

Jim Wilcox, Manager, Government & Regulatory Affairs 500 West Russell Street P.O. Box 988 Sioux Falls, SD 57101-0988 Telephone (605) 339-8350 fax 612/573-9083 internet - james.c.wilcox@xcelenergy.com

February 29, 2008

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

Dear Ms. Van Gerpen:

Pursuant to the second condition in the stipulation agreement settling Docket EL05-23 – "In the matter of the application of Xcel Energy for A construction permit To build 9.6 miles of the Split Rock To Lakefield Junction 345 kV transmission line and add facilities to The Split Rock Substation" – Xcel Energy provides a compliance update on a construction change needed to safely connect the Xcel Energy transmission line to an existing WAPA transmission structure.

In the course of construction of the 345KV power line, Xcel Energy sub contractor Burns and McDonnell determined that the angle between Xcel Energy structure number 35 and W1 on the attached diagram would create an unacceptable physical stress between the two structures. (see attachment 1 enclosed)

This change makes it necessary to deviate from the described centerline in order to accommodate engineering and construction requirements of this power line. Please note that the proposed change falls within the easement already acquired for this power line. The change moves structure number 35 approximately 40 Feet north and east of the previously planned location for structure number 35.

Because this power line utilizes 70 Feet of public right of way along Interstate 90, only 80 Feet of private easement was necessary for this line. The centerline of the planned power line generally runs about five Feet "in" from the I90 fence line and 75 Feet south of the northern edge of the acquired easement. Please note that the "centerline" of the power line does not follow the "centerline" of the acquired easement. It is, rather, near the edge (approximately five Feet) of the acquired easement excepting where the line "angles in" from structure 34 to structure 35 still within the easement. The new location of structure number 35 will still be within five Feet of the highway right-of-way fence as the interstate highway right-of-way jogs north between parcels near the existing north-south WAPA line.

The landowners Robert and Sandra Johnson have been notified of the necessary change and this compliance update is intended to communicate the Company's proposal to deviate from the centerline of the design of the power line. The Company admits that we did not comply with the stipulation agreement in terms of the timing of this notification.

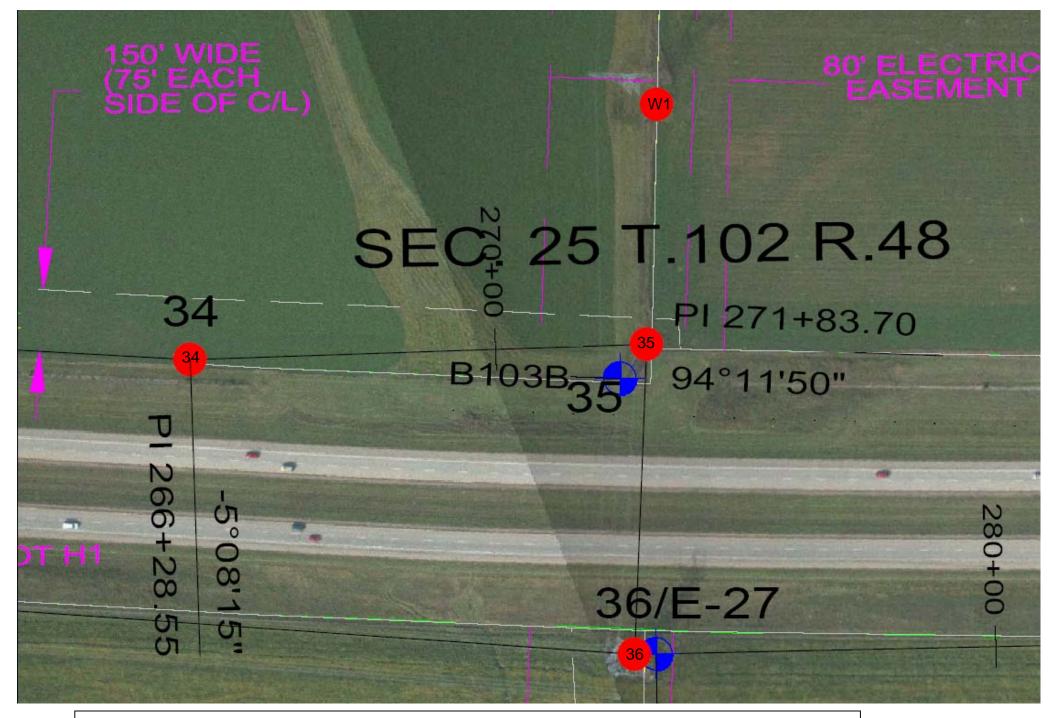
The Company respectfully requests approval for moving structure 35 approximately 40 feet north and east of the earlier planned location.

If anyone has any questions, please call me at 339-8350

Sincerely,

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Jim Wilcox



Attachment 1 - Xcel Energy 345KV line construction modification needed at structure 35 in order to alleviate strain on WAPA structure W1.