



Minnesota Energy Resources Corporation  
2685 145th Street West  
Rosemount, MN 55068  
www.minnesotaenergyresources.com

June 1, 2020

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place East, Suite 350  
St. Paul, MN 55101

**VIA ELECTRONIC FILING**

**Re: In the Matter of the Petition of Minnesota Energy Resources Corporation  
for its Annual Review of Depreciation Rates for 2020**

**Docket No. G011/D-20-\_\_\_\_**

Dear Mr. Seuffert:

Enclosed for filing with the Minnesota Public Utilities Commission (the "Commission"), please find the Petition of Minnesota Energy Resources Corporation ("MERC") for its Annual Review of Depreciation Rates for 2020. This Petition is submitted in compliance with the Commission's January 8, 2020, Order Approving Depreciation Lives and Rates and Providing Instructions for Future Filings in Docket No. G011/D-19-377, which required MERC to file its 2020 Annual Review of Depreciation Rates on or before June 1, 2020. MERC is requesting that the Commission approve the Company's proposed depreciation lives and rates effective January 1, 2020.

Copies of this filing have been served on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota Office of the Attorney General – Residential Utilities Division via electronic filing. A summary of the filing has been served on all parties on the attached service list.

Please contact me at (414) 221-4208 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Joylyn C. Hoffman Malueg".

Joylyn Hoffman Malueg  
Project Specialist 3  
Minnesota Energy Resources Corporation

Enclosures  
cc: Service List

**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

**Katie J. Sieben  
Valerie Means  
Matthew Schuerger  
Joseph K. Sullivan  
John A. Tuma**

**Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner**

In the Matter of the Petition of Minnesota  
Energy Resources Corporation for Annual  
Review of Depreciation Rates for 2020

Docket No. G011/D-20-\_\_\_\_\_

**PETITION FOR REVIEW OF ANNUAL DEPRECIATION RATES FOR 2020**

Pursuant to Minnesota Statutes section 216B.11 and Minnesota Rules 7825.0500 through 7825.0900, Minnesota Energy Resources Corporation (“MERC” or the “Company”) files with the Minnesota Public Utilities Commission (the “Commission”) a petition for review of the Company’s plant in service, depreciation reserve, and depreciation accruals. This petition is being filed pursuant to the Commission’s January 8, 2020, Order in Docket No. G011/D-19-377, which required that MERC file its 2020 Annual Review of Depreciation Rates on or before June 1, 2020. MERC requests that the Commission approve the Company’s proposed depreciation lives and rates effective January 1, 2020.

**I. Summary of Filing**

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary of the filing is attached.

**II. Service**

Pursuant to Minn. R. 7829.1300, subp. 2, MERC has served a copy of this petition on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota Office of the Attorney General – Residential Utilities Division. The summary of the filing has been served on all parties on the attached general service list.

**III. General Filing Information**

Pursuant to Minn. R. 7829.1300, subp.3, the following information is provided:

**A. Name, Address, and Telephone Number of Filing Party**

Minnesota Energy Resources Corporation  
2685 145th Street West  
Rosemount, MN 55068  
(651) 322-8901

**B. Name, Address, Electronic Address, and Telephone Number of Attorney for the Utility**

Kristin M. Stastny  
Taft Stettinius & Hollister LLP  
2200 IDS Center  
80 South 8th Street  
Minneapolis, MN 55402  
[KStastny@Taftlaw.com](mailto:KStastny@Taftlaw.com)  
(612) 977-8656

**C. Date of the Filing and Date Proposed Agreement Will Take Effect**

Date of Filing: June 1, 2020

Proposed Effective Date: MERC requests that the depreciation lives and rates proposed herein be effective January 1, 2020

**D. Statute Controlling Schedule for Processing the Filing**

Under Minn. R. 7829.0100, subp. 11, this petition is a “miscellaneous” filing because no determination of MERC’s general revenue requirement is necessary. Pursuant to Minn. R. 7829.1400, subp. 1, 4, comments on a miscellaneous filing are due within 30 days of filing, with replies due 10 days thereafter.

**E. Signature, Electronic Address, and Title of Utility Employee Responsible for the Filing**



Tina E. Wuyts  
Senior Analyst  
WEC Energy Group – Business Services  
PO Box 19001  
Green Bay, WI 54307-9001  
(920) 433-4951  
[tina.wuyts@wecenergygroup.com](mailto:tina.wuyts@wecenergygroup.com)

**F. Description of the Filing, Impact on Rates and Services, and Reasons for the Filing**

MERC seeks the Commission's approval of the Company's annual review of its plant in service, depreciation reserve, and depreciation accruals. MERC requests that the depreciation lives and rates be effective January 1, 2020. The current lives and depreciation rates were approved in Docket Nos. G011/D-17-442 and G011/D-19-377.

*1. Vintage Amortization Accounting*

Vintage amortization accounting for certain general plant accounts was proposed and approved in Docket No. G007,011/D-08-614. MERC continues to apply the lives and associated depreciation rates to the general plant accounts listed in the table below. As a result, these general plant accounts are excluded from the Annual Review of Depreciation Rates schedules.

Account Number	Description	Amortizable Life (Years)
391	Office Furniture & Equipment	20
391	Computer Equipment	5
393	Stores Equipment	20
394	Tools, Shop & Garage Equipment	20
395	Laboratory Equipment	20
397	Communication Equipment	12
398	Miscellaneous Equipment	20

## *2. Remaining Life Report*

As was approved in prior Annual Review of Depreciation Rates filings, MERC utilizes a revised report from the Company's capital asset management system to simulate the methodology used by MERC's depreciation consultant, Gannett Fleming. The report's remaining life calculation uses total future book accruals over the total annual accrual for vintage years not fully accrued. The report incorporates additions as well as vintage retirements to calculate a remaining life for each account based upon the approved life and curve from the most recently-approved depreciation study filed in Docket No. G011/D-17-442. Additionally, this report incorporates lives and curves for Account 390 Structures and Improvements as approved in Docket No. G011/D-19-377. A copy of this report is provided with the filing.

## *3. Minnesota Rule 7825.0700, Subpart 2B*

Minnesota Rule 7825.0700, subpart 2B requires a list of any major future additions or retirements to the plant accounts that the utility believes may have a material effect on the current certification results. MERC continues to experience an increased level of investment particularly in distribution mains, services, and station accounts resulting in increased plant additions as a result of system improvements. Additionally, MERC is experiencing increased investment as a result of the approval of the Rochester Natural Gas Extension Project under Docket Nos. G011/M-15-895 and G011/M-16-315. Finally, MERC will also see a significant increase in capital expenditures as a result of the investment in its Advanced Metering Infrastructure ("AMI") implementation project.

## *4. Compliance with January 8, 2020 Order*

The Commission's Order Approving Depreciation Lives and Rates and Providing Instructions for Future Filings in Docket No. G011/D-19-377 required the following accounting treatment for Account 390 Structures and Improvements:

Order Point 3: MERC shall depreciate the Rosemount, Rochester, Cloquet, and Albert Lea Service Centers individually in the Account 390 Major group and

depreciate the other buildings in Account 390 as members of the Minor buildings group.

Order Point 4: MERC shall identify new or existing buildings that exceed a total book value of \$1,000,000 in its future depreciation filings. In carrying out the requirement in this paragraph, MERC shall:

- a. Use the North Central Region Gas Utility Construction January 2019 Structures and Improvements Index to adjust the threshold annually to recognize the impact of year-over-year inflation.
- b. Apply the threshold at the time of building acquisition, construction, or improvements based upon the original cost of the building.

Order Point 5: MERC shall use the depreciation parameters from its response to OAG information request number 11.

Effective in 2019, MERC started to depreciate the Rosemount, Rochester, Cloquet, and Albert Lea Service Centers individually. These four buildings are using parameters from MERC's response to OAG information request number 11 as approved in Docket No. G011/D-19-377. As described in OAG information request number 11, the approved parameters utilize a life span method coupled with an interim retirement curve.

Further, MERC received approval to use the North Central Region Gas Utility Index to annually adjust the \$1,000,000 threshold. The January 2019 baseline index was 585 and the January 2020 index was 584, resulting in a decrease of the threshold amount from \$1,000,000 to \$998,291 for 2020. The calculation of the threshold amount is shown below.

$$\frac{584}{585} \times \$1,000,000 = \$998,291$$

MERC reviewed the structures and improvements account as of December 31, 2019 and did not identify additional building locations which meet the requirements set forth by the Commission for its 2020 depreciation filing.

This filing includes the following attachments:

- Attachment 1: MERC's 2020 Annual Review of Depreciation Rates, and
- Attachment 2: MERC's Calculated Remaining Life.

**IV. Conclusion**

MERC respectfully requests that the Commission approve the Company's proposed depreciation lives and rates effective January 1, 2020.

DATED: June 1, 2020

Respectfully submitted,

TAFT STETTINIUS & HOLLISTER LLP

/s/ Kristin M. Stastny

Kristin M. Stastny  
2200 IDS Center  
80 South 8th Street  
Minneapolis, MN 55402  
Telephone: (612) 977-8656  
KStastny@Taftlaw.com

Attorney for Minnesota Energy Resources  
Corporation

**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

**Katie J. Sieben  
Valerie Means  
Matthew Schuerger  
Joseph K. Sullivan  
John A. Tuma**

**Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner**

In the Matter of the Petition of Minnesota  
Energy Resources Corporation for Annual  
Review of Depreciation Rates for 2020

Docket No. G011/D-20-\_\_\_\_\_

**SUMMARY OF FILING**

Pursuant to Minnesota Statutes section 216B.11 and Minnesota Rules 7825.0500 through 7825.0900, on June 1, 2020, Minnesota Energy Resources Corporation ("MERC") filed with the Minnesota Public Utilities Commission a petition for review of MERC's plant in service, depreciation reserve, and depreciation accruals.



**Attachment 1**

**MERC's 2020 Annual Review of Depreciation Rates**

# **Minnesota Energy Resources Corporation**

## **2020 Annual Review of Depreciation Rates**

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**ANNUAL REVIEW OF DEPRECIATION RATES**  
**2020**

This report presents the 2020 annual remaining life update of depreciation rates for Minnesota Energy Resources Corporation. This update retains parameters approved in Docket No. G011/D-17-442 and G011/D-19-377 (Structures and Improvements). Plant and depreciation reserve data utilized in the study was as of December 31, 2019.

A summary of depreciation study results are as follows:

Function	Accrual Rate			2020 Annualized Accrual		
	Proposed	Present	Difference	Proposed	Present	Difference
Transmission	2.32%	2.37%	-0.05%	\$ 209,927	\$ 214,359	\$ (4,432)
Distribution	2.25%	2.24%	0.01%	\$ 12,391,876	\$ 12,302,509	\$ 89,367
General	4.57%	4.56%	0.01%	\$ 1,327,194	\$ 1,323,892	\$ 3,302
Total Utility	<u>2.37%</u>	<u>2.35%</u>	<u>0.02%</u>	<u>\$ 13,928,997</u>	<u>\$ 13,840,760</u>	<u>\$ 88,237</u>

The following statements are included in the report:

Statement 1A-2019 provides a rollforward of plant activity for 2019

Statement 1A-2018 provides a rollforward of plant activity for 2018

Statement 1B-2019 provides a rollforward of depreciation reserve activity for 2019

Statement 1B-2018 provides a rollforward of depreciation reserve activity for 2018

Statement 1C-2019 provides a summary of the annual depreciation accruals for 2019

Statement 1C-2018 provides a summary of the annual depreciation accruals for 2018

Statement 2A provides the computation of proposed depreciation accrual rates

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Plant Activity for 2019**  
**STATEMENT 1A**

Functional Class A	Utility Account B	Account Description C	Beginning Balance (January 1, 2019) D	Additions E	Retirements F	Adjustments G	Transfers H	Ending Balance (December 31, 2019) I
<b>Transmission Plant</b>								
	36700	Mains	\$ 8,062,675.51	\$ -	\$ -	\$ -	\$ -	\$ 8,062,675.51
	36900	Measuring & Regulating Station Equipment	\$ 981,504.33	\$ -	\$ -	\$ -	\$ -	\$ 981,504.33
<b>Total Transmission Plant</b>			<b>\$ 9,044,179.84</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,044,179.84</b>
<b>Distribution Plant</b>								
	37403	Easements	\$ 596,817.87	\$ -	\$ -	\$ -	\$ -	\$ 596,817.87
	37506	Structures & Improvements	\$ 145,075.92	\$ -	\$ -	\$ -	\$ -	\$ 145,075.92
	37600	Mains	\$ 240,096,719.59	\$ 23,185,146.83	\$ (1,585,677.46)	\$ -	\$ -	\$ 261,696,188.96
	37800	Measuring & Regulating Station Equipment	\$ 14,190,686.30	\$ 1,034,851.07	\$ -	\$ -	\$ 15,172.81	\$ 15,240,710.18
	37900	City Gate Stations	\$ 15,567,492.96	\$ 5,655,495.25	\$ (8,497.59)	\$ -	\$ (15,172.81)	\$ 21,199,317.81
	38000	Services	\$ 161,810,219.57	\$ 11,897,375.74	\$ (1,915,249.67)	\$ -	\$ -	\$ 171,792,345.64
	38100	Meters	\$ 51,213,359.54	\$ 6,316,545.83	\$ (1,373,073.41)	\$ -	\$ -	\$ 56,156,831.96
	38101	AMI Devices	\$ 350,526.72	\$ 30,913.59	\$ -	\$ -	\$ -	\$ 381,440.31
	38300	House Regulators	\$ 19,956,724.62	\$ 213,825.70	\$ (167,323.93)	\$ -	\$ -	\$ 20,003,226.39
	38500	Industrial Measuring & Regulating Equipment	\$ 2,880,317.42	\$ 38,069.83	\$ -	\$ -	\$ -	\$ 2,918,387.25
<b>Total Distribution Plant</b>			<b>\$ 506,807,940.51</b>	<b>\$ 48,372,223.84</b>	<b>\$ (5,049,822.06)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 550,130,342.29</b>
<b>General Plant</b>								
	39000	Structures & Improvements - Minor	\$ 19,552,935.40	\$ 1,751,135.73	\$ -	\$ -	\$ (14,694,895.17)	\$ 6,609,175.96
	39000	Structures & Improvements - Albert Lea	\$ -	\$ -	\$ -	\$ -	\$ 1,345,133.86	\$ 1,345,133.86
	39000	Structures & Improvements - Cloquet	\$ -	\$ -	\$ -	\$ -	\$ 3,174,517.11	\$ 3,174,517.11
	39000	Structures & Improvements - Rochester	\$ -	\$ 164,241.23	\$ -	\$ -	\$ 3,241,516.59	\$ 3,405,757.82
	39000	Structures & Improvements - Rosemount	\$ -	\$ 368,878.05	\$ -	\$ -	\$ 6,933,727.61	\$ 7,302,605.66
	39216	Autos & Light Duty Trucks	\$ 6,843,278.88	\$ 691,979.54	\$ (819,620.57)	\$ -	\$ (1.00)	\$ 6,715,636.85
	39269	Trailers & Trailer Mounted Equipment	\$ 92,528.20	\$ -	\$ (954.94)	\$ -	\$ 2.00	\$ 91,575.26
	39618	Power Operated Equipment	\$ 399,028.44	\$ -	\$ -	\$ -	\$ (1.00)	\$ 399,027.44
<b>Total General Plant</b>			<b>\$ 26,887,770.92</b>	<b>\$ 2,976,234.55</b>	<b>\$ (820,575.51)</b>	<b>\$ -</b>	<b>\$ (0.00)</b>	<b>\$ 29,043,429.96</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 542,739,891.27</b>	<b>\$ 51,348,458.39</b>	<b>\$ (5,870,397.57)</b>	<b>\$ -</b>	<b>\$ (0.00)</b>	<b>\$ 588,217,952.09</b>
<b>Non-Depreciable &amp; Other Plant</b>								
	30200	Franchises & Consents	\$ 3,946,750.19	\$ -	\$ -	\$ -	\$ -	\$ 3,946,750.19
	30300	Misc Intangible Plant	\$ 18,967,020.35	\$ 2,486,590.87	\$ (1,335,787.26)	\$ -	\$ -	\$ 20,117,823.96
	36501	Land Rights - Transmission	\$ 8,600.00	\$ -	\$ -	\$ -	\$ -	\$ 8,600.00
	37401	Land Rights - Distribution	\$ 172,281.67	\$ 221,197.55	\$ -	\$ -	\$ -	\$ 393,479.22
	38901	Land in Fee - General	\$ 1,323,808.69	\$ 7,714.06	\$ -	\$ -	\$ -	\$ 1,331,522.75
<b>Total Non-Depreciable &amp; Other Plant</b>			<b>\$ 24,418,460.90</b>	<b>\$ 2,715,502.48</b>	<b>\$ (1,335,787.26)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 25,798,176.12</b>
<b>Total Gas Plant</b>			<b>\$ 567,158,352.17</b>	<b>\$ 54,063,960.87</b>	<b>\$ (7,206,184.83)</b>	<b>\$ -</b>	<b>\$ (0.00)</b>	<b>\$ 614,016,128.21</b>

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Plant Activity for 2018**  
**STATEMENT 1A**

Functional Class A	Utility Account B	Account Description C	Beginning Balance (January 1, 2018) D	Additions E	Retirements F	Adjustments G	Transfers H	Ending Balance (December 31, 2018) I
<b>Transmission Plant</b>								
	36700	Mains	\$ 8,062,675.51	\$ -	\$ -	\$ -	\$ -	\$ 8,062,675.51
	36900	Measuring & Regulating Station Equipment	\$ 832,577.37	\$ 148,926.96	\$ -	\$ -	\$ -	\$ 981,504.33
<b>Total Transmission Plant</b>			<b>\$ 8,895,252.88</b>	<b>\$ 148,926.96</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,044,179.84</b>
<b>Distribution Plant</b>								
	37403	Easements	\$ 596,817.87	\$ -	\$ -	\$ -	\$ -	\$ 596,817.87
	37506	Structures & Improvements	\$ 145,075.92	\$ -	\$ -	\$ -	\$ -	\$ 145,075.92
	37600	Mains	\$ 212,461,903.19	\$ 28,434,807.97	\$ (799,991.57)	\$ -	\$ -	\$ 240,096,719.59
	37800	Measuring & Regulating Station Equipment	\$ 12,798,136.98	\$ 1,392,549.32	\$ -	\$ -	\$ -	\$ 14,190,686.30
	37900	City Gate Stations	\$ 13,553,819.85	\$ 2,013,673.11	\$ -	\$ -	\$ -	\$ 15,567,492.96
	38000	Services	\$ 151,987,250.34	\$ 11,128,220.09	\$ (1,305,250.86)	\$ -	\$ -	\$ 161,810,219.57
	38100	Meters	\$ 48,968,723.73	\$ 4,551,624.16	\$ (2,306,988.35)	\$ -	\$ -	\$ 51,213,359.54
	38101	AMI Devices	\$ 339,538.31	\$ 10,988.41	\$ -	\$ -	\$ -	\$ 350,526.72
	38300	House Regulators	\$ 19,929,158.10	\$ 146,519.90	\$ (118,953.38)	\$ -	\$ -	\$ 19,956,724.62
	38500	Industrial Measuring & Regulating Equipment	\$ 2,623,148.60	\$ 257,168.82	\$ -	\$ -	\$ -	\$ 2,880,317.42
<b>Total Distribution Plant</b>			<b>\$ 463,403,572.89</b>	<b>\$ 47,935,551.78</b>	<b>\$ (4,531,184.16)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 506,807,940.51</b>
<b>General Plant</b>								
	39000	Structures & Improvements - Minor	\$ 20,237,655.90	\$ 1,042,745.50	\$ (1,727,466.00)	\$ -	\$ -	\$ 19,552,935.40
	39000	Structures & Improvements - Albert Lea	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39000	Structures & Improvements - Cloquet	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39000	Structures & Improvements - Rochester	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39000	Structures & Improvements - Rosemount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39216	Autos & Light Duty Trucks	\$ 6,002,356.46	\$ 1,036,822.73	\$ (195,900.31)	\$ -	\$ -	\$ 6,843,278.88
	39269	Trailers & Trailer Mounted Equipment	\$ 92,528.20	\$ -	\$ -	\$ -	\$ -	\$ 92,528.20
	39618	Power Operated Equipment	\$ 399,028.44	\$ -	\$ -	\$ -	\$ -	\$ 399,028.44
<b>Total General Plant</b>			<b>\$ 26,731,569.00</b>	<b>\$ 2,079,568.23</b>	<b>\$ (1,923,366.31)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 26,887,770.92</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 499,030,394.77</b>	<b>\$ 50,164,046.97</b>	<b>\$ (6,454,550.47)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 542,739,891.27</b>
<b>Non-Depreciable &amp; Other Plant</b>								
	30200	Franchises & Consents	\$ 3,946,750.19	\$ -	\$ -	\$ -	\$ -	\$ 3,946,750.19
	30300	Misc Intangible Plant	\$ 14,345,284.81	\$ 4,621,735.54	\$ -	\$ -	\$ -	\$ 18,967,020.35
	36501	Land Rights - Transmission	\$ 8,600.00	\$ -	\$ -	\$ -	\$ -	\$ 8,600.00
	37401	Land Rights - Distribution	\$ 172,281.67	\$ -	\$ -	\$ -	\$ -	\$ 172,281.67
	38901	Land in Fee - General	\$ 1,252,260.27	\$ 71,548.42	\$ -	\$ -	\$ -	\$ 1,323,808.69
<b>Total Non-Depreciable &amp; Other Plant</b>			<b>\$ 19,725,176.94</b>	<b>\$ 4,693,283.96</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 24,418,460.90</b>
<b>Total Gas Plant</b>			<b>\$ 518,755,571.71</b>	<b>\$ 54,857,330.93</b>	<b>\$ (6,454,550.47)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 567,158,352.17</b>

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Analysis of Depreciation Reserve for 2019**  
**STATEMENT 1B**

Functional Class A	Utility Account B	Account Description C	Beginning Balance (January 1, 2019) D	Accruals E	Salvage and Other Credits F	Retirements G	Cost Of Removal H	Transfers and Adjustments I	Ending Balance (December 31, 2019) J
<b>Transmission Plant</b>									
	36700	Mains	\$ 3,569,488.01	\$ 142,709.28	\$ -	\$ -	\$ -	\$ -	\$ 3,712,197.29
	36900	Measuring & Regulating Station Equipment	\$ 85,239.99	\$ 71,649.84	\$ -	\$ -	\$ -	\$ -	\$ 156,889.83
<b>Total Transmission Plant</b>			<b>\$ 3,654,728.00</b>	<b>\$ 214,359.12</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,869,087.12</b>
<b>Distribution Plant</b>									
	37403	Easements	\$ 292,067.83	\$ 24,350.16	\$ -	\$ -	\$ -	\$ -	\$ 316,417.99
	37506	Structures & Improvements	\$ 127,466.05	\$ 4,134.60	\$ -	\$ -	\$ -	\$ -	\$ 131,600.65
	37600	Mains	\$ 78,423,886.06	\$ 4,448,236.68	\$ -	\$ (1,585,677.46)	\$ (189,042.62)	\$ -	\$ 81,097,402.66
	37800	Measuring & Regulating Station Equipment	\$ 2,528,376.38	\$ 548,737.28	\$ -	\$ -	\$ -	\$ 5,686.17	\$ 3,082,799.83
	37900	City Gate Stations	\$ 2,015,096.14	\$ 728,375.68	\$ -	\$ (8,497.59)	\$ -	\$ (5,686.17)	\$ 2,729,288.06
	38000	Services	\$ 75,229,792.61	\$ 3,980,226.02	\$ -	\$ (1,915,249.67)	\$ 1,405.20	\$ -	\$ 77,296,174.16
	38100	Meters	\$ 13,146,898.91	\$ 1,344,295.03	\$ 8,338.12	\$ (1,373,073.41)	\$ (16,965.39)	\$ -	\$ 13,109,493.26
	38101	AMI Devices	\$ 150,729.11	\$ 23,448.50	\$ -	\$ -	\$ -	\$ -	\$ 174,177.61
	38300	House Regulators	\$ 10,699,386.42	\$ 293,830.31	\$ -	\$ (167,323.93)	\$ (13,090.14)	\$ -	\$ 10,812,802.66
	38500	Industrial Measuring & Regulating Equipment	\$ 871,347.95	\$ 77,866.82	\$ -	\$ -	\$ -	\$ -	\$ 949,214.77
<b>Total Distribution Plant</b>			<b>\$ 183,485,047.46</b>	<b>\$ 11,473,501.08</b>	<b>\$ 8,338.12</b>	<b>\$ (5,049,822.06)</b>	<b>\$ (217,692.95)</b>	<b>\$ -</b>	<b>\$ 189,699,371.65</b>
<b>General Plant</b>									
	39000	Structures & Improvements - Minor	\$ 2,578,287.29	\$ 435,863.03	\$ -	\$ -	\$ -	\$ (2,117,069.49)	\$ 897,080.83
	39000	Structures & Improvements - Albert Lea	\$ -	\$ 2,360.60	\$ -	\$ -	\$ -	\$ 53,204.88	\$ 55,565.48
	39000	Structures & Improvements - Cloquet	\$ -	\$ 78,754.47	\$ -	\$ -	\$ -	\$ 1,277,862.71	\$ 1,356,617.18
	39000	Structures & Improvements - Rochester	\$ -	\$ 11,269.88	\$ -	\$ -	\$ -	\$ 510,610.95	\$ 521,880.83
	39000	Structures & Improvements - Rosemount	\$ -	\$ 12,131.45	\$ -	\$ -	\$ -	\$ 275,390.95	\$ 287,522.40
	39216	Autos & Light Duty Trucks	\$ 2,194,218.48	\$ 687,562.23	\$ 179,813.80	\$ (819,620.57)	\$ (910.65)	\$ (0.57)	\$ 2,241,062.72
	39269	Trailers & Trailer Mounted Equipment	\$ 57,202.62	\$ 1,773.54	\$ 160.00	\$ (954.94)	\$ -	\$ 1.35	\$ 58,182.57
	39618	Power Operated Equipment	\$ 174,511.64	\$ 14,604.43	\$ -	\$ -	\$ -	\$ (0.78)	\$ 189,115.29
<b>Total General Plant</b>			<b>\$ 5,004,220.03</b>	<b>\$ 1,244,319.63</b>	<b>\$ 179,973.80</b>	<b>\$ (820,575.51)</b>	<b>\$ (910.65)</b>	<b>\$ 0.00</b>	<b>\$ 5,607,027.30</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 192,143,995.49</b>	<b>\$ 12,932,179.83</b>	<b>\$ 188,311.92</b>	<b>\$ (5,870,397.57)</b>	<b>\$ (218,603.60)</b>	<b>\$ 0.00</b>	<b>\$ 199,175,486.07</b>
<b>Non-Depreciable &amp; Other Plant</b>									
	30200	Franchises & Consents	\$ 3,925,049.73	\$ 4,496.23	\$ -	\$ -	\$ -	\$ -	\$ 3,929,545.96
	30300	Misc Intangible Plant	\$ 4,128,931.00	\$ 1,700,601.22	\$ -	\$ (1,335,787.26)	\$ -	\$ -	\$ 4,493,744.96
	36501	Land Rights - Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	37401	Land Rights - Distribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	38901	Land in Fee - General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Non-Depreciable &amp; Other Plant</b>			<b>\$ 8,053,980.73</b>	<b>\$ 1,705,097.45</b>	<b>\$ -</b>	<b>\$ (1,335,787.26)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,423,290.92</b>
<b>Total Gas Plant</b>			<b>\$ 200,197,976.22</b>	<b>\$ 14,637,277.28</b>	<b>\$ 188,311.92</b>	<b>\$ (7,206,184.83)</b>	<b>\$ (218,603.60)</b>	<b>\$ 0.00</b>	<b>\$ 207,598,776.99</b>

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Analysis of Depreciation Reserve for 2018**  
**STATEMENT 1B**

Functional Class A	Utility Account B	Account Description C	Beginning Balance (January 1, 2018) D	Accruals E	Salvage and Other Credits F	Retirements G	Cost Of Removal H	Transfers and Adjustments I	Ending Balance (December 31, 2018) J
<b>Transmission Plant</b>									
	36700	Mains	\$ 3,519,228.36	\$ 50,259.65	\$ -	\$ -	\$ -	\$ -	\$ 3,569,488.01
	36900	Measuring & Regulating Station Equipment	\$ (17,656.87)	\$ 119,254.80	\$ -	\$ -	\$ (16,357.94)	\$ -	\$ 85,239.99
<b>Total Transmission Plant</b>			<b>\$ 3,501,571.49</b>	<b>\$ 169,514.45</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (16,357.94)</b>	<b>\$ -</b>	<b>\$ 3,654,728.00</b>
<b>Distribution Plant</b>									
	37403	Easements	\$ 267,717.67	\$ 24,350.16	\$ -	\$ -	\$ -	\$ -	\$ 292,067.83
	37506	Structures & Improvements	\$ 113,103.61	\$ 14,362.44	\$ -	\$ -	\$ -	\$ -	\$ 127,466.05
	37600	Mains	\$ 76,330,278.18	\$ 2,975,229.35	\$ -	\$ (799,991.57)	\$ (81,629.90)	\$ -	\$ 78,423,886.06
	37800	Measuring & Regulating Station Equipment	\$ 1,935,279.01	\$ 672,475.12	\$ -	\$ -	\$ (79,377.75)	\$ -	\$ 2,528,376.38
	37900	City Gate Stations	\$ 1,574,642.11	\$ 757,763.92	\$ -	\$ -	\$ (317,309.89)	\$ -	\$ 2,015,096.14
	38000	Services	\$ 73,726,213.04	\$ 2,813,894.31	\$ -	\$ (1,305,250.86)	\$ (5,063.88)	\$ -	\$ 75,229,792.61
	38100	Meters	\$ 14,407,042.96	\$ 1,083,147.68	\$ 2,399.19	\$ (2,306,988.35)	\$ (38,702.57)	\$ -	\$ 13,146,898.91
	38101	AMI Devices	\$ 131,225.85	\$ 19,503.26	\$ -	\$ -	\$ -	\$ -	\$ 150,729.11
	38300	House Regulators	\$ 10,642,236.15	\$ 170,286.92	\$ -	\$ (118,953.38)	\$ 5,816.73	\$ -	\$ 10,699,386.42
	38500	Industrial Measuring & Regulating Equipment	\$ 833,636.43	\$ 60,244.54	\$ -	\$ -	\$ (22,533.02)	\$ -	\$ 871,347.95
<b>Total Distribution Plant</b>			<b>\$ 179,961,375.01</b>	<b>\$ 8,591,257.70</b>	<b>\$ 2,399.19</b>	<b>\$ (4,531,184.16)</b>	<b>\$ (538,800.28)</b>	<b>\$ -</b>	<b>\$ 183,485,047.46</b>
<b>General Plant</b>									
	39000	Structures & Improvements - Minor	\$ 3,851,910.17	\$ 454,355.69	\$ -	\$ (1,727,466.00)	\$ (512.57)	\$ -	\$ 2,578,287.29
	39000	Structures & Improvements - Albert Lea	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39000	Structures & Improvements - Cloquet	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39000	Structures & Improvements - Rochester	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39000	Structures & Improvements - Rosemount	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	39216	Autos & Light Duty Trucks	\$ 1,528,033.20	\$ 862,085.59	\$ -	\$ (195,900.31)	\$ -	\$ -	\$ 2,194,218.48
	39269	Trailers & Trailer Mounted Equipment	\$ 54,343.50	\$ 2,859.12	\$ -	\$ -	\$ -	\$ -	\$ 57,202.62
	39618	Power Operated Equipment	\$ 166,953.15	\$ 7,558.49	\$ -	\$ -	\$ -	\$ -	\$ 174,511.64
<b>Total General Plant</b>			<b>\$ 5,601,240.02</b>	<b>\$ 1,326,858.89</b>	<b>\$ -</b>	<b>\$ (1,923,366.31)</b>	<b>\$ (512.57)</b>	<b>\$ -</b>	<b>\$ 5,004,220.03</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 189,064,186.52</b>	<b>\$ 10,087,631.04</b>	<b>\$ 2,399.19</b>	<b>\$ (6,454,550.47)</b>	<b>\$ (555,670.79)</b>	<b>\$ -</b>	<b>\$ 192,143,995.49</b>
<b>Non-Depreciable &amp; Other Plant</b>									
	30200	Franchises & Consents	\$ 3,920,528.98	\$ 4,520.75	\$ -	\$ -	\$ -	\$ -	\$ 3,925,049.73
	30300	Misc Intangible Plant	\$ 2,377,439.70	\$ 1,751,491.30	\$ -	\$ -	\$ -	\$ -	\$ 4,128,931.00
	36501	Land Rights - Transmission	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	37401	Land Rights - Distribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	38901	Land in Fee - General	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Non-Depreciable &amp; Other Plant</b>			<b>\$ 6,297,968.68</b>	<b>\$ 1,756,012.05</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,053,980.73</b>
<b>Total Gas Plant</b>			<b>\$ 195,362,155.20</b>	<b>\$ 11,843,643.09</b>	<b>\$ 2,399.19</b>	<b>\$ (6,454,550.47)</b>	<b>\$ (555,670.79)</b>	<b>\$ -</b>	<b>\$ 200,197,976.22</b>

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Analysis of Depreciation Reserve for 2019**  
**STATEMENT 1C**

Functional Class	Utility Account	Account Description	Ending Plant Balance (December 31, 2019)	Estimated Future Net Salvage Percent	Amount	Ending Depreciation Reserve (December 31, 2019)	Average Life (Years)	Remaining Life (From 2019 Remaining Life Update)	Annual Accrual	Accrual Rate
A	B	C	From Statement 1A D	E	F=D*E	From Statement 1B G	H	I	From Statement 1B J	K
<b>Transmission Plant</b>										
	36700	Mains	\$ 8,062,675.51	-30.00%	\$ (2,418,802.65)	\$ 3,712,197.29	65.00	48.36	\$ 142,709.28	1.77%
	36900	Measuring & Regulating Station Equipment	\$ 981,504.33	-30.00%	\$ (294,451.30)	\$ 156,889.83	30.00	16.62	\$ 71,649.84	7.30%
<b>Total Transmission Plant</b>			<b>\$ 9,044,179.84</b>	<b>-30.00%</b>	<b>\$ (2,713,253.95)</b>	<b>\$ 3,869,087.12</b>			<b>\$ 214,359.12</b>	<b>2.37%</b>
<b>Distribution Plant</b>										
	37403	Easements	\$ 596,817.87	0.00%	\$ -	\$ 316,417.99	25.00	12.50	\$ 24,350.16	4.08%
	37506	Structures & Improvements	\$ 145,075.92	-10.00%	\$ (14,507.59)	\$ 131,600.65	35.00	7.77	\$ 4,134.60	2.85%
	37600	Mains	\$ 261,696,188.96	-30.00%	\$ (78,508,856.69)	\$ 81,097,402.66	65.00	54.20	\$ 4,448,236.68	1.80%
	37800	Measuring & Regulating Station Equipment	\$ 15,240,710.18	-15.00%	\$ (2,286,106.53)	\$ 3,082,799.83	35.00	25.62	\$ 548,737.28	3.79%
	37900	City Gate Stations	\$ 21,199,317.81	-40.00%	\$ (8,479,727.12)	\$ 2,729,288.06	35.00	29.28	\$ 728,375.68	4.34%
	38000	Services	\$ 171,792,345.64	-55.00%	\$ (94,485,790.10)	\$ 77,296,174.16	56.00	45.10	\$ 3,980,226.02	2.41%
	38100	Meters	\$ 56,156,831.96	-1.00%	\$ (561,568.32)	\$ 13,109,493.26	39.00	27.96	\$ 1,344,295.03	2.69%
	38101	AMI Devices	\$ 381,440.31	0.00%	\$ -	\$ 174,177.61	15.00	8.89	\$ 23,448.50	6.41%
	38300	House Regulators	\$ 20,003,226.39	-5.00%	\$ (1,000,161.32)	\$ 10,812,802.66	48.00	32.98	\$ 293,830.31	1.56%
	38500	Industrial Measuring & Regulating Equipment	\$ 2,918,387.25	-10.00%	\$ (291,838.73)	\$ 949,214.77	40.00	29.62	\$ 77,866.82	2.69%
<b>Total Distribution Plant</b>			<b>\$ 550,130,342.29</b>	<b>-33.74%</b>	<b>\$ (185,628,556.40)</b>	<b>\$ 189,699,371.65</b>			<b>\$ 11,473,501.08</b>	<b>2.09%</b>
<b>General Plant</b>										
	39000	Structures & Improvements - Minor	\$ 6,609,175.96	-10.00%	\$ (660,917.60)	\$ 897,080.83	45.00	34.50	\$ 435,863.03	2.74%
	39000	Structures & Improvements - Albert Lea	\$ 1,345,133.86	-10.00%	\$ (134,513.39)	\$ 55,565.48	*	50.10	\$ 2,360.60	2.15%
	39000	Structures & Improvements - Cloquet	\$ 3,174,517.11	-10.00%	\$ (317,451.71)	\$ 1,356,617.18	*	16.00	\$ 78,754.47	4.46%
	39000	Structures & Improvements - Rochester	\$ 3,405,757.82	-10.00%	\$ (340,575.78)	\$ 521,880.83	*	41.50	\$ 11,269.88	2.32%
	39000	Structures & Improvements - Rosemount	\$ 7,302,605.66	-10.00%	\$ (730,260.57)	\$ 287,522.40	*	50.10	\$ 12,131.45	2.15%
	39216	Autos & Light Duty Trucks	\$ 6,715,636.85	20.00%	\$ 1,343,127.37	\$ 2,241,062.72	8.00	4.47	\$ 687,562.23	10.72%
	39269	Trailers & Trailer Mounted Equipment	\$ 91,575.26	15.00%	\$ 13,736.29	\$ 58,182.57	16.00	12.07	\$ 1,773.54	1.92%
	39618	Power Operated Equipment	\$ 399,027.44	10.00%	\$ 39,902.74	\$ 189,115.29	18.00	12.65	\$ 14,604.43	3.66%
<b>Total General Plant</b>			<b>\$ 29,043,429.96</b>	<b>-2.71%</b>	<b>\$ (786,952.64)</b>	<b>\$ 5,607,027.30</b>			<b>\$ 1,244,319.63</b>	<b>4.28%</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 588,217,952.09</b>	<b>-32.15%</b>	<b>\$ (189,128,762.99)</b>	<b>\$ 199,175,486.07</b>			<b>\$ 12,932,179.83</b>	<b>2.20%</b>

Footnotes:

\*R2.5 curve was selected for the interim retirement curve to establish a remaining life. Each location in the account is assigned an individual probable retirement year.



**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Analysis of Depreciation Reserve for 2018**  
**STATEMENT 1C**

Functional Class	Utility Account	Account Description	Ending Plant Balance (December 31, 2018) From Statement 1A	Estimated Future Net Salvage Percent	Amount F=D*E	Ending Depreciation Reserve (December 31, 2018) From Statement 1B	Average Life (Years)	Remaining Life (From 2017 Depr Study)	Annual Accrual From Statement 1B	Accrual Rate
A	B	C	D	E	F=D*E	G	H	I	J	K
<b>Transmission Plant</b>										
	36700	Mains	\$ 8,062,675.51	-30.00%	\$ (2,418,802.65)	\$ 3,569,488.01	65.00	50.20	\$ 50,259.65	1.79%
	36900	Measuring & Regulating Station Equipment	\$ 981,504.33	-30.00%	\$ (294,451.30)	\$ 85,239.99	30.00	15.40	\$ 119,254.80	8.81%
<b>Total Transmission Plant</b>			<b>\$ 9,044,179.84</b>	<b>-30.00%</b>	<b>\$ (2,713,253.95)</b>	<b>\$ 3,654,728.00</b>			<b>\$ 169,514.45</b>	<b>1.87%</b>
<b>Distribution Plant</b>										
	37403	Easements	\$ 596,817.87	0.00%	\$ -	\$ 292,067.83	25.00	14.50	\$ 24,350.16	4.08%
	37506	Structures & Improvements	\$ 145,075.92	-10.00%	\$ (14,507.59)	\$ 127,466.05	35.00	6.20	\$ 14,362.44	6.26%
	37600	Mains	\$ 240,096,719.59	-30.00%	\$ (72,029,015.88)	\$ 78,423,886.06	65.00	53.50	\$ 2,975,229.35	1.71%
	37800	Measuring & Regulating Station Equipment	\$ 14,190,686.30	-15.00%	\$ (2,128,602.95)	\$ 2,528,376.38	35.00	25.20	\$ 672,475.12	4.03%
	37900	City Gate Stations	\$ 15,567,492.96	-40.00%	\$ (6,226,997.18)	\$ 2,015,096.14	35.00	28.60	\$ 757,763.92	4.46%
	38000	Services	\$ 161,810,219.57	-55.00%	\$ (88,995,620.76)	\$ 75,229,792.61	56.00	45.20	\$ 2,813,894.31	2.32%
	38100	Meters	\$ 51,213,359.54	-1.00%	\$ (512,133.60)	\$ 13,146,898.91	39.00	27.50	\$ 1,083,147.68	2.53%
	38101	AMI Devices	\$ 350,526.72	0.00%	\$ -	\$ 150,729.11	15.00	10.60	\$ 19,503.26	6.51%
	38300	House Regulators	\$ 19,956,724.62	-5.00%	\$ (997,836.23)	\$ 10,699,386.42	48.00	34.40	\$ 170,286.92	1.50%
	38500	Industrial Measuring & Regulating Equipment	\$ 2,880,317.42	-10.00%	\$ (288,031.74)	\$ 871,347.95	40.00	27.10	\$ 60,244.54	2.64%
<b>Total Distribution Plant</b>			<b>\$ 506,807,940.51</b>	<b>-33.78%</b>	<b>\$ (171,192,745.93)</b>	<b>\$ 183,485,047.46</b>			<b>\$ 8,591,257.70</b>	<b>1.70%</b>
<b>General Plant</b>										
	39000	Structures & Improvements - Minor	\$ 19,552,935.40	-10.00%	\$ (1,955,293.54)	\$ 2,578,287.29	55.00	34.50	\$ 454,355.69	2.37%
	39000	Structures & Improvements - Albert Lea	\$ -		\$ -	\$ -			\$ -	
	39000	Structures & Improvements - Cloquet	\$ -		\$ -	\$ -			\$ -	
	39000	Structures & Improvements - Rochester	\$ -		\$ -	\$ -			\$ -	
	39000	Structures & Improvements - Rosemount	\$ -		\$ -	\$ -			\$ -	
	39216	Autos & Light Duty Trucks	\$ 6,843,278.88	20.00%	\$ 1,368,655.78	\$ 2,194,218.48	8.00	4.60	\$ 862,085.59	12.07%
	39269	Trailers & Trailer Mounted Equipment	\$ 92,528.20	15.00%	\$ 13,879.23	\$ 57,202.62	16.00	13.70	\$ 2,859.12	1.97%
	39618	Power Operated Equipment	\$ 399,028.44	10.00%	\$ 39,902.84	\$ 174,511.64	18.00	12.80	\$ 7,558.49	3.20%
<b>Total General Plant</b>			<b>\$ 26,887,770.92</b>	<b>-1.98%</b>	<b>\$ (532,855.69)</b>	<b>\$ 5,004,220.03</b>			<b>\$ 1,326,858.89</b>	<b>4.93%</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 542,739,891.27</b>	<b>-32.14%</b>	<b>\$ (174,438,855.57)</b>	<b>\$ 192,143,995.49</b>			<b>\$ 10,087,631.04</b>	<b>1.86%</b>

**MINNESOTA ENERGY RESOURCES CORPORATION**  
**Computation of Proposed Depreciation Rate**  
**STATEMENT 2A**

Functional Class	Utility Account	Account Description	Ending Plant Balance (December 31, 2019) From Statement 1A D	Ending Reserve Balance (December 31, 2019) From Statement 1B E	Percent of Recorded Reserve F=E/D	Variable Group Average Service Life From Statement 1C G	Remaining Life (Calculated) H	Net Salvage From Statement 1C I	Proposed Depreciation Rate J=(1-F)/H	Present Depreciation Rate From Statement 1C K	Proposed Annual Depreciation Expense L=D*J	Present Annual Depreciation Expense M=D*K	Change in Annual Depreciation Expense N=L-M
A	B	C	D	E	F=E/D	G	H	I	J=(1-F)/H	K	L=D*J	M=D*K	N=L-M
<b>Transmission Plant</b>													
36700	Mains		\$ 8,062,675.51	\$ 3,712,197.29	46.04%	65.00	47.54	-30.00%	1.77%	1.77%	\$ 142,391	\$ 142,709	\$ (318)
36900	Measuring & Regulating Station Equipment		\$ 981,504.33	\$ 156,889.83	15.98%	30.00	16.57	-30.00%	6.88%	7.30%	\$ 67,536	\$ 71,650	\$ (4,114)
<b>Total Transmission Plant</b>			<b>\$ 9,044,179.84</b>	<b>\$ 3,869,087.12</b>	<b>42.78%</b>			<b>-30.00%</b>	<b>2.32%</b>	<b>2.37%</b>	<b>\$ 209,927</b>	<b>\$ 214,359</b>	<b>\$ (4,432)</b>
<b>Distribution Plant</b>													
37403	Easements		\$ 596,817.87	\$ 316,417.99	53.02%	25.00	11.50	0.00%	4.09%	4.08%	\$ 24,383	\$ 24,350	\$ 33
37506	Structures & Improvements		\$ 145,075.92	\$ 131,600.65	90.71%	35.00	8.06	-10.00%	2.39%	2.85%	\$ 3,472	\$ 4,135	\$ (663)
37600	Mains		\$ 261,696,188.96	\$ 81,097,402.66	30.99%	65.00	54.36	-30.00%	1.82%	1.80%	\$ 4,766,513	\$ 4,710,531	\$ 55,982
37800	Measuring & Regulating Station Equipment		\$ 15,240,710.18	\$ 3,082,799.83	20.23%	35.00	25.61	-15.00%	3.70%	3.79%	\$ 563,999	\$ 577,623	\$ (13,624)
37900	City Gate Stations		\$ 21,199,317.81	\$ 2,729,288.06	12.87%	35.00	29.92	-40.00%	4.25%	4.34%	\$ 900,727	\$ 920,050	\$ (19,323)
38000	Services		\$ 171,792,345.64	\$ 77,296,174.16	44.99%	56.00	45.14	-55.00%	2.44%	2.41%	\$ 4,186,574	\$ 4,140,196	\$ 46,378
38100	Meters		\$ 56,156,831.96	\$ 13,109,493.26	23.34%	39.00	28.54	-1.00%	2.72%	2.69%	\$ 1,527,993	\$ 1,510,619	\$ 17,374
38101	AMI Devices		\$ 381,440.31	\$ 174,177.61	45.66%	15.00	8.58	0.00%	6.33%	6.41%	\$ 24,156	\$ 24,450	\$ (294)
38300	House Regulators		\$ 20,003,228.39	\$ 10,812,802.66	54.06%	48.00	32.22	-5.00%	1.58%	1.56%	\$ 316,281	\$ 312,050	\$ 4,231
38500	Industrial Measuring & Regulating Equipment		\$ 2,918,387.25	\$ 949,214.77	32.53%	40.00	29.07	-10.00%	2.67%	2.69%	\$ 77,778	\$ 78,505	\$ (727)
<b>Total Distribution Plant</b>			<b>\$ 550,130,342.29</b>	<b>\$ 189,699,371.65</b>	<b>34.48%</b>			<b>-33.74%</b>	<b>2.25%</b>	<b>2.24%</b>	<b>\$ 12,391,876</b>	<b>\$ 12,302,509</b>	<b>\$ 89,367</b>
<b>General Plant</b>													
39000	Structures & Improvements - Minor		\$ 6,609,175.96	\$ 897,080.83	13.57%	45.00	36.40	-10.00%	2.65%	2.74%	\$ 175,083	\$ 181,091	\$ (6,008)
39000	Structures & Improvements - Albert Lea		\$ 1,345,133.86	\$ 55,565.48	4.13%	*	49.16	-10.00%	2.15%	2.15%	\$ 28,968	\$ 28,920	\$ 48
39000	Structures & Improvements - Cloquet		\$ 3,174,517.11	\$ 1,356,617.18	42.73%	*	15.04	-10.00%	4.47%	4.46%	\$ 141,978	\$ 141,583	\$ 395
39000	Structures & Improvements - Rochester		\$ 3,405,757.82	\$ 521,880.83	15.32%	*	40.66	-10.00%	2.33%	2.32%	\$ 79,303	\$ 79,014	\$ 289
39000	Structures & Improvements - Rosemount		\$ 7,302,605.66	\$ 287,522.40	3.94%	*	49.17	-10.00%	2.16%	2.15%	\$ 157,522	\$ 157,006	\$ 516
39216	Autos & Light Duty Trucks		\$ 6,715,636.85	\$ 2,241,062.72	33.37%	8.00	4.30	20.00%	10.84%	10.72%	\$ 728,243	\$ 719,916	\$ 8,327
39269	Trailers & Trailer Mounted Equipment		\$ 91,575.26	\$ 58,182.57	63.54%	16.00	11.31	15.00%	1.90%	1.92%	\$ 1,738	\$ 1,758	\$ (20)
39618	Power Operated Equipment		\$ 399,027.44	\$ 189,115.29	47.39%	18.00	11.84	10.00%	3.60%	3.66%	\$ 14,359	\$ 14,604	\$ (245)
<b>Total General Plant</b>			<b>\$ 29,043,429.96</b>	<b>\$ 5,607,027.30</b>	<b>19.31%</b>			<b>-2.71%</b>	<b>4.57%</b>	<b>4.56%</b>	<b>\$ 1,327,194</b>	<b>\$ 1,323,892</b>	<b>\$ 3,302</b>
<b>Total Depreciable Gas Plant</b>			<b>\$ 588,217,952.09</b>	<b>\$ 199,175,486.07</b>	<b>33.86%</b>			<b>-32.15%</b>	<b>2.37%</b>	<b>2.35%</b>	<b>\$ 13,928,997</b>	<b>\$ 13,840,760</b>	<b>\$ 88,237</b>

Footnotes:

\*R2.5 curve was selected for the interim retirement curve to establish a remaining life. Each location in the account is assigned an individual probable retirement year.

## **Attachment 2**

### **Calculated Remaining Life**

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-36700-Mains**

Survivor Curve: R2  
Average Service Life: 65  
Net Salvage Percent: -30  
Remaining Life (Years): 47.54

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1965	\$40,049.62	\$33,257.20	\$43,205.20	\$8,859.31	23.48	\$377.31
1966	\$0.00	\$0.00	\$0.00	\$0.00	24.05	\$0.00
1991	\$536,564.66	\$257,443.72	\$334,451.03	\$363,083.03	41.01	\$8,853.52
1992	\$1,188,949.09	\$552,385.75	\$717,616.96	\$828,016.85	41.77	\$19,823.24
1994	\$0.00	\$0.00	\$0.00	\$0.00	43.33	\$0.00
1998	\$1,035,642.99	\$382,980.78	\$497,539.09	\$848,796.80	46.51	\$18,249.77
1999	\$3,469,094.89	\$1,226,671.95	\$1,593,597.60	\$2,916,225.75	47.32	\$61,627.76
2000	\$844,537.67	\$284,778.10	\$369,961.75	\$727,937.22	48.14	\$15,121.26
2002	\$16.92	\$5.15	\$6.69	\$15.30	49.78	\$0.31
2003	\$341.73	\$98.35	\$127.77	\$316.48	50.61	\$6.25
2005	\$0.00	\$0.00	\$0.00	\$0.00	52.29	\$0.00
2010	\$308,032.34	\$51,934.25	\$67,468.98	\$332,973.07	56.57	\$5,886.04
2012	\$119,761.95	\$16,024.15	\$20,817.34	\$134,873.20	58.31	\$2,313.04
2013	\$43,727.23	\$5,081.10	\$6,600.98	\$50,244.42	59.19	\$848.87
2014	\$468,906.36	\$46,234.17	\$60,063.86	\$549,514.40	60.07	\$9,147.90
2015	\$7,050.06	\$569.64	\$740.04	\$8,425.04	60.96	\$138.21
	\$8,062,675.51	\$2,857,464.33	\$3,712,197.29	\$6,769,280.87		\$142,393.48

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-36900-Measuring & Reg Equip**

Survivor Curve: S2  
Average Service Life: 30  
Net Salvage Percent: -30  
Remaining Life (Years): 16.57

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1951	\$453.29	\$589.28	\$589.28	\$0.00	0.00	\$0.00
1952	\$1,673.37	\$2,175.38	\$2,175.38	\$0.00	0.00	\$0.00
1971	\$12,046.02	\$14,490.56	\$6,098.75	\$9,561.07	2.24	\$4,268.34
1975	\$713.92	\$830.34	\$349.47	\$578.63	3.16	\$183.11
1976	\$183.46	\$211.47	\$89.00	\$149.50	3.40	\$43.97
1977	\$958.96	\$1,094.97	\$460.85	\$785.80	3.65	\$215.29
1978	\$111.64	\$126.22	\$53.12	\$92.01	3.91	\$23.53
1979	\$64,259.98	\$71,898.35	\$30,260.40	\$53,277.57	4.18	\$12,745.83
1982	\$15,000.00	\$16,230.50	\$6,831.05	\$12,668.95	5.03	\$2,518.68
1983	\$15,000.00	\$16,035.50	\$6,748.98	\$12,751.02	5.33	\$2,392.31
1993	\$28,280.78	\$25,612.96	\$10,779.92	\$25,985.09	9.10	\$2,855.50
1997	\$11,384.90	\$9,314.37	\$3,920.21	\$10,880.16	11.12	\$978.43
2006	\$15,740.26	\$8,710.14	\$3,665.90	\$16,796.44	17.23	\$974.84
2007	\$5,086.30	\$2,633.86	\$1,108.53	\$5,503.66	18.05	\$304.91
2011	\$66,499.17	\$24,119.25	\$10,151.25	\$76,297.67	21.63	\$3,527.40
2012	\$240,933.15	\$77,468.04	\$32,604.56	\$280,608.53	22.58	\$12,427.30
2013	\$107,575.32	\$30,113.92	\$12,674.27	\$127,173.64	23.54	\$5,402.45
2014	\$75,561.62	\$17,943.37	\$7,551.96	\$90,678.15	24.52	\$3,698.13
2015	\$169,685.32	\$33,015.11	\$13,895.32	\$206,695.60	25.51	\$8,102.53
2016	\$1,429.91	\$216.87	\$91.28	\$1,767.61	26.50	\$66.70
2017	\$148,926.96	\$16,133.75	\$6,790.34	\$186,814.71	27.50	\$6,793.26
	\$981,504.33	\$368,964.18	\$156,889.83	\$1,119,065.80		\$67,522.52

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37403-Easements**

Survivor Curve: SQ  
Average Service Life: 25  
Net Salvage Percent: 0  
Remaining Life (Years): 11.50

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2006	\$596,817.87	\$322,281.65	\$316,417.99	\$280,399.88	11.50	\$24,382.60
	\$596,817.87	\$322,281.65	\$316,417.99	\$280,399.88		\$24,382.60

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37506-Structures & Improvement**

Survivor Curve: S2  
Average Service Life: 35  
Net Salvage Percent: -10  
Remaining Life (Years): 8.06

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1932	\$15,520.12	\$17,072.13	\$17,072.13	\$0.00	0.00	\$0.00
1933	\$480.97	\$529.07	\$529.07	\$0.00	0.00	\$0.00
1936	\$886.59	\$975.25	\$975.25	\$0.00	0.00	\$0.00
1939	\$365.65	\$402.22	\$402.22	\$0.00	0.00	\$0.00
1944	\$677.83	\$745.61	\$745.61	\$0.00	0.00	\$0.00
1949	\$2,147.43	\$2,362.17	\$2,362.17	\$0.00	0.00	\$0.00
1950	\$1,858.29	\$2,044.12	\$2,044.12	\$0.00	0.00	\$0.00
1952	\$551.26	\$596.16	\$604.92	\$1.46	0.59	\$2.48
1953	\$183.59	\$198.08	\$200.99	\$0.96	0.67	\$1.43
1954	\$1,878.52	\$2,017.37	\$2,047.01	\$19.37	0.83	\$23.33
1955	\$532.99	\$569.37	\$577.74	\$8.55	1.01	\$8.47
1956	\$47.40	\$50.35	\$51.09	\$1.05	1.20	\$0.87
1957	\$1,246.87	\$1,317.09	\$1,336.44	\$35.12	1.39	\$25.27
1958	\$1,095.68	\$1,150.50	\$1,167.40	\$37.85	1.59	\$23.81
1960	\$4,988.03	\$5,173.30	\$5,249.30	\$237.53	2.00	\$118.77
1961	\$745.47	\$768.47	\$779.76	\$40.25	2.20	\$18.30
1964	\$214.36	\$216.60	\$219.78	\$16.02	2.85	\$5.62
1965	\$2,756.54	\$2,765.36	\$2,805.99	\$226.21	3.08	\$73.44
1966	\$27,748.11	\$27,636.32	\$28,042.33	\$2,480.59	3.31	\$749.42
1967	\$5,962.67	\$5,895.55	\$5,982.16	\$576.78	3.54	\$162.93
1968	\$716.59	\$703.12	\$713.45	\$74.80	3.78	\$19.79
1969	\$1,418.65	\$1,380.83	\$1,401.12	\$159.40	4.03	\$39.55
1970	\$4,288.73	\$4,140.71	\$4,201.54	\$516.06	4.28	\$120.58
1971	\$5,409.32	\$5,178.42	\$5,254.50	\$695.76	4.54	\$153.25
1972	\$391.26	\$371.24	\$376.69	\$53.69	4.81	\$11.16
1973	\$53.61	\$50.41	\$51.15	\$7.82	5.08	\$1.54
1974	\$2,025.24	\$1,886.60	\$1,914.31	\$313.45	5.36	\$58.48
1975	\$5,099.39	\$4,703.82	\$4,772.93	\$836.40	5.65	\$148.04
1976	\$413.45	\$377.61	\$383.16	\$71.64	5.94	\$12.06
1979	\$159.62	\$141.07	\$143.14	\$32.44	6.88	\$4.72
1980	\$2,280.45	\$1,991.03	\$2,020.28	\$488.22	7.22	\$67.62
1982	\$835.66	\$711.22	\$721.67	\$197.56	7.92	\$24.94
1985	\$376.17	\$306.56	\$311.06	\$102.73	9.07	\$11.33
1986	\$6,308.92	\$5,060.11	\$5,134.45	\$1,805.36	9.48	\$190.44
1988	\$11,113.18	\$8,609.54	\$8,736.02	\$3,488.48	10.35	\$337.05
1994	\$17,793.00	\$12,084.50	\$12,262.03	\$7,310.27	13.39	\$545.95
1995	\$7,450.00	\$4,924.02	\$4,996.36	\$3,198.64	13.97	\$228.96
1997	\$1,035.22	\$644.20	\$653.67	\$485.08	15.20	\$31.91
2001	\$8,019.09	\$4,294.57	\$4,357.66	\$4,463.34	17.96	\$248.52
	\$145,075.92	\$130,044.66	\$131,600.65	\$27,982.86		\$3,470.02

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37600-Mains**

Survivor Curve: R2  
Average Service Life: 65  
Net Salvage Percent: -30  
Remaining Life (Years): 54.36

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1953	\$356,693.80	\$340,428.56	\$434,727.27	\$28,974.67	17.28	\$1,676.77
1954	\$290,865.21	\$274,867.62	\$351,005.95	\$27,118.82	17.75	\$1,527.82
1955	\$133,996.41	\$125,367.04	\$160,093.71	\$14,101.62	18.22	\$773.96
1956	\$72,418.15	\$67,044.72	\$85,616.11	\$8,527.48	18.71	\$455.77
1957	\$135,982.48	\$124,559.95	\$159,063.06	\$17,714.17	19.20	\$922.61
1958	\$163,317.84	\$147,965.96	\$188,952.53	\$23,360.66	19.70	\$1,185.82
1959	\$627,525.77	\$562,137.58	\$717,849.69	\$97,933.81	20.21	\$4,845.81
1960	\$803,792.57	\$711,517.18	\$908,607.44	\$136,322.90	20.74	\$6,572.95
1961	\$1,343,231.07	\$1,174,789.89	\$1,500,206.69	\$245,993.70	21.27	\$11,565.29
1962	\$245,492.84	\$212,056.72	\$270,796.42	\$48,344.27	21.81	\$2,216.61
1963	\$212,666.65	\$181,362.12	\$231,599.43	\$44,867.22	22.36	\$2,006.58
1964	\$255,817.55	\$215,347.21	\$274,998.39	\$57,564.42	22.91	\$2,512.63
1965	\$2,002,179.99	\$1,662,610.26	\$2,123,153.30	\$479,680.69	23.48	\$20,429.33
1966	\$2,308,756.52	\$1,890,871.59	\$2,414,643.01	\$586,740.46	24.05	\$24,396.69
1967	\$1,082,348.48	\$873,671.69	\$1,115,678.75	\$291,374.28	24.64	\$11,825.25
1968	\$740,042.01	\$588,629.41	\$751,679.76	\$210,374.85	25.23	\$8,338.28
1969	\$1,012,054.43	\$792,843.44	\$1,012,461.07	\$303,209.69	25.83	\$11,738.66
1970	\$1,557,165.08	\$1,200,885.71	\$1,533,531.05	\$490,783.56	26.44	\$18,562.16
1971	\$1,662,488.32	\$1,261,496.14	\$1,610,930.56	\$550,304.25	27.06	\$20,336.45
1972	\$697,307.65	\$520,330.97	\$664,462.64	\$242,037.30	27.69	\$8,740.96
1973	\$642,032.04	\$470,994.70	\$601,460.24	\$233,181.42	28.32	\$8,233.81
1974	\$606,615.74	\$437,248.63	\$558,366.49	\$230,233.97	28.96	\$7,950.07
1975	\$621,939.49	\$440,208.77	\$562,146.60	\$246,374.74	29.61	\$8,320.66
1976	\$221,197.39	\$153,643.71	\$196,203.01	\$91,353.59	30.27	\$3,017.96
1977	\$290,620.33	\$197,970.57	\$252,808.42	\$124,998.01	30.94	\$4,040.01
1978	\$625,549.03	\$417,741.64	\$533,456.08	\$279,757.66	31.61	\$8,850.29
1979	\$628,235.77	\$410,991.84	\$524,836.58	\$291,869.92	32.29	\$9,039.02
1980	\$1,957,220.74	\$1,253,404.16	\$1,600,597.11	\$943,789.85	32.98	\$28,617.04
1981	\$1,669,289.30	\$1,045,976.68	\$1,335,712.21	\$834,363.88	33.67	\$24,780.63
1982	\$1,414,603.69	\$866,303.30	\$1,106,269.31	\$732,715.49	34.38	\$21,312.26
1983	\$1,168,210.41	\$698,823.47	\$892,397.57	\$626,275.97	35.09	\$17,847.70
1984	\$1,547,673.27	\$903,841.19	\$1,154,205.20	\$857,770.06	35.80	\$23,960.06
1985	\$1,823,799.68	\$1,038,471.54	\$1,326,128.15	\$1,044,811.43	36.53	\$28,601.46
1986	\$1,578,988.99	\$876,023.09	\$1,118,681.48	\$934,004.20	37.26	\$25,067.21
1987	\$1,555,752.82	\$840,417.67	\$1,073,213.37	\$949,265.30	37.99	\$24,987.24
1988	\$2,074,760.86	\$1,089,664.40	\$1,391,501.44	\$1,305,687.68	38.74	\$33,703.86
1989	\$2,360,664.03	\$1,204,410.79	\$1,538,032.57	\$1,530,830.67	39.49	\$38,765.02
1990	\$3,988,295.91	\$1,975,004.13	\$2,522,080.27	\$2,662,704.41	40.24	\$66,170.59
1991	\$6,855,239.64	\$3,289,143.98	\$4,200,236.85	\$4,711,574.68	41.01	\$114,888.43
1992	\$5,481,595.16	\$2,546,749.11	\$3,252,198.61	\$3,873,875.10	41.77	\$92,743.00
1993	\$2,379,557.27	\$1,068,421.21	\$1,364,373.89	\$1,729,050.56	42.55	\$40,635.74
1994	\$2,591,078.09	\$1,122,973.24	\$1,434,036.83	\$1,934,364.69	43.33	\$44,642.62
1995	\$3,649,995.26	\$1,524,238.02	\$1,946,451.95	\$2,798,541.89	44.12	\$63,430.23
1996	\$2,536,801.19	\$1,019,286.72	\$1,301,629.14	\$1,996,212.41	44.91	\$44,449.17
1997	\$3,274,348.00	\$1,263,243.46	\$1,613,161.89	\$2,643,490.51	45.71	\$57,831.78
1998	\$1,888,174.40	\$698,246.89	\$891,661.28	\$1,562,965.44	46.51	\$33,604.93
1999	\$537,787.73	\$190,161.74	\$242,836.54	\$456,287.51	47.32	\$9,642.59
2000	\$4,422,475.91	\$1,491,258.88	\$1,904,337.58	\$3,844,881.10	48.14	\$79,868.74
2001	\$3,996,863.83	\$1,282,193.92	\$1,637,361.63	\$3,558,561.35	48.96	\$72,683.03
2002	\$5,899,635.96	\$1,795,849.19	\$2,293,299.40	\$5,376,227.34	49.78	\$107,999.75
2003	\$7,385,697.40	\$2,125,603.71	\$2,714,395.93	\$6,887,010.69	50.61	\$136,080.04
2004	\$4,550,269.12	\$1,233,122.93	\$1,574,697.98	\$4,340,651.88	51.45	\$84,366.41
2005	\$6,503,889.24	\$1,653,288.64	\$2,111,249.59	\$6,343,806.42	52.29	\$121,319.69
2006	\$7,422,930.12	\$1,762,203.61	\$2,250,334.00	\$7,399,475.15	53.13	\$139,271.13



**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37600-Mains**

Survivor Curve: R2  
Average Service Life: 65  
Net Salvage Percent: -30  
Remaining Life (Years): 54.36

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2007	\$5,916,665.76	\$1,302,849.80	\$1,663,739.19	\$6,027,926.30	53.99	\$111,648.94
2008	\$8,104,154.31	\$1,646,764.16	\$2,102,917.82	\$8,432,482.78	54.84	\$153,765.19
2009	\$6,117,408.92	\$1,137,838.06	\$1,453,019.20	\$6,499,612.40	55.70	\$116,689.63
2010	\$5,486,113.79	\$924,958.78	\$1,181,172.37	\$5,950,775.56	56.57	\$105,193.13
2011	\$2,650,470.60	\$400,751.15	\$511,759.22	\$2,933,852.56	57.44	\$51,076.82
2012	\$6,720,534.71	\$899,207.54	\$1,148,288.03	\$7,588,407.09	58.31	\$130,139.03
2013	\$7,652,302.32	\$889,197.53	\$1,135,505.24	\$8,812,487.77	59.19	\$148,884.74
2014	\$9,801,862.58	\$966,463.65	\$1,234,174.08	\$11,508,247.28	60.07	\$191,580.61
2015	\$15,000,920.60	\$1,212,074.38	\$1,547,818.98	\$17,953,377.80	60.96	\$294,510.79
2016	\$14,864,701.30	\$936,476.18	\$1,195,880.08	\$18,128,231.61	61.85	\$293,099.95
2017	\$17,462,372.97	\$789,299.26	\$1,007,935.15	\$21,693,149.71	62.74	\$345,762.67
2018	\$33,837,035.47	\$920,367.36	\$1,175,309.12	\$42,812,836.99	63.64	\$672,734.71
2019	\$18,225,715.00	\$164,031.44	\$209,468.14	\$23,483,961.36	64.55	\$363,810.40
	\$261,696,188.96	\$63,506,188.64	\$81,097,402.66	\$259,107,642.99		\$4,766,249.22

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37800-Measuring & Reg Equipment**

Survivor Curve: S0.5  
Average Service Life: 35  
Net Salvage Percent: -15  
Remaining Life (Years): 25.61

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1959	\$848.63	\$884.75	\$645.18	\$330.75	3.27	\$101.15
1967	\$17,285.97	\$16,488.10	\$12,023.48	\$7,855.38	5.97	\$1,315.81
1972	\$3,438.06	\$3,080.55	\$2,246.41	\$1,707.36	7.73	\$220.88
1973	\$29,709.49	\$26,268.71	\$19,155.72	\$15,010.20	8.09	\$1,855.40
1974	\$26,708.97	\$23,299.76	\$16,990.70	\$13,724.62	8.45	\$1,624.22
1975	\$30,482.24	\$26,220.82	\$19,120.80	\$15,933.78	8.82	\$1,806.55
1976	\$36,006.00	\$30,534.63	\$22,266.52	\$19,140.38	9.19	\$2,082.74
1977	\$18,067.79	\$15,096.67	\$11,008.82	\$9,769.14	9.57	\$1,020.81
1978	\$117,587.45	\$96,782.87	\$70,576.19	\$64,649.38	9.95	\$6,497.42
1979	\$50,952.72	\$41,284.81	\$30,105.79	\$28,489.84	10.34	\$2,755.30
1980	\$116,240.23	\$92,694.94	\$67,595.18	\$66,081.08	10.73	\$6,158.54
1981	\$81,345.97	\$63,799.64	\$46,524.10	\$47,023.77	11.13	\$4,224.96
1982	\$122,503.00	\$94,428.81	\$68,859.56	\$72,018.89	11.54	\$6,240.81
1983	\$38,548.24	\$29,194.78	\$21,289.48	\$23,041.00	11.95	\$1,928.12
1984	\$29,327.76	\$21,806.87	\$15,902.04	\$17,824.88	12.37	\$1,440.98
1985	\$77,923.71	\$56,865.38	\$41,467.48	\$48,144.78	12.79	\$3,764.25
1986	\$33,505.16	\$23,977.25	\$17,484.74	\$21,046.20	13.22	\$1,592.00
1987	\$72,344.26	\$50,725.73	\$36,990.31	\$46,205.59	13.66	\$3,382.55
1988	\$135,129.12	\$92,750.70	\$67,635.84	\$87,762.65	14.11	\$6,219.89
1989	\$232,597.68	\$156,212.60	\$113,913.65	\$153,573.68	14.56	\$10,547.64
1990	\$179,788.37	\$118,028.50	\$86,068.97	\$120,687.66	15.02	\$8,035.13
1991	\$275,816.44	\$176,810.16	\$128,933.84	\$188,255.06	15.49	\$12,153.33
1992	\$593,476.98	\$370,889.20	\$270,460.53	\$412,037.99	15.98	\$25,784.61
1993	\$271,382.51	\$165,229.30	\$120,488.83	\$191,601.06	16.47	\$11,633.34
1994	\$132,742.08	\$78,638.30	\$57,344.78	\$95,308.62	16.97	\$5,616.30
1995	\$42,113.86	\$24,243.14	\$17,678.63	\$30,752.31	17.48	\$1,759.29
1996	\$120,176.23	\$67,127.01	\$48,950.49	\$89,252.18	18.00	\$4,958.45
1997	\$112,898.06	\$61,058.50	\$44,525.19	\$85,307.57	18.54	\$4,601.27
1998	\$221,139.88	\$115,602.45	\$84,299.84	\$170,011.02	19.09	\$8,905.76
1999	\$89,009.82	\$44,892.74	\$32,736.77	\$69,624.52	19.65	\$3,543.23
2000	\$84,484.38	\$41,028.03	\$29,918.54	\$67,238.50	20.22	\$3,325.35
2001	\$96,643.33	\$45,091.02	\$32,881.36	\$78,258.47	20.80	\$3,762.43
2002	\$204,066.52	\$91,121.53	\$66,447.82	\$168,228.68	21.41	\$7,857.48
2003	\$13,003.94	\$5,545.99	\$4,044.26	\$10,910.27	22.02	\$495.47
2004	\$3,308.54	\$1,342.56	\$979.02	\$2,825.80	22.65	\$124.76
2005	\$198,930.40	\$76,474.53	\$55,766.90	\$173,003.06	23.30	\$7,425.02
2006	\$553,872.92	\$200,731.46	\$146,377.78	\$490,576.08	23.97	\$20,466.25
2007	\$96,732.76	\$32,896.05	\$23,988.52	\$87,254.15	24.65	\$3,539.72
2008	\$103,803.36	\$32,913.08	\$24,000.94	\$95,372.92	25.35	\$3,762.25
2009	\$52,367.11	\$15,365.26	\$11,204.68	\$49,017.49	26.07	\$1,880.23
2010	\$315,164.69	\$84,810.82	\$61,845.91	\$300,593.49	26.81	\$11,211.99
2011	\$1,148,054.12	\$279,895.59	\$204,106.00	\$1,116,156.23	27.58	\$40,469.77
2012	\$1,687,801.50	\$368,230.06	\$268,521.44	\$1,672,450.29	28.36	\$58,972.15
2013	\$340,666.75	\$65,369.08	\$47,668.57	\$344,098.19	29.16	\$11,800.35
2014	\$1,024,913.93	\$168,715.47	\$123,031.02	\$1,055,620.00	29.99	\$35,199.07
2015	\$1,964,204.82	\$268,478.74	\$195,780.58	\$2,063,054.96	30.84	\$66,895.43
2016	\$780,144.70	\$84,077.31	\$61,311.02	\$835,855.39	31.72	\$26,351.05
2017	\$1,242,868.37	\$97,192.31	\$70,874.76	\$1,358,423.86	32.62	\$41,643.90
2018	\$1,610,237.38	\$76,716.31	\$55,943.21	\$1,795,829.77	33.55	\$53,526.97
2019	\$410,343.98	\$6,606.54	\$4,817.63	\$467,077.94	34.51	\$13,534.57
	\$15,240,710.18	\$4,227,519.41	\$3,082,799.83	\$14,444,016.88		\$564,014.90

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37900-City Gate Stations**

Survivor Curve: S2  
Average Service Life: 35  
Net Salvage Percent: -40  
Remaining Life (Years): 29.92

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1931	\$2,510.06	\$3,514.08	\$3,514.08	\$0.00	0.00	\$0.00
1942	\$1,255.03	\$1,757.04	\$1,757.04	\$0.00	0.00	\$0.00
1949	\$552.55	\$773.57	\$773.57	\$0.00	0.00	\$0.00
1950	\$702.48	\$983.47	\$983.47	\$0.00	0.00	\$0.00
1953	\$2,510.06	\$3,446.81	\$2,510.93	\$1,003.15	0.67	\$1,497.24
1954	\$2,529.67	\$3,457.55	\$2,518.76	\$1,022.78	0.83	\$1,232.27
1958	\$4,216.11	\$5,634.41	\$4,104.55	\$1,798.00	1.59	\$1,130.82
1959	\$3,372.89	\$4,480.55	\$3,263.99	\$1,458.06	1.79	\$814.56
1961	\$3,216.01	\$4,219.41	\$3,073.75	\$1,428.66	2.20	\$649.39
1965	\$6,808.04	\$8,692.51	\$6,332.31	\$3,198.94	3.08	\$1,038.62
1966	\$7,242.36	\$9,180.42	\$6,687.74	\$3,451.56	3.31	\$1,042.77
1967	\$6,847.83	\$8,617.31	\$6,277.53	\$3,309.43	3.54	\$934.87
1968	\$799.69	\$998.65	\$727.50	\$392.07	3.78	\$103.72
1969	\$3,524.17	\$4,365.88	\$3,180.46	\$1,753.38	4.03	\$435.19
1970	\$5,074.73	\$6,235.83	\$4,542.67	\$2,561.95	4.28	\$598.59
1971	\$4,930.69	\$6,007.55	\$4,376.38	\$2,526.59	4.54	\$556.52
1972	\$10,905.59	\$13,169.59	\$9,593.78	\$5,674.05	4.81	\$1,179.64
1973	\$4,480.98	\$5,362.84	\$3,906.72	\$2,366.66	5.08	\$465.88
1974	\$2,011.93	\$2,385.34	\$1,737.67	\$1,079.03	5.36	\$201.31
1975	\$4,431.75	\$5,202.87	\$3,790.19	\$2,414.26	5.65	\$427.30
1976	\$6,342.12	\$7,372.08	\$5,370.41	\$3,508.56	5.94	\$590.67
1977	\$3,305.57	\$3,801.41	\$2,769.25	\$1,858.55	6.25	\$297.37
1978	\$634.93	\$722.30	\$526.18	\$362.72	6.56	\$55.29
1979	\$3,740.99	\$4,207.87	\$3,065.34	\$2,172.04	6.88	\$315.70
1981	\$1,927.90	\$2,116.06	\$1,541.51	\$1,157.55	7.56	\$153.12
1982	\$6,360.45	\$6,889.64	\$5,018.96	\$3,885.67	7.92	\$490.61
1985	\$1,949.35	\$2,021.87	\$1,472.89	\$1,256.20	9.07	\$138.50
1987	\$21,255.70	\$21,332.22	\$15,540.08	\$14,217.90	9.91	\$1,434.70
1988	\$1,554.41	\$1,532.65	\$1,116.50	\$1,059.67	10.35	\$102.38
1989	\$5,490.75	\$5,312.85	\$3,870.30	\$3,816.75	10.81	\$353.08
1990	\$41,080.00	\$38,960.27	\$28,381.76	\$29,130.24	11.29	\$2,580.18
1991	\$161,241.31	\$149,760.93	\$109,097.75	\$116,640.08	11.78	\$9,901.53
1992	\$61,696.52	\$56,020.44	\$40,809.74	\$45,565.39	12.30	\$3,704.50
1993	\$93,438.01	\$82,860.83	\$60,362.41	\$70,450.81	12.83	\$5,491.10
1994	\$14,870.78	\$12,854.30	\$9,364.09	\$11,455.00	13.39	\$855.49
1995	\$41,323.00	\$34,760.91	\$25,322.61	\$32,529.59	13.97	\$2,328.53
1996	\$22,852.70	\$18,675.23	\$13,604.52	\$18,389.26	14.57	\$1,262.13
1997	\$212,834.52	\$168,564.94	\$122,796.09	\$175,172.24	15.20	\$11,524.49
1998	\$46,938.18	\$35,954.65	\$26,192.22	\$39,521.23	15.85	\$2,493.45
1999	\$52,662.29	\$38,906.90	\$28,342.88	\$45,384.33	16.53	\$2,745.57
2000	\$33,678.62	\$23,938.76	\$17,438.90	\$29,711.17	17.23	\$1,724.39
2001	\$246,076.71	\$167,725.89	\$122,184.85	\$222,322.54	17.96	\$12,378.76
2005	\$34,055.71	\$18,894.11	\$13,763.97	\$33,914.03	21.13	\$1,605.02
2006	\$120,324.53	\$62,616.89	\$45,615.11	\$122,839.23	21.99	\$5,586.14
2007	\$153,932.88	\$74,688.23	\$54,408.84	\$161,097.19	22.87	\$7,044.04
2008	\$90,257.48	\$40,543.66	\$29,535.22	\$96,825.25	23.77	\$4,073.42
2009	\$172,047.37	\$70,952.34	\$51,687.32	\$189,179.00	24.69	\$7,662.17
2010	\$407,350.32	\$152,674.90	\$111,220.52	\$459,069.93	25.63	\$17,911.43
2011	\$1,208,274.02	\$406,946.69	\$296,452.29	\$1,395,131.34	26.58	\$52,488.01
2012	\$621,528.49	\$185,215.49	\$134,925.67	\$735,214.21	27.55	\$26,686.54
2013	\$206,641.77	\$53,478.89	\$38,958.27	\$250,340.21	28.53	\$8,774.63
2014	\$1,818,477.96	\$399,337.76	\$290,909.34	\$2,254,959.81	29.51	\$76,413.41
2015	\$1,658,576.83	\$297,880.40	\$216,999.74	\$2,105,007.82	30.51	\$68,994.03
2016	\$2,687,715.40	\$376,280.16	\$274,112.35	\$3,488,689.21	31.50	\$110,752.04

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-37900-City Gate Stations**

Survivor Curve: S2  
Average Service Life: 35  
Net Salvage Percent: -40  
Remaining Life (Years): 29.92

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2017	\$3,674,963.82	\$367,496.38	\$267,713.55	\$4,877,235.80	32.50	\$150,068.79
2018	\$2,760,770.64	\$165,646.24	\$120,669.87	\$3,744,409.02	33.50	\$111,773.40
2019	\$4,425,223.16	\$88,504.46	\$64,473.68	\$6,130,838.74	34.50	\$177,705.47
	\$21,199,317.81	\$3,743,935.25	\$2,729,288.06	\$26,949,756.88		\$900,768.78

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38000-Services**

Survivor Curve: R2  
Average Service Life: 56  
Net Salvage Percent: -55  
Remaining Life (Years): 45.14

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1953	\$111,848.74	\$139,094.89	\$173,365.55	\$0.00	11.07	\$0.00
1954	\$95,863.29	\$118,233.67	\$148,588.10	\$0.00	11.44	\$0.00
1955	\$11,371.71	\$13,902.63	\$17,626.15	\$0.00	11.83	\$0.00
1956	\$22,842.33	\$27,679.60	\$35,405.61	\$0.00	12.22	\$0.00
1957	\$72,375.69	\$86,901.23	\$112,182.32	\$0.00	12.62	\$0.00
1958	\$110,593.99	\$131,504.15	\$171,420.68	\$0.00	13.04	\$0.00
1959	\$174,644.70	\$205,634.78	\$269,526.64	\$1,172.64	13.46	\$87.12
1960	\$160,897.70	\$187,533.45	\$245,801.14	\$3,590.30	13.89	\$258.48
1961	\$275,410.38	\$317,572.76	\$416,244.38	\$10,641.71	14.34	\$742.10
1962	\$147,784.83	\$168,568.39	\$220,943.53	\$8,122.96	14.79	\$549.22
1963	\$133,549.24	\$150,593.46	\$197,383.69	\$9,617.64	15.26	\$630.25
1964	\$173,159.78	\$193,006.67	\$252,974.92	\$15,422.74	15.73	\$980.47
1965	\$364,113.54	\$400,908.51	\$525,473.01	\$38,902.97	16.22	\$2,398.46
1966	\$292,663.60	\$318,269.05	\$417,157.01	\$36,471.57	16.71	\$2,182.62
1967	\$309,220.73	\$331,909.80	\$435,036.02	\$44,256.11	17.22	\$2,570.04
1968	\$218,802.47	\$231,707.91	\$303,700.84	\$35,442.99	17.74	\$1,997.91
1969	\$256,457.92	\$267,822.21	\$351,036.06	\$46,473.72	18.27	\$2,543.72
1970	\$194,784.91	\$200,504.98	\$262,802.99	\$39,113.62	18.81	\$2,079.41
1971	\$375,744.55	\$381,058.65	\$499,455.69	\$82,948.36	19.36	\$4,284.52
1972	\$321,153.09	\$320,717.24	\$420,365.86	\$77,421.43	19.92	\$3,886.62
1973	\$260,172.62	\$255,714.84	\$335,166.86	\$68,100.70	20.49	\$3,323.61
1974	\$289,930.78	\$280,308.70	\$367,402.17	\$81,990.54	21.07	\$3,891.34
1975	\$292,946.91	\$278,440.81	\$364,953.91	\$89,113.80	21.66	\$4,114.21
1976	\$217,959.87	\$203,547.27	\$266,790.54	\$71,047.26	22.26	\$3,191.70
1977	\$285,056.30	\$261,394.08	\$342,610.67	\$99,226.59	22.87	\$4,338.72
1978	\$596,548.25	\$536,792.22	\$703,576.55	\$221,073.24	23.49	\$9,411.38
1979	\$774,007.49	\$682,978.68	\$895,183.94	\$304,527.66	24.12	\$12,625.53
1980	\$1,619,209.83	\$1,400,096.04	\$1,835,113.65	\$674,661.59	24.76	\$27,248.04
1981	\$1,212,129.34	\$1,026,294.76	\$1,345,170.23	\$533,630.24	25.41	\$21,000.80
1982	\$1,422,133.05	\$1,178,516.58	\$1,544,688.22	\$659,618.01	26.06	\$25,311.51
1983	\$1,252,535.17	\$1,014,743.60	\$1,330,030.07	\$611,399.44	26.73	\$22,873.16
1984	\$1,385,632.36	\$1,096,492.95	\$1,437,179.39	\$710,550.77	27.41	\$25,923.05
1985	\$1,761,211.96	\$1,360,551.96	\$1,783,283.01	\$946,595.53	28.09	\$33,698.67
1986	\$1,684,860.21	\$1,269,391.73	\$1,663,798.79	\$947,734.54	28.78	\$32,930.32
1987	\$2,107,158.18	\$1,546,729.36	\$2,027,306.75	\$1,238,788.43	29.48	\$42,021.32
1988	\$2,179,471.95	\$1,556,979.73	\$2,040,741.97	\$1,337,439.55	30.19	\$44,300.75
1989	\$2,209,381.27	\$1,534,316.66	\$2,011,037.35	\$1,413,503.61	30.91	\$45,729.65
1990	\$3,550,083.81	\$2,394,626.62	\$3,138,650.39	\$2,363,979.51	31.63	\$74,738.52
1991	\$3,755,544.58	\$2,457,333.29	\$3,220,840.38	\$2,600,253.72	32.36	\$80,353.95
1992	\$3,753,928.06	\$2,379,387.08	\$3,118,675.84	\$2,699,912.65	33.10	\$81,568.36
1993	\$2,524,007.47	\$1,547,419.40	\$2,028,211.19	\$1,884,000.39	33.85	\$55,657.32
1994	\$2,915,900.81	\$1,726,343.45	\$2,262,727.94	\$2,256,918.32	34.61	\$65,210.01
1995	\$3,280,187.35	\$1,873,016.26	\$2,454,972.81	\$2,629,317.59	35.37	\$74,337.51
1996	\$2,894,857.71	\$1,591,292.94	\$2,085,716.49	\$2,401,312.96	36.14	\$66,444.74
1997	\$3,846,908.24	\$2,031,579.72	\$2,662,802.81	\$3,299,904.97	36.92	\$89,379.87
1998	\$446,108.72	\$225,962.03	\$296,169.69	\$395,298.83	37.70	\$10,485.38
1999	\$2,579,078.41	\$1,249,954.96	\$1,638,322.89	\$2,359,248.64	38.49	\$61,295.11
2000	\$2,794,739.94	\$1,292,592.18	\$1,694,207.73	\$2,637,639.17	39.29	\$67,132.58
2001	\$4,027,050.32	\$1,773,376.33	\$2,324,374.19	\$3,917,553.81	40.09	\$97,718.98
2002	\$3,406,839.04	\$1,423,876.21	\$1,866,282.44	\$3,414,318.07	40.90	\$83,479.66
2003	\$3,718,250.49	\$1,469,638.51	\$1,926,263.34	\$3,837,024.92	41.72	\$91,970.88
2004	\$3,764,282.98	\$1,402,397.07	\$1,838,129.62	\$3,996,509.00	42.54	\$93,947.09
2005	\$3,227,143.01	\$1,128,145.81	\$1,478,666.96	\$3,523,404.70	43.37	\$81,240.60
2006	\$4,616,480.31	\$1,507,775.44	\$1,976,249.64	\$5,179,294.84	44.20	\$117,178.62

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38000-Services**

Survivor Curve: R2  
Average Service Life: 56  
Net Salvage Percent: -55  
Remaining Life (Years): 45.14

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2007	\$5,152,642.63	\$1,563,090.95	\$2,048,751.97	\$5,937,844.10	45.04	\$131,834.90
2008	\$4,523,674.10	\$1,265,861.34	\$1,659,171.48	\$5,352,523.38	45.89	\$116,638.12
2009	\$3,698,179.97	\$947,856.73	\$1,242,361.08	\$4,489,817.88	46.74	\$96,059.43
2010	\$4,126,752.04	\$959,469.85	\$1,257,582.45	\$5,138,883.21	47.60	\$107,959.73
2011	\$5,947,667.95	\$1,241,257.06	\$1,626,922.51	\$7,591,962.81	48.46	\$156,664.52
2012	\$7,431,508.21	\$1,371,975.85	\$1,798,256.36	\$9,720,581.37	49.33	\$197,052.13
2013	\$6,681,845.43	\$1,072,674.83	\$1,405,960.85	\$8,950,899.57	50.20	\$178,304.77
2014	\$7,359,174.37	\$1,002,161.85	\$1,313,539.10	\$10,093,181.18	51.08	\$197,595.56
2015	\$6,482,510.87	\$723,089.36	\$947,757.23	\$9,100,134.61	51.97	\$175,103.61
2016	\$8,901,203.03	\$776,073.64	\$1,017,204.02	\$12,779,660.67	52.85	\$241,810.04
2017	\$10,060,563.03	\$626,539.53	\$821,208.83	\$14,772,663.86	53.75	\$274,840.26
2018	\$29,615.34	\$1,114.81	\$1,461.18	\$44,442.59	54.64	\$813.37
2019	\$22,921,988.69	\$285,501.56	\$374,208.47	\$35,154,874.00	55.55	\$632,851.02
	\$171,792,345.64	\$58,987,798.71	\$77,296,174.16	\$188,981,961.60		\$4,186,791.31

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38100-Meters**

Survivor Curve: S1  
Average Service Life: 39  
Net Salvage Percent: -1  
Remaining Life (Years): 28.54

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1905	\$909,079.71	\$918,170.51	\$918,170.51	\$0.00	0.00	\$0.00
1966	\$128,122.87	\$105,680.01	\$91,916.56	\$37,487.54	7.15	\$5,243.01
1967	\$171,872.83	\$140,297.59	\$122,025.64	\$51,565.91	7.48	\$6,893.84
1968	\$231,160.20	\$186,657.71	\$162,347.96	\$71,123.84	7.82	\$9,095.12
1969	\$66,045.21	\$52,731.68	\$45,864.06	\$20,841.60	8.17	\$2,550.99
1970	\$96,248.24	\$75,998.84	\$66,100.98	\$31,109.74	8.51	\$3,655.67
1971	\$111,741.97	\$87,191.11	\$75,835.60	\$37,023.79	8.87	\$4,174.05
1972	\$105,878.56	\$81,628.84	\$70,997.74	\$35,939.60	9.23	\$3,893.78
1973	\$171,147.36	\$130,353.29	\$113,376.46	\$59,482.37	9.59	\$6,202.54
1974	\$236,704.93	\$178,016.67	\$154,832.31	\$84,239.67	9.96	\$8,457.80
1975	\$121,409.95	\$90,112.96	\$78,376.91	\$44,247.14	10.34	\$4,279.22
1976	\$90,522.36	\$66,296.72	\$57,662.43	\$33,765.15	10.72	\$3,149.73
1977	\$115,387.96	\$83,342.36	\$72,488.09	\$44,053.75	11.11	\$3,965.23
1978	\$203,022.50	\$144,588.46	\$125,757.69	\$79,295.04	11.50	\$6,895.22
1979	\$317,081.39	\$222,534.22	\$193,552.02	\$126,700.18	11.90	\$10,647.07
1980	\$480,529.41	\$332,143.16	\$288,885.82	\$196,448.89	12.31	\$15,958.48
1981	\$372,363.48	\$253,328.42	\$220,335.68	\$155,751.44	12.73	\$12,234.99
1982	\$203,149.03	\$135,945.25	\$118,240.14	\$86,940.38	13.16	\$6,606.41
1983	\$168,739.20	\$111,039.48	\$96,578.03	\$73,848.57	13.59	\$5,434.04
1984	\$292,755.68	\$189,313.09	\$164,657.51	\$131,025.73	14.03	\$9,338.97
1985	\$248,114.59	\$157,554.04	\$137,034.66	\$113,561.07	14.48	\$7,842.62
1986	\$247,852.63	\$154,435.07	\$134,321.90	\$116,009.26	14.94	\$7,765.01
1987	\$284,198.52	\$173,622.71	\$151,010.60	\$136,029.91	15.41	\$8,827.38
1988	\$447,860.22	\$268,039.75	\$233,131.04	\$219,207.78	15.89	\$13,795.33
1989	\$542,112.90	\$317,569.74	\$276,210.39	\$271,323.64	16.38	\$16,564.32
1990	\$677,965.08	\$388,373.17	\$337,792.59	\$346,952.14	16.88	\$20,554.04
1991	\$1,311,630.25	\$733,705.78	\$638,150.11	\$686,596.44	17.40	\$39,459.57
1992	\$756,193.46	\$412,819.58	\$359,055.18	\$404,700.21	17.92	\$22,583.72
1993	\$408,300.29	\$217,188.53	\$188,902.54	\$223,480.75	18.46	\$12,106.22
1994	\$670,520.57	\$347,121.62	\$301,913.53	\$375,312.25	19.01	\$19,742.89
1995	\$580,681.13	\$292,191.30	\$254,137.17	\$332,350.77	19.57	\$16,982.67
1996	\$608,749.79	\$297,171.36	\$258,468.64	\$356,368.65	20.15	\$17,685.79
1997	\$795,189.92	\$375,829.18	\$326,882.30	\$476,259.52	20.75	\$22,952.27
1998	\$670,176.06	\$306,330.60	\$266,435.01	\$410,442.81	21.35	\$19,224.49
1999	\$817,654.75	\$360,401.25	\$313,463.65	\$512,367.64	21.98	\$23,310.63
2000	\$174,519.85	\$74,031.32	\$64,389.70	\$111,875.35	22.62	\$4,945.86
2001	\$566,151.49	\$230,484.63	\$200,466.99	\$371,346.01	23.28	\$15,951.29
2002	\$1,098,563.80	\$427,887.78	\$372,160.94	\$737,388.49	23.96	\$30,775.81
2003	\$1,009,175.16	\$375,037.95	\$326,194.12	\$693,072.79	24.65	\$28,116.54
2004	\$1,016,751.89	\$358,895.17	\$312,153.72	\$714,765.69	25.37	\$28,173.66
2005	\$1,002,741.89	\$334,992.93	\$291,364.44	\$721,404.87	26.10	\$27,640.03
2006	\$1,788,304.01	\$562,696.73	\$489,412.78	\$1,316,774.27	26.85	\$49,041.87
2007	\$1,534,241.41	\$451,763.28	\$392,926.97	\$1,156,656.85	27.63	\$41,862.35
2008	\$1,194,570.48	\$327,306.19	\$284,678.80	\$921,837.39	28.42	\$32,436.22
2009	\$1,770,498.69	\$447,509.43	\$389,227.13	\$1,398,976.55	29.24	\$47,844.62
2010	\$2,015,973.73	\$465,700.27	\$405,048.84	\$1,631,084.62	30.08	\$54,224.89
2011	\$1,851,602.82	\$386,491.23	\$336,155.75	\$1,533,963.09	30.94	\$49,578.64
2012	\$1,184,551.24	\$220,259.71	\$191,573.74	\$1,004,823.02	31.82	\$31,578.35
2013	\$1,708,583.68	\$277,877.04	\$241,687.16	\$1,483,982.36	32.72	\$45,353.98
2014	\$3,075,671.18	\$426,934.71	\$371,331.99	\$2,735,095.90	33.64	\$81,304.87
2015	\$2,726,827.98	\$312,130.91	\$271,479.90	\$2,482,616.36	34.58	\$71,793.42
2016	\$3,966,457.02	\$355,414.89	\$309,126.71	\$3,696,994.89	35.54	\$104,023.49

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38100-Meters**

Survivor Curve: S1  
Average Service Life: 39  
Net Salvage Percent: -1  
Remaining Life (Years): 28.54

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2017	\$3,943,312.65	\$253,261.78	\$220,277.72	\$3,762,468.06	36.52	\$103,024.86
2018	\$4,551,624.16	\$176,813.09	\$153,785.48	\$4,443,354.92	37.50	\$118,489.46
2019	\$6,316,545.83	\$81,791.17	\$71,138.93	\$6,308,572.36	38.50	\$163,859.02
	\$56,156,831.96	\$14,935,004.26	\$13,109,493.26	\$43,608,907.02		\$1,528,092.34



**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38101-AMI Devices**

Survivor Curve: S2.5  
Average Service Life: 15  
Net Salvage Percent: 0  
Remaining Life (Years): 8.58

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2011	\$0.00	\$0.00	\$0.00	\$0.00	7.03	\$0.00
2012	\$334,935.06	\$160,098.96	\$169,863.90	\$165,071.16	7.83	\$21,081.88
2013	\$4,603.25	\$1,936.43	\$2,054.54	\$2,548.71	8.69	\$293.29
2018	\$10,988.41	\$1,098.84	\$1,165.86	\$9,822.55	13.50	\$727.60
2019	\$30,913.59	\$1,030.45	\$1,093.30	\$29,820.29	14.50	\$2,056.57
	\$381,440.31	\$164,164.69	\$174,177.61	\$207,262.70		\$24,159.34

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38300-House Regulators**

Survivor Curve: R3  
Average Service Life: 48  
Net Salvage Percent: -5  
Remaining Life (Years): 32.22

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1953	\$333,997.10	\$324,321.62	\$350,696.96	\$0.00	3.61	\$0.00
1965	\$1,263.36	\$1,131.97	\$1,326.53	\$0.00	7.04	\$0.00
1966	\$46,755.13	\$41,534.63	\$49,092.89	\$0.00	7.39	\$0.00
1967	\$14,286.95	\$12,572.96	\$15,001.30	\$0.00	7.77	\$0.00
1968	\$15,170.86	\$13,221.40	\$15,929.40	\$0.00	8.16	\$0.00
1969	\$21,922.25	\$18,908.63	\$23,018.36	\$0.00	8.57	\$0.00
1970	\$15,408.42	\$13,145.31	\$16,178.84	\$0.00	9.00	\$0.00
1971	\$24,481.35	\$20,644.66	\$25,705.42	\$0.00	9.45	\$0.00
1972	\$28,840.10	\$24,023.80	\$30,282.11	\$0.00	9.92	\$0.00
1973	\$35,961.38	\$29,570.37	\$37,759.45	\$0.00	10.41	\$0.00
1974	\$45,374.28	\$36,804.21	\$47,642.99	\$0.00	10.92	\$0.00
1975	\$25,065.75	\$20,040.85	\$26,319.04	\$0.00	11.45	\$0.00
1976	\$17,619.39	\$13,875.27	\$18,500.36	\$0.00	12.00	\$0.00
1977	\$27,367.89	\$21,210.97	\$28,736.28	\$0.00	12.57	\$0.00
1978	\$80,780.11	\$61,582.21	\$83,890.89	\$928.22	13.15	\$70.59
1979	\$92,901.44	\$69,583.18	\$94,790.28	\$2,756.24	13.76	\$200.31
1980	\$188,203.81	\$138,412.14	\$188,553.11	\$9,060.89	14.38	\$630.10
1981	\$137,717.28	\$99,354.41	\$135,346.39	\$9,256.76	15.02	\$616.30
1982	\$198,230.31	\$140,192.19	\$190,978.00	\$17,163.82	15.67	\$1,095.33
1983	\$151,872.24	\$105,181.02	\$143,283.74	\$16,182.12	16.34	\$990.34
1984	\$175,377.23	\$118,850.96	\$161,905.72	\$22,240.37	17.02	\$1,306.72
1985	\$189,830.82	\$125,739.19	\$171,289.28	\$28,033.08	17.72	\$1,582.00
1986	\$274,157.49	\$177,277.09	\$241,497.22	\$46,368.15	18.44	\$2,514.54
1987	\$338,121.51	\$213,312.41	\$290,586.64	\$64,440.95	19.16	\$3,363.31
1988	\$326,882.16	\$200,930.38	\$273,719.11	\$69,507.15	19.90	\$3,492.82
1989	\$339,102.95	\$202,804.76	\$276,272.50	\$79,785.59	20.66	\$3,861.84
1990	\$404,407.96	\$235,137.95	\$320,318.67	\$104,309.68	21.42	\$4,869.73
1991	\$524,631.41	\$296,203.62	\$403,505.89	\$147,357.09	22.19	\$6,640.70
1992	\$488,174.66	\$267,184.09	\$363,973.80	\$148,609.59	22.98	\$6,466.91
1993	\$361,685.21	\$191,625.35	\$261,043.25	\$118,726.22	23.78	\$4,992.69
1994	\$470,860.97	\$241,124.96	\$328,474.52	\$165,929.49	24.59	\$6,747.84
1995	\$267,499.43	\$132,186.52	\$180,072.20	\$100,802.20	25.41	\$3,967.03
1996	\$284,407.70	\$135,378.07	\$184,419.92	\$114,208.17	26.24	\$4,352.45
1997	\$493,080.61	\$225,646.01	\$307,388.20	\$210,346.44	27.08	\$7,767.59
1998	\$732,375.59	\$321,535.77	\$438,014.83	\$330,979.54	27.93	\$11,850.32
1999	\$860,211.75	\$361,477.11	\$492,425.26	\$410,797.08	28.79	\$14,268.74
2000	\$876,101.44	\$351,672.59	\$479,068.98	\$440,837.54	29.65	\$14,868.05
2001	\$1,476,337.41	\$564,191.57	\$768,574.75	\$781,579.53	30.53	\$25,600.38
2002	\$1,220,586.82	\$442,691.58	\$603,060.37	\$678,555.79	31.42	\$21,596.30
2003	\$1,208,825.34	\$414,627.09	\$564,829.28	\$704,437.33	32.32	\$21,795.71
2004	\$1,852,782.82	\$599,027.85	\$816,030.77	\$1,129,391.19	33.22	\$33,997.33
2005	\$1,462,661.40	\$443,780.61	\$604,543.90	\$931,250.57	34.13	\$27,285.40
2006	\$507,361.85	\$143,726.10	\$195,792.10	\$336,937.84	35.05	\$9,613.06
2007	\$154,459.43	\$40,646.96	\$55,371.67	\$106,810.73	35.97	\$2,969.44
2008	\$164,637.28	\$39,939.98	\$54,408.57	\$118,460.57	36.91	\$3,209.44
2009	\$234,872.37	\$52,149.01	\$71,040.43	\$175,575.56	37.85	\$4,638.72
2010	\$212,164.74	\$42,744.56	\$58,229.15	\$164,543.83	38.79	\$4,241.91
2011	\$188,434.61	\$34,047.78	\$46,381.88	\$151,474.46	39.74	\$3,811.64
2012	\$259,600.22	\$41,454.91	\$56,472.30	\$216,107.93	40.70	\$5,309.78
2013	\$256,338.50	\$35,550.95	\$48,429.58	\$220,725.85	41.66	\$5,298.27
2014	\$309,540.46	\$36,361.33	\$49,533.53	\$275,483.95	42.63	\$6,462.21
2015	\$268,886.27	\$25,880.30	\$35,255.66	\$247,074.92	43.60	\$5,666.86
2016	\$432,810.51	\$32,474.31	\$44,238.41	\$410,212.63	44.57	\$9,203.78
2017	\$525,822.15	\$28,180.78	\$38,389.51	\$513,723.75	45.55	\$11,278.24

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38300-House Regulators**

Survivor Curve: R3  
Average Service Life: 48  
Net Salvage Percent: -5  
Remaining Life (Years): 32.22

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2018	\$0.00	\$0.00	\$0.00	\$0.00	46.53	\$0.00
2019	\$356,975.92	\$3,826.34	\$5,212.46	\$369,612.26	47.51	\$7,779.67
	\$20,003,226.39	\$8,024,700.62	\$10,812,802.66	\$10,190,585.06		\$316,274.38

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-38500-Industrial Meas & Reg Eq**

Survivor Curve: S1  
Average Service Life: 40  
Net Salvage Percent: -10  
Remaining Life (Years): 29.07

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1960	\$26,744.18	\$25,123.48	\$26,255.99	\$3,162.60	5.84	\$541.54
1965	\$1,221.00	\$1,092.61	\$1,141.86	\$201.24	7.46	\$26.98
1966	\$1,251.91	\$1,108.91	\$1,158.90	\$218.20	7.79	\$28.01
1967	\$3,313.93	\$2,904.41	\$3,035.34	\$609.99	8.13	\$75.03
1968	\$13,408.70	\$11,622.66	\$12,146.59	\$2,602.98	8.48	\$306.96
1969	\$5,097.26	\$4,369.24	\$4,566.20	\$1,040.79	8.83	\$117.87
1970	\$8,622.98	\$7,308.41	\$7,637.85	\$1,847.42	9.18	\$201.24
1971	\$21,680.29	\$18,160.49	\$18,979.13	\$4,869.19	9.54	\$510.40
1972	\$668.26	\$552.97	\$577.90	\$157.19	9.91	\$15.86
1973	\$217.43	\$177.71	\$185.72	\$53.46	10.28	\$5.20
1974	\$3,081.40	\$2,486.23	\$2,598.30	\$791.24	10.66	\$74.23
1975	\$7,267.44	\$5,787.79	\$6,048.69	\$1,945.49	11.04	\$176.22
1978	\$5.03	\$3.84	\$4.01	\$1.52	12.23	\$0.12
1979	\$22,769.00	\$17,137.66	\$17,910.19	\$7,135.71	12.63	\$564.98
1980	\$105,174.41	\$77,947.38	\$81,461.08	\$34,230.77	13.05	\$2,623.05
1982	\$12,616.28	\$9,051.87	\$9,459.90	\$4,418.00	13.91	\$317.61
1983	\$25,697.68	\$18,126.50	\$18,943.60	\$9,323.84	14.35	\$649.75
1985	\$199,796.54	\$135,931.58	\$142,059.08	\$77,717.12	15.26	\$5,092.86
1986	\$257,267.46	\$171,706.73	\$179,446.90	\$103,547.30	15.73	\$6,582.79
1989	\$51,482.56	\$32,293.72	\$33,749.45	\$22,881.36	17.19	\$1,331.09
1990	\$58,648.26	\$35,966.05	\$37,587.32	\$26,925.77	17.70	\$1,521.23
1991	\$32,906.98	\$19,709.64	\$20,598.10	\$15,599.57	18.22	\$856.18
1995	\$17,558.14	\$9,444.52	\$9,870.26	\$9,443.69	20.44	\$462.02
1996	\$22,020.35	\$11,493.52	\$12,011.62	\$12,210.76	21.02	\$580.91
1998	\$61,846.22	\$30,205.69	\$31,567.30	\$36,463.54	22.24	\$1,639.55
1999	\$17,674.42	\$8,321.12	\$8,696.21	\$10,745.65	22.88	\$469.65
2000	\$17,848.84	\$8,084.19	\$8,448.60	\$11,185.12	23.53	\$475.36
2004	\$111,686.02	\$42,077.71	\$43,974.48	\$78,880.14	26.30	\$2,999.24
2006	\$21,860.95	\$7,328.34	\$7,658.68	\$16,388.36	27.81	\$589.30
2007	\$11,906.80	\$3,736.06	\$3,904.47	\$9,193.01	28.59	\$321.55
2009	\$5,671.00	\$1,526.77	\$1,595.60	\$4,642.50	30.21	\$153.67
2010	\$0.00	\$0.00	\$0.00	\$0.00	31.06	\$0.00
2011	\$48,462.60	\$10,768.39	\$11,253.81	\$42,055.05	31.92	\$1,317.51
2012	\$25,903.55	\$5,121.78	\$5,352.66	\$23,141.25	32.81	\$705.31
2013	\$85,310.49	\$14,756.58	\$15,421.78	\$78,419.76	33.71	\$2,326.31
2014	\$392,301.10	\$57,825.18	\$60,431.82	\$371,099.39	34.64	\$10,713.03
2015	\$284,700.60	\$34,605.36	\$36,165.29	\$277,005.37	35.58	\$7,785.42
2016	\$250,288.67	\$23,814.97	\$24,888.49	\$250,429.04	36.54	\$6,853.56
2017	\$458,624.76	\$31,278.21	\$32,688.16	\$471,799.07	37.52	\$12,574.60
2018	\$225,783.76	\$9,313.58	\$9,733.42	\$238,628.72	38.50	\$6,198.15
	\$2,918,387.25	\$908,271.84	\$949,214.77	\$2,261,011.21		\$77,784.34

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39000-Struct & Impr Minor**

Survivor Curve: 50  
Average Service Life: 45  
Net Salvage Percent: -10  
Remaining Life (Years): 36.40

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1965	\$25,877.53	\$19,748.58	\$13,823.36	\$14,641.92	13.78	\$1,062.55
1968	\$35,294.41	\$25,839.43	\$18,086.76	\$20,737.09	15.05	\$1,377.88
1974	\$20,757.30	\$13,867.26	\$9,706.63	\$13,126.40	17.67	\$742.86
1977	\$1,325.06	\$841.50	\$589.02	\$868.54	19.02	\$45.66
1979	\$18,100.79	\$11,088.14	\$7,761.34	\$12,149.53	19.94	\$609.30
1981	\$76,997.24	\$45,416.39	\$31,789.99	\$52,906.97	20.87	\$2,535.07
1982	\$395.13	\$228.43	\$159.89	\$274.75	21.35	\$12.87
1983	\$1,015.25	\$575.26	\$402.67	\$714.11	21.82	\$32.73
1985	\$1,224.30	\$664.69	\$465.26	\$881.47	22.79	\$38.68
1986	\$1,050.71	\$557.86	\$390.48	\$765.30	23.28	\$32.87
1987	\$125,432.44	\$65,063.20	\$45,542.12	\$92,433.57	23.78	\$3,887.03
1988	\$138,030.57	\$69,910.95	\$48,935.39	\$102,898.24	24.28	\$4,237.98
1989	\$187,791.33	\$92,818.99	\$64,970.27	\$141,600.19	24.78	\$5,714.29
1990	\$114,869.14	\$55,315.87	\$38,719.31	\$87,636.75	25.30	\$3,463.90
1991	\$144,521.55	\$67,793.45	\$47,453.21	\$111,520.50	25.81	\$4,320.83
1992	\$336,563.51	\$153,517.84	\$107,457.48	\$262,762.38	26.34	\$9,975.79
1993	\$109,693.54	\$48,613.74	\$34,028.03	\$86,634.86	26.87	\$3,224.22
1994	\$68,701.57	\$29,556.94	\$20,688.90	\$54,882.83	27.40	\$2,003.02
1995	\$1,350.36	\$562.80	\$393.94	\$1,091.45	27.95	\$39.05
1997	\$40,942.63	\$15,963.08	\$11,173.63	\$33,863.26	29.05	\$1,165.69
1998	\$13,140.15	\$4,940.11	\$3,457.92	\$10,996.25	29.62	\$371.24
2003	\$3,241.68	\$984.17	\$688.89	\$2,876.96	32.58	\$88.30
2004	\$2,917.60	\$841.57	\$589.07	\$2,620.29	33.20	\$78.92
2005	\$137,574.24	\$37,530.25	\$26,269.95	\$125,061.71	33.84	\$3,695.68
2006	\$154,651.23	\$39,769.42	\$27,837.30	\$142,279.05	34.48	\$4,126.42
2007	\$299,382.04	\$72,157.72	\$50,508.05	\$278,812.19	35.14	\$7,934.33
2008	\$11,330.89	\$2,545.42	\$1,781.71	\$10,682.27	35.81	\$298.30
2009	\$249,655.92	\$51,872.95	\$36,309.37	\$238,312.14	36.50	\$6,529.10
2010	\$64,275.59	\$12,255.21	\$8,578.25	\$62,124.90	37.20	\$1,670.02
2011	\$221,957.08	\$38,413.37	\$26,888.11	\$217,264.68	37.92	\$5,729.55
2012	\$495,805.70	\$76,838.87	\$53,784.70	\$491,601.57	38.66	\$12,716.03
2013	\$592,852.34	\$80,865.06	\$56,602.90	\$595,534.67	39.42	\$15,107.42
2014	\$214,904.15	\$25,267.95	\$17,686.74	\$218,707.82	40.19	\$5,441.85
2015	\$321,010.22	\$31,387.67	\$21,970.34	\$331,140.90	41.00	\$8,076.61
2016	\$519,310.19	\$40,240.77	\$28,167.23	\$543,073.98	41.83	\$12,982.88
2017	\$129,026.98	\$7,317.26	\$5,121.85	\$136,807.83	42.68	\$3,205.43
2018	\$867,954.16	\$30,127.65	\$21,088.37	\$933,661.20	43.58	\$21,424.08
2019	\$860,251.44	\$10,303.90	\$7,212.39	\$939,064.19	44.51	\$21,097.82
	\$6,609,175.96	\$1,281,603.75	\$897,080.83	\$6,373,012.73		\$175,096.29

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39000-Struct & Impr Albert Lea**

Survivor Curve: R2.5  
Average Service Life: 75  
Probable Retirement Year: 6-2072  
Net Salvage Percent: -10  
Remaining Life (Years): 49.16

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2017	\$1,341,303.77	\$68,681.00	\$55,533.14	\$1,419,901.01	49.16	\$28,883.26
2019	\$3,830.09	\$40.00	\$32.34	\$4,180.76	49.46	\$84.53
	\$1,345,133.86	\$68,721.00	\$55,565.48	\$1,424,081.77		\$28,967.79

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39000-Struct & Impr Cloquet**

Survivor Curve: R2.5  
Average Service Life: 75  
Probable Retirement Year: 6-2035  
Net Salvage Percent: -10  
Remaining Life (Years): 15.04

Year	Original Cost	Calculated Accrued	Allocated Book	Future Book	Remaining Life	Annual Accrual
			Reserve	Accruals		
1980	\$354,371.22	\$278,900.00	\$191,772.55	\$198,035.79	14.67	\$13,499.37
1981	\$17,828.15	\$13,928.00	\$9,576.94	\$10,034.03	14.71	\$682.12
1982	\$592,235.97	\$459,181.00	\$315,734.36	\$335,725.21	14.74	\$22,776.47
1983	\$25,595.46	\$19,683.00	\$13,534.10	\$14,620.91	14.78	\$989.24
1987	\$38,337.96	\$28,437.00	\$19,553.37	\$22,618.38	14.90	\$1,518.01
1988	\$51,975.00	\$38,170.00	\$26,245.82	\$30,926.68	14.92	\$2,072.83
1989	\$190.54	\$138.00	\$94.89	\$114.70	14.95	\$7.67
1990	\$1,166.00	\$837.00	\$575.52	\$707.08	14.98	\$47.20
1991	\$18,878.60	\$13,397.00	\$9,211.82	\$11,554.64	15.00	\$770.31
1992	\$1,334,601.49	\$935,185.00	\$643,036.26	\$825,025.38	15.02	\$54,928.45
1993	\$1,979.96	\$1,369.00	\$941.33	\$1,236.63	15.04	\$82.22
1998	\$8,835.43	\$5,626.00	\$3,868.46	\$5,850.52	15.14	\$386.43
2002	\$8,294.34	\$4,818.00	\$3,312.87	\$5,810.90	15.21	\$382.04
2005	\$51,121.59	\$27,075.00	\$18,616.86	\$37,616.89	15.25	\$2,466.68
2008	\$9,965.00	\$4,653.00	\$3,199.42	\$7,762.08	15.28	\$507.99
2010	\$31,440.54	\$13,087.00	\$8,998.66	\$25,585.93	15.31	\$1,671.19
2011	\$5,793.24	\$2,248.00	\$1,545.73	\$4,826.83	15.32	\$315.07
2012	\$86,185.75	\$30,780.00	\$21,164.43	\$73,639.90	15.33	\$4,803.65
2013	\$67,748.88	\$21,949.00	\$15,092.20	\$59,431.56	15.33	\$3,876.81
2014	\$115,524.16	\$33,177.00	\$22,812.61	\$104,263.96	15.34	\$6,796.87
2015	\$38,670.24	\$9,544.00	\$6,562.49	\$35,974.78	15.35	\$2,343.63
2017	\$5,157.20	\$783.00	\$538.39	\$5,134.53	15.37	\$334.06
2018	\$308,620.39	\$30,000.00	\$20,628.10	\$318,854.33	15.37	\$20,745.24
	\$3,174,517.11	\$1,972,965.00	\$1,356,617.18	\$2,135,351.64		\$142,003.58

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39000-Struct & Impr Rochester**

Survivor Curve: R2.5  
Average Service Life: 75  
Probable Retirement Year: 6-2063  
Net Salvage Percent: -10  
Remaining Life (Years): 40.66

Year	Original Cost	Calculated Accrued	Allocated Book	Future Book	Remaining Life	Annual Accrual
			Reserve	Accruals		
2008	\$3,193,360.22	\$747,361.00	\$515,895.33	\$2,996,800.91	40.59	\$73,831.02
2012	\$14,421.85	\$2,365.00	\$1,632.53	\$14,231.50	41.09	\$346.35
2014	\$33,734.52	\$4,212.00	\$2,907.50	\$34,200.47	41.31	\$827.90
2019	\$164,241.23	\$2,094.00	\$1,445.47	\$179,219.89	41.78	\$4,289.61
	\$3,405,757.82	\$756,032.00	\$521,880.83	\$3,224,452.77		\$79,294.87



**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39000-Struct & Impr Rosemount**

Survivor Curve: R2.5  
Average Service Life: 75  
Probable Retirement Year: 6-2072  
Net Salvage Percent: -10  
Remaining Life (Years): 49.17

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2017	\$6,933,727.61	\$355,042.00	\$278,430.94	\$7,348,669.43	49.16	\$149,484.73
2018	\$368,878.05	\$11,593.00	\$9,091.46	\$396,674.40	49.31	\$8,044.50
	\$7,302,605.66	\$366,635.00	\$287,522.40	\$7,745,343.83		\$157,529.23

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39216-Vehicles**

Survivor Curve: S3  
Average Service Life: 8  
Net Salvage Percent: 20  
Remaining Life (Years): 4.30

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
2007	\$33,218.81	\$25,013.76	\$23,437.58	\$3,137.46	0.47	\$6,675.45
2009	\$25,621.29	\$18,319.22	\$17,164.88	\$3,332.15	0.85	\$3,920.18
2010	\$0.00	\$0.00	\$0.00	\$0.00	1.09	\$0.00
2011	\$263,076.48	\$173,630.48	\$162,689.59	\$47,771.60	1.40	\$34,122.57
2012	\$379,824.85	\$236,251.06	\$221,364.29	\$82,495.59	1.78	\$46,345.84
2013	\$700,029.40	\$401,116.85	\$375,841.48	\$184,182.04	2.27	\$81,137.46
2014	\$897,059.28	\$458,397.29	\$429,512.54	\$288,134.88	2.89	\$99,700.65
2015	\$594,880.92	\$258,773.20	\$242,467.26	\$233,437.48	3.65	\$63,955.47
2016	\$1,142,512.00	\$395,309.15	\$370,399.74	\$543,609.86	4.54	\$119,737.85
2017	\$941,461.55	\$234,423.93	\$219,652.29	\$533,516.95	5.51	\$96,827.03
2018	\$1,036,418.18	\$155,462.73	\$145,666.63	\$683,467.91	6.50	\$105,148.91
2019	\$701,534.09	\$35,076.70	\$32,866.43	\$528,360.84	7.50	\$70,448.11
	\$6,715,636.85	\$2,391,774.37	\$2,241,062.72	\$3,131,446.76		\$728,019.53

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39269-Trailers**

Survivor Curve: R1.5  
Average Service Life: 16  
Net Salvage Percent: 15  
Remaining Life (Years): 11.31

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1984	\$468.00	\$397.80	\$397.80	\$0.00	0.00	\$0.00
1989	\$999.00	\$818.90	\$849.15	\$0.00	0.57	\$0.00
1991	\$2,640.00	\$2,081.31	\$2,244.00	\$0.00	1.16	\$0.00
1992	\$2,721.15	\$2,112.04	\$2,312.98	\$0.00	1.39	\$0.00
2000	\$1,425.44	\$932.19	\$1,211.62	\$0.00	3.69	\$0.00
2002	\$1.00	\$0.61	\$0.85	\$0.00	4.48	\$0.00
2004	\$4,772.72	\$2,692.71	\$4,056.81	\$0.00	5.38	\$0.00
2006	\$23,850.77	\$12,138.55	\$20,273.15	\$0.00	6.42	\$0.00
2010	\$9,953.44	\$3,775.46	\$6,802.55	\$1,657.87	8.86	\$187.12
2011	\$13,864.20	\$4,765.39	\$8,586.17	\$3,198.40	9.53	\$335.61
2012	\$1,585.06	\$485.87	\$875.43	\$471.87	10.23	\$46.13
2014	\$9,802.26	\$2,249.62	\$4,053.31	\$4,278.61	11.68	\$366.32
2015	\$17,563.98	\$3,331.12	\$6,001.94	\$8,927.45	12.43	\$718.22
2016	\$1,928.24	\$286.83	\$516.80	\$1,122.21	13.20	\$85.02
	\$91,575.26	\$36,068.40	\$58,182.57	\$19,656.40		\$1,738.41

**Minnesota Energy Resources Corporation**  
**Calculated Remaining Life Depreciation Accrual Related to Original Cost as of December 31, 2019**

**Depreciation Group: MERC-39618-Other Specialized Equip**

Survivor Curve: S1.5  
Average Service Life: 18  
Net Salvage Percent: 10  
Remaining Life (Years): 11.84

Year	Original Cost	Calculated Accrued	Allocated Book Reserve	Future Book Accruals	Remaining Life	Annual Accrual
1963	\$5,537.90	\$4,984.11	\$4,984.11	\$0.00	0.00	\$0.00
1991	\$20,477.61	\$16,453.76	\$18,429.85	\$0.00	1.93	\$0.00
1996	\$4,444.30	\$3,268.78	\$3,999.87	\$0.00	3.29	\$0.00
2002	\$8,587.04	\$5,422.72	\$6,907.62	\$820.72	5.37	\$152.83
2004	\$64,882.53	\$38,150.93	\$48,597.82	\$9,796.46	6.24	\$1,569.95
2005	\$6,101.58	\$3,441.29	\$4,383.62	\$1,107.80	6.72	\$164.85
2009	\$51,099.89	\$22,994.95	\$29,291.67	\$16,698.23	9.00	\$1,855.36
2010	\$5,639.00	\$2,348.64	\$2,991.77	\$2,083.33	9.67	\$215.44
2012	\$57,228.89	\$19,629.51	\$25,004.67	\$26,501.33	11.14	\$2,378.93
2013	\$51,233.74	\$15,523.82	\$19,774.72	\$26,335.65	11.94	\$2,205.67
2014	\$25,802.83	\$6,734.54	\$8,578.66	\$14,643.89	12.78	\$1,145.84
2015	\$6,338.81	\$1,375.52	\$1,752.18	\$3,952.75	13.66	\$289.37
2017	\$91,653.32	\$11,319.19	\$14,418.72	\$68,069.26	15.53	\$4,383.08
	\$399,027.44	\$151,647.76	\$189,115.29	\$170,009.41		\$14,361.32

In the Matter of the Petition of Minnesota  
Energy Resources Corporation for its Annual  
Review of Depreciation Rates for 2020

Docket No. G011/D-20-\_\_\_\_\_

CERTIFICATE OF SERVICE

I, Kristin M. Stastny, hereby certify that on the 1st day of June, 2020, on behalf of Minnesota Energy Resources Corporation (MERC), I electronically filed a true and correct copy of the enclosed Petition on [www.edockets.state.mn.us](http://www.edockets.state.mn.us). Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

Dated this 1st day of June, 2020.

/s/ Kristin M. Stastny  
Kristin M. Stastny

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500  Minneapolis, MN 554021498	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400  St. Paul, MN 55101	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Daryll	Fuentes	dfuentes@usg.com	USG Corporation	550 W Adams St  Chicago, IL 60661	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Brian	Meloy	brian.meloy@stinson.com	STINSON LLP	50 S 6th St Ste 2600  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Catherine	Phillips	catherine.phillips@we-energies.com	We Energies	231 West Michigan St  Milwaukee, WI 53203	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350  Saint Paul, MN 55101	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Colleen	Sipiorski	Colleen.Sipiorski@wecenergygroup.com	Minnesota Energy Resources Corporation	700 North Adams St Green Bay, WI 54307	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Kristin	Stastny	kstastny@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Mary	Wolter	mary.wolter@wecenergygroup.com	Minnesota Energy Resources Corporation (HOLDING)	231 West Michigan St Milwaukee, WI 53203	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List