

50-263

MONTICELLO

NSPCo

DOCUMENTATION RE FINANCIAL ASSURANCE FOR  
DECOMMISSIONING FACILITY

Rec'd W/ Ltr Dtd 7/24/90

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## **-NOTICE-**

## EXHIBIT A

Page 1 of 1

NRC Minimum Calculation  
Boiling Water Reactor (BWR)  
Monticello Nuclear Generating Station

### 1986 Minimum Funding

$$\begin{aligned}\text{Monticello Power Level} &= 1670 \text{ MWt} \\ \text{Minimum (1986 dollars)} &= \$104 + (0.009 \times 1670 \text{ MWt}) \\ \text{(in millions)} &= \mathbf{\$119.03}\end{aligned}$$

### NRC Historical Escalation Factor

$$\begin{aligned}\text{Energy (E)} &= (23\% \times P) + (77\% \times F) \\ &= (23\% \times 1.109) + (77\% \times 0.790) \\ &= 0.86337 \\ \text{Escalation} &= (65\% \times L) + (13\% \times E) + (22\% \times B) \\ \text{Factor} &= (65\% \times 1.150) + (13\% \times 0.86337) + (22\% \times 1.304) \\ &= \mathbf{1.1466181}\end{aligned}$$

Where: (Values calculated in Appendix A)

$E$  = Energy  
 $P$  = Industrial power  
 $F$  = Light fuel oil  
 $L$  = Labor  
 $B$  = Burial

### Estimated 1990 Minimum Funding

$$\begin{aligned}\text{Minimum (1990 dollars)} &= \text{Minimum (1986 dollars)} \times \text{Escalation Factor} \\ &= \$119,030,000 \times 1.1466181 \\ &= \mathbf{\$136,481,952}\end{aligned}$$

NRC Minimum Historical Escalation  
January 1986 to January 1990

	1986	Most Recent			Jan.	Change	
	Base Value	Date	Value	Rate of Change	Period		1990 Value
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Labor (L)	125.0	Sept. '89	142.3	1.0%	Qtrly	143.7	1.150
Energy (E)							
Industrial Power (P)	115.7	Nov. '89	128.8	-0.5%	Mthly	128.2	1.109
Light Fuel Oil (F)	82.0	Nov. '89	64.4	0.6%	Mthly	64.8	0.790
Burial (B)							
PWR	1.000	Jan. '88	1.183	18.30%	2 Yrs	1.399	1.399
BWR	1.000	Jan. '88	1.142	14.20%	2 Yrs	1.304	1.304

Notes:

(1) = Base values from NRC Proposed Guidelines.

(2) = Date of last published value.

(3) = Last published value:

Labor - Department of Labor, Bureau of Labor Statistics, Monthly Labor Review, December 1989, Compensation, Workers, by region, Midwest, APPENDIX A, page 2.

Energy - Department of Labor, Bureau of Labor Statistics, Producer Price Index Data for November 1989

  Industrial Power - Commodity code 0543, 500 kw demand, West North Central, APPENDIX A, page 3.

  Light Fuel Oils - Commodity code 0573, APPENDIX A, page 4.

Burial - NUREG 1307, Report on Waste Burial, Rev. 1, October 1989, Washington site.

(4) = Change in last published value from previous period.

(5) = Period over which (4) occurred.

(6) =  $(3) \times ((1 + (4)) ^ (\text{periods between (2) and Jan. '90}))$ .

(7) =  $(6) / (1)$ .

Current Labor Statistics: Compensation & Industrial Relations

25. Employment Cost Index, private nonfarm workers, by bargaining status, region, and area size

June 1981 = 100

Series	1987		1988				1989			Percent change	
	Sept.	Dec.	Mar.	June	Sept.	Dec.	Mar.	June	Sept.	3 months ended	12 months ended
										Sept. 1989	
<b>COMPENSATION</b>											
<b>Workers, by bargaining status<sup>1</sup></b>											
Union .....	132.0	133.4	135.6	136.9	137.9	138.6	139.7	141.1	142.3	0.9	3.2
Goods-producing .....	129.5	131.3	134.1	135.3	136.2	137.2	137.9	139.4	140.6	.9	3.2
Service-producing .....	135.9	136.7	138.0	139.4	140.5	140.9	142.6	143.9	145.1	.8	3.3
Manufacturing .....	129.5	131.5	135.0	136.2	137.0	138.2	139.9	141.3	142.5	.8	4.0
Nonmanufacturing .....	134.3	135.1	136.2	137.5	138.6	138.9	139.5	141.0	142.1	.8	2.5
Nonunion .....	136.1	136.9	138.9	140.7	142.2	143.9	146.0	147.7	149.6	1.4	5.3
Goods-producing .....	133.1	134.1	136.2	137.8	138.7	139.9	141.6	143.2	145.0	1.3	4.5
Service-producing .....	137.9	138.6	140.5	142.5	144.4	146.3	148.6	150.5	152.7	1.5	5.7
Manufacturing .....	134.6	135.6	137.8	139.2	140.1	141.3	143.1	144.8	146.5	1.2	4.6
Nonmanufacturing .....	138.8	137.5	139.4	141.5	143.2	145.0	147.3	149.1	151.2	1.4	5.6
<b>Workers, by region<sup>1</sup></b>											
Northeast .....	140.3	141.9	143.7	145.9	147.8	150.4	153.5	155.5	158.3	1.6	7.1
South .....	134.2	135.4	137.1	139.3	140.4	141.3	142.7	144.1	145.8	1.2	3.6
Midwest (formerly North Central) .....	131.2	131.7	134.4	135.5	136.7	138.0	139.3	140.9	142.3	1.0	4.1
West .....	135.6	136.3	136.3	139.5	140.6	141.5	143.2	144.9	146.4	1.0	4.1
<b>Workers, by area size<sup>1</sup></b>											
Metropolitan areas .....	135.8	136.7	138.9	140.5	142.0	143.6	145.6	147.4	149.4	1.4	5.2
Other areas .....	131.3	132.0	133.6	135.5	136.2	136.8	137.5	138.3	139.4	.8	2.3
<b>WAGES AND SALARIES</b>											
<b>Workers, by bargaining status<sup>1</sup></b>											
Union .....	129.1	130.5	131.0	132.0	132.9	133.4	134.3	135.4	136.2	.6	2.5
Goods-producing .....	126.5	128.5	128.7	129.7	130.4	131.2	132.0	133.4	134.2	.6	2.9
Service-producing .....	132.9	133.6	134.4	135.4	136.7	136.6	137.8	138.4	139.3	.7	1.9
Manufacturing .....	127.0	129.3	129.6	130.4	131.0	132.1	133.0	134.4	135.1	.5	3.1
Nonmanufacturing .....	130.6	131.5	132.1	133.3	134.5	134.6	135.4	136.2	137.1	.7	1.9
Nonunion .....	134.3	135.0	136.4	138.1	139.5	141.1	142.9	144.4	146.3	1.3	4.9
Goods-producing .....	131.1	132.1	133.6	135.0	135.7	136.8	138.2	139.5	141.1	1.1	4.0
Service-producing .....	136.2	136.7	138.0	140.0	141.8	143.6	145.6	147.2	149.3	1.4	5.3
Manufacturing .....	133.0	133.9	135.5	136.7	137.4	138.6	139.9	141.4	142.6	1.0	3.9
Nonmanufacturing .....	134.9	135.4	136.8	138.6	140.4	142.2	144.1	145.6	147.7	1.4	5.2
<b>Workers, by region<sup>1</sup></b>											
Northeast .....	136.3	139.7	140.9	142.9	144.8	147.3	150.1	152.0	154.7	1.6	7.0
South .....	132.1	133.0	134.0	136.1	137.1	137.6	138.9	140.0	141.7	1.2	3.4
Midwest (formerly North Central) .....	129.6	129.9	131.3	132.1	133.3	134.5	135.6	136.9	138.0	.8	3.5
West .....	133.1	133.5	134.9	136.0	137.4	138.1	139.4	140.7	141.8	.6	3.2
<b>Workers, by area size<sup>1</sup></b>											
Metropolitan areas .....	133.7	134.6	135.6	137.3	138.7	140.2	141.9	143.4	145.2	1.3	4.7
Other areas .....	129.1	129.8	130.9	133.0	133.5	133.7	134.6	135.2	136.1	.7	1.9

<sup>1</sup> The indexes are calculated differently from those for the occupation and industry groups. For a detailed description of the index calculation, see the

Monthly Labor Review Technical Note, "Estimation procedures for the Employment Cost Index," May 1982.

Table 6. Producer price indexes and percent changes for commodity groupings and individual items—Continued

(1982 = 100 unless otherwise indicated)

Commodity	Commodity code	Other index base	Index			Unadjusted percent change to Nov. 1989 From:	
			July 1989 <sup>1</sup>	Oct. 1989 <sup>1</sup>	Nov. 1989 <sup>1</sup>	Nov. 1988	Oct. 1989
Luggage and small leather goods .....	0441		121.4	122.4	122.5	2.4	0.1
Hand luggage .....	0112	12/84	104.2	104.8	104.7	1.2	-1
Luggage other than hand luggage .....	0113	12/84	117.6	119.0	120.3	7.2	1.1
Women's & children's handbags & purses .....	0128	06/82	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Other personal leather goods .....	0132	06/82	124.0	125.0	125.0	3.1	0
Gloves .....	0442		118.2	118.2	118.2	2.3	0
All leather dress & semidress gloves and mittens .....	0103	06/85	117.3	117.3	117.3	4.1	0
All leather work gloves and mittens .....	0104	06/85	118.2	118.2	118.2	1.7	0
Industrial leather .....	0443		137.9	136.0	138.0	2.6	0
Industrial leather belting/other industrial products .....	0103	06/85	134.7	134.9	134.9	2.7	0
Footwear cut stock .....	0444		135.2	137.1	138.8	1.2	-2
Boot and shoe cut stock and findings .....	0102	12/84	117.8	119.2	119.0	1.2	-2
Leather/leather-like goods, n.e.c. ....	0445	06/85	110.3	111.2	111.5	4.7	.3
Leather/leather-like goods, other than belts .....	0101	06/85	109.8	111.4	111.9	4.7	.4
Leather belts .....	0111	06/85	110.9	111.2	111.2	4.5	0
Fuels and related products and power .....	05		75.5	73.7	73.0	13.4	-9
Coal .....	051		96.2	96.9	97.4	2.9	.5
Anthracite .....	0511		103.1	103.5	104.3	2.0	.8
Prepared anthracite shipped .....	01		101.0	101.4	101.4	1.5	0
Bituminous coal .....	0512		96.1	96.9	97.4	3.0	.5
Spot sales of prepared bituminous coal .....	02		92.8	90.0	91.0	-1.5	1.1
Steam electric utilities .....	0209		93.9	91.1	91.7	-3.3	.7
Metallurgical/coke producers .....	0212		93.5	86.4	91.6	8.3	6.0
All other industrial users .....	0215	06/83	90.0	90.6	90.5	2.3	-1
Contract sales of prepared bituminous coal .....	03		96.4	96.7	97.9	2.3	1.2
Steam electric utilities .....	0301		100.2	100.4	101.9	2.8	1.5
Metallurgical/coke producers .....	0303		83.1	83.8	83.8	4.4	0
All other industrial users .....	0306		92.6	92.9	93.2	-2.4	.3
Prepared bituminous coal, resid./comm. use .....	05	12/88	95.9	93.2	93.2	20.7	0
Prepared bituminous coal for export .....	06	12/88	86.4	86.1	86.3	-1.8	.2
Prepared bituminous coal, intracomp. trans. ....	07	12/88	99.0	104.2	102.1	7.9	-2.0
Unprepared coal .....	08		99.9	101.4	101.1	4.6	-3
Coke oven products .....	052		90.6	91.5	89.8	5.6	-1.9
Coke .....	0522						
Coke .....	0101		87.9	89.0	88.8	7.3	-2.5
Other coke furnace products .....	0196	12/88	112.4	112.4	113.1	-6	.6
Gas fuels .....	053		76.2	73.6	73.9	4.8	.4
Natural gas <sup>2</sup> .....	0531		83.7	80.3	80.4	3.6	.1
Interstate .....	0102		62.9	79.9	80.0	2.4	.1
Intrastate .....	0103		96.3	91.2	91.3	6.5	.1
Liquefied petroleum gas .....	0532		50.6	51.1	52.1	13.5	2.0
Propane .....	0104		47.2	50.5	52.1	12.8	3.2
Butane .....	0105		36.2	42.4	45.1	20.6	6.4
Ethane .....	0106		42.6	41.0	39.1	-39.3	-4.6
Other natural gas liquids .....	0107	06/84	60.9	56.5	56.7	30.9	.4
Electric power .....	054		120.6	115.2	113.7	5.5	-1.3
Commercial power, 40 kw demand .....	0542		119.0	112.9	112.1	5.7	-7
New England .....	1101		114.6	111.4	111.6	19.0	.2
Mid-Atlantic .....	1204		108.7	97.0	96.7	2.3	1.8
East North Central .....	1307		116.6	110.4	110.5	11.2	.1
West North Central .....	1411		141.1	127.4	126.5	1.1	-7
South Atlantic .....	1514		116.7	115.1	115.3	-7	.2
East South Central .....	1617		119.2	116.9	116.6	.3	-3
West South Central .....	1721		115.4	118.0	107.7	6.5	-7.2
Mountain .....	1824		113.7	104.5	102.3	-5.7	-2.1
Pacific .....	1927		136.7	129.3	129.4	13.8	.1
Industrial power, 500 kw demand .....	0543		122.2	117.2	115.0	5.3	-1.9
New England .....	1101		108.7	105.3	105.6	12.2	.3
Mid-Atlantic .....	1204		113.6	114.4	115.2	6.3	.7
East North Central .....	1307		117.2	114.4	114.4	7.1	0
West North Central .....	1411		151.6	130.5	129.6	.9	-5
South Atlantic .....	1514		127.5	125.6	113.9	1.9	-10.0
East South Central .....	1617		123.3	122.5	122.4	-1	-1
West South Central .....	1721		111.6	109.6	107.6	4.3	-1.6
Mountain .....	1824		114.4	108.7	104.1	-5.4	-2.4

See footnotes at end of table.

Table 6. Producer price indexes and percent changes for commodity groupings and individual items—Continued

(1982=100 unless otherwise indicated)

Commodity	Commodity code	Other index base	Index			Unadjusted percent change to Nov. 1989 From:	
			July 1989 <sup>1</sup>	Oct. 1989 <sup>1</sup>	Nov. 1989 <sup>1</sup>	Nov. 1988	Oct. 1989
Industrial power, 500 kw demand—Continued	0543						
Pacific	1927		136.6	117.5	117.2	17.6	-0.3
Crude petroleum (domestic production)	0581		59.9	57.5	57.7	47.2	.2
Petroleum products, refined	057		63.1	63.0	61.7	15.3	-2.1
Gasoline	0571		70.9	65.3	62.1	5.8	-4.9
Leaded regular motor gasoline	02		74.7	67.3	63.6	6.7	-5.5
Sales to jobbers, retailers and other resellers	0202		74.5	67.1	63.5	6.9	-5.4
Sales to end users	0203		85.1	75.3	70.5	6.2	-8.2
Premium grade motor gasolines	03		78.1	71.3	69.1	4.9	-3.9
Sales to jobbers, retailers and other resellers	0302		74.3	71.3	67.8	4.8	-3.8
Sales to end users	0303		81.3	72.3	70.7	7.3	-2.9
Unleaded regular gasoline	04		68.6	63.3	59.7	5.5	-5.2
Sales to jobbers, retailers and other resellers	0402		68.2	62.4	59.3	5.5	-5.0
Sales to end users	0403		71.3	65.3	61.2	6.1	-6.3
Kerosene and jet fuels	0572		54.7	52.3	64.0	32.2	5.1
Kerosene	02						
Kerosene	0201		51.7	52.5	60.9	30.1	2.4
Jet fuels	03		55.1	61.1	64.4	32.5	5.4
Kerosene-type	0301		55.7	63.1	66.3	38.1	5.1
Naphtha-type	0303	06/85	65.6	62.1	70.5	11.4	6.7
Light fuel oils	0573		52.7	54.0	64.4	36.4	.6
Fuel oil no. 2	02						
Fuel oil no.2 to resellers	0201		52.5	52.5	64.1	34.9	2.6
#2 diesel fuel	03		52.9	52.4	64.6	37.6	-9
Other light fuel oils	04						
Other light fuel oils	0401	06/85	69.1	52.1	62.2	34.3	2.6
Residual fuels	0574		49.4	48.2	49.2	34.8	2.1
Sales to resellers	07	06/85	63.7	62.1	66.9	31.7	2.8
Containing < 1% sulfur	0701		40.0	44.5	47.1	15.7	5.6
Containing > 1% sulfur	0702		56.4	52.4	56.2	41.2	1.4
Sales to end users	08						
Sales to end users	0801	06/85	66.3	62.9	63.7	37.3	1.8
Finished lubricants	0576		111.1	112.1	110.7	4.0	-1.2
Lubricating grease	03		109.2	105.7	109.7	5.4	0
Lubricating grease	0303	06/85	106.8	107.4	107.4	5.4	0
Lubricating and similar oils	04						
Lubricating and similar oils	0401	06/85	104.1	105.0	103.6	3.8	-1.3
Petroleum and coal products, n.e.c.	058	12/84	68.1	62.3	68.8	6.0	3.0
Petroleum and coal products, n.e.c.	0581						
Petroleum coke	0111	06/85	43.8	35.3	53.3	-6.8	33.9
Asphalt (liquid)	0112	06/85	58.8	57.3	56.7	-4.2	-1.0
Other petroleum and coal products	0119	12/84	133.9	132.5	135.5	53.8	0
Chemicals and allied products	06		123.1	121.5	121.4	.2	-1
Industrial chemicals	061		114.1	112.4	112.0	-.7	-4
Basic inorganic chemicals*	0613		108.5	112.4	111.0	7.0	.5
Alkalies and chlorine	01		103.4	103.7	103.7	7.9	0
Chlorine liquid	0101		120.3	112.4	110.0	-9.1	-5.5
Natural sodium carbonate	0103		106.0	107.4	107.4	3.5	0
Sodium hydroxide, liquid (caustic soda)	0104		97.5	93.3	101.8	19.8	1.8
Other inorganic chemicals	02		110.2	112.5	113.3	6.8	.6
Aluminum hydroxide	0206	06/87	135.5	134.2	134.2	5.0	0
Lime,inc. quick, hydrated & dead burned dolomite	0213		99.9	102.2	100.2	1.9	0
Hydrochloric acid	0221		93.9	102.2	100.5	-.1	.3
Sulfuric acid	0232	06/87	112.2	112.1	110.4	-.7	-1.5
Other inorganic acids	0242	12/82	108.8	108.3	108.3	7.8	0
Barite	0252	12/84	78.9	78.9	78.9	0	0
Sodium tripolyphosphate (STPP)	0268	06/87	100.3	85.7	68.8	-9.5	.1
Rock salt	0271	12/84	103.7	109.1	109.7	-.4	1.5
Sulfur	0272	12/84	93.6	78.9	78.9	-14.4	0
Processed or refined potassium salts	0274	12/84	113.4	111.8	114.0	-2.1	2.0
Gypsum	0276	12/84	102.9	102.9	102.9	1.2	0
Other inorganic chemicals	0282	12/82	112.7	113.5	114.7	6.3	1.1
Basic organic chemicals*	0614		115.3	112.2	111.5	-3.4	-.6
Primary	01		100.7	92.5	91.6	-14.8	-1.0
Benzene	0101		75.5	78.7	92.4	3.7	17.4
Ethylene	0121		170.2	142.3	136.5	-23.7	-4.1
Propylene, chemical grade	0131		90.7	76.3	69.0	-15.8	-6.6
Toluene	0141		85.6	95.9	89.2	-14.2	-7.0

See footnotes at end of table.

**EXHIBIT B**

Executed Qualified Trust Instrument

30 Pages

Executed Nonqualified Trust Instrument

22 Pages

NUCLEAR DECOMMISSIONING TRUST AGREEMENT  
(Qualified Fund)

THIS NUCLEAR DECOMMISSIONING TRUST AGREEMENT  
("Agreement"), dated as of the 20<sup>th</sup> day of July, 1990, between  
Northern States Power Company, a corporation duly organized and  
existing under the laws of the State of Minnesota, having its  
principal office at 414 Nicollet Mall, Minneapolis, Minnesota  
55401 (the "Company"), and MELLON BANK, N.A., as Trustee, a  
national banking association having its principal office at One  
Mellon Bank Center, Pittsburgh, Pennsylvania, 15258 (the  
"Trustee");

WITNESSETH:

WHEREAS, the Company owns a 100 percent undivided  
interest of the Monticello Nuclear Generating Station, a nuclear  
generating unit located in Wright County near Monticello,  
Minnesota, and the Prairie Island Nuclear Generating Station Unit  
1 and the Prairie Island Nuclear Generating Station Unit 2,  
nuclear generating units are located in Goodhue County near Red  
Wing, Minnesota, hereinafter all such three nuclear generating  
units are referred to as the "Units";

WHEREAS, the U. S. Nuclear Regulatory Commission  
("NRC"), an agency of the U. S. Government, pursuant to the  
Atomic Energy Act of 1954, as amended, and the Energy  
Reorganization Act of 1974, has promulgated regulations in Title



10, Chapter I of the Code of Federal Regulations, Part 50. These regulations, applicable to the Company, require that a holder of, or an applicant for a license issued pursuant to 10 CFR Part 50 provide assurance that funds will be available when needed for required decommissioning activities.

WHEREAS, the Company desires to establish pursuant to this Agreement a fund which qualifies as a Nuclear Decommissioning Reserve Fund under section 468A of the Internal Revenue Code of 1986, as amended, or any corresponding section or sections of any future United States internal revenue statute (the "Code") and the regulations thereunder (the "Qualified Fund"), under the laws of the Commonwealth of Pennsylvania to provide part of such financial assurance for the Units;

WHEREAS, the assets of the Qualified Fund will consist of monies collected by the Company pursuant to directive of the "PUC" (as hereafter defined) from its rate customers attributable to "Decommissioning Costs" (as hereafter defined), which will be contributed by the Company to the Qualified Fund;

WHEREAS, the Company has established pursuant to a separate trust agreement with the Trustee a fund which does not qualify as a Nuclear Decommissioning Reserve Fund under section 468A of the Code and the regulations thereunder (the "Nonqualified Fund");

WHEREAS, the Company has selected the Trustee to provide the specialized services hereinafter set forth because of the experience and administrative expertise of the Trustee to handle

the elaborate record keeping and filings necessary to the maintenance of this nuclear decommissioning Fund;

WHEREAS, the execution and delivery of this Agreement have been duly authorized by each of the Company and the Trustee and all things necessary to make this Agreement a valid and binding agreement by each of the Company and the Trustee have been done.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that to provide for the creation of the Qualified Fund and the making of payments therefrom and the performance of the covenants of the Company and the Trustee set forth herein, the Company does hereby sell, assign, transfer, set over and pledge unto the Trustee, and to its successors in the trust and its assigns forever, all of the Company's right, title and interest in and to any and all cash and property herewith and hereafter contributed to the Qualified Fund, subject to the provisions of Article V hereof and Section 4 of the Special Terms of the Qualified Nuclear Decommissioning Reserve Fund, attached hereto as Exhibit A (the "Special Terms").

TO HAVE AND TO HOLD THE SAME IN TRUST for the exclusive purpose of providing funds for the decommissioning of the Units, to pay the administrative costs and other incidental expenses of the Qualified Fund, and to make certain investments, all as hereinafter provided.

The funds the Company shall contribute to the Qualified Fund are the funds collected from its customers as mandated by the "PUC" (as hereinafter defined).

## ARTICLE II

### Payments By The Trustee

Section 2.01. Limitation on Use of Assets. The assets of the Qualified Fund shall be used exclusively (a) to satisfy, in whole or in part, any expenses or liabilities incurred with respect to the decommissioning of the Units, including expenses incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and all expenses incurred after the actual decommissioning occurs, such as physical security and radiation monitoring expenses (the "Decommissioning Costs"), (b) to pay the administrative costs and other incidental expenses of the Qualified Fund separately from the assets of the Qualified Fund, and (c) to invest in securities and investments pursuant to Section 3.02(a) except that all assets of the Fund must be invested in Permissible Assets as defined in the Special Terms. Use of the assets of the Qualified Fund shall be further limited by the provisions of the Special Terms.

Section 2.02. Certification for Decommissioning Costs. If assets of the Qualified Fund are required to satisfy Decommissioning Costs, the Company shall present a certificate substantially in the form attached hereto as Exhibit B to the

## ARTICLE I

### Purposes of the Funds; Contributions

Section 1.01. Establishment of the Fund. The Qualified Fund shall be maintained at all times in the United States pursuant to this Agreement and as a trust in accordance with the laws of the Commonwealth of Pennsylvania. The Company intends that the Qualified Fund shall qualify as a Nuclear Decommissioning Reserve Fund under section 468A of the Code.

Section 1.02. Purposes of the Fund. The Qualified Fund is established for the exclusive purpose of providing funds for the decommissioning of the Unit for the benefit of the public health and safety. The Qualified Fund shall be maintained in accordance with the NRC regulations in Title 10, Chapter I of the Code of Federal Regulations, Part 50 and the assets of the Qualified Fund shall be segregated from the Company assets to assure the availability of funds for decommissioning. The Qualified Fund shall also be governed by the provisions of the Special Terms, which provisions shall take precedence over any provisions of this Agreement construed to be in conflict therewith. None of the assets of the Qualified Fund shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of the Company.

Section 1.03. Contributions to the Fund. The assets of the Qualified Fund shall be contributed by the Company (or by others approved in writing by the Company) from time to time.

The Company shall have the right to enforce payments from the Qualified Fund upon compliance with the procedures set forth in this Section 2.02.

Section 2.03. Administrative Costs. The Trustee shall pay the administrative costs and other incidental expenses of the Qualified Fund, as defined in the Special Terms, from the assets of the Qualified Fund.

Section 2.04. Payments between the Funds. The Trustee shall make payments (i) from the Qualified Fund to the Nonqualified Fund provided such payments are in cash and are in accordance with Section 4 of the Special Terms or (ii) from the Nonqualified Fund to the Qualified Fund provided such payments are in cash and are in accordance with the contribution limitations set forth in Section 2 of the Special Terms, as the case may be, upon presentation by the Company of a certificate substantially in the form of Exhibit C hereto executed by the Company instructing the Trustee to make any such payments. The Trustee shall be fully protected in relying upon such certificate.

### ARTICLE III

#### Concerning The Trust

Section 3.01. Authority of Trustee. The Trustee hereby accepts the trust created under this Agreement. The Trustee shall have the authority and discretion to manage and control the Qualified Fund to the extent provided in this Agreement but does

Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting payment from the Qualified Fund. Any certificate requesting payment by the Trustee to a third party or to the Company from the Qualified Fund for Decommissioning Costs shall include the following:

(a) a statement of the amount of the payment to be made from the Qualified Fund;

(b) a statement that the payment is requested to pay Decommissioning Costs which have been incurred, and a statement that the Decommissioning Costs to be paid constitute Qualified Decommissioning Costs, as defined in the Special Terms;

(c) the nature of the Decommissioning Costs to be paid;

(d) the payee, which may be the Company in the case of reimbursement for payments previously made or expenses previously incurred by the Company for Decommissioning Costs;

(e) a statement that the Decommissioning Costs for which payment is requested have not theretofore been paid out of funds of the Qualified Fund; and

(f) a statement that any necessary authorizations of the Minnesota Public Utilities Commission (the "PUC") and/or any other governmental agencies having jurisdiction with respect to the decommissioning have been obtained.

The Trustee shall retain at least one counterpart of all copies of such certificates (including attachments) and related documents received by it pursuant to this Article II.

not guarantee the Qualified Fund in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Qualified Fund to satisfy the Decommissioning Costs. The Trustee shall not be liable for the making, retention or sale of any investment or reinvestment made by it, nor shall the Trustee be responsible for any other loss to or diminution of the Fund, or for any other loss or damage which may result from the discharge of its duties hereunder except for any action not taken in good faith.

Section 3.02. Investment of the Fund.

(a) The Trustee shall hold, invest, and reinvest the funds delivered to it hereunder as it in its sole discretion deems advisable, subject to the restrictions set forth in the Special Terms for investment of the assets of the Qualified Fund.

(b) Upon the written consent of the Company, the assets of the Qualified Fund and the Nonqualified Fund may be pooled for the purpose of investing the assets with each other, with the assets of other Nuclear Decommissioning Reserve Funds under section 468A of the Code established by the Company or any other utility for which the Trustee serves as trustee of the Nuclear Decommissioning Reserve Fund, and with the assets of any other nuclear decommissioning funds established by the Company or any other utility for which the Trustee serves as trustee of the nuclear decommissioning fund, provided the following conditions are satisfied: (i) the trustee of each nuclear decommissioning fund must separately account for the contributions, earnings,

expenses, and distributions of such fund; (ii) the earnings and expenses must be reasonably apportioned among such nuclear decommissioning funds; (iii) if assets of a Nuclear Decommissioning Reserve Fund under section 468A of the Code are pooled with assets of any other nuclear decommissioning fund, all such pooled assets must be invested solely in Permissible Assets as defined in the Special Terms; and (iv) the books and records of such funds must enable the Internal Revenue Service to verify that the requirements of section 468A of the Code and the regulations thereunder are satisfied; provided further, however, that the assets of the Qualified Fund may not be pooled for the purpose of investing the assets with assets of any nuclear decommissioning fund, whether established by the Company or any other utility, unless and until the Company notifies the Trustee in writing that the Trustee shall not be liable and shall be held harmless if such pooling results in the Qualified Fund failing to qualify as a Nuclear Decommissioning Reserve Fund under section 468A of the Code.

Section 3.03. Prohibition Against Self-Dealing.

Notwithstanding any other provision in this Agreement, the Trustee shall not engage in any act of self-dealing as defined in section 468A(e)(5) of the Code and Treas. Reg. §1.468A-5(b) or any corresponding future Treasury Regulation.

Section 3.04. Compensation. The Trustee shall be entitled to receive out of the Qualified Fund reasonable compensation for services rendered by it, as well as expenses



necessarily incurred by it in the execution of the trust hereunder, provided such compensation and expenses qualify as administrative costs and other incidental expenses of the Qualified Fund, as defined in the Special Terms, with respect to any payment of compensation and expenses from the Qualified Fund.

Section 3.05. Books of Account. The Trustee shall keep true and correct books of account with respect to the Qualified Fund, which books of account shall at all reasonable times be open to inspection by the Company or its duly appointed representatives. The Trustee shall, upon written request of the Company, permit government agencies, such as the PUC or the Internal Revenue Service, to inspect the books of account of the Qualified Fund. The Trustee shall furnish to the Company by the tenth business day of each month a statement for the Qualified Fund showing, with respect to the preceding calendar month, the balance of assets on hand at the beginning of such month, all receipts, investment transactions, and disbursements which took place during such month and the balance of assets on hand at the end of such month.

Section 3.06. Reliance on Documents. The Trustee, upon receipt of documents furnished to it by the Company pursuant to the provisions of this Agreement, shall examine the same to determine whether they conform to the requirements thereof. The Trustee acting in good faith may conclusively rely, as to the truth of statements and the correctness of opinions expressed in any certificate or other documents conforming to the requirements

of this Agreement. If the Trustee in the administration of the Qualified Fund, shall deem it necessary or desirable that a matter be provided or established prior to taking or suffering any action hereunder, such matter (unless evidence in respect thereof is otherwise specifically prescribed hereunder) may be deemed by the Trustee to be conclusively provided or established by a certificate signed by the Chairman of the Board, the President or any Vice President of the Company and delivered to the Trustee. The Trustee shall have no duty to inquire into the validity, accuracy or relevancy of any statement contained in any certificate or document nor the authorization of any party making such certificate or delivering such document and the Trustee may rely and shall be protected in acting or refraining from acting upon any such written certificate or document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee shall not, however, be relieved of any obligation to refrain from self-dealing as provided in Section 3.03 hereof.

Section 3.07. Liability and Indemnification. The Trustee shall not be liable for any action taken by it in good faith and without negligence and believed by it to be authorized or within the rights or powers conferred upon it by this Agreement and may consult with counsel of its own choice (including counsel for the Company) and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and without negligence and

in accordance with the opinion of such counsel, provided, however, that the Trustee shall be liable for any consequences resulting from self-dealing as provided in Section 3.03 hereof. Provided indemnification does not result in self-dealing under Section 3.03 hereof or in a deemed contribution to the Qualified Fund in excess of the limitation on contributions under section 468A of the Code and the regulations thereunder, the Company hereby agrees to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence, recklessness or bad faith on the part of the Trustee, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim of liability in the premises, provided such loss, liability or expense does not result from self-dealing under Section 3.03 hereof, and provided further, that no such costs or expenses shall be paid if the payment of such costs or expenses is prohibited by section 468A of the Code or the regulations thereunder.

Section 3.08. Resignation, Removal and Successor Trustees. The Trustee may resign at any time upon thirty (30) days written notification to the Company. The Company may remove the Trustee for any reason at any time upon thirty (30) days written notification to the Trustee subject to the authority of any governmental body having jurisdiction. Any successor Trustee appointed hereunder shall be an independent trustee. If a

successor Trustee shall not have been appointed within thirty (30) days after the giving of written notice of such resignation or removal, the Trustee or Company may apply to any court of competent jurisdiction to appoint a successor Trustee to act until such time, if any, as a successor shall have been appointed and shall have accepted its appointment as provided below. If the Trustee shall be adjudged bankrupt or insolvent, a vacancy shall thereupon be deemed to exist in the office of Trustee and a successor shall thereupon be appointed by the Company. Any successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Company an appropriate written instrument accepting such appointment hereunder, subject to all the terms and conditions hereof, and thereupon such successor Trustee shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as Trustee hereunder. The predecessor Trustee shall upon written request of the Company, and payment of all fees and expenses, deliver to the successor Trustee the corpus of the Qualified Fund and perform such other acts as may be required or be desirable to vest and confirm in said successor Trustee all right, title and interest in the corpus of the Qualified Fund.

Section 3.09. Merger of Trustee. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any

corporation to which the corporate trust functions of the Trustee may be transferred, shall be the successor Trustee under this Agreement without the necessity of executing or filing any additional acceptance of this Agreement or the performance of any further act on the part of any other parties hereto.

#### ARTICLE IV

##### Amendments

The Company may amend this Agreement from time to time, provided such amendment does not (i) cause the Qualified Fund to fail to qualify as a Nuclear Decommissioning Reserve Fund under section 468A of the Code and the regulations thereunder or (ii) violate any applicable regulation of the NRC or PUC. The Qualified Fund was established and shall be maintained for the sole purpose of qualifying as a Nuclear Decommissioning Reserve Fund under section 468A of the Code and the regulations thereunder. If the Qualified Fund would fail to so qualify because of any provision contained in this Agreement, this Agreement shall be deemed to be amended as necessary to conform with the requirements of section 468A and the regulations thereunder. If a proposed amendment shall affect the responsibility of the Trustee, such amendment shall not be considered valid and binding until such time as the amendment is executed by the Trustee.

## ARTICLE V

### Irrevocability and Termination

Subject to the right of amendment of this Agreement as provided in Article IV, the trust arrangement under this Agreement shall be irrevocable. The Qualified Fund shall terminate upon the later of (A) the earlier of either (i) substantial completion of decommissioning of the Units, as defined in the Special Terms, or (ii) disqualification of the Qualified Fund by the Internal Revenue Service as provided in Treas. Reg. §1.468A-5(c) or any corresponding future Treasury Regulation or (B) termination by the NRC of the Company's operating Licence with respect to the Units. Upon termination of the Qualified Fund, the assets of the terminated Fund shall be distributed in accordance with any written directive of the PUC concerning termination of such Fund. Absent a written directive of the PUC within thirty (30) days after the PUC is notified of the termination, all of the assets shall be distributed to the Company for the benefit of its customers subject to the directive of any governmental body having jurisdiction. Prior to distribution of the assets of the Qualified Fund, the Company shall provide the Trustee with notification that the Qualified Fund has terminated and with either (i) the PUC written directive or (ii) a certificate signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer stating that there is no PUC written directive and that thirty (30) days have elapsed since notification to the PUC of termination, as the case may be.

ARTICLE VI

Miscellaneous

Section 6.01. Binding Agreement. All covenants and agreements in this Agreement shall be binding upon and inure to the benefit of the respective parties hereto, their successors and assigns.

Section 6.02. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given on the date mailed if sent by registered mail, return receipt requested, as follows:

MELLON BANK, N.A.  
Trust and Investment Department  
ATTN: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

Northern States Power Company  
ATTN: Vice President, Law  
414 Nicollet Mall  
Minneapolis, MN 55401

or at such other address as any of the above may have furnished to the other parties in writing by registered mail, return receipt requested.

Section 6.03. Governing Law. The Qualified Fund have been established pursuant to this Agreement in accordance with the requirements for a trust under the laws of the Commonwealth of Pennsylvania, and this Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

Section 6.04. Counterparts. This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed in its corporate name by one of its Vice Presidents, and its corporate seal to be affixed hereunto, and the same to be attested by its Secretary or one of its Assistant Secretaries; and

Mellon Bank, N.A. has caused this Agreement to be signed in its corporate named by one of its Vice Presidents, and its corporate seal to be affixed hereunto, and the same to be attested by one of its Assistant Secretaries or one of its Trust Officers.

WITNESS the due execution and ensealing hereof the day and year first above written.

ATTEST:

Northern States Power Company

Ass't Johanna Isdahl  
Secretary

By: Roger D. Sandeen  
Vice President

[Corporate Seal]







Exhibit A  
to the Nuclear Decommissioning  
Trust Agreement

SPECIAL TERMS OF THE QUALIFIED  
NUCLEAR DECOMMISSIONING RESERVE FUND

The following Special Terms of the Qualified Nuclear Decommissioning Reserve Fund (the "Qualified Fund") (hereinafter referred to as the "Special Terms") will apply for purposes of the Nuclear Decommissioning Trust Agreement, dated \_\_\_\_\_, 19\_\_ between Northern States Power Company, a Minnesota corporation, (the "Company") and Mellon Bank, N.A. (the "Trustee") (the "Agreement").

Section 1. Definitions. The following terms as used in the Special Terms shall, unless the context clearly indicates otherwise, have the following respective meanings:

(a) "Administrative costs and other incidental expenses of the Qualified Fund" shall mean all ordinary and necessary expenses incurred in connection with the operation of the Qualified Fund, as provided in Treas. Reg. §1.468A-5(a)(3)(ii)(A) or any corresponding future Treasury Regulation, including, without limitation, federal, state and local income tax, legal expenses, accounting expenses, actuarial expenses and trustee expenses.

(b) "Qualified Decommissioning Costs" shall mean all expenses otherwise deductible for federal income tax purposes, without regard to section 280B of the Internal Revenue Code of 1986, as amended, or any corresponding section or sections of any

future United States internal revenue statute (the "Code"), incurred (or to be incurred) in connection with the entombment, decontamination, dismantlement, removal and disposal of the structures, systems and components of Units when it has permanently ceased the production of electric energy, excluding any costs incurred for the disposal of spent nuclear fuel, as provided in Treas. Reg. §1.468A-1(b)(5) or any corresponding future Treasury Regulation. Such term includes all otherwise deductible expenses to be incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and all otherwise deductible expenses to be incurred with respect to the Units after the actual decommissioning occurs, such as physical security and radiation monitoring expenses.

(c) "Obligations of a state or local government" shall mean obligations of a state or local government unit the interest on which is exempt from tax under section 103(a) of the Code, as provided in Treas. Reg. §1.468A-5(3)(ii)(C) or any corresponding future Treasury Regulation.

(d) "Permissible Assets" shall mean the following assets:

- (i) Public debt securities of the United States;
- (ii) Obligations of a state or local government that are not in default as to principal or interest;
- (iii) Time or demand deposits in a bank, as defined in section 581 of the Code, or an insured credit union within the

meaning of section 101(6) of the Federal Credit Union Act, 12 U.S.C. 1752(7) (1982), located in the United States; or

(iv) Any other investment permitted for a qualified nuclear decommissioning reserve fund under section 468A of the Code and the regulations thereunder.

(e) "Public debt securities of the United States" shall mean obligations that are taken into consideration for purposes of the public debt limit, as provided in Treas. Reg.

§1.468A-5(a)(3)(ii)(B) or any corresponding future Treasury Regulation, including, as of the date hereof, Treasury bills, Treasury notes, Treasury bonds and savings bonds.

(f) "PUC" shall mean the Minnesota Public Utilities Commission or any other corresponding governmental authority having jurisdiction over the Units.

(g) "Substantial completion of decommissioning" shall mean the date that the maximum acceptable radioactivity levels mandated by the U. S. Nuclear Regulatory Commission with respect Units; provided, however, that if the Company requests a ruling from the Internal Revenue Service, the date designated by the Internal Revenue Service as the date on which substantial completion of decommissioning occurs shall govern; provided, further, that the date on which substantial completion of decommissioning occurs shall be in accordance with Treas. Reg. §1.468A-5(d)(2) or any corresponding future Treasury Regulation.

(h) "Time or demand deposits" shall mean checking accounts, savings accounts, certificates of deposit or other time

or demand deposits, excluding common or collective trust funds, as provided in Treas. Reg. §1.468A-5(a)(3)(ii)(D) or any corresponding future Treasury Regulation.

Section 2. Contributions to the Qualified Fund. The assets of the Qualified Fund shall be contributed by the Company (or by others approved by the Company in writing) from time to time in cash. The Trustee shall not accept any contributions for the Qualified Fund other than cash payments with respect to which the Company is allowed a deduction under section 468A(a) of the Code and Treas. Reg. §1.468A-2(a) or any corresponding future Treasury Regulations. The Company hereby represents that all contributions (or deemed contributions) by the Company to the Qualified Fund in accordance with the provisions of Section 1.03 of the Agreement shall be deductible under section 468A of the Code and Treas. Reg. §1.468A-2(a) or any corresponding future Treasury Regulation or shall be withdrawn pursuant to Section 4 hereof.

Section 3. Limitation on Use of Assets. The assets of the Qualified Fund shall be used exclusively as follows:

(a) To satisfy, in whole or in part, the Qualified Decommissioning Costs through payments by the Trustee pursuant to Section 2.02 of the Agreement; and

(b) To pay the administrative costs and other incidental expenses of the Qualified Fund; and

(c) To the extent the assets of the Qualified Fund are not currently required for (a) and (b) above, to invest directly

in Permissible Assets.

Section 4. Withdrawals by the Company. If the Company's contribution (or deemed contribution) to the Qualified Fund in any one year exceeds the amount deductible under section 468A of the Code and the regulations thereunder, the Company may withdraw such excess contribution from the Qualified Fund or instruct the Trustee to withdraw such excess contribution from the Qualified Fund and pay such excess contribution to the Nonqualified Fund, as defined in the Agreement, pursuant to Section 2.04 of the Agreement, provided any such withdrawal occurs on or before the date prescribed by law (including extensions) for filing the federal income tax return of the Fund for the taxable year to which the excess contribution relates or the date that is thirty (30) days after the date that the Company receives the ruling amount for such taxable year for withdrawals pursuant to Treas. Reg. §1.468A-3(j)(3). If the Company determines that withdrawal pursuant to this Section 4 is appropriate, the Company shall present a certificate so stating to the Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting such withdrawal. The certificate shall be substantially in the form attached as Exhibit C to the Agreement for transfers to the Nonqualified Fund as provided in Section 2.04 of the Agreement and substantially in the form of Exhibit D to the Agreement for withdrawals by the Company.

Section 5. Taxable Year/Tax Returns. The accounting

and taxable year for the Qualified Fund shall be a calendar year for federal income tax purposes. The Company shall assist the Trustee in complying with any requirements under section 442 of the Code and Treas. Reg. §1.442-1. The Trustee shall prepare, or cause to be prepared, any tax returns required to be filed by the Qualified Fund, and the Trustee shall sign and file such returns on behalf of the Qualified Fund. The Company shall cooperate with the Trustee in the preparation and examination of such returns.



Exhibit B  
to the Nuclear Decommissioning  
Trust Agreement

CERTIFICATE FOR PAYMENT  
OF DECOMMISSIONING COSTS

[Name of Trustee],  
as Trustee  
[Address]

This Certificate is submitted pursuant to Section 2.02 of the Nuclear Decommissioning Trust Agreement, dated \_\_\_\_\_, 19\_\_\_, between Mellon Bank, N.A. (the "Trustee") and Northern States Power Company, a Minnesota corporation, (the "Company") (the "Agreement"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and requested to disburse out of the Funds to \_\_\_\_\_ the amount of \$ \_\_\_\_\_ from the Qualified Fund for the payment of the Decommissioning Costs which have been incurred. With respect to such Decommissioning Costs, the Company hereby certifies as follows:

1. The amount to be disbursed pursuant to this Certificate shall be solely used for the purpose of paying the Decommissioning Costs described in Schedule A hereto.
2. None of the Decommissioning Costs described in Schedule A hereto have previously been made the basis of any certificate pursuant to Section 2.02 of the Agreement.
3. The amount to be disbursed from the Qualified Fund pursuant to this Certificate shall be used solely for the purpose

of paying Qualified Decommissioning Costs as defined in the Special Terms.

4. Any necessary authorizations of the PUC or any corresponding governmental authority having jurisdiction over the decommissioning of the Units have been obtained.

IN WITNESS WHEREOF, the undersigned have executed this Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_.

By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:

Exhibit C  
to the Nuclear Decommissioning  
Trust Agreement

CERTIFICATE FOR TRANSFER  
BETWEEN THE QUALIFIED FUND  
AND THE NONQUALIFIED FUND

[Name of Trustee],  
as Trustee  
[Address]

This Certificate is submitted pursuant to Section 2.04 of the Nuclear Decommissioning Trust Agreement, dated \_\_\_\_\_, 19\_\_, between Mellon Bank, N.A. (the "Trustee") and Northern States Power Company, a Minnesota corporation, (the "Company") (the "Agreement"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed as follows (complete one):

To pay \$\_\_\_ in cash from the Nonqualified Fund to the Qualified Fund; or

To pay \$\_\_\_ in cash from the Qualified Fund to the Nonqualified Fund.

With respect to such payment, the Company hereby certifies as follows:

1. Any amount stated herein to be paid from the Nonqualified Fund to the Qualified Fund is in accordance with the contribution limitations applicable to the Qualified Fund set forth in Section 2 of the Special Terms and the limitations of Section 2.04 of the Agreement.
2. Any amount stated herein to be paid from the Qualified Fund to the Nonqualified Fund is in accordance with Section 4 of the Special Terms. The Company has determined that such payment is appropriate under the standards of Section 4 of the Special Terms.

In WITNESS WHEREOF, the undersigned have executed this  
Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:

Exhibit D  
to the Nuclear Decommissioning  
Trust Agreement

CERTIFICATE FOR WITHDRAWAL  
OF EXCESS CONTRIBUTIONS  
FROM QUALIFIED FUND

[Name of Trustee]  
as Trustee  
[Address]

This Certificate is submitted pursuant to Section 4 of the Special Terms attached as Exhibit A to the Nuclear Decommissioning Trust Agreement, dated \_\_\_\_\_, 19\_\_, between Mellon Bank, N.A. (the "Trustee") and \_\_\_\_\_ (the "Company") (the "Agreement"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed to pay \$\_\_\_\_\_ in cash to the Company from the Qualified Fund. With respect to such payment, the Company hereby certifies that withdrawal pursuant to Section 4 of the Special Terms is appropriate and that \$\_\_\_\_\_ constitutes an excess contribution pursuant to such Section.

IN WITNESS WHEREOF, the undersigned have executed this Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:

NUCLEAR DECOMMISSIONING TRUST AGREEMENT  
(Nonqualified Fund)

THIS NUCLEAR DECOMMISSIONING TRUST AGREEMENT ("Agreement"), dated as of the 20<sup>th</sup> day of July, 1990, between Northern States Power Company, a corporation duly organized and existing under the laws of the State of Minnesota, having its principal office at 414 Nicollet Mall, Minneapolis, Minnesota 55401 (the "Company"), and MELLON BANK, N.A., as Trustee, a national banking association having its principal office at One Mellon Bank Center, Pittsburgh, Pennsylvania, 15258 (the "Trustee");

WITNESSETH:

WHEREAS, the Company owns a 100 percent undivided interest of the Monticello Nuclear Generating Station, a nuclear generating unit located in Wright County, near Monticello, Minnesota, and the Prairie Island Nuclear Generating Station Unit 1 and the Prairie Island Nuclear Generating Station Unit 2, nuclear generating units are located in Goodhue County near Red Wing, Minnesota, hereinafter all such three nuclear generating units are referred to as the "Units";

WHEREAS, the U. S. Nuclear Regulatory Commission ("NRC"), an agency of the U. S. Government, pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974, has promulgated regulations in Title

10, Chapter I of the Code of Federal Regulations, Part 50. These regulations, applicable to the Company, require that a holder of, or an applicant for a license issued pursuant to 10 CFR Part 50 provide assurance that funds will be available when needed for required decommissioning activities.

WHEREAS, the Company desires to establish pursuant to this Agreement a fund which does not qualify as a Nuclear Decommissioning Reserve Fund under section 468A of the Internal Revenue Code of 1986, as amended, or any corresponding section or sections of any future United States internal revenue statute (the "Code") and the regulations thereunder (the "Nonqualified Fund"), under the laws of the Commonwealth of Pennsylvania to provide part of such financial assurance for the Units;

WHEREAS, the Company has established pursuant to a separate trust agreement ("Qualified Trust Agreement") with the Trustee a fund which qualifies as a Nuclear Decommissioning Reserve Fund under section 468A of the Code and the regulations thereunder (the "Qualified Fund");

WHEREAS, the Company has selected the Trustee to provide the specialized services hereinafter set forth because of the experience and administrative expertise of the Trustee to handle the elaborate record keeping and filings necessary to the maintenance of this nuclear decommissioning Fund;

WHEREAS, the execution and delivery of this Agreement have been duly authorized by each of the Company and the Trustee and all things necessary to make this Agreement a valid and

binding agreement by each of the Company and the Trustee have been done.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH, that to provide for the creation of the Nonqualified Fund and the making of payments therefrom and the performance of the covenants of the Company and the Trustee set forth herein, the Company does hereby sell, assign, transfer, set over and pledge unto the Trustee, and to its successors in the trust and its assigns forever, all of the Company's right, title and interest in and to any and all cash and property herewith and hereafter contributed to the Nonqualified Fund.

TO HAVE AND TO HOLD THE SAME IN TRUST for the exclusive purpose of providing funds for the decommissioning of the Units to pay the administrative costs and other incidental expenses of the Nonqualified Fund, and to make certain investments, all as hereinafter provided.

#### ARTICLE I

##### Purposes of the Funds; Contributions

Section 1.01. Establishment of the Fund. The Nonqualified Fund shall be maintained at all times in the United States pursuant to this Agreement and as a trust in accordance with the laws of the Commonwealth of Pennsylvania.

Section 1.02. Purposes of the Fund. The Nonqualified Fund is established for the exclusive purpose of providing funds for the decommissioning of the Units for the benefit of the public



health and safety. None of the assets of the Nonqualified Fund shall be subject to attachment, garnishment, execution or levy in any manner for the benefit of creditors of the Company.

Section 1.03. Contributions to the Fund. The assets of the Nonqualified Fund shall be contributed by the Company (or by others approved in writing by the Company) from time to time.

## ARTICLE II

### Payments By The Trustee

Section 2.01. Limitation on Use of Assets. The assets of the Nonqualified Fund shall be used exclusively (a) to satisfy, in whole or in part, any expenses or liabilities incurred with respect to the decommissioning of the Units, including expenses incurred in connection with the preparation for decommissioning, such as engineering and other planning expenses, and all expenses incurred after the actual decommissioning occurs, such as physical security and radiation monitoring expenses (the "Decommissioning Costs"), (b) to pay the administrative costs and other incidental expenses of the Nonqualified Fund separately from the assets of the Nonqualified Fund, and (c) to invest in securities and investments as directed by the investment manager(s) pursuant to Section 3.02(a) or the Trustee pursuant to Section 3.02(b).

Section 2.02. Certification for Decommissioning Costs. If assets of the Nonqualified Fund are required to satisfy Decommissioning Costs, the Company shall present a certificate

substantially in the form attached hereto as Exhibit A to the Trustee signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer, requesting payment from the Nonqualified Fund. Any certificate requesting payment by the Trustee to a third party or to the Company from the Nonqualified Fund for Decommissioning Costs shall include the following:

(a) a statement of the amount of the payment to be made from the Nonqualified Fund;

(b) a statement that the payment is requested to pay Decommissioning Costs which have been incurred;

(c) the nature of the Decommissioning Costs to be paid;

(d) the payee, which may be the Company in the case of reimbursement for payments previously made or expenses previously incurred by the Company for Decommissioning Costs;

(e) a statement that the Decommissioning Costs for which payment is requested have not theretofore been paid out of funds of the Nonqualified Fund; and

(f) a statement that any necessary authorizations of the Minnesota Public Utilities Commission (the "PUC") and/or any other governmental agencies having jurisdiction with respect to the decommissioning have been obtained.

The Trustee shall retain at least one counterpart of all copies of such certificates (including attachments) and related documents received by it pursuant to this Article II.

The Company shall have the right to enforce payments

from the Nonqualified Fund upon compliance with the procedures set forth in this Section 2.02.

Section 2.03. Administrative Costs. The Trustee shall pay, as directed by the Company, the administrative costs and other incidental expenses of the Nonqualified Fund, including all federal, state and local taxes, if any, imposed directly on the Nonqualified Fund, legal expenses, accounting expenses, actuarial expenses and trustee expenses, from the assets of the Nonqualified Fund.

Section 2.04. Payments between the Funds. The Trustee shall make payments (i) from the Qualified Fund to the Nonqualified Fund provided such payments are in cash and are in accordance with Section 4 of the Special Terms of the Qualified Trust Agreement or (ii) from the Nonqualified Fund to the Qualified Fund provided such payments are in cash and are in accordance with the contribution limitations set forth in Section 2 of the Special Terms of the Qualified Trust Agreement, as the case may be, upon presentation by the Company of a certificate substantially in the form of Exhibit B hereto executed by the Company instructing the Trustee to make any such payments. The Trustee shall be fully protected in relying upon such certificate.

ARTICLE III

Concerning The Trust

Section 3.01. Authority of Trustee. The Trustee hereby accepts the trust created under this Agreement. The Trustee shall have the authority and discretion to manage and control the Nonqualified Fund to the extent provided in this Agreement but does not guarantee the Nonqualified Fund in any manner against investment loss or depreciation in asset value or guarantee the adequacy of the Nonqualified Fund to satisfy the Decommissioning Costs. The Trustee shall not be liable for the making, retention or sale of any investment or reinvestment made by it, nor shall the Trustee be responsible for any other loss to or diminution of the Fund, or for any other loss or damage which may result from the discharge of its duties hereunder except for any action not taken in good faith.

Section 3.02. Investment of the Fund. (a) The Company shall have the authority to appoint one or more investment managers (which may include the Company) who shall have the power to direct the Trustee in investing the assets of the Nonqualified Fund. To the extent that the Company chooses to exercise this authority, it shall so notify the Trustee and instruct the Trustee in writing to separate into separate account those assets the investment of which will be directed by each investment manager. The Company shall designate in writing the person or persons who are to represent any such investment manager in dealings with the Trustee. Upon the separation of the assets in

accordance with the Company instructions, the Trustee, as to those assets while so separated, shall be released and relieved of all investment duties, investment responsibilities and investment liabilities normally or statutorily incident to a trustee. The Trustee shall retain all other fiduciary duties with respect to assets the investment of which is directed by investment managers.

(b) To the extent that the investment of assets of the Nonqualified Fund is not being directed by one or more investment managers under Section 3.02(a), the Trustee shall hold, invest, and reinvest the funds delivered to it hereunder as it in its sole discretion deems advisable.

(c) Upon the written consent of the Company, the assets of the Qualified Fund and the Nonqualified Fund may be pooled for the purpose of investing the assets with each other, with the assets of other Nuclear Decommissioning Reserve Funds under section 468A of the Code established by the Company or any other utility for which the Trustee serves as trustee of the Nuclear Decommissioning Reserve Fund, and with the assets of any other nuclear decommissioning funds established by the Company or any other utility for which the Trustee serves as trustee of the nuclear decommissioning fund, provided the following conditions are satisfied: the trustee of each nuclear decommissioning fund must separately account for the contributions, earnings, expenses, and distributions of such fund; (i) the earnings and expenses must be reasonably apportioned among such nuclear

decommissioning funds; (ii) if assets of a Nuclear Decommissioning Reserve Fund under section 468A of the Code are pooled with assets of any other nuclear decommissioning fund, all such pooled assets must be invested solely in Permissible Assets as defined in the Special Terms of the Qualified Trust Agreement; and (iii) the books and records of such funds must enable the Internal Revenue Service to verify that the requirements of section 468A of the Code and the regulations thereunder are satisfied; provided further, however, that the assets of the Qualified Fund may not be pooled for the purpose of investing the assets with assets of any nuclear decommissioning fund, whether established by the Company of any other utility, unless and until the Company notifies the Trustee in writing that the Trustee shall not be liable and shall be held harmless if such pooling results in the Qualified Fund failing to qualify as a Nuclear Decommissioning Reserve Fund under section 468A of the Code.

Section 3.03. Prohibition Against Self-Dealing.

Notwithstanding any other provision in this Agreement, the Trustee shall not engage in any act of self-dealing as defined in section 468A(e)(5) of the Code and Treas. Reg. §1.468A-5(b) or any corresponding future Treasury Regulation.

Section 3.04. Compensation. The Trustee shall be entitled to receive out of the Nonqualified Fund reasonable compensation for services rendered by it, as well as expenses necessarily incurred by it in the execution of the trust hereunder.

Section 3.05. Books of Account. The Trustee shall keep true and correct books of account with respect to the Nonqualified Fund, which books of account shall at all reasonable times be open to inspection by the Company or its duly appointed representatives. The Trustee shall, upon written request of the Company, permit government agencies, such as the PUC or the Internal Revenue Service, to inspect the books of account of the Nonqualified Fund. The Trustee shall furnish to the Company by the tenth business day of each month a statement for the Nonqualified Fund showing, with respect to the preceding calendar month, the balance of assets on hand at the beginning of such month, all receipts, investment transactions, and disbursements which took place during such month and the balance of assets on hand at the end of such month. The Trustee agrees to provide on a timely basis any information deemed necessary by the Company to file the Company's federal, state and local tax returns.

Section 3.06. Reliance on Documents. The Trustee, upon receipt of documents furnished to it by the Company pursuant to the provisions of this Agreement, shall examine the same to determine whether they conform to the requirements thereof. The Trustee acting in good faith may conclusively rely, as to the truth of statements and the correctness of opinions expressed in any certificate or other documents conforming to the requirements of this Agreement. If the Trustee in the administration of the Nonqualified Fund, shall deem it necessary or desirable that a matter be provided or established prior to taking or suffering

any action hereunder, such matter (unless evidence in respect thereof is otherwise specifically prescribed hereunder) may be deemed by the Trustee to be conclusively provided or established by a certificate signed by the Chairman of the Board, the President or any Vice President of the Company and delivered to the Trustee. The Trustee shall have no duty to inquire into the validity, accuracy or relevancy of any statement contained in any certificate or document nor the authorization of any party making such certificate or delivering such document and the Trustee may rely and shall be protected in acting or refraining from acting upon any such written certificate or document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper party or parties. The Trustee shall not, however, be relieved of any obligation to refrain from self-dealing as provided in Section 3.03 hereof.

Section 3.07. Liability and Indemnification. The Trustee shall not be liable for any action taken by it in good faith and without negligence and believed by it to be authorized or within the rights or powers conferred upon it by this Agreement and may consult with counsel of its own choice (including counsel for the Company) and shall have full and complete authorization and protection for any action taken or suffered by it hereunder in good faith and without negligence and in accordance with the opinion of such counsel, provided, however, that the Trustee shall be liable for any consequences



resulting from self-dealing as provided in Section 3.03 hereof. The Company hereby agrees to indemnify the Trustee for, and to hold it harmless against, any loss, liability or expense incurred without negligence, recklessness or bad faith on the part of the Trustee, arising out of or in connection with its entering into this Agreement and carrying out its duties hereunder, including the costs and expenses of defending itself against any claim of liability in the premises, provided such loss, liability or expense does not result from self-dealing under Section 3.03 hereof.

Section 3.08. Resignation, Removal and Successor Trustees. The Trustee may resign at any time upon thirty (30) days written notification to the Company. The Company may remove the Trustee for any reason at any time upon thirty (30) days written notification to the Trustee. Any successor Trustee appointed hereunder shall be an independent trustee. If a successor Trustee shall not have been appointed within thirty (30) days after the giving of written notice of such resignation or removal, the Trustee or Company may apply to any court of competent jurisdiction to appoint a successor Trustee to act until such time, if any, as a successor shall have been appointed and shall have accepted its appointment as provided below. If the Trustee shall be adjudged bankrupt or insolvent, a vacancy shall thereupon be deemed to exist in the office of Trustee and a successor shall thereupon be appointed by the Company. Any successor Trustee appointed hereunder shall execute, acknowledge

and deliver to the Company an appropriate written instrument accepting such appointment hereunder, subject to all the terms and conditions hereof, and thereupon such successor Trustee shall become fully vested with all the rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named as Trustee hereunder. The predecessor Trustee shall upon written request of the Company, and payment of all fees and expenses, deliver to the successor Trustee the corpus of the Nonqualified Fund and perform such other acts as may be required or be desirable to vest and confirm in said successor Trustee all right, title and interest in the corpus of the Nonqualified Fund.

Section 3.09. Merger of Trustee. Any corporation into which the Trustee may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation to which the corporate trust functions of the Trustee may be transferred, shall be the successor Trustee under this Agreement without the necessity of executing or filing any additional acceptance of this Agreement or the performance of any further act on the part of any other parties hereto.

#### ARTICLE IV

##### Amendments

The Company may amend this Agreement from time to time. If a proposed amendment shall affect the responsibility of the

Trustee, such amendment shall not be considered valid and binding until such time as the amendment is executed by the Trustee.

#### ARTICLE V

##### Termination

The Nonqualified Fund shall terminate upon termination by the NRC of the Company's operating Licence with respect to the Units. Upon termination of the Nonqualified Fund, the assets of the terminated Fund shall be distributed in accordance with any written directive of the PUC concerning termination of such Fund. Absent a written directive of the PUC within thirty (30) days after the PUC is notified of the termination, all of the assets shall be distributed to the Company. Prior to distribution of the assets of the Nonqualified Fund, the Company shall provide the Trustee with notification that the Nonqualified Fund or has terminated and with either (i) the PUC written directive or (ii) a certificate signed by its Chairman of the Board, its President or one of its Vice Presidents and its Treasurer or an Assistant Treasurer stating that there is no PUC written directive and that thirty (30) days have elapsed since notification to the PUC of termination, as the case may be.

#### ARTICLE VI

##### Miscellaneous

Section 6.01. Binding Agreement. All covenants and agreements in this Agreement shall be binding upon and inure to

the benefit of the respective parties hereto, their successors and assigns.

Section 6.02. Notices. All notices and communications hereunder shall be in writing and shall be deemed to be duly given on the date mailed if sent by registered mail, return receipt requested, as follows:

MELLON BANK, N.A.  
Trust and Investment Department  
ATTN: Trust Administration  
Room 151-3346  
One Mellon Bank Center  
Pittsburgh, PA 15258

Northern States Power Company  
ATTN: Vice President, Law  
414 Nicollet Mall  
Minneapolis, MN 55401

or at such other address as any of the above may have furnished to the other parties in writing by registered mail, return receipt requested.

Section 6.03. Governing Law. The Nonqualified Fund have been established pursuant to this Agreement in accordance with the requirements for a trust under the laws of the Commonwealth of Pennsylvania, and this Agreement shall be governed by and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

Section 6.04. Counterparts. This Agreement may be executed in several counterparts, and all such counterparts executed and delivered, each an original, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed in its corporate name by one of its Vice Presidents, and its corporate seal to be affixed hereunto, and the same to be attested by its Secretary or one of its Assistant Secretaries; and

Mellon Bank, N.A. has caused this Agreement to be signed in its corporate named by one of its Vice Presidents, and its corporate seal to be affixed hereunto, and the same to be attested by one of its Assistant Secretaries or one of its Trust Officers.

WITNESS the due execution and ensealing hereof the day and year first above written.

ATTEST:

Northern States Power Company

*Jhanna Isdahl*  
Ass't Secretary

By: *Robert D. Sander*  
Vice President

[Corporate Seal]

ATTEST:

MELLON BANK, N.A.

*Charles F. Rice*  
Assistant Pension Trust Officer

By: *Dani C. Blanton*  
Vice President

[Corporate Seal]






COMMONWEALTH OF PENNSYLVANIA )  
 )SS.  
COUNTY OF ALLEGHENY )

On this 20th day of July, 1990, before me, the undersigned Officer, a Notary Public in and for said Commonwealth and County, personally appeared Diane C. Blanton, who acknowledged herself to be a Vice President of Mellon Bank, N.A., a national banking association and that she as such being authorized to do so executed the foregoing Indenture for the purposes therein contained by signing the name of Mellon Bank, N.A. by herself as Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

NOTARIAL SEAL  
DEBORAH A. WRIGHT, NOTARY PUBLIC  
PITTSBURGH, ALLEGHENY COUNTY  
MY COMMISSION EXPIRES MAY 15, 1993  
Member, Pennsylvania Association of Notaries

Exhibit A  
to the Nuclear Decommissioning  
Trust Agreement

CERTIFICATE FOR PAYMENT  
OF DECOMMISSIONING COSTS

[Name of Trustee],  
as Trustee  
[Address]

This Certificate is submitted pursuant to Section 2.02 of the Nuclear Decommissioning Trust Agreement, dated \_\_\_\_\_, 19\_\_, between Mellon Bank, N.A. (the "Trustee") and Northern States Power Company, a Minnesota corporation, (the "Company") (the "Agreement"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and requested to disburse to \_\_\_\_\_ the amount of \$\_\_\_\_\_ from the Nonqualified Fund for the payment of the Decommissioning Costs which have been incurred. With respect to such Decommissioning Costs, the Company hereby certifies as follows:

1. The amount to be disbursed pursuant to this Certificate shall be solely used for the purpose of paying the Decommissioning Costs described in Schedule A hereto.

2. None of the Decommissioning Costs described in Schedule A hereto have previously been made the basis of any certificate pursuant to Section 2.02 of the Agreement.



3. Any necessary authorizations of the PUC or any corresponding governmental authority having jurisdiction over the decommissioning of the Units have been obtained.

IN WITNESS WHEREOF, the undersigned have executed this Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:

Exhibit B  
to the Nuclear Decommissioning  
Trust Agreement

CERTIFICATE FOR TRANSFER  
BETWEEN THE QUALIFIED FUND  
AND THE NONQUALIFIED FUND

[Name of Trustee],  
as Trustee  
[Address]

This Certificate is submitted pursuant to Section 2.04 of the Nuclear Decommissioning Trust Agreement, dated \_\_\_\_\_, 19\_\_, between Mellon Bank, N.A. (the "Trustee") and Northern States Power Company, a Minnesota corporation, (the "Company") (the "Agreement"). All capitalized terms used in this Certificate and not otherwise defined herein shall have the meanings assigned to such terms in the Agreement. In your capacity as Trustee, you are hereby authorized and instructed as follows (complete one):

To pay \$\_\_\_ in cash from the Nonqualified Fund to the Qualified Fund; or

To pay \$\_\_\_ in cash from the Qualified Fund to the Nonqualified Fund.

With respect to such payment, the Company hereby certifies as follows:

1. Any amount stated herein to be paid from the Nonqualified Fund to the Qualified Fund is in accordance with the contribution limitations applicable to the Qualified Fund set forth in Section 2 of the Special Terms of the Qualified Trust Agreement and the limitations of Section 2.04 of the Agreement.

2. Any amount stated herein to be paid from the Qualified Fund to the Nonqualified Fund is in accordance with Section 4 of the Special Terms. The Company has determined that such payment is appropriate under the standards of Section 4 of the Special Terms of the Qualified Trust Agreement.

In WITNESS WHEREOF, the undersigned have executed this Certificate in the capacity shown below as of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:

**EXHIBIT C**

Page 1 of 1

Estimated Funding Schedule for NRC Minimum  
External Sinking Fund Accumulation  
Monticello Nuclear Generating Station

	Qualified			Non-Qualified			Total
	Annuity	Interest	Fund Balance	Annuity	Interest	Fund Balance	External
	(1)	(2)	(3)	(4)	(5)	(6)	Fund Balance
1990	4,094,000	0	4,094,000	662,000	0	662,000	4,756,000
1991	9,820,200	225,170	14,139,370	1,587,500	49,650	2,299,150	16,438,520
1992	9,820,200	777,665	24,737,235	1,587,500	172,436	4,059,086	28,796,322
1993	9,820,200	1,360,548	35,917,983	1,587,500	304,431	5,951,018	41,869,001
1994	9,820,200	1,975,489	47,713,672	1,587,500	446,326	7,984,844	55,698,516
1995	9,820,200	2,624,252	60,158,124	1,587,500	598,863	10,171,207	70,329,332
1996	9,820,200	3,308,697	73,287,021	1,587,500	762,841	12,521,548	85,808,569
1997	9,820,200	4,030,786	87,138,007	1,587,500	939,116	15,043,164	102,186,171
1998	9,820,200	4,792,590	101,750,798	1,587,500	1,128,612	17,764,276	119,515,074
1999	9,820,200	5,596,294	117,167,292	1,587,500	1,332,321	20,684,097	137,851,389
2000	9,820,200	6,444,201	133,481,693	1,587,500	1,551,307	23,822,904	157,254,597
2001	9,820,200	7,338,748	150,590,636	1,587,500	1,786,718	27,197,122	177,787,758
2002	9,820,200	8,282,485	163,698,321	1,587,500	2,039,784	30,824,406	199,517,727
2003	9,820,200	9,278,133	187,791,658	1,587,500	2,311,830	34,723,737	222,515,390
2004	9,820,200	10,328,541	207,940,394	1,587,500	2,604,280	38,915,517	246,855,911
2005	9,820,200	11,436,722	229,197,316	1,587,500	2,918,664	43,421,681	272,618,997
2006	9,820,200	12,605,852	251,623,368	1,587,500	3,256,626	48,265,807	299,889,175
2007	9,820,200	13,839,285	275,282,854	1,587,500	3,619,936	53,473,242	328,756,096
2008	9,820,200	15,140,557	300,243,611	1,587,500	4,010,493	59,071,236	359,314,846
2009	9,820,200	16,513,399	326,577,209	1,587,500	4,430,343	65,089,078	391,666,287
2010	7,365,150	13,471,310	347,413,669	1,190,625	3,661,261	69,940,964	417,354,633

**Notes:**

- (1) Estimated funding level. This funding schedule, on a year by year basis, may vary slightly based on actual escalation, actual market earnings rates, and variations in funding patterns among the various rate jurisdictions.
- (2) = (3)prev x 5.50%. The 5.50% is the assumed level earnings assumption for this fund.
- (3) = (3)prev + (1) + (2).
- (4) Estimated funding level. This funding schedule, on a year by year basis, may vary slightly based on actual escalation, actual market earnings rates, and variations in funding patterns among the various rate jurisdictions.
- (5) = (6)prev x 7.50%. The 7.50% is the assumed level earnings assumption for this fund.
- (6) = (6)prev + (4) + (5).
- (7) = (3) + (6).