

JDE O&M OBJECT ACCOUNTS

This list is not inclusive and omits some object accounts used exclusively by small groups as well as IT object accounts used exclusively by Business Systems.

O&M Object

Account

JDE Description

| | |
|--------|--|
| 723821 | Electric Utility Association Dues Corporate memberships and contributions for convention and industry meetings for electric organizations such as the Edison Electric Institute (EEI) |
| 723822 | Gas Utility Association Dues Corporate memberships and contributions for convention and industry meetings for gas organizations such as the American Gas Association (AGA) |
| 723823 | Dues - Lobbying Lobbying portions only of dues invoices where the non-lobbying memberships are recorded to 723810, 723820, 723821 or 723822 above; also used for memberships whose activities are all lobbying related; records to non-utility, non-recoverable FERC account 426.4 |
| 723833 | Charitable Contributions Funds given to IRS designated 501(c) organizations for charitable purposes that support non-profit, educational or political education organizations |
| 723834 | Community Sponsorship Funds provided for the purpose of sponsoring an event, table, conference, parade or other general exposures on a marketing and/or goodwill basis |
| 723835 | Civic & Political Expenditures for certain civic, political and related activities to organizations whose primary purpose is lobbying or legislative in nature |
| 723836 | Chamber of Commerce Dues Chamber of Commerce membership dues |
| 723837 | Economic Development - Contributions Contributions made to regional or local economic development organizations positioned to combine resources for the purpose of maintaining and improving the long-term economic health of communities in our service territory by attracting or retaining employ |
| 723840 | Regulatory Fees Fees paid to regulatory agencies such as FEMA, NERC, FERC, etc. |
| 723845 | Directors Fees Expenses related to the Xcel Energy Board of Directors |
| 723846 | Shareholder Related Expenses related to shareholders' meetings and communications and postage for dividend checks and notices |
| 723850 | Social Service Dues Dues and expenses for company authorized memberships in organizations which are social in nature, such as athletic or country clubs, Lions, Kiwanis, or Rotary clubs |
| 723854 | Deductions - Corporate Tickets Tickets for sporting, social, recreational or entertainment events |
| 723855 | Other Deductions Events of a recreational/social nature, including meals Promotional give-away items Food and drinks at sporting and entertainment events Spouse travel expenses requiring executive approval - use subledger 999101 |
| 723860 | Bank Charges Service fees charged by financial institutions, assigned by Xcel Energy or its operating companies, that hold fiduciary power to enforce the terms of a bond indenture |
| 723863 | Remarketing/Rating Fees Fees paid to financial rating agencies such as Standards and Poors, Moody's, and Fitch; remarketing fees associated with variable-rate remarketable securities |
| 723870 | Credit Line Fees Fees associated with line of credits and utilization fees |
| 723875 | Regulatory Fees-Direct Direct Charges incurred by the Office of Energy Security (OES), Attorney General, Public Utilities Commission (PUC), Public Service Commission (PSC) and Attorney Generals offices related directly to various Dockets |
| 723876 | Regulatory Fees - Indirect Statutes require state PUC's, PSC's, and PRC's and the Minnesota OES & to estimate certain administrative costs and assess them |

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723877

Regulatory Fees - NARUC

National Association of Regulatory Utility Commissioners. (NRRI - National Regulatory Research Institute). Payments made to NARUC when jurisdictional regulatory bodies or Operating Companies choose to participate or want findings of studies completed

723878

Regulatory Fees - ALJ (Administrative Law Judge)

Administrative Law Judge costs are paid from a separate revolving fund, and the reimbursements must be returned to that fund. Minnesota Statutes require that these costs be assessed against the utilities.

723885

Gas Cleanup Costs

Continuing expenses associated with gas clean-up costs that were previously deferred; clean-up relates to various manufactured gas plant sites

723890

Environmental Permits & Fees

Expenses related to permits and licensing fees to various environmental agencies

723895

License Fees & Permits

Corporate licenses, fee payments and permit fees, including vehicle licenses and right-of-way and building permits

723897

Penalties

Expenses related to penalties to agencies such as the PUC's, Department of Labor, IRS, etc.

724100

Miscellaneous O&M Credits

Billing workorder mark-ups such as A&G overhead charges

724200

Rebates

Any incentive given a business or customer. Costs are generally Demand Side Management (DSM) related.

724500

Shared Asset Costs

Costs for facilities and network equipment allocated to business areas

724510

Shared Assets-Owning Co Cr

Credit for facilities and network equipment allocated to Corporate Services

725000

Other

Must be defined explicitly and used only when no other object accounts apply

725005

Online Information Services

Charges for subscriptions, reference materials, reports or data that are received electronically using an online tool

725100

Operating Co. Overheads

A&G overheads and labor overheads related to non-commodity and third party billings

NOTE: All IT costs, including software, hardware and computer equipment are budgeted and paid by business systems (715100 - 715830) and legal costs are generally budgeted and paid by General Counsel.

Budget Documentation

DONATIONS

Charitable Contributions
Community Sponsorships
Economic Development

DUES

Utility Dues
Professional Dues
Chamber of Commerce Dues
Social / Service Dues
Economic Development

NARUC

Participation
Research (NRRI)

LOBBYING

Civic and Political
Dues - Lobbying

Other Expenses

Deductions – Corporate Tickets
Other Deductions

**Questions regarding the Regulatory Treatment of these expenses, please
contact:**

**Mary Pope
Regulatory and Resource Planning Area
612-330-6574**

Xcel Energy is required to provide annually to various Regulatory Agencies information relating to Donation, Dues and Lobbying expenditures. Therefore, correct accounting of these expenditures is required.

SECTION 1 – Donations

- Charitable Contributions
- Community Sponsorships
- Economic Development

SECTION 2 – Dues

- Professional Associations
- Utility Associations
- Electric Utility Associations
- Gas Utility Associations
- Economic Development
- Chamber of Commerce
- Social and Service Clubs

SECTION 3 – NARUC

- Participation
- Studies

SECTION 4 – Lobbying

- Civic and Political

SECTION 5 – Other Expense

- Corporate Tickets
- Other Deductions
- Spouse Expenses

To assist you in the proper accounting and budgeting for these costs, the following explanation and guidelines are provided. If you have any additional questions, please contact Mary Pope, Regulatory and Resource Planning Area at (612) 330-6574.

SECTION 1 - DONATIONS

(For Business related conference or seminar donations and/or sponsorships, please use the appropriate Utility Dues Object. Refer to the JDE O&M Object Account Description.)

NOTE:

Xcel Energy Foundation files an annual Corporate Giving Report which identifies ALL Xcel Energy Charitable Contributions made by the Foundation as well as contributions made by Other Xcel Energy departments.

Xcel Energy Regulatory and Resource Planning files for recovery of Donations in rate case proceedings. Currently, Northern States Power Company MN, State of Minnesota is allowed 50% recovery of certain donations (Minn. Stat. § 216B.16. subd.9).

The Xcel Energy Foundation Area is responsible for the majority of our corporate giving. Most operating budgets will not include dollars for Donations. However, in the Communities that we serve, local businesses are, at times, asked to be good "Corporate Citizens" and support local Community and Charitable Organizations.

In order to assure both the appropriate accounting and compliance reporting, these guidelines further defined in Corporate Policies section 5.4 Xcel Foundation/Corporate Contributions.

Corporate Contribution guidelines-Contact J. Rushton 612-330-2809
Rate Case Treatment-Contact M. Pope 612-330-6574

JDE Object account:

723833 – Charitable Contributions

CHAIRITABLE CONTRIBUTIONS are funds given to **IRS designated 501(c) organizations** or governmental entities for charitable purposes that fit within these examples:

Charitable Organizations
Non-discriminatory
Non-profit
Educational
Arts & Culture
Prevention of cruelty

723834 – Community Sponsorship

The donation portion of the community sponsored event.

Examples:

501(c)(3) Organizations (local Scouting Groups, etc.)
Community Organizations (food shelves, shelters)
Arts and Culture (concerts in the park, plays)
Community Development (fire departments, parks)
Education (scientific, literary, artistic events)

In cases where sponsoring includes some benefit (meals, round of golf, advertising, etc.), the Organization should identify on the invoice / request the split between the actual community sponsorship amount and the cost of the benefit. We are required to record the donation amount to Community Sponsorships and the meal, good will portion to the Entertainment – Meals or Entertainment – Tickets object accounts.

723855 – Entertainment - Meals

Meals related to entertainment or associated with non-business events. This includes the fair market value of meals included as part of the event.

723854 – Entertainment – Tickets

Charges associated with any ticketed entertainment, as well as costs associated with recreational events (i.e. sporting events, golfing, fishing, resort activities, etc.)

723837 – Economic Development Dues/Donations

Donations or dues from the Economic Business Area made to regional or local Economic Development Organizations positioned to combine resources for the purpose of maintaining and improving the long-term economic health of communities in our service territory by attracting or retaining employment opportunities and expanding the state and local tax base.

RATE CASE DOCUMENTATION REQUIRED

Below is a list of information the Company is required to provide in rate case proceedings for any Charitable Contribution or Community Sponsorship expenses we are seeking recovery of from our rate payers.

Name of the Organization
Description of the Organization (Mission Statement)
Purpose (Educational, Arts & Cultural, Community Chest etc,)
Date of the Donation
City and State of the organization
Donation amount give to organization

SECTION 2 - DUES

For business related conference or seminar donations and/or sponsorships, please use the appropriate utility dues object.

Research & Development are not dues and should NOT be included in any dues objects.

Any portion of dues paid that support lobbying efforts need to be budgeted for and separated out on the invoice and accounted for using a Lobbying accounting string (see Lobbying Section below for Civic and Political).

RATE RECOVERY is allowed for some but not all types of expenses covered in this section and rate recovery policies may vary by state jurisdiction. Regardless of whether expenses are eligible for rate recovery, we are required to provide detailed information. Please see the end of this section for those requirements. You will be asked to provide this information annually.

For a list and descriptions of O&M Objects and their definitions, please refer to this link. [http://xpressnet/CFOorg/Budgets/OM%20Object%20Account Descriptions%205 10%20-%20202.xls](http://xpressnet/CFOorg/Budgets/OM%20Object%20Account%20Descriptions%205%2010%20-%20202.xls)

723810 - Professional Association Dues

Employee membership in professional organizations, clubs or societies, which are beneficial to the company or in the future, or are, required to retain professional standings or licenses.