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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-114
Public Service Commission

Analyst: Michael R. Diller

Question:

For *each* plant account, and for each year since the inception of the account up to and including 2006, provide the following standard depreciation study data as identified at pages 30-33 of the August 1996 NARUC Public Utility Depreciation Practices Manual (“NARUC Manual”). Provide the data in electronic format (Excel or .txt). Provide aged vintage data if available. Use the codes identified for each type of data, unless the Company regularly uses other codes. In those circumstances, identify and explain the Company’s coding system. Also, explain whether the amounts are total company or North Dakota jurisdictional amounts.

<u>Code</u>	<u>Data Type</u>
9	Addition
0	Ordinary Retirement
1	Reimbursement
2	Sale
3	Transfer – In
4	Transfer – Out
5	Acquisition
6	Adjustment
7	Final retirement of life span property (see NARUC Manual, Chapter X)
8	Balance at Study Date
	Initial Balance of Installation

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too

time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-115
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide the following annual accumulated depreciation amounts for *all* plant accounts for the last 10 years (up to, and including, 2006). If the requested data is not available for the last 10 years, provide the data for as many years as are available. Provide data in both hard copy and electronic format (Excel or .txt).

- a. Beginning and ending reserve balances,
- b. Annual depreciation expense,
- c. Annual retirements,
- d. Annual cost of removal and gross salvage,
- e. Annual third party reimbursements.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-116
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide a summary of annual maintenance expense by USOA account (for all accounts) for the last 10 years. If the requested data is not available for the last 10 years, provide the data for as many years as are available. Provide data in both hard copy and electronic format.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-117
Public Service Commission

Analyst: Michael R. Diller

Question:

Please provide a comparison of the annual cost of removal and gross salvage amounts shown on the Company's federal tax returns with the corresponding book amounts, for the last 5 years. Provide the annual deferred tax expense associated with each of the differences. Also, provide the beginning and ending accumulated deferred tax balances and state whether they are rate base additions or rate base deductions.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-118
Public Service Commission

Analyst: Michael R. Diller

Question:

Refer to the gross salvage and cost of removal amounts for each of the five years ending 2006. Please explain whether these amounts were normal or abnormal, and why.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-119
Public Service Commission

Analyst: Michael R. Diller

Question:

Is the Company aware of any circumstances that would cause plant located in North Dakota to incur salvage and cost of removal expense at a different rate than that of the other jurisdictions?

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-120
Public Service Commission

Analyst: Michael R. Diller

Question:

Explain, and provide examples of, the Company's retirement unit cost procedures for each account. Identify all changes to retirement unit costs which have occurred over the years.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-121
Public Service Commission

Analyst: Michael R. Diller

Question:

Explain the Company's procedures for gross salvage and cost of removal for each plant account. Also, explain how cost of removal relating to replacements is allocated between cost of removal and new additions. Provide copies of actual source documents showing this allocation.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-122
Public Service Commission

Analyst: Michael R. Diller

Question:

Does NSP agree that, in the case of a replacement, NSP has control over how much of the cost of the replacement is assigned to the retirement as cost of removal, and how much is capitalized to plant-in-service? Explain the answer fully.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-123
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide all manuals, guidelines, memoranda or other documentation that deals with the Company's policies on the assignment of capital costs and net salvage with regard to the replacement of retired plant. Also, provide a sample workorder for a replacement project, showing these cost assignments.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-124
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide narrative explanations of the Company's aging and pricing procedures.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-125
Public Service Commission

Analyst: Michael R. Diller

Question:

Identify and explain the Company's expectations with respect to future removal requirements and markets for retired equipment and materials. Provide the basis for these expectations.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-128
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide copies of any and all actuarial and semi-actuarial studies prepared by the Company since the last depreciation study.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-129
Public Service Commission

Analyst: Michael R. Diller

Question:

Identify and explain all Company programs which might affect plant lives.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-130
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide all internal life extension studies prepared for or by the Company since January 1, 2000. Life extension refers to any program, maintenance or capital, designed to extend lives and/or increase capacity of existing plant. Identify the functions to which these studies relate.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-131
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide the following information for all final retirements for the last 15 years. If requested data is not available for the last 15 years, provide the data for as many years as are available.

- a. Date of retirement
- b. Amount of retirement
- c. Account
- d. Reason for retirement
- e. Whether or not retirement was excluded from historical interim retirement rate studies.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-132
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide all manuals, guidelines, memoranda or other documentation that deals with the Company's policies with regard to the physical removal of retired mains and, separately, services from the ground as opposed to capping these pipes and leaving them in place.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-133
Public Service Commission

Analyst: Michael R. Diller

Question:

Explain the process by which the labor associated with Mains and Services replacement projects is split between the new asset and cost of removal.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-134
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide a summary of the last 10 years of Mains and Services additions. Identify on a year-by-year basis the new additions vs. replacement additions. Explain any anticipated changes to these proportions.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-135
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide a summary of all Main and Service Replacement projects during 2006. Separately identify all major costs, including the removal of the existing Main and/or Service.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Cherie McMillan

Response By: Cherie McMillan

Title: Manager

Department: Performance Analysis & Assurances

Telephone: 303-571-3644

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-143
Public Service Commission

Analyst: Michael R. Diller

Question:

Identify and provide the parameters, methods, procedures and techniques that underlie the depreciation rates the Company uses for FERC reporting and ratemaking versus those used for intrastate reporting and ratemaking. Also, provide a comparison of the actual calculation of the depreciation rates used for FERC ratemaking and reporting versus those used for intrastate ratemaking and reporting.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-146
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide any and all internal studies and correspondence concerning the Company's implementation of FASB Statement No. 143, the FERC NOPR and Order No. 631 in RM-02-7-000, and FIN 47.

Objection:

NSP-MN objects to this request as being overbroad and unduly burdensome.

Response:

In addition, the Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-147
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide complete copies of all correspondence with the following parties regarding the Company's implementation of FASB Statement No. 143, FIN 47 and the FERC NOPR and Order 631 in RM02-7-000:

- a. External auditors and other public accounting firms.
- b. Consultants
- c. External counsel
- d. Federal and State regulatory agencies
- e. Internal Revenue Service

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-148
Public Service Commission

Analyst: Michael R. Diller

Question:

Regarding FASB Statement No. 143, FIN 47, and the FERC NOPR and Order No. 631 in Docket No. RM02-7-000, on a plant account-by-plant account basis, identify any and all “legal obligations” associated with the retirement of the assets contained in the account that result from the acquisition, construction, development and (or) the normal operation of the assets in the account. For the purposes of this question, please use the definition of a “legal obligation” provided in FASB Statement No. 143: “an obligation that a party is required to settle as a result of an existing or enacted law, statute, ordinance, or written or oral contract under the doctrine of promissory estoppel.”

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-149
Public Service Commission

Analyst: Michael R. Diller

Question:

For any asset retirement obligations identified above, provide the “fair value” of the obligation. For the purposes of the question, fair value means “the amount at which that liability could be settled in a current [not future] transaction between willing parties, that is, other than in a forced or liquidation transaction.” Provide all assumptions and calculations underlying these amounts.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-150
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide the “credit adjusted risk free rate” used for any and all ARO calculations under FASB Statement No. 143, FIN 47, and FERC Order No. 631 calculations to date.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-151
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide complete copies of all Board of Director’s minutes and internal management meeting minutes during the past five years in which any or all of the following subjects were discussed: the Company’s gas and/or common plant depreciation rates; retirement unit costs; SFAS No. 143; FIN 47; and, FERC RM02-7-000.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-152
Public Service Commission

Analyst: Michael R. Diller

Question:

Refer to page F-47 of Xcel Energy's December 31, 2006 Form 10K. Provide the accounting entries (debits and credits) used to implement SFAS No. 143 and FIN 47, along with all workpapers supporting those entries, including the workpapers supporting the calculation of the \$355 million (2006) and \$334 million (2005) regulatory liabilities for asset cost of removal for NSP-Minnesota. Please provide all these workpapers and calculations in electronic format (Excel) with all formulae intact. Indicate the amounts applicable to North Dakota jurisdiction gas and common plant.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-153
Public Service Commission

Analyst: Michael R. Diller

Question:

Provide an analysis of the regulatory liability for cost of removal for NSP-Minnesota, since inception identifying and explaining each debit and credit entry and amount. Indicate the amounts applicable to North Dakota jurisdiction gas and common plant.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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- Public Document – Trade Secret Data Excised
- Public Document

Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-154
Public Service Commission

Analyst: Michael R. Diller

Question:

What impact, if any, did the application of FIN 47 have upon the depreciation expense in this rate case? Provide all workpapers supporting the answer. If it had no impact, please explain why not.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-156
Public Service Commission

Analyst: Michael R. Diller

Question:

With respect to the Regulatory Liability relating to cost of removal which you reclassified out of accumulated depreciation:

- a. Do you agree that this constitutes a regulatory liability for regulatory purposes in North Dakota and for FERC purposes? If not, explain why not.
- b. Do you agree that this amount is a refundable obligation to ratepayers until it is spent on its intended purpose (cost of removal)? If not, why not?
- c. Explain the repayment provisions associated with this regulatory liability.
- d. Explain when you expect to spend this money for cost of removal.
- e. Explain what you have done with this money as you have collected it. If you say that you have spent it on plant additions, please prove it.
- f. Identify and explain all other similar examples of NSP's advance collections of estimated future costs for which it does not have a legal obligation.
- g. Does NSP agree that the North Dakota Public Service Commission will never know whether or not NSP will actually spend all of this money for cost of removal until and if NSP goes out of business? If not, why not?
- h. Does NSP believe that amounts recoded in accumulated depreciation represent capital recovery? If not, why not?
- i. Whose capital is reflected in accumulated depreciation – shareholders' or ratepayers'?

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a

standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett
Response By: Lisa H. Perkett
Title: Director
Department: Capital Asset Accounting
Telephone: 612-330-6950
Date: March 29, 2007

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Xcel Energy

Case No.: PU-06-525

Response To: North Dakota Information Request No. 1-157
Public Service Commission

Analyst: Michael R. Diller

Question:

Please provide the calculation of the annual amount of future cost of removal and gross salvage incorporated into the Company's existing depreciation rates by account.

Response:

The Company declines to answer this question because it requests information that is irrelevant to determining the North Dakota depreciation expense included in the test year revenue requirement. The process for establishing the depreciation is far too time consuming and complicated to be conducted effectively other than through a standalone proceeding specific to that purpose. Instead, the Commission has historically relied on the depreciation expense established in the most recent Minnesota proceeding conducted for that purpose.

Sponsor: Lisa H. Perkett

Response By: Lisa H. Perkett

Title: Director

Department: Capital Asset Accounting

Telephone: 612-330-6950

Date: March 29, 2007

Title: Assistant General Counsel
Department: Law Department
Telephone: 612-215-4589
Date: March 27, 2007