Back-Up Workpaper

NSPM Minn	esota Retail - Electric	2												
Including NO	OL Annual Deferred	-			2016		2017		2018		2019		2020	
		_	201	5	2016		62,998,563		60,234,388	•	45,119,024		(6,850,789)	
RIS Annual I	Deferred Tax Expense		179,729,756		215,776,327	16,503,441	5,249,880	4,818,383	5,019,532	4,606,968	3,759,919	3,450,884	(570,899)	(523,976)
31 Jan	335	0.917808	14,977,480	13,746,454	17,981,361	15,124,049	5,249,880	4,415,653	5,019,532	4,221,908	3,759,919	3,162,452	(570,899)	(480,181)
28 Feb	307	0.841096	14,977,480	12,597,497	17,981,361		5,249,880	3,969,772	5,019,532	3,795,592	3,759,919	2,843,117	(570,899)	(431,694)
31 Mar	276	0.756164	14,977,480	11,325,437	17,981,361	13,596,864	5,249,880	3,538,275	5,019,532	3,383,027	3,759,919	2,534,082	(570,899)	(384,770)
30 Apr	246	0.673973	14,977,480	10,094,411	17,981,361	12,118,944		3,092,395	5,019,532	2,956,711	3,759,919	2,214,747	(570,899)	(336,283)
31 May	215	0.589041	14,977,480	8,822,351	17,981,361	10,591,760	5,249,880	2,660,898	5,019,532	2,544,147	3,759,919	1,905,712	(570,899)	(289,360)
30 Jun	185	0.506849	14,977,480	7,591,325	17,981,361	9,113,840	5,249,880	2,215,018	5,019,532	2,117,830	3,759,919	1,586,377	(570,899)	(240,872)
31 Jul	154	0.421918	14,977,480	6,319,265	17,981,361	7,586,656	5,249,880	1,769,138	5,019,532	1,691,514	3,759,919	1,267,041	(570,899)	(192,385)
31 Aug	123	0.336986	14,977,480	5,047,205	17,981,361	6,059,472	5,249,880	1,337,641	5,019,532	1,278,949	3,759,919	958,007	(570,899)	(145,462)
30 Sep	93	0.254795	14,977,480	3,816,180	17,981,361	4,581,552	5,249,880	891,760	5,019,532	852,633	3,759,919	638,671	(570,899)	(96,975)
31 Oct	62	0.169863	14,977,480	2,544,120	17,981,361	3,054,368	5,249,880	460,263	5,019,532	440,069	3,759,919	329,637	(570,899)	(50,051)
30 Nov	32	0.087671	14,977,480	1,313,094	17,981,361	1,576,448	5,249,880	14,383	5,019,532	13,752	3,759,919	10,301	(570,899)	(1,564)
31 Dec	1	0.002740	14,977,480	41,034	17,981,361	49,264	5,249,880	29,183,581	5,015,552	27,903,099		20,901,028		(3,173,573)
365	0.268378995	0.536758	96,471,383	83,258,373		99,956,659		The second of th		13,951,549		10,450,514		(1,586,787)
	Pro-Rat	e Method BO	Y/EOY Average	41,629,187		49,978,330		14,591,791		30,117,194		22,559,512		(3,425,395)
	0.268378995	BO	Y/EOY Average	89,864,878		107,888,164		31,499,282 16,907,491		16,165,645		12,108,998		(1,838,608)
	48235691.25	Rate Ba	se Adjustment	48,235,691		57,909,834				16,165,644		12,108,998		-1,838,609
			RIS Check	48,235,691		57,909,834		16,907,491		0		0		-1
			Difference	0		0		U						
	Compos	ite Tax Rate	0.4137					0.05%		0.05%		0.07%		0.08%
	Weigh	ted Cost of STD		0.02%		0.02%				2.21%		2.18%		2.20%
	Weigh	ted Cost of LTD		2.22%		2.22%		2.21%		2.26%		2.25%		2.28%
	Weight	ed Cost of Debt		2.24%		2.24%		2.26%		5.25%		5.25%		5.25%
	Weighte	d Cost of Equity		5.25%		5.25%		5.25%		7.51%		7.50%		7.53%
	Required	Rate of Return		7.49%		7.49%		7.51%		3.70%		3.70%		3.70%
	Equity	Return Tax RR		3.70%		3.70%		3.70%		11.21%		11.20%		11.23%
	RB I	Revenue Requ	irement Factor	11.19%		11.19%	-	11.21%		1,812,890		1,356,748		(206,558)
			Rev Req Impact	5,399,725		6,482,693		1,896,084		1,812,890		1,356,748		-206,558
			RIS Check	5,399,725		6,482,693		1,896,084		1,012,030		0		0
			Difference	0		0		0						
									2020					
			RIS Input Data	2015	2016	2017	2018	2019	2020 (6,850,789)					
		Annual	Deferred - Basic	140,005,132	95,083,231	62,998,563	60,234,388	45,119,024	(0,850,789)					
		Annu	al Deferred NOL	39,724,624	120,693,096	-	15		(6.050.700)					
			Total	179,729,756	215,776,327	62,998,563	60,234,388	45,119,024	(6,850,789)					

Total

Cash Working Capital

This bridge schedule column represents the change in Cash Working Capital due to adjustments

Total Unadjusted CWC

(121,169,898) a

CWC on Adjustments

13,041,295 **f=b-a**

Total Adjusted CWC

(108,128,603) **b**

reference: AEH-1 Schedule 4, page 5

Return Calculation

957,231 **g=f * e**

Income Tax Deductions
Income Tax Impact

292,125 h=f*(c+d) 120,852 i=h*41.37%

Income Deficiency

836,379 j=g - i

Tax Gross-Up Factor

1.705611462 k

Total Impact

1,426,538 l=j * k

Cap Structure Proposed

Short Term Debt Long Term Debt Common Equity Required Rate of Return Ratio 1.26% 46.24% 52.50% 100.00% Cost Weighted Cost
1.84% 0.02% c
4.81% 2.22% d
9.72% 5.10%
7.34% e

Line		А	B = C - A	С	D = E - C	- C E		
No.	Cash Working Capital	2016	2017/2016	2017	2018/2017	2018		
1	Cash Working Capital	(108,129)	(3,756)	(111,884)	(3,830)	(115,714)		
1 2	Cash working Capital	(100,123)	(3,130)	(222,00-4)	(3,030)	(200), 21,		
3	Total Average Rate Base	(108,129)	(3,756)	(111,884)	(3,830)	(115,714)		
4								
5 6	Operating Revenues Other Operating							
7	Total Revenue					-		
8								
9	Taxes							
10	Deferred Income Tax and ITC	4 000		1.046	20	1.000		
11	Federal and State Income Tax	1,002	35	1,046	36	1,082 1,082		
12	Total Taxes	1,002	35	1,046	36	1,082		
13	Tatal Funances	1,002	35	1,046	36	1,082		
14 15	Total Expenses	1,002	33	1,040	. 30	1,002		
16	Total Operating Income	(1,002)	(35)	(1,046)	(36)	(1,082)		
17	Total Operating meanic	(2)002)	\					
18	Calculation of Revenue Requirements							
19	Rate Base	(108,129)	(3,756)	(111,884)	(3,830)	(115,714)		
20	Required Operating Income	(8,099)	(281)	(8,403)	(288)	(8,690)		
21	Operating Income	(1,002)	(35)	(1,046)	(36)	(1,082)		
22	Income Deficiency	(7,097)	(246)	(7,356)	(252)	(7,608)		
23	Revenue Deficiency	(12,104)	(420)	(12,547)	(429)	(12,977)		
24					·			
25	Calculation of Income Taxes							
26	Operating Revenue							
28	Operating Income Before Adjs							
29	Deductions from Income							
30	Debt Synchonization	(2,422)	(84)	(2,529)	(87)	(2,615)		
31	State Taxable Income	2,422	84	2,529	87	2,615		
32	State Income Tax Before Credits	237	8	248	8	256		
33	State Tax Credits							
34	Federal Tax Deductions							
35	Federal Taxable Income	2,185	76	2,281	78	2,359		
. 36	Federal Income Tax Before Credits	765	27	798	27	826		
37	Federal Tax Credits					4.000		
38	Total Income Taxes	1,002	35	1,046	36	1,082		
39		7.400/	7.400/	7.510/	7 510/	7.51%		
40	Required ROR	7.49%	7.49%	7.51%	7.51%	7.51% 2.26%		
41	Cost of Debt	2.24%	2.24% 9.80%	2.26% 9.80%	2.26% 9.80%	9.80%		
42	State Tax Rate	9.80% 41.37%	9.80% 41.37%	9.80% 41.37%	9.80% 41.37%	41.37%		
43	Composite Tax Rate (t)	1.70561	1.70561	1.70561	1.70561	1.70561		
44	Revenue Conversion Factor = 1 / (1 - t)	1.70301	1.70501	1.70301	1.70501	1.70501		
	References							
	Row 1, Column A	AEH-1 Sch 4, pg 5						
	Row 1, Column C	CRB-1 Sch 4, pg 5						
	Row 1, Column E	CRB-1 Sch 5, pg 5						
	Column B	CRB-1 Sch 6, col. 4						
	Column D	CRB-1 Sch 6, col. 9						

COC Change

This bridge schedule column represents the change in COC from last authorized to proposed

Total 2016 TY Rate Base

7,836,114,747 **a**

Change

11,754,172 e=a * (d - c)

Tax Gross-Up Factor

1.705611462 **b**

Total Impact

20,048,051 **f=e * b**

Can	Structure	Last Authorized
Cap	Structure	Last Authorized

·	Ratio	Cost	Weighted Cost
Short Term Debt	1.26%	1.84%	0.02%
Long Term Debt	46.24%	4.81%	2.22%
Common Equity	52.50%	9.72%	5.10%
Required Rate of Return	100.00%		7.34% c
Cap Structure Proposed	Ratio	Cost	Weighted Cost
Short Term Debt	1.26%	1.84%	0.02%
Long Term Debt	46.24%	4.81%	2.22%
Common Equity	52.50%	10.00%	5.25%
Required Rate of Return	100.00%		7.49% d

Exhibit (AEH-1), Schedule 24

Net Operating Loss

RIS 5-Year Forecast

NOL Adjustment: Purpose

The purpose of the NOL adjustment is to reflect the decrease in the deferred tax asset created due to the State of MN Electric being in a net operating loss (NOL) tax position prior to the test year. Because of the NOL, a deferred tax asset (DTA) is included in the beginning year rate base accumulated deferred taxes (ADIT). The DTA is an increase to rate base due to total current and deferred income taxes reflecting more deductions and credits than the Company can utilize in the years prior to the test year. The cumulative balance of the unused deductions and credits is the basis for the DTA. During the test year, the Company is able to consume some of the accumulated deductions thereby lowering the DTA. The reduction in the DTA is reflected in this adjustment.

The NOL adjustment is not an input to the Cost of Service. Rather the adjustment is calculated with the Cost of Service model. This workpaper reflects the calculations that were made within the model.

Docket No. E002/GR-15-826 Exhibit___(AEH-1) Schedule 24 Page 1 of 1

Northern States Power Company Electric Utility - State of Minnesota Net Operating Loss (NOL) Test Year Ending December 31, 2016 (\$000's)

At Last Authorized ROE

Impact of Unused/(Utilized) Tax Deductions on Rate Base	2014 Annual Report EOY Balances	2015 Bridge Annual Utilization Amounts	2015 Bridge EOY Balances	2016 Test Year Annual Utilization Amounts	2016 Test Year EOY Balances
1. Unused/(Utilized) Deductions	393,087,231	(97,341,132)	295,746,100	(295,746,100)	0
2. Deferred Tax Effect of Unused/(Utilized) Deductions	160,267,315	(39,724,624)	120,542,691	(120,693,096)	(150,405)
3. Unused/(Utilized) Credits State	0	558,701	558,701	(558,701)	0
4. Unused/(Utilized) Credits Federal	97,562,520	<u>26,047,263</u>	<u>123,609,783</u>	<u>31,842,924</u>	155,452,707
5. Accumulated Deferred Income Taxes (ADIT)	257,829,835	(13,118,660)	244,711,175	(89,408,873)	155,302,302

	2015 Bridge Year	2016 Test Year	
Impact of Unused/(Utilized) Tax	Utilization	Utilization	
Deductions on Revenue Requirements	Adjustment	Adjustment	Comment
5. Deferred Tax Asset BOY	0	0	Zero since adjustment reflects current year utilization
7. Deferred Tax Asset EOY	(13,118,660)		From Utilization columns on Line 4
3. Average Rate Base	(6,559,330)	(44,704,436)	(BOY + EOY)/2
). Return Requirement	(481,455)		Rate Base * Req Rate of Return
10. RR Tax on Equity Return	(236,045)	(1,608,742)	_(Γ/(1-T))*RB*Equity Return
11. Rate Base Revenue Requirement	(717,500)	(4,890,048)	Line 9 + Line 10
12. Deferred Tax	13,118,660	89,408,873	From Utilization columns on Line 5
13. Current Tax Rev Req ¹	(14,382,429)		From Line 19
14. Total Revenue Requirements	(1,981,269)		Line 10+11+12
RR on beg balance from 2015		(1,435,000)	Line 7 (EOY 2015) * (ROR + T/(1-T)*weighted cost of equity
Total for validation	(1,981,269)	(8,817,833)	
RIS COSS	(1,981,269)	(8,817,833))
Difference	(0)	0	
¹ Current Income Tax Rev Req Calculation			
15. Utilized Deductions	97,341,132	295,746,100	Unused Annual Deductions
16. Deferred Taxes	13,118,660	89,408,873	Line 12
17. Unused State Tax Credits	558,701	(558,701)	From Utilization columns on Line 3
18. Unused Federal Tax Credits	26,047,263		From Utilization columns on Line 4
19. Current Income Tax Revenue Requirement	(14,382,429)	(91,901,658) (T/(1-T))*(-Line 15+.65xLine16+Line17)+.65xLine 16+Line
Weighted Cost of Capital	<u> 2015</u>	<u>2016</u>	
Active Rates and Ratios Version	Last Authorized	Last Authorize	d
Cost of Short Term Debt	0.98%	1.84%	5
Cost of Long Term Debt	4.84%	4.81%	5
Cost of Common Equity	9.72%	9.72%	3
Ratio of Short Term Debt	1.61%	1.26%	6
Ratio of Long Term Debt	45.89%	46.24%	
Ratio of Common Equity	52.50%	52.50%	6
Weighted Cost of STD	0.02%	0.02%	
Weighted Cost of LTD	2.22%	2.22%	
Weighted Cost of Debt	2.24%	2.24%	
Weighted Cost of Equity	<u>5.10%</u>	<u>5.10%</u>	-
Required Rate of Return	7.34%	7.34%	6
Corp Composite Tax Rat	te 40.81%	40.81%	%
MN Composite Tax Rat		41.379	/o

Docket No. E002/GR-15-826
Exhibit___(AEH-1) Schedule 24
Back-Up Support - 3-Year Ask
Page 1 of 1

Northern States Power Company Electric Utility - State of Minnesota Net Operating Loss (NOL) Test Year Ending December 31, 2016 (\$000's)

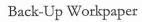
The Contract									
Impact of Unused/(Utilized) Tax Deductions on Rate Base	2014 Annual Report EOY Balances	2015 Bridge Annual Utilization Amounts	2015 Bridge EOY Balances	2016 Test Year Annual Utilization Amounts	2016 Test Year EOY Balances	2017 Ask Annual Utilization Amounts	2017 Ask EOY Balances	2018 Ask Annual Utilization Amounts	2018 Ask EOY Balances
		(97,341,132)	295,746,100	(295,746,100)	0	0	0	0	0
1. Unused/(Utilized) Deductions	393,087,231 160,267,315			(120,693,096)		0	(150,405)	0	(150,405)
Deferred Tax Effect of Unused/(Utilized) Deductions Unused/(Utilized) Credits State	100,207,515	558,701	1 1	(558,701)		0	0	0	0
4. Unused/(Utilized) Credits Federal	97,562,520	26,047,263	123,609,783	31,842,924		(52,991,330)	TO APPENDENCE OF STREET OF STREET, ST.	(62,148,736) (62,148,736)	
5. Accumulated Deferred Income Taxes (ADIT)	257,829,835	(13,118,660)	244,711,175	(89,408,873)	155,302,302	(52,991,330)	102,310,972	(02,148,730)	70,102,230

5. Accumulated Deferred income Taxes (ADTT)	227,022,022		***************************************		Secretations and Europe Graph parameters are also the August of Europe Graph Control of
		.51	2017 4-1-	2018 Ask	
Impact of Unused/(Utilized) Tax	2015 Bridge Year	2016 Test Year Utilization	2017 Ask Utilization	Utilization	
	Utilization Adjustment	Adjustment	Adjustment		Comment
Deductions on Revenue Requirements	Adjustment	0	0		Zero since adjustment reflects current year utilization
6. Deferred Tax Asset BOY			(52,991,330)		From Utilization columns on Line 4
7. Deferred Tax Asset EOY	(13,118,660)	(89,408,873) (44,704,436)	(26,495,665)		(BOY + EOY)/2
8. Average Rate Base	(6,559,330)		(1,950,081)		Rate Base * Req Rate of Return
9. Return Requirement	(481,455)	(3,281,306) (1,608,742)	(953,478)		(T/(1-T))*RB*Equity Return
10. RR Tax on Equity Return	(236,045)	(4,890,048)	(2,903,559)		Line 9 + Line 10
11. Rate Base Revenue Requirement	(717,500)	(4,020,040)	(2,703,037)	(5,100,022)	
12. Deferred Tax	13,118,660	89,408,873	52,991,330	62,148,736	From Utilization columns on Line 5
13. Current Tax Rev Req 1	(14,382,429)	(91,901,658)	(52,991,330)		From Line 19
14. Total Annual Utilization Revenue Requirements	(1,981,269)	(7,382,833)	(2,903,559)	(3,405,321)	Line 10+11+12
Y					-
Current Income Tax Rev Reg Calculation	97,341,132	295,746,100	-	-	Unused Annual Deductions
15. Utilized Deductions 16. Deferred Taxes	13,118,660	89,408,873	52,991,330	62,148,736	Line 12
16. Deterred Taxes 17. Unused State Tax Credits	558,701	(558,701)	-	-	From Utilization columns on Line 3
	26,047,263	31,842,924	(52,991,330)	(62,148,736)	From Utilization columns on Line 4
18. Unused Federal Tax Credits 19. Current Income Tax Revenue Requirement	(14,382,429)		(52,991,330)		(T/(1-T))*(-Line 15+.65xLine16+Line17)+.65xLine 16+Line
	2015	2016	2017	2018	
Validation Section	(1,981,269)		(2,903,559)	(3,405,321)
Total Annual Utilization Revenue Requirements	(1,70x,=07)	(1,435,000)	(11,235,601)	(17,042,719	
RR on beg balance		3,425,905	31,435,296	34,023,749	
Sec 199 Manufacture Production Deduction - Fed	_	(2,045,142)	(18,765,740)	(20,310,954	
Section 199 Revenue Requirement	(1,981,269		(32,904,900)	(40,758,994	
Total NOL & Sec 199 for validation	(1,981,269	, , , , ,	(32,904,900)	(40,758,994	· 1
RIS COSS					'
Difference	(0, (6,559,330		(129,023,198)	(186,593,231	ار
Total Average Rate Base	(0,539,330) (37,023,070)	(123,023,175)	7-0-)01-1	<u>.</u>
Weighted Cost of Capital	2015	2016	2017	2018	
Active Rates and Ratios Version	Last Authorize	d Last Authorized	Last Authorized	Last Authorize	
Cost of Short Term Debt	0.98%	1.84%	3.57%	4.45%	
Cost of Long Term Debt	4.84%	4.81%	4.81%	4.779	
Cost of Common Equity	9.72%	9.72%	9.72%	9.729	6
Ratio of Short Term Debt	1.61%	1.26%	1.45%	1.26%	
Ratio of Long Term Debt	45.89%	46.24%	46,04%	46.419	
Ratio of Common Equity	52.50%	52.50%	52.50%	52.509	
Weighted Cost of STD	0.02%	0.02%	0.05%	0.059	
Weighted Cost of LTD	2.22%	6 2.22%	2.21%	2.219	
Weighted Cost of Debt	2.249	6 2.24%	2.26%		
Weighted Cost of Equity	5.109	<u>5.10%</u>	5.10%		
Required Rate of Return	7.34%	6 7.34%	7.36%	7.369	%
•					
Corp Composite Tax R					
MN Composite Tax R	ate 41.379	% 41.37%	41.37%	6 41.37	%



NOL and Tax Credit related DTA Summary by Jurisdiction NSPM 2015-2019 Forecast - 3-Year Ask Scenario October, 2015

10% ROE Beginning 2016 Minnesota Jurisdiction	2015	2016	2017	2018	2019	2020	
Unused Deductions Beginning Balance	(393,087,231)	(295,746,100)	-	-	-	-	
Sec 172(f) carryback & prior returns Current Year (Unused) Utilization	97,341,132	295,746,100				_	
Unused Deductions Ending Balance	(295,746,100)	-	-	-	-	-	
NOL related ADIT Beginning Balance	(160,267,315)	(120,542,691)	150,405	150,405	150,405	150,405	
Sec 172(f) carryback & prior returns Annual Amount	39,724,624	120,693,096	-	-			
NOL related ADIT Ending Balance	(120,542,691)	150,405	150,405	150,405	150,405	150,405	
Unused Tax Credit Beginning Balance	(97,562,520)	(124,168,484)	(155,452,707)	(102,461,377)	(40,312,641)	-	
Current Year (Unused) Utilization - State	(558,701)	558,701	-	-	E LA CASA	-	
Current Year (Unused) Utilization - Federal	(26,047,263)	(31,842,924)	52,991,330	62,148,736	40,312,641		
Unused Tax Credit Ending Balance	(124,168,484)	(155,452,707)	(102,461,377)	(40,312,641)		-	
BOY ADIT Total	(257,829,835)	(244,711,175)	(155,302,302)	(102,310,972)	(40,162,236)	150,405	
EOY ADIT Total	(244,711,175)	(155,302,302)	(102,310,972)	(40,162,236)	150,405	150,405	
Average Balance	(251,270,505)	(200,006,738)	(128,806,637)	(71,236,604)	(20,005,916)	150,405	
RIS Balance Check	(251,270,505)	(200,006,738)	(128,806,637)	(71,236,604)	(20,005,916)	150,405	Residual Bal due to changing CTRs.
NIS Dataille Clieck	(0)	(0)	(0)	(0)	(0)	(O)	



Exhibit___(AEH-1), Schedule 24

Net Operating Loss

RIS 5-Year Forecast

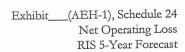
167	3-Year Ask Scenario - Current NOL Record Type						
168	Total Revenue Requirements	Dec - 2015	Dec - 2016	Dec - 2017	Dec - 2018	Dec - 2019	Dec - 2020
169	Total Retail Revenues						
170	Revenue Deficiency	(1,998,050)	(11,010,911)	(33,234,996)	(41,236,377)	(50,167,549)	(59,332,783)
171	Total Revenue Requirements	(1,998,050)	(11,010,911)	(33,234,996)	(41,236,377)	(50,167,549)	(59,332,783)
172							
	Federal Sec 199 Production Deduction		3,425,905	31,435,296	34,023,749	39,400,470	50,840,746
	Federal Sec 199 Production Deduction RR		(2,045,142)	(18,765,740)	(20,310,954)	(23,520,662)	(30,350,095)
	Total Revenue Requirements excluding Sec 199	(1,998,050)	(8,965,769)	(14,469,255)	(20,925,424)	(26,646,886)	(28,982,687)

Docket No. E002/GR-15-826
Exhibit ___ (AEH-1), Schedule 24 Back-Up
Page 1 of 1

Northern States Power Company State of MN Electric RIS 2015-2020 3-Year Ask Scenario ALL-IN

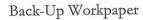
Line Line Control of Control of Charles and Other Event		MN Electric									
NSPM -00 Complete RR by Jur and Other, 5-year	Dec - 2015	Dec - 2016	Dec - 2017	Dec - 2018	Dec - 2019	Dec - 2020					
172 NOL Solve Validation	Dec - 2015	Dec - 2016	Dec - 2017	Dec - 2018	Dec - 2019	Dec - 2020					
173 Federal Sec 199 Production Deduction		3,059,123	21,314,808	23,752,250	30,170,312	41,095,650					
Total State Taxes Total Federal Taxes Total Federal & State Taxes	0 (0)	(16,556,817) (61,656,212) (78,213,029)	8,772,801 (82,168,262) (73,395,461)	7,024,008 (96,908,085) (89,884,077)	5,431,863 (93,449,348) (88,017,485)	12,067,108 (23,851,270) (11,784,162)					
Total State Taxes in Gross-Up Total Federal Taxes In Gross-Up		19,139,401 61,656,212	25,506,778 82,168,262	30,082,332 96,908,085	37,468,783 120,703,007	43,260,548 139,360,765					
Total State Taxes (Including Gross-Up) Total Federal Taxes (Including Gross-Up)		2,582,584 0	34,279,578 (0)	37,106,340 0	42,900,646 27,253,659	55,327,656 115,509,495					

NOL Solve Validation for zero income taxes All-In



NOL and Tax Credit related DTA Summary by Jurisdiction NSPM 2015-2019 Forecast October, 2015

10% ROE Beginning 2016 Minnesota Jurisdiction	<u> 2015</u>	<u>2016</u>	2017	2018	2019	2020	
Unused Deductions Beginning Balance	(393,087,231)	(295,746,100)	-	-	:	-	
Sec 172(f) carryback & prior returns Current Year (Unused) Utilization	97,341,132	295,746,100				_	
Unused Deductions Ending Balance	(295,746,100)	-	-	-	-	-	
NOL related ADIT Beginning Balance	(160,267,315)	(120,542,691)	150,405	150,405	150,405	150,405	
Sec 172(f) carryback & prior returns Annual Amount	39,724,624	120,693,096	-	-		-	
NOL related ADIT Ending Balance	(120,542,691)	150,405	150,405	150,405	150,405	150,405	
Unused Tax Credit Beginning Balance	(97,562,520)	(124,168,484)	(155,452,707)	(102,470,236)	(40,334,544)	-	
Current Year (Unused) Utilization - State	(558,701)	558,701		-	40 224 544	-	
Current Year (Unused) Utilization - Federal	(26,047,263)	(31,842,924)	52,982,471	62,135,692	40,334,544		-
Unused Tax Credit Ending Balance	(124,168,484)	(155,452,707)	(102,470,236)	(40,334,544)	-	-	
BOY ADIT Total	(257,829,835)	(244,711,175)	(155,302,302)	(102,319,831)	(40,184,139)	150,405	
EOY ADIT Total	(244,711,175)	(155,302,302)	(102,319,831)	(40,184,139)	150,405	150,405	
Average Balance	(251,270,505)	(200,006,738)	(128,811,067)	(71,251,985)	(20,016,867)	150,405	D 11 1D 11
RIS Balance Check	(251,270,505)	(200,006,738)	(128,811,067)	(71,251,985)	(20,016,867)	150,405	Residual Bal due to changing CTRs.
	(0)	(0)	(0)	(0)	(0)	(0)	



Exhibit___(AEH-1), Schedule 24
Net Operating Loss
RIS 5-Year Forecast

167	NOL Current Record Type - 5-Year Forecast						
168	Total Revenue Requirements	Dec - 2015	Dec - 2016	Dec - 2017	Dec - 2018	Dec - 2019	Dec - 2020
169	Total Retail Revenues						
170	Revenue Deficiency	(1,998,050)			(41,232,186)		
171	Total Revenue Requirements	(1,998,050)	(11,010,911)	(33,232,824)	(41,232,186)	(50,166,046)	(59,332,465)
172	Federal Sec 199 Production Deduction		3,425,905	31,432,491	34,019,618	39,400,007	50,840,213
	Federal Sec 199 Production Deduction Federal Sec 199 Production Deduction RR			(18,764,066)	(20,308,488)	(23,520,386)	(30,349,778)
	Total Revenue Requirements excluding Sec 199	(1,998,050)	(8,965,769)	(14,468,758)	(20,923,699)	(26,645,659)	(28,982,687)

Northern States Power Co. Minnesota
Minnesota Retail Electric Jurisdiction
Net Operating Loss (NOL) Related Deferred Tax Asset Balance Reporting
Forecast Utilization and Annual Revenue Requirement Reduction
Dollars in thousands

Docket No. E002/GR-15-826 Exhibit___(AEH-1) Schedule 24 Back-Up WP

From May 31, 2015 NOL Annual Compliance Filing

Attachment B Page 4 of 4

					(4)	(e)	(f)	(g)	(h)	(i)	(j)	(IC)
		(a)	(b)	(c)	(4)	2016	2017	2017	2018	2018	2019	2019
	Forecast	2014	2015		2016		Annual	Fest Bal	Annual	Fcst Bal	Annual	Fcst Bal
	Forecast	Ending	Annual	2015	Annual	Fcst Bal	-	(1)	Amount	(1)	Amount	(1)
		Balance	Amount	Fcst Bal	Amount	(1)	Amount	(1)	Allouit	0	0	0
			(104,658)	288,430	(288,429)	0	0	U	0	0	0	0
(1)	EOY Unused Deduction Balance		, , ,	117,552	(117,552)		0	0	0	U	0	
(2)	Tax Effect of Deduction Balance	160,267	(42,715)		,	156,516	(76,659)	79,857	<u>(79,857)</u>	<u>0</u>	0	<u> </u>
(-)	EOY Unused Credit Balance	97,563	29,661	127,224	29,293		(76,659)		(79,857)	0	0	0
(-)	Total (EOY Rate Base)	257,830	(13,054)	244,776	(88,259)	156,516	(70,037)	17,001	()/			
		0,4077144	0.408144	0.40755848	0.40755845							
(5)	Composite Tax Rate	0.407714	01100									

Minnesota Retail Jurisdiction

Capital Structure -	Current Authorized
---------------------	--------------------

(6) Weighted Cost of Debt 2.21%
(7) Weighted Cost of Equity 5.10%
(8) Composite Cost of Capital 7.31%

(9) Current Tax Rate 41.37% (10) RR Conversion Factor 1.705611462

(10)	· · · · · · · · · · · · · · · · · · ·	(1)	(m)	(n)	(o)	(p) ·
		2015	2016	2017	2018	2019
	NOL/DTA Return to Customer Estimat		88,259	76,659	79,857	-
(11)	Row (4) (Reverse sign) NOL Deferred Tax Asset Utilization Row (5) (Reverse sign)	- 1	(57,184)	(139,643)	(217,901)	(257,830)
(12)	Row (4) (Sum of previous years annual + 1/2 current year assummulative impact of reverage reasons.)		(4,180)	(10,208)	(15,929)	(18,847)
(13)	Row (12) * Composite Cost of Capital (Row (8) Col (b))	1	88,259	76,659	79,857	- (COO)
(14)	Row (11) (current year utilization)	1 (4 (1)	(1,264)	(3,086)	(4,816)	(5,698) 2,357
(15)	Weighted cost of debt * Average RB (Row (6) Col (b) * Row (12)) Current Ta	x (13,576)	(89,508)	(75,382)	(77,865)	
(16)	(Row (1) - Row (15)) * Composite Tax Rate (Row (24) Col (b)) + Row (3) Operating Incomposite Tax Rate (Row (24) Col (b)) + Row (3)	e 522	1,249	(1,277)	(1,992) (13,936)	(2,357) (16,490)
(17)	- Row (14) - Row (16) Operating Income Deficience	y (999)	(5,429)	(8,931)	(23,770)	(28,126)
(18)	Row (13) - Row (17)	n (1,704)	(9,259)	(15,233)	(23,770)	(20,120)
(19)	Row (18) * RR Conversion Factor Annual Revenue Requirement Reduceds					(#0.000)

2015-2019 Accumulated Reductions (78,092)

⁽¹⁾ Assumes Company has sufficient revenues to earn the last authorized return beginning in 2016.

Northern States Power Company
Electric Utility - State of Minnesota
CAPITAL FORECAST ADJUSTMENT SUMMARY
Amounts in thousands

62

		A	В	С	D=B-A	E = C - B	•
Line	MYRP Capital Forecast		Capital Forecast		Year-over-y	ear Change	
No.	MITER Capital Porecast	2016	2017	2018	2017 / 2016	2018 / 2017	Comment
	Additional Detail Reference	pg 3-4	pg 5-6	pg 7-8	pg 9-10	pg 11-12	
1	Plant as booked						
2	Production	9,192,783	9,476,488	9,868,923	283,706	392,435	
3	Transmission	2,690,961	2,751,152	2,789,625	60,190	38,473	
4	Distribution	3,272,959	3,391,796	3,516,302	118,837	124,505	
5	General	727,748	777,297	827,938	49,549	50,641	
6	Common	540,996	639,611	725,535	98,614	85,924	
	•		17,036,345	17,728,323	610,897	691,978	· (cum)
7	Total Utility Plant in Service	16,425,447	17,036,343	17,720,323	610,897	051,576	(sum)
8							
9	Reserve for Depreciation					200 201	
10	Production	4,947,590	5,309,141	5,678,024	361,551	368,884	
11	Transmission	551,324	579,921	622,464	28,597	42,543	
12	Distribution	1,232,993	1,277,293	1,333,146	44,300	55,853	
13	General	267,760	328,863	390,194	61,103	61,332	
14	Common	268,091	313,919	362,619	45,828	48,700	•
15	Total Reserve for Depreciation	7,267,758	7,809,137	8,386,448	541,378	577,311	(sum)
16							
17	Net Utility Plant						
18	Production	4,245,193	4,167,348	4,190,899	(77,845)	23,551	(line 2 - line 10)
19	Transmission	2,139,637	2,171,231	2,167,161	31,593	(4,070)	(line 3 - line 11)
20	Distribution	2,039,966	2,114,503	2,183,156	74,538	68,653	(line 4 - line 12)
21	General	459,988	448,435	437,744	(11,554)	(10,691)	(line 5 - line 13)
22	Common	272,905	325,691	362,916	52,786	37,224	(line 6 - line 14)
23	Net Utility Plant in Service	9,157,689	9,227,208	9,341,875	69,519	114,667	(sum)
24	•						
25	Utility Plant Held for Future Use				-		
26							
27	Construction Work in Progress	444,412	473,950	422,411	29,538	(51,539)	
28	Control Contro	,	1,0,000	,	22,000	(,,	
29	Less: Accumulated Deferred Income Taxes	2,216,466	2,304,118	2,366,477	87,652	62,358	
30	Less. Accumulated Deferred mcome raxes	2,210,400	2,304,110	2,500,477	07,032	02,330	
	Other Bate Base Items						
31	Other Rate Base Items						
32	Cash Working Capital						
33	Materials and Supplies				:		
34	Fuel Inventory						
35	Non Plant Assets and Liabilities						
36	Customer Advances						
37	Customer Deposits						
38	Prepayments						
39	Regulatory Amortizations	60,741	57,353	53,966	(3,387)	(3,387)	• •
40	Total Other Rate Base	60,741	57,353	53,966	(3,387)	(3,387)	(sum)
41							
42	Total Average Rate Base	7,446,375	7,454,393	7,451,776	8,018	(2,617)	(line 23 + line 27 - line 29 + line 40)
43							_
44	Operating Revenues						
45	Retail Revenue						
46	Other Operating	193,295	194,526	196,145	1,231	1,619	
47	Total Revenue	193,295	194,526	196,145	1,231	1,619	(sum)
48		•					
49	Expenses						
50	Operating Expenses						
51	Fuel & Purchased Energy	638	636	633	(1)	(3)	
52	Power Production	25,529	25,418	25,568	(111)	150	
52 53	Transmission	25,32 9 86,427	23,418 87,791	92,615	1,364	4,824	
		60,427	07,731	32,013	1,304	4,024	
54	Customer Accounting						
55	Customer Service and Information						
56	Sales, Econ Dev, & Other						
57	Administrative and General						•, (
58	Total Operating Expenses	112,594	113,845	118,816	1,252	4,971	(sum)
59							
60	Depreciation	471,286	543,044	569,829	71,758	26,785	
61	Amortization	38,472	38,472	38,472			
62					i		

С

D = B - A

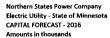
E = C - B

Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST ADJUSTMENT SUMMARY Amounts in thousands

							•
Line	MYRP Capital Forecast		Capital Forecast		Year-over-ye		
No.	With Capital Occuss	2016	2017	2018	2017 / 2016	2018 / 2017	Comment
	Additional Detail Reference	pg 3-4	<u>pg 5-6</u>	pg 7-8	pg 9-10	pg 11-12	
63	Taxes						
64	Property	186,751	195,116	200,621	8,365	5,504	
65	Deferred income Tax and ITC	93,743	61,658	58,894	(32,085)	(2,764)	
66	Federal and State Income Tax	(457,128)	(459,927)	(471,579)	(2,182)	(11,652)	(line 99)
67	Payroll and Other						
68	Total Taxes	(176,634)	(203,153)	(212,054)	(25,902)	(8,912)	(sum)
69							
70	Total Expenses	445,717	492,209	515,053	47,108	22,844	(line 58 + line 60 + line 61 + line 68)
71							
72	AFUDC	33,283	40,683	34,147	7,400	(6,536)	
73							•
74	Total Operating Income	(219,139)	(257,000)	(284,761)	(38,477)	(27,761)	(line 47 - line 70 + line 72)
75							
76	Calculation of Revenue Requirements						
77	Rate Base	7,446,375	7,454,393	7,451,776	8,018	(2,617)	(line 42)
78	Required Operating Income	557,733	559,825	559,628	589	(192)	(line 77 x line 101)
79	Operating income	(219,139)	(257,000)	(284,761)	(38,477)	(27,761)	(line 74)
80	Income Deficiency	776,873	816,824	844,389	39,066	27,569	(line 78 - line 79)
81	Revenue Deficiency	1,325,043	1,393,185	1,440,200	66,631	47,023	(line 80 x line 105)
82							•
83	Calculation of Income Taxes						
84	Operating Revenue	193,295	194,526	196,145	1,231	1,619	(line 47)
85	-Operating Expense	112,594	113,845	118,816	1,252	4,971	(line 58)
86	-Amortization	38,472	38,472	38,472			(line 61)
87	-Taxes Other then Income	186,751	195,116	200,621	8,365	5,504	(line 64 + line 67)
88	Operating Income Before Adjs	(144,522)	(152,908)	(161,764)	(8,385)	(8,856)	(sum)
89	Additions to Income	180,252	178,635	180,150	(1,618)	1,515	
90	Deductions from Income	869,840	856,670	879,931	(13,170)	23,261	
91	Debt Synchonization	166,799	168,469	168,410	180		(line 77 x line 102)
92	State Taxable Income	(1,000,909)	(999,413)	(1,029,956)	2,987		(line 88 + line 89 - line 90 - line 91)
93	State Income Tax Before Credits	(98,089)	(97,942)	(100,936)	293		(line 92 x line 103)
94	State Tax Credits	, , , , , , , , , , ,				,	• •
95	Federal Tax Deductions						
96	Federal Taxable Income	(902,820)	(901,470)	(929,020)	2,694	(27,550)	(line 92 - line 93 + line 94 - line 95)
97	Federal Income Tax Before Credits	(315,987)	(315,515)	(325,157)	943		(line 96 x 35%)
98	Federal Tax Credits	43,052	46,470	45,486	3,418	(984)	
99	Total Income Taxes	(457,128)	(459,927)	(471,579)	(2,182)	(11,652)	(line 93 - line 94 + line 97 - line 98)
100		(,)	,,,	=,= : • /	= - ;	1/ - /	
101	Required Rate of Return	7.49%	7.51%	7.51%	7.34%	7.34%	
102	Cost of Debt	2.24%	2.26%	2.26%	2.24%	2.26%	
103	State Tax Rate	9.80%	9.80%	9.80%	9.80%	9.80%	
	water, an italia	3.0076	5.0070	3.00/0	3.0070	5.5570	
104	Composite Tax Rate (t)	41.37%	41.37%	41.37%	41.37%	41.37%	

C D = B - A

E = C - B



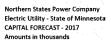
Docket No. E002/GR-15-826 Workpaper M1 Page 3 of 13

	Workpaper Reference	(1) <u>Vol 4A. P1 & P6</u>	(2) MZ	(3) MZ	(4) A1	(5) A12	(6) A13	(7) A20	(8) A25	(9) A26	(10) A31	(11) A33	(12) A35	(13) <u>A36</u>	(14) A38	(15)
Γ	TOTAL DESIGNATION	1	Base		Data Update		dential		Adjustment			ization	Rider Re		Secondary	
Line No.	MYRP Capital Forecast 2016	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
1	Plant as booked														ŀ	
2	Production	9,293,468			2,676								(103,361)			9,192,783
3	Transmission	2,906,669											(5,371)	(210,336)	}	2,690,961
. 4	Distribution	3,272,959														3,272,959
5	General	727,748														727,748
6	Common	540,996														540,996
7	Total Utility Plant in Service	16,741,841			2,676								(108,733)	(210,336)		16,425,447
8																-
9	Reserve for Depreciation															
10	Production	4,947,014			136				630				(190)			4,947,590
11	Transmission	554,837											(31)	(3,482)		551,324
12	Distribution	1,231,334						1,660							İ	1,232,993
13	General	266,556						1,204							}	267,760
14	Common	267,994						97								268,091
15	Total Reserve for Depreciation	7,267,735			136			2,961	630				(221)	(3,482)	į	7,267,758
16]
17	Net Utility Plant														l.	į.
18	Production	4,346,455			2,540				(630)				(103,171)			4,245,193
19	Transmission	2,351,832											(5,341)	(206,854)		2,139,637
20	Distribution	2,041,625						(1,660)								2,039,966
21	General	461,192						(1,204)								459,988
22	Common	273,002						(97)								272,905
23	Net Utility Plant in Service	9,474,106			2,540			(2,961)	(630)				(108,512)	(206,854)		9,157,689
24															İ	
25	Construction Work in Progress	541,694			(2,814)								(33,002)	(61,466)	Ì	444,412
26															1	
27	Less: Accumulated Deferred Income Taxes	2,251,683			(2)				(257)	1	21,026	3,799	(7,398)	(26,865)	(25,518)	2,216,466
28															i	ŀ
29	Other Rate Base Items														•	
30	Regulatory Amortizations										51,433	9,308				60,741
31	Total Other Rate Base										51,433	9,308			1	60,741
32															ŀ	İ
33	Total Average Rate Base	7,764,117			(272)			(2,961)	(373)		30,407	5,509	(134,116)	(241,455)	25,518	7,446,375
34															-	1



Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2016 Amounts in thousands

	Workpaper Reference	(1) <u>Vol 4A, P1 & P6</u>	(2) MZ	(3) MZ	(4) A1	(5) <u>A12</u>	(6) A13	(7) A20	(8) A25	(9) A26	(10) A31	(11) A33	(12) A35	(13) A36	(14) <u>A38</u>	(15)
	Workpaper neteralize	TOLSAL FLOOR	Base	HIL	Data Update		dential	Class.	Adjustment	CIEX		ization		Removals	Secondary	
Line No.	MYRP Capital Forecast 2016	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
35	Operating Revenues										1000					
36	Retail Revenue															
37	Other Operating	(3,733)		170,288	106	19,708	288	Aller Aller	195		2,694			3,748		193,295
38	Total Revenue	(3,733)		170,288	106	19,708	288		195		2,694			3,748		193,295
39																
40	Expenses															
41	Operating Expenses															
42	Fuel & Purchased Energy		638													638
43	Power Production		29,744							(4,215)						25,529
44	Transmission		86,427			The second second				1					5 1	86,427
45	Total Operating Expenses		116,809							(4,215)		4, 434				112,594
46	and the first of the second of the second															
47	Depreciation	473,932			287				1,261				(44:	1) (3,752)	471,286
48	Amortization	46,148									2,884	503	(1,35	5) (9,708)	38,472
49																
50	Taxes															
51	Property	189,976												(3,225)	186,751
52	Deferred Income Tax and ITC	113,497			(4)				(515)		(1,179)	(205)	(15,200		The second second second	93,743
53	Federal and State Income Tax	(520,619)	(48,324)	70,448	(104)		119	27				(51)			and the second second	(457,128)
54	Payroll and Other	(320,023)	(40,024)	70,440	(40-1)	0,155					1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	,			• • •	
55		(217,146)	(48,324)	70,448	(107)	8,153	119	27	7 (430)	1,744	(346)	(256)	2,220	0 7,501	(236)	(176,634)
	Total Taxes	(217,146)	(40,324)	70,446	(107)	6,133	113	•	, (100)	2,,44	(5.10)	(230)	.,	.,,,,,,	(444)	(3,
56		302,933	68,485	70,448	180	8,153	119	27	7 831	(2,471)	2,538	247	42	4 (5,960) (236)	445,717
57	Total Expenses	302,933	08,485	70,446	160	6,133	113		, 631	(2,471)	2,330	-77	-	(5,500	(2.00)	1,0,72
58		22.560			(270)											33,283
59	Allowance for Funds Used During Construction	33,560			(276)											55,205
60		(272.405)	(60.405)	00.040	(25.0)	11,555	169	(2)	7) (635)	2,471	156	(247)	(42	4) 9,708	236	(219,139)
61	Total Operating income	(273,106)	(68,485)	99,840	(350)	11,555	169	(2)	7) (035)	2,4/1	130	(247)	142	9,700	230	(23.5,3.55)
62															100	
63	Calculation of Revenue Requirements															
64	Rate Base	7,764,117			(272)			(2,961			30,407	5,509	(134,11			7,446,375
65	Required Operating Income	581,532			(20)			(222			2,277	413	(10,04			557,733
66	Operating Income	(273,106)	(68,485)		(350)		169	(27				(247)				(219,139)
67	Income Deficiency	854,639	68,485	(99,840)	330	(11,555)		(194				659	(9,62			776,873
68	Revenue Deficiency	1,457,681	116,809	(170,288)	562	(19,708)	(288)	(39)	1) 1,036	(4,215	3,618	1,125	(16,41)	0) (47,403	2,857	1,325,043
69						1										
70	Calculation of Income Taxes															
71	Operating Revenue	(3,733)		170,288	106	19,708	288		195		2,694			3,748		193,295
72	-Operating Expense		116,809							(4,215	i					112,594
73	-Amortization	46,148	100								2,884	503	(1,35	5) (9,708)	38,472
74	-Taxes Other then Income	189,976			100								1. 7	(3,225)	186,751
75	Operating Income Before Adjs	(239,856)	(116,809)	170,288	106	19,708	288		195	4,215	(190)	(503)	1,35	5 16,681		(144,522)
76	Additions to income	183,981		and San	(165)						2,884	503	(4,89	7) (2,054)	180,252
77	Deductions from Income	924,526			198	and the second of the							(42,58			869,840
78	Debt Synchonization	173,916			(6)			(66	6) (8)		681	123				166,799
79	State Taxable Income	(1,154,317)	(116,809)	170,288	(250)		288	66				(123)				(1,000,909)
80	State Income Tax Before Credits	(113,123)	(11,447)		(25)		28					(12)				(98,089)
81	State Tax Credits	(444)443)	,,,,,,	23,230	,207											
82	Federal Tax Deductions															
83	Federal Taxable Income	(1,041,194)	(105,361)	153,600	(226)	17,777	260	60	0 184	3,802	1,816	(111)	37,92	6 29,165	(516)	(902,820)
83 84	Federal Income Tax Before Credits	(364,418)	(36,877)		(79)		91	2:				(39)				(315,987)
85	Federal Tax Credits	43,078	(50,677)	33,700	(73)	U,222	51		-	2,331	•••	(55)	(2		,200,	43,052
		(520,619)	(48,324)	70,448	(104)	8.153	119	2:	7 84	1,744	833	(51)			(236)	
86	Total Income Taxes	(520,619)	(48,324)	/0,448	(204)	8,153	119	2.	, 84	1,/44	833	(51)	17,42	. 13,3//	(430)	1421,150[



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				<u>A1</u>	A12	A13	A20	A25	A26	A31	A33	A35	A36	A38	
		Base		Data Update	Prece	dential		Adjustment		Amorti	ization	Rider Rei	novals	Secondary	
MYRP Capital Forecast 2017	Unadjusted	IA Expense	iA Revenue	Black Đog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
iant as booked															
Production	9,677,776			5,435								(206,723)			9,476,488
Transmission	3,024,416											(10,743)	(262,522)	38 No. 1	2,751,152
Distribution	3,391,796														3,391,796
General	777,297														777,297
Common	639,611			1		1000									639,611
otal Utility Plant in Service	17,510,897			5,435								(217,466)	(262,522)		17,036,345
															1 7 7
eserve for Depreciation															4 4 100
Production	5,312,555			459				990				(4,863)			5,309,141
Transmission	587,648											(167)	(7,560)		579,921
Distribution	1,275,634														1,277,293
General	327,659														328,863
Common	313,822						97			٠.			·		313,919
otal Reserve for Depreciation	7,817,317			459			2,961	990				(5,029)	(7,560)	- 14 A	7,809,137
et Utility Plant															
Production	4,365,221			4,977				(990)							4,167,348
Transmission	2,436,769											(10,576)	(254,962)		2,171,231
Distribution	2,116,163														2,114,503
General															448,435
Common	325,788														325,691
et Utility Plant in Service	9,693,580			4,977			(2,961)	(990)	talent in the			(212,436)	(254,962)	3.55	9,227,208
	100														
onstruction Work in Progress	568,912			(5,907)								(0)	(89,055)		473,950
ess: Accumulated Deferred Income Taxes	2,354,789			16				(404)		19,847	3,594	(27,067)	(29,748)	(16,907)	2,304,118
															,
ther Rate Base Items															
Regulatory Amortizations	1	<u> </u>						14 1							57,353
otal Other Rate Base										48,549	8,805				57,353
															1 1 2 2 2 4
otal Average Rate Base	7,907,704	***********		(946)	· ·		(2,961)	(586)		28,702	5,211	(185,370)	(314,269)	16,907	7,454,393
of le	Production Transmission Distribution General Common total Utility Plant in Service serve for Depreciation Production Transmission Distribution General Common total Reserve for Depreciation et Utility Plant Production Transmission Distribution General Common et Utility Plant in Service construction Work in Progress sess: Accumulated Deferred Income Taxes ther Rate Base Items Regulatory Amortizations total Other Rate Base	Production 9,677,776 Transmission 3,024,416 Distribution 3,391,796 General 777,297 Common 639,611 tatal Utility Plant in Service 17,510,897 seerve for Depreciation 5,312,555 Transmission 587,648 Distribution 1,275,634 General 327,659 Common 313,822 stal Reserve for Depreciation 7,817,317 et Utility Plant Production Production 4,365,221 Transmission 2,436,769 Distribution 2,116,163 General 449,639 Common 325,788 et Utility Plant in Service 9,693,580 construction Work in Progress 568,912 ses: Accumulated Deferred Income Taxes 2,354,789 ther Rate Base Items Regulatory Amortizations stal Other Rate Base 100,000	Production 9,677,776 Transmission 3,024,416 Distribution 3,391,796 General 777,297 Common 639,611 Ital Utility Plant in Service 17,510,897 Ital Utility Plant in Service 5,312,555 Transmission 587,648 Distribution 1,275,634 General 327,659 Common 313,822 Ital Reserve for Depreciation 7,817,317 at Utility Plant 2,436,769 Distribution 2,116,163 General 449,639 Common 325,788 at Utility Plant in Service 9,693,580 construction Work in Progress 568,912 sess: Accumulated Deferred Income Taxes 2,354,789	Production 9,677,776 Transmission 3,024,416 Distribution 3,391,796 General 777,297 Common 639,611 Ital Utility Plant in Service 17,510,897 Ital Utility Plant in Service 5,312,555 Transmission 587,648 Distribution 1,275,634 General 327,659 Common 313,822 Common 313,822 Ital Reserve for Depreciation 7,817,317 at Utility Plant 2,436,769 Distribution 2,116,163 General 449,639 Common 325,788 at Utility Plant in Service 9,693,580 Instruction Work in Progress 568,912 Sess: Accumulated Deferred Income Taxes 2,354,789	Production 9,677,776 5,435 Transmission 3,024,416 10stribution 3,391,796 10stribution 10stribution 10stribution 10stribution 10stribution 17,510,897 5,435 5,435 5,435 5,435 5,435 459 5,435 5,435 459 5,435 459 1,275,634<	Production 9,677,776 5,435 Transmission 3,024,416	Production 9,677,776 5,435 Transmission 3,024,416	Production 9,677,776 5,435 Transmission 3,024,416 Distribution 3,391,796 General 777,297 Common 639,611 tral Utility Plant in Service 17,510,897 5,435 serve for Depreciation Production 5,312,555 459 Transmission 587,648 1,660 Distribution 1,275,634 1,660 General 327,659 1,204 Common 313,822 97 at Utility Plant Production 4,365,221 4,977 Transmission 2,436,769 1,660 Distribution 2,116,163 4,977 Transmission 2,216,163 1,204 Common 325,788 (97 at Utility Plant in Service 9,693,580 4,977 (2,961) Common 325,788 (97 (2,961) Common 568,912 (5,907) (2,961) Cher Rate Base Items Regulatory Amortizations (4,972) <td>Production 9,677,776 5,435 Transmission 3,024,416 </td> <td>Production 9,677,776 5,435 Transmission 3,024,416 </td> <td>Production 9,677,776 5,435 Transmission 3,024,416 Common 3,231,736 General 777,297 Common 69,501 test Utility Plant in Service 17,510,897 5,435 Sterve for Depreciation 990 Production 5,112,555 459 990 Transmission 85,7648 1,660 Distribution 1,275,634 1,660 General 327,599 1,044 Common 313,822 97 stal Reserve for Depreciation 7,817,337 459 2,961 990 et Utility Plant 4,365,221 4,977 (990) et Utility Plant in Service 2,436,769 (1,660) Distribution 2,115,638 (1,660) (990) Set Utility Plant in Service 9,693,580 4,977 (2,961) (990) et Utility Plant in Service 9,693,580 4,977 (2,961) (990) ets Accumulated Deferred Income Taxes 2,354,789 16 (40</td> <td>Production 9,877,776 5,435 Transmission 3,024,416 </td> <td>Production 9,671,776 5,435 1,000,723 Transmission 3,04,416 1,01,743 Distribution 3,91,796 1,000,723 General 777,297 1,000,000 Common 639,611 1,000,000 Lear Life Production 5,312,555 459 990 1,666 Production 3,75,644 1,660 1,600 1,600 Common 313,822 797 1,600 1,600 1,600 1,600 Common 313,822 797 1,600 <</td> <td>Production 9,677,76 5,435 Common (20,723) (20,722) <t< td=""><td> Production 9,977,76 5,415 16,073 16,073 16,073 16,073 16,073 16,073 17,097 17,097 18,095 18,09</td></t<></td>	Production 9,677,776 5,435 Transmission 3,024,416	Production 9,677,776 5,435 Transmission 3,024,416	Production 9,677,776 5,435 Transmission 3,024,416 Common 3,231,736 General 777,297 Common 69,501 test Utility Plant in Service 17,510,897 5,435 Sterve for Depreciation 990 Production 5,112,555 459 990 Transmission 85,7648 1,660 Distribution 1,275,634 1,660 General 327,599 1,044 Common 313,822 97 stal Reserve for Depreciation 7,817,337 459 2,961 990 et Utility Plant 4,365,221 4,977 (990) et Utility Plant in Service 2,436,769 (1,660) Distribution 2,115,638 (1,660) (990) Set Utility Plant in Service 9,693,580 4,977 (2,961) (990) et Utility Plant in Service 9,693,580 4,977 (2,961) (990) ets Accumulated Deferred Income Taxes 2,354,789 16 (40	Production 9,877,776 5,435 Transmission 3,024,416	Production 9,671,776 5,435 1,000,723 Transmission 3,04,416 1,01,743 Distribution 3,91,796 1,000,723 General 777,297 1,000,000 Common 639,611 1,000,000 Lear Life Production 5,312,555 459 990 1,666 Production 3,75,644 1,660 1,600 1,600 Common 313,822 797 1,600 1,600 1,600 1,600 Common 313,822 797 1,600 <	Production 9,677,76 5,435 Common (20,723) (20,722) <t< td=""><td> Production 9,977,76 5,415 16,073 16,073 16,073 16,073 16,073 16,073 17,097 17,097 18,095 18,09</td></t<>	Production 9,977,76 5,415 16,073 16,073 16,073 16,073 16,073 16,073 17,097 17,097 18,095 18,09



Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2017 Amounts in thousands Docket No. E002/GR-15-826 Workpaper M1 Page 6 of 13

	Workpaper Reference	(1) Vol 4A, P1 & P6	(2) M7	(3) MZ	(4) A1	(5) A12	(6) A13	(7) A20	(8) <u>A25</u>	(9) <u>A26</u>	(10) <u>A31</u>	(11) <u>A33</u>	(12) <u>A35</u>	(13) <u>A36</u>	(14) A38	(15)
			Base		Data Update	Prece	dential		Adjustment		Amort	ization	Rider Re	movals	Secondary	
Line No.	MYRP Capital Forecast 2017	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
35	Operating Revenues	1.											4,4			
36	Retail Revenue															
37	Other Operating	(8,208)		180,001	133	18,159	272		(97)		2,542			1,725	1 1	194,526
38	Total Revenue	(8,208)		180,001	133	18,159	272		(97)	والأثار وللمكالسات	2,542			1,725		194,526
39																
40	Expenses														Ag 177	
41	Operating Expenses															
42	Fuel & Purchased Energy		636	1.1.24.47												636
43	Power Production		29,663							(4,246)						25,418
44	Transmission	1	87,791	Territoria		Article States			110						19 (17)	87,791
45	Total Operating Expenses		118,091							(4,246)						113,845
46																
47	Depreciation	556,790			374				(542)				(9,176)	(4,403).	543,044
48	Amortization	46,148									2,884	503	(1,355)	(9,708)	38,472
49																
50	Taxes															
51	Property	199,767											(664)	(3,986	and the second second	195,116
52	Deferred Income Tax and ITC	90,035			39				221		(1,179)	(205)	(24,137)	(3,115)	61,658
53	Federal and State Income Tax	(551,037)	(48,854)	74,466	(187)	7,512	113	28	(35)	1,756	783	(49)	41,440	14,295	(158)	(459,927)
54	Payroll and Other		·		* .								<u> </u>	· · · · · · · · · · · · · · · · · · ·		
55 56	Total Taxes	(261,235)	(48,854)	74,466	(149)	7,512	113	28	186	1,756	(396)	(254)	16,639	7,193	(158)	(203,153)
57 58	Total Expenses	341,703	69,237	74,466	226	7,512	113	28	(356)	(2,489)	2,488	249	6,108	(6,918	(158)	492,209
59 60	Allowance for Funds Used During Construction	41,075			(392)											40,683
61	Total Operating Income	(308,836)	(69,237)	105,534	(484)	10,647	160	(28) 258	2,489	54	(249)	(6,108)	8,643	158	(257,000)
62															1.00	×
63	Calculation of Revenue Requirements															
64	Rate Base	7,907,704			(946)			{2,961			28,702	5,211	(185,370)	(314,269	1.0	7,454,393
65	Required Operating Income	593,869			(71)			(222			2,156	391	(13,921)	(23,602		559,825
66	Operating Income	(308,836)	(69,237)	105,534	(484)		160	(28		2,489		(249)	(6,108)	8,643	158	(257,000)
67	Income Deficiency	902,704	69,237	(105,534)	413	(10,647)		(195				640	(7,813)	(32,244		816,824
68	Revenue Deficiency	1,539,662	118,091	(180,001)	705	(18,159)	(272)	.(332) (516)	(4,246)	3,585	1,092	(19,326)	(\$4,996	1,896	1,393,185
69															\$ 476.00	9.2
70	Calculation of Income Taxes	1 No. 1														
71	Operating Revenue	(8,208)	- 12:22	180,001	133	18,159	272		(97)		2,542			1,725		194,526
72	-Operating Expense		118,091							(4,246)		100	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	75 1111	No Hara	113,845
73	-Amortization	46,148									2,884	503	(1,355)	(9,708		38,472
74	-Taxes Other then Income	199,767						 					(664)	(3,986		195,116
75	Operating Income Before Adjs	(254,122)	(118,091)	180,001			272		(97)	4,246			2,019	15,419		(152,908)
76	Additions to Income	179,385			(220)						2,884	503		(3,917		178,635
77	Deductions from Income	940,551			387								(68,318)	(15,949		856,670
78	Debt Synchonization	178,714	(440.000)	100 004	(21)			(67 67		and the second s	649	118	(4,189)	(7,102		168,469
79 80	State Taxable Income	(1,194,002)	(118,091)	180,001	(453)		272	67 7				(118)	74,526	34,553	(382)	(999,413)
	State Income Tax Before Credits	(117,012)	(11,573)	17,640	(44)	1,780	27		(8)	416	186	(12)	7,304	3,386	(37)	(97,942)
81 82	State Tax Credits															1.5
82 83	Federal Tax Deductions Federal Taxable Income	(1,076,989)	(106,518)	162,361	(409)	16,379	245	60	(76)	3,829	1,708	(106)	67,223	31,167	(345)	(901,470)
84	Federal Income Federal Income Tax Before Credits	(376,946)	(37,281)		(143)		245	21				(37)	23,528	10,908		(315,515)
85	Federal Tax Credits	57,078	(31,201)	30,020	(243)	3,733	20		(21)	1,540	398	(31)	(10,608)	10,908	(121)	46,470
86	Total Income Taxes	(551,037)	(48,854)	74,466	(187)	7,512	113	28	(35)	1,756	783	(49)	41,440	14,295	(158)	
80	rotal micome raxes	(251,057)	(48,854)	74,466	(187)	7,512	113	. 28	(35)	1,/56	. /83	(49)	41,440	14,295	(158)	(459,927)



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	<u>Workpaper Reference</u>	(1) Vol 4A. P1 & P6	(2) <u>MZ</u>	(3) <u>MZ</u>	(4) A1	(5) A12	(6) A13	(7) A20	(8) A25	(9) <u>A26</u>	(10) A31	(11) A33	(12) A35	(13) <u>A36</u>	(14) <u>A38</u>	(15)
			Base		Data Update	Prece	dential		Adjustment		Amorti	ization	Rider Re	movals	Secondary	
Line No.	MYRP Capital Forecast 2018	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
1	Plant as booked															
2	Production	10,073,352			2,295								(206,723)			9,868,923
3	Transmission	3,156,039											(10,743)	(355,671)		2,789,625
4	Distribution	3,516,302														3,516,302
5	General	827,938														827,938
6	Common	725,535				· · · · · · · · · · · · · · · · · · ·			11							725,535
7	Total Utility Plant in Service	18,299,165			2,295								(217,466)	(355,671)		17,728,323
8																
9	Reserve for Depreciation														All the	
10	Production	5,685,213			747				5,892				(13,828)			5,678,024
11	Transmission	635,409											(377)	(12,568)		622,464
12	Distribution	1,331,486						1,660								1,333,146
13	General	388,990						1,204								390,194
14	Common	362,522						97								362,619
15	Total Reserve for Depreciation	8,403,620			747			2,961	5,892				(14,205)	(12,568)		8,386,448
16															1	
17	Net Utility Plant															
18	Production	4,388,139			1,547				(5,892)				(192,895)			4,190,899
19	Transmission	2,520,630											(10,366)	(343,104)		2,167,161
. 20	Distribution	2,184,815						(1,660)								2,183,156
21	General	438,948						(1,204)								437,744 362,916
22	Common	363,013											(003.004)			
23	Net Utility Plant in Service	9,895,545			1,547			(2,961)	(5,892)				(203,261)	(343,104)		9,341,875
24	raka araba araba kalendar kalendar									Maria da Santa da Santa da Santa da Santa da Santa da Santa da Santa da Santa da Santa da Santa da Santa da Sa Santa da Santa da Sa			(6)	40 2771	day by	422.444
25	Construction Work in Progress	473,837			(3,094)								(0)	(48,332)		422,411
26		2 442 627			30				(2,405)		18,668	3,388	(45,699)	(34,277)	(16,166)	2,366,477
	Less: Accumulated Deferred Income Taxes	2,442,937			30				(2,405)		10,000	3,300	(45,039)	(34,277)	(10,100)	2,300,477
28	Other Brain Brain Brains															
. 29 30	Other Rate Base Items Regulatory Amortizations										45,665	8,302				53,966
										· · · · · · · · · · · · · · · · · · ·			<u> </u>			53,966
	Total Other Rate Base										45,665	8,302				33,300
32 33	Total Avarage Pate Bare	7,926,445			(1,576)			(2,961)	(3,488)		26,997	4,913	(157,562)	(357,159)	16,166	7,451,776
	Total Average Rate Base	1,320,443	········		[1,376]			\2,301)	(3,400)		20,331	7,313	1207,0021	(337,135)	10,100	1,431,170
34																



Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2018 Amounts in thousands

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	Workpaper Reference	(1) Vol 4A, P1 & P6	(2) MZ	(3) M Z	(4) A1	(5) A12	(6) <u>A13</u>	(7) <u>A20</u>	(8) A25	(9) <u>A26</u>	(10) <u>A31</u>	(11) A33	(12) <u>A35</u>	(13) A36	(14) A38	(15)
		1	Base		Data Update	Prece	dential		Adjustment		Amort	ization	Rider R	temovals	Secondary	
Line No.	MYRP Capital Forecast 2018	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
35	Operating Revenues					14.										
36	Retail Revenue															
37	Other Operating	(8,469)		181,699	59	16,631	256		1,595		2,389			1,985		196,145
38	Total Revenue	(8,469)		181,699	59	16,631	256	, and the second of	1,595		2,389			1,985		196,145
39																
40	Expenses															
41	Operating Expenses															
42	Fuel & Purchased Energy		633												1989 1 N. F.	633
43	Power Production		30,125							(4,557)						25,568
44	Transmission		92,615						·							92,615
45	Total Operating Expenses		123,374							(4,557)						118,816
46																
47	Depreciation	574,083			187				10,347				(9,176)			569,829
48	Amortization	46,148									2,884	503	(1,355]	(9,708)	38,472
49 50	Taxes															
50 51	Property	206,298											(664	(5,014	, NASSA	200,621
52	Deferred Income Tax and ITC	83,580			(10)				(4,222)		(1,179)	(205)				58,894
53	Federal and State Income Tax	(555,048)	(51,040)	75,169	(79)		106	28		1,885		(46)			1	(471,579)
54	Payroll and Other	(35),046)	(31,040)	73,103	(79)	0,000	100		033	1,003	730	(40)	30,630	10,332	(131)	(471,373)
55	Total Taxes	(265,170)	(51,040)	75,169	(89)	6,880	106	28	(3,530)	1,885	(443)	(251)	16,905	7,636	(151)	(212,064)
56	Total faxes	(203,170)	(31,040)	73,103	(63)	0,000	100	20	(3,330)	1,000	(443)	(231)	10,503	7,030	(131)	(212,004)
57	Total Expenses	355,061	72,334	75,169	98	6,880	106	28	6,817	(2,672)	2,441	252	6,374	(7,684) (151)	515,053
58		000,000	, 2,00	, , , , , ,		5,555			-,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				(7,22	, , , , , ,	
59	Allowance for Funds Used During Construction	34,408			(262)											34,147
60					(,											
61	Total Operating Income	(329,122)	(72,334)	106,530	(301)	9,751	150	(28)	(5,222)	2,672	(52)	(252)	(6,374	9,669	151	(284,761)
62												A	ALCOHOL:			
63	Calculation of Revenue Requirements															
64	Rate Base	7,926,445			(1,576)			(2,961)	(3,488)		26,997	4,913	(157,562	(357,159) 16,166	7,451,776
65	Required Operating Income	595,276			(118)	rii Na ilia		(222)	(262)		2,027	369	(11,833	(26,823) 1,214	559,628
66	Operating Income	(329,122)	(72,334)	106,530	(301)	9,751	150	(28)	(5,222)	2,672	(52)	(252)	(6,374	9,669	151	(284,761)
67	Income Deficiency	924,398	72,334	(106,530)	183	(9,751	(150)	(195	4,960	(2,672)	2,079	621	(5,459	(36,492) 1,063	844,389
68	Revenue Deficiency	1,576,664	123,374	(181,699)	912	(16,631	(256)	(332	8,459	(4,557)	3,547	1,059	(9,910	(62,24)) 1,813	1,440,200
69								· .				No. of Asset				
70	Calculation of Income Taxes															
71	Operating Revenue	(8,469)		181,699	59	16,631	256		1,595		2,389			1,985		196,145
72	-Operating Expense		123,374							(4,557)						118,816
73	-Amortization	46,148									2,884	503	(1,355	(9,708)	38,472
74	-Taxes Other then Income	206,298			1				<u> </u>			<u> </u>	(664	(5,014)	200,621
75	Operating Income Before Adjs	(260,915)	(123,374)	181,699	59	16,631	256		1,595	4,557	(495)	(503)	2,019	16,707		(161,764)
76	Additions to Income	180,455			(144)						2,884	503		(3,549)	180,150
. 77	Deductions from Income	944,842			140								(41,340	(23,711)	879,931
78	Debt Synchonization	179,138			(36)			(67			610	111	(3,561	(8,072) 365	168,410
79	State Taxable Income	(1,204,440)	(123,374)	181,699	(190)	16,631	256	67	1,674	4,557	1,779	(111)	46,920	44,941	(365)	(1,029,956)
80	State Income Tax Before Credits	(118,035)	(12,091)	17,807	(19)	1,630	25	7	164	447	174	(11)	4,598	4,404	(36)	(100,936)
81	State Tax Credits														No. 4 and	pro Alexand
82	Federal Tax Deductions															
83	Federal Taxable Income	(1,086,405)	(111,283)	163,893	(172)			60		4,111		(100)				(929,020)
84	Federal Income Tax Before Credits	(380,242)	(38,949)	57,362	(60)	5,250	81	21	528	1,439	562	(35)			(115)	(325,157)
85	Federal Tax Credits	56,772		<u> </u>			a see see					and the second	(11,285			45,486
86	Total Income Taxes	(555,048)	(51,040)	75,169	(79)	6,880	106	28	693	1,885	736	(46)	30,696	18,592	(151)	(471,579)



Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2017 INCREMENT (2017 minus 2016) Amounts in thousands Docket No. E002/GR-15-826 Workpaper M1 Page 9 of 13

Workpaper Reference	(1) Vol 4A, P1 & P6	(2) M7	(3) MZ	(4) A1	(5) A12	(6) A13	(7) A20	(8) <u>A25</u>	(9) <u>A26</u>	(10) <u>A31</u>	(11) A33	(12) <u>A35</u>	(13) <u>A36</u>	(14) <u>A38</u>	(15)
		Base		Data Update	Prece	dential		Adjustment		Amort	ization	Rider Re	movals	Secondary	
Line MYRP Capital Forecast 2017 Increment No.	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
1 Plant as booked							1							Tarana and a	
2 Production	384,308			2,759								(103,361)			283,7
3 Transmission	117,747											(5,371)	(52,186)		60,1
4 Distribution	118,837														118,8
5 General	49,549														49,5
6 Common	98,614	* 1		7 1 3			<u> </u>			3 m 2 - 11					98,6
7 Total Utility Plant in Service	769,056			2,759								(108,733)	(52,186)		610,8
 * ** ** ** ** ** ** ** ** ** ** ** ** *															
9 Reserve for Depreciation															
10 Production	365,541			323				359				(4,673)			361,5
11 Transmission	32,811											(136)	(4,078)		28,5
12 Distribution	44,300														44,3
13 General	61,103														61,1
14 Common	45,828						<u> </u>		A Section 1	<u> </u>					45,8
15 Total Reserve for Depreciation	549,582	i i i i		323				359	1.4.5			(4,809)	(4,078)		541,3
16															
17 Net Utility Plant															
18 Production	18,767			2,437				(359)				(98,689)			(77,8
19 Transmission	84,937											(5,235)	(48,108)		31,5
20 Distribution	74,538														74,5
21 General	(11,554)														(11,5
22 Common	52,786														52,7
23 Net Utility Plant in Service	219,474			2,437	-	:		(359)			-	(103,924)	(48,108)		69,5
24															
25 Construction Work in Progress	27,219			(3,094)								33,002	(27,589)		29,5
26															
27 Less: Accumulated Deferred Income Taxes	103,106			17				(147)		(1,179)	(205)	(19,669)	(2,883)	8,611	87,6
28															
29 Other Rate Base Items															
30 Regulatory Amortizations										(2,884)	(503)				(3,3
31 Total Other Rate Base					·					(2,884)	(503)				(3,3
32											,202,				,,,,,
33 Total Average Rate Base	143,586			(674)				(213)		(1,705)	(298)	(51,254)	(72,813)	(8,611)	8,0
34		***************************************						\\\\\			(250)	,,,	· · · · · · · · · · · · · · · · · · ·	12,0221	0,0



Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2017 INCREMENT (2017 minus 2016) Amounts in thousands Docket No. E002/GR-15-826 Workpaper M1 Page 10 of 13

Workpaper Reference	Vol 4A, P1 & P6	MZ	MZ	<u>A1</u>	<u>A12</u>	A13	A20	A25	A26	A31	A33	<u>A35</u>	A36	A38	·
		Base		Data Update	Prece	dential		Adjustment		Amorti	zation	Rider I	Removals	Secondary	1
MYRP Capital Forecast 2017 Increment	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Exchange	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Tota
Operating Revenues						, A second							4.1.1		:
Retail Revenue															
Other Operating	(4,475)		9,713	27	(1,549)	(16)		(293)	100000	(153)	100 87 10	1 1 1	(2,023)	
Fotal Revenue	(4,475)		9,713	27	(1,549)	(16)		(293)		(153)			(2,023)	!
		741		"这是我的"											
									(21)						
									(31)					The Armed	
															
Total Operating Expenses		1,282							(31)					No. 15	
Depreciation	82.859			88				(1.803)				(8,734	(651	,	
Amortization															
												lee a	, /750		
														The state of the s	
														1	
	(29,763)	(530)	4,018	(84)	(641)	(7)		(119)	13	(47)	3	24,004	892	80	70.7
Total Taxes	(43,435)	(530)	4,018	(42)	(641)	(7)	112 3 43	617	13	(47)	3	14,403	(333	80	
otal Expenses	39,424	752	4,018	46	(641)	(7)		(1,186)	(18)	(47)	3	5,669	(984) 80	
Allowance for Funds Used During Construction	7,515			(115)											
Total Operating Income	(36,384)	(752)	5,695	(134)	(908)	(9)		894	18	(105)	(3)	(5,669) (1,039)) (80)	
					1.					aj la sala da sa	F. F. S. S. S.				
Calculation of Revenue Requirements															
Rate Base	143,586			(674)				(213)		(1,705)	(298)	(51,254) (72,813	(8,611)	1
Required Operating Income	10,539			(50)				(16)		(125)	(22)	(3,762	(5,344	(632)	
Operating Income	(36,384)	(752)	5,695	(134)	(908)	(9)		894	18	(105)	(3)	(5,669	(1,039) (80)	
Income Deficiency	46,923	752	(5,695)	85	908	9	t to the training	(909)	(18)	(20)	(19)	1,907	(4,305	5) (552)	4.
Revenue Deficiency	80,032	1,282	(9,713)	145	1,549	16		(1,551)	(31)	(34)	[33]	3,253	(7,343) (942)	
Calculation of Income Taxes															
Operating Revenue	(4,475)		9,713	27	(1,549)	(16)		(293)		(153)			(2,023)	
-Operating Expense		1,282							(31)						
-Amortization	salah Maria														
-Taxes Other then Income	9,791		5 L		· · · · · · · · · · · · · · · · · · ·			the second second	100		<u> 1908 - 1908 - 19</u>	(664) (762	}	
Operating Income Before Adjs	(14,266)	(1,282)	9,713	27	(1,549)	(16)		(293)	31	(153)		664	(1,262	.)	
Additions to Income	(4,596)			(56)								4,897	(1,863)	
Deductions from Income	16,025			189								(25,734	(3,650	a	
Debt Synchonization	3,216			(15)				(5)		(38)	(7)	(1,148	(1,631	(193)	
State Taxable Income	(38,103)	(1,282)	9,713			(16)				(114)	7			193	
State Income Tax Before Credits								(28)			1				
		,,	en de la companya de la companya de la companya de la companya de la companya de la companya de la companya de La companya de la co												
Federal Tax Deductions															
Federal Taxable Income	(34,369)	(1,157)	8,761	(183)	(1,397)	(14)		(260)	28	(103)	6	29,263	1,945	174	
	10.000		5,.01	, (200)		1-74				(-30)		,	_,_,,		
Federal Income Tax Before Credits	(12 029)	14051	3.066	(6A)	(489)	/51		(91)	10	(36)	,	10.242	681	61	
Federal Income Tax Before Credits Federal Tax Credits	(12,029) 14,000	(405)	3,066	(64)	(489)	(5)		(91)	10	(36)	2	10,242 (10,583		61	
Fi C	Operating Revenue Retail Revenue Other Operating Otal Revenue Expenses Operating Expenses Fuel & Purchased Energy Power Production Transmission Total Operating Expenses Depreciation Amortization Taxes Property Deferred Income Tax and ITC Federal and State Income Tax Payroll and Other Total Taxes Fotal Expenses Allowance for Funds Used During Construction Fotal Operating Income Calculation of Revenue Requirements Rate Base Required Operating Income Operating Income Income Deficiency Calculation of Income Taxes Operating Revenue Operating Revenue Operating Revenue Operating Expense Amortization Traxes Other then Income Operating Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income Deductions from Income State Taxable Income State Tax Credits	Operating Revenues Retail Revenue Other Operating Otal Revenue Other Operating Operating Expenses Operating Expenses Fuel & Purchased Energy Power Production Transmission Total Operating Expenses Depreciation Amortization Taxes Property Deferred Income Tax and ITC Federal and State Income Tax Payroil and Other Total Taxes Allowance for Funds Used During Construction Total Operating Income Operating Income Calculation of Revenue Requirements Rate Base Required Operating Income Operating Income Operating Income (36,384) Income Deficiency Revenue Deficiency Revenue Deficiency Calculation of Income Taxes Operating Expense Operating Expense	MYRP Capital Forecast 2017 Increment Unadjusted IA Expense	MYRP Capital Forecast 2017 Increment Unadjusted IA Expense IA Revenue	MYRP Capital Forecast 2017 Increment Unadjusted IA Expense IA Revenue Black Dog Screenhouse	MyRP Capital Forecast 2017 Increment Unadjusted IA Expense IA Revenue Black Dog Screenhouse CM/EPU Return	MYRP Capital Forecast 2017 horement Musel/listed M. Espensio M. Revenue Screenhouse M. Musel/listed M. Sepensio M. Revenue M. Reve	MYRPC Capital Forecast 2017 Increment Munadjusted IA Expense Received Marigan Mari	MYRPP Capital Forecast 2017 Increment Manifesting	Mr19P Caylal Forecast 2017 Interment Mr20P Caylal For	Minife Capital Forecase 2017 Increase Minife Capital Forecase Mi	Martine Cognition for control of the	Unsigned Power of Search March 19 (Agrin 19 19 19 19 19 19 19 19 19 19 19 19 19	Marchel Marc	

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Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2018 INCREMENT (2018 minus 2017) Amounts in thousands Docket No. E002/GR-15-826 Workpaper M1 Page 11 of 13

<u> </u>	Workpaper Reference	Vol 4A. P1 & P6	<u>M7</u>	MZ	A1	A12	A13	A20	A25	A26	A31	A33	A35	A36	<u>A38</u>	
			Base		Data Update	Prece	dential		Adjustment		Amort	tization	Rider R	emovals	Secondary	
Line No.	MYRP Capital Forecast 2018 Increment	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Like Kind Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
1 Plan	nt as booked															
2 F	Production	395,575			(3,140)											392,43
3 1	Transmission	131,623												(93,149)		38,47
4	Distribution	124,505														124,50
5 (General	50,641														50,64
6 (Common	85,924			and re-								- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1			85,92
7 Tota	al Utility Plant in Service	788,268			(3,140)									(93,149)) , ,	691,97
8 -																11.0
9 Rese	erve for Depreciation															
- 10 F	Production	372,658			289				4,902				(8,965)			368,88
11 7	Transmission	47,761											(210)	(5,008)		42,54
12 [Distribution	55,853														55,85
13 (General	61,332														61,33
14 (Common	48,700						11.								48,70
15 Tota	al Reserve for Depreciation	586,303			289				4,902				(9,176)	(5,008))	577,31
16																
17 Net	Utility Plant															
18 F	Production	22,918			(3,429)				(4,902)				8,965			23,55
19 1	Transmission	83,861											210	(88,142)) - <u> </u>	(4,07
20 [Distribution	68,653														68,65
21 (General	(10,691)														(10,69
22 (Common	37,224		la prima de la composição de la composição de la composição de la composição de la composição de la composição	Associated Adv		15 L A 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			The section is a	deservice de la company	4 - 11 - 4		Artika karatan	4 4 5	37,22
. 23 Net	Utility Plant in Service	201,965	-		(3,429)				(4,902)		A Same		9,176	(88,142))	114,66
24																
25 Cons	struction Work in Progress	(95,076)			2,814									40,723		(51,53
26	the control of the second of the second															
27 Less	s: Accumulated Deferred Income Taxes	88,148			14				(2,001)		(1,179)	(205)	(18,632)	(4,528	742	62,35
28																
29 Othe	er Rate Base Items															
30 F	Regulatory Amortizations										(2,884)	(503)				(3,38
	al Other Rate Base	*									(2,884)	(503)				(3,38
32																
	al Average Rate Base	18,741			(629)				(2,902)		(1,705)	(298)	27,808	(42,890)	(742)	(2,61
34		***************************************					**************************************				······					



Northern States Power Company Electric Utility - State of Minnesota CAPITAL FORECAST - 2018.INCREMENT (2018 minus 2017) Amounts in thousands Docket No. E002/GR-15-826 Workpaper M1 Page 12 of 13

	Workpaper Reference	Vol 4A. P1 & P6	MZ	MZ	<u>A1</u>	A12	A13	A20	<u>A25</u>	<u>A26</u>	A31	<u>A33</u>	A35	A36	A38	
ne			Base		Data Update	 	dential	Like Kind	Adjustment		Amort		Rider Re	movals	Secondary	
э.	MYRP Capital Forecast 2018 Increment	Unadjusted	IA Expense	IA Revenue	Black Dog Screenhouse	Monticello LCM/EPU Return	Nobles Amounts over CON	Exchange Program	Remaining Life Study: NSPM	Remaining Life Study: NSPW	PI EPU Recovery	Sherco 3 Depr Deferral	Rider: RES	Rider: TCR	ADIT Prorate for IRS	Total
5 Operatir	ng Revenues										55	- C. 11 (1) 1. 1.	3.35.54			
5 Reta	ill Revenue															
Othe	er Operating	(261)		1,699	(74)		(16)		1,692		(153)			260	***	1
Total Re	evenue	(261)		1,699	(74)	(1,528)	(16)		1,692		(153)			260		
Expense																
	rating Expenses															
	uel & Purchased Energy		(3)													
P	Power Production		462							(312)						1
Ť	Fransmission	and the Salara	4,824										Santa ta Artico (S. 1904).		for some	
Tota	l Operating Expenses		5,283		4 4 4 5	N. E. Sa			N 4 5	(312)						
	reclation	17,293			(187)				10,889					(1,209)		
Amo	ortization															
· •																
Taxe	es Property	6,532												£ 000		
	Deferred Income Tax and ITC	(6,454)			(49)				(4,444)				11,010	(1,027) (2,827)		
	Federal and State Income Tax	(4,012)	(2,186)	703	109		(7)		727	129	(47)	3		4,297		
	Payroll and Other	(4,032)	(2,100)	703	103	(032)	VI			123	(47)		(10,744)	4,237		
	ıl Taxes	(3,934)	(2,186)	703	60	(632)	(7)	1	(3,716)	129	(47)	3	266	443	7	
Total Exp	nences	13,358	3,097	703	(127)	(632)	(7)		7,172	(183)	(47)	3	266	(766)	7	
TOTAL EX	penses	13,336	3,037	703	(127)	(032)			,,1,2	(103)	(47)		200	(700)		
Allov	wance for Funds Used During Construction	(6,667)			130											
Total Op	perating Income	(20,286)	(3,097)	996	183	(896)	(10)		(5,480)	183	(105)	(3)	(266)	1,027	(7)	
Calculati	ion of Revenue Requirements															
	Base	18,741			(620)				(2,002)		/s 2000)	(200)	27 000	(42 poot	(242)	
	rouse uired Operating Income	1,376			(629) (46)				(2,902)		(1,705)	(298)	27,808 2,041	(42,890) (3,148)		1
	rating Income	(20,286)	(3,097)	996	183		(10)		(5,480)	183	(105)	(3)	(266)	1,027	(7)	
	me Deficiency	21,662	3,097	(996)	(229)		10		5,267	(183)		(19)	2,307	(4,175)		
	enue Deficiency	36,947	5,283	(1,699)	(391)				8,984	(312)				(7,121)		
		-						1.50								
	ion of Income Taxes															
	rating Revenue	(261)		1,699	(74)	(1,528)	(16)		1,692		(153)			260		1
	erating Expense		5,283							(312)						1
	ortization															
	es Other then Income	6,532												(1,027)		<u> </u>
	rating Income Before Adjs	(6,793)	(5,283)	1,699	(74)		(16)		1,692	312	(153)			1,288		ĺ.
	itions to Income uctions from Income	1,070 4,291			76 (247)								26,978	369		i
	t Synchonization	4,291			(247)				(66)		(39)	(7)	26,978	(7,762)		1
	e Taxable Income	(10,438)	(5,283)	1,699	263		(16)		1,758	312	(114)	7	(27,606)	10,387	(17) 17	
	e Income Tax Before Credits	(1,023)	(518)	166	26				1,730	31	(11)	1	(2,705)	1,018		i
	e Tax Credits	,	,-20)	-70	~~	(2.50)	(2)				(44)		(6), (3)	2,020	- 1	
	eral Tax Deductions								yr gift yi s							
	eral Taxable income	(9,415)	(4,765)	1,532	237	(1,378)	(15)		1,586	281	(103)	6	(24,901)	9,369	15	
Fede	eral Income Tax Before Credits	(3,295)	(1,668)	536	83				555	98		2	(8,715)	3,279		
Fede	eral Tax Credits	(307)	·	<u>. 14</u>				31 11 11 11 11 11 11 11 11 11 11 11 11 1		<u>. 1</u>			(677)			1
	Income Taxes	(4,012)	(2,186)	703	109	(632)	(7)		727	129	(47)	3	(10,744)	4,297	7	

	Workpaper Reference	AEH-1 Sch 9	M1 pg 2		M1 pg 5		M1 pg 7
	1000 U. J. J. J. D.	201	6	201	7	201	3
Line No.	MYRP Unadjusted RB	Total Co	MN JUR	Total Co	MN JUR	Total Co	MN JUR
1	Plant as booked						
2	Production	10,656,624	9,293,468	11,097,272	9,677,776	11,550,155	10,073,352
3	Transmission	3,329,231	2,906,669	3,463,886	3,024,416	3,614,460	3,156,039
4	Distribution	3,739,105	3,272,959	3,883,899	3,391,796	4,028,350	3,516,302
5	General	833,164	727,748	889,890	777,297	947,866	827,938
6	Common	619,353	540,996	732,249	639,611	830,618	725,535
7	Total Utility Plant in Service	19,177,477	16,741,841	20,067,196	17,510,897	20,971,450	18,299,165
8							
9	Reserve for Depreciation						
10	Production	5,667,812	4,947,014	6,086,842	5,312,555	6,514,045	5,685,213
11	Transmission	655,194	554,837	694,702	587,648	749,427	635,409
12	Distribution	1,385,972	1,231,334	1,436,554	1,275,634	1,498,962	1,331,486
13	General	305,460	266,556	375,450	327,659	445,666	388,990
14	Common	306,809	267,994	359,274	313,822	415,028	362,522
15	Total Reserve for Depreciation	8,321,247	7,267,735	8,952,822	7,817,317	9,623,127	8,403,620
16							
17	Net Utility Plant						
18	Production	4,988,812	4,346,455	5,010,430	4,365,221	5,036,110	4,388,139
19	Transmission	2,674,037	2,351,832	2,769,184	2,436,769	2,865,034	2,520,630
20	Distribution	2,353,133	2,041,625	2,447,345	2,116,163	2,529,388	2,184,815
21	General	527,704	461,192	514,440	449,639	502,200	438,948
22	Common	312,544	273,002	372,975	325,788	415,591	363,013
23	Net Utility Plant in Service	10,856,230	9,474,106	11,114,375	9,693,580	11,348,323	9,895,545
24							
25	Construction Work in Progress	621,795	541,694	650,330	568,912	540,295	473,837

Total Company amounts are reconciled on LHP-1 Schedule 5

Reference

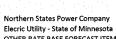
		Α	В	С	D=B-A	F=C-B	
ine		Othe	r Rate Base Foreca	st	Year-over-ye	ear Change	
No.	MYRP Other Rate Base Forecast	2016	2017	2018	2017 / 2016	2018 / 2017	Comment
	Additional Detail Reference	pg 2	pg 2	pg 2	pg.3	pg 3	
1	Less: Accumulated Deferred Income Taxes	(4,295)	(350)	4,000	3,945	4,350	
2	Less, Accumulated Described Monte Taxes .	(1)200)	·			1	
	Out Data Data Base Itania						
3	Other Rate Base Items						
4	Cash Working Capital						
5	Materials and Supplies	135,797	135,797	135,797			
6	Fuel Inventory	73,476	73,476	73,476			
7	Non Plant Assets and Liabilities	(3,716)	5,666	15,903	9,382	10,237	
3	Customer Advances	(5,562)	(5,562)	(5,562)			
•	Customer Deposits	(28,127)	(28,127)	(28,127)			
0	Prepayments	89,307	86,772	86,374	(2,535)	(398)	
1	Regulatory Amortizations						
2	Total Other Rate Base	261,175	268,022	277,861	6,847	9,838	(sum)
3	Total Other Nate Base		,				
4	Total Average Rate Base	265,470	268,373	273,861	2,902	5,488	(line 12 - line 1)
	Total Average nate base	203,470	200,373	275,001	2,302		(1110 111 11110 1)
5							
5	Taxes						
7	Property						
8	Deferred Income Tax and ITC	3,839	4,051	4,650	212	599	
9	Federal and State Income Tax	(6,352)	(6,585)	(7,274)	(211)	(689)	(line 52)
0	Payroll and Other		1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1 (1	1			
1	Total Taxes	(2,513)	(2,534)	(2,624)	1	(90)	(sum)
2							
3	Total Expenses	(2,513)	(2,534)	(2,624)	1	(90)	(line 21)
	Total Expenses	(2,515)	(2,334)	(2,027)		(50)	
4							
5	AFUDC						
6							
7	Total Operating Income	2,513	2,534	2,624	(1)	90	(line 25 - line 23)
В							
9	Calculation of Revenue Requirements					, and the great seat	
0	Rate Base	265,470	268,373	273,861	2,902	5,488	(line 14)
1	Required Operating Income	19,884	20,155	20,567	213	403	(line 30 x line 54)
2	Operating Income	2,513	2,534	2,624	(1)	90	(line 27)
3	Income Deficiency	17,371	17,621	17,943	214	312	(line 31 - line 32)
		29,628	30,054	30,603	365	533	(line 33 x line 58)
4	Revenue Deficiency	29,028	30,034	30,003	303	333	(line 35 x line 35)
5							
6	Calculation of Income Taxes						
7	Operating Revenue						
8	-Operating Expense						
9	-Amortization						
0	-Taxes Other then Income						(line 17 + line 20)
1	Operating Income Before Adjs						(sum)
	- L a. a						
2	Additions to Income						
	Additions to Income	70k Q	0.052	11 204	AAE	1 5/1	
3	Deductions from Income	9,407	9,853	11,394	445	1,541	(line 20 v line EE)
3	Deductions from Income Debt Synchonization	5,947	6,065	6,189	65	124	(line 30 x line 55)
3 4 5	Deductions from Income Debt Synchonization State Taxable Income	5,947 (15,354)	6,065 (15,918)	6,189 (17,583)	65 (510)	124 (1,665)	(line 41 + line 42 - line 43 - line 44)
3	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits	5,947	6,065	6,189	65	124	
3 4 5	Deductions from Income Debt Synchonization State Taxable Income	5,947 (15,354)	6,065 (15,918)	6,189 (17,583)	65 (510)	124 (1,665)	(line 41 + line 42 - line 43 - line 44)
3 4 5 7	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits	5,947 (15,354)	6,065 (15,918)	6,189 (17,583)	65 (510)	124 (1,665)	(line 41 + line 42 - line 43 - line 44)
3 4 5 6 7 8	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits	5,947 (15,354)	6,065 (15,918)	6,189 (17,583)	65 (510)	124 (1,665)	(line 41 + line 42 - line 43 - line 44)
3 4 5 6 7 8	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions	5,947 (15,354) (1,505)	6,065 (15,918) (1,560)	6,189 (17,583) (1,723)	65 (510) (50)	124 (1,665) (163)	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56)
3 4 5 6 7 8 9	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income	5,947 (15,354) (1,505) (13,849)	6,065 (15,918) (1,560)	6,189 (17,583) (1,723) (15,860)	65 (510) (50)	124 (1,665) (163)	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48)
3 4 5 6 7 8 9 0	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits Federal Tax Credits	5,947 (15,354) (1,505) (13,349) (4,847)	6,065 (15,918) (1,560) (14,358) (5,025)	6,189 (17,583) (1,723) (15,860) (5,551)	65 (510) (50) (460) (161)	124 (1,665) (163) (1,502) (526)	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48) (line 49 x 35%)
3 4 5 6 7 8 9 0 1 2	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits	5,947 (15,354) (1,505) (13,849)	6,065 (15,918) (1,560)	6,189 (17,583) (1,723) (15,860)	65 (510) (50)	124 (1,665) (163)	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48)
3 4 5 6 7 8 9 0 1 2 3	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits Federal Tax Credits Total Income Taxes	5,947 (15,354) (1,505) (13,849) (4,847) (6,352)	6,065 (15,918) (1,560) (14,358) (5,025)	6,189 (17,583) (1,723) (15,860) (5,551)	65 (510) (50) (460) (161)	(1,502) (526)	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48) (line 49 x 35%)
3 4 5 6 7 8 9 0 1 2 3	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits Federal Tax Credits Total Income Taxes Required Rate of Return	5,947 (15,354) (1,505) (13,849) (4,847) (6,352) 7,49%	6,065 (15,918) (1,560) (14,358) (5,025) (6,585) 7,51%	6,189 (17,583) (1,723) (15,860) (5,551) (7,274)	65 (510) (50) (460) (161) (211) 7.34%	124 (1,665) (163) (1,502) (526) (689) 7.34%	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48) (line 49 x 35%)
3 4 5 6 7 8 9 0 1 2 3 4 5	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits Federal Tax Credits Total Income Taxes Required Rate of Return Cost of Debt	5,947 (15,354) (1,505) (13,849) (4,847) (6,352) 7,49% 2,24%	6,065 (15,918) (1,560) (14,358) (5,025) (6,585) 7,51% 2,26%	6,189 (17,583) (1,723) (15,860) (5,551) (7,274) 7,51% 2,26%	(460) (461) (211) 7.34% 2.24%	124 (1,665) (163) (1,502) (526) (689) 7.34% 2.26%	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48) (line 49 x 35%)
13 14 15 16 17 18 19 50 51 52 53 54 55	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits Federal Tax Credits Total Income Taxes Required Rate of Return Cost of Debt State Tax Rate	5,947 (15,354) (1,505) (13,849) (4,847) (6,352) 7,49% 2,24% 9,80%	6,065 (15,918) (1,560) (14,358) (5,025) (6,585) 7,51% 2,26% 9,80%	6,189 (17,583) (1,723) (15,860) (5,551) (7,274) 7,51% 2,26% 9,80%	(460) (460) (161) 7.34% 2.24% 9.80%	124 (1,665) (163) (1,502) (526) (689) 7.34% 2.26% 9.80%	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48) (line 49 x 35%)
42 43 44 45 46 47 48 49 50 51 52 53 54 55 57 58	Deductions from Income Debt Synchonization State Taxable Income State Income Tax Before Credits State Tax Credits Federal Tax Deductions Federal Taxable Income Federal Income Tax Before Credits Federal Tax Credits Total Income Taxes Required Rate of Return Cost of Debt	5,947 (15,354) (1,505) (13,849) (4,847) (6,352) 7,49% 2,24%	6,065 (15,918) (1,560) (14,358) (5,025) (6,585) 7,51% 2,26%	6,189 (17,583) (1,723) (15,860) (5,551) (7,274) 7,51% 2,26%	(460) (461) (211) 7.34% 2.24%	124 (1,665) (163) (1,502) (526) (689) 7.34% 2.26%	(line 41 + line 42 - line 43 - line 44) (line 45 x line 56) (line 45 - line 46 + line 47 - line 48) (line 49 x 35%)

D = B - A



Northern States Power Company Elecric Utility - State of Minnesota OTHER RATE BASE FORECAST ITEMS Amounts in thousands Docket No. E002/GR-15-826 Workpaper M2 Page 2 of 3

	1	T		-				-				•	
			201	6			201	17			201	.8	
ine No.	MYRP Other Rate Base Bridge	Cust Adv, Cust Deposits, M&S Prepays, Misc Debits & Credits	NSPM-Non-Plant	NSPM-Nuc Outage COA	Total	Cust Adv, Cust Deposits, M&S Prepays, Misc Debits & Credits	NSPM-Non-Plant	NSPM-Nuc Outage COA	Total	Cust Adv, Cust Deposits, M&S Prepays, Misc Debits & Credits	NSPM-Non-Plant	NSPM-Nuc Outage COA	Total
1	Accumulated Deferred Income Taxes	Debits & Credits	(4,295)		(4,295)	Debits & Credits	(350)		(350)	Debits & Credits	4,000		4,00
2	Accumulated Deferred income Taxes		(4,233)		(4,2.55)		(330)		(550)				
3	Other Rate Base Items												
4	Cash Working Capital												
5	Materials and Supplies	135,797			135,797	135,797			135,797	135,797			135,
6	Fuel Inventory	73,476			73,476	73,476			73,476	73,476			73,
7	Non Plant Assets and Liabilities		(3,716)		(3,716)		5,666		5,666		15,903		15,
8	Customer Advances	(5,562)			(5,562)	(5,562)			(5,562)	(5,562)			(5,
9	Customer Deposits	(28,127)			(28,127)	(28,127)			(28,127)	(28,127)			(28,
10	Prepayments	19,463		69,844	89,307	19,463		67,309	86,772	19,463		66,911	86,
11	Regulatory Amortizations											1.5	
12	Total Other Rate Base	195,047	(3,716)	69,844	261,175	195,047	5,666	67,309	268,022	195,047	15,903	66,911	277,
13													
14	Total Average Rate Base	195,047	579	69,844	265,470	195,047	6,016	67,309	268,373	195,047	11,903	66,911	273,
15		**************************************								ĺ			
16.	Taxes									_			
18	Deferred Income Tax and ITC		3,839		3,839		4,051		4,051		4,650		4,
19	Federal and State Income Tax	(1,807)		(647)	(6,352)	(1,824)		(629)	(6,585)	(1,824)		(626)	(7,
		(1,807)		(647)	(2,513)	(1,824)		(629)	(2,534)			(626)	(2,
21 22	Total Taxes	(1,007)	(58)	(047)	(2,313)	(1,024)	(61)	(029)	(2,334)	(1,024)	(1/3)	(020)	14,
		(4 007)	(60)	le a m	(2,513)	(1,824)	(81)	(629)	(2,534)	(1,824)	(175)	(626)	{2,
23	Total Expenses	(1,807)	(58)	(647)	(2,515)	(1,024)	(01)	(023)	(2,554)	(1,024)	(1/3)	(02.0)	14.
24		1.007	ro	647	2542	1 024	01	620	2 524	1,824	175	626	2,
25	Total Operating Income	1,807	. 58	647	2,513	1,824	81	629	2,534	1,824	1/3	020	<u> </u>
26													
27	Calculation of Revenue Requirements												
28	Rate Base	195,047	579	69,844	265,470	195,047	6,016	67,309	268,373	195,047	11,903	66,911	273,
29	Required Operating Income	14,609	43	5,231	19,884	14,648	452	5,055	20,155	14,648		5,025	20,
30	Operating Income	1,807	58	647	2,513	1,824	81	629	2,534	1,824		626	2,
31	Income Deficiency	12,802	(15)	4,584	17,371	12,824	371	4,426	17,621	12,824	719	4,399	17,
32	Revenue Deficiency	21,834	[25]	7,819	29,628	21,873	632	7,548	30,054	21,873	1,226	7,504	30,
33					1.5 4 565					1 10 10 10 10			l ten
34	Operating Income Before Adjs			•	•				-	•			
35	Deductions from Income		9,407		9,407		9,853		9,853		11,394		11,
16	Debt Synchonization	4,369	13	1,565	5,947	4,408	136	1,521	6,065	4,408	269	1,512	6,
7	State Taxable Income	(4,369)	(9,420)	(1,565)	(15,354)	(4,408)	(9,989)	(1,521)	(15,918)	(4,408)	(11,663)	(1,512)	(17,
88	State Income Tax Before Credits	(428)	(923)	(153)	(1,505)	(432)	(979)	(149)	(1,560)	(432)	(1,143)	(148)	(1,
39	State Tax Credits									F147 45 14 45 1			(
10	Federal Tax Deductions				The Market								
11	Federal Taxable Income	(3,941)	(8,497)	(1,411)	(13,849)	(3,976)	(9,010)	(1,372)	(14,358)	(3,976)	(10,520)	(1,364)	(15
12	Federal Income Tax Before Credits	(1,379)		(494)	(4,847)	(1,392)		(480)	(5,025)	(1,392)		(477)	(5
13	Federal Tax Credits												į.
										·			. (7



OTHER RATE BASE FORECAST ITEMS Amounts in thousands (14) (15) (16) (17) (18)

	Workpaper Reference	(13) <u>Voi 4A. P2</u>	(14) Vol 4A, P4-1	(15)	(16) Vol 4A, P2	(17) Vol 4A. P4-1	(18)
		2017 Inc	rement (2017 min	us 2016)	2018 Incr	ement (2018 minu	ıs 2017)
Line No.	MYRP Other Rate Base Bridge	NSPM-Non-Plant	NSPM-Nuc Outage COA	Total	NSPM-Non-Plant	NSPM-Nuc Outage COA	Total
1	Accumulated Deferred Income Taxes	3,945	4 4 4	3,945	4,350		4,350
2			e dans en en Nederland and				
3	Other Rate Base Items						
4	Cash Working Capital						
5	Materials and Supplies						
6	Fuel Inventory						
7	Non Plant Assets and Liabilities	9,382		9,382	10,237		10,237
8	Customer Advances						
9	Customer Deposits						
10	Prepayments		(2,535)	(2,535)		(398)	(398
11	Regulatory Amortizations	<u> </u>		et in the			
12	Total Other Rate Base	9,382	(2,535)	6,847	10,237	(398)	9,838
13							
14	Total Average Rate Base	5,437	(2,535)	2,902	5,886	(398)	5,488
15			1 .				
16	Taxes						
18	Deferred Income Tax and ITC	212		212	599		599
19	Federal and State Income Tax	(235)	23	(211)	(693)	4	(689
21	Total Taxes	(22)	23	1	(94)	4	(90
22							
23	Total Expenses	(22)	23	1	(94)	4	(90
24				H. A. Baller	- A	Grajisan,	
25	Total Operating Income	22	(23)	(1)	94	(4)	90
26					1000	e a company	
27	Calculation of Revenue Requirements						
28	Rate Base	5,437	(2,535)	2,902	5,886	(398)	5,488
29	Required Operating Income	399	(186)	213	432	(29)	403
30	Operating Income	22	(23)	(1)	94	(4)	90
31	Income Deficiency	377	(163)	214	338	(26)	312
32	Revenue Deficiency	642	(277)	365	576	[44]	533
33							
34	Operating Income Before Adjs						
35	Deductions from Income	445		445	1,541		1,541
36	Debt Synchonization	122	(57)	65	133	(9)	124
37	State Taxable Income	(567)	57	(510)	1	9	(1,665
38	State Income Tax Before Credits	(56)	6	(50)	1	1	(163
39	State Tax Credits						
40	Federal Tax Deductions						
41	Federal Taxable Income	(511)	51	(460)	(1,510)	8	(1,502
42	Federal Income Tax Before Credits	(179)	18	(161)	1	3	(526
43	Federal Tax Credits					NAME AND	
44	Total Income Taxes	(235)	. 23	(211)	(693)	4	: (689
				•	•		

