

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF)	ORDER GRANTING JOINT
NORTHERN STATES POWER COMPANY)	MOTION FOR APPROVAL
DBA XCEL ENERGY FOR AUTHORITY TO)	OF SETTLEMENT
INCREASE ITS ELECTRIC RATES)	STIPULATION; ORDER
)	APPROVING REFUND PLAN
)	
)	
)	EL12-046

On June 29, 2012, the South Dakota Public Utilities Commission (Commission) received an Application for Authority to Increase Electric Rates in South Dakota (Application) filed by Northern States Power Company dba Xcel Energy (Xcel) for approval to increase rates for electric service to customers in its South Dakota service territory by approximately \$19.368 million annually or approximately 11.53% based on Xcel's 2011 test year. Xcel states that a typical residential electric customer using 750 kWh per month would see an increase of 12.7%, or \$9.82 per month. The proposed rates may potentially affect approximately 85,000 customers in Xcel's South Dakota service territory.

On July 5, 2012, the Commission electronically transmitted notice of the Application and the intervention deadline of September 7, 2012, to interested individuals and entities. On July 23, 2012, the Commission issued an Order Assessing Filing Fee and Suspending Operation of Proposed Rates. On September 6, 2012, Shetek Wind Inc. filed a Petition to Intervene. On September 21, 2012, Xcel filed an Answer of Northern States Power Company to Petition to Intervene by Shetek Wind Inc. On September 24, 2012, Shetek filed a Reply of Shetek Wind Inc. to Answer of Northern States Power Company. On October 1, 2012, the Commission issued an Order Denying Intervention to Shetek Wind Inc. On October 29, 2012, the Commission issued a Procedural Order; Order for and Notice of Hearing. On November 15, 2012, Commission Staff (Staff) filed its pre-filed testimony. On November 30, 2012, Xcel filed its Notice of Intent to Implement Interim Rates. On December 4, 2012, January 4, 2013, February 1, 2013, and February 8, 2013, Xcel and Staff filed stipulations for extension of the procedural schedule to facilitate on-going settlement discussions. On March 15, 2013, Staff filed a Joint Motion for Approval of Settlement Stipulation (Joint Motion), Settlement Stipulation, and Staff Memorandum. On March 19, 2013, Xcel filed its Interim Rate Refund Plan.

The revised tariff sheets proposed by Xcel, effective for service rendered on and after May 1, 2013, are as follows:

South Dakota Electric Rate Book – SDPUC No. 2

Section No. 1

5th Revised Sheet No. 2

Cancelling 4th Revised Sheet No. 2

Section No. 5

3rd Revised Sheet No. 1

Cancelling 2nd Revised Sheet No. 1

1st Revised Sheet No. 1.1

Cancelling Original Sheet No. 1.1

5th Revised Sheet No. 2

Cancelling 4th Revised Sheet No. 2

3rd Revised Sheet No. 7

Cancelling 2nd Revised Sheet No. 7

3rd Revised Sheet No. 9

Cancelling 2nd Revised Sheet No. 9

5th Revised Sheet No. 11

Cancelling 4th Revised Sheet No. 11

2nd Revised Sheet No. 12
3rd Revised Sheet No. 14
3rd Revised Sheet No. 21
6th Revised Sheet No. 23
3rd Revised Sheet No. 25
3rd Revised Sheet No. 28
3rd Revised Sheet No. 31
3rd Revised Sheet No. 32
3rd Revised Sheet No. 34
4th Revised Sheet No. 35
3rd Revised Sheet No. 36
3rd Revised Sheet No. 40
4th Revised Sheet No. 41
3rd Revised Sheet No. 42
3rd Revised Sheet No. 56
3rd Revised Sheet No. 57
3rd Revised Sheet No. 58
3rd Revised Sheet No. 59
3rd Revised Sheet No. 63
7th Revised Sheet No. 64
2nd Revised Sheet No. 64.2
3rd Revised Sheet No. 68
Original Sheet No. 74
Original Sheet No. 75

Cancelling 1st Revised Sheet No. 12
Cancelling 2nd Revised Sheet No. 14
Cancelling 2nd Revised Sheet No. 21
Cancelling 5th Revised Sheet No. 23
Cancelling 2nd Revised Sheet No. 25
Cancelling 2nd Revised Sheet No. 28
Cancelling 2nd Revised Sheet No. 31
Cancelling 2nd Revised Sheet No. 32
Cancelling 2nd Revised Sheet No. 34
Cancelling 3rd Revised Sheet No. 35
Cancelling 2nd Revised Sheet No. 36
Cancelling 2nd Revised Sheet No. 40
Cancelling 3rd Revised Sheet No. 41
Cancelling 2nd Revised Sheet No. 42
Cancelling 2nd Revised Sheet No. 56
Cancelling 2nd Revised Sheet No. 57
Cancelling 2nd Revised Sheet No. 58
Cancelling 2nd Revised Sheet No. 59
Cancelling 2nd Revised Sheet No. 63
Cancelling 6th Revised Sheet No. 64
Cancelling 1st Revised Sheet No. 64.2
Cancelling 2nd Revised Sheet No. 68

Section No. 8

3rd Revised Sheet No. 2

Cancelling 2nd Revised Sheet No. 2

The Commission has jurisdiction over this matter pursuant to SDCL Chapters 1-26 and 49-34A, including 1-26-20, 49-34A-3, 49-34A-6, 49-34A-8, 49-34A-8.4, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A-13.1, 49-34A-14, 49-34A-17, 49-34A-19, 49-34A-19.1, 49-34A-19.2, 49-34A-21, and 49-34A-22.

The Joint Motion for Approval of Settlement Stipulation and Interim Rate Refund Plan (Refund Plan) were duly noticed for Commission consideration and action at the Commission's regular meeting on March 26, 2013. The Commission heard from Xcel and Staff concerning the proposed Settlement Stipulation. The Commission requested that the term "Rate Phase-In Rider" included in the Stipulation and associated filed tariff sheets be changed to a term such as "Infrastructure Rider" to avoid confusion with a rate phase-in plan submitted under SDCL 49-34A-73 through 49-34A-78. Xcel and Staff agreed to such a change in terminology. The matter was deferred until the Commission's April 9, 2013, meeting. Having thoroughly reviewed the filings in the docket and made further inquiry of the parties at the meeting, the Commission found that the terms and conditions proposed in the Settlement Stipulation were just, reasonable, and in the public interest and that good and sufficient cause was demonstrated to approve the Settlement Stipulation. The Commission voted unanimously to grant the Joint Motion for Approval of Settlement Stipulation. The Commission also considered the issue of approval of Xcel's Refund Plan. Finding that the Refund Plan as proposed by Xcel properly balances the interests of Xcel in having a workable plan that is not unduly administratively burdensome and the interests of customers in obtaining a prompt and substantially complete refund of non-diminimus over-collections during the interim period and is therefore just and reasonable, the Commission voted unanimously to approve Xcel's Refund Plan. It is therefore

ORDERED, that the Joint Motion for Approval of Settlement Stipulation is granted. The Settlement Stipulation is incorporated by reference into this Decision and Order the same as if it had been set forth in its entirety herein. It is further

ORDERED, that Xcel's Refund Plan is approved as filed. It is further

ORDERED, that the aforementioned tariff sheets are approved for service rendered on and after May 1, 2013, subject to the condition that Xcel shall file revised tariff sheets reflecting the change of the term "Rate Phase-in Rider" to "Infrastructure Rider" and reference the date of this Order as the Order Date.

Dated at Pierre, South Dakota, this 18th day of April, 2013.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically.
By: <u><i>Joy King</i></u>
Date: <u>4.18.13</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Gary Hanson
GARY HANSON, Chairman

Chris Nelson
CHRIS NELSON, Commissioner

Kristie Fiegen
KRISTIE FIEGEN, Commissioner