

PUBLIC VOLUME

ATTACHMENT A

AFFIDAVIT OF MS. TERESA MOGENSEN

facilities in ten (10) states, with a total current net book investment of \$3.3 billion. I have approximately 24 years of experience in all aspects of the electric transmission industry. My statement of qualifications is attached as Schedule 1.

Events Leading to the Instant Dispute

5. XES became aware of the dispute over the proposed ownership of the La Crosse – Madison Line in 2010 and has been working diligently (but unsuccessfully) to resolve that dispute with ATC for over the past year. XES and NSPW (referred to jointly as “Xcel Energy”) filed the Complaint in order to allow the parties to use Commission processes to resolve the dispute and thereby to provide guidance to Xcel Energy, ATC and the Midwest Independent Transmission System Operator, Inc. (“MISO” or “Midwest ISO”) and other MISO transmission owners.
6. I was concerned when ATC began to make public statements that the La Crosse – Madison Line should be considered an ATC-only project, as these statements were inconsistent with NSPW’s obligations under the Agreement of the Transmission Facilities Owners to Organize the Midwest Independent Transmission System Operator, Inc., a Delaware Non-Stock Corporation (“Transmission Owners Agreement” or “TOA”) and the Midwest ISO Open Access Transmission, Energy and Operating Reserve Markets Tariff (“MISO Tariff”). The affidavit of Daniel P. Kline discusses a meeting in October 2010 where ATC personnel described the La Crosse – Madison Line, a 145 mile, 345 kV transmission line from the proposed NSPW-owned Briggs Road Substation to the ATC owned North Madison Substation (the “La Crosse – Madison Line” or the “Project”), as an ATC-only facility. Mr. Kline indicates Xcel Energy Transmission personnel challenged that description. In an attempt to avoid any misunderstanding between Xcel Energy and ATC, I sent an email to Mr. John Procario, President and Chief Executive Officer (“CEO”) of ATC, on November 19, 2010 (the “November 19 Email”). The email indicated Xcel Energy’s interpretation of the TOA and interest in investing in the Project, and stating our intent to negotiate mutually satisfactory construction and ownership arrangements for the Project. A copy of the November 19 Email is attached as Schedule 2.
7. On or about February 3, 2011, I talked with Mr. Clair Moeller, Vice President Transmission Asset Management of MISO, regarding the ownership obligations of Transmission Owning members of MISO for certain transmission projects that were expected to be designated as Multi Value Projects (“MVP”) under the MISO Tariff, including the La Crosse – Madison Line, and what would happen if ownership were disputed. Mr. Moeller advised, in part, that it was MISO’s desire to have any ownership dispute amicably settled amongst the parties.
8. On June 20, 2011, as part of its analysis of transmission projects that might be candidates for approval under the MVP provisions of the MISO Tariff, MISO requested cost information from its member Transmission Owners, including Xcel Energy, regarding planned projects. On or about July 15, 2011, Mr. Ian Benson of my staff contacted ATC by letter requesting that our companies coordinate to provide cost estimates for the proposed La Crosse – Madison Line (the “July 15 Letter”). Mr. Benson stated that

pursuant to the Appendix B of the TOA that NSPW intended to construct its share of the Project, and that NSPW required certain information from ATC in order to respond to MISO's June 20, 2011 letter. The July 15 Letter is provided as Attachment H of the Complaint.

9. To my knowledge, no one at Xcel Energy received a response to the July 15 Letter.
10. On or about July 27, 2011, I met with Mr. John Flynn, Vice President, Strategic Planning and Business Development for ATC, to discuss the necessary cooperation between NSPW and ATC required to successfully permit and construct the jointly-owned La Crosse – Madison Line (the “July 27 Meeting”).
11. At this meeting, Mr. Flynn claimed sole ownership of the Project for ATC and that ATC had a strong legal basis for this claim, although he did not share that basis.
12. On or about August 26, 2011, I sent Mr. John Procaro an email summarizing my discussion with Mr. Flynn at the July 27 Meeting and requested he confirm that Mr. Flynn's position was consistent with ATC's position on ownership of the La Crosse – Madison Line (the “August 26 Email”). The August 26 Email is attached as Schedule 3.
13. I received no response to the August 26 Email and to my knowledge no one at Xcel Energy received a response.
14. In August 2011, XES contacted MISO to explain Xcel Energy's position on NSPW's ownership obligations for the La Crosse – Madison Line and to seek MISO's guidance on its interpretation of the TOA and the MISO Tariff.
15. It is my understanding similar discussion occurred between MISO and ATC.
16. On or about September 15, 2011, Mr. Clair Moeller of MISO sent a letter to Mr. Procaro of ATC regarding MISO's opinion on the ownership of both the La Crosse – Madison Line and the Cardinal – Spring Green – Dubuque Project (the “September 15 Letter”). I received a courtesy copy of this letter. The September 15 Letter stated, in part, that MISO believes the TOA applies to the La Crosse – Madison Line and the obligations of ownership and construction belong to both NSPW and ATC. The September 15 Letter is provided as Attachment I to the Complaint.
17. On or about October 4, Mr. Dan L. Sanford, Interim General Counsel, ATC Management Inc., sent a letter to Mr. Stephen G. Kozey, Vice President, General Counsel and Secretary of MISO providing ATC's analysis of the applicability of the TOA and MISO Tariff to the instant dispute (the “October 4 Letter”). I was provided a copy of the October 4 Letter by MISO and a copy is provided at Attachment J to the Complaint.
18. On or about October 28, 2011, MISO responded to the October 4 Letter by letter from Mr. Moeller to Mr. Procaro (the “October 28 Letter”). The October 28 Letter set forth MISO's disagreement with ATC's analysis contained in the October 4 Letter, and stated that MISO intended to designate both NSPW and ATC as owners of the La Crosse –

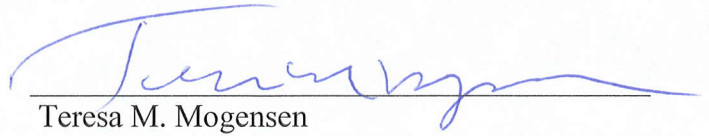
Madison Line. I was provided a courtesy copy of the October 28 Letter and a copy is provided as Attachment K to the Complaint.

19. After the October 28 Letter, and in another effort to amicably reach an agreement on the disputed ownership claims for the Project, I had a telephone call with Mr. Flynn on November 17, 2011 (the “November 17 Call”). Mr. Flynn restated the ATC position, and there was no progress on Xcel Energy’s efforts to resolve the ownership issue amicably.
20. On December 8, 2011, the MISO Board of Directors approved the 2011 Midwest ISO Transmission Expansion Plan (“MTEP11”). As part of this approval, the MISO Board of Directors approved the designation of the La Crosse – Madison Line as an MVP and MISO’s designation of NSPW and ATC as owners in the Project.
21. By letter dated January 17, 2012, from me to Mr. Procario, Xcel Energy made yet another attempt to amicably resolve our differences with ATC over ownership of the La Crosse – Madison Line (the “January 17 Letter”). The letter noted Xcel Energy’s long history of collaboration with neighboring transmission owners to plan and construct needed regional transmission infrastructure, such as the CapX2020 initiative. The January 17 Letter indicated Xcel Energy’s desire to similarly collaborate with ATC on development of the La Crosse – Madison Line. The January 17 Letter also provided Xcel Energy’s legal analysis of its ownership obligations under the TOA and MISO Tariff, in a manner similar to the ATC legal analysis attached to the October 4 Letter. A copy of the January 17 Letter is provided as Attachment L to the Complaint. In the January 17 Letter, Xcel Energy requested that ATC respond within 10 days, by January 27, 2012.
22. In response to the January 17 Letter, on January 31, 2012, my direct supervisor, Mr. Kent Larson, Senior Vice President, Operations of XES, met with Mr. Procario to discuss the ownership of the La Crosse – Madison Line (the “January 31 Meeting”). Xcel Energy and ATC were again unable to mutually agree on the issue of NSPW’s obligations under the TOA and MISO Tariff regarding the Project.
23. On February 7, 2012, Mr. Flynn of ATC sent me a letter responding to the January 17 Letter and the January 31 Meeting. Mr. Flynn’s letter again rejected Xcel Energy’s intent to fulfill its obligations under the TOA and MISO Tariff, and stating that ATC planned to construct, own and operate the Project. Mr. Flynn’s letter is provided as Schedule 4 to my affidavit.
24. ATC and Xcel Energy have been unable to resolve the dispute despite over a year of entreaties by Xcel Energy and MISO to reach some resolution with ATC. Since Appendix B to the TOA provides that NSPW share equally in the La Crosse – Madison Line unless otherwise agreed, and MTEP11, as approved by the MISO Board on December 8, 2011, also confirms NSPW’s joint ownership of the La Crosse – Madison Line, the lack of agreement left Xcel Energy no choice but to proceed with some form of dispute resolution process to resolve our disagreement with ATC. Since Xcel Energy believes the ownership dispute involves important public policy, TOA interpretation and MISO Tariff compliance issues, Xcel Energy filed the Complaint to allow the agency with direct jurisdiction over these issues – the Commission – to resolve the dispute.

25. Xcel Energy is fully capable of executing completion of the NSPW portion of the La Crosse – Madison Line, and would welcome the opportunity to work collaboratively with ATC to implement the Project.


[SIGNATURE PAGE FOLLOWS]

Further, Affiant sayeth not.


Teresa M. Mogensen

Subscribed and sworn to before me

this 14th day of February, 2012


Notary Public



SCHEDULE 1 TO AFFIDAVIT OF MS. TERESA MOGENSEN
STATEMENT OF QUALIFICATIONS

TERESA M. MOGENSEN
Statement of Qualifications

I hold a Bachelor of Science degree in Electrical Engineering and a Masters degree in Business Administration, both from Marquette University in Milwaukee, Wisconsin. I joined Xcel Energy in October, 2007. In 2010, I became Vice President of Transmission, responsible for all aspects of the Xcel Energy Operating Companies' transmission systems, including strategy, planning, construction, maintenance and operations. The Xcel Energy Operating Companies are Northern States Power Company, a Minnesota corporation; Northern States Power Company, a Wisconsin corporation; Public Service Company of Colorado; and Southwestern Public Service Company. Together, the Xcel Energy Operating Companies own and operate approximately 18,100 miles of transmission facilities in ten (10) states, with a total current net book investment of \$3.3 billion. The Transmission function includes approximately 2,270 Xcel Energy employees and contract personnel.

Prior to joining Xcel Energy, I was part of the leadership team that formed American Transmission Company, LLC (ATC) headquartered in Waukesha, Wisconsin, and held various leadership positions there including Director of System Operations, Director of Engineering and Construction, and Director of Transmission Planning and Service. In this position, I was actively involved in the initial activities leading to the formation of the Midwest Independent Transmission System Operator, Inc. ("MISO"). Prior to the formation of ATC, I held various engineering and managerial positions at Wisconsin Electric Power Company in Milwaukee, Wisconsin.

I am a registered Professional Engineer in the state of Wisconsin and a North American Reliability Corporation-certified Reliability System Operator. I have served on the Board of Directors of the Midwest Reliability Organization (“MRO”) since 2010, and am Vice Chair of the MRO Board for 2012. The MRO is one of eight regional entities in North America operating under their delegated authority from regulators in the United States and Canada and is responsible for: 1) developing and implementing reliability standards; 2) enforcing compliance with those standards; 3) providing seasonal and long-term assessments of the bulk power system’s ability to meet demand for electricity; and 4) providing an appeals and dispute resolution process in the north-central region of North America.

SCHEDULE 2 TO AFFIDAVIT OF MS. TERESA MOGENSEN

NOVEMBER 19 EMAIL

Mogensen, Teresa M

From: Mogensen, Teresa M
Sent: Friday, November 19, 2010 2:21 PM
To: Procaro, John
Cc: Patel, Priti R; Benson, Ian R
Subject: Lacrosse-Madison proposed line

Hi John – our companies have various discussions currently underway, but at this point in time I need to make sure we have clear communication on the proposed Lacrosse-Madison WI project with respect to its status as a potential MISO MVP project and associated implications. As filed at MISO, I understand the proposed Lacrosse WI termination point for this project is at the termination of the CapX2020 Hampton MN - Rochester MN - Lacrosse project, which is owned by Xcel Energy. As ATC and Xcel Energy are both MISO transmission owners, and according to the TO agreement we both signed, the owners of the terminals associated with a proposed project have roughly equal rights to build/own any ultimately approved new line segments between those points. I understand the current plan for this proposed project may include another ATC substation between Lacrosse and Madison that would define the segment between Xcel Energy's Lacrosse termination and that interim ATC substation. Xcel Energy's intent is to work with ATC to negotiate a mutually satisfactory construction and ownership arrangement for the proposed segment between Lacrosse and the next ATC substation in accordance with applicable governing MISO provisions. We have not yet made any decisions as far as how much of this proposed segment we may ultimately desire to construct/own, but simply want to make sure that there is no misunderstanding about Xcel Energy's intent to commence such negotiations at an appropriate time.

I look forward to our future discussions, and to further ongoing positive collaboration between our companies.

Thanks.

Teresa Mogensen

Vice President, Transmission

Xcel Energy | Responsible By Nature

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12/10/2010

SCHEDULE 3 TO AFFIDAVIT OF MS. TERESA MOGENSEN

AUGUST 26 EMAIL

From: Mogensen, Teresa M
Sent: Friday, August 26, 2011 9:34 AM
To: Procario, John
Subject: Confirmation of ATC position on Lacrosse-Madison line

Hi John – I had a nice lunch with John Flynn in Brookfield a few weeks ago, sorry you couldn't make it. We discussed the Lacrosse-Madison line and other ATC-Xcel interactions. We agreed that it was important that regardless of any commercial level disagreements that may come up between our firms from time to time, we should continue to actively cooperate/coordinate in our mutual utility operations and customer/stakeholder interactions. We did agree that ATC would provide some project level contacts to our CapX Lacrosse project team so that they could more specifically coordinate messaging and such to try to limit stakeholder confusion in the area; John has now provided that, which we appreciate. John also conveyed to me that ATC's position on the Lacrosse-Madison line was that ATC believes it has a solid legal basis for 100% ATC ownership and that the MISO TO Agreement does not apply to this line. Also that ATC would not engage in any further discussion on the line unless Xcel wanted to do so in the context of developing a larger collaboration of some sort beyond this specific project. I just wanted to confirm that this was in fact the final ATC corporate position. Please let me know. Thanks and have a good weekend.

Teresa Mogensen

Vice President, Transmission

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SCHEDULE 4 TO AFFIDAVIT OF MS. TERESA MOGENSEN

FEBRUARY 7 LETTER



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262-506-6700 ■ Toll Free: 866-899-3204 ■ Fax: 262-506-6710 ■ www.atcllc.com

John J. Flynn

VICE PRESIDENT, STRATEGIC PLANNING AND BUSINESS DEVELOPMENT

February 7, 2012

Ms. Teresa Mogensen
Vice President, Transmission
Xcel Energy
414 Nicollet Mall
Minneapolis, Minnesota 55401

Re: Badger Coulee Transmission Line
(North LaCrosse – Madison)

Dear Teresa:

John Procario has forwarded your most recent correspondence dated January 17, 2012, concerning the above-referenced transmission line project to me for response. As I have indicated to you in response to your previous letters directed to John, as well as in our several meetings and discussions, John has asked that I be responsible for this matter at ATC. Please direct your correspondence or other communications on this matter to me.

As I related in our prior discussions concerning the Badger Coulee line and as set forth in ATC's written response to the Midwest ISO's correspondence on this matter, Xcel Energy's claimed ownership interest in the ATC's line is not supported by the language of the Transmission Owners' Agreement or the orders issued by the FERC approving the Transmission Owners' Agreement. Your letter of January 17 offers nothing new to the discussion and offers no further support for Xcel Energy's claim of ownership. ATC fully intends to construct and thereafter own and operate the Badger Coulee line.

Notwithstanding Xcel Energy's claimed interest in ATC's Badger Coulee transmission line, ATC stands ready to provide assistance to you as needed with Xcel Energy's (and others) proposed Hampton – LaCrosse line currently pending Public Service Commission of Wisconsin approval. Randy Satterfield and I would be willing to meet and discuss how ATC can assist Xcel Energy in achieving its objectives in connection with its pending CPCN application.

Please give me a call so that we can arrange a convenient time to discuss.

Regards,

A handwritten signature in blue ink, appearing to read "John J. Flynn", is written over a white background.

John J. Flynn

Vice President, Strategic Planning and Business Development

ATC Management Inc., corporate manager for American Transmission Company LLC

JJF/dc

cc: John Procario
Randy Satterfield
Kent Larson