



2302 Great Northern Drive
P O Box 2747
Fargo, ND 58108-2747
(701) 241-8632
dave.sederquist@xcelenergy.com

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January 2, 2019

—Via U.S. Mail and Electronic Filing—

Steve Kahl, Interim Executive Secretary
North Dakota Public Service Commission, Dept. 0408
State Capitol
600 East Boulevard
Bismarck, ND 58505-0480

**RE: WORK PAPERS IN SUPPORT OF THE COMPANY'S COGENERATION AND
SMALL POWER PRODUCTION REPORT (CHAPTER 69-09-07)**

Dear Mr. Kahl:

Enclosed are the supporting work papers in conjunction with the recent submission of the Company's Cogeneration and Small Power Production compliance filing. The annual report of total energy produced by customers is not available at this time. We will supplement this filing when that data is available. We apologize for any inconvenience.

The supporting work papers contain trade secret information. In accordance with Section 69-02-09-02 of the North Dakota Administrative Code, an Application for Trade Secret Protection is being provided along with a single copy of the trade secret version of the work papers in a sealed envelope.

If you have any questions, please contact me at 701-241-8632 or John Chow at 612-330-7588.

Sincerely,

/s/

DAVID H. SEDERQUIST
SENIOR REGULATORY AND FINANCE CONSULTANT

cc: Lisa Peterson, Xcel Energy
John Chow, Xcel Energy

Enclosure

**Northern States Power Company
Electric Utility - State of North Dakota
Derivation of Metering Costs**

STANDARD KWH METER	Single Phase		Three Phase	
(1) Installed Cost	\$115.50		\$376.58	
(2) L.A.R.R.	10.14%		10.14%	
(3) Levelized Cost (1)*(2)	\$11.71		\$38.19	
(4) Accounting Expenses \$/Cust/Yr	\$26.90		\$26.90	
(5) Total Annual (3)+(4)	\$38.61		\$65.08	
(6) Total Monthly (5)/12	\$3.22	\$3.25 Proposed	\$5.42	\$5.50 Proposed
		\$3.25 Last Year		\$5.50 Last Year

TOD KW/KWH METER	Single Phase		Three Phase	
(7) Installed Cost	\$376.58		\$579.30	
(8) Levelized Cost (7)*(2)	\$38.19		\$58.74	
(9) Total Annual (8)+(4)	\$65.08		\$85.64	
(10) Total Monthly	\$5.42	\$5.25 Proposed	\$7.14	\$7.60 Proposed
		\$5.25 Last Year		\$7.60 Last Year

Source:

(1)(7) Data provided by Xcel Energy Metering Dept.

(2) See pages 4-7.

(4) See pages 2 & 3.

Assumed accounting expenses for the second meter is 50%

$(3406000+863000)/(77450+12459)*0.5$

Test year ending December 31, 2013 Class Cost of Service Study

Escalation rate = 1.98% (2015), 2.81% (2016), 2.44% (2017), 2.64%(2018) and 2.77% (2019)

Operating & Maint (Pg 2 of 2)		1=2+3+10	2	3=4+5	4	5=6 to 9	6	7	8	9	10
<u>Distribution Expen</u>	<u>Alloc</u>	<u>ND</u>	<u>Res</u>	<u>C&I Tot</u>	<u>Sm Non-D</u>	<u>Demand</u>	<u>Second</u>	<u>Primary</u>	<u>Tr Transf</u>	<u>Trans</u>	<u>St Ltg</u>
1	Supervision & Eng'g	ZDTS	770	404	319	56	263	240	24	0	47
2	Load Dispatching	D10T	240	81	157	15	143	128	15	0	1
3	Substations	P61	522	192	325	29	296	261	35	0	5
4	Overhead Lines	POL	2,399	1336	966	164	802	731	71	0	98
5	Underground Lines	PUL	1,286	916	340	106	235	226	9	0	29
6	Line Transformers	P68	2	1	1	0	1	0	0	0	0
7	Meters	C12WM	242	150	88	34	54	50	5	0	4
8	Customer Install'n	OXDTS	177	95	66	12	54	49	5	0	16
9	Street Lighting	Dir Assign	328	0	0	0	0	0	0	0	328
10	Miscellaneous	OXDTS	571	305	214	40	175	159	15	0	52
11	Rents (Pole Attachmts)	POL	226	126	91	15	76	69	7	0	9
12	Total Distribution		6,763	3606	2568	471	2098	1913	184	0	589
13	Customer Accounting	C11WA	4,286	3406	863	512	351	347	4	0	16
14	Sales, Econ Dvlp & Other	D57E43	173	58	115	10	104	93	12	0	1
Admin & General											
15	Salaries	LABOR	3,332	1286	2002	211	1791	1588	202	0	44
16	Office Supplies	OXTS	3,004	1098	1878	182	1695	1497	198	0	28
17	Admin Transfer Credit	OXTS	(1,507)	-551	-942	-92	-850	-751	-99	0	-14
18	Outside Services	LABOR	917	354	551	58	493	437	56	0	12
19	Property Insurance	NEPIS	726	284	435	45	390	347	43	0	7
20	Pensions & Benefits	LABOR	5,843	2255	3510	370	3140	2785	355	0	77
21	Injuries & Claims	LABOR	1,071	413	643	68	576	511	65	0	14
22	Regulatory Exp	R01; R02	105	40	63	7	57	51	6	0	1
23	General Advertising	OXTS	86	31	54	5	49	43	6	0	1
24	Contributions	OXTS	0	0	0	0	0	0	0	0	0
25	Misc General Exp	OXTS	(99)	-36	-62	-6	-56	-49	-7	0	-1
26	Rents	OXTS	1,316	481	823	80	743	656	87	0	12
27	Maint of General Plant	OXTS	28	10	18	2	16	14	2	0	0
28	Total		14,822	5667	8973	930	8043	7129	913	0	182
Cust Service & Info											
29	Cust Assist Exp - Non-CIP	C11P10	320	189	126	25	102	90	11	0	4
30	CIP Total	D99E1	0	0	0	0	0	0	0	0	0
31	Instructional Advertising	C11P10	137	81	54	11	44	39	5	0	2
32	Total		457	271	180	35	145	129	16	0	6
33	Amortizations	LABOR	373	144	224	24	200	178	23	0	5
34	Total O&M Expense		170,097	62169	106315	10332	95982	84776	11206	0	1614

Northern States Power Company
Electric Utility - North Dakota - Test Year Ending 31 Dec 2013

		1=2+3+10	2	3=4+5	4	5=6 to 9	6	7	8	9	10	
EXTERNAL ALLOCATORS		External	ND	Res	C&I Tot	Sm Non-D	Demand	Second	Primary	Tr Transf	Trans	St Ltg
1	Customers - Ave Monthly	C11	100.00%	84.39%	13.58%	9.60%	3.97%	3.94%	0.04%	0.00%	0.00%	2.03%
2	Cust Acctg Wtg Factor	C11WA	100.00%	79.48%	20.14%	11.94%	8.20%	8.10%	0.10%	0.00%	0.00%	0.38%
3	Mo Cus Wtd By Mtr Invest	C12WM	100.00%	61.96%	36.36%	13.93%	22.42%	20.54%	1.88%	0.00%	0.00%	1.69%
4	Sec & Pri Customers	C61PS	100.00%	86.04%	13.82%	9.74%	4.07%	4.04%	0.04%	0.00%	0.00%	0.14%
5	C62Sec, w/o Ltg & C/I Underground	C62NL	100.00%	94.69%	5.31%	3.75%	1.55%	1.55%	0.00%	0.00%	0.00%	0.00%
6	Secondary Customers	C62Sec	100.00%	86.07%	13.78%	9.75%	4.04%	4.04%	0.00%	0.00%	0.00%	0.14%
7	Summer Peak Resp KW	D10S	100.00%	29.93%	70.07%	5.96%	64.11%	57.27%	6.84%	0.00%	0.00%	0.00%
8	Transmission Demand %	D10T	100.00%	33.92%	65.60%	6.19%	59.40%	53.16%	6.25%	0.00%	0.00%	0.48%
9	Winter Peak Resp KW	D10W	100.00%	39.37%	59.49%	6.51%	52.98%	47.53%	5.44%	0.00%	0.00%	1.14%
10	Alternative Production Allocator	AED4CP	100.00%	29.34%	70.32%	6.52%	63.80%	57.26%	6.54%	0.00%	0.00%	0.34%
11	Sec, Pri & TT, Class Coin kW @ Substac	D60Sub	100.00%	36.78%	62.26%	5.52%	56.74%	50.00%	6.74%	0.00%	0.00%	0.96%
12	Sec & Pri, CI Coin kW (no Min Sys; adj Re	D61PS	100.00%	32.55%	66.60%	4.93%	61.67%	54.27%	7.41%	0.00%	0.00%	0.85%
13	D62Sec, w/o Ltg & C/I Underground	D62NLL	100.00%	80.98%	19.02%	2.84%	16.19%	16.19%	0.00%	0.00%	0.00%	0.00%
14	Sec, Class Coin kW (w/o Min Sys kW)	D62SecL	100.00%	47.37%	51.96%	5.64%	46.32%	46.32%	0.00%	0.00%	0.00%	0.66%
15	Direct Assign Street Lighting	DASL	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
16	On + Off Sales MWH	E8760	100.00%	34.58%	64.79%	5.74%	59.06%	51.84%	7.22%	0.00%	0.00%	0.63%
17	Street Lighting (Dir Assign)	P73	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
18	Present Rev	R01	100.00%	38.56%	60.42%	6.33%	54.08%	48.52%	5.57%	0.00%	0.00%	1.02%
APPLIED EXTERNAL DATA (BIG or LITTLE)												
		External	ND	Res	C&I Tot	Sm Non-D	Demand	Second	Primary	Tr Transf	Trans	St Ltg
19	Customers - B Basis	C10	89,565	77,063	12,374	8,726	3,648	3,614	33	0	0	128
20	Cust - Ave Monthly (C10-Area Lt)	C11	91,774	77,450	12,459	8,812	3,648	3,614	33	0	0	1,865
21	Mo Cus Wtd By Cus Acct	C11WA	95,594	75,975	19,253	11,414	7,839	7,741	98	0	0	366
22	Cust Acctg Wtg Factor	C11WAF	7.35	0.98	6.37	1.30	5.07	2.14	2.93	0.00	0.00	N/A
23	Cust-Ave Mo (C11 w/ Dir Assign St Ltg)	C12	91,431	77,450	12,459	8,812	3,648	3,614	33	0	0	1,522
24	Mo Cus Wtd By Mtr Invest	C12WM	10,725,904	6,645,497	3,899,673	1,494,491	2,405,182	2,203,155	202,027	0	0	180,733
25	Meter Invest / Cust Factor	C12WMF	7,032	86	6,828	170	6,658	610	6,049	0	0	119
26	Sec & Pri Customers	C61PS	89,565	77,063	12,374	8,726	3,648	3,614	33	0	0	128
27	C62Sec, w/o Ltg & C/I Underground	C62NL	81,382	77,063	4,319	3,054	1,265	1,265	0	0	0	0
28	Secondary Customers	C62Sec	89,531	77,063	12,340	8,726	3,614	3,614	0	0	0	128
29	Summer Peak Resp KW	D10S	495	148	347	29	317	283	34	0	0	0
30	Dmd (D10S x Fact + D10W)/1000	D10T	10,000,000	3,392,295	6,559,551	619,281	5,940,269	5,315,505	624,764	0	0	48,154
31	Winter Peak Resp KW	D10W	428	169	255	28	227	203	23	0	0	5
32	Alternative Production Allocator	AED4CP	10,000,000	2,933,939	7,031,571	651,649	6,379,922	5,725,548	654,374	0	0	34,490
33	Sec, Pri & TT, Class Coin kW @ Substac	D60Sub	566,768	208,479	352,857	31,278	321,579	283,372	38,207	0	0	5,432
34	Sec & Pri, Class Coin kW (w/o Min Sys; re	D61PS	515,278	167,718	343,192	25,402	317,790	279,625	38,165	0	0	4,368
35	D62Sec, w/o Ltg & C/I Underground	D62NLL	778,581	630,468	148,113	22,087	126,026	126,026	0	0	0	0
36	Sec, Class Coin kW (w/o Min Sys kW)	D62SecL	10,000,000	4,737,112	5,196,472	564,431	4,632,041	4,632,041	0	0	0	66,416
37	Annual Billing kW	D99	3,581,533	0	3,582	0	3,582	3,239	343	0	0	0
38	Summer Billing kW	D99S	1,257,547	0	1,258	0	1,258	1,129	128	0	0	0
39	Winter Billing kW	D99W	2,323,986	0	2,324	0	2,324	2,109	215	0	0	0
40	Non-Coinc Pk Second	DN-Sec	1,058,016	630,468	423,181	63,105	360,075	360,075	0	0	0	4,368
41	kWh Sales @ Meter	E99	2,270,721	784,751	1,466,635	125,788	1,340,847	1,172,103	168,745	0	0	19,336

REVENUE REQUIREMENTS

**Meter Equipment
North Dakota**

Income Tax Rate	24.41%
AFUDC Rate	0.00%
Beginning Year	2019
Year in Service	2019
Salvage/(Removal)%	10.00%
Escalation Factor	2.23%
Tax Life	0 years
Book Life	30.0 years
Property Tax Rate	0.75%

	Cost of Capital		Before-Tax	After-Tax
	Cost	Ratio	Weighted	Weighted
			Cost	Cost
Equity	10.25%	52.56%	5.39%	5.39%
Preferred	0.00%	0.00%	0.00%	0.00%
L-T Debt	5.14%	44.96%	2.31%	1.75%
S-T Debt	0.75%	2.48%	0.02%	0.02%
		100.00%	7.72%	7.16%

Carrying Charge Rate	
Return Requirement	5.15%
Depreciation Requirement	3.09%
Income Tax Requirement	1.16%
Total Capital Requirement	9.40%
O&M Requirement	0.00%
Property Tax	0.74%
Total LARR =	10.14%

(LARR) Levelized Annual Revenue Requirement

Time Period	Year	Capital Expend.	AFUDC	Total CWIP	Plant in Service BOY	Plant in Service EOY	Average Plant in Service	Average Accum. Deprec.	Average Net Plant in Service	Average Acc. Def. Income Taxes	Average Rate Base	Rate of Return (Equity)	Rate of Return (Debt)	AFUDC	Operating Expenses	Book Deprec. Expense	Deferred Income Taxes	Salvage
0	2019	1,000	0	1,000	0	1,000	500	8	493	3	490	26	11	0	0.00	15	5	0
1	2020	0	0	0	1,000	1,000	1,000	30	970	11	959	52	22	0	0.00	30	10	0
2	2021	0	0	0	1,000	1,000	1,000	60	940	20	920	50	21	0	0.00	30	9	0
3	2022	0	0	0	1,000	1,000	1,000	90	910	29	881	48	21	0	0.00	30	8	0
4	2023	0	0	0	1,000	1,000	1,000	120	880	36	844	46	20	0	0.00	30	7	0
5	2024	0	0	0	1,000	1,000	1,000	150	850	42	808	44	19	0	0.00	30	6	0
6	2025	0	0	0	1,000	1,000	1,000	180	820	47	773	42	18	0	0.00	30	5	0
7	2026	0	0	0	1,000	1,000	1,000	210	790	51	739	40	17	0	0.00	30	4	0
8	2027	0	0	0	1,000	1,000	1,000	240	760	55	705	38	16	0	0.00	30	4	0
9	2028	0	0	0	1,000	1,000	1,000	270	730	58	672	36	16	0	0.00	30	4	0
10	2029	0	0	0	1,000	1,000	1,000	300	700	62	638	34	15	0	0.00	30	4	0
11	2030	0	0	0	1,000	1,000	1,000	330	670	66	604	33	14	0	0.00	30	4	0
12	2031	0	0	0	1,000	1,000	1,000	360	640	69	571	31	13	0	0.00	30	4	0
13	2032	0	0	0	1,000	1,000	1,000	390	610	73	537	29	13	0	0.00	30	4	0
14	2033	0	0	0	1,000	1,000	1,000	420	580	76	504	27	12	0	0.00	30	4	0
15	2034	0	0	0	1,000	1,000	1,000	450	550	80	470	25	11	0	0.00	30	4	0
16	2035	0	0	0	1,000	1,000	1,000	480	520	83	437	24	10	0	0.00	30	4	0
17	2036	0	0	0	1,000	1,000	1,000	510	490	87	403	22	9	0	0.00	30	4	0
18	2037	0	0	0	1,000	1,000	1,000	540	460	91	369	20	9	0	0.00	30	4	0
19	2038	0	0	0	1,000	1,000	1,000	570	430	94	336	18	8	0	0.00	30	4	0
20	2039	0	0	0	1,000	1,000	1,000	600	400	95	305	16	7	0	0.00	30	(2)	0
21	2040	0	0	0	1,000	1,000	1,000	630	370	90	280	15	7	0	0.00	30	(7)	0
22	2041	0	0	0	1,000	1,000	1,000	660	340	83	257	14	6	0	0.00	30	(7)	0
23	2042	0	0	0	1,000	1,000	1,000	690	310	76	234	13	5	0	0.00	30	(7)	0
24	2043	0	0	0	1,000	1,000	1,000	720	280	68	212	11	5	0	0.00	30	(7)	0
25	2044	0	0	0	1,000	1,000	1,000	750	250	61	189	10	4	0	0.00	30	(7)	0
26	2045	0	0	0	1,000	1,000	1,000	780	220	54	166	9	4	0	0.00	30	(7)	0
27	2046	0	0	0	1,000	1,000	1,000	810	190	46	144	8	3	0	0.00	30	(7)	0
28	2047	0	0	0	1,000	1,000	1,000	840	160	39	121	7	3	0	0.00	30	(7)	0
29	2048	0	0	0	1,000	1,000	1,000	870	130	32	98	5	2	0	0.00	30	(7)	0
		1,000	0	1,000											0	885	28	0

Time Period	Year	Income Taxes	Property Taxes	Revenue Req.	PV Revenue Req.	PV of Book Deprec.	PV of Equity Return	PV of Debt Return	PV of AFUDC	PV of Operating Expenses	PV of Property Taxes	PV of Def. Taxes	PV of Income Taxes	
0	2019	3	0	61	61	15	26	11	0	0	0	5	3	
1	2020	6	8	128	120	28	48	21	0	0	7	10	6	
2	2021	7	8	125	108	26	43	19	0	0	7	8	6	
3	2022	8	8	121	98	24	39	17	0	0	6	6	6	
4	2023	8	8	117	89	23	35	15	0	0	6	5	6	
5	2024	8	8	114	81	21	31	13	0	0	5	4	6	
6	2025	9	8	111	73	20	28	12	0	0	5	3	6	
7	2026	9	8	107	66	18	25	11	0	0	5	2	6	
8	2027	9	8	104	60	17	22	9	0	0	4	2	5	
9	2028	8	8	101	54	16	19	8	0	0	4	2	4	
10	2029	8	8	98	49	15	17	7	0	0	4	2	4	
11	2030	7	8	95	44	14	15	7	0	0	4	2	3	
12	2031	6	8	92	40	13	13	6	0	0	3	2	3	
13	2032	6	8	88	36	12	12	5	0	0	3	1	2	
14	2033	5	8	85	32	11	10	4	0	0	3	1	2	
15	2034	5	8	82	29	11	9	4	0	0	3	1	2	
16	2035	4	8	79	26	10	8	3	0	0	2	1	1	
17	2036	3	8	76	23	9	7	3	0	0	2	1	1	
18	2037	3	8	72	21	9	6	2	0	0	2	1	1	
19	2038	2	8	69	19	8	5	2	0	0	2	1	1	
20	2039	7	8	66	17	8	4	2	0	0	2	(0)	2	
21	2040	12	8	64	15	7	4	2	0	0	2	(2)	3	
22	2041	12	8	62	14	7	3	1	0	0	2	(2)	3	
23	2042	11	8	60	12	6	3	1	0	0	2	(1)	2	
24	2043	11	8	58	11	6	2	1	0	0	1	(1)	2	
25	2044	11	8	55	10	5	2	1	0	0	1	(1)	2	
26	2045	10	8	53	9	5	1	1	0	0	1	(1)	2	
27	2046	10	8	51	8	5	1	1	0	0	1	(1)	2	
28	2047	9	8	49	7	4	1	0	0	0	1	(1)	1	
29	2048	9	8	47	6	4	1	0	0	0	1	(1)	1	
		227	218	2,490	1,238	378	439	190	0	0	91	48	93	
		Levelized Annual Revenue Requirement:			101	31	36	16	0	0	7	4	8	
		As % of Original Cost:			10.14%	3.09%	3.59%	1.55%	0.00%	0.00%	0.74%	0.40%	0.76%	10.14%

		Tax Depreciation Table								
Time Period	Year	2019	2020	2021	2022	2023	Total	BOY	EOY	Average
0	2019	38					38	0	0	0
1	2020	72	0				72	0	0	0
2	2021	67	0	0			67	0	0	0
3	2022	62	0	0	0		62	0	0	0
4	2023	57	0	0	0	0	57	0	0	0
5	2024	53	0	0	0	0	53	0	0	0
6	2025	49	0	0	0	0	49	0	0	0
7	2026	45	0	0	0	0	45	0	0	0
8	2027	45	0	0	0	0	45	0	0	0
9	2028	45	0	0	0	0	45	0	0	0
10	2029	45	0	0	0	0	45	0	0	0
11	2030	45	0	0	0	0	45	0	0	0
12	2031	45	0	0	0	0	45	0	0	0
13	2032	45	0	0	0	0	45	0	0	0
14	2033	45	0	0	0	0	45	0	0	0
15	2034	45	0	0	0	0	45	0	0	0
16	2035	45	0	0	0	0	45	0	0	0
17	2036	45	0	0	0	0	45	0	0	0
18	2037	45	0	0	0	0	45	0	0	0
19	2038	45	0	0	0	0	45	0	0	0
20	2039	22	0	0	0	0	22	0	0	0
21	2040	0	0	0	0	0	0	0	0	0
22	2041	0	0	0	0	0	0	0	0	0
23	2042	0	0	0	0	0	0	0	0	0
24	2043	0	0	0	0	0	0	0	0	0
25	2044	0	0	0	0	0	0	0	0	0
26	2045	0	0	0	0	0	0	0	0	0
27	2046	0	0	0	0	0	0	0	0	0
28	2047	0	0	0	0	0	0	0	0	0
29	2048	0	0	0	0	0	0	0	0	0
		1,000	0	0	0	0	1,000			

		Book Depreciation Table								
Time Period	Year	2019	2020	2021	2022	2023	Total	BOY	EOY	Average
0	2019	15					15	0	15	8
1	2020	30	0				30	15	45	30
2	2021	30	0	0			30	45	75	60
3	2022	30	0	0	0		30	75	105	90
4	2023	30	0	0	0	0	30	105	135	120
5	2024	30	0	0	0	0	30	135	165	150
6	2025	30	0	0	0	0	30	165	195	180
7	2026	30	0	0	0	0	30	195	225	210
8	2027	30	0	0	0	0	30	225	255	240
9	2028	30	0	0	0	0	30	255	285	270
10	2029	30	0	0	0	0	30	285	315	300
11	2030	30	0	0	0	0	30	315	345	330
12	2031	30	0	0	0	0	30	345	375	360
13	2032	30	0	0	0	0	30	375	405	390
14	2033	30	0	0	0	0	30	405	435	420
15	2034	30	0	0	0	0	30	435	465	450
16	2035	30	0	0	0	0	30	465	495	480
17	2036	30	0	0	0	0	30	495	525	510
18	2037	30	0	0	0	0	30	525	555	540
19	2038	30	0	0	0	0	30	555	585	570
20	2039	30	0	0	0	0	30	585	615	600
21	2040	30	0	0	0	0	30	615	645	630
22	2041	30	0	0	0	0	30	645	675	660
23	2042	30	0	0	0	0	30	675	705	690
24	2043	30	0	0	0	0	30	705	735	720
25	2044	30	0	0	0	0	30	735	765	750
26	2045	30	0	0	0	0	30	765	795	780
27	2046	30	0	0	0	0	30	795	825	810
28	2047	30	0	0	0	0	30	825	855	840
29	2048	30	0	0	0	0	30	855	885	870
		885	0	0	0	0	885			

Time Period	Year	Salvage	Deferred Taxes	BOY	EOY	Avg. Acc. Deferred Taxes	Tax Depreciation Rates							
				Accum. Deferred Taxes	Accum. Deferred Taxes		Book Depreciation	Tax Depreciation	MACRS Half Year					
								3-year	5-year	7-year	10-year	15-year	20-year	
0	2019	0	5	0	5	3	1.67%	3.75%	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
1	2020	0	10	5	16	11	3.33%	7.22%	44.45%	32.00%	24.49%	18.00%	9.50%	7.22%
2	2021	0	9	16	25	20	3.33%	6.68%	14.81%	19.20%	17.49%	14.40%	8.55%	6.68%
3	2022	0	8	25	33	29	3.33%	6.18%	7.41%	11.52%	12.49%	11.52%	7.70%	6.18%
4	2023	0	7	33	39	36	3.33%	5.71%		11.52%	8.93%	9.22%	6.93%	5.71%
5	2024	0	6	39	45	42	3.33%	5.29%		5.76%	8.92%	7.37%	6.23%	5.29%
6	2025	0	5	45	49	47	3.33%	4.89%			8.93%	6.55%	5.90%	4.89%
7	2026	0	4	49	53	51	3.33%	4.52%			4.46%	6.55%	5.90%	4.52%
8	2027	0	4	53	57	55	3.33%	4.46%				6.56%	5.91%	4.46%
9	2028	0	4	57	60	58	3.33%	4.46%				6.55%	5.90%	4.46%
10	2029	0	4	60	64	62	3.33%	4.46%				3.28%	5.91%	4.46%
11	2030	0	4	64	67	66	3.33%	4.46%					5.90%	4.46%
12	2031	0	4	67	71	69	3.33%	4.46%					5.91%	4.46%
13	2032	0	4	71	74	73	3.33%	4.46%					5.90%	4.46%
14	2033	0	4	74	78	76	3.33%	4.46%					5.91%	4.46%
15	2034	0	4	78	82	80	3.33%	4.46%					2.95%	4.46%
16	2035	0	4	82	85	83	3.33%	4.46%						4.46%
17	2036	0	4	85	89	87	3.33%	4.46%						4.46%
18	2037	0	4	89	92	91	3.33%	4.46%						4.46%
19	2038	0	4	92	96	94	3.33%	4.46%						4.46%
20	2039	0	(2)	96	94	95	3.33%	2.23%						2.23%
21	2040	0	(7)	94	87	90	3.33%		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
22	2041	0	(7)	87	79	83	3.33%							
23	2042	0	(7)	79	72	76	3.33%							
24	2043	0	(7)	72	65	68	3.33%							
25	2044	0	(7)	65	57	61	3.33%							
26	2045	0	(7)	57	50	54	3.33%							
27	2046	0	(7)	50	43	46	3.33%							
28	2047	0	(7)	43	35	39	3.33%							
29	2048	0	(7)	35	28	32	3.33%							
			28				98.33%							

**Northern States Power Company
Electric Utility - State of North Dakota
Derivation of Energy Payments**

NET ENERGY BILLING SERVICE	Average Summer	Average Winter	Wtd Avg Annual
(1) Estimated System Average Incremental Energy Costs for 2019 (¢/kWh)	2.231	2.328	
(2) Energy Loss Factors	0.9737	0.9707	
(3) Estimated System Average Incremental Energy Costs Adjusted for Losses (1)/(2)	2.291	2.398	
		[1]	[2]
(4) Average Annual (Cents/kWh) ([1]*4/12) + ([2]*8/12)			2.362

PURCHASE AND SALE BILLING SERVICE	Average Summer	Average Winter
(1) Estimated System Average Incremental Energy Costs for 2019 (¢/kWh)	2.231	2.328
(2) Energy Loss Factors	0.9737	0.9707
(3) Estimated System Average Incremental Energy Costs Adjusted for Losses (1)/(2)	2.291	2.398

TIME OF DAY PURCHASE SERVICE	Summer On Peak	Summer Off Peak	Winter On Peak	Winter Off Peak
(1) Estimated System Average Incremental Energy Costs for 2019 (¢/kWh)	3.073	1.789	2.836	2.052
(2) Energy Loss Factors	0.9723	0.9756	0.9707	0.9739
(3) Estimated System Average Incremental Energy Costs Adjusted for Losses(1)/(2)	3.161	1.834	2.922	2.107

Sources:

Incremental Energy Cost Data provided by Xcel Energy's Generation Modeling .

**Northern States Power Company
Electric Utility - State of North Dakota
Calculation of Net Annual Avoided Capacity Costs**

	[PROTECTED DATA BEGINS	
(1) Completed Cost of C.T. Unit (2019 \$)		/kW
(2) Inflation Net of Technical Progress		
(3) Average Service Life		Years
(4) Discount Rate (After Tax)		
Calculation of Marginal Capital Carry Charge Rate		
(5) Present Value of Revenue Requirements		/kW
(6) Annuity Factor Adjustment for Inflation **		
(7) Present Value of Revenue Requirements Adjusted for Inflation (5)*(6)		
(8) Marginal Capital Carrying Charge Rate (7)/(1)		
(9) First Year Revenue Requirement (1)*(8)		/kW (2019 \$)
(10) Present Value at 6.44% for 0 years		/kW
(11) Present Value of Average Annual Fuel Savings		/kW
(12) Annual Avoided Capacity Cost (10)-(11)		/kW
(13) Adjusted for 15% Reserve Margin (12)*1.15		/kW
(14) Plus \$10.60/kW Fixed O & M (2019 \$) (13)+10.60		/kW
(15) Adjusted for losses (14)/0.9674		/kW
(16) NET ANNUAL AVOIDED CAPACITY COST	/kW	

PROTECTED DATA ENDS]

(17) Net Winter On-Peak Avoided Capacity Cost (TOD PURCHASE) (16)*0.2340*100/2023	0.00602 \$/kWh
(18) Net Summer On-Peak Avoided Capacity Cost (TOD PURCHASE) (16)*0.7660*100/1022	0.03900 \$/kWh
(19) Net Annual On-Peak Avoided Capacity Cost (16)*100/3045	0.01709 \$/kWh
(20) Net Winter Avoided Capacity Cost Averaged Over All Winter Hours (PURCHASE & SALE BILLING) (16)*0.2340*100/5832	0.00209 \$/kWh
(21) Net Summer Avoided Capacity Cost Averaged Over All Summer Hours (PURCHASE & SALE BILLING) (16)*0.7660*100/2928	0.01361 \$/kWh
(22) Net Annual Avoided Capacity Cost Average Over All Hours (16)*100/8760	0.00594 \$/kWh

Note: The weighting factors 0.7660 and 0.2340 are obtained from NSP's most recent Cost of Service Study. These ratios represent relative summer and winter season capacity costs on NSP's System.

** $AC = k*(r-j)*(1+j)^{(t-1)}*[1/(1-(1+j)^n/(1+r)^n)]$
 Where AC = Annual Charge in year t
 t = Year (=1)
 K = Total Present Value Cost of Original Investment
 r = Discount Rate (Overall Marginal Cost of Capital) (6.84%)
 j = Inflation Rate Net of Technology Progress (2.64%)
 n = Expected Service Life of Investment (35 Years)

Summer Percent:	76.60%
Winter Percent:	23.40%
Total:	100.00%
O & M	

Northern States Power Company
System Peak Demands
Summer/Winter Factors

Month	System MW	
	Full	Net
1	6,354	1,354
2	6,083	1,083
3	5,867	867
4	5,440	440
5	7,021	2,021
6	8,402	3,402
7	9,136	4,136
8	8,775	3,775
9	7,857	2,857
10	5,719	719
11	5,776	776
12	6,394	1,394
Annual Average Hourly Load	5,000	
Average of Monthly Peaks		
Year	6,902	1,902
Summer	8,543	3,543
Winter	<u>6,082</u>	<u>1,082</u>
Total	14,624	4,625
Summer:Winter Ratio	1.4046	3.2742
Summer Percent	58.41%	76.6041%
Winter Percent	<u>41.59%</u>	<u>23.3959%</u>
	100.00%	100.00%

Notes:
Full system ratio used to weight actual summer class peaks
Net system ratio used to split total peaking plant into summer and winter

Northern States Power Company
Electric Utility - State of North Dakota
Marginal Cost of Capital

<i>(Before Tax)</i>	Capitalization Ratio (%)	Cost (%)	Weighted (%)
LT- Debt	44.96%	5.14%	2.31%
ST- Debt	2.48%	0.75%	0.02%
Common Equity	52.56%	10.25% *	5.39%
Weighted Average	100.00%		7.72%

<i>(After Tax)</i>	Capitalization Ratio (%)	Cost (%)	Weighted (%)
LT-Debt	44.96%	5.14%	1.75%
ST-Debt	2.48%	0.75%	0.02%
Common Equity	52.56%	10.25% *	5.39%
Weighted Average	100.00%		7.16%

* Common Equity is Commission approved return in case no. PU-12-813 (Order issued 2/26/2014)

Source:
 Company Corporate Assumptions Memo (December 6, 2018)

REVENUE REQUIREMENTS

Combustion Turbine Plant
North Dakota

Income Tax Rate	24.41%
AFUDC Rate	8.02%
Beginning Year	2019
Year in Service	2019
Salvage/(Removal)%	0.00%
Escalation Factor	2.23%
Tax Life	20 years
Book Life	27.5 years
Property Tax Rate	0.75%

	Cost of Capital		Before-Tax	After-Tax
	Cost	Ratio	Weighted Cost	Weighted Cost
Equity	10.25%	52.56%	5.39%	5.39%
Preferred	0.00%	0.00%	0.00%	0.00%
L-T Debt	5.14%	44.96%	2.31%	1.75%
S-T Debt	0.75%	2.48%	0.02%	0.02%
		100.00%	7.72%	7.16%

Carrying Charge Rate	
Return Requirement	5.08%
Depreciation Requirement	3.72%
Income Tax Requirement	1.15%
Total Capital Requirement	9.94%
O&M Requirement	0.00%
Property Tax	0.76%
Total LARR =	10.71%

(LARR) Levelized Annual Revenue Requirement

Time Period	Year	Capital Expend.	AFUDC	Total CWIP	Plant in Service BOY	Plant in Service EOY	Average Plant in Service	Average Accum. Deprec.	Average Net Plant in Service	Average Acc. Def. Income Taxes	Average Rate Base	Rate of Return (Equity)	Rate of Return (Debt)	AFUDC	Operating Expenses	Book Deprec. Expense	Deferred Income Taxes	Salvage
0	2019	1,000	0	1,000	0	1,000	500	9	491	2	489	26	11	0	0.00	18	5	0
1	2020	0	0	0	1,000	1,000	1,000	36	964	9	955	51	22	0	0.00	36	9	0
2	2021	0	0	0	1,000	1,000	1,000	73	927	17	910	49	21	0	0.00	36	7	0
3	2022	0	0	0	1,000	1,000	1,000	109	891	24	867	47	20	0	0.00	36	6	0
4	2023	0	0	0	1,000	1,000	1,000	145	855	30	825	44	19	0	0.00	36	5	0
5	2024	0	0	0	1,000	1,000	1,000	182	818	34	784	42	18	0	0.00	36	4	0
6	2025	0	0	0	1,000	1,000	1,000	218	782	38	744	40	17	0	0.00	36	3	0
7	2026	0	0	0	1,000	1,000	1,000	255	745	40	705	38	16	0	0.00	36	2	0
8	2027	0	0	0	1,000	1,000	1,000	291	709	42	667	36	16	0	0.00	36	2	0
9	2028	0	0	0	1,000	1,000	1,000	327	673	44	628	34	15	0	0.00	36	2	0
10	2029	0	0	0	1,000	1,000	1,000	364	636	46	590	32	14	0	0.00	36	2	0
11	2030	0	0	0	1,000	1,000	1,000	400	600	48	552	30	13	0	0.00	36	2	0
12	2031	0	0	0	1,000	1,000	1,000	436	564	50	513	28	12	0	0.00	36	2	0
13	2032	0	0	0	1,000	1,000	1,000	473	527	52	475	26	11	0	0.00	36	2	0
14	2033	0	0	0	1,000	1,000	1,000	509	491	54	436	24	10	0	0.00	36	2	0
15	2034	0	0	0	1,000	1,000	1,000	545	455	57	398	21	9	0	0.00	36	2	0
16	2035	0	0	0	1,000	1,000	1,000	582	418	59	360	19	8	0	0.00	36	2	0
17	2036	0	0	0	1,000	1,000	1,000	618	382	61	321	17	7	0	0.00	36	2	0
18	2037	0	0	0	1,000	1,000	1,000	655	345	63	283	15	7	0	0.00	36	2	0
19	2038	0	0	0	1,000	1,000	1,000	691	309	65	245	13	6	0	0.00	36	2	0
20	2039	0	0	0	1,000	1,000	1,000	727	273	64	209	11	5	0	0.00	36	(3)	0
21	2040	0	0	0	1,000	1,000	1,000	764	236	58	179	10	4	0	0.00	36	(9)	0
22	2041	0	0	0	1,000	1,000	1,000	800	200	49	151	8	4	0	0.00	36	(9)	0
23	2042	0	0	0	1,000	1,000	1,000	836	164	40	124	7	3	0	0.00	36	(9)	0
24	2043	0	0	0	1,000	1,000	1,000	873	127	31	96	5	2	0	0.00	36	(9)	0
25	2044	0	0	0	1,000	1,000	1,000	909	91	22	69	4	2	0	0.00	36	(9)	0
26	2045	0	0	0	1,000	1,000	1,000	945	55	13	41	2	1	0	0.00	36	(9)	0
27	2046	0	0	0	1,000	1,000	1,000	964	36	9	27	1	1	0	0.00	0	0	0
28	2047	0	0	0	1,000	1,000	1,000	0	1,000	9	991	53	23	0	0.00	0	0	0
29	2048	0	0	0	1,000	1,000	1,000	0	1,000	9	991	53	23	0	0.00	0	0	0
		1,000	0	1,000											0	964	9	0

Time Period	Year	Income Taxes	Property Taxes	Revenue Req.	PV Revenue Req.	PV of Book Deprec.	PV of Equity Return	PV of Debt Return	PV of AFUDC	PV of Operating Expenses	PV of Property Taxes	PV of Def. Taxes	PV of Income Taxes	
0	2019	4	0	64	64	18	26	11	0	0	0	5	4	
1	2020	8	8	134	125	34	48	21	0	0	7	8	7	
2	2021	8	8	130	113	32	43	18	0	0	7	6	7	
3	2022	9	8	126	102	30	38	16	0	0	6	5	7	
4	2023	9	8	122	92	28	34	15	0	0	6	4	7	
5	2024	10	8	118	84	26	30	13	0	0	5	3	7	
6	2025	10	8	114	75	24	26	11	0	0	5	2	7	
7	2026	10	8	111	68	22	23	10	0	0	5	1	6	
8	2027	10	8	107	61	21	21	9	0	0	4	1	6	
9	2028	9	8	103	55	20	18	8	0	0	4	1	5	
10	2029	8	8	100	50	18	16	7	0	0	4	1	4	
11	2030	8	8	96	45	17	14	6	0	0	4	1	4	
12	2031	7	8	92	40	16	12	5	0	0	3	1	3	
13	2032	6	8	89	36	15	10	5	0	0	3	1	3	
14	2033	6	8	85	32	14	9	4	0	0	3	1	2	
15	2034	5	8	82	29	13	8	3	0	0	3	1	2	
16	2035	4	8	78	26	12	6	3	0	0	2	1	1	
17	2036	4	8	74	23	11	5	2	0	0	2	1	1	
18	2037	3	8	71	20	10	4	2	0	0	2	1	1	
19	2038	2	8	67	18	10	4	2	0	0	2	1	1	
20	2039	7	8	64	16	9	3	1	0	0	2	(1)	2	
21	2040	12	8	61	14	9	2	1	0	0	2	(2)	3	
22	2041	12	8	58	13	8	2	1	0	0	2	(2)	3	
23	2042	11	8	56	11	7	1	1	0	0	2	(2)	2	
24	2043	11	8	53	10	7	1	0	0	0	1	(2)	2	
25	2044	10	8	50	9	6	1	0	0	0	1	(2)	2	
26	2045	10	8	48	8	6	0	0	0	0	1	(1)	2	
27	2046	0	8	10	2	0	0	0	0	0	1	0	0	
28	2047	17	8	101	15	0	8	3	0	0	1	0	2	
29	2048	17	8	101	14	0	7	3	0	0	1	0	2	
		246	218	2,565	1,272	442	421	182	0	0	91	33	103	
		Levelized Annual Revenue Requirement:			107	37	35	15	0	0	8	3	9	
		As % of Original Cost:			10.71%	3.72%	3.55%	1.53%	0.00%	0.00%	0.76%	0.28%	0.87%	10.71%

		Tax Depreciation Table								
Time Period	Year	2019	2020	2021	2022	2023	Total	BOY	EOY	Average
0	2019	38					38	0	38	19
1	2020	72	0				72	38	110	74
2	2021	67	0	0			67	110	176	143
3	2022	62	0	0	0		62	176	238	207
4	2023	57	0	0	0	0	57	238	295	267
5	2024	53	0	0	0	0	53	295	348	322
6	2025	49	0	0	0	0	49	348	397	373
7	2026	45	0	0	0	0	45	397	442	420
8	2027	45	0	0	0	0	45	442	487	465
9	2028	45	0	0	0	0	45	487	532	509
10	2029	45	0	0	0	0	45	532	576	554
11	2030	45	0	0	0	0	45	576	621	598
12	2031	45	0	0	0	0	45	621	665	643
13	2032	45	0	0	0	0	45	665	710	688
14	2033	45	0	0	0	0	45	710	755	732
15	2034	45	0	0	0	0	45	755	799	777
16	2035	45	0	0	0	0	45	799	844	822
17	2036	45	0	0	0	0	45	844	888	866
18	2037	45	0	0	0	0	45	888	933	911
19	2038	45	0	0	0	0	45	933	978	955
20	2039	22	0	0	0	0	22	978	0	489
21	2040	0	0	0	0	0	0	0	0	0
22	2041	0	0	0	0	0	0	0	0	0
23	2042	0	0	0	0	0	0	0	0	0
24	2043	0	0	0	0	0	0	0	0	0
25	2044	0	0	0	0	0	0	0	0	0
26	2045	0	0	0	0	0	0	0	0	0
27	2046	0	0	0	0	0	0	0	0	0
28	2047	0	0	0	0	0	0	0	0	0
29	2048	0	0	0	0	0	0	0	0	0
		1,000	0	0	0	0	1,000			

		Book Depreciation Table								
Time Period	Year	2019	2020	2021	2022	2023	Total	BOY	EOY	Average
0	2019	18					18	0	18	9
1	2020	36	0				36	18	55	36
2	2021	36	0	0			36	55	91	73
3	2022	36	0	0	0		36	91	127	109
4	2023	36	0	0	0	0	36	127	164	145
5	2024	36	0	0	0	0	36	164	200	182
6	2025	36	0	0	0	0	36	200	236	218
7	2026	36	0	0	0	0	36	236	273	255
8	2027	36	0	0	0	0	36	273	309	291
9	2028	36	0	0	0	0	36	309	345	327
10	2029	36	0	0	0	0	36	345	382	364
11	2030	36	0	0	0	0	36	382	418	400
12	2031	36	0	0	0	0	36	418	455	436
13	2032	36	0	0	0	0	36	455	491	473
14	2033	36	0	0	0	0	36	491	527	509
15	2034	36	0	0	0	0	36	527	564	545
16	2035	36	0	0	0	0	36	564	600	582
17	2036	36	0	0	0	0	36	600	636	618
18	2037	36	0	0	0	0	36	636	673	655
19	2038	36	0	0	0	0	36	673	709	691
20	2039	36	0	0	0	0	36	709	745	727
21	2040	36	0	0	0	0	36	745	782	764
22	2041	36	0	0	0	0	36	782	818	800
23	2042	36	0	0	0	0	36	818	855	836
24	2043	36	0	0	0	0	36	855	891	873
25	2044	36	0	0	0	0	36	891	927	909
26	2045	36	0	0	0	0	36	927	964	945
27	2046	0	0	0	0	0	0	964	964	964
28	2047	0	0	0	0	0	0	0	0	0
29	2048	0	0	0	0	0	0	0	0	0
		964	0	0	0	0	964			

Time Period	Year	Salvage	BOY Accum. Deferred Taxes	EOY Accum. Deferred Taxes	Avg. Acc. Deferred Taxes
0	2019	0	5	0	2
1	2020	0	9	5	9
2	2021	0	7	13	17
3	2022	0	6	21	24
4	2023	0	5	27	30
5	2024	0	4	32	34
6	2025	0	3	36	38
7	2026	0	2	39	40
8	2027	0	2	41	42
9	2028	0	2	43	44
10	2029	0	2	45	46
11	2030	0	2	47	48
12	2031	0	2	49	50
13	2032	0	2	51	52
14	2033	0	2	53	54
15	2034	0	2	55	57
16	2035	0	2	58	59
17	2036	0	2	60	61
18	2037	0	2	62	63
19	2038	0	2	64	65
20	2039	0	(3)	66	64
21	2040	0	(9)	62	58
22	2041	0	(9)	53	49
23	2042	0	(9)	44	40
24	2043	0	(9)	36	31
25	2044	0	(9)	27	22
26	2045	0	(9)	18	13
27	2046	0	0	9	9
28	2047	0	0	9	9
29	2048	0	0	9	9
			9		

Book Depreciation	Tax Depreciation	Tax Depreciation Rates					
		MACRS Half Year					
		3-year	5-year	7-year	10-year	15-year	20-year
1.82%	3.75%	33.33%	20.00%	14.29%	10.00%	5.00%	3.75%
3.64%	7.22%	44.45%	32.00%	24.49%	18.00%	9.50%	7.22%
3.64%	6.68%	14.81%	19.20%	17.49%	14.40%	8.55%	6.68%
3.64%	6.18%	7.41%	11.52%	12.49%	11.52%	7.70%	6.18%
3.64%	5.71%		11.52%	8.93%	9.22%	6.93%	5.71%
3.64%	5.29%		5.76%	8.92%	7.37%	6.23%	5.29%
3.64%	4.89%			8.93%	6.55%	5.90%	4.89%
3.64%	4.52%			4.46%	6.55%	5.90%	4.52%
3.64%	4.46%				6.56%	5.91%	4.46%
3.64%	4.46%				6.55%	5.90%	4.46%
3.64%	4.46%				3.28%	5.91%	4.46%
3.64%	4.46%					5.90%	4.46%
3.64%	4.46%					5.91%	4.46%
3.64%	4.46%					5.90%	4.46%
3.64%	4.46%					5.91%	4.46%
3.64%	4.46%					2.95%	4.46%
3.64%	4.46%						4.46%
3.64%	4.46%						4.46%
3.64%	4.46%						4.46%
3.64%	4.46%						4.46%
3.64%	2.23%						2.23%
		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
96.36%							

**Northern States Power Company
Electric Utility - State of North Dakota
Derivation of Seasonal Loss Factors**

50%

ENERGY LOSS FACTORS

(1) Summer On Peak	0.9446	0.9723
(2) Summer Off Peak	0.9511	0.9756
(3) Summer Average	0.9473	0.9737
(4) Winter On Peak	0.9414	0.9707
(5) Winter Off Peak	0.9477	0.9739
(6) Winter Average	0.9470	0.9735

DEMAND LOSS FACTOR

(7) Annual Average	0.9348	0.9674
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Source:
Information provided by Xcel Energy Load Research Dept.

Table 1

**Standard Contract Offer
by
Northern States Power Company**

2019 Rate Sheet

Years	\$/kW-mth		Years	\$/MWh
Contract Length	Levelized Capacity		Payment Period	Levelized Energy (1)
1	0.00	\$0.00		
2	0.00			
3	0.00			
4	0.00			
5	0.64			
6	1.07		1	19.18
7	1.39		2	18.92
8	1.64		3	18.63
9	1.85		4	18.32
10	2.02		5	18.00
11	2.16		6	17.68
12	2.29		7	17.35
13	2.41		8	17.03
14	2.51		9	16.71
15	2.61		10	16.40
16	2.70		11	16.09
17	2.79		12	15.79
18	2.87		13	15.50
19	2.94		14	15.21
20	3.02		15	14.92
21	3.09		16	14.65
22	3.16		17	14.38
23	3.23		18	14.11
24	3.29		19	13.86
25	3.36		20	13.61
26	3.42			
27	3.49			
28	3.55			
29	3.61			
30	3.68			
31	3.74			
32	3.80			
33	3.87			
34	3.93			
35	3.99			

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 19.18 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 14.92 \$/MWh for each year with the remaining 5 years for payback account corrections.

**Standard Contract Offer
by
Northern States Power Company**

2020 Rate Sheet

Years	\$/kW-mth	Years	\$/MWh
Contract Length	Levelized Capacity	Payment Period	Levelized Energy (1)
1	0.00		
2	0.00		
3	0.00		
4	0.00		
5	0.64		
6	1.07	1	16.44
7	1.39	2	16.75
8	1.65	3	16.88
9	1.85	4	16.89
10	2.02	5	16.82
11	2.17	6	16.70
12	2.29	7	16.54
13	2.41	8	16.35
14	2.52	9	16.14
15	2.61	10	15.93
16	2.70	11	15.70
17	2.79	12	15.47
18	2.87	13	15.23
19	2.94	14	14.99
20	3.02	15	14.75
21	3.09	16	14.51
22	3.16	17	14.28
23	3.23	18	14.05
24	3.30	19	13.81
25	3.36	20	13.59
26	3.43		
27	3.49		
28	3.55		
29	3.62		
30	3.68		
31	3.74		
32	3.81		
33	3.87		
34	3.93		
35	4.00		

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 16.44 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 14.75 \$/MWh for each year with the remaining 5 years for payback account corrections.

**Standard Contract Offer
by
Northern States Power Company**

2021 Rate Sheet

Years	\$/kW-mth	Years	\$/MWh
Contract Length	Levelized Capacity	Payment Period	Levelized Energy (1)
1	0.00		
2	0.00		
3	0.00		
4	0.00		
5	0.64		
6	1.07	13.87	13.87
7	1.40	14.74	14.74
8	1.65	15.28	15.28
9	1.85	15.60	15.60
10	2.02	15.78	15.78
11	2.17	15.85	15.85
12	2.30	15.85	15.85
13	2.41	15.79	15.79
14	2.52	15.69	15.69
15	2.61	15.56	15.56
16	2.70	15.41	15.41
17	2.79	15.25	15.25
18	2.87	15.07	15.07
19	2.95	14.88	14.88
20	3.02	14.68	14.68
21	3.09	14.48	14.48
22	3.16	14.27	14.27
23	3.23	14.07	14.07
24	3.30	13.86	13.86
25	3.36	13.66	13.66
26	3.43		
27	3.49		
28	3.56		
29	3.62		
30	3.68		
31	3.75		
32	3.81		
33	3.87		
34	3.94		
35	4.00		

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 13.87 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 14.68 \$/MWh for each year with the remaining 5 years for payback account corrections.