

FPT Report - Capital Actual vs. Budget
Northern States Power Co. (Minnesota Company)
December 2013

Capital (thousands of \$)

Bus Area	December Actual YE	December Budget YE	December YE Var
10 Northern States Power - MN			
Energy Supply	116,711	105,390	11,321
Distribution Operations	213,029	181,981	31,048
Gas Systems	56,571	46,525	10,046
Transmission	463,807	505,501	(41,694)
Operations Services	0	0	0
Nuclear Generation Bus Area	558,653	533,417	25,235
Corporate Services	96,247	67,929	28,318
Financial Operations	0	0	0
General Counsel	388	1,110	(722)
External Affairs	0	0	0
10 Northern States Power - MN Total	1,505,407	1,441,854	63,553

	Year End Deviation
Distribution	
Other	
MN - Cap Sales Tax Refund not budgeted	(3,169)
More work than expected for the VAR Network System Project & other tool projects	1,463
Other	630
Sub-total Electric	31,317
<u>Gas</u>	
Other	-
Sub-total Gas	-
<u>Other</u>	
Other	(268)
Sub-total Other	(268)
Other	(0)
Total Distribution	31,048
Gas Systems	
<u>Gas</u>	
Major Projects	
East Metro project - construction costs higher than forecasted/budgeted amount - Target Adjustment approved	4,424
Gas New Service	
Various projects with higher growth than forecasted/budgeted	1,936
Gas Mandates	
Various projects with no significant variances	2,141
Fleet	
New units received sooner than estimated	1,545
Sub-total Gas	10,046
<u>Other</u>	
Other	-
Sub-total Other	-
Other	-
Total Gas Systems	10,046

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Year End Deviation

Transmission	
<u>Electric</u>	
Change Constr Schd	
CAPX2020 Fargo MN: Receipt of structures were accelerated into 2013.	22,522
CAPX2020 Bemidji MN: Construction is occurring on a different schedule than budgeted.	468
NSP Line Capacity: Work is being completed to comply with NERC requirements.	3,606
Lake Marion Burnsville: Work was accelerated from 2014 to 2013.	2,407
Weather Constraint	
S&E -NSP Line: Increase due to April storm repairs in Sioux Falls and SW Minnesota.	3,454
Sioux Falls Northern 115kV Loop: Project delay due to extreme cold weather in the region.	(1,935)
Regulatory Filing	
Kohlman Lake-Goose Lake 2nd ckt: Project delayed due to permitting issues.	(1,151)
SWTC: Expenditures are delayed due to permitting issues.	(4,886)
Hollydale Dist.115 kV: CON filing and route permitting is delaying the project.	(6,924)
Hwy 212 Conversion: Permitting issues are delaying the project.	(11,384)
Midtown - Hiawatha: Permitting issues are delaying the project.	(4,684)
Project cancelled	
St Cloud Loop: Project was cancelled due to fire at the Verso Paper Mill.	(4,053)
Project Suspended	
Wilmarth-TC Thru Flow Mitigation: Project suspended.	(2,422)
Meadow Lake Dist: Project is delayed until 2018.	(1,020)
Material Accelrtd	
Minn Vly-Kerkhoven Uprate: Materials (poles, conductor and culverts) were delivered two months earlier than expected.	1,280
Change Constr Schd	
Prairie Sub Expansion: Project ISD and construction schedule was changed due to the potential need for a state permit filing.	(8,496)
Franklin Transformer: Project budget delay to begin spending in 2015.	(2,247)
CAPX La Crosse: Construction schedule is revised due to the river crossing.	(2,095)
Scope Increase	
GIST-II Subs Computer Software: Scope additions to the project and the project is progressing slower than anticipated.	1,455
Grant Substation 115kV Imp: Project in experiencing scope increase and construction delays. Due to this spend on the project is out of alignment.	793

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Transmission	
Materials Delays	
Line ELR - NSPM: More defective poles and arms are in need of replacement than budgeted for.	642
Forbes 500kv Sub Refurbishment: Delay in receiving vendor invoice and tax rebate was applied to the project keeping actual less than forecasted.	(3,248)
Proj Accelerated	
Black Dog - Savage: Civil work is being accelerated into this year that originally was planned for 2014.	1,674
Cass County Sub Expansion: Project was accelerated to meet the Distribution ISD due to regulatory requirements. (TAM in support of DCP)	2,082
Decr Project Cost	
CAPX2020 Brookings MN: GRE continues to refine total project cost as actual costs continue to be lower than originally forecast.	(47,238)
Base Capital	
Buy the Farm: No forecast was created for Buy the Farm.	1,363
Tool: Identified the need for additional mats and replacement mats to support current projects.	4,934
ELR Relay-NSPM: Prairie Island relay replacement approved out of cycle.	2,658
NSPM - Major Line Refurbishment: Additional Projects were done under the blanket.	2,245
RTU - EMS Upgrade - NSPM: Additional RTU projects were done than originally planned.	2,091
Fault Recorders - Variance due to a combination of carryover work from 2012, price increases for materials and breaking out costs to communications work orders that span years.	1,793
ELR - Breakers - NSPM: The budget for this project was deferred, but the breaker had already been ordered and could not be cancelled.	1,719
IA Tariff Fund: Place holder for interconnect projects was reduced based on the number of projects that have been identified.	(3,300)
APT 550 Minnesota: Carryover from previous year - budget was in 2012.	1,397
GIST-III TLines Computer Software: Circuits are being analyzed under FERC guidelines in August.	1,054
NSP Reloc B: Carryover projects from 2012 are being funded against 2013 budget dollars in this blanket.	(1,312)
Base Cap Apprvd	
Elm Creek 2nd Dist TX: Project was approved out of cycle.	678
Pipestone Rpl Structures WAPA: Project was approved out of cycle this year.	2,255
Transportation - NSPM: Purchase of leased equipment were approved out of cycle.	1,961

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Year End Deviation

Transmission	
Other/CIAC	
Other	39
Sub-total Electric	(41,825)
<u>Gas</u>	
Sub-total Electric	
Gas	
Other	
Sub-total Gas	-
<u>Other</u>	
Sub-total Gas	
Other	
Other	131
Sub-total Other	131
Other	0
Total Transmission	(41,694)
Nuclear Generation	
<u>Electric</u>	
MT-Extended Power Uprate	81,400
MT-Dry fuel storage, YE 2016 loading moved to 2018 and 2013 savings and stop work implications in 2013 due to weld issues - work will resume in 1Q2014	(7,105)
MT-External Flooding Barrier - moved dollars from Flooding Walkdown O&M to Ext Flooding	2,491
MT-Calc Reconstitution Project moved from O&M	619
MT - Noble Chem - increased cost for engineering and implementation, started a month ahead of schedule	1,951
MT-Fukushima; Fcst due to lack of engineering resource availability for engineering	(1,748)
MT-Remote Camera Monitoring - due to overruns in prior months work was stopped to realign. Work will begin again in November;	(1,149)
Fcst change due to timing of project costs due to work stoppage and reduced scope of work	
MT-Reactor Building Roof - delayed due to scheduling constraints.	(600)
MT-RHR & Core Spray cable replacement	567
MT-Rwd Circulating Pump Motor - project will be moved to 2014 due to schedule constraints	(377)

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Year End Deviation

Nuclear Generation

MT-Alternative spent fuel cooling	3,219
MT-HWC MOD due to trailer slab not installed as anticipated due to lack of engineering resources	1,344
MT-Diesel Oil Transfer Pump project added for 2013	100
MT-MET tower lighting protection project delayed due to contract negotiations with new vendor; Forecast change due to work moved to 2014, originally budgeted to be complete in 2012	808
MT-4KV HELB Room Barrier	1,032
MT-Fire Model delays in work due focus on PI Fire PRA model	(599)
MT-Capital Emergent Blanket, Tools & Facilities Blanket	(1,133)
MT-Security Assessment software not forecasted/budgeted	481
MT-Various RFO26 Outage projects - labor and materials moved to capital from O&M	1,997
MT-Cyber security project - costs pulled forward from 2014	133
MT-Paperless recorder - budget exceeded scope of work	(979)
MT - Various other project work moved out of 2013 into out years	(4,164)
MT - DAS/PPCS Replacement	(383)
MT-Replace IMUX Front End Processor - unbudgtd project	406
MT - Spare Generator RPS MG set project delayed	(379)
MT - Sentinel dose tracking project transfers from other projects	397
Miscellaneous other small deviations on various projects	2,647
PI-Extended Power Uprate Project cancelled	(42,719)
PI-LCM mods U1/U2 shift of costs between years	(15,200)
PI-Steam Generator Replacement	2,464
PI-License Renewal Ph II nuclear safety margin improvement shift of costs between years	(6,424)
PI-Baffle Bolts shift of costs between years, Budgeted in O&M but moved to capital	4,090
PI-RCP Seal new design pull forward from 2015	8,148
PI-Fukushima FLEX modifications & communication equipment shift of costs between years	(1,734)
PI-Turbine Lube Oil Filtration System	2,048
PI-Foxboro Phase II shift of costs between years	2,322
PI-License Renewal shift of costs between years	2,471
PI-NFPA 805 File model underrun due to lower NRC fees	(3,235)

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Nuclear Generation

PI-TN-40 Casks (30-38) costs underuns	(1,540)
PI-TN-40 Casks (39-47) costs pushed to 2014 and project reductions	(1,503)
PI-Heater Drain Tank Pump Speed Control Replacement - deferred	(2,349)
PI-Cooling Tower Deck Header & Valves shifts of costs between years	(938)
PI - Control Room Recorders	1,913
Nuclear Fuel-favorability versus budget driven by lower uranium prices	(3,555)
Other	0
Sub-total Electric	25,235
<u>Other</u>	
Other	-
Sub-total Other	-
Other	-
Total Nuclear Generation	25,235

Shared Services - Consolidated

Corporate Services

Business Systems

C Customer Care projects including MRAS/ARCS consolidation, IVR platform upgrade, and bill print redesign	295
C Dynamic EMS Environment	(1,050)
C Energy Supply Chain projects including Dodd Frank Compliance, CMS Physical Power, Enterprise Environmental, and Supply Chain Analytics	7,600
C Finance Organization projects including General Ledger, Budget System Upgrade, and International Financial Reporting	261
C Human Resources projects including Integrated Talent Management and Enterprise Learning	773
C Integrated Energy Management	636
C My Account Business Usage	2,040
C NS T&D Substations	865
C PC Refresh	2,293
C Prairie Island Plant Radio	2,677
C Prairie Island Replacement	2,413
C Regulatory Process Standard	2,216