
Angus C. Anson Unit 4	32,254,162	7,394,487	24.4	23.4	-4.5	1,124,407	23.4	-4.5	1,124,407	-
Black Dog Unit 5	86,352,354	15,731,980	21.0	20.0	-8.3	3,889,381	20.0	-8.3	3,889,381	-
Blue Lake Units 1 thru 4	21,096,786	22,529,545	2.0	1.0	-11.9	1,077,758	1.0	-11.9	1,077,758	-
Blue Lake Unit 7 & 8	59,829,027	13,730,075	24.4	23.4	-5.2	2,102,994	23.4	-5.2	2,102,994	-
Grand Meadow Wind Project	180,561,636	25,020,918	22.9	21.9	-8.7	7,819,616	21.9	-8.7	7,819,616	-
Granite City	6,286,537	7,879,851	2.0	1.0	-38.8	845,862	1.0	-38.8	845,862	-
Inver Hills	47,778,444	41,983,713	16.0	15.0	-11.0	736,691	15.0	-11.0	736,691	-
Key City	5,374,748	7,070,143	2.0	1.0	-38.6	379,259	1.0	-38.6	379,259	-
Nobles Wind Project	463,736,570	20,507,235	24.9	23.9	-8.7	20,233,239	23.9	-8.7	20,233,239	-
United Hospital	2,031,625	1,577,797	6.7	5.7	0.0	79,619	5.7	0.0	79,619	-
Total/Composite	\$ 973,276,012	\$ 208,123,634	20.4	19.4	-4.4	\$ 41,667,485	19.4	-4.4	\$ 41,667,485	-
E345 Accessory Electric Equipment										
Angus C. Anson Unit 2 & 3	\$ 3,204,525	\$ 2,098,824	8.8	7.8	-4.4	\$ 159,833	7.8	-4.4	\$ 159,833	-
Angus C. Anson Unit 4	4,598,891	1,001,084	24.4	23.4	-4.5	162,596	23.4	-4.5	162,596	-
Black Dog Unit 5	9,091,402	2,557,609	21.0	20.0	-8.3	364,419	20.0	-8.3	364,419	-
Blue Lake Units 1 thru 4	1,370,005	1,443,891	2.0	1.0	-11.9	89,145	1.0	-11.9	89,145	-
Blue Lake Unit 7 & 8	7,849,102	1,789,635	24.4	23.4	-5.2	276,394	23.4	-5.2	276,394	-
Grand Meadow Wind Project	12,027,032	1,660,755	22.9	21.9	-8.7	521,125	21.9	-8.7	521,125	-
Granite City	586,508	698,147	2.0	1.0	-38.8	115,927	1.0	-38.8	115,927	-
Inver Hills	2,926,692	1,861,910	16.0	15.0	-11.0	92,448	15.0	-11.0	92,448	-
Key City	1,702,722	2,223,021	2.0	1.0	-38.6	136,951	1.0	-38.6	136,951	-
Nobles Wind Project	29,674,219	1,321,696	24.9	23.9	-8.7	1,294,317	23.9	-8.7	1,294,317	-
Total/Composite	\$ 73,031,098	\$ 16,656,571	19.8	18.8	-5.4	\$ 3,213,155	18.8	-5.4	\$ 3,213,155	-

Electric Other Production (Excluding High Bridge and Riverside)

		Present				Proposed			Proposed	
		Plant	Reserve	Approved	Rem.	Net		Rem.	Net	Less
		Balance	Balance	Rem Life	Life	Salv	Depreciation	Life	Salv	Present
		1/1/2012	1/1/2012	(Yrs)	(Yrs)	%	Expense	(Yrs)	%	Expense
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
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		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)</	

Electric Other Production - High Bridge and Riverside

		Present					Proposed			Proposed	
		Plant Balance	Reserve Balance	Approved Rem Life	Rem. Life	Net Salv %	Depreciation	Rem. Life	Net Salv %	Depreciation	Less Present Expense
		1/1/2012	1/1/2012	(Yrs)	(Yrs)		Expense	(Yrs)		Expense	Expense
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
E341	Structures & Improvements										
High Bridge		70,452,130	3,999,949	27.4	26.4	-3.1	2,599,856	36.4 *	-3.1	1,885,610	(714,246)
Riverside		50,084,576	21,031,614	28.2	27.2	-5.0	1,160,191	37.2 *	-5.0	848,312	(311,879)
Total/Composite		\$ 120,536,705	\$ 25,031,563	27.6	26.6	-3.9	\$ 3,760,047	36.6	-3.9	\$ 2,733,921	(1,026,125)
E342	Fuel Holders, Producers & Accessories										
High Bridge		65,160,326	3,994,108	27.4	26.4	-3.1	2,393,416	36.4 *	-3.1	1,735,884	(657,532)
Riverside		340,559	10,188	28.2	27.2	-5.0	12,772	37.2 *	-5.0	9,339	(3,433)
Total/Composite		\$ 65,500,885	\$ 4,004,296	27.4	26.4	-3.1	\$ 2,406,188	36.4	-3.1	\$ 1,745,223	(660,965)
E344	Generators										
High Bridge		184,506,649	13,832,682	27.4	26.4	-3.1	6,681,579	36.4 *	-3.1	4,845,980	(1,835,598)
Riverside		197,808,916	14,416,315	28.2	27.2	-5.0	7,105,994	37.2 *	-5.0	5,195,781	(1,910,214)
Total/Composite		\$ 382,315,564	\$ 28,248,997	27.8	26.8	-4.1	\$ 13,787,573	36.8	-4.1	\$ 10,041,761	(3,745,812)
E345	Accessory Electric Equipment										
High Bridge		50,437,217	4,924,833	27.4	26.4	-3.1	1,783,179	36.4 *	-3.1	1,293,295	(489,884)
Riverside		39,296,040	4,671,016	28.2	27.2	-5.0	1,345,214	37.2 *	-5.0	983,597	(361,617)
Total/Composite		\$ 89,733,257	\$ 9,595,849	27.7	26.7	-3.9	\$ 3,128,394	36.7	-3.9	\$ 2,276,892	(851,501)
E346	Miscellaneous Power Plant Equipment										
High Bridge		6,365,076	546,667	27.4	26.4	-3.1	227,868	36.4 *	-3.1	165,267	(62,601)
Riverside		8,747,410	4,486,355	28.2	27.2	-5.0	172,736	37.2 *	-5.0	126,302	(46,434)
Total/Composite		\$ 15,112,485	\$ 5,033,022	27.7	26.7	-4.2	\$ 400,605	36.7	-4.2	\$ 291,569	(109,036)
Total Other Production		\$ 673,198,897	\$ 71,913,727	27.7	26.7	-3.9	\$ 23,482,806	36.7	-3.9	\$ 17,089,367	(6,393,440)

* Proposed remaining lives assume 10-year life extension proposed in settlement agreement to 2010 Electric Rate Case

Gas Production

		Present					Proposed			Proposed
	Plant Balance 1/1/2012 (1)	Reserve Balance 1/1/2012 (2)	Approved Rem Life (Yrs) (3)	Rem. Life (Yrs) (4)	Net Salv % (5)	Depreciation Expense (6)	Rem. Life (Yrs) (7)	Net Salv % (8)	Depreciation Expense (9)	Less Present Expense (10)
G305	Structures & Improvements									
Maplewood	\$ 952,430	\$ 848,330	9.0	8.0	-17.0	\$ 33,252	8.0	-17.0	\$ 33,252	-
Sibley	776,690	720,728	9.0	8.0	-1.0	7,966	8.0	-1.0	7,966	-
Wescott	781,243	737,399	9.0	8.0	-3.0	8,410	8.0	-3.0	8,410	-
Total/Composite	\$ 2,510,364	\$ 2,306,458	9.0	8.0	-7.7	\$ 49,628	8.0	-7.7	\$ 49,628	-
G311	LP Gas Equipment									
Maplewood	\$ 3,720,542	\$ 2,759,606	9.0	8.0	8.0	\$ 82,912	8.0	8.0	\$ 82,912	-
Sibley	3,922,140	2,946,099	9.0	8.0	8.0	82,784	8.0	8.0	82,784	-
Wescott	4,577,830	3,778,265	9.0	8.0	1.0	94,223	8.0	1.0	94,223	-
Total/Composite	\$ 12,220,512	\$ 9,483,970	9.0	8.0	5.4	\$ 259,919	8.0	5.4	\$ 259,919	-
G320	Other Equipment									
Maplewood	\$ 203,004	\$ 193,984	9.0	8.0	0.0	\$ 1,128	8.0	0.0	\$ 1,128	-
Sibley	503,143	271,864	9.0	8.0	-1.0	29,539	8.0	-1.0	29,539	-
Wescott	228,070	206,147	9.0	8.0	3.0	1,885	8.0	3.0	1,885	-
Total/Composite	\$ 934,218	\$ 671,994	9.0	8.0	0.2	\$ 32,552	8.0	0.2	\$ 32,552	-
Total Gas Production	\$ 15,665,093	\$ 12,462,422	9.0	8.0	3.0	\$ 342,098	8.0	3.0	\$ 342,098	-

Xcel Energy
Comparison of Present and Proposed Lives
Gas Storage

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Attachment B
Page 12 of 12
Updated

		Present					Proposed			Proposed	
		Plant Balance	Reserve Balance	Approved Rem Life	Rem. Life	Net Salv	Depreciation	Rem. Life	Net Salv	Depreciation	Less Present
		1/1/2012	1/1/2012	(Yrs)	(Yrs)	%	Expense	(Yrs)	%	Expense	Expense
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
G361	Structures & Improvements										
Wescott		\$ 4,835,412	\$ 4,762,372	7.0	6.0	-10.0	\$ 92,763	6.0	-10.0	\$ 92,763	-
G362	Gas Holders										
Wescott		8,169,167	7,217,873	7.0	6.0	5.0	90,473	6.0	5.0	90,473	-
G363	Purification Equipment										
Wescott		1,023,738	934,409	7.0	6.0	1.0	13,182	6.0	1.0	13,182	-
G363.1	Liquefaction Equipment										
Wescott		2,904,069	2,206,559	7.0	6.0	2.0	106,571	6.0	2.0	106,571	-
G363.2	Vaporizing Equipment										
Wescott		9,271,088	4,479,200	17.0	16.0	2.0	287,904	16.0	2.0	287,904	-
G363.3	Compressor Equipment										
Wescott		4,191,917	3,932,804	7.0	6.0	2.0	29,212	20.0	2.0	8,764	(20,449)
New Compressor Investment		14,500,000	-	N/A	N/A	N/A	-	20.0	2.0	355,250 *	355,250
G363.4	Measuring & Regulating Equipment										
Wescott		45,363	41,076	7.0	6.0	6.0	261	6.0	6.0	261	-
G363.5	Other Equipment										
Wescott		3,952,834	3,098,131	7.0	6.0	0.0	142,450	6.0	0.0	142,450	-
Total Gas Storage		\$ 48,893,587	\$ 26,672,425	29.8	28.8	0.5	\$ 762,817	20.0	0.5	\$ 1,097,619	334,801

*Note: Depreciation Calculation for New Compressor Investment assumes an in-service date of July 1, 2012.

CERTIFICATE OF SERVICE

I, Lindsey Didion, hereby certify that I have this day served copies of the foregoing document or a summary thereof on the attached list of persons.

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

xx via electronic filing

Docket No. E002/D-12-151

Dated this 6th day of August 2012

/s/

Lindsey Didion

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