

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

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NORTHERN STATES POWER CO /MN/

CIK: **72903** | IRS No.: **410448030** | State of Incorp.: **MN** | Fiscal Year End: **1231**
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SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

May 16, 1997

Northern States Power Company
(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction of incorporation)

1-3034
(Commission File Number)

41-0448030
(IRS Employer Identification No.)

414 Nicollet Mall, Mpls, MN
(Address of principal executive offices)

55401
(Zip Code)

Registrant's telephone number, including area code

612-330-5500

(Former name or former address, if changed since last report)

Item 5. Other Events

On May 16, 1997, Northern States Power Company, a Minnesota corporation (NSP) and Wisconsin Energy Corporation, a Wisconsin corporation (WEC), announced that they have mutually agreed to terminate their plans to merge the two companies, with each company paying only its own merger-related costs. Both companies' Boards of Directors voted to terminate the merger agreement.

As a result of the merger termination, NSP will charge to expense in the second quarter of 1997 all deferred merger-related costs. As of April 30, 1997, NSP had incurred and deferred approximately \$29 million of costs associated with the merger, which equates to approximately 25 cents per share.

Attached as Exhibit 99.01 is NSP's news release issued on May 16, 1997.

Item 7. Financial Statements and Exhibits

(c) EXHIBITS

Exhibit

| No. | Description |
|-------|------------------------------------|
| 99.01 | May 16, 1997 News Release from NSP |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Northern States Power Company
(a Minnesota Corporation)

By /s/
E J McIntyre
Vice President and Chief
Financial Officer

Dated: May 19, 1997

EXHIBIT INDEX

| Method of Filing | Exhibit No. | Description |
|------------------|-------------|------------------------------------|
| DT | 99.01 | May 16, 1997 News Release from NSP |

DT = Filed electronically with this direct transmission.

| | |
|---|-----------------------------------|
| Northern States Power Company 414 Nicollet Mall Minneapolis, MN 55401 Telephone (612) 330-5500 | Exhibit 99.01 News Release |
|---|-----------------------------------|

May 16, 1997

WISCONSIN ENERGY, NORTHERN STATES POWER
AGREE TO TERMINATE MERGER PROCEEDINGS

Minneapolis, Minn., and Milwaukee, Wis.--James J. Howard, chairman, president and chief executive officer of Northern States Power Co., and Richard A. Abdoo, chairman, president and chief executive officer of Wisconsin Energy Corp., today announced that they have agreed to terminate plans to merge the two companies. The Merger Agreement would have combined WEC and NSP into Primergy Corporation, which would have resulted in \$2 billion of cost reductions benefiting customers and stockholders.

"We filed applications two years ago to join the companies. Our purpose was to form a combined enterprise that would create greater value for our customers and shareholders," Howard said. "We anticipated a 12- to 18-month approval process because we complied with the requirements for all previously approved mergers.

"What we encountered were regulatory agencies that were changing their

merger policies as they were considering our filing," he said. "The Federal Energy Regulatory Commission's decision and its analysis of the market power issues -- released earlier this week and remanding the discussion of further negotiation among the parties -- confirm that its policies are still being developed. Unfortunately, the regulators have chosen applications like this one to resolve many of these issues. There is simply no end to this process in sight."

"At this time," Abdoo said, "it's important for us to take advantage of other opportunities. Continuing the Primergy transaction, given the current regulatory climate, is not in the best interests of our stockholders, customers and employees."

Abdoo said there are many factors in the decision to terminate the Merger Agreement, including: the FERC action; the fact that any regulatory approvals that might be obtained appear to be heading in the direction of significantly reducing the benefits of the Primergy transaction; and the impact on stockholders, customers and employees of at least another six months of delay as a result of the FERC action after almost a two-year wait.

"After thorough consideration, we have mutually agreed to terminate our plans," Abdoo stated. "The stockholders, customers and employees of both companies have waited too long and there is no certainty the matter will ever be decided by the regulatory authorities."

The companies announced their merger plans May 1, 1995, and filed applications in July and August with state and federal regulatory bodies. To date, approvals have been granted by the state regulatory commissions in Michigan and North Dakota, but not by the commissions in Minnesota and Wisconsin. Approvals from the Securities & Exchange Commission and U.S. Department of Justice also are pending.

Both companies' boards of directors voted today to end the merger process. NSP and Wisconsin Energy will jointly withdraw their merger applications from state and federal agencies.

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For more information, contact
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