



500 West Russell Street
Sioux Falls, South Dakota 57101-0988

July 1, 2010

--Via Electronic Filing--

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, SD 57501

Re: 2010 Report of Northern States Power Company on Meeting the
Renewable, Recycled and Conserved Energy objective

Dear Ms. Van Gerpen:

In accordance with South Dakota Codified Laws 49-34A-105, Northern States Power Company, a Minnesota corporation (“Xcel Energy” or the “Company”) attaches our 2010 report on meeting the state’s renewable, recycled and conserved energy objective.

Based on using the jurisdictional energy allocator applicable to South Dakota, we have determined that the share of system-wide energy from renewable resources allocable to South Dakota for 2009 was 213,163 megawatt-hours. This represents the energy we provided to our customers that was generated by renewable generation facilities as defined by South Dakota Codified Laws 49-34A-94.

After restricting the renewable energy from hydro resources to only those with an in-service date on or after July 1, 2008 and adjusting retail energy sales as provided in Chapter 49-34A-103, we calculate that approximately 11.3 percent of the energy provided to South Dakota customers in 2009 was from renewable energy resources. Accordingly, we currently meet the 2015 REO and expect to continue to meet the REO going forward.

Please note that no renewable energy credits (“RECs”) have been retired to date to comply with the South Dakota renewable energy objective (“REO”). Attachment 1 includes the following information as requested by the Commission:

Retail Sales (MWh) - Total & SD-based
Generation Capacity Owned (MW) - Total & SD-based by technology¹
Renewable Generation Capacity Owned (MW) - Total & SD-based by
technology¹
Renewable Generation with RECs Retired for SD (MWh)- Total & SD-
based by technology¹
Renewable Generation with RECs Retired for other states/purposes
(MWh)- Total & SD-based by technology¹
Conserved Energy (MWh) and Capacity (MW)

Since the Company does not currently have any energy efficiency programs approved in the state of South Dakota, the conserved capacity and energy as shown on Attachment 1 for the State of South Dakota are based on our demand side management programs.

Attachment 2 presents the renewable energy calculations.

Additionally, the Commission's order in Docket No. EL09-029, dated February 12, 2010 directs the Company to report any sales of RECs in this report. As of this report date, we have not made any REC sales.

Finally, the Company continues to seek to incorporate renewables and energy efficiency measures when and where those measures are cost effective. We are presently working on a resource plan that will be filed later this summer. That document will depict our plans to add additional renewables-based generation over the next decade. The Company expects to continue to be able to meet and exceed the renewable energy objective in South Dakota.

If there are questions regarding information contained in the report, please feel free to contact me at (605) 339-8350.

SINCERELY,



JAMES C. WILCOX
Manager, Government & Regulatory Affairs

ENCLOSURES

¹ As Defined in SDCL 49-34A-94.

Company:
Northern States Power

Calendar Year 2009 RREO Report	Value	Comments
Retail Sales		
Total - All States (MWh)	41,069,392	
SD (MWh)	1,918,434	
Generation Capacity Owned/Purchased¹		
Total - All States (MW)	12,285	
SD (MW)	460	Angus Anson - 406 MW; MinnDakota Wind - 54 MW
Renewable Generation Capacity Owned/Purchased		
Total - All States (MW)		As of 12/31/2009; Includes capacity from PPAs silent on REC ownership ²
Wind	1,266	Includes capacity for Windsource program
Solar	-	
New Hydro	3	Dells Upgrade of units 2 - 4, Dec 2008 - July 2009
Old Hydro	286	
Hydrogen	-	
Biomass/RDF/Landfill Gas	317	Capacity from all steam turbines is presented for mixed fuel plants; only the renewable generation creates RECs
Geothermal	-	
Recycled	-	
Total - All States (MW)	1,872	
SD (MW)		
Wind	54	
Solar	0	
New Hydro	0	
Old Hydro	0	
Hydrogen	0	
Biomass/RDF/Landfill Gas	0	
Geothermal	0	
Recycled	0	
Total SD (MW)	54	
Renewable Energy Credits Retired for SD		
Total - Generated In All States (MWh)		
Wind	0	
Solar	0	
New Hydro	0	
Old Hydro	0	
Hydrogen	0	
Biomass/RDF/Landfill Gas	0	
Geothermal	0	
Recycled	0	
Total - All States (MWh)	0	
Generated in SD (MWh)		
Wind	0	
Solar	0	
New Hydro	0	
Old Hydro	0	
Hydrogen	0	
Biomass/RDF/Landfill Gas	0	
Geothermal	0	
Recycled	0	
Total SD (MWh)	0	
Renewable Energy Credits Retired for Other States³		
Total - Generated In All States (MWh)		
Wind	382,785	
Solar	-	
New Hydro	-	
Old Hydro	75,795	
Hydrogen	-	
Biomass/RDF/Landfill Gas	210,884	
Geothermal	-	
Recycled	-	
Total - All States (MWh)	669,464	
Generated In SD (MWh)		
Wind	-	
Solar	-	
New Hydro	-	
Old Hydro	-	
Hydrogen	-	
Biomass	-	
Geothermal	-	
Recycled	-	
Total SD (MWh)	-	
Conserved Energy & Capacity		
Conserved Energy (MWh)⁴		
Total - All States	343,270	
SD	5	
Conserved Capacity (MW)⁵		
Total - All States	1,122	
SD	36	

Footnotes:

¹ Includes owned generation (nameplate capacity) and purchased generation (contracted summer capacity)

² "Silent" RECs are related to renewable energy purchases initiated prior to the renewable energy credits market. There is uncertainty regarding whether the credits can be claimed by the energy purchaser or whether they reside fully with the owner.

³ RECs present demonstrate RECs retired for WI RPS and MN RES compliance. It does not include RECs retired on behalf of WI Wholesale Customers
Retired RECs are a combination of vintages 2007, 2008 and 2009

⁴ Conserved Energy expressed as the annualized energy savings resulting from utility DSM program achievements in 2009.

⁵ Conserved Capacity expressed as the available load management system peak reduction plus the annualized capacity savings resulting from utility energy-efficiency program achievements in 2009.

**South Dakota Renewable, Recyclable and Conserved Energy Objective
2009 Status Report**

Attachment 2

System Total Generation (and Jurisdictional Allocator)

	<u>Energy (MWh)</u>	<u>Percentage</u>
1 MN	32,118,816	74.05970%
2 ND	2,300,491	5.30448%
3 SD	1,904,148	4.39059%
4 WI/MI	<u>7,045,365</u>	16.24523%
5 NSP System	43,368,820	

System Renewable Generation¹

<u>Source</u>	<u>M-RETS RECs</u>	<u>"Silent" RECs</u>	<u>Total</u>
6 Wind	2,710,686	788,283	3,498,969
7 Hydro	551,504	101,978	653,482
8 Biomass	368,321	583,902	952,223
9 Refuse-Derived Fuel (RDF)	<u>216,669</u>	<u>187,069</u>	<u>403,738</u>
10 NSP System	3,847,180	1,661,232	5,508,412

SD RREO Renewable Energy

11 SD % of System Total Generation:	4.39059%	4.39059%		L3
12 System RECs allocated to SD:	168,915	72,938	241,853	L10 x L11
13 Remove Old Hydro (per SD RREO):	<u>(24,213)</u>	<u>(4,477)</u>	<u>(28,690)</u>	-L7 x L11
14 SD RREO qualifying renewable energy:	144,702	68,461	213,163	
15 SD retail sales:	1,918,434	1,918,434	1,918,434	FERC Form 1
16 Remove SD Hydro allocation (per SD RREO)	<u>(24,214)</u>	<u>(4,477)</u>	<u>(28,691)</u>	-L7 x L11
17 SD REO adjusted retail sales:	1,894,220	1,913,957	1,889,743	
18 SD REO renewable energy %:	<u>7.6%</u>	<u>3.6%</u>	<u>11.3%</u>	(L14/L17)
19 RECs retired for 2009 RREO compliance			0	

1 All of the renewable generation facilities owned by Xcel Energy have been registered in the Midwest Renewable Energy Tracking System ("M-RETS"). All of the commercially operational facilities the Company purchases renewable energy from, that specifies to the Company the rights to the RECs assigned in the PPAs, are registered in M-RETS. "Silent" RECs are related to renewable energy purchases initiated prior to the establishment of the REC market. There is uncertainty regarding whether the credits can be claimed by the energy purchaser or the owner/generator.