

Specification of Average Monthly Coincidental Peak Demands
2013 Calendar Year

Year/Month	Minnesota Company			Wisconsin Company			
	Peak Demand	Distribution		Peak Demand	Distribution		
		Transmission	Level Demand		Transmission	Level Demand	
	MW	Loss Multiplier	MW	MW	Loss Multiplier	MW	
January 2011	A	5,582	0.968	5,403	1,017	0.960	977
February	A	5,488	0.968	5,312	1,021	0.960	981
March	A	5,205	0.968	5,038	943	0.960	905
April	A	4,794	0.968	4,641	887	0.960	852
May	A	5,239	0.968	5,071	998	0.960	958
June	A	7,696	0.968	7,450	1,283	0.960	1,232
July	A	8,083	0.968	7,825	1,348	0.960	1,294
August	A	7,157	0.968	6,928	1,078	0.960	1,035
September	A	7,367	0.968	7,131	1,231	0.960	1,182
October	A	5,469	0.968	5,294	886	0.960	851
November	A	5,170	0.968	5,005	928	0.960	891
December 2011	A	5,389	0.968	5,217	1,013	0.960	973
Total 2011		72,638		70,314	12,634		12,128
January 2012	A	5,385	0.968	5,212	1,031	0.960	990
February	A	5,017	0.968	4,857	966	0.960	927
March	A	5,055	0.968	4,893	921	0.960	884
April	A	4,730	0.968	4,578	879	0.960	844
May	A	6,089	0.968	5,894	947	0.960	909
June	A	7,413	0.968	7,176	1,148	0.960	1,102
July	F	7,355	0.968	7,120	1,317	0.960	1,264
August	F	7,398	0.968	7,161	1,274	0.960	1,223
September	F	6,810	0.968	6,592	1,243	0.960	1,193
October	F	5,260	0.968	5,092	945	0.960	908
November	F	5,244	0.968	5,076	997	0.960	957
December 2012	F	5,557	0.968	5,379	1,097	0.960	1,053
Total 2012		71,312		69,030	12,764		12,254
January 2013	F	5,496	0.968	5,320	1,062	0.960	1,020
February	F	5,351	0.968	5,180	1,039	0.960	997
March	F	5,075	0.968	4,913	916	0.960	879
April	F	4,757	0.968	4,605	949	0.960	911
May	F	6,041	0.968	5,848	1,077	0.960	1,034
June	F	7,183	0.968	6,953	1,299	0.960	1,247
July	F	7,184	0.968	6,954	1,298	0.960	1,246
August	F	7,199	0.968	6,969	1,282	0.960	1,231
September	F	6,834	0.968	6,615	1,253	0.960	1,203
October	F	5,283	0.968	5,114	957	0.960	919
November	F	5,256	0.968	5,087	1,009	0.960	969
December 2013	F	5,571	0.968	5,392	1,107	0.960	1,063
Total 2013		71,229		68,950	13,249		12,719
3 Three Total		215,180	0.968	208,294	38,647	0.960	37,101
			2013 CP Ratio	0.848812		2013 CP Ratio	0.151188

A = Actual
F = Forecast

Northern States Power Company
Interchange Agreement
Comparison of Costs - Present and Proposed Rate Schedules
Allocation of 2013 Estimated Demand Costs, at Authorized, and Proposed Peaks

2013 Estimated Demand Costs			
	NSP-M	NSP-W	System
Production	Demand Costs	Demand Costs	Demand Costs
Fixed Charges-Demand	\$668,649,792	\$34,216,623	\$702,866,415
Fixed Portion of O & M & Capacity Purchases	635,664,236	22,454,575	658,118,811
Total	<u>\$1,304,314,028</u>	<u>\$56,671,198</u>	<u>\$1,360,985,226</u>
Transmission			
Fixed Charges	\$267,761,555	\$66,461,904	\$334,223,459
Fixed Portion of O & M	54,771,438	12,026,878	66,798,316
Net Transmission Expense & Wheeling Revenues	(32,403,416)	n/a	(32,403,416)
Total	<u>\$290,129,577</u>	<u>\$78,488,782</u>	<u>\$368,618,359</u>
Total Estimated Demand Costs	<u>\$1,594,443,605</u>	<u>\$135,159,980</u>	<u>\$1,729,603,585</u>

Allocate 2013 Demand Costs Using 2012 Authorized CP's			
	NSP-M	NSP-W	System
Coincident Peak Ratios (CP's)			
Authorized Transmission Loss Rate	3.20%	4.00%	
Authorized Demand Loss Multipliers	0.968	0.960	
2012 Authorized CP Ratio	0.839899	0.160101	1.000000
Net Costs using 2012 Authorized CP's - Production	\$1,143,090,130	\$217,895,096	\$1,360,985,226
Net Costs - using 2012 Authorized CP's - Transmission	309,602,191	59,016,168	368,618,359
Total Allocated Demand Costs @ Authorized CP's	<u>\$1,452,692,321</u>	<u>\$276,911,264</u>	<u>\$1,729,603,585</u>

Allocate 2013 Demand Costs Using 2013 Proposed CP's			
	NSP-M	NSP-W	System
Coincident Peak Ratios (CP's)			
Authorized Transmission Loss Rate	3.20%	4.00%	
Authorized Demand Loss Multipliers	0.968	0.960	
2013 Proposed CP Ratio	0.848812	0.151188	1.000000
Net Costs using 2013 Proposed CP's - Production	\$1,155,220,592	\$205,764,634	\$1,360,985,226
Net Costs - using 2013 Proposed CP's - Transmission	312,887,687	55,730,672	368,618,359
Total Allocated Demand Costs @ Proposed CP's	<u>\$1,468,108,278</u>	<u>\$261,495,307</u>	<u>\$1,729,603,585</u>

Change In Cost of Service			
	NSP-M	NSP-W	System
Change in Ratios	0.008913	(0.008913)	0.00000
Change in Production	\$12,130,462	(\$12,130,462)	\$0
Change in Transmission	3,285,496	(3,285,496)	0
Total Change in Cost of Service	<u>\$15,415,959</u>	<u>(\$15,415,959)</u>	<u>\$0</u>

Northern States Power Company
Interchange Agreement
Comparison of Costs - Present and Proposed Rate Schedules
Effect On 2013 Budget

Coincident Peaks Ratio	NSP(M) 0.848812	NSP(W) 0.151188	Present Depreciation Rates		
			NSP-M	NSP-W	System
Production					
NSP-M to NSP-W	\$179,304,098		\$152,195,470	\$27,108,628	\$179,304,098
NSP-W to NSP-M	\$13,433,728		\$11,402,710	\$2,031,018	\$13,433,728
Total Production	\$192,737,826		\$163,598,180	\$29,139,646	\$192,737,826
Transmission					
NSP-M to NSP-W	\$51,190,391		\$43,451,018	\$7,739,373	\$51,190,391
NSP-W to NSP-M	\$17,120,927		\$14,532,448	\$2,588,479	\$17,120,927
Total Transmission	\$68,311,318		\$57,983,466	\$10,327,852	\$68,311,318
Distribution					
NSP-M to NSP-W	\$102,210		\$86,757	\$15,453	\$102,210
NSP-W to NSP-M	\$3,476		\$2,950	\$526	\$3,476
Total Distribution	\$105,686		\$89,707	\$15,979	\$105,686
General System Control					
NSP-M to NSP-W	\$1,097,514		\$931,583	\$165,931	\$1,097,514
NSP-W to NSP-M	\$608,667		\$516,644	\$92,023	\$608,667
Total General System Control	\$1,706,181		\$1,448,227	\$257,954	\$1,706,181
Total	\$262,861,011		\$223,119,580	\$39,741,431	\$262,861,011

Proposed Depreciation Rates					
			NSP-M	NSP-W	System
Production					
NSP-M to NSP-W	\$189,818,075		\$161,119,860	\$28,698,215	\$189,818,075
NSP-W to NSP-M	\$12,698,492		\$10,778,632	\$1,919,860	\$12,698,492
Total Production	\$202,516,567		\$171,898,492	\$30,618,075	\$202,516,567
Transmission					
NSP-M to NSP-W	\$46,060,307		\$39,096,541	\$6,963,766	\$46,060,307
NSP-W to NSP-M	\$17,288,178		\$14,674,413	\$2,613,765	\$17,288,178
Total Transmission	\$63,348,485		\$53,770,954	\$9,577,531	\$63,348,485
Distribution					
NSP-M to NSP-W	\$102,140		\$86,698	\$15,442	\$102,140
NSP-W to NSP-M	\$4,428		\$3,759	\$669	\$4,428
Total Distribution	\$106,568		\$90,457	\$16,111	\$106,568
General System Control					
NSP-M to NSP-W	\$1,097,545		\$931,609	\$165,936	\$1,097,545
NSP-W to NSP-M	\$608,667		\$516,644	\$92,023	\$608,667
Total General System Control	\$1,706,212		\$1,448,253	\$257,959	\$1,706,212
Total	\$267,677,832		\$227,208,156	\$40,469,676	\$267,677,832

Change In Cost of Service					
			NSP-M	NSP-W	System
Production					
NSP-M to NSP-W	\$10,513,977		\$8,924,390	\$1,589,587	\$10,513,977
NSP-W to NSP-M	(\$735,236)		(\$624,078)	(\$111,158)	(\$735,236)
Total Production	\$9,778,741		\$8,300,312	\$1,478,429	\$9,778,741
Transmission					
NSP-M to NSP-W	(\$5,130,084)		(\$4,354,477)	(\$775,607)	(\$5,130,084)
NSP-W to NSP-M	\$167,251		\$141,965	\$25,286	\$167,251
Total Transmission	(\$4,962,833)		(\$4,212,512)	(\$750,321)	(\$4,962,833)
Distribution					
NSP-M to NSP-W	(\$70)		(\$59)	(\$11)	(\$70)
NSP-W to NSP-M	\$952		\$809	\$143	\$952
Total Distribution	\$882		\$750	\$132	\$882
General System Control					
NSP-M to NSP-W	\$31		\$26	\$5	\$31
NSP-W to NSP-M	\$0		\$0	\$0	\$0
Total General System Control	\$31		\$26	\$5	\$31
Total	\$4,816,821		\$4,088,576	\$728,245	\$4,816,821