



STATE OF MINNESOTA

OFFICE OF THE GOVERNOR
130 STATE CAPITOL
SAINT PAUL 55155

ARNE H. CARLSON
GOVERNOR

May 20, 1994

Mr. Edwin M. Theisen
President and CEO
NSP
414 Nicollet Mall
Minneapolis, Minnesota 55401

Ms. Kris Sanda
Commissioner
Department of Public Service
200 Metro Square Building
121 Seventh Place East
St. Paul, Minnesota 55101

Mr. Curtis Campbell
Chairman
Prairie Island Reservation
5750 Sturgeon Lake Road
Welch, Minnesota 55089

Mr. Don Storm
Chairman
Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, Minnesota 55101

Dear Mr. Theisen, Mr. Campbell, Ms. Sanda and Mr. Storm:

Enclosed for your records is a signed original of the contractual agreement between the state of Minnesota and Northern States Power Company as required by Minnesota Laws 1994, Chapter 641. Also enclosed please find a copy of Chapter 641.

Warmest regards,

Arne H. Carlson
ARNE H. CARLSON
Governor

Enclosures

RECEIVED

MAY 19 2004

LEGISLATIVE REFERENCE LIBRARY
STATE OFFICE BUILDING
ST. PAUL, MN 55155

CONTRACTUAL AGREEMENT

1. Pursuant to Minn. Laws 1994, Chapter 641 (a copy of which is attached hereto as Exhibit A):

a. The authorization for the use of dry casks by the public utility operating the Prairie Island nuclear plant is not effective until a binding agreement (hereafter this "Agreement") is entered between the public utility and the Governor, on behalf of the State of Minnesota.

b. The signatory parties to the Agreement are Governor Arne H. Carlson (hereafter the "Governor") on behalf of the State of Minnesota and the public utility operating the Prairie Island nuclear plant which is Northern States Power Company by Edwin M. Theisen, President and Chief Operating Officer (hereafter "NSP").

c. The Mdewakanton Dakota Tribal Council at Prairie Island is an intended third-party beneficiary with standing to enforce the Agreement.

2. In compliance with Minn. Laws 1994, Chapter 641, the undersigned are hereby contractually bound to the terms of Chapter 641, Article 1, Sections 2 and 3 and the mandate for 200 megawatts of wind power and 75 megawatts of biomass required by December 31, 2002 in Article 3, Section 2, Subdivision 1; and Section 3.

3. The Mdewakanton Dakota Tribal Council at Prairie Island is an intended third-party beneficiary to this Agreement and has standing to enforce the Agreement.

Dated: May 20, 1994

Dated: May 19, 1994

Arne H. Carlson
Arne H. Carlson
Governor, State of Minnesota

Edwin M. Theisen
Edwin M. Theisen
President and Chief Operating
Officer
Northern States Power Company