

MICHIGAN PUBLIC SERVICE COMMISSION

ANNUAL REPORT OF MAJOR AND NONMAJOR ELECTRIC UTILITIES

1909 PA 106, as amended, authorizes this form being MCL 460.551 et seq.; and 1969 PA 306, as amended, being MCL 24.201 et seq. Filing of this form is mandatory. Failure to complete and submit this form will place you in violation of the Acts.

Report submitted for year ending: 2004	
Present legal name of respondent: Northern States Power Company (Wisconsin)	
Present DBA name in Michigan if different from legal name: Xcel Energy	
Address of principal place of business: 1414 W. Hamilton Avenue P.O. Box 8 Eau Claire, WI 54702-0008	
Utility representative to whom inquiries regarding this report may be directed:	
Name Karen Everson	Title Manager, Regulatory Accounting
Address 1414 W. Hamilton Avenue, P.O. Box 8	
City Eau Claire	State WI Zip Code 54702-0008
Telephone, Including Area Code 715-839-2417	
If the utility name has been changed during the past year:	
Prior Name	
Date of Change	
Two copies of the published annual report to stockholders:	
<input checked="" type="checkbox"/> were forwarded to the Commission <input type="checkbox"/> will be forwarded to the Commission on or about _____, 20___.	
Annual reports to stockholders:	
<input checked="" type="checkbox"/> are published. <input type="checkbox"/> are not published.	

FOR ASSISTANCE IN COMPLETION OF THIS FORM:

Contact the Michigan Public Service Commission at
(517) 241-6175 or forward correspondence to:

Commission Operation Division
Market Monitoring & Enforcement Section
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

INSTRUCTIONS FOR FILING FERC FORMS 1, 1-F and 3-Q

GENERAL INFORMATION

I Purpose

Form 1 is an annual regulatory support requirement under 18 CFR 141.1 for Major public utilities, licensees and others. Form 1-F is an annual regulatory support requirement under 18 CFR 141.2 for Nonmajor public utilities, licensees and others. Form 3-Q is a quarterly regulatory support requirement which supplements Forms 1 and 1-F under 18 CFR 141.400. The reports are designed to collect financial and operational information from major and nonmajor electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 CFR 101), must submit Form 1 as prescribed in 18 CFR Part 141.1. Each Nonmajor electric utility, licensee or other must submit Form 1-F as prescribed in 18 CFR Part 141.2. Each Major and Nonmajor electric utility licensee or other, must submit Form 3-Q as prescribed in 18 CFR Part 141.400.

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus Losses).

Nonmajor means having in each of the three previous calendar years, total annual sales of 10,000 megawatt hours or more

III. What and Where to Submit

- (a) Submit Forms 1, 1-F and 3-Q electronically through the Form 1/3-Q Submission Software. Retain one copy of each report for your files.
- (b) Respondents may submit the Corporate Officer Certification electronically, or file/mail an original signed Corporate Officer Certification to:

Chief Accountant
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

(c) Submit, immediately upon publication, four (4) copies of the latest annual report to stockholders and any annual financial or statistical report regularly prepared and distributed to bondholders, security analysts, or industry associations. (Do not include monthly and quarterly reports. Indicate by checking the appropriate box on Form 1, Page 4, List of Schedules, if the reports to stockholders will be submitted or if no annual report to stockholders is prepared.) Mail these reports to the address in III(c) above.

(d) For the Annual CPA certification, submit with the original submission, or within 30 days after the filing date for Form 1, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984):

- (i) Attesting to the conformity, in all material aspects, of the below listed (schedules and) pages with the Commission's applicable Uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- (ii) be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 CFR 158.10-158.12 for specific qualifications.)

Reference	Reference
	Schedules Pages

Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Insert the letter or report immediately following the cover sheet. When submitting after the filing date for this form, send the letter or report to the address indicated at III (b). Use the following form for the letter or report unless unusual circumstances or conditions, explained in the Letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

GENERAL INFORMATION (continued)

In connection with our regular examination of the financial statements of _____ for the year ended on which we have reported separately under date of _____ We have also reviewed schedules _____ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph _____ (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

State in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist _____

(d) Federal, State and Local Governments and other authorized users may obtain additional blank copies to meet their requirements free of charge from: Public Reference and Files Maintenance Branch Federal Energy Regulatory Commission 888 First Street, NE, Room 2A ED-12.2 Washington, DC 20426 (202).502-8371

IV. When to Submit:

Submit Form 1 according to the filing dates contained in section 18 CFR 141.1 of the Commission's regulations. Submit Form 1-F according to the filing dates contained in section 18 CFR 141.2 of the Commission's regulations. Submit Form 3-Q according to the filing dates contained in section 18 CFR 141.400 of the Commission's regulations.

V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. public reporting burden for the Form 1-F collection of information is estimated to average 112 hours per response. The public reporting burden for the Form 3-Q collection of information is estimated to average 150 hours per response. Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Mr. Michael Miller, ED-30); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. 3512 (a)).

GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR 101) (U.S. of A.). Interpret all accounting words and phrases in accordance with the U. S. of A.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the Form 1/3-Q software and send a letter identifying which pages in the form have been revised. Send the letter to the Office of the Secretary.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

DEFINITIONS

I. Commission Authorization (Comm. Auth.) - The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

Federal Power Act, 16 U.S.C. 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act. to wit: ... (3) 'corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry on the business of developing, transmitting, unitizing, or distributing power;

(11) "project" means, a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or forebay reservoirs directly connected therewith, the primary line or Lines transmitting power therefrom to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special" reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies".10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the "form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

GENERAL PENALTIES

"Sec. 315. (a) Any licensee or public utility which willfully fails, within the time prescribed by the Commission, to comply with any order of the Commission, to file any report required under this Act or any rule or regulation of the Commission thereunder, to submit any information or document required by the Commission in the course of an investigation conducted under this Act shall forfeit to the United States an amount not exceeding \$1,000 to be fixed by the Commission after notice and opportunity for hearing "

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

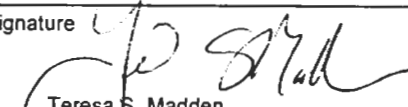
IDENTIFICATION

01 Exact Legal Name of Respondent Northern States Power Company (Wisconsin)		02 Year/Period of Report End of <u>2004/Q4</u>
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 1414 West Hamilton Avenue, Eau Claire, WI 54701		
05 Name of Contact Person Teresa S. Madden		06 Title of Contact Person Vice President and Controller
07 Address of Contact Person (Street, City, State, Zip Code) 800 Nicollet Mall, Minneapolis, MN 55402		
08 Telephone of Contact Person, Including Area Code (612) 330-5500	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) 03/31/2005

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Teresa S. Madden	03 Signature  Teresa S. Madden	04 Date Signed (Mo, Da, Yr) <u>3/31/05</u>
02 Title Vice President and Controller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

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Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Important Changes During the Year	108-109	
7	Comparative Balance Sheet	110-113	
8	Statement of Income for the Year	114-117	
9	Statement of Retained Earnings for the Year	118-119	
10	Statement of Cash Flows	120-121	
11	Notes to Financial Statements	122-123	
12	Statement of Accum Comp Income, Comp income, and Hedging Activities	122(a)(b)	
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
14	Nuclear Fuel Materials	202-203	None
15	Electric Plant in Service	204-207	
16	Electric Plant Leased to Others	213	
17	Electric Plant Held for Future Use	214	
18	Construction Work in Progress-Electric	216	
19	Accumulated Provision for Depreciation of Electric Utility Plant	219	
20	Investment of Subsidiary Companies	224-225	
21	Materials and Supplies	227	
22	Allowances	228-229	
23	Extraordinary Property Losses	230	None
24	Unrecovered Plant and Regulatory Study Costs	230	None
25	Other Regulatory Assets	232	
26	Miscellaneous Deferred Debits	233	
27	Accumulated Deferred Income Taxes	234	
28	Capital Stock	250-251	
29	Other Paid-in Capital	253	
30	Capital Stock Expense	254	None
31	Long-Term Debit	256-257	
32	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
33	Taxes Accrued, Prepaid and Charged During the Year	262-263	
34	Accumulated Deferred Investment Tax Credits	266-267	
35	Other Deferred Credits	269	
36	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	

Name of Responent: Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Accumulated Deferred Income Taxes-Other Property	274-275	
38	Accumulated Deferred Income Taxes-Other	276-277	
39	Other Regulatory Liabilities	278	
40	Electric Operating Revenues	300-301	
41	Sales of Electricity by Rate Schedules	304	
42	Sales for Resale	310-311	
43	Electric Operation and Maintenance Expenses	320-323	
44	Purchased Power	326-327	
45	Transmission of Electricity for Others	328-330	
46	Transmission of Electricity by Others	332	None
47	Miscellaneous General Expenses-Electric	335	
48	Depreciation and Amortization of Electric Plant	336-337	
49	Regulatory Commission Expenses	350-351	
50	Research, Development and Demonstration Activities	352-353	
51	Distribution of Salaries and Wages	354-355	
52	Common Utility Plant and Expenses	356	
53	Purchases and Sales of Ancillary Services	398	None
54	Monthly Transmission System Peak Load	400	
55	Electric Energy Account	401	
56	Monthly Peaks and Output	401	
57	Steam Electric Generating Plant Statistics (Large Plants)	402-403	
58	Hydroelectric Generating Plant Statistics (Large Plants)	406-407	None
59	Pumped Storage Generating Plant Statistics (Large Plants)	408-409	
60	Generating Plant Statistics (Small Plants)	410-411	
61	Transmission Line Statistics	422-423	
62	Transmission Lines Added During Year	424-425	
63	Substations	426-427	
64	Footnote Data	450	

Stockholders' Reports Check appropriate box:

- ☒ Four copies will be submitted
☐ No annual report to stockholders is prepared

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Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of <u>2004/Q4</u>
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GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Teresa S. Madden
Vice President and Controller
800 Nicollet Mall
Minneapolis, MN 55402

1414 W. Hamilton Ave, P.O. Box 8
Eau Claire, WI 54702-0008

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

The respondent was incorporated under the laws of the State of Wisconsin on November 21, 1901.

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable.

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

During the year 2004, the respondent furnished electric utility and gas utility service in the states of Wisconsin and Michigan.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) ☐ Yes...Enter the date when such independent accountant was initially engaged:
(2) ☒ No

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004:Q4
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CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

100% of the voting stock of Northern States Power Company (Wisconsin) is held by Xcel Energy Inc., a publicly owned company.

Northern States Power Company (Wisconsin) is a first tier subsidiary of Xcel Energy Inc.

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Chippewa and Flambeau Improvement Company	Operate hydro reservoirs	75.86	
2	Clearwater Investments, Inc.	Affordable housing	100.00	
3	NSP Lands, Inc.	Real estate holdings	100.00	
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Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	Chairman	Wayne H. Brunetti	61,332
2	President and Chief Executive Officer	Michael L. Swenson	180,000
3	Vice President	Richard C. Kelly	
4	Vice President and General Counsel	Gary R. Johnson	
5	Vice President	Paul J. Bonavia	
6	Vice President	Cynthia L. Leshar	
7	Vice President	David M. Wilks	
8	Vice President	Patricia K. Vincent	
9	Vice President	Raymond E. Gogel	
10	Vice President and Chief Financial Officer	Benjamin G.S. Fowke III	
11	Vice President and Treasurer	George E. Tyson, II	
12	Vice President and Controller	Teresa S. Madden	
13	Vice President and Secretary	Cathy J. Hart	
14	Vice President and Controller	David E. Ripka	
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 104 Line No.: 1 Column: b

Succeeded by Richard C. Kelly as Chairman on March 8, 2005.

Schedule Page: 104 Line No.: 3 Column: b

Elected Chairman on March 8, 2005, succeeding Wayne H. Brunetti.

Schedule Page: 104 Line No.: 10 Column: b

Succeeded by George E. Tyson, II as Treasurer on May 20, 2004.

Schedule Page: 104 Line No.: 11 Column: b

Elected Vice President and Treasurer on May 20, 2004, succeeding Benjamin G.S. Powke III.

Schedule Page: 104 Line No.: 12 Column: b

Elected Vice President and Controller on January 19, 2004, succeeding David E. Ripka.

Schedule Page: 104 Line No.: 14 Column: b

Succeeded by Teresa S. Madden as Vice President and Controller on January 19, 2004.

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.

2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	Michael L. Swenson	1414 W. Hamilton Ave.
2	President and Chief Executive Officer	Eau Claire, Wisconsin 54701
3		
4	Wayne H. Brunetti	800 Nicollet Mall
5	Chairman	Minneapolis, Minnesota 55402
6		
7	Richard C. Kelly	800 Nicollet Mall
8	Vice President	Minneapolis, Minnesota 55402
9		
10	Benjamin G.S. Fowke III	800 Nicollet Mall
11	Vice President and Chief Financial Officer	Minneapolis, Minnesota 55402
12		
13	Gary R. Johnson	800 Nicollet Mall
14	Vice President and General Counsel	Minneapolis, Minnesota 55402
15		
16	Patricia K. Vincent	1225 17th Street
17	Vice President	Denver, CO 80202
18		
19	NSP-Wisconsin's Executive Committee was rescinded by	
20	Board of Director resolution dated 12/15/00.	
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Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Nonnern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 105 Line No.: 4 Column: a

Succeeded by Richard C. Kelly as Chairman on March 8, 2005.

Schedule Page: 105 Line No.: 7 Column: a

Elected Chairman on March 8, 2005, succeeding Wayne H. Brunetti.

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/31/2005	Year/Period of Report End of 2004/Q4
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IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.

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Northern States Power Company (Wisconsin)			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

ITEM NUMBER 1 - None

ITEM NUMBER 2 - None

ITEM NUMBER 3 - None

ITEM NUMBER 4 - None

ITEM NUMBER 5 - None

ITEM NUMBER 6 - Notes 2 and 3 to the Financial Statements contain information on the short-term borrowings and long-term debt, respectively. Short-term borrowings are authorized by the Public Service Commission of Wisconsin Certificate of Authority and Order in Docket Nos. 4220-SB-121 and 4220-AU-126. Note 7 to the Financial Statements contains information on carrying amount and fair value of long term debt, guarantees, and letters of credit outstanding.

ITEM NUMBER 7 - None

ITEM NUMBER 8 - Bargaining employees received a 2.75 percent base wage increase in 2004. The average 2004 non-bargaining merit base increase across all companies of Xcel Energy Inc., which includes NSP-Wisconsin, was 3.00 percent.

ITEM NUMBER 9 - *Pending Legal Proceedings:*

Stray Voltage

On Nov. 13, 2001, Ralph and Karline Schmidt filed a complaint in Clark County, Wisconsin against NSP-Wisconsin. Plaintiffs allege that electricity provided by NSP-Wisconsin harmed their dairy herd resulting in decreased milk production, lost profits and income, property damage and seek compensatory, punitive and treble damages. Plaintiffs allege compensatory damages of \$1.0 million and pre-verdict interest of \$1.2 million. In addition, plaintiffs allege an unspecified amount of damages related to nuisance. On March 21, 2005, the trial court granted NSP-Wisconsin's motion for summary judgment on the basis of the statute of limitations and filed rate doctrine.

On Nov. 13, 2001, August C. Heeg Jr. and Joanne Heeg filed a complaint in Clark County, Wisconsin against NSP-Wisconsin. Plaintiffs allege that electricity provided by NSP-Wisconsin harmed their dairy herd resulting in decreased milk production, lost profits and income, property damage and seek compensatory, punitive and treble damages. Plaintiffs allege compensatory damages of \$1.9 million and pre-verdict interest of \$6.1 million. In addition, plaintiffs allege an unspecified amount of damages related to nuisance. On Feb. 7, 2005, the trial court granted NSP-Wisconsin's motion for summary judgment based upon the statute of limitations. In a March 2005 decision on reconsideration, the trial court affirmed his prior dismissal based on the statute of limitations and also ruled that the filed rate doctrine warranted dismissal.

On March 1, 2002, NSP-Wisconsin was served with a lawsuit commenced by James and Grace Gumz and Michael and Susan Gumz in Marathon County Circuit Court, Wisconsin, alleging that electricity supplied by NSP-Wisconsin harmed their dairy herd and caused them personal injury. In 2004, the trial court granted partial summary judgment to NSP-Wisconsin, dismissing plaintiff's claims for strict products liability, trespass, pre-verdict interest, personal injury and treble damage claims. As a result of these rulings and some modifications by the plaintiffs in their damage calculations, the plaintiffs' alleged compensatory damages were reduced to approximately \$901,000 and an unspecified amount for nuisance. On March 4, 2005, a verdict in the amount of approximately \$533,000 was returned against NSP-Wisconsin. NSP-Wisconsin has filed motions after verdict which are set for hearing on April 11, 2005.

Personal Injury

On Jan. 16, 2003, NSP-Wisconsin was served with a lawsuit commenced by George and Diane Grosjean in the Circuit Court for Ashland County, Wis. Mr. Grosjean alleged that in connection with his employment for the City of Ashland he was exposed to

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Northern States Power Company (Wisconsin)			
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

contaminants present at or near NSP-Wisconsin's former MGP site located in Ashland, Wis. The lawsuit was resolved on a confidential basis in the third quarter of 2004 without any material impact to NSP-Wisconsin.

Manufactured Gas Plant Insurance Coverage Litigation

In October 2003, NSP-Wisconsin initiated discussions with its insurers regarding the availability of insurance coverage for costs associated with the remediation of four former MGP sites located in Ashland, Chippewa Falls, Eau Claire, and LaCrosse, Wis. In lieu of participating in discussions, on Oct. 28, 2003, two of NSP-Wisconsin's insurers, St. Paul Fire & Marine Insurance Co. and St. Paul Mercury Insurance Co., commenced litigation against NSP-Wisconsin in Minnesota state district court. On Nov. 12, 2003, NSP-Wisconsin commenced suit in Wisconsin state circuit court against St. Paul Fire & Marine Insurance Co. and its other insurers. Subsequently, the Wisconsin court denied the insurers' motion to stay the Wisconsin case pending resolution of the Minnesota action. On Jan. 6, 2005, the Minnesota court issued an injunction prohibiting NSP-Wisconsin from prosecuting the Wisconsin action. On March 11, 2005, NSP-Wisconsin filed an appeal of the Minnesota court's issuance of an injunction. NSP-Wisconsin's motion to stay enforcement of the injunction is pending before the Minnesota trial court. No trial date has been set in either proceeding. The PSCW has established a deferral process whereby clean-up costs associated with the remediation of former MGP sites are deferred and, if approved by the PSCW, recovered from ratepayers. Carrying charges associated with these clean-up costs are not subject to the deferral process and are not recoverable from ratepayers. Any insurance proceeds received by NSP-Wisconsin will operate as a credit to ratepayers, therefore, these lawsuits should not have an impact on shareholders, and no accruals have been made.

See Note 8 to the Financial Statements for additional discussion of legal contingencies.

ITEM NUMBER 10 - None

ITEM NUMBER 12 - Not applicable

ITEM NUMBER 13 -

The following changes were made in 2004 to the Officers and Board of Directors.

Board of Directors

Benjamin G.S. Fowke III elected to Board of Directors June 24, 2004.

Patricia K. Vincent elected to Board of Directors June 24, 2004.

Officers

George E. Tyson, II named Vice President and Treasurer May 20, 2004, succeeding Benjamin G.S. Fowke III as Treasurer.

Teresa S. Madden named Vice President and Controller January 19, 2004, succeeding David E. Ripka.

There were no changes in 2004 to the security holders and voting powers of NSP-Wisconsin. All shares of NSP-Wisconsin continue to be owned by Xcel Energy Inc. (a Minnesota corporation).

ITEM NUMBER 14 - NSP-Wisconsin's equity ratio is greater than 30 percent; therefore, this item is not applicable.

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	1,467,309,815	1,410,716,610
3	Construction Work in Progress (107)	200-201	20,140,723	31,416,150
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,487,450,538	1,442,132,760
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	654,115,113	619,126,286
6	Net Utility Plant (Enter Total of line 4 less 5)		833,335,425	823,006,474
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		833,335,425	823,006,474
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		2,822,919	2,822,919
19	(Less) Accum. Prov. for Depr. and Amort. (122)		56,632	56,482
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	3,584,314	3,565,167
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		6,317,844	6,423,798
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		12,668,445	12,755,402
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		0	38,731
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		101,150	101,150
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		48,059,620	41,844,655
41	Other Accounts Receivable (143)		4,521,028	1,959,581
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		1,258,038	1,211,994
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		1,154,206	1,396,265
45	Fuel Stock (151)	227	6,315,525	4,983,826
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	4,690,479	5,189,210
49	Merchandise (155)	227	18,956	79,561
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

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COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	-2	5,848
55	Gas Stored Underground - Current (164.1)		9,187,146	9,336,338
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		37,306	220,163
57	Prepayments (165)		16,451,711	16,297,531
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		27,664,561	21,521,703
62	Miscellaneous Current and Accrued Assets (174)		0	0
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		1,405,125	167,585
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		118,349,773	101,930,153
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		2,036,341	2,059,000
70	Extraordinary Property Losses (182.1)	230	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0
72	Other Regulatory Assets (182.3)	232	38,122,783	36,187,298
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,089,674	1,089,673
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	13,502
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	56,806,164	50,628,655
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reacquired Debt (189)		12,637,482	13,603,882
82	Accumulated Deferred Income Taxes (190)	234	43,418,791	12,849,582
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		154,111,235	116,431,592
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,118,464,878	1,054,123,621

Name of Respondent Northern States Power Company (Wisconsin)	This Report is: (1) <input type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 03/31/2005	Year/Period of Report end of 2004/Q4
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COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,352,476	1,135,750
48	Miscellaneous Current and Accrued Liabilities (242)		2,953,197	2,764,472
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		1,059,898	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		96,169,455	77,526,973
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		16,911,937	18,015,493
57	Accumulated Deferred Investment Tax Credits (255)	266-267	13,236,615	14,027,272
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	20,984,460	23,511,560
60	Other Regulatory Liabilities (254)	278	12,890,243	10,746,302
61	Unamortized Gain on Reacquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	47,967	109,807
63	Accum. Deferred Income Taxes-Other Property (282)		165,250,030	150,821,703
64	Accum. Deferred Income Taxes-Other (283)		43,489,925	17,460,498
65	Total Deferred Credits (lines 56 through 64)		272,811,177	234,692,635
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		1,118,464,878	1,054,123,621

Name of Respondent	This Report Is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Northern States Power Company (Wisconsin)	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	03/31/2005	End of 2004/Q4

STATEMENT OF INCOME

1. Enter in column (e) operations for the reporting quarter and in column (f) the operations for the same three month period for the prior year.
2. Report in Column (g) year to date amounts for electric utility function; in column (i) the year to date amounts for gas utility, and in (k) the year to date amounts for the other utility function for the current quarter/year.
3. Report in Column (h) year to date amounts for electric utility function; in column (j) the year to date amounts for gas utility, and in (l) the year to date amounts for the other utility function for the previous quarter/year.
4. If additional columns are needed place them in a footnote.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	618,047,474	605,670,214		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	423,872,285	416,382,036		
5	Maintenance Expenses (402)	320-323	21,225,661	18,908,364		
6	Depreciation Expense (403)	336-337	44,454,732	46,645,264		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	2,548,064	169,353		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337				
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)		-147,243			
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	16,620,881	16,366,084		
15	Income Taxes - Federal (409.1)	262-263	19,411,348	17,844,329		
16	- Other (409.1)	262-263	8,266,612	3,716,702		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	22,267,972	17,962,521		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	14,205,372	10,674,009		
19	Investment Tax Credit Adj. - Net (411.4)	266	-789,359	-791,347		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		543,525,581	526,529,297		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg 117, line 27		74,521,893	79,140,917		

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STATEMENT OF INCOME FOR THE YEAR (Continued)

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
479,075,630	473,709,257	138,717,072	131,692,161	254,772	268,796	2
						3
301,223,934	302,875,770	122,648,351	113,506,266			4
20,212,914	17,739,567	1,012,747	1,168,797			5
38,700,356	40,443,775	5,715,919	6,163,032	38,457	38,457	6
						7
2,231,387	137,756	316,677	31,597			8
						9
-147,243						10
						11
						12
						13
14,770,578	14,838,334	1,850,303	1,527,750			14
19,821,289	19,461,036	-463,636	-1,671,567	53,695	54,860	15
7,725,599	4,205,256	533,132	-496,322	7,881	7,768	16
17,560,225	11,899,264	4,715,477	6,126,793	-7,730	-63,536	17
11,341,629	8,219,919	2,863,743	2,454,090			18
-732,854	-733,876	-53,928	-54,720	-2,577	-2,751	19
						20
						21
						22
						23
						24
410,024,556	402,646,963	133,411,299	123,847,536	89,726	34,798	25
69,051,074	71,062,294	5,305,773	7,844,625	165,046	233,998	26

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		74,521,893	79,140,917		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)		150,726	215,918		
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		89,396	115,961		
33	Revenues From Nonutility Operations (417)		7,804	8,791		
34	(Less) Expenses of Nonutility Operations (417.1)		84,491	131,195		
35	Nonoperating Rental Income (418)		42,574	96,092		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	57,200	59,043		
37	Interest and Dividend Income (419)		326,871	310,514		
38	Allowance for Other Funds Used During Construction (419.1)		1,389,454	1,305,830		
39	Miscellaneous Nonoperating Income (421)		611,123	37,598		
40	Gain or Disposition of Property (421.1)		7,718	1,057,769		
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		2,419,583	2,844,399		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		636	1,067,306		
44	Miscellaneous Amortization (425)	340				
45	Donations (426.1)	340	702,120	613,786		
46	Life Insurance (426.2)		-67,082	-156,512		
47	Penalties (426.3)		110	718,231		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		447,077	276,330		
49	Other Deductions (426.5)		400,560	328,875		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		1,483,421	2,848,016		
51	Taxes Applicable to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	91,131	90,760		
53	Income Taxes-Federal (409.2)	262-263	779,051	-704,233		
54	Income Taxes-Other (409.2)	262-263	73,044	-151,275		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	84,609	49,460		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	469,040	216,283		
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		558,795	-931,572		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		377,367	927,955		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		20,064,068	22,103,186		
63	Amort. of Debt D.S.C. and Expense (428)		258,302	263,350		
64	Amortization of Loss on Required Debt (428.1)		966,369	704,850		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	340	351,749	116,173		
68	Other Interest Expense (431)	340	-49,054	62,063		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		1,087,275	651,146		
70	Net Interest Charges (Total of lines 62 thru 69)		20,514,189	22,598,476		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		54,385,071	57,470,396		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		54,385,071	57,470,396		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 114 Line No.: 6 Column: k

Expense of Plant Leased to Others \$38,457.

Schedule Page: 114 Line No.: 6 Column: l

Expense of Plant Leased to Others \$38,457.

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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STATEMENT OF RETAINED EARNINGS

- Do not report Lines 49-53 on the quarterly version.
- Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
- Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
- State the purpose and amount of each reservation or appropriation of retained earnings.
- List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
- Show dividends for each class and series of capital stock.
- Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
- Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
- If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		257,394,196	252,419,601
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		54,327,871	57,411,353
17	Appropriations of Retained Earnings (Acct. 436)			
18	Amortization Reserve - Federal		-2,188,296	(2,061,766)
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		-2,188,296	(2,061,766)
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			
30	Dividends Declared-Common Stock (Account 438)			
31	Dividends Declared - Common Stock (Account 438)		-48,809,695	(50,413,045)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-48,809,695	(50,413,045)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		38,053	38,053
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		260,762,129	257,394,196
	APPROPRIATED RETAINED EARNINGS (Account 215)			

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STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	54,385,071	57,470,396
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	46,855,553	48,072,422
5	Amortization of Deferred Debits/Credits	1,224,702	-563,283
6			
7			
8	Deferred Income Taxes (Net)	7,678,169	7,121,689
9	Investment Tax Credit Adjustment (Net)	-789,359	-791,347
10	Net (Increase) Decrease in Receivables	-8,730,368	5,579,301
11	Net (Increase) Decrease in Inventory	-435,464	-3,551,949
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	7,381,989	-3,249,047
14	Net (Increase) Decrease in Other Regulatory Assets	-932,900	-537,844
15	Net Increase (Decrease) in Other Regulatory Liabilities	3,239,258	-3,205,701
16	(Less) Allowance for Other Funds Used During Construction	1,087,275	1,305,830
17	(Less) Undistributed Earnings from Subsidiary Companies	57,200	20,991
18	(Gain) Loss on Sale of Assets		9,537
19	(Increase) Decrease in Accrued Utility Revenue	-6,142,858	-1,447,849
20	Miscellaneous Changes in Working Capital	24,884	-687,422
21	Changes in Other Assets and Liabilities	-8,958,117	-6,969,086
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	93,656,085	95,922,996
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-57,819,392	-56,392,296
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		-619,737
30	(Less) Allowance for Other Funds Used During Construction	-1,087,275	-1,305,830
31	Proceeds from disposition of Plant		-150
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-56,732,117	-55,706,353
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies	10,725,241	17,159,704
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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STATEMENT OF CASH FLOWS

(1) Codes to be used: (a) Net Proceeds or Payments; (b) Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other: Miscellaneous other Investing Activities	105,954	-150,783
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-45,900,922	-38,697,432
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	-167,439	146,080,180
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):	1,819,563	
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	1,652,124	146,080,180
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-33,785	-153,157,785
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-49,412,233	-50,109,328
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-47,793,894	-57,186,933
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-38,731	38,631
87			
88	Cash and Cash Equivalents at Beginning of Period	139,881	101,250
89			
90	Cash and Cash Equivalents at End of period	101,150	139,881

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 120 Line No.: 64 Column: b

Capital contribution by parent.

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 03/31/2005	Year/Period of Report End of <u>2004/Q4</u>
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
NOTES TO FINANCIAL STATEMENTS (Continued)			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

Business and System of Accounts — NSP-Wisconsin was incorporated in 1901 under the laws of Wisconsin. NSP-Wisconsin, a wholly owned subsidiary of Xcel Energy, is an operating utility principally engaged in the generation, purchase, transmission, distribution and sale of electricity and in the purchase, transportation, distribution and sale of natural gas. NSP-Wisconsin is subject to the regulatory provisions of the Public Utility Holding Company Act (PUHCA) and regulation by the Federal Energy Regulatory Commission (FERC) and state utility commissions. All of NSP-Wisconsin's accounting records conform to the FERC uniform system of accounts or to systems required by various state regulatory commissions, which are the same in all material aspects.

NSP-Wisconsin owns the following direct subsidiaries: Chippewa and Flambeau Improvement Company, which operates hydro reservoirs and is 75.86 percent owned; Clearwater Investments, Inc., which owns interests in affordable housing and is 100 percent owned; and NSP Lands, Inc., which holds real estate and is 100 percent owned.

Basis of Accounting — The accompanying financial statements were prepared in accordance with the accounting requirements of the FERC as set forth in the Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than Generally Accepted Accounting Principles (GAAP). As required by the FERC, NSP-Wisconsin accounts for its investments in majority-owned subsidiaries using the equity method rather than by consolidating their assets, liabilities, revenues and expenses as required by GAAP. Deferred taxes are shown as long term assets and liabilities at their gross amounts in the FERC presentation, as opposed to their GAAP presentation as net current or long-term assets and liabilities. If GAAP were followed, these 2004 financial statement lines would have values greater/(smaller) than those shown by FERC of:

Net property, plant and equipment	\$ 84,572,000
Current assets	2,913,000
Current liabilities	4,870,000
Other long-term assets	(24,445,000)
Long-term debt and other long-term liabilities	58,170,000
Operating revenues	(3,552,000)
Operating expenses	(37,310,000)
Other income and deductions	1,728,000
Cash provided by operating activities	669,000
Cash provided by investing activities	(9,710,000)
Cash provided by financing activities	8,491,000

Revenue Recognition — Revenues related to the sale of energy are generally recorded when service is rendered or energy is delivered to customers. However, the determination of the energy sales to individual customers is based on the reading of their meter, which occurs on a systematic basis throughout the month. At the end of each month, amounts of energy delivered to customers since the date of the last meter reading are estimated and the corresponding unbilled revenue is estimated.

NSP-Wisconsin has various rate adjustment mechanisms in place that currently provide for the recovery of certain purchased natural gas and electric energy costs. These cost adjustment tariffs may increase or decrease the level of costs recovered through base rates and are revised periodically, as prescribed by the appropriate regulatory agencies, for any difference between the total amount collected under the clauses and the recoverable costs incurred. In addition, NSP-Wisconsin presents its revenue, net of any excise or other fiduciary-type taxes or fees. A summary of significant rate adjustment mechanisms follows:

- NSP-Wisconsin's rates include a cost-of-gas adjustment clause for purchased natural gas, but not for purchased electric energy or electric fuel in the state of Wisconsin. In Wisconsin, requests can be made for recovery of those electric costs prospectively through the rate review process, which normally occurs every two years, or through an interim fuel cost hearing process.
- NSP-Wisconsin sells firm power and energy in wholesale markets, which is regulated by the FERC. These rates include monthly wholesale fuel cost recovery mechanisms.

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Northern States Power Company (Wisconsin)			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Derivative Financial Instruments — NSP-Wisconsin utilizes a variety of derivatives, including interest rate swaps and locks and physical and financial commodity based contracts, to reduce exposure to corresponding risks. These contracts consist mainly of options, index or fixed price swaps and basis swaps. For further discussion of NSP-Wisconsin's risk management and derivative activities, see Note 6 to the Financial Statements.

Property, Plant, Equipment and Depreciation — Property, plant and equipment is stated at original cost. The cost of plant includes direct labor and materials, contracted work, overhead costs and applicable interest expense. The cost of plant retired, plus net removal cost, is charged to accumulated depreciation and amortization. Significant additions or improvements extending asset lives are capitalized, while repairs and maintenance are charged to expense as incurred. Maintenance and replacement of items determined to be less than units of property are charged to operating expenses. Property, plant and equipment also include costs associated with the engineering design of future generating stations and other property held for future use. NSP-Wisconsin accounts for removal costs that do not qualify as legal retirement obligations in accumulated depreciation.

NSP-Wisconsin determines the depreciation of their plant by using the straight-line method, which spreads the original cost equally over the plant's useful life. Depreciation expense for NSP-Wisconsin, expressed as a percentage of average depreciable property, was 3.3 percent for the years ended December 31, 2004 and 2003.

Allowance for Funds Used During Construction (AFDC) — AFDC represents the cost of capital used to finance utility construction activity. AFDC is computed by applying a composite pretax rate to qualified construction work in progress. The amount of AFDC capitalized as a utility construction cost is credited to other income and deductions (for equity capital) and interest charges (for debt capital). AFDC amounts capitalized are included in NSP-Wisconsin's rate base for establishing utility service rates. Interest capitalized as AFDC was approximately \$1.1 million and \$0.7 million in 2004 and 2003, respectively.

Environmental Costs — Environmental costs are recorded when it is probable NSP-Wisconsin is liable for the costs and the liability can be reasonably estimated. Costs may be deferred as a regulatory asset based on an expectation that the costs will be recovered from customers in future rates. Otherwise, the costs are expensed. If an environmental expense is related to facilities currently in use, such as pollution-control equipment, the cost is capitalized and depreciated over the life of the plant, assuming the costs are recoverable in future rates or future cash flow.

Estimated remediation costs, excluding inflationary increases, are recorded. The estimates are based on experience, an assessment of the current situation and the technology currently available for use in the remediation. The recorded costs are regularly adjusted as estimates are revised and remediation proceeds. If several designated responsible parties exist, costs are estimated and recorded only for NSP-Wisconsin's share of the cost. Any future costs of restoring sites where operation may extend indefinitely are treated as a capitalized cost of plant retirement. The depreciation expense levels recoverable in rates include a provision for removal expenses, which has the latitude to compensate for final remediation costs.

Legal Costs — Litigation settlements are recorded when it is probable NSP-Wisconsin is liable for the costs and the liability can be reasonably estimated. Legal accruals are recorded net of insurance recovery. Legal costs related to settlements are not accrued, but expensed as incurred.

Income Taxes — Xcel Energy and its utility subsidiaries, including NSP-Wisconsin, file consolidated federal and combined and separate state income tax returns. Income taxes for consolidated or combined subsidiaries are allocated to the subsidiaries based on separate company computations of taxable income or loss. In accordance with the PUHCA requirements, the holding company also allocates its own net income tax benefits to its direct subsidiaries based on the positive tax liability of each company in the consolidated federal or combined state returns. NSP-Wisconsin defers income taxes for all temporary differences between the book and tax bases of assets and liabilities. The tax rates used are those that are scheduled to be in effect when the temporary differences are expected to turn around, or reverse.

Due to the effects of past regulatory practices, when deferred taxes were not required to be recorded, the reversal of some temporary differences was accounted for as current income tax expense. Investment tax credits are deferred and their benefits spread over the estimated lives of the related property. Utility rate regulation also has created certain regulatory assets and liabilities related to income taxes. For more information on income taxes, see Note 4 to the Financial Statements.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Use of Estimates — In recording transactions and balances resulting from business operations, NSP-Wisconsin use estimates based on the best information available. Estimates are used for such items as plant depreciable lives, tax provisions, uncollectible amounts, environmental costs, unbilled revenues, jurisdictional fuel and energy cost allocations and actuarially determined benefit costs. The recorded estimates are revised when better information is obtained or actual amounts are determinable. Those revisions can affect operating results. Each year the depreciable lives of certain plant assets are reviewed and revised, if appropriate.

Cash and Cash Equivalents — NSP-Wisconsin considers investments with a remaining maturity of three months or less at the time of purchase to be cash equivalents. Those instruments are primarily commercial paper and money market funds.

Inventory — All inventories are recorded at average cost.

Regulatory Accounting — NSP-Wisconsin accounts for certain income and expense items in accordance with Statement of Financial Accounting Standard (SFAS) No. 71 – “Accounting for the Effects of Certain Types of Regulation.” Under SFAS No. 71:

- certain costs, which would otherwise be charged to expense, are deferred as regulatory assets based on the expected ability to recover them in future rates; and
- certain credits, which would otherwise be reflected as income, are deferred as regulatory liabilities based on the expectation they will be returned to customers in future rates.

Estimates of recovering deferred costs and returning deferred credits are based on specific ratemaking decisions or precedent for each item. Regulatory assets and liabilities are amortized consistent with the period of expected regulatory treatment.

If restructuring or other changes in the regulatory environment occur, NSP-Wisconsin may no longer be eligible to apply this accounting treatment, and may be required to eliminate such regulatory assets and liabilities from its balance sheet. Such changes could have a material effect on NSP-Wisconsin’s results of operations in the period the write-off is recorded.

Deferred Financing Costs — Deferred debits include deferred financing costs, which were amortized over the remaining maturity periods of the related debt. NSP-Wisconsin’s deferred financing costs, net of amortization at Dec. 31, 2004 and 2003, were \$2.0 million and \$2.1 million, respectively.

2. Short-Term Borrowings

Notes Payable — NSP-Wisconsin has an intercompany borrowing arrangement with NSP-Minnesota, with interest charged at NSP-Minnesota’s short-term borrowing rate. At Dec. 31, 2004 and 2003, NSP-Wisconsin had \$31.5 million and \$23.7 million, respectively, in short-term borrowings related to this intercompany arrangement. The weighted average interest rate for NSP-Wisconsin was 5.25 percent at Dec. 31, 2004.

Money Pool — In 2003, Xcel Energy established a money pool arrangement with the utility subsidiaries, subject to receipt of required state regulatory approvals. The money pool would allow for short-term loans between the utility subsidiaries and from the holding company to the utility subsidiaries at market-based interest rates. The money pool arrangement would not allow loans from the utility subsidiaries to the holding company. On Jan. 18, 2005, NSP-Wisconsin submitted a letter to the PSCW withdrawing its request for approval to participate in the money pool arrangement after it became apparent the conditions likely to be imposed by the PSCW would have limited flexibility and reduced the economic benefits of NSP-Wisconsin’s participation.

3. Long-Term Debt

Except for minor exclusions, all property of NSP-Wisconsin is subject to the lien of its first mortgage indenture, which is a contract between NSP-Wisconsin and its bondholders.

NSP-Wisconsin’s first mortgage bond indenture provides for the ability to have sinking fund requirements. Such sinking fund obligations may be satisfied with property additions or cash. At Dec. 31, 2004, NSP-Wisconsin had no sinking fund requirements for

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current bonds outstanding.

Maturities of long-term debt for NSP-Wisconsin are listed in the following table, in millions of dollars:

2005	\$ —
2006	—
2007	—
2008	80
2009	—

4. Income Taxes

Total income tax expense from operations differs from the amount computed by applying the statutory federal income tax rate to income before income tax expense. The reasons for the difference at Dec. 31 are:

	<u>2004</u>	<u>2003</u>
Federal statutory rate	35.0%	35.0%
Increases (decreases) in tax from:		
State income taxes, net of federal income tax benefit	5.0%	5.0%
Life insurance policies	—	(0.1)%
Tax credits recognized	(0.9)%	(0.9)%
Regulatory differences — utility plant items	(0.6)%	(1.0)%
Resolution of income tax audits	1.2%	(6.1)%
Other — net	<u>(0.3)%</u>	<u>0.1%</u>
Effective income tax rate	<u>39.4%</u>	<u>32.0%</u>

Income taxes comprise the following expense (benefit) items:

	<u>2004</u>	<u>2003</u>
	(Thousands of dollars):	
Current federal tax expense	\$ 20,190	\$ 17,140
Current state tax expense	8,340	3,565
Deferred federal tax expense	8,412	5,276
Deferred state tax expense (benefit)	(734)	1,846
Deferred investment tax credits	<u>(789)</u>	<u>(791)</u>
Total income tax expense	<u>\$ 35,419</u>	<u>\$ 27,036</u>

The components of deferred income tax at Dec. 31 were:

	<u>2004</u>	<u>2003</u>
	(Thousands of dollars)	
Deferred tax expense excluding items below	\$ 9,827	\$ 6,219
Amortization and adjustments to deferred income taxes on income tax regulatory assets and liabilities	(2,098)	152
Tax expense allocated to other comprehensive income	<u>(51)</u>	<u>751</u>
Deferred tax expense	<u>\$ 7,678</u>	<u>\$ 7,122</u>

The components of net deferred tax liability (current and noncurrent portions) at Dec. 31 were:

<u>2004</u>	<u>2003</u>
(Thousands of dollars)	

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Deferred tax liabilities:			
Differences between book and tax bases of property	\$ 163,911	\$ 150,150	
Regulatory assets	18,204	18,380	
Employee Benefits	21,076	0	
Deferred investment tax credits	0	(5,624)	
Other	5,597	5,486	
Total deferred tax liabilities	<u>\$ 208,788</u>	<u>\$ 168,392</u>	
Deferred tax assets:			
Differences between book and tax bases of property	\$ 20,302	\$ 18,064	
Employee benefits	4,081	(14,191)	
Deferred investment tax credits	5,309	0	
Regulatory liabilities	4,904	32	
Other	8,823	8,945	
Total deferred tax assets	<u>\$ 43,419</u>	<u>\$ 12,850</u>	
Net deferred tax liability	<u>\$ 165,369</u>	<u>\$ 155,542</u>	

5. Benefit Plans and Other Postretirement Benefits

Xcel Energy offers various benefit plans to its benefit employees, including those of NSP-Wisconsin. Approximately 51 percent of benefit employees are represented by several local labor unions under several collective-bargaining agreements. At Dec. 31, 2004, NSP-Wisconsin had 414 bargaining employees covered under a collective-bargaining agreement, which expires at the end of 2007.

Pension Benefits

Xcel Energy has several noncontributory, defined benefit pension plans that cover almost all employees, including those of NSP-Wisconsin. Benefits are based on a combination of years of service, the employee's average pay and Social Security benefits.

Xcel Energy's policy is to fully fund into an external trust the actuarially determined pension costs recognized for ratemaking and financial reporting purposes, subject to the limitations of applicable employee benefit and tax laws.

Pension Plan Assets – Plan assets principally consist of the common stock of public companies, corporate bonds and U.S. government securities. In 2004, Xcel Energy completed a review of its pension plan asset allocation and adopted revised asset allocation targets. The target range for our pension asset allocation is 60 percent in equity investments, 20 percent in fixed income investments, no cash investments and 20 percent in nontraditional investments, such as real estate, timber ventures, private equity and a diversified commodities index.

The actual composition of pension plan assets at Dec. 31 was:

	<u>2004</u>	<u>2003</u>
Equity securities	69%	75%
Debt securities	19	14
Real estate	4	3
Cash	1	—
Nontraditional investments	<u>7</u>	<u>8</u>
	100%	100%

During 2003, Xcel Energy entered into a number of hedging arrangements within the pension trust designed to provide protection from a loss of asset value in the event of a broad decline in equity prices. These arrangements were closed out in December 2004.

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Xcel Energy bases its investment return assumption on expected long-term performance for each of the investment types included in its pension asset portfolio. Xcel Energy considers the actual historical returns achieved by its asset portfolio over the past 20-year or longer period, as well as the long-term return levels projected and recommended by investment experts. The historical weighted average annual return for the past 20 years for the Xcel Energy portfolio of pension investments is 12.8 percent, which is in excess of the current assumption level. The pension cost determinations assume the continued current mix of investment types over the long-term. The Xcel Energy portfolio is heavily weighted toward equity securities, includes nontraditional investments that can provide a higher-than-average return. As is the experience in recent years, a higher weighting in equity investments can increase the volatility in the return levels actually achieved by pension assets in any year. Investment returns in 2003 exceeded the assumed level of 9.25 percent and in 2004 investment returns exceeded the assumed level of 9.0 percent. Xcel Energy continually reviews its pension assumptions. For 2005, Xcel Energy has changed the investment return assumption to 8.75 percent to reflect its current expectation of investment returns.

Benefit Obligations — A comparison of the actuarially computed pension benefit obligation and plan assets, on a combined basis, is presented in the following table:

(Thousands of dollars)	2004	2003
Accumulated Benefit Obligation at Dec. 31	\$ 2,575,317	\$ 2,512,138
Change in Projected Benefit Obligation		
Obligation at Jan. 1	\$ 2,632,491	\$ 2,505,576
Service cost	58,150	67,449
Interest cost	165,361	170,731
Plan amendments	—	85,937
Actuarial loss	133,552	82,197
Settlements	(27,627)	(9,546)
Curtailment gain	—	(26,407)
Benefit payments	(229,664)	(243,446)
Obligation at Dec. 31	<u>\$ 2,732,263</u>	<u>\$ 2,632,491</u>
Change in Fair Value of Plan Assets		
Fair value of plan assets at Jan. 1	\$ 3,024,661	\$ 2,639,963
Actual return on plan assets	284,600	605,978
Employer contributions	10,046	31,712
Settlements	(27,627)	(9,546)
Benefit payments	(229,664)	(243,446)
Fair value of plan assets at Dec. 31	<u>\$ 3,062,016</u>	<u>\$ 3,024,661</u>
Funded Status of Plans at Dec. 31		
Net asset	\$ 329,753	\$ 392,170
Unrecognized transition asset	—	(7)
Unrecognized prior service cost	244,437	273,725
Unrecognized loss	176,957	9,710
Xcel Energy net pension amounts recognized on balance sheet	<u>\$ 751,147</u>	<u>\$ 675,598</u>
NSP-Wisconsin prepaid pension asset recorded	\$ 52,272	\$ 46,384
Measurement Date	Dec. 31, 2004	Dec. 31, 2003
Significant Assumptions Used to Measure Benefit Obligations		
Discount rate for year-end valuation	6.00%	6.25%
Expected average long-term increase in compensation level	3.50%	3.50%

Cash Flows — Cash funding requirements can be impacted by changes to actuarial assumptions, actual asset levels and other pertinent

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calculations prescribed by the funding requirements of income tax and other pension-related regulations. These regulations did not require cash funding in the years 2003 and 2004 for Xcel Energy's pension plans and is not expected to require cash funding in 2005.

Benefit Costs — The components of net periodic pension cost (credit) are:

(Thousands of dollars)	2004	2003
Service cost	\$ 58,150	\$ 67,449
Interest cost	165,361	170,731
Expected return on plan assets	(302,958)	(322,011)
Curtailement (gain) loss	—	(17,363)
Settlement (gain) loss	(926)	(1,135)
Amortization of transition asset	(7)	(1,996)
Amortization of prior service cost	30,009	28,230
Amortization of net gain	(15,207)	(44,825)
Net periodic pension cost (credit) under SFAS No. 87	\$ (65,578)	\$ (120,920)
NSP-Wisconsin		
Net periodic pension credit	\$ (5,888)	\$ (7,827)
Significant Assumptions Used to Measure Costs		
Discount rate	6.25%	6.75%
Expected average long-term increase in compensation level	3.50%	4.00%
Expected average long-term rate of return on assets	9.00%	9.25%

Pension costs include an expected return impact for the current year that may differ from actual investment performance in the plan. The return assumption used for 2005 pension cost calculations will be 8.75 percent. The cost calculation uses a market-related valuation of pension assets, which reduces year-to-year volatility by recognizing the differences between assumed and actual investment returns over a five-year period.

Xcel Energy and its operating utilities also maintain noncontributory, defined benefit supplemental retirement income plans for certain qualifying executive personnel. Benefits for these unfunded plans are paid out of their operating cash flows.

Defined Contribution Plans

Xcel Energy maintains 401(k) and other defined contribution plans that cover substantially all employees. The contributions for NSP-Wisconsin were approximately \$0.8 million in 2004 and \$0.7 million in 2003.

Postretirement Health Care Benefits

Xcel Energy has a contributory health and welfare benefit plan that provides health care and death benefits to most Xcel Energy retirees. The former NSP discontinued contributing toward health care benefits for nonbargaining employees retiring after 1998 and for bargaining employees of NSP-Minnesota and NSP-Wisconsin who retired after 1999. Employees of the former NSP who retired after 1998 are eligible to participate in the Xcel Energy health care program with no employer subsidy.

In conjunction with the 1993 adoption of SFAS No. 106 – "Employers' Accounting for Postretirement Benefits Other Than Pension," Xcel Energy elected to amortize the unrecognized accumulated postretirement benefit obligation (APBO) on a straight-line basis over 20 years.

Regulatory agencies for nearly all of Xcel Energy's retail and wholesale utility customers have allowed rate recovery of accrued benefit costs under SFAS No. 106.

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Plan Assets — Certain state agencies that regulate Xcel Energy's utility subsidiaries also have issued guidelines related to the funding of SFAS No. 106 costs. In 2004, the investment strategy for the union asset fund was changed to increase the exposure to equity funds. Also, a portion of the assets contributed on behalf of non-bargaining retirees has been funded into a sub-account of the Xcel Energy pension plans. These assets are invested in a manner consistent with the investment strategy for the pension plan.

The actual composition of postretirement benefit plan assets at Dec. 31 was:

	<u>2004</u>	<u>2003</u>
Fixed income/debt securities	21%	2%
Equity and equity mutual fund securities	54	14
Cash equivalents	<u>25</u>	<u>84</u>
	100%	100%

Xcel Energy bases its investment return assumption for the postretirement health care fund assets on expected long-term performance for each of the investment types included in its postretirement health care asset portfolio. Given the fairly short time period in which funding has been required, Xcel Energy does not consider the actual historical returns achieved by its postretirement health care fund asset portfolio to be significant in establishing long-term return assumptions. Instead, Xcel Energy considers the long-term return levels projected and recommended by investment experts, weighted for the target mix of asset categories in our portfolio and does not consider investment return volatility to be a material factor in postretirement health care costs.

Benefit Obligations — A comparison of the actuarially computed benefit obligation and plan assets for Xcel Energy postretirement health care plans that benefit employees of its utility subsidiaries is presented in the following table:

<u>(Thousands of dollars)</u>	<u>2004</u>	<u>2003</u>
Change in Benefit Obligation		
Obligation at Jan. 1	\$ 775,230	\$ 767,975
Service cost	6,100	5,893
Interest cost	52,604	52,426
Acquisitions/(divestitures)	—	(31,584)
Plan amendments	(1,600)	(33,304)
Plan participants' contributions	9,532	16,577
Actuarial loss	148,341	122,864
Curtailments	—	(249)
Benefit payments	(61,082)	(60,754)
Impact of Medicare Prescription Drug, Improvement and Modernization Act of 2003	—	(64,614)
Obligation at Dec. 31	<u>\$ 929,185</u>	<u>\$ 775,230</u>
Change in Fair Value of Plan Assets		
Fair value of plan assets at Jan. 1	\$ 285,861	\$ 250,983
Actual return on plan assets	21,950	11,045
Plan participants' contributions	9,532	16,577
Employer contributions	62,406	68,010
Benefit payments	(61,082)	(60,754)
Fair value of plan assets at Dec. 31	<u>\$ 318,667</u>	<u>\$ 285,861</u>
Funded Status at Dec. 31		
Net obligation	\$ 610,458	\$ 489,369
Unrecognized transition asset (obligation)	(117,600)	(133,778)
Unrecognized prior service cost	17,914	20,093

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Unrecognized gain (loss)	(383,026)	(255,174)
Accrued benefit liability recorded	\$ 127,746	\$ 120,510
NSP-Wisconsin accrued benefit liability recorded	\$ 4,603	\$ 4,605
Significant Assumptions Used to Measure Benefit Obligations		
Discount rate for year-end valuation	6.00%	6.25%

Effective Dec. 31, 2004, Xcel Energy raised its initial medical trend assumption from 6.5 percent to 9.0 percent and lowered the ultimate trend assumption from 5.5 percent to 5.0 percent. The period until the ultimate rate is reached was also increased from two years to six years. This trend assumption was used to value the actuarial benefit obligations at year-end 2004, and will be used in 2005 retiree medical cost determinations. Xcel Energy bases its medical trend assumption on the long-term cost inflation expected in the health care market, considering the levels projected and recommended by industry experts, as well as recent actual medical cost increases experienced by Xcel Energy's retiree medical plan.

A 1-percent change in the assumed health care cost trend rate would have the following effects:

<u>(Millions of dollars)</u>	
1-percent increase in APBO components at Dec. 31, 2004	\$ 4.3
1-percent decrease in APBO components at Dec. 31, 2004	(3.5)
1-percent increase in service and interest components of the net periodic cost	0.3
1-percent decrease in service and interest components of the net periodic cost	(0.2)

Curtailment and settlement gains resulted from activities of some of Xcel Energy's nonregulated subsidiaries.

Cash Flows — The postretirement health care plans have no funding requirements under income tax and other retirement-related regulations other than fulfilling benefit payment obligations, when claims are presented and approved under the plans. Additional cash funding requirements are prescribed by certain state and federal rate regulatory authorities, as discussed previously. Xcel Energy expects to contribute approximately \$73 million during 2005.

Benefit Costs — The components of net periodic postretirement benefit cost are:

<u>(Thousands of dollars)</u>	<u>2004</u>	<u>2003</u>
Service cost	\$ 6,100	\$ 5,893
Interest cost	52,604	52,426
Expected return on plan assets	(23,066)	(22,185)
Curtailment (gain) loss	—	(2,128)
Settlement (gain) loss	—	(916)
Amortization of transition obligation	14,578	15,426
Amortization of prior service cost (credit)	(2,179)	(1,533)
Amortization of net loss (gain)	21,651	15,409
Net periodic postretirement benefit cost (credit) under SFAS No. 106	69,688	62,392
NSP-Wisconsin		
Net periodic postretirement benefit cost recognized – SFAS No. 106	2,394	2,522
Significant assumptions used to measure costs (income)		
Discount rate	6.25%	6.75%
Expected average long-term rate of return on assets (before tax)	5.5%-8.5%	8.0%-9.0%

Impact of 2003 Medicare Legislation — On Dec. 8, 2003, President Bush signed into law the Medicare Prescription Drug,

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Improvement and Modernization Act of 2003 (the Act). The Act expanded Medicare to include, for the first time, coverage for prescription drugs. This new coverage is generally effective Jan. 1, 2006. Many of Xcel Energy's retiree medical programs provide prescription drug coverage for retirees over age 65 with coverage at least equivalent to the benefit to be provided under Medicare. While retirees remain in Xcel Energy's postretirement health care plan without participating in the new Medicare prescription drug coverage, Medicare will share the cost of Xcel Energy's plan. This legislation has therefore reduced Xcel Energy's share of the obligation for future retiree medical benefits.

As of Dec. 31, 2003, Xcel Energy had reduced the postretirement health care benefit obligation by \$64.6 million due to the expected sharing of the cost of the program by Medicare under the new legislation. Also, beginning in 2004, it is expected that the annual net periodic postretirement benefit cost will be reduced by approximately \$10 million as a result of the expected sharing of the cost of the program by Medicare, with similar savings in subsequent years. These estimated reductions do not reflect any changes that may result in future levels of participation in the plan or the associated per capita claims cost due to the availability of prescription drug coverage for Medicare-eligible retirees. Also, in reflecting this legislation, Medicare cost sharing for a plan has been assumed only if Xcel Energy's projected contribution to the plan is expected to be at least equal to the Medicare Part D basic benefit.

Projected Benefit Payments

The following table lists Xcel Energy's projected benefit payments for the pension and postretirement benefit plans.

(Thousands of dollars)	Projected Pension	Gross Projected Postretirement Health Care Benefit Payments	Expected Medicare	Net Projected Postretirement Health Care Benefit Payments
2005	\$ 199,117	\$ 59,642	\$ -	\$ 59,642
2006	211,830	61,652	4,297	57,355
2007	217,582	63,640	4,591	59,049
2008	225,050	65,393	4,821	60,572
2009	231,704	67,036	5,008	62,028
2010-2014	1,202,161	352,308	27,192	325,116

6. Derivative Instruments

In the normal course of business, NSP-Wisconsin is exposed to a variety of market risks. Market risk is the potential loss that may occur as a result of changes in the market or fair value of a particular instrument or commodity. NSP-Wisconsin utilizes, in accordance with approved risk management policies, a variety of derivative instruments to mitigate market risk and to enhance our operations. The use of these derivative instruments is discussed in further detail below.

Utility Commodity Price Risk — NSP-Wisconsin is exposed to commodity price risk in their generation and retail distribution operations. Commodity price risk is managed by entering into both long- and short-term physical purchase and sales contracts for electric power, natural gas, coal and fuel oil. Commodity risk also is managed through the use of financial derivative instruments. NSP-Wisconsin utilizes these derivative instruments to reduce the volatility in the cost of commodities acquired on behalf of our retail customers even though regulatory jurisdiction may provide for a dollar-for-dollar recovery of actual costs. In these instances, the use of derivative instruments is done consistently with the local jurisdictional cost recovery mechanism. NSP-Wisconsin's risk management policy allows it to manage market price risk within each rate-regulated operation to the extent such exposure exists, as allowed by regulation.

Interest Rate Risk — NSP-Wisconsin is subject to the risk of fluctuating interest rates in the normal course of business. NSP-Wisconsin's risk management policy allows interest rate risk to be managed through the use of fixed rate debt, floating rate debt and interest rate derivatives such as swaps, caps, collars and put or call options, subject to regulatory approval when required.

Types of and Accounting for Derivative Instruments

NSP-Wisconsin uses a number of different derivative instruments in connection with its utility commodity price and interest rate activities, including forward contracts, futures, swaps and options. All derivative instruments not qualifying for the normal purchases

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and normal sales exception, as defined by SFAS No. 133, as amended, are recorded at fair value. The classification of the fair value for these derivative instruments is dependent on the designation of a qualifying hedging relationship. The fair value of derivative instruments not designated in a qualifying hedging relationship is reflected in current earnings. The designation of a cash flow hedge requires the classification of fair value to be recorded within Other Comprehensive Income, to the extent effective. The designation of a fair value hedge requires a derivative instrument's gains or losses to offset the related results of the hedged item in the Statement of Income, to the extent effective.

SFAS No. 133, as amended, requires that the hedging relationship be highly effective and that a company formally designate a hedging relationship to apply hedge accounting. NSP-Wisconsin formally documents hedging relationships, including, among other things, the identification of the hedging instrument and the hedged transaction, as well as the risk management objectives and strategies for undertaking the hedged transaction. NSP-Wisconsin also formally assesses, both at inception and on an ongoing basis, if required, whether the derivative instruments being used are highly effective in offsetting changes in either the fair value or cash flows of the hedged items.

Hedge effectiveness is recorded based on the nature of the item being hedged. Hedging transactions for the sales of electric energy are recorded as a component of revenue, hedging transactions for fuel used in energy generation are recorded as a component of fuel costs, hedging transactions for natural gas purchased for resale are recorded as a component of natural gas costs and hedging transactions for interest rate swaps and lock agreements are recorded as a component of interest expense. NSP-Wisconsin is allowed to recover in natural gas rates the costs of certain financial instruments acquired to reduce commodity cost volatility.

Qualifying hedging relationships are designated as either a hedge of a forecasted transaction or future cash flow (cash flow hedge) or a hedge of a recognized asset, liability or firm commitment (fair value hedge). The types of qualifying hedging transactions that NSP-Wisconsin is currently engaged in are discussed below.

Cash Flow Hedges

The effective portion of the change in the fair value of a derivative instrument qualifying as a cash flow hedge is recognized in Other Comprehensive Income, and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. The ineffective portion of a derivative instrument's change in fair value is recognized in current earnings.

Commodity Cash Flow Hedges — NSP-Wisconsin enters into derivative instruments to manage variability of future cash flows from changes in commodity prices. These derivative instruments are designated as cash flow hedges for accounting purposes. At Dec. 31, 2004, NSP-Wisconsin had various commodity-related contracts classified as cash flow hedges extending through 2005. Amounts deferred from current earnings are recorded in earnings as the hedged purchase or sales transaction is settled. This could include the purchase or sale of energy and energy-related products, the use of natural gas to generate electric energy or natural gas purchased for resale.

As of Dec. 31, 2004, NSP-Wisconsin had no amounts accumulated in Other Comprehensive Income that are expected to be recognized in earnings during the next 12 months as the hedged transactions settle.

NSP-Wisconsin had no ineffectiveness related to commodity cash flow hedges during the years ended Dec. 31, 2004 and 2003, respectively.

Interest Rate Cash Flow Hedges — NSP-Wisconsin enters into interest rate lock agreements, including treasury-rate locks and forward starting swaps, that effectively fix the yield or price on a specified treasury security for a specific period. These derivative instruments are designated as cash flow hedges for accounting purposes.

As of Dec. 31, 2004, NSP-Wisconsin had net losses of \$0.1 million accumulated in Other Comprehensive Income that it expects to recognize in earnings during the next 12 month.

NSP-Wisconsin had no ineffectiveness related to interest rate cash flow hedges during the years ended Dec. 31, 2004 and 2003, respectively.

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Financial Impacts of Qualifying Cash Flow Hedges — The impact of qualifying cash flow hedges on Other Comprehensive Income, included in Stockholder's Equity, is detailed in the following table:

(Millions of dollars)

Accumulated other comprehensive income related hedges at Dec. 31, 2002	\$—
After-tax net unrealized losses related to derivative accounted for as hedges	(1.1)
After-tax net realized gains on derivative transactions reclassified into earnings	—
Accumulated other comprehensive loss related to hedges at Dec. 31, 2003	<u>\$(1.1)</u>
After-tax net unrealized gains related to derivatives accounted for as hedges	—
After-tax net realized losses on derivative transactions reclassified into earnings	<u>0.1</u>
Accumulated other comprehensive loss related to hedges at Dec. 31, 2004	<u>\$(1.0)</u>

Fair Value Hedges

The effective portion of the change in the fair value of a derivative instrument qualifying as a fair value hedge is offset against the change in the fair value of the underlying asset, liability or firm commitment being hedged. That is, fair value hedge accounting allows the gains or losses of derivative instrument to offset, in the same period, the gains and losses of the hedged item. The ineffective portion of a derivative instrument's change in fair value is recognized in current earnings. At Dec. 31, 2004, NSP-Wisconsin had no fair value hedges.

Normal Purchases or Normal Sales Contracts

NSP-Wisconsin enters into contracts for the purchase and sale of various commodities for use in its business operations. SFAS No. 133 requires a company to evaluate these contracts to determine whether the contracts are derivatives. Certain contracts that literally meet the definition of a derivative may be exempted from SFAS No. 133, as amended, as normal purchases or normal sales. Normal purchases and normal sales are contracts that provide for the purchase or sale of something other than a financial instrument or derivative instrument that will be delivered in quantities expected to be used or sold over a reasonable period in the normal course of business. In addition, normal purchases and normal sales contracts must have a price based on an underlying that is clearly and closely related to the asset being purchased or sold. An underlying is a specified interest rate, security price, commodity price, foreign exchange rate, index of prices or rates, or other variable, including the occurrence or nonoccurrence of a specified event, such as a scheduled payment under a contract.

Contracts that meet the requirements of normal are documented and exempted from the accounting and reporting requirements of SFAS No. 133.

NSP-Wisconsin evaluates all of its contracts when such contracts are entered to determine if they are derivatives and, if so, if they qualify to meet the normal designation requirements under SFAS No. 133.

Normal purchases and normal sales contracts are accounted for as executory contracts as required under GAAP.

The fair value of qualifying hedges is presented as a component of Other Comprehensive Income in the Statement of Stockholder's Equity. At Dec. 31, 2004 and 2003, the fair value of these contracts was \$(1.1) million and \$0.2 million, respectively.

For a further discussion of other financial instruments at NSP-Wisconsin, see Note 7 to the Financial Statements.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

7. Financial Instruments

The estimated Dec. 31 fair values of NSP-Wisconsin's recorded financial instruments are as follows:

(Thousands of dollars)	2004		2003	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Long-term debt, including current portion	\$ 313,476	\$ 326,937	\$ 313,444	\$ 339,165

The fair value of cash and cash equivalents, notes and accounts receivable and notes and accounts payable are not materially different from their carrying amounts because of the short-term nature of these instruments or because the stated rates approximate market rates. The fair value of NSP-Wisconsin's long-term debt is estimated based on the quoted market prices for the same or similar issues or the current rates for debt of the same remaining maturities and credit quality.

The fair value estimates presented are based on information available to management as of Dec. 31, 2004 and 2003. These fair value estimates have not been comprehensively revalued for purposes of these Financial Statements since that date, and current estimates of fair values may differ significantly.

NSP-Wisconsin provides a guarantee that guarantees payment or performance under a specified agreement. As a result, NSP-Wisconsin's exposure under the guarantee is based upon the net liability under the specified agreement. The guarantee issued by NSP-Wisconsin limits the exposure of NSP-Wisconsin to a maximum amount stated in the guarantee. The guarantee requires no liability to be recorded, contains no recourse provisions and requires no collateral. On Dec. 31, 2004, NSP-Wisconsin had the following guarantee and exposure related to that guarantee:

(Millions of dollars) Nature of Guarantee	Guarantor	Guarantee Amount	Current Exposure	Term or Expiration Date	Triggering Event Requiring Performance	Assets Held as Collateral
NSP-Wisconsin guarantees customer loans to encourage business growth and expansion	NSP-Wisconsin	\$ 0.4	\$ 0.4	Latest expiration in 2006	(a)	N/A

(a) Non-timely payment of the obligations or at the time the Debtor becomes the subject of bankruptcy or other insolvency proceedings

Letters of Credit

NSP-Wisconsin may use letters of credit, generally with terms of one year, to provide financial guarantees for certain operating obligations. At Dec. 31, 2004, there were no letters of credit outstanding.

8. Commitments and Contingent Liabilities

Leases — NSP-Wisconsin leases a variety of equipment and facilities used in the normal course of business. The leases are accounted for as operating leases. Rental expense under operating lease obligations was approximately \$3.5 million and \$3.8 million for 2004 and 2003, respectively.

Expected operating lease expenses are:

2005 2006 2007 2008 2009

(Millions of dollars)

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NOTES TO FINANCIAL STATEMENTS (Continued)			

\$3.7 \$3.7 \$3.7 \$3.7 \$3.7

Fuel Contracts — NSP-Wisconsin has contracts providing for the purchase and delivery of a significant portion of its current natural gas requirements. These contracts expire in various years between 2005 and 2012. In addition, NSP-Wisconsin is required to pay additional amounts depending on actual quantities shipped under these agreements. The potential risk of loss for NSP-Wisconsin in the form of increased costs, from market price changes in fuel is mitigated through the cost-of-energy adjustment provision of the ratemaking process, which provides for recovery of most fuel costs.

The estimated minimum purchase for NSP-Wisconsin under these contracts as of Dec. 31, 2004, is as follows:

<u>Natural Gas Supply</u>	<u>Gas Storage & Transportation</u>
(Millions of dollars)	
\$ 90	\$ 39

Joint Operating System - The electric production and transmission system of NSP-Wisconsin is managed as an integrated system with that of NSP-Minnesota, jointly referred to as the NSP System. The electric production and transmission costs of the entire NSP system are shared by NSP-Minnesota and NSP-Wisconsin. A FERC approved agreement between the two companies, called the Interchange Agreement, provides for the sharing of all costs of generation and transmission facilities of the system, including capital costs. Such costs include current and potential obligations of NSP-Minnesota related to its nuclear generating facilities.

NSP-Minnesota's public liability for claims resulting from any nuclear incident is legally limited to \$10.8 billion. NSP-Minnesota has secured \$300 million of coverage for its public liability exposure with a pool of insurance companies. The remaining \$10.5 billion of exposure is funded by the Secondary Financial Protection Program, available from assessments by the federal government in case of a nuclear accident. NSP-Minnesota is subject to assessments of up to \$100.6 million for each of its three licensed reactors, to be applied for public liability arising from a nuclear incident at any licensed nuclear facility in the United States. The maximum funding requirement is \$10 million per reactor during any one year.

NSP-Minnesota purchases insurance for property damage and site decontamination cleanup costs with coverage limits of \$2.1 billion for each of NSP-Minnesota's two nuclear plant sites. The insurance also provides business interruption insurance coverage, including the cost of replacement power obtained during certain prolonged accidental outages of nuclear generating units. Premiums are expensed over the policy term, subject to retroactive premium adjustments if losses exceed accumulated reserve funds. Capital has been accumulated in the insurance reserve funds to the extent that NSP-Minnesota would have no exposure for retroactive premium assessments in case of a single incident under the business interruption and the property damage insurance coverage. However, in each calendar year, NSP-Minnesota could be subject to maximum assessments of approximately \$6.9 million for business interruption insurance and \$26.1 million for property damage insurance if losses exceed accumulated reserve funds.

Environmental Contingencies

NSP-Wisconsin is subject to regulations covering air and water quality, the storage of natural gas and the storage and disposal of hazardous or toxic wastes. We continuously assess our compliance. Regulations, interpretations and enforcement policies can change, which may impact the cost of building and operating our facilities.

Site Remediation — NSP-Wisconsin must pay all or a portion of the cost to remediate sites where past activities of NSP-Wisconsin and some other parties have caused environmental contamination. At Dec. 31, 2004 there were two categories of sites:

- sites of former manufactured gas plants (MGP's) operated by NSP-Wisconsin or its predecessors and
- third party sites, such as landfills, to which we are alleged to be a potentially responsible party (PRP) that sent hazardous materials and wastes.

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NSP-Wisconsin records a liability when there is enough information to develop an estimate of the cost of remediating a site and revises the estimate as information is received. The estimated remediation cost may vary materially.

To estimate the cost to remediate these sites, NSP-Wisconsin may have to make assumptions where facts are not fully known. For instance, NSP-Wisconsin might make assumptions about the nature and extent of site contamination, the extent of required cleanup efforts, costs of alternative cleanup methods and pollution control technologies, the period over which remediation will be performed and paid for, changes in environmental remediation and pollution control requirements, the potential effect of technological improvements, the number and financial strength of other PRPs and the identification of new environmental cleanup sites.

Estimates are revised as facts become known, but at Dec. 31, 2004, NSP-Wisconsin estimated its liability for the cost of remediating sites was \$17.9 million, of which \$3.0 million was considered to be a current liability.

Some of the cost of remediation may be recovered from:

- insurance coverage;
- other parties that have contributed to the contamination; and
- customers.

Neither the total remediation cost nor the final method of cost allocation among all PRPs of the unremediated sites has been determined. NSP-Wisconsin has recorded estimates of its future costs for these sites.

Manufactured Gas Plant Sites

Ashland MGP Site — NSP-Wisconsin was named a PRP for creosote and coal tar contamination at a site in Ashland, Wis. The Ashland site includes property owned by NSP-Wisconsin, which was previously an MGP facility, and two other properties: an adjacent city lakeshore park area, on which an unaffiliated third party previously operated a sawmill, and an area of Lake Superior's Chequamegon Bay adjoining the park.

As an interim action, Xcel Energy proposed, and the Wisconsin Department of Natural Resources (WDNR) approved, a coal tar removal and groundwater treatment system for one area of concern at the site for which NSP-Wisconsin has accepted responsibility. The groundwater treatment system began operating in the fall of 2000. In 2002, NSP-Wisconsin installed additional monitoring wells in the deep aquifer under the former MGP site to better characterize the extent and degree of contaminants in that aquifer while the coal tar removal system is operational. In 2002, a second interim response action was also implemented. As approved by the WDNR, this interim response action involved the removal and capping of a seep area in a city park. Surface soils in the area of the seep were contaminated with tar residues. The interim action also included the diversion and ongoing treatment of groundwater that contributed to the formation of the seep.

On Sept. 5, 2002, the Ashland site was placed on the National Priorities List (NPL). The NPL is intended primarily to guide the EPA in determining which sites require further investigation. On Nov. 14, 2003, the EPA and NSP-Wisconsin signed an administrative order on consent requiring NSP-Wisconsin to complete the remedial investigation and feasibility study for the site. On Dec. 7, 2004, the EPA approved NSP-Wisconsin's proposed work plan with minor contingencies to complete the remedial investigation and feasibility study. On Feb. 1, 2005, NSP-Wisconsin submitted its revised work plan to the EPA addressing all of the contingencies raised with the previous proposal. The final approval results in specific delineation of the investigative fieldwork and scientific assessments that must be performed. The estimated cost of carrying out the work plan is \$1.3 million in 2005. Resolution of Ashland remediation issues is not currently expected until 2007 or 2008. NSP-Wisconsin continues to work with the WDNR to access state and federal funds to apply to the ultimate remediation cost of the entire site.

The WDNR and NSP-Wisconsin have each developed several estimates of the ultimate cost to remediate the Ashland site. The estimates vary significantly, between \$4 million and \$93 million, because different methods of remediation and different results are assumed in each. The EPA and WDNR have not yet selected the method of remediation to use at the site. Until the EPA and the WDNR select a remediation strategy for the entire site and determine NSP-Wisconsin's level of responsibility for the ultimate cost of remediating the Ashland site is not determinable. On July 2, 2004, the WDNR sent NSP-Wisconsin an invoice for recovery of past costs incurred at the Ashland site between 1994 and March 2003 in the amount of \$1.4 million. On Oct. 19, 2004, the WDNR,

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represented by the Wisconsin Department of Justice, filed a lawsuit in Wisconsin state court for reimbursement of the past costs. This lawsuit has been stayed until further action by either party. NSP-Wisconsin is reviewing the invoice to determine whether all costs charged are appropriate. All appropriate insurance carriers have been notified of the WDNR's invoice and the lawsuit and will be invited to participate in any future efforts to address the WDNR's actions. All costs paid are expected to be recoverable in rates.

NSP-Wisconsin has recorded a liability of \$17.3 million for its estimate of its share of the cost of remediating the Ashland site, using information available to date and reasonably effective remedial methods. NSP-Wisconsin has deferred, as a regulatory asset, the remediation costs accrued for the Ashland site based on an expectation that the PSCW will continue to allow NSP-Wisconsin to recover payments for environmental remediation from its customers. The PSCW has consistently authorized recovery in NSP-Wisconsin rates of all remediation costs incurred at the Ashland site, and has authorized recovery of similar remediation costs for other Wisconsin utilities. External MGP remediation costs are subject to deferral in the Wisconsin retail jurisdiction and are reviewed as part of the Wisconsin biennial retail rate case process for prudence. Once approved by the PSCW, deferred MGP remediation costs, less carrying costs, are historically amortized over four or six years.

Third Party and Other Environmental Site Remediation

Asbestos Removal — Some of our facilities contain asbestos. Most asbestos will remain undisturbed until the facilities that contain it are demolished or renovated. Since we intend to operate most of these facilities indefinitely, we cannot estimate the amount or timing of payments for its final removal. It may be necessary to remove some asbestos to perform maintenance or make improvements to other equipment. The cost of removing asbestos as part of other work is immaterial and is recorded as incurred as operating expenses for maintenance projects, capital expenditures for construction projects or removal costs for demolition projects.

Federal Clean Water Act — The federal Clean Water Act addresses the environmental impacts of cooling water intakes. In July 2004, the EPA published phase II of the rule that applies to existing cooling water intakes at steam-electric power plants. The rule will require NSP-Wisconsin to perform additional environmental studies at 2 power plants in Wisconsin to determine the impact the facilities may be having on aquatic organisms vulnerable to injury. If the studies determine the plants are not meeting the new performance standards established by the phase II rule, physical and/or operational changes may be required at these plants. It is not possible to provide an accurate estimate of the overall cost of this rulemaking at this time due to the many uncertainties involved. Based on the limited information available, total capital costs to NSP-Wisconsin are estimated at approximately \$1 million. Actual costs may be significantly higher or lower depending on issues such as the resolution of outstanding third-party legal challenges to the rule.

Industrial Boiler Maximum Achievable Control Technology Standards - On Sept. 13, 2004, the EPA published final maximum achievable control technology (MACT) standards for hazardous air pollutants from industrial boilers. Two boilers at the Bay Front plant must comply with this rule by September 2007 because they are categorized as non-fossil fuel-fired utility boilers and electric utility steam generating units less than 25 megawatts. The rule regulates hydrogen chloride, particulate matter, mercury and opacity. NSP-Wisconsin is reviewing the rule to determine its options for compliance at Bay Front. If new environmental control equipment is required, the cost of capital improvements needed to comply with the new standard is estimated to be approximately \$10 million.

Plant Emissions — In October 2000, the EPA reversed a prior decision and found that the French Island plant, an NSP-Wisconsin facility that burns a fuel derived from solid waste, was subject to the federal large combustor regulations. On March 29, 2001, the EPA issued a finding of violation to NSP-Wisconsin. On April 2, 2001, a conservation group also sent NSP-Wisconsin a notice of intent to sue under the citizen suit provisions of the Clean Air Act. On Oct. 20, 2003, the U.S. District Court entered a consent decree settling the EPA's claims against us related to the French Island plant. Pursuant to the terms of that consent decree, NSP-Wisconsin paid a penalty of \$500,000. Under the consent decree, the court retains jurisdiction over the plant for several years to monitor compliance with the emission limits and other requirements contained in the decree. Installation of the emission control equipment has been completed and source tests confirm that the plant is now in compliance with the state and federal dioxin standards. NSP-Wisconsin has reached an agreement with La Crosse County through which La Crosse County, the source of the plant's refuse derived fuel, will pay for the emissions equipment through increased waste disposal fees.

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The French Island plant is required to conduct annual emissions performance tests to meet federal requirements for large municipal waste combustors. In April 2004, the annual test on one boiler was completed. In June 2004, NSP-Wisconsin received the test results, which indicated that all parameters tested, with the exception of hydrochloric acid (HCl), were below allowable levels. NSP-Wisconsin retested the unit later in June 2004 and found results that suggested that chemical interference of ammonium chloride may have caused an inaccurate result during the April test. Based on the results of the retesting, NSP-Wisconsin believes there is strong evidence to indicate the plant never exceeded the HCl limit. Under the terms of a consent decree between NSP-Wisconsin and the EPA, a failure to meet specified emission limits, including HCl, allows the EPA to pursue penalties. NSP-Wisconsin is unsure of future EPA action or penalty assessment, but pursuant to the consent order, any penalty is unlikely to exceed \$300,000.

Legal Contingencies

In the normal course of business, NSP-Wisconsin is party to routine claims and litigation arising from prior and current operations. NSP-Wisconsin is actively defending these matters and has recorded an estimate of the probable cost of settlement or other disposition.

Carbon Dioxide Emissions Lawsuit — On July 21, 2004, the attorneys general of eight states and New York City, as well as several environmental groups, filed lawsuits in U.S. District Court for the Southern District of New York against five utilities, including Xcel Energy, to force reductions in carbon dioxide (CO₂) emissions. Although NSP-Wisconsin is not named as a party to this litigation, the requested relief that Xcel Energy cap and reduce its CO₂ emissions could have a material adverse effect on NSP-Wisconsin. The other utilities include American Electric Power Co., Southern Co., Cinergy Corp. and Tennessee Valley Authority. CO₂ is emitted whenever fossil fuel is combusted, such as in automobiles, industrial operations and coal- or gas-fired power plants. The lawsuits allege that CO₂ emitted by each company is a public nuisance as defined under state and federal common law because it has contributed to global warming. The lawsuits do not demand monetary damages. Instead, the lawsuits ask the court to order each utility to cap and reduce its CO₂ emissions. In October 2004, Xcel Energy and four other utility companies filed a motion to dismiss the lawsuit contending, among other reasons, that the lawsuit should be dismissed because it is an attempt to usurp the policy-setting role of the U.S. Congress and the president. The ultimate financial impact of these lawsuits, if any, is not determinable at this time.

The issue of global climate change is receiving increased attention. Debate continues in the scientific community concerning the extent to which the earth's climate is warming, the causes of climate variations that have been observed, and the ultimate impacts that might result from a changing climate. There also is considerable debate regarding public policy for the approach that the United States should follow to address the issue. The United Nations-sponsored Kyoto Protocol, which establishes greenhouse gas reduction targets for developed nations, entered into force on Feb. 16, 2005. President Bush has declared that the United States will not ratify the protocol and is opposed to legislative mandates, preferring a program based on voluntary efforts and research on new technologies. NSP-Wisconsin is closely monitoring the issue from both scientific and policy perspectives. While it is not possible to know the eventual outcome, NSP-Wisconsin believes the issue merits close attention and is taking actions it believes are prudent to be best positioned for a variety of possible future outcomes. Xcel Energy, including NSP-Wisconsin, is participating in a voluntary carbon management program and has established goals to reduce its volume of carbon dioxide emissions by 12 million tons by 2009 and to reduce carbon intensity by 7 percent by 2012. NSP-Wisconsin also is involved in other projects to improve available methods for managing carbon.

9. Related Party Transactions

Xcel Energy Services Inc. provides management, administrative and other services for the subsidiaries of Xcel Energy, including NSP-Wisconsin. The services are provided and billed to each subsidiary in accordance with Service Agreements approved by the SEC and executed by each subsidiary. Costs are charged directly to the subsidiary which uses the service whenever possible, and are allocated using an SEC approved method if they cannot be directly assigned.

Utility Engineering Corp., an Xcel Energy subsidiary, provided construction services to NSP-Wisconsin, for which it was paid \$0.5 million in 2004 and \$0.6 million in 2003.

The electric production and transmission costs of the entire NSP system are shared by NSP-Minnesota and NSP-Wisconsin. A FERC approved agreement (called the "Interchange Agreement") between the two companies provides for the sharing of all costs of

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generation and transmission facilities of the system, including capital costs. In 2004, an adjustment was made for \$9.8 million, which lowered 2003 costs of NSP-Minnesota shared with NSP-Wisconsin, pursuant to the Interchange Agreement.

The table below contains significant affiliate transactions among the companies and related parties including billings under the Interchange Agreement for the years ended Dec. 31:

	2004	2003
(Thousands of dollars)		
Operating revenues:		
Electric utility	\$ 96,016	\$ 92,814
Operating expenses:		
Purchased power	220,165	227,946
Natural gas purchased for resale	303	474
Other operations – paid to Xcel Energy Services Inc.	51,335	43,570

Accounts receivable and payable with affiliates at Dec. 31 was:

	2004		2003	
(Thousands of dollars)	Accounts Receivable	Accounts Payable	Accounts Receivable	Accounts Payable
NSP-Minnesota	\$ —	\$ 2,826	\$ 329	\$ —
PSCo	—	54	883	—
SPS	7	—	—	36
Other subsidiaries of Xcel Energy Inc.	<u>1,147</u>	<u>6,685</u>	<u>184</u>	<u>6,874</u>
	\$ 1,154	\$ 9,565	\$ 1,396	\$ 6,910

NSP-Wisconsin obtains short-term borrowings from NSP-Minnesota at NSP-Minnesota's average daily interest rate, including the cost of NSP-Minnesota's compensating balance requirements. As of Dec. 31, 2004, NSP-Wisconsin had notes payable outstanding to NSP-Minnesota in the amount of \$31.5 million. Interest expense on NSP-Wisconsin's statement of income was \$0.3 million and \$0.1 million for 2004 and 2003.

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.

[illegible]

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION				
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (f) common function.				
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)	
1	Utility Plant			
2	In Service			
3	Plant in Service (Classified)	1,464,444,203	1,229,659,805	
4	Property Under Capital Leases			
5	Plant Purchased or Sold			
6	Completed Construction not Classified			
7	Experimental Plant Unclassified			
8	Total (3 thru 7)	1,464,444,203	1,229,659,805	
9	Leased to Others	2,832,049	2,832,049	
10	Held for Future Use	33,563	33,563	
11	Construction Work in Progress	20,140,723	4,582,450	
12	Acquisition Adjustments			
13	Total Utility Plant (8 thru 12)	1,487,450,538	1,237,107,867	
14	Accum Prov for Depr, Amort, & Depl	654,115,113	536,738,509	
15	Net Utility Plant (13 less 14)	833,335,425	700,369,358	
16	Detail of Accum Prov for Depr, Amort & Dep			
17	In Service:			
18	Depreciation	651,550,305	534,173,701	
19	Amort & Depl of Producing Nat Gas Land/Land Right			
20	Amort of Underground Storage Land/Land Rights			
21	Amort of Other Utility Plant	1,783,737	1,783,737	
22	Total In Service (18 thru 21)	653,334,042	535,957,438	
23	Leased to Others			
24	Depreciation	781,071	781,071	
25	Amortization and Depletion			
26	Total Leased to Others (24 & 25)	781,071	781,071	
27	Held for Future Use			
28	Depreciation			
29	Amortization			
30	Total Held for Future Use (28 & 29)			
31	Abandonment of Leases (Natural Gas)			
32	Amort of Plant Acquisition Adj			
33	Total Accum Prov (equals 14) (22,26,30,31,32)	654,115,113	536,738,509	

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
146,748,824				88,035,574	3
					4
					5
					6
					7
146,748,824				88,035,574	8
					9
					10
903,223				14,655,050	11
					12
147,652,047				102,690,624	13
75,121,525				42,255,079	14
72,530,522				60,435,545	15
					16
					17
75,121,525				42,255,079	18
					19
					20
					21
75,121,525				42,255,079	22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
75,121,525				42,255,079	33

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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents	429,644	2,583,077
4	(303) Miscellaneous Intangible Plant		1,367,369
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	429,644	3,950,446
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	74,018	
9	(311) Structures and Improvements	13,133,782	194,171
10	(312) Boiler Plant Equipment	65,807,951	3,236,666
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	7,779,237	
13	(315) Accessory Electric Equipment	5,357,052	171,451
14	(316) Misc. Power Plant Equipment	1,832,730	518,139
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	93,984,770	4,120,427
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	2,437,593	5,755
28	(331) Structures and Improvements	16,394,885	164,067
29	(332) Reservoirs, Dams, and Waterways	123,604,107	1,104,426
30	(333) Water Wheels, Turbines, and Generators	35,563,086	795,300
31	(334) Accessory Electric Equipment	23,624,684	167,611
32	(335) Misc. Power Plant Equipment	3,581,047	2,684,398
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	205,205,402	4,921,557
36	D. Other Production Plant		
37	(340) Land and Land Rights	192,347	
38	(341) Structures and Improvements	2,250,110	155,231
39	(342) Fuel Holders, Products, and Accessories	2,624,254	73,103
40	(343) Prime Movers	32,008,670	-57,062
41	(344) Generators	18,531,366	1,233
42	(345) Accessory Electric Equipment	5,886,854	183,921
43	(346) Misc. Power Plant Equipment	644,536	1,050,288

Name of Respondent Northern States Power Company (Wisconsin)	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102. include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			3,012,721	3
		71,448	1,438,817	4
		71,448	4,451,538	5
				6
				7
			74,018	8
39,435			13,288,518	9
4,697,733			64,346,884	10
				11
8,647			7,770,590	12
48,105			5,480,398	13
58,851			2,292,018	14
				15
4,852,771			93,252,426	16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
2,530			2,440,818	27
		-26,101	16,532,851	28
22,000		502,146	125,188,679	29
		-267,437	36,090,949	30
		86,435	23,878,730	31
		-152,667	6,112,778	32
				33
				34
24,530		142,376	210,244,805	35
				36
			192,347	37
			2,405,341	38
			2,697,357	39
			31,951,608	40
			18,532,599	41
			6,070,775	42
294,167			1,400,657	43

Name of Respondent Northern States Power Company (Wisconsin)		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
44	(347) Asset Retirement Costs for Other Production				
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	62,138,137	1,406,714		
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	361,328,309	10,448,698		
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights	12,537,258	309,828		
49	(352) Structures and Improvements	6,815,583			
50	(353) Station Equipment	121,326,453	3,586,356		
51	(354) Towers and Fixtures	2,532,160			
52	(355) Poles and Fixtures	86,611,433	1,764,888		
53	(356) Overhead Conductors and Devices	96,298,934	1,967,616		
54	(357) Underground Conduit	65,524	9,485		
55	(358) Underground Conductors and Devices	217,962	2,002		
56	(359) Roads and Trails	104,023			
57	(359.1) Asset Retirement Costs for Transmission Plant				
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	326,509,330	7,640,175		
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	1,039,183	71,564		
61	(361) Structures and Improvements	6,218,154	969,996		
62	(362) Station Equipment	76,642,853	2,428,097		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	69,272,713	4,717,610		
65	(365) Overhead Conductors and Devices	82,515,167	4,114,441		
66	(366) Underground Conduit	10,551,059	1,050,025		
67	(367) Underground Conductors and Devices	58,896,917	5,335,089		
68	(368) Line Transformers	74,271,970	2,011,701		
69	(369) Services	61,304,360	4,972,745		
70	(370) Meters	18,918,020	879,003		
71	(371) Installations on Customer Premises	7,054,850	-3,328		
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems	5,806,180	253,759		
74	(374) Asset Retirement Costs for Distribution Plant				
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	472,491,426	26,800,702		
76	5. GENERAL PLANT				
77	(389) Land and Land Rights	166,403			
78	(390) Structures and Improvements	6,169,971	581,549		
79	(391) Office Furniture and Equipment	1,257,821	208,827		
80	(392) Transportation Equipment	2,328,421	1,002,558		
81	(393) Stores Equipment	136,653			
82	(394) Tools, Shop and Garage Equipment	4,990,541	452,806		
83	(395) Laboratory Equipment	2,808,974			
84	(396) Power Operated Equipment	1,672,133	441,702		
85	(397) Communication Equipment	5,547,956	122,257		
86	(398) Miscellaneous Equipment	17,731			
87	SUBTOTAL (Enter Total of lines 77 thru 86)	25,096,604	2,809,699		
88	(399) Other Tangible Property				
89	(399.1) Asset Retirement Costs for General Plant				
90	TOTAL General Plant (Enter Total of lines 87, 88 and 89)	25,096,604	2,809,699		
91	TOTAL (Accounts 101 and 106)	1,185,855,313	51,649,720		
92	(102) Electric Plant Purchased (See Instr. 8)				
93	(Less) (102) Electric Plant Sold (See Instr. 8)				
94	(103) Experimental Plant Unclassified				
95	TOTAL Electric Plant in Service (Enter Total of lines 91 thru 94)	1,185,855,313	51,649,720		

Name of Respondent Northern States Power Company (Wisconsin)		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					44
294,167			63,250,684		45
5,171,468		142,376	366,747,915		46
					47
			12,847,086		48
			6,815,583		49
58,386			124,854,423		50
			2,532,160		51
33,576			88,342,745		52
6,078			98,260,472		53
			75,009		54
			219,964		55
			104,023		56
					57
98,040			334,051,465		58
					59
			1,110,747		60
			7,188,150		61
22,494			79,048,456		62
					63
199,539			73,790,784		64
289,933			86,339,675		65
6,011			11,595,073		66
201,311			64,030,695		67
1,216,060	533,941		75,601,552		68
24,327			66,252,778		69
1,644,953	1,160,386		19,312,446		70
591,208			6,460,314		71
					72
38,584			6,021,355		73
					74
4,234,430	1,694,327		496,752,025		75
					76
			166,403		77
		64,249	6,815,769		78
218,901		47,587	1,295,334		79
			3,330,979		80
			136,653		81
		-222,906	5,220,441		82
		80,530	2,889,504		83
			2,113,835		84
			5,670,213		85
			17,731		86
218,901		-30,540	27,656,862		87
					88
					89
218,901		-30,540	27,656,862		90
9,722,839	1,694,327	183,284	1,229,659,805		91
					92
					93
					94
9,722,839	1,694,327	183,284	1,229,659,805		95

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1	CHIPPEWA AND FLAMBEAU	CHIPPEWA RESERVOIR LOCATED			
2	IMPROVEMENT COMPANY **	ON CHIPPEWA RIVER NEAR			
3		WINTER, WI.			
4					
5		EXEMPT LICENSED	11/26/1921		2,832,049
6		PROJECT NO. 8286			
7					
8					
9					
10					
11					
12					
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42					
43					
44					
45					
46					
47	TOTAL				2,832,049

Name of Respondent: Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2	Various			33.563
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23				
24				
25				
26				
27				
28				
29				
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31				
32				
33				
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35				
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44				
45				
46				
47	Total			33.563

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Name of Respondent Northern States Power Company (Wisconsin)		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)					
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.					
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)			
1	3449 Marshland to Winona - Structure	278,667			
2	Edgewater Capacitor Bank (Transmission)	124,600			
3	French Island Rdf U2 Superheater Replacement	295,979			
4	Install new VIR062 feeder bay	417,012			
5	Michigan - Overhead Rebuilds	104,019			
6	Neillsville - Install 2nd 69-12kv Bank	636,052			
7	New Stanley Area Substation	264,517			
8	Park Falls - Replace 2 new transformers	528,903			
9	RM Hwy 64 Somerset to New Richmond	649,257			
10	RRU - Substations - NSPW	341,732			
11	RRU TEam Subs WI DBS	225,096			
12	SCF0C - Roof replacement	135,221			
13	SS Security - WI Hydro	629,901			
14	T-Corners Sub - Replace transformer	245,759			
15	Transmission Line 2004 - Capital Blanket	267,155			
16	WI-Elec Non-Refundable CIAC	-6,616,053			
17					
18	Minor Projects	6,053,633			
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
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39					
40					
41					
42					
43	TOTAL	4,582,450			

Name of Respondent Northern States Power Company (Wisconsin)		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report: (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
1. Explain in a footnote any important adjustments during year. 2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property. 3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications. 4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	505,951,343	505,208,730		742,613
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	36,248,587	36,248,587		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others	38,457			38,457
6	Transportation Expenses-Clearing	353,763	353,763		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	206,545	206,545		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	36,847,352	36,808,895		38,457
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	9,722,840	9,722,840		
13	Cost of Removal	244,297	244,297		
14	Salvage (Credit)	296,867	296,867		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	9,670,270	9,670,270		
16	Other Debit or Cr. Items (Describe, details in footnote):	1,826,347	1,826,346		1
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	534,954,772	534,173,701		781,071
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	53,845,577	53,845,577		
21	Nuclear Production				
22	Hydraulic Production-Conventional	86,620,502	85,839,431		781,071
23	Hydraulic Production-Pumped Storage				
24	Other Production	54,459,848	54,459,848		
25	Transmission	118,465,823	118,465,823		
26	Distribution	207,196,293	207,196,293		
27	General	14,366,729	14,366,729		
28	TOTAL (Enter Total of lines 20 thru 27)	534,954,772	534,173,701		781,071

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 8 Column: c

FERC 404 Amortization Expense

Schedule Page: 219 Line No.: 16 Column: c

Transfer 1,700,517

Change in RWIP 125,828

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Chippewa and Flambeau Improvement Company			
2	Capital Stock	Various		549,326
3	Equity in undistributed earnings			146,606
4	SUBTOTAL			695,932
5				
6	Clearwater Investments, Inc.			
7	Capital Stock	6/1/92		150,000
8	Equity in undistributed earnings			2,282,210
9	SUBTOTAL			2,432,210
10				
11	NSP Lands, Inc.			
12	Capital Stock	6/1/92		50,000
13	Equity in undistributed earnings			387,025
14	SUBTOTAL			437,025
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
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28				
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36				
37				
38				
39				
40				
41				
42	Total Cost of Account 123.1 \$	749,326	TOTAL	3,565,167

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
		549,326		2
38,911	38,053	147,464		3
38,911	38,053	696,790		4
				5
				6
		150,000		7
29,240		2,311,450		8
29,240		2,461,450		9
				10
				11
		50,000		12
-10,951		376,074		13
-10,951		426,074		14
				15
				16
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				20
				21
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57,200	38,053	3,584,314		42

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 224 Line No.: 2 Column: b

Capital stock for Chippewa and Flambeau Improvement Company was acquired through various purchases and stock dividends between September 20, 1926 and August 10, 1992.

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Name of Respondent Northern States Power Company (Wisconsin)		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of: 2004/Q4
MATERIALS AND SUPPLIES					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	4,983,826	6,316,525	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)	3,485,830	2,217,387	Electric & Gas	
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	264,944	569,787	Electric	
8	Transmission Plant (Estimated)	46,256	465,581	Electric	
9	Distribution Plant (Estimated)	1,405,701	1,478,992	Electric & Gas	
10	Assigned to - Other (provide details in footnote)	-13,521	-41,268		
11	TOTAL Account 154 (Enter Total of lines 5 thru 10)	5,189,210	4,690,479		
12	Merchandise (Account 155)	79,561	18,956	Electric	
13	Other Materials and Supplies (Account 156)				
14	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
15	Stores Expense Undistributed (Account 163)	5,848	-2	Electric & Gas	
16					
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	10,258,445	11,025,958		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004:Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 227 Line No.: 10 Column: c

Includes \$(48,640) obsolescence and \$7,372 of miscellaneous inventory related items (including purchase price variances and suspense items).

Name of Respondent Northern States Power Company (Wisconsin)		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report: (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004:Q4
Allowances (Accounts 158.1 and 158.2)					
<p>1. Report below the particulars (details) called for concerning allowances.</p> <p>2. Report all acquisitions of allowances at cost.</p> <p>3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.</p> <p>4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).</p> <p>5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.</p>					
Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		2005	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	6,494.00		1,889.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	1,030.00			
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	5,464.00		1,889.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year	17.00		17.00	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	17.00			
40	Balance-End of Year			17.00	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)	17.00	4,638		
45	Gains		4,638		
46	Losses				

Name of Respondent: Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2006		2007		Future Years		Totals		Line
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	No.
1,889.00		1,889.00		33,603.00		45,764.00		1
								2
								3
				1,193.00		1,193.00		4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
						1,030.00		18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
1,889.00		1,889.00		34,796.00		45,927.00		29
								30
								31
								32
								33
								34
								35
17.00		17.00		867.00		935.00		36
				34.00		34.00		37
								38
				17.00		34.00		39
17.00		17.00		884.00		935.00		40
								41
								42
								43
				17.00	2,176	34.00	6,814	44
					2,176		6,814	45
								46

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	AFC in Excess of FERC-Carrying Chgs-Electric	2,074,989	274,005	405	132,937	2,246,060
2	- Amortized over plant lives					
3						
4	AFC in Excess of FERC-Carrying Chgs-Gas	398,640	93,023	405	32,214	459,449
5	- Amortized over plant lives					
6						
7	AFC in Excess of FERC-Carrying Chgs-Common	297,524	248,972	405	13,823	532,973
8	- Amortized over plant lives					
9						
10	Net-of-Tax AFUDC Adjustments - FASB 109	7,223,527	1,002,585			8,226,112
11	- Amortized over plant lives					
12						
13	Conservation and Capitalized DSM Programs		203,036	910	150,178	52,858
14	- Amortization amount per PSCW rate orders					
15	4220-UR-112 and 4220-UR-113					
16						
17	Pension Transition Liability	358,000		184	90,000	268,000
18	- Amortized over 15 years beginning 1993					
19						
20	Environmental Cleanup - MGP Sites	25,331,559	536,813	735	857,874	24,970,498
21	- Amortization amount per PSCW rate orders					
22	4220-UR-112 and 4220-UR-113					
23						
24	Michigan Restructuring	27,581	2,125			29,806
25						
26	Wisconsin Public Benefits	475,075		905	197,949	277,129
27	- Amortization amount per PSCW rate order					
28	4220-UR-113					
29						
30	Retail Gas Costs (FAS 133)		1,059,898			1,059,898
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44	TOTAL	35,187,298	3,420,460		1,484,975	38,122,783

Name of Respondent Northern States Power Company (Wisconsin)		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report: (Mo. Da. Yr) 03/31/2005		Year/Period of Report End of 2004/Q4	
MISCELLANEOUS DEFERRED DEBITS (Account 186)							
1. Report below the particulars (details) called for concerning miscellaneous deferred debits. 2. For any deferred debit being amortized, show period of amortization in column (a) 3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.							
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)	
				Account Charged (d)	Amount (e)		
1	Misc Debits Under \$50,000	40,564	12,541	421	30,991	22,114	
2							
3	Pension Accrued - SFAS 87	46,384,000	5,888,000			52,272,000	
4							
5	Contracts Receivable	4,361,986	1,182,532	Various	1,032,468	4,512,050	
6							
7	Debt Issuance Expense	9,690	159,354	181	167,438	1,606	
8				428	1,606	-1,606	
9							
10	Retail Gas Costs (FAS 133)	-167,585	6,431,145	245.1	6,263,560		
11							
12							
13							
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45							
46							
47	Misc. Work in Progress						
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)						
49	TOTAL	50,628,655				56,806,164	

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Electric	5,256,933	32,954,902
3			
4			
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	5,256,933	32,954,902
9	Gas		
10	Gas	7,431,357	9,955,093
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)	7,431,357	9,955,093
17	Non Operating	161,292	508,796
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	12,849,582	43,418,791

Notes

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 234 Line No.: 2 Column: c

	12/31/2003	12/31/2004
Electric (Other)		
Avoided Tax Interest	4,871,566	5,320,570
Bad Debts	452,548	555,912
Contributions In Aid Construction - Connection Fees	6,083,629	7,057,762
Customer Adv - Construction	5,392,577	5,518,467
Deferred Compensation Plan Reserve	1,018,164	996,399
Early Retirement Tax Amortization	506,357	0
Employee Incentive Plans	7,775	0
ESOP Dividends	0	325,529
Executive Incentive Plans	55,684	70,116
FAS 109- Effect of Rate Changes	0	1,310,522
FAS 109- ITC Grossup	0	8,603,577
Inventory Reserve	0	17,479
Litigation Reserve	581,420	584,977
Medical Deductions - Self Insured	110,199	102,265
Pension Expense	(13,999,782)	0
Post Employment Benefits - FAS 106	(256,070)	1,559,397
Post Employment Benefits - FAS 112	(91,226)	118,923
Regulatory Reserve	(97,080)	159,002
Sale of Emission Allowances	31,442	54,040
Severance Accrual	6,022	12,990
Vacation Accrual	583,708	586,975
	5,256,933	32,954,902

Schedule Page: 234 Line No.: 10 Column: c

	12/31/2003	12/31/2004
Gas		
Avoided Tax Interest	238,687	375,565
Bad Debts	(37,136)	(51,250)
Contributions In Aid Construction - Connection Fees	1,188,942	1,514,115
Customer Adv - Construction	288,599	88,783
Deferred Compensation Plan Reserve	179,957	183,329
Early Retirement Tax Amortization	89,497	0
Employee Incentive Plans	1,375	0
Environmental Remediation	8,107,394	7,204,935
ESOP Dividends	0	101,243
Executive Incentive Plans	9,843	12,900
FAS 109- Effect of Rate Changes	0	(18,120)
FAS 109- ITC Grossup	0	262,873
Inventory Reserve	0	2,033
Lower of Cost or Mkt on Gas Invent	26,920	26,932
Medical Deductions - Self Insured	19,478	18,816
Pension Expense	(2,474,425)	0
Post Employment Benefits - FAS 106	(45,259)	286,917
Post Employment Benefits - FAS 112	(16,124)	21,881
Severance Accrual	1,065	2,390
Unbilled Revenue	(250,625)	(186,248)
Vacation Accrual	103,169	107,999
	7,431,357	9,955,093

Schedule Page: 234 Line No.: 17 Column: c

	12/31/2003	12/31/2004
Nonutility		
Amortization - Start-Up Costs	161,292	43,850
Contributions Carryover	0	464,946
	161,292	508,796

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Common Stock	1,000,000	100.00	
2	All NSP-Wisconsin Common Stock is owned by			
3	its parent, Xcel Energy Inc.			
4				
5				
6				
7				
8				
9				
10	TOTAL COMMON STOCK	1,000,000		
11				
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Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of <u>2004/Q4</u>
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.
- Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
933,000	93,300,000					1
						2
						3
						4
						5
						6
						7
						8
						9
933,000	93,300,000					10
						11
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Name of Respondent Northern States Power Company (Wisconsin)		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004:Q4
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)				
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.</p> <p>(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.</p> <p>(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</p> <p>(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>				
Line No.	Item (a)	Amount (b)		
1	Account 211 - Miscellaneous Paid in Capital			
2	Acquisition of Natural Gas, Inc. common stock (1998)	80,000		
3	Contribution of capital by parent company (2001)	26,353,637		
4	Contribution of capital by parent company (2002)	3,209,940		
5	Contribution of capital by parent company (2003)	475,720		
6	Contribution of capital by parent company (2004)	1,819,563		
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39				
40	TOTAL	31,938,860		

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224)

- Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
- In column (a), for new issues, give Commission authorization numbers and dates.
- For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
- For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
- For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
- In column (b) show the principal amount of bonds or other long-term debt originally issued.
- In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
- For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
- Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 221-Bonds		
2			
3	First Mortgage Bonds, 7.375%	65,000,000	493,150
4			268,450 D
5			
6	First Mortgage Bonds, 5.25% Docket 4220-SB-122 7/10/03	150,000,000	1,422,896
7			861,000 D
8			
9	Total Account 221	215,000,000	3,045,496
10			
11			
12	Account 224-Other Long Term Debt		
13			
14	Senior Notes, 7.64%	80,000,000	601,672
15	Fort McCoy System Acquisition, 7%	996,655	
16	Resource Recovery Revenue Bonds, 6%	18,600,000	192,829
17			
18	Total Account 224	99,596,655	794,501
19			
20			
21	Account 233-Notes Payable to Associated Companies		
22			
23	NSP-Minnesota, Variable		
24	Xcel Energy Services, Variable		
25			
26	Total Account 233		
27			
28			
29			
30			
31			
32			
33	TOTAL	314,596,655	3,839,997

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
12/12/96	12/01/26	12/12/96	12/01/26	65,000,000	4,793,750	3
						4
						5
10/02/03	10/01/18	10/02/03	10/01/18	150,000,000	7,980,140	6
						7
						8
				215,000,000	12,773,890	9
						10
						11
						12
						13
09/25/00	10/01/08	09/25/00	10/01/08	80,000,000	6,112,000	14
10/31/00	10/31/30	10/31/00	10/31/30	861,515	62,178	15
11/01/96	11/01/21	11/01/96	11/01/21	18,600,000	1,116,000	16
						17
				99,461,515	7,290,178	18
						19
						20
						21
						22
				31,500,000	330,171	23
					31,578	24
						25
				31,500,000	361,749	26
						27
						28
						29
						30
						31
						32
				345,961,515	20,425,817	33

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	54,385,071
2		
3		
4	Taxable Income Not Reported on Books	
5		4,409,148
6		
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		57,844,911
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		-497,471
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20		-92,499,842
21		
22		
23	Reconciling Items: Equity in Earnings of Subsidiary Companies	-57,200
24		
25		
26		
27	Federal Tax Net Income	59,003,481
28	Show Computation of Tax:	
29	35.0% of Federal Tax Net Income	20,651,218
30		
31	Plus:	
32	Other	-460,818
33		
34	TOTAL Federal Income Tax Payable	20,190,400
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 5 Column: b

TAXABLE INCOME NOT REPORTED ON BOOKS:

Contributions In Aid Construction	4,114,127
Customer Adv - Construction	29,999
Income from Trusts	1,000
Sale of Emission Allowances	19,950
Subsidiary Dividends	38,053
TBT Rental Income	45,270
Unbilled Revenue	160,749
Total Taxable Income Not Reported on Books	4,409,148

Schedule Page: 261 Line No.: 10 Column: b

DEDUCTION RECORDED ON BOOKS NOT DEDUCTED FOR RETURN:

Avoided Cost Interest	1,820,929
Bad Debts	46,044
Book Amortization-Acquisitions Adj's	84,442
Book Amortization-Computer Software	1,987,408
Book Amortization - Other	38,457
Book Depreciation	44,381,432
Book Unamortized Cost of Retired Deb:	966,398
Clearing Account Book Expense	2,435,816
Club Dues	500
Contribution Carryover	714,630
Early Retirement Tax Amortization	0
Employee Incentive Plans	0
ESOP Dividend	150,239
Executive Long Term Incentive Plan	(240,840)
Inventory Reserve	48,640
Litigation Reserve	8,250
Lobbying Expenses	100,000
Meals (Travel) and Entertainment	50,000
Medical Deductions - Self Insured	31,904
Penalties	45,896
Pension & Benefits Capitalized	781,500
Post Employment Benefits - FAS 112	24,851
Prepaid Insurance	182,172
Profit Sharing	0
PUCIP Adjustment - Electric	836,179
Regulatory Asset-Network Trans Srv	7,382
Regulatory Reserve	575,380
Regulatory Reserve - Environmental	361,061
Severance Accrual	20,666
State Tax Deduction Cash vs Accrual	2,366,119
Vacation Accrual	19,456
Total Deduction Recorded on Books Not Deducted for Return	57,844,911

Schedule Page: 261 Line No.: 15 Column: b

INCOME RECORDED ON BOOKS NOT INCLUDED IN RETURN:

Book Income- Wisconsin/ South Dakota AFDC	(467,029)
Dividends Received Deduction	(30,442)
Total Income Recorded on Books Not Included in Return	(497,471)

Schedule Page: 261 Line No.: 20 Column: b

DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME:

AFDC Equity (Non-CIP)	(1,389,454)
AFDC Debt (Non-CIP)	(\$1,087,274)
ADR Repair Allowance	(\$1,100,000)
Amortization - Startup-Costs	(187,388)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Amortization Expense - TBT	(165)
Book Capitalized Costs	0
Deferred Compensation Plan Reserve	(47,126)
Environmental Remediation	(2,258,300)
FAS106 Medicare Reimbursement	(357,035)
Gain/(Loss) on Dispositions (Book)	(7,718)
Gain/(Loss) on Dispositions (Tax)	(1,345,054)
Insurance Fund Income (Cash Value)	(68,792)
Interest Income/Expense on Disputed Tax	(305,268)
Internally Developed Software	(418,817)
Lower of Cost or Mkt on Gas Inven:	0
Pension Expense	(5,145,725)
Post Employment Benefits - FAS 106	(330,791)
PUCIP Adjustment - Gas	(480,532)
Repair Expenditures	(1,200,000)
Section 174 Engineering & Development	0
State Income Taxes	(5,966,400)
Stock Options	0
Tax Depreciation	(69,476,443)
Tax Removal Cost Over Book	(253,025)
TBT Interest Expense	(8,451)
VEBA	(943,136)
Wisconsin Annual License Fee	(122,948)

Total Deductions on Return Not Charged Against Book Income (92,499,842)

Schedule Page: 261 Line No.: 34 Column: b

Northern States Power Company (Wisconsin) is a member of an affiliated group which will file a consolidated Federal Income Tax Return for the year 2004. The other members of the affiliated group and the Federal Income tax provision of each are:

Xcel Energy Inc.	(18,157,128)
Northern States Power Company (Minnesota)	54,427,040
Public Service Company of Colorado	(659,751)
Southwestern Public Service Company	4,874,628
Cheyenne Light, Fuel, and Power Company	530,410
Xcel Energy Communications Group	(18,016,540)
Xcel Energy O&M Services Inc.	0
Xcel Energy Markets Holdings	4,622,404
Xcel Energy International	1,838,577
Xcel Energy Retail Holdings	13,992
Xcel Energy Ventures	32,595,786
Xcel Energy Wholesale Group	(72,758,815)
Xcel Energy WYCO Inc.	613,179
WestGas Interstate, Inc.	37,949
Xcel Energy Services Inc.	15,539,575

The consolidated Federal Income tax liability is apportioned among the member companies based on the stand-alone method. The stand-alone method allocates the consolidated federal income tax liability among the companies based on the recognition of the benefits/burdens contributed by each member to the consolidated return. Under the stand-alone method, the sum of the amounts allocated to the member companies equals the consolidated amount.

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Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL					
2	Income	-1,161,451		20,190,400	18,546,524	111,726
3	Unemployment-2003	3,324			3,324	
4	Unemployment-2004			34,056	31,958	-1,309
5	FICA-2003	186,010			186,010	
6	FICA-2004			2,865,998	2,779,296	-45,489
7						
8	WISCONSIN					
9	Income	-2,281,919		7,978,282	5,881,676	32,679
10	Unemployment-2003	-477	12,500			12,500
11	Unemployment-2004			30,590	31,673	2,177
12	Gross Receipts		13,347,838	12,998,679	13,121,627	
13	Real-Estate-2003	48,283			48,283	
14	Real-Estate-2004			98,081	2,101	32,772
15	Use-2003	70,849			70,849	
16	Use-2004			214,443	194,082	
17						
18	MICHIGAN					
19	Income	-291,220		361,374	88,000	
20	Unemployment-2003	375			375	
21	Unemployment-2004			5,730	5,659	109
22	Real-Estate-2003	36,249			36,249	
23	Real-Estate-2004			118,288	81,060	52
24	Personal Property-2003	142,189			142,189	
25	Personal Property-2004			432,624	345,337	30,577
26	Use-2003	146			146	
27	Use-2004			2,812	2,679	
28						
29	KANSAS					
30	Personal Property Tax-2004			130,174		
31						
32	Xcel Services Misc. alloc.			4,762	4,762	
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	-3,247,642	13,360,338	45,466,293	41,603,859	175,794

Name of Respondent Northern States Power Company (Wisconsin)	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot-note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
594,151		19,874,984			315,416	2
						3
789		29,057			4,918	4
						5
41,213		2,445,338			413,857	6
						7
						8
-152,634		7,408,966			569,316	9
						10
617		26,100			4,417	11
	13,470,786	11,791,941			1,206,738	12
						13
128,752		5,986			92,095	14
						15
20,362					214,443	16
						17
						18
-17,846		324,514			36,860	19
						20
180		4,889			827	21
						22
37,280		111,793			6,495	23
						24
117,864		351,297			81,327	25
						26
133					2,812	27
						28
						29
130,174					130,174	30
						31
		4,177			585	32
						33
						34
						35
						36
						37
						38
						39
						40
901,035	13,470,786	42,379,042		.	3,080,280	41

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Northern States Power Company (Wisconsin)	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo. Da, Yr) 03/31/2005	2004/Q4
FOOTNOTE DATA			

Schedule Page: 262 Line No.: 2 Column: I

Gas (463,636)
Other 779,052
Total 315,416

Schedule Page: 262 Line No.: 4 Column: I

Gas 4,918

Schedule Page: 262 Line No.: 6 Column: I

Gas 413,857

Schedule Page: 262 Line No.: 9 Column: I

Gas 497,696
Other 71,620
Total 569,316

Schedule Page: 262 Line No.: 11 Column: I

Gas 4,417

Schedule Page: 262 Line No.: 12 Column: I

Gas 1,206,738

Schedule Page: 262 Line No.: 14 Column: I

Gas 964
Other 91,131
Total 92,095

Schedule Page: 262 Line No.: 19 Column: I

Gas 35,436
Other 1,424
Total 36,860

Schedule Page: 262 Line No.: 21 Column: I

Gas 827

Schedule Page: 262 Line No.: 23 Column: I

Gas 6,495

Schedule Page: 262 Line No.: 25 Column: I

Gas 81,327

Schedule Page: 262 Line No.: 30 Column: I

Gas 130,174

Schedule Page: 262 Line No.: 32 Column: I

Gas 585

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Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	61,959				14,619	
4	7%						
5	10%	13,345,269				709,065	
6							
7							
8	TOTAL	13,407,228				723,684	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10	Gas Utility						
11	3%						
12	4%	7,107				1,806	
13	7%						
14	10%	415,155				50,471	
15	TOTAL	422,262				52,277	
16	Common Utility						
17	4%	9				9	
18	10%	195,989				13,389	
19	TOTAL	195,998				13,398	
20	Thermal Utility						
21							
22							
23							
24	Non-Utility						
25	7%						
26	10%	1,784					-1,298
27	TOTAL	1,784					-1,298
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40	Utility and Non-Uti	14,027,272				789,359	-1,298
41							
42							
43							
44							
45							
46							
47							
48							

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
47,340			3
			4
12,636,204			5
			6
			7
12,683,544			8
			9
			10
			11
5,301			12
			13
364,684			14
369,985			15
			16
			17
182,600			18
182,600			19
			20
			21
			22
			23
			24
			25
486			26
486			27
			28
			29
			30
			31
			32
			33
			34
			35
			36
			37
			38
			39
13,236,615			40
			41
			42
			43
			44
			45
			46
			47
			48

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 266 Line No.: 19 Column: b

Common Allocation

Electric	171,910
Gas	24,088
	<u>195,998</u>

Schedule Page: 266 Line No.: 26 Column: g

The adjustment represents amortization of the non-utility tax benefits transfer (safe harbor) lease credits which have no income effect.

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2035	Year/Period of Report End of 2004/Q4
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OTHER DEFERRED CREDITS (Account 253)

- Report below the particulars (details) called for concerning other deferred credits.
- For any deferred credit being amortized, show the period of amortization.
- Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Line Extension Projects	-1	Various	31.839	41.731	9.891
2						
3	Deferred Comp Liability	715.640	Various	123.837	86.024	677.827
4						
5	Deferred Comp Wealth Option	735.853	Various	145.548	96.384	686.689
6						
7	Environmental Cleanup Liability	17.455,000	182.3	2.447,500		15,007.500
8						
9	SFAS 106 Benefits Liability	4,605.068	Various	3,114,565	3,112,050	4,602.553
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	23,511,560		5,863,289	3,336,189	20,984,460

Name of Respondent Northern States Power Company (Wisconsin)		This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Accelerated Amortization (Account 281)				
2	Electric				
3	Defense Facilities				
4	Pollution Control Facilities	109,807	-61,840		
5	Other (provide details in footnote):				
6					
7					
8	TOTAL Electric (Enter Total of lines 3 thru 7)	109,807	-61,840		
9	Gas				
10	Defense Facilities				
11	Pollution Control Facilities				
12	Other (provide details in footnote):				
13					
14					
15	TOTAL Gas (Enter Total of lines 10 thru 14)				
16					
17	TOTAL (Acct 281) (Total of 8, 15 and 16)	109,807	-61,840		
18	Classification of TOTAL				
19	Federal Income Tax		-46,978		
20	State Income Tax	109,807	-14,862		
21	Local Income Tax				

NOTES

Name of Respondent: Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account: 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
			83,056		83,066	47,967	4
							5
							6
							7
			83,066		83,066	47,967	8
							9
							10
							11
							12
							13
							14
							15
							16
			83,066		83,066	47,967	17
							18
					83,066	36,088	19
			83,066			11,879	20
							21

NOTES (Continued)

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	142,476,200	5,787,249	
3	Gas	8,340,829	963,592	
4				
5	TOTAL (Enter Total of lines 2 thru 4)	150,817,029	6,750,841	
6	Other (Non-Operating)	4,674		
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	150,821,703	6,750,841	
10	Classification of TOTAL			
11	Federal Income Tax	121,653,370	7,777,297	
12	State Income Tax	29,168,333	-1,026,456	
13	Local Income Tax			

NOTES

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
			576,788		8,305,976	155,992,637	2
			508,145		480,543	9,276,819	3
							4
			1,084,933		8,786,519	165,269,456	5
-24,098			2			-19,426	6
							7
							8
-24,098			1,084,935		8,786,519	165,250,030	9
							10
-19,320			856,508		6,872,000	135,426,839	11
-4,778			228,427		1,914,519	29,823,191	12
							13

NOTES (Continued)

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report End of 2004/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3		9,810,457	5,413,800	5,056,748
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)	9,810,457	5,413,800	5,056,748
10	Gas			
11		11,101,833	1,421,531	1,418,551
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)	11,101,833	1,421,531	1,418,551
18	Non Operating	-3,451,792	-8,867	3,962
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	17,460,498	6,826,464	6,479,261
20	Classification of TOTAL			
21	Federal Income Tax	14,014,440	5,651,271	5,372,629
22	State Income Tax	3,446,058	1,175,193	1,106,632
23	Local Income Tax			

NOTES

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo. Da. Yr) 03/31/2005	Year/Period of Report: End of 2004/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
				283	19,503.940	29,671.449	1
							2
							3
							4
							5
							6
							7
							8
					19,503.940	29,671.449	9
							10
			4		3,408.612	14,513.421	11
							12
							13
							14
							15
							16
			4		3,408.612	14,513.421	17
		283	752.193		3,521.869	-694.945	18
			752.197		26,434.421	43,489.925	19
							20
			604.268		21,269.789	34,958.603	21
			147.929		5,164.632	8,531.322	22
							23

NOTES (Continued)

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da. Yr) 03/31/2005	Year/Period of Report 2004/Q4
Northern States Power Company (Wisconsin)			
FOOTNOTE DATA			

Schedule Page: 276 Line No.: 18 Column: i

Accounts credited: 190, 219.1, 282 and 283

Name of Respondent Northern States Power Company (Wisconsin)	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 03/31/2005	Year/Period of Report: End of 2004:Q4
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OTHER REGULATORY LIABILITIES (Account 254)

- Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes.
- For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Excess Deferred Income Taxes Collected	1,304,765	190	649,063	76,313	731,995
2						
3	ITC Gross Up	9,389,000	190	522,550		8,866,450
4						
5	Fuel and Other Refunds - Michigan PSCR	179,014	456		575,360	396,366
6	- Amortized over 12 month period					
7						
8	Emission Allowances	14,762	557	37,516	57,466	134,712
9	- Amortization amount per PSCW rate					
10	orders 4220-UR-112 and 4220-UR-113					
11						
12	Conservation and Capitalized DSM Programs	258,328	908	6,214,724	6,623,230	150,178
13	- Amortization amount per PSCW rate					
14	orders 4220-UR-112 and 4220-UR-113					
15						
16	Interest on Wis Income Tax Refund	603,058	431	251,292		351,806
17	- Amortization amount per PSCW rate					
18	order 4220-UR-113					
19						
20	Purchased Gas Over/Under Recovery	581,360	805	3,204,500	5,658,315	2,072,455
21	- Generally amortized over 12 month		419	27,237		-27,237
22	period					
23						
24	Over Recovery of Retirement and	353,379	407	147,243		206,136
25	Removal Costs for Orienta Falls Dam					
26	per PSCW rate order 4220-UR-110					
27	- Amortization amount per PSCW rate					
28	order 4220-UR-113					
29						
30	Deferred Network Transmission				7,382	7,382
31	Services (NTS)					
32	- Amortization amount per PSCW rate					
33	order 4220-UR-112					
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	10,746,302		11,054,145	13,198,086	12,890,243