

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	\$ -	\$ 361,630	Schedule DM-5
3 Net Utility Plant in Service	\$ 449,879	\$ (120,402)	\$ 387,153	
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)	\$ 152	\$ (928)	Schedule DM-8
8 Net Investment In Utility Plant	\$ 358,031	\$ (49,150)	\$ 308,881	
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	\$ (49,150)	\$ 326,528	

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

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)	\$ 418,885	
Ending Bal. Depr. Reserve 2013	\$ 419,306	
Average	\$ 419,096	
% to Average Plant in Service balance of \$869,185,000 (Co. Proposed)	48.22%	
% to Average Plant in Service balance of \$859,044,000 (Recommended)	\$ 414,231	
4 Allocation Factor of 87.2%	87.20%	Table KRP-1
5 Recommended Beginning Balance	\$ 361,209	
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	\$ 421	
17 Total Recommended Avg. Depr. Reserve Bal. as of December 31, 2013	<u>\$ 361,630</u>	

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

Revised
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>(928)</u>	Exhibit AEH-1, Schedule 3 Page 6 of 6 (DM CWC) Attachment

DEPRECIATION

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

	Company Proposed	Adjustments	Advocacy Staff	References
1 Beginning Balance-Unadjusted	\$ 21,238	\$ (277)	\$ 20,961	Sch. DM-4 Line 4 times 2.44%
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	\$ (1,400)	\$ (358)	MJM Supplemental Testimony
5 Remaining Life Study	\$ (254)	\$ 254		- MJM Supplemental Testimony
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	\$ (1,423)	\$ 20,563	
12 Allocation Factor of 87.20%			\$ 17,931	Table KRP-1

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

Revised
 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	\$ (155)	\$ 51	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	\$ (210)	\$ 163	

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	\$ (358)	\$ -	2,377	Rate Base (DM-1) times .728%
14	Total Deferred Income Tax and ITC	\$ 12,676	\$ (358)	\$ -	12,318	

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)	\$ (18,094)	\$ 4,265	Schedules DM-22 and 23
4 Taxes (Other than Current Income)	\$ (22,721)	\$ (22,251)	\$ 470	Schedule DM-10
5 Total Before Tax Book Income	\$ 13,659	\$ 27,320	\$ 28,331	
Tax Additions				
6 Book Depreciation	\$ 21,986	\$ 17,931	\$ -	Schedule DM-22
7 Deferred Income Taxes & ITC	\$ 12,676	\$ 12,318	\$ -	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	\$ 45,077	\$ -	
Tax Deductions				
12 Debt Interest Expense	\$ 8,753	\$ 7,593	\$ (1,160)	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	\$ 78,008	\$ (1,160)	
16 State Taxable Income	\$ (16,019)	\$ (5,610)	\$ 10,409	
17 State Income Tax Rate	5.15%	5.15%		AEH-1 Sch 8, p 5 of 6, Updated
18 State Taxes Before Credits	\$ (825)	\$ (289)	\$ 536	
19 State Credits	\$ -	\$ -	\$ -	
20 Total State Income Taxes	\$ (825)	\$ (289)	\$ 536	
21 Federal Taxable Income	\$ (15,194)	\$ (5,322)	\$ 9,873	
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)	\$ (1,863)	\$ 3,455	
24 Federal Tax Credits	\$ -	\$ -	\$ -	
25 Total Federal Income Taxes	\$ (5,318)	\$ (1,863)	\$ 3,455	
26 Total Federal and State Income Taxes	\$ (6,143)	\$ (2,151)	\$ 3,992	

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

Revised
Schedule DM-28

INTEREST SYNCHRONIZATION

			<u>Reference</u>
1	Recommended Rate Base	\$ 326,528	Schedule DM-1
2	Recommended Cost of Debt	<u>2.33%</u>	Schedule DM-2
3	Recommended Interest Expense	<u><u>\$ 7,593</u></u>	