

EL05-008



414 Nicollet Mall
Minneapolis, Minnesota 55401

April 27, 2005

Elec.
~~REC~~ Received APR 27 2005

Ms. Pam Bonrud, Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

RE: COMPLIANCE FOR OF THE FUEL CLAUSE ADJUSTMENT
REFLECTING MISO "DAY 2"
DOCKET NO. EL04-0030

Dear Ms. Bonrud,

Enclosed for your South Dakota Electric Rate Book – SDPUC No. 2 are two copies of the Fuel Clause Tariffs.

**South Dakota Electric Rates:
Sheet No. 5-64, revision 2**

On March 11, 2005 Xcel Energy filed for changes to its Fuel Clause Tariff for participation in MISO "Day 2". The Company requested that the Fuel Clause Rider reflect net costs and revenues associated with serving the Company's retail electric customers in South Dakota through participation in the Midwest ISO's "Day 2" wholesale electric energy market as provided for under SDCL 49-34A-25.

The Commission approved the request in an Order dated April 7, 2005. That Order directs April 1, 2005 as the effective date for this tariff change .

If you have any questions about this filing, please call me at (605) 339-8350.

Sincerely,

JIM WILCOX,
MANAGER GOVERNMENT AND REGULATORY AFFAIRS

FUEL CLAUSE RIDER

Section No. 5
2nd Revised Sheet No. 64
Cancelling 1st Revised Sheet No. 64

There shall be added to or deducted from the net monthly bill \$0.00001 per kilowatt-hour for each \$0.00001 increase above or decrease below \$0.01092 in the fuel cost per kilowatt-hour sales.

The fuel cost shall be the sum of the following for the most recent two month period plus unrecovered (or less over recovered) prior cumulative energy costs:

1. The fossil and nuclear fuel consumed in the Company's generating stations as recorded in Accounts 151 and 518.
2. The net energy cost of energy purchases as recorded in Account 555 exclusive of capacity or demand charges, when such energy is purchased on an economic dispatch basis. Account 555 includes hedging program gains, losses and transaction costs related to system supply, pursuant to Docket No. EL99-021.
3. The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in (2) above, less
4. The fuel related costs recovered through intersystem sales.
5. Net costs or revenues recorded in Accounts 456, 501 and 555 (and other appropriate accounts as determined by the Commission) linked to the Company's load serving obligation, associated with participation in wholesale electric energy markets operated by Regional Transmission Organizations, Independent System Operators or similar entities that have received Federal Energy Regulatory Commission approval to operate the energy markets.

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The kilowatt-hour sales shall be all kilowatt-hours sold excluding intersystem sales for the same period.

A carrying charge or credit will be included in the determination of monthly fuel adjustment factors. Said charge or credit will be determined by applying one-twelfth of the overall rate of return granted by the South Dakota Public Utilities Commission in the most recent rate decision to the recorded balance of deferred fuel cost as of the end of the month immediately preceding the fuel adjustment factor determination.

Date Filed: 03-11-05

By: Kent T. Larson
Vice President of Jurisdictional Relations

Effective Date: 04-01-05

Docket No. EL05-008

Order Date: 04-07-05