



1518 Chestnut Avenue
Minneapolis, Minnesota 55403-1232

December 2, 2009

City of Minneapolis
Attn: Ms. Carrie Flack, Sr. Project Coordinator
105 5th Avenue South
Room 200
Minneapolis, MN 55401

Re: The Mill District – Relocation of Overhead Electrical Facilities Along 2nd Street South from Park Avenue South to Chicago Avenue South

Dear Ms. Flack:

Thank you for the opportunity to respond to your request for Detailed Engineering & Design Analysis cost information regarding the overhead electrical power lines along 2nd Street South. The overhead lines are located from Park Avenue South to Chicago Avenue South in Minneapolis. Your request is for Xcel Energy to relocate existing electrical facilities owned by Xcel Energy from overhead to underground.

The cost to City of Minneapolis for this project would be \$198,393.78. This cost is based on the assumption that this block and the block from Portland Avenue South to Park Avenue South are buried at the same time. This requires that the City of Minneapolis approve the permit application. The customer is required to provide any needed easements on private property in order to replace existing overhead electrical equipment with pad-mounted equipment. The customer must fulfill any street lighting requirements by the City of Minneapolis in order for Xcel Energy to remove the existing overhead lighting system.

The primary cost elements included in this cost are as follows:

- A) Removal of overhead poles, wires, and associated electrical equipment from Park Avenue South to Chicago Avenue South along 2nd Street South.
- B) Installation of 6" conduits in a concrete encased duct line along 2nd Street South, and a concrete encased duct line from 2nd Street South into the property to a required switchgear location.
- C) Conduit from the new manhole described in Item D below to the sidewalk on the north side of 2nd Street South to maintain feeds to customers in the area.
- D) One new 8'x14' pre-cast manhole on 2nd Street South, midblock between Park Avenue South and Chicago Avenue South.
- E) Switchgear to be placed on customer property along 2nd Street South between Park Avenue South and Chicago Avenue South.
- F) Feeder and distribution cables in the new duct line to replace the existing overhead conductors along 2nd Street South.

- G) Single phase pad mount to be placed to feed current City of Minneapolis lighting cabinet on the southeast corner of 2nd Street South and Chicago Avenue South.
- H) Restoration per City of Minneapolis requirements.

Please note that these costs are excluded from this estimate:

- 1) Removal of cable television, telephone, or telecommunications equipment attached to poles. It is the requestor's responsibility to contact these companies regarding any possible charges.
- 2) Rewiring of any customer services to new connection points or to accept underground service. It is the requestor's responsibility to contact customers regarding any needed work to accommodate this request.
Note: A City of Minneapolis lighting cabinet is located on the southeast corner of 2nd Street South and Chicago Avenue South. The new feed point for this cabinet would be a single phase transformer, described in Item G above, placed on private property along 2nd Street South midblock between Park Avenue South and Chicago Avenue South. This location would be in the vicinity of the new switchgear described in Item E above.
- 3) Removal of poles not belonging to Xcel Energy.

Should the City of Minneapolis choose to proceed with the relocation, please notify me and I will then send out a Statement of Work Requested as a bill for this work. This cost estimate is valid for 90 days from the date of this letter. Any agreement reached after this date would be subject to a review of the estimate, which could include a change to the above stated cost and an additional engineering retainer. Should the decision to proceed be made, Xcel Energy would start the work once frost is out of the ground in Spring 2010. If the City of Minneapolis would request work to start prior to frost being out of the ground, additional charges would apply.

If you have any questions, please contact me at 612-630-4530.

Sincerely,



Brian D. Broucek
Senior Designer
Xcel Energy

Cc: Richard Sinclair, Distribution Design Manager, Xcel Energy