

Northern States Power Company
 North Dakota Operations - Electric
 Docket No. PUC-12-813
 Test Year Ending December 31, 2013

Schedule DM-1

REVENUE REQUIREMENT
 (\$000's)

	Updated Company Position Present Rates	Adjustments	Advocacy Staff	References
1 Pro Forma Rate Base	\$ 375,678	\$ (53,164)	\$ 322,514	Schedule DM-3
2 Rate of Return	7.90%	-0.76%	7.14%	Schedule DM-2
3 Income Requirement	\$ 29,679	\$ (6,658)	\$ 23,021	
4 Pro Forma Income	\$ 19,802	\$ 4,506	\$ 24,308	Schedule DM-10
5 Income Deficiency	\$ 9,877	\$ (11,164)	\$ (1,287)	
6 Revenue Conversion Factor (1)	1.62201		1.62201	(1)
7 Rate Increase	\$ 16,020	\$ (18,108)	\$ (2,088)	
8 Retail Related Revenue/Present Rates	\$ 182,724		\$ 177,077	Schedule DM-10
9 % Increase	8.77%	-9.95%	-1.18%	

1 Revenue Conversion Factor is calculated as below:

Federal Tax Rate: 35.00%
 State Tax Rate: 5.15%
 Federal Effective Rate: (1-.0515*.35) 33.1975%
 Composite Tax Rate 38.3475%
 Rounded to 38.3480%

1/1-.38348=1.62201

Northern States Power Company
 North Dakota Operations - Electric
 Docket No. PUC-12-813
 Test Year Ending December 31, 2013

Schedule DM-2

OVERALL RATE OF RETURN

Company Proposal:

	Ratios	Cost Rates	Weighted Cost Rates	References
Long Term Debt	44.960%	5.140%	2.311%	
Short Term Debt	2.480%	0.750%	0.019%	
Preferred Stock	0.000%	0.000%	0.000%	
Common Equity	52.560%	10.600%	5.571%	
Total Cost of Capital	100.000%		7.901%	

Advocacy Staff:

Long Term Debt	45.240%	5.140%	2.325%	
Short Term Debt	1.330%	0.360%	0.005%	
Preferred Stock	0.000%	0.000%	0.000%	
Common Equity	53.420%	9.000%	4.808%	
Total Cost of Capital	99.990%		7.138%	

RATE BASE
 (\$000's)

		(1)				
		Proposed- Avg. Balance	Adjustments	Advocacy Staff	References	
1	Plant Investment	\$ 869,185	\$ (120,402)	\$ 748,783	Schedule DM-4	
2	Reserve for Depreciation	\$ 419,306	\$ -	\$ 365,689	Schedule DM-5	
3	Net Utility Plant in Service	\$ 449,879	\$ (120,402)	\$ 383,095		
4	Utility Plant Held for Future Use	\$ -	\$ -	\$ -		
5	Construction Work in Progress	\$ 2,037	\$ (310)	\$ 1,727	Schedule DM-6	
Less:						
6	Accumulated Deferred Income Taxes	\$ 92,805	\$ (13,733)	\$ 79,072	Schedule DM-7	
7	Cash Working Capital	\$ (1,080)	\$ 197	\$ (883)	Schedule DM-8	
8	Net Investment In Utility Plant	\$ 358,031	\$ (53,164)	\$ 304,867		
Other Rate Base Items:						
9	Materials and Supplies	\$ 7,613	\$ -	\$ 7,613	Schedule DM-9	
19	Fuel Inventory	\$ 5,899	\$ -	\$ 5,899	Schedule DM-9	
11	Non-Plant Assets & Liabilities	\$ (2,100)	\$ -	\$ (2,100)	Schedule DM-9	
12	Prepayments and Other	\$ 6,235	\$ -	\$ 6,235	Schedule DM-9	
13	Total Average Rate Base	\$ 375,678	\$ (53,164)	\$ 322,514		

(1) Per Exhibit AEH-1, Sch 8 Updated pg. 2 of 6

RECOMMENDED PLANT IN SERVICE
(\$000's)

References

1	Average Plant in Service Balance: 2011	\$	742,545	Pg. E-2, 2011 Annual Report to the NDPSC
2	Average Plant in Service Balance: 2012	\$	780,660	Pg. E-2, 2012 Annual Report to the NDPSC
3	Adjustments to Plant in 2013:	\$	78,384	Data Request NDPSC-5-20, p 46
4	Subtotal	\$	859,044	(2013 expenditures x .051121%)NDPSC 5-086
5	Allocation Factor of 87.1% (T&D Allocations)		87.10%	Table KRP-1
6	Recommended Beginning Balance	\$	748,227	
7	Adjustments: Forecasted Updates / Rate Case Adjustments			
8	Monticello License Discovery	\$	(1,337)	Exhibit AEH-1, Schedule 5, page 1 of 1
9	Projects out of 2013 Discovery	\$	(579)	Exhibit AEH-1, Schedule 5, page 1 of 1
10	AFUDC Correction Discovery	\$	132	Exhibit AEH-1, Schedule 5, page 1 of 1
11	AFUDC MISO Correction Discovery	\$	(3)	Exhibit AEH-1, Schedule 5, page 1 of 1
12	Nuclear Fuel Update	\$	243	Exhibit AEH-1, Schedule 5, page 1 of 1
13	Transmission - Bemidji CapX2020	\$	1,906	WP-A1
14	Transmission - Brookings CapX2020	\$	194	WP-A2
15	Total Adjustments to Plant	\$	556	
16	Recommended Plant in Service Balance 2013	\$	748,783	

RECOMMENDED ACCUMULATED DEPRECIATION BALANCE
 (\$000's)

	Advocacy Staff	References
1 Avg. Depr. Reserve Bal. as of December 31, 2011	\$ 364,662	ND Annual Report 2010
2 Avg. Depr. Reserve Bal. as of December 31, 2012	\$ 379,380	ND Annual Report 2011
3 Beginning Bal. Depr. Reserve 2013 (unadjusted)	<u>\$ 418,885</u>	
4 Allocation Factor of 87.2%	87.20%	Table KRP-1
5 Recommended Beginning Balance	<u>\$ 365,268</u>	
Proposed Adjustments:		
6 Nuclear Fuel Updates	\$ 25	AEH-1 Sch 5
7 Production Remaining Life	\$ (127)	AEH-1 Sch 5
8 Black Dog Removal//Remediation	\$ -	AEH-1 Sch 5
9 Monticello License Discovery	\$ (28)	AEH-1 Sch 5
10 Projects Out of 2013 Discovery	\$ 2	AEH-1 Sch 5
11 AFUDC Correction Discovery	\$ 2	AEH-1 Sch 5
12 Sherco 3 Discovery	\$ (11)	AEH-1 Sch 5
13 Bemidji CapX2020	\$ 40	AEH-1 Sch 5
14 Brookings CapX2020	\$ (3)	AEH-1 Sch 5
15 2012 Depreciation Study	\$ 521	AEH-1 Sch 5
16 Total Additions	<u>\$ 421</u>	
17 Total Recommended Avg. Depr. Reserve Bal. as of December 31, 2013	<u><u>\$ 365,689</u></u>	

Northern States Power Company
North Dakota Operations - Electric
Docket No. PUC-12-813
Test Year Ending December 31, 2013

Schedule DM-6

RECOMMENDED CONSTRUCTION WORK IN PROGRESS (CWIP)
(\$000's)

References

1	Average CWIP Balance as of December 31, 2012	\$	2,936
2	Company CWIP Balance as of December 31, 2013	\$	<u>2,037</u>
3	Allocation Factor of 84.8%		<u>84.80%</u>
4	Recommended CWIP Balance as of December 31, 2013	\$	<u><u>1,727</u></u>

Exhibit AEH-1 Schedule 5, page 1 of 1 update

Table KRP-1

RECOMMENDED ACCUMULATED DEFERRED INCOME TAXES

	(\$000's) Updated Company	References
1 Average ADIT Balance as of December 31, 2011	\$ 68,127	NDPSC-1-017 (2011)
2 Average ADIT Balance as of December 31, 2012	\$ 79,680	NDPSC-1-017 (2012)
3 Proposed Avg. ADIT Balance as of December 31, 2013 (unadj.)	\$ 90,835	AEH-1, Schedule 5, page 1 of 1
4 Allocation Factor of 87.10%	87.10%	Table KRP-1
5 Recommended Beginning Balance (Unadjusted)	\$ 79,117	
Adjustments:		
6 Average ADIT Balance as of December 31, 2012		
7 Bemidji Capx2020	\$ 706	AEH-1, Schedule 5, page 1 of 1
8 Brookings CapX2020	\$ 26	AEH-1, Schedule 5, page 1 of 1
9 Nuclear Fuel Updates	\$ (12)	AEH-1, Schedule 5, page 1 of 1
10 2012 Depreciation Study	\$ (213)	AEH-1, Schedule 5, page 1 of 1
11 Production Remaining Life	\$ 52	AEH-1, Schedule 5, page 1 of 1
12 Black Dog Removal/Remediation	\$ -	AEH-1, Schedule 5, page 1 of 1
13 AFUDC Correction	\$ (8)	AEH-1, Schedule 5, page 1 of 1
14 AFUDC MISO Correction Discovery	\$ (3)	AEH-1, Schedule 5, page 1 of 1
15 Monticello License Discovery	\$ (2)	AEH-1, Schedule 5, page 1 of 1
16 Projects Out of 2013 Discovery	\$ 51	AEH-1, Schedule 5, page 1 of 1
17 Sherco 3 Discovery	\$ 5	AEH-1, Schedule 5, page 1 of 1
18 Net Operating Loss	\$ 1,368	AEH-1, Schedule 5, page 1 of 1
19 Company Proposed ADIT Balance Updated	<u>\$ 81,087</u>	
Average beginning ADIT to total UPIS: 90,835/869,630 = 10.45%		
Average ending ADIT to total UPIS: 92,805/869,185 = 10.67%		
Average of the two: 10.56%		
20 Recommended UPIS	\$ 748,783	Schedule DM-4
21 Average ADIT to total UPIS	10.56%	
22 Recommended ADIT balance	<u>\$ 79,072</u>	Schedule DM-3

Northern States Power Company
North Dakota Operations - Electric
Docket No. PUC-12-813
Test Year Ending December 31, 2013

Schedule DM-8

CASH WORKING CAPITAL
(\$000's)

Reference

1	Cash Working Capital - 2012 Annual Report	\$	-	
2	Cash Working Capital - Proposed	\$	(1,080)	Exhibit AEH-1, Schedule 8, Updated Page 6 of 6, updated 6/6/13
		\$	(1,080)	
3	Recommended Cash Working Capital	\$	<u>(883)</u>	Exhibit AEH-1, Schedule 3 Page 6 of 6 (DM CWC) Attachment

(Dollars in Thousands)

Rate Base Detail - Cash Working Capital

DM-8 (Attachment)

Expenses	Lead Days	Total Company Electric		ND Retail Electric		All Other			
		Dollars	Dollar x Days	Dollars	Dollar x Days	Dollars	Dollar x Days		
Fuel Expenses									
1	Coal & Rail Transport	21.08	344,376	7,259,446	21,420	451,534	322,956	6,807,912	
2	Gas for Generation	38.45	103,070	3,963,042	6,411	246,503	96,659	3,716,539	
3	Oil	22.51	2,413	54,317	150	3,377	2,263	50,940	
4	Nuclear & EOL	0.00	100,902	0	6,330	0	94,572	0	
5	Nuclear Disposal	76.00	11,471	871,796	660	50,160	10,811	821,636	
6			562,232	12,148,600	32,131	751,573	527,261	11,397,027	
Purchased Power									
7	Purchases	28.12	875,869	24,629,436	35,194	989,655	840,675	23,639,781	
8	Interchange	38.21	124,334	4,750,802	7,242	276,717	117,092	4,474,085	
			1,000,203	29,380,238	42,436	1,266,372	957,767	28,113,866	
Labor & Related Costs									
9	Regular Payroll	12.31	377,411	4,645,929	22,518	277,197	354,893	4,368,733	
10	Incentive Compensation	255.05	19,953	5,089,013	0	0	19,953	5,089,013	
11	Pension & Benefits	19.20	70,563	1,354,810	4,201	80,659	66,362	1,274,150	
12	Subtotal Labor & Related		467,927	11,089,752	26,719	357,856	441,208	10,731,896	
13									
14	All Other Operating Expenses	35.01	612,257	21,435,118	44,601	1,561,481	567,656	19,873,637	
15	Property Tax	356.72	123,651	44,108,785	8,114	2,894,426	115,537	41,214,359	
16	Employer's Payroll Taxes	26.56	30,956	822,191	1,819	48,313	29,137	773,879	
17	Gross Earnings Tax	51.98	0	0	0	0	0	0	
18	Federal Income Tax	37.75	(11,597)	(437,792)	1,904	71,876	(13,501)	(509,668)	
19	State Income Tax	37.75	1,984	74,897	(266)	(10,042)	2,250	84,938	
20	State Sales Tax Customer Billings	35.73	0	0	0	0	0	0	
21	Total Expenses	42.55	2,787,613	118,621,789	157,458	6,941,855	2,627,315	111,679,934	
22	Net Annual Expense Amount			324,991		19,019		305,972	
Revenues									
23	Computer Billing	100.00%	42.85	3,111,896	133,350,967	177,077	7,588,104	2,934,819	125,762,864
24	Hand Billed	0.00%	43.07	0	0	0	0	0	0
25	Retail Revenue Adjustments	0.00	0	0	0	0	0	0	0
26	Interdepartmental	0.00	548	0	0	0	548	0	0
27	Late Payment	0.00	4,932	0	0	0	4,932	0	0
28	Connect and Trouble Charges	42.85	2,176	93,246	0	0	2,176	93,246	0
29	CIP Incentive	0.00	0	0	0	0	0	0	0
30	Rentals	114.17	4,187	478,030	0	0	4,187	478,030	0
31	Interchange Revenues	38.21	439,429	16,790,582	32,882	1,256,421	406,547	15,534,161	0
32	Sales for Resale	37.10	75,069	2,785,060	3,597	133,449	71,472	2,651,611	0
33	Production Associated Revenues	37.10	5,875	217,963	0	0	5,875	217,963	0
34	MISO	14.00	9,445	132,230	0	0	9,445	132,230	0
35	Point to Point Firm	37.10	56,409	2,092,774	0	0	56,409	2,092,774	0
36	Services & Facilities	37.10	8,743	324,365	0	0	8,743	324,365	0
37	Ancillary	37.10	23,479	871,071	0	0	23,479	871,071	0
38	Distribution Associated Revenues	42.85	159	6,813	0	0	159	6,813	0
39	Other	42.85	8,508	364,585	0	0	8,508	364,585	0
40	JOA - Rev fr/to PSC	37.10	(4,813)	(178,562)	0	0	(4,813)	(178,562)	0
41	(blank)	0.00	0	0	0	0	0	0	0
42	(blank)	0.00	0	0	0	0	0	0	0
43	(blank)	0.00	0	0	0	0	0	0	0
44	Total Revenues	42.00	3,746,042	157,329,124	213,556	8,977,974	3,532,486	148,351,150	
45	Net Annual Amount			431,039		24,597		406,442	
46	Expense / Revenue Factor			0.7441		0.74			
47	Allocated Revenue Amount			320,757		18,136			
48	Net Cash Working Capital			(4,234)		(883)		(3,351)	

OTHER RATE BASE ITEMS
 (\$000's)

	Proposed-Avg. Balance	Adjustments	Advocacy Staff	References
1 Materials and Supplies	\$ 7,613	\$ -	\$ 7,613	AEH-1 Schedule 5, page 1 of 1 Updated
2 Fuel Inventory	\$ 5,899	\$ -	\$ 5,899	AEH-1 Schedule 5, page 1 of 1 Updated
3 Non-Plant Assets & Liabilities	\$ (2,100)	\$ -	\$ (2,100)	AEH-1 Schedule 5, page 1 of 1 Updated
4 Prepayments and Others (1)	\$ 6,235	\$ -	\$ 6,235	AEH-1 Schedule 5, page 1 of 1 Updated
5 Total Other Rate Base Items	\$ 17,647		\$ 17,647	

- (1) These Costs Include the following:
- | | |
|-----------------------|--------------|
| Prepayments | \$1,050,000 |
| Nuclear Outage Amort. | \$5,018,000 |
| Customer Advances | \$ (18,000) |
| Customer Deposits | \$ (213,000) |
| Other Working Cap. | \$ 398,000 |

OPERATING REVENUES / OPERATING EXPENSES

	Test Year 12/31/13 (\$000's)		Test Year 12/31/13 (\$000's)		Advocacy Staff	References
	Company Present Unadjusted	Adjustments	Company Proposed Adjusted	Adjustments		
1 Operating Revenues:						
2 Retail	\$ 182,724	\$ -	\$ 182,724	\$ (5,647)	\$ 177,077	Schedule DM-11
3 CIP Revenue Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -	
4 Interdepartmental	\$ -	\$ -	\$ -	\$ -	\$ -	
5 Other Operating	\$ 48,616	\$ (3,114)	\$ 45,502	\$ (9,023)	\$ 36,479	Schedule DM-12
6 Gross Earnings Tax	\$ -	\$ -	\$ -	\$ -	\$ -	
7 Total Operating Revenues	\$ 231,340	\$ (3,114)	\$ 228,226	\$ (14,670)	\$ 213,556	
8 Expenses:						
9 Operating Expenses:						
10 Fuel & Purchased Energy	\$ 82,971	\$ -	\$ 82,971	\$ (2,840)	\$ 80,131	Schedule DM-14
11 Power Production	\$ 45,530	\$ 464	\$ 45,994	\$ (10,800)	\$ 35,194	Schedule DM-15
12 Transmission	\$ 14,568	\$ (537)	\$ 14,031	\$ (5,202)	\$ 8,829	Schedule DM-16
13 Distribution	\$ 6,528	\$ 235	\$ 6,763	\$ (227)	\$ 6,536	Schedule DM-17
14 Customer Accounting	\$ 4,358	\$ (72)	\$ 4,286	\$ (47)	\$ 4,242	Schedule DM-18
15 Customer Service & Information	\$ 505	\$ (48)	\$ 457	\$ (131)	\$ 326	Schedule DM-19
16 Sales, Econ. Development & Other	\$ 2	\$ 171	\$ 173	\$ (173)	\$ -	Schedule DM-20
17 Administrative & General	\$ 15,600	\$ (788)	\$ 14,812	\$ (3,634)	\$ 11,178	Schedule DM-21
18 Incentive Compensation	\$ -	\$ -	\$ -	\$ (545)	\$ (545)	Schedule DM-27 footnote 2
19 Total Operating Expenses	\$ 170,062	\$ (575)	\$ 169,487	\$ (23,599)	\$ 145,891	
20 Depreciation	\$ 21,238	\$ 748	\$ 21,986	\$ -	\$ 19,172	Schedule DM-22
21 Amortization	\$ 4	\$ 369	\$ 373	\$ (168)	\$ 205	Schedule DM-23
22 Taxes:						
23 Property	\$ 7,915	\$ 199	\$ 8,114	\$ -	\$ 8,114	Schedule DM-24
24 Gross Earnings	\$ -	\$ -	\$ -	\$ -	\$ -	
25 Deferred Income Tax and ITC	\$ 10,212	\$ 2,464	\$ 12,676	\$ (388)	\$ 12,288	Schedule DM-25
26 Federal & State Income Tax	\$ (2,414)	\$ (3,729)	\$ (6,143)	\$ 7,903	\$ 1,760	Schedule DM-26
27 Payroll & Other	\$ 1,932	\$ (1)	\$ 1,931	\$ (112)	\$ 1,819	Schedule DM-27
28 Total Taxes	\$ 17,645	\$ (1,067)	\$ 16,578	\$ 7,403	\$ 23,981	
29 Total Expenses	\$ 208,949	\$ (525)	\$ 208,424	\$ (19,176)	\$ 189,248	
30 AFUDC	\$ -	\$ -	\$ -	\$ -	\$ -	
31 Total Operating Income	\$ 22,391	\$ (2,589)	\$ 19,802	\$ 4,506	\$ 24,308	
32 Rate Base			\$ 375,678		\$ 322,514	
33 Rate of Return			7.90%		7.138%	
34 Operating Income			\$ 29,682		\$ 23,021	

Northern States Power Company
North Dakota Operations - Electric
Docket No. PUC-12-813
Test Year Ending December 31, 2013

Schedule DM-11

RETAIL OPERATING REVENUES

	Test Year 12/31/13 \$000's			
	Company Proposed	Adjustment	Advocacy Staff	Reference
Retail Operating Revenues	\$ 182,724	\$ (5,647)	\$ 177,077	Pg S-4, 2010, 2011, 2012 Earnings Reports NDPSC NDPSC-5-071 NDPSC-5-039 Exhibit Notice Schedule 2 page 1 of 1

OTHER OPERATING REVENUES

		Test Year 12/31/13 \$000's			
		Company Proposed	Adjustment	Advocacy Staff	Reference
1	Other Operating Revenues	\$ 48,616	\$ (9,052)	\$ 39,564	E-2, 2010, 2011, 2012 Earnings Reports NDPSC
2	Adjustments:				
3	Asset Margin Sharing	\$ (505)		\$ (505)	NDPSC-1-008 and WP- A-18
4	Non-Asset Margin Sharing	\$ (334)		\$ (334)	WP-A-19
5	Emission Credit Amortization	\$ (87)	\$ 29	\$ (58)	WP-A-29
6	MISO CWIP Revenue and Expense	\$ (2,188)		\$ (2,188)	AEH-1, Sch. 6, p 2 of 3, Updated
7	Total	\$ 45,502	\$ (9,023)	\$ 36,479	

Northern States Power Company
 North Dakota Operations - Electric
 Docket No. PUC-12-813
 Test Year Ending December 31, 2013

Scheduled DM-13

OPERATING EXPENSE SUMMARY

	(\$000's)				
	Company Proposed		Adjustments	Advocacy Staff	References
1 Fuel and Purchased Energy	\$ 82,971	\$	(2,840)	\$ 80,131	Schedule DM-13
2 Power Production	\$ 45,994	\$	(10,800)	\$ 35,194	Schedule DM-14
3 Transmission	\$ 14,031	\$	(5,202)	\$ 8,829	Schedule DM-15
4 Distribution	\$ 6,763	\$	(227)	\$ 6,536	Schedule DM-16
5 Customer Accounting	\$ 4,286	\$	(44)	\$ 4,242	Schedule DM-17
6 Customer Service & Information	\$ 457	\$	(131)	\$ 326	Schedule DM-18
7 Sales, Econ. Development & Other	\$ 173	\$	(173)	\$ -	Schedule DM-19
8 Administrative & General	\$ 14,812	\$	(3,634)	\$ 11,178	Schedule DM-20
9 Total Company Proposed	\$ 169,487	\$	(20,211)	\$ 146,436	

Northern States Power Company
North Dakota Operations - Electric
Docket No. PUC-12-813
Test Year Ending December 31, 2013

Scheduled DM-14

FUEL AND PURCHASED ENERGY

	(\$000's)			
	Company Proposal	Adjustments	Advocacy Staff	References
1 Beginning Balance-Unadjusted	\$ 82,971	\$ (2,840)	\$ 80,131	Pg E-2, 2010, 2011, 2012 Annual Reports NDPSC

POWER PRODUCTION

	(\$000's)					
	Company Proposed	Adjustments	Advocacy Staff	References		
1 Beginning Balance-Unadjusted	\$ 45,530	\$ (3,421)	\$ 42,109	NDPSC-5-013, Attach C, p. 4 of 13 Pg. e-2, 2010, 2011, 2012 Annual Report to NDPSC		
Allocation Factor of 83.3%	\$ 45,530	\$ (10,453)	\$ 35,077	Table KRP-1		
2 Nuclear Outage Amortization	\$ 121	\$ (30)	\$ 91	WP-A6-4		
3 Nuclear Fees & Budget Update	\$ 493	\$ (240)	\$ 253	WP-A7-3		
4 Nuclear Management Retention Program	\$ 77	\$ (77)	\$ -	WP-A8-4		
5 Sherco 3 Project	\$ (227)	\$ -	\$ (227)	AEH-1, Sch. 6 p 3 of 3		
6 Total Proposed Power Production	<u>\$ 45,994</u>	<u>\$ (10,800)</u>	<u>\$ 35,194</u>			

TRANSMISSION EXPENSES

	(\$000's)			
	Company Proposed	Adjustments	Advocacy Staff	References
1 Beginning Balance - Unadjusted	\$ 14,568	\$ (3,484)	\$ 11,084	Pg E-2, 2010, 2011, 2012, Annual Report to NDPSC
Allocation Factor of 84.5%	\$ 14,568		\$ 9,366	Table KRP-1
2 MISO CWIP Revenue/Expense Adjustment	\$ (537)		\$ (537)	WP-A30
3 Total Transmission Expense	\$ 14,031	\$ (5,202)	\$ 8,829	

Northern States Power Company
 North Dakota Operations - Electric
 Docket No. PUC-12-813
 Test Year Ending December 31, 2013

Schedule DM-17

DISTRIBUTION EXPENSES

	(\$000's)				
	Company Proposed	Adjustments	Advocacy Staff	References	
1 Beginning Balance-Unadjusted	\$ 6,528	\$ (227)	\$ 6,301	Pg E-2 ND Annual Reports, 2010, 2011, 2012	
2 ND- Line Employees	\$ 235	\$ -	\$ 235	WP -A10	
3 Total Distribution	<u>\$ 6,763</u>	<u>\$ (227)</u>	<u>\$ 6,536</u>		

CUSTOMER ACCOUNTING

	(\$000's)			
	Company Proposed	Adjustments	Advocacy Staff	References
1 Beginning Balance-Undadjusted	\$ 4,358	\$ (47)	\$ 4,311	Pg E-2 ND Annual Reports 2010, 2011, 2012
2 Bad Debt Expense	\$ (72)	\$ 3	\$ (69)	WP-A09
3 Total Customer Accounting	<u>\$ 4,286</u>	<u>\$ (47)</u>	<u>\$ 4,242</u>	

CUSTOMER SERVICE AND INFORMATION

	(\$000's)			
	Company Proposed	Adjustments	Advocacy Staff	References
1 Beginning Balance-Undadjusted	\$ 505	\$ (131)	\$ 374	Pg E-2 ND Annual Reports 2010, 2011, 2012
2 Advertising	\$ (48)	\$ -	\$ (48)	AEH-1, Schedule 6, p 2 of 3
3 Total Customer Service & Information	\$ 457	\$ (131)	\$ 326	

SALES, ECONOMIC AND DEVELOPMENT AND OTHER

	(\$000's)			
	Company Proposed	Adjustments	Advocacy Staff	References
1 Beginning Balance - Unadjusted	\$ 2	\$ (2)	-	AEH-1 Sch 6, page 1 of 3, Updated Pg E-2 2010, 2011, 2012, Annual Report to NDPSC
2 Economic Development	\$ 171	\$ (171)	-	WP-A-14
3 Total Sales, Econ. Development & Other	\$ 173	\$ (173)	-	

ADMINISTRATIVE AND GENERAL EXPENSES

	(\$000's)				
	Company Proposed	Adjustments	Advocacy Staff	References	
1 Beginning Balance-Unadjusted	\$ 15,600	\$ (3,229)	\$ 12,371	Pg E-2 ND Annual Reports 2010, 2011, 2012	
2 Shared Asset Allocation	\$ (196)	\$	\$ (196)	AEH-1, Sch. 6, p 1 of 3, Updated	
3 Advertising	\$ (143)	\$	\$ (143)	AEH-1, Sch. 6, p 2 of 3, Updated	
4 Association Dues	\$ 19	\$ (23)	\$ (4)	WP-A-12	
5 Donations	\$ 157	\$ (157)	\$ -	WP-A-13	
6 Interest on Customer Deposits	\$ 1	\$	\$ 1	AEH-1, Sch. 6, p 2 of 3, Updated	
7 Aviation	\$ (52)	\$	\$ (52)	NDPSC-2-103	
8 Wholesale Billing	\$ (3)	\$	\$ (3)	AEH-1, Sch. 6, p 2 of 3, Updated	
9 Cell Phone Policy	\$ (7)	\$	\$ (7)	AEH-1, Sch. 6, p 2 of 3, Updated	
10 Rate Case Budget Exclusion	\$ (24)	\$	\$ (24)	AEH-1, Sch. 6, p 2 of 3, Updated	
11 Incentive Pay (1)	\$ (530)	\$ (223)	\$ (753)	NDPSC-5-045, Att A., 1-018, Att A, WP-A-27	
12 Pension Update	\$ 246	\$	\$ 246	NDPSC-5-026, Supp.	
13 Active Health Care Update	\$ (250)	\$	\$ (250)	NDPSC-5-026, Supp.	
14 Incentive Compensation Correction	\$ (6)	\$ (2)	\$ (8)	NDPSC-5-026, Supp.	
15 Total Administrative & General	<u>\$ 14,812</u>	<u>\$ (3,634)</u>	<u>\$ 11,178</u>		

(1) Please also see Public Service Commission of Wisconsin Final Decision, (Excerpts) pages 26 and 27,

DEPRECIATION

Updated June 6, 2013
 (\$000's)

	Company Proposed	Adjustments	Advocacy Staff	References
1 Beginning Balance-Undadjusted	\$ 21,238		\$ 21,238	Exh AEH-1 Schedule 6, p 1 of 3
2 Bemidji CapX2020 Project	\$ 39		\$ 39	Exh AEH-1 Schedule 6, p 1 of 3
3 Brookings CapX2020 Project	\$ 1		\$ 1	Exh. AEH-1. Schedule 6, p 1 of 3
4 Depreciation Study	\$ 1,042		\$ 1,042	Exh AEH-1. Schedule, p 2 of 3
5 Remaining Life Study	\$ (254)		\$ (254)	Exh AEH-1 Schedule 6, p 2 of 3
6 Black Dog Cost of Removal	\$ -		\$ -	Exh. AEH-1, Schedule 6, p 2 of 3
7 AFUDC Correction	\$ 5		\$ 5	Exh. AEH-1, Schedule 6, p 2 of 3
8 Monticello License	\$ (56)		\$ (56)	Exh AEH-1, Schedule 6, p. 2 of 3
9 Projects Out of 2013	\$ (7)		\$ (7)	NDPSC-5-026, Suppl, p 1 & 2
10 Sherco 3	\$ (22)		\$ (22)	Exh AEH-1, Schedule 6, p 3 of 3
11 Total Depreciation	\$ 21,986		\$ 21,986	
Allocation Factor of 87.20%			\$ 19,172	Table KRP-1

Northern States Power Company
 North Dakota Operations - Electric
 Docket No. PUC-12-813
 Test Year Ending December 31, 2013

Schedule DM-23

AMORTIZATION

	(\$000's)					
	Company Proposed	Adjustments	Advocacy Staff	References		
1 Beginning Balance-Unadjusted	\$ 4	\$ -	\$ 4	AEH-1 Sch. 6, p 1 of 3 Updated		
2 ND-DSM	\$ 56	\$ (19)	\$ 37	AEH-1 Sch. 6 p 2 of 3, Updated /WP-A20		
3 Rate Case Amortization - current case	\$ 206	\$ (113)	\$ 93	NDPSC-1-015, Attach C, p 1		
4 Prior ND Rate Case	\$ 71	\$ (24)	\$ 47	WP-A-20		
5 Private Fuel Storage	\$ 69	\$ (23)	\$ 46	WP-A-20		
6 Emission Credit Amortization	\$ (33)	\$ 11	\$ (22)	WP-A-20		
7 Total Amortization	\$ 373	\$ (168)	\$ 205			

Northern States Power Company
 North Dakota Operations - Electric
 Docket No. PUC-12-813
 Test Year Ending December 31, 2013

Schedule DM-24

PROPERTY TAXES

	(\$000's)				
	Company Proposed	Adjustments	Advocacy Staff	References	
1	Beginning Balance-Unadjusted	\$ 7,915	\$ -	\$ 7,915	NDPSC 5-086, AEH-1 Sch 6, page 1 of 3
2	Bemidji CapX2020	\$ 25	\$ -	\$ 25	AEH-1 Sch. 6 p 1 of 3 Updated
	Property Tax Update	\$ 174	\$ -	\$ 174	AEH-1 Sch. 6 p 3 of 3 Updated
3	Total Property Taxes	\$ 8,114	\$ -	\$ 8,114	

DEFERRED INCOME TAXES AND ITC

	(\$000's)				
	Company Proposed	Adjustments	Advocacy Staff	References	
1 Beginning Balance-Unadjusted	\$ 10,212	\$ -	\$ 10,212	AEH-1 Sch. 6, p 1 of 3, Updated	
2 Bemidji CapX2020	\$ 35	\$ -	\$ 35	AEH-1 Sch. 6 p 1 of 3, Updated	
3 Brookings CapX2020	\$ 42	\$ -	\$ 42	AEH-1 Sch. 6 p 1 of 3, Updated	
4 Nuclear Fuel Update	\$ 13	\$ -	\$ 13	AEH-1 Sch. 6 p 1 of 3, Updated	
5 Depreciation Study	\$ (425)	\$ -	\$ (425)	AEH-1 Sch. 6 p 1 of 3, Updated	
6 Remaining Life Study	\$ 104	\$ -	\$ 104	AEH-1 Sch. 6 p 1 of 3, Updated	
7 AFUDC Correction	\$ (8)	\$ -	\$ (8)	AEH-1 Sch. 6 p 1 of 3, Updated	
8 AFUDC MISO Correction	\$ (3)	\$ -	\$ (3)	AEH-1 Sch. 6 p 1 of 3, Updated	
9 Monticello License	\$ (4)	\$ -	\$ (4)	AEH-1 Sch. 6 p 1 of 3, Updated	
10 Projects out of 2013	\$ (34)	\$ -	\$ (34)	AEH-1 Sch. 6 p 1 of 3, Updated	
11 Sherco 3	\$ 9	\$ -	\$ 9	AEH-1 Sch. 6 p 1 of 3, Updated	
12 Black Dog Cost of Removal	\$ -	\$ -	\$ -	AEH-1 Sch. 6 p 1 of 3, Updated	
13 NOL Adjustment	\$ 2,735	\$ (388)	\$ 2,347	Rate Base (DM-1) times .728%	
14 Total Deferred Income Tax and ITC	\$ 12,676	\$ (388)	\$ 12,288		

INCOME TAXES - FEDERAL AND STATE

	(\$000's)			
	Company Proposed	Advocacy Staff	Difference	References
Income Before Taxes				
1 Total Operating Revenues	\$ 228,226	\$ 213,556	\$ 14,670	Schedule DM-10
2 Total Operating Expenses	\$ (169,487)	\$ (145,891)	\$ 23,596	Schedule DM-10
3 Book Depreciation and Amortization	\$ (22,359)	\$ (19,377)	\$ 2,982	Schedules DM-22 and 23
4 Taxes (Other than Current Income)	\$ (22,721)	\$ (22,221)	\$ 500	Schedule DM-10
5 Total Before Tax Book Income	\$ 13,659	\$ 26,068	\$ 27,079	
Tax Additions				
6 Book Depreciation	\$ 21,986	\$ 19,172	\$ -	Schedule DM-22
7 Deferred Income Taxes & ITC	\$ 12,676	\$ 12,288	\$ -	Schedule DM-25
8 Nuclear Fuel Burn (ex D&D)	\$ 7,249	\$ 7,249	\$ -	AEH-1, Sch. 8 p 4 of 6, Updated
9 Nuclear Outage Accounting	\$ 4,664	\$ 4,664	\$ -	AEH-1, Sch. 8 p 4 of 6, Updated
10 Avoided Tax Interest	\$ 2,915	\$ 2,915	\$ -	AEH-1, Sch. 8 p 4 of 6, Updated
11 Total Tax Additions	\$ 49,490	\$ 46,288	\$ -	
Tax Deductions				
12 Debt Interest Expense	\$ 8,753	\$ 7,500	\$ (1,254)	Schedule DM-28
13 Tax Depreciation & Removal	\$ 68,192	\$ 68,192	\$ -	
14 Other Tax/Book Timing Differences	\$ 2,223	\$ 2,223	\$ -	
15 Total Tax Deductions	\$ 79,168	\$ 77,915	\$ (1,254)	
16 State Taxable Income	\$ (16,019)	\$ (5,559)	\$ 10,460	
17 State Income Tax Rate	5.15%	5.15%		AEH-1 Sch 8, p 5 of 6, Updated
18 State Taxes Before Credits	\$ (825)	\$ (286)	\$ 539	
19 State Credits	\$ -	\$ -	\$ -	
20 Total State Income Taxes	\$ (825)	\$ (286)	\$ 539	
21 Federal Taxable Income	\$ (15,194)	\$ 5,845	\$ 21,040	
22 Federal Income Tax Rate	35.00%	35.00%		AEH-1 Sch 8, p 5 of 6, Updated
23 Federal Tax Before Credits	\$ (5,318)	\$ 2,046	\$ 7,364	
24 Federal Tax Credits	\$ -	\$ -	\$ -	
25 Total Federal Income Taxes	\$ (5,318)	\$ 2,046	\$ 7,364	
26 Total Federal and State Income Taxes	\$ (6,143)	\$ 1,760	\$ 7,903	

PAYROLL AND OTHER TAXES

	(\$000's)				
	Company Proposed	Adjustments	Advocacy Staff	References	
1	Beginning Balance-Unadjusted	\$ 1,931	\$ (112)	\$ 1,819	(1)
(1)	Total Company Payroll - \$23,893,000 minus incentive compensation amounts of \$844, \$3,456, \$483,176, \$887,381 equals \$22,518,143 \$22,518,143 times payroll rate of 8.08% (Total proposed payroll of \$1,931,000/total proposed Labor of \$23,893,000) Exhibit NDPSC- Data Request 5-045, Attachment A Total Payroll is shown on Company Exhibit AEH-1, Schedule 8, Updated, Page 6 of 8, Line 9, ND Retail Electric (Cash Working Capital Schedule)				
(2)	Total Company Incentive (NDPSC-5-045 Attachment A	\$ 1,374,757			
	Less Incentive Compensation removed in Schedule DM-20	\$ 753,000			
	Less Incentive Compensation removed in Schedule DM-14	\$ 77,000			
	Balance - Schedule DM-10	<u>\$ 544,757</u>			

Northern States Power Company
North Dakota Operations - Electric
Docket No. PUC-12-813
Test Year Ending December 31, 2013

Schedule DM-28

INTEREST SYNCHRONIZATION

		<u>Reference</u>
1	Recommended Rate Base	\$ 322,514
2	Recommended Cost of Debt	<u>2.33%</u>
3	Recommended Interest Expense	<u><u>\$ 7,500</u></u>