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Jan 22, 2007

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:

In this filing Xcel Energy submits a request to temporarily modify the Company's time of day tariffs in order to accommodate the federal government's trial change in daylight savings time in 2007.

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

Sincerely,

A handwritten signature in cursive script that reads 'J Wilcox'.

Jim Wilcox

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

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY,
D/B/A XCEL ENERGY INC., FOR
AUTHORITY TO TEMPORARILY MODIFY
TIME OF DAY TARIFFS TO
ACCOMMODATE A FEDERAL
GOVERNMENT TRIAL CHANGE IN
DAYLIGHT SAVINGS TIME

DOCKET NO. _____

PETITION

INTRODUCTION

Northern States Power Company, d/b/a Xcel Energy (“Xcel Energy” or “Company”) submits to the South Dakota Public Utilities Commission (“Commission”) this Petition to temporarily modify the on-peak time period of the Company’s Time-of-Day service tariffs. The purpose is to accommodate a Federally mandated trial change in the Daylight Savings Time (“DST”). The Company proposes to apply these tariff modifications in March 2007, coincident with the change in DST.

The Energy Policy Act of 2005 (“EPAct 2005”), in Section 110, amends the Uniform Time Act of 1966 by changing the effective dates of daylight savings time starting in 2007. Under the new Act, DST will begin three weeks earlier in the Spring, and end one week later in the Fall¹. This change is temporary and its effect on energy conservation will be measured at the end of the trial period. A permanent DST expansion must be approved by Congress.

With this Petition, the Company seeks authority to temporarily modify the time periods referenced in our Time of Day tariffs to allow the current meter programming to remain in place while the new DST is tested and evaluated. By leaving the meters programmed as they are, rather than reprogramming them to correspond to the trial DST period, we can avoid potentially duplicative programming costs that will occur if the current DST schedule is retained. If Congress ultimately approves a permanent

¹ In the Spring, clocks will be set ahead one hour on the second Sunday of March instead of the current first Sunday of April. In the Fall, clocks will be set back one hour on the first Sunday in November, rather than the last Sunday of October.

DST expansion, the Company would then initiate the necessary meter reprogramming to correspond to that permanent change.

Delaying the reprogramming of the TOD meters will not detrimentally affect the energy conservation results of an expanded DST schedule. The potential for conservation effects through the DST change is a function of consumers' reaction to an additional hour of evening daylight and is not related to the programmed time registers of TOD meters.

Following is information specified in South Dakota Administrative Rule 20:10:13:26 regarding the proposed tariff change:

(1) Name and address of the public utility;

Northern States Power Company d/b/a Xcel Energy
500 West Russell Street
Sioux Falls, South Dakota 57104
(605) 339-8350

(2) Section and sheet number of tariff schedule;

This modification of the Daylight Savings Time schedule affects the following seven tariff pages:

1. Residential Time of Day Service, Sheet No. 5-2.
2. Residential Time of Day Service, Underground, Sheet No. 5-5.
3. Limited Off-Peak Service, Sheet No. 5-11.
4. Small General Time of Day Service, Sheet No. 5-23.
5. General Time of Day Service, Sheet No. 5-29.
6. Peak Controlled Tiered Time of Day Service, Sheet No. 5-35.
7. Energy Controlled Service, Sheet No. 5-41

Copies of the proposed tariffs are provided in Attachment 1 with the proposed changes marked.

(3) Description of the change;

A. Background

Section 110 of the EAct 2005 initiates a change to the Daylight Savings Time schedule beginning in 2007. With this change, DST will be expanded by four weeks: three weeks in March and one week in October.²

By expanding the DST season, it may be possible to save energy. Lengthening the DST season may reduce electric energy use, especially for household lighting and appliances. Changing the clock-hour time for sunset time may reduce energy use because the additional hour of evening sunlight may materially reduce household lighting requirements and perhaps the load of other household appliances.

The US Department of Energy (“DOE”) will evaluate whether the expanded DST season has in fact resulted in additional energy savings and report to Congress the results. Congress will then decide whether to make this expanded DST season permanent or revert to the previous DST schedule.

B. Metering

This new DST schedule affects the Time of Day (“TOD”) metering that measures energy use during on-peak and off-peak periods. Customers that choose this rate have time-based price incentives that encourage them to modify their use and lower their bills.

Xcel Energy currently serves approximately 180 customers on TOD rates in South Dakota. TOD rates require the use of meters that are programmed to record on-peak and off-peak energy use. This programming, which controls the switching between on-peak and off-peak “usage-registers,” must recognize the dates when the DST season begins and ends. Reprogramming these meters to accommodate a trial DST season requires significant labor and meter expense, and would not be necessary if this DST expansion were not made permanent.

²Currently DST season begins at 2:00 a.m. on the first Sunday of April. With this change the EAct 2005 moves the beginning date three weeks earlier, to the second Sunday in March. DST now ends at 2:00 a.m. on the last Sunday of October. The EAct 2005 moves this date by one week, to the first Sunday of November. As a result the DST season is lengthened by four weeks.

All of the Company's TOD meters would require reprogramming to accommodate an expanded DST season, at a cost of approximately \$25 per meter. The resulting cost is approximately \$4500 for its South Dakota TOD customers. If we reprogram our TOD meters to accommodate the DST trial period, and Congress does not approve a permanent change following the DOE evaluation, a second meter reprogramming would be required to reverse the change. By delaying the reprogramming until a final decision is reached, our proposal avoids the potential for two reprogramming expenses and may avoid the expense altogether if the trial DST schedule is not made permanent. In other words, the TOD meter reprogramming may be an unnecessary expense for electric utilities.

(4) Reason for the change;

Section 110 of the Energy Policy Act of 2005 ("EPAct 2005"), amends the Uniform Time Act of 1966 by changing the effective dates of daylight savings time starting in 2007. Under the new Act, DST will begin three weeks earlier in the Spring, and end one week later in the Fall³. This change is temporary and its effect on energy conservation will be measured at the end of the trial period. A permanent DST expansion must be approved by Congress.

The Company seeks authority to temporarily modify the time periods referenced in our Time of Day tariffs to allow the current meter programming to remain in place while the new DST is tested and evaluated. By leaving the meters programmed as they are, rather than reprogramming them to correspond to the trial DST period, we can avoid potentially duplicative programming costs that will occur if the current DST schedule is retained. If Congress ultimately approves a permanent DST expansion, the Company would then initiate the necessary meter reprogramming to correspond to that permanent change.

Delaying the reprogramming of the TOD meters will not detrimentally affect the energy conservation results of an expanded DST schedule. The potential for conservation effects through the DST change is a function of consumers' reaction to an additional hour of evening daylight and is not related to the programmed time registers of TOD meters.

³ In the Spring, clocks will be set ahead one hour on the second Sunday of March instead of the current first Sunday of April. In the Fall, clocks will be set back one hour on the first Sunday in November, rather than the last Sunday of October.

(5) Present rate;

There are seven existing time of day tariffs that are proposed to be temporarily modified to accommodate the federal government change.

(6) Proposed rate;

The Company proposes to delay TOD meter reprogramming until the final determination of an expanded DST season, in order to avoid a potentially unnecessary expense. TOD meters could be reprogrammed if a new DST schedule is made permanent.

In order to implement this proposal, the Company requests that the Commission authorize a temporary modification of our tariff language that defines the time periods for TOD pricing. This change would apply only during the additional four weeks of the new DST season. During those four weeks, the current TOD on-peak period of 9:00 a.m. to 9:00 p.m. would be modified to 10:00 a.m. to 10:00 p.m. The modified on-peak period definition for non-residential rate schedules is indicated below:

“The on peak period is defined as those hours between 9:00 a.m. and 9:00 p.m., except beginning in 2007 the on peak period will be 10:00 a.m. to 10:00 p.m. during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November. The on peak period occurs Monday through Friday, except the following holidays:.....”

Residential TOD rate schedules, in addition to the standard 9:00 am to 9:00 pm on-peak period, include an optional 12-hour on-peak periods beginning at 9:30 a.m. and continuing in half-hour increments to 11:00 a.m. The modified on-peak period definition for residential rate schedules is indicated below:

“The on peak period is defined as the ~~hours shall be a~~ 12 hour block of continuous hours as selected by customer from options listed below, except beginning in 2007 the on peak period will be shifted one (1) hour later during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November. The on peak period occurs ~~On peak hours shall begin at the same time for each of the on peak days, which are~~ Monday through Friday, except the following holidays:.....”

The one-hour shift affects only four weeks of the year. During the remainder of the year, the on-peak period will not change. This modification of the Daylight Savings Time schedule affects the following seven tariff pages:

1. Residential Time of Day Service, Sheet No. 5-2.
2. Residential Time of Day Service, Underground, Sheet No. 5-5.
3. Limited Off-Peak Service, Sheet No. 5-11.
4. Small General Time of Day Service, Sheet No. 5-23.
5. General Time of Day Service, Sheet No. 5-29.
6. Peak Controlled Tiered Time of Day Service, Sheet No. 5-35.
7. Energy Controlled Service, Sheet No. 5-41.

Copies of the proposed tariffs are provided in Attachment 1 with the changes marked.

(7) Proposed effective date of modified rate;

The Company proposes that the miscellaneous tariff change become effective upon Commission approval or at the time the change in Daylight Savings Time begins in March of 2007.

(8) Approximation of annual amount of increase in revenue;

Because there is just a one-hour shift in the on-peak period for only 4 weeks of the year and because this shift does not change the total duration of the on- and off-peak periods, there is expected to be a very small impact on TOD customer bills and on total Company revenues.

(9) Points affected;

The proposed tariff language would be applicable to all areas served by Xcel Energy in South Dakota. The change will affect only about 180 customers taking service under one of the time-of-day tariffs.

(10) Estimation of the number of customers whose cost of service will be affected and annual amounts of either increases or decreases, or both, in cost of service to those customers;

This tariff affects approximately 180 Xcel energy customers in South Dakota presently taking service under one of the seven affected tariffs.

(11) Statement of facts, expert opinions, documents, and exhibits to support the proposed changes.

Exhibits attached.

Planned Customer Notice

To ensure customers are aware of this tariff change, the Company will send a letter to TOD customers explaining the change prior to beginning of the revised DST season. A sample letter is provided as Attachment 2. Additionally, we will include the following message on customer bills when the change becomes effective.

“A Federal mandate, effective in 2007, changes daylight-savings time to measure possible energy savings. Between the trial periods of March 11-31 and Nov. 1-4, your meter will remain on Central Standard Time. Our Time of Day rate customers will receive a letter to further explain this transition.”

All customers on Time of Day rates are affected by the change in Daylight Savings Time and will receive both the letter and bill message.

Conclusion

Xcel Energy respectfully requests that the Commission approve this request to temporarily modify the on-peak period of TOD tariffs to accommodate a trial expansion of the Daylight Savings Time season until a permanent decision is made.

Dated: January 22, 2007

Northern States Power Company
d/b/a Xcel Energy



By: _____

JAMES C. WILCOX
Manager, Government & Regulatory Affairs



RESIDENTIAL TIME OF DAY SERVICE
RATE CODE E02

Section No. 5
 Original 1st Revised Sheet No. 2
 Relocated from SDPUC No. 1 Sheet No. 3-2

AVAILABILITY

Available to any residential customer for domestic purposes only, in a single private residence.

RATE

Customer Charge per Month	\$8.55	
Energy Charge per kWh	<u>On Peak Period</u>	<u>Off Peak Period</u>
June - September	\$0.1368	\$0.0328
Other Months		
Without Electric Space Heating	\$0.1091	\$0.0328
Electric Space Heating	\$0.0902	\$0.0328

FUEL CLAUSE

Bills subject to the adjustment provided for in Fuel Clause Rider.

MONTHLY MINIMUM CHARGE

Customer Charge.

SURCHARGE

In certain communities, bills are subject to a surcharge provided for in Surcharge Rider.

LATE PAYMENT CHARGE

A late payment charge of 1% of the unpaid balance will be added to the next month's bill after the date due.

OTHER PROVISIONS

This schedule is also subject to provisions contained in Rules for Application of Residential Rates.

DEFINITION OF PEAK PERIODS

The on peak ~~period is defined as the hours shall be a~~ 12 hour block of continuous hours as selected by customer from options listed below ~~except beginning in 2007 the on peak period will be shifted one (1) hour later during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November. The on peak period occurs On-peak hours shall begin at the same time for each of the on-peak days,~~ which are Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. The off peak period is defined as all other hours. Definition of on peak and off peak period is subject to change with change in Company's system operating characteristics.

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(Continued on Sheet No. 5-3)

Date Filed: 10-15-96 By: Michael J. HansonCynthia L. Leshner Effective Date: 12-16-96
01-18-07
General Manager & Chief Executive President and CEO of Northern States Power Company
 Docket No. EL96-02507- NSP - South Dakota Order Date: 12-16-96

**RESIDENTIAL TIME OF DAY SERVICE - UNDERGROUND
RATE CODE E04**

Section No. 5
~~Original-1st Revised~~ Sheet No. 5
~~Relocated from SDPUC No. 1 Sheet No. 3-5~~

AVAILABILITY

Available to any residential customer for domestic purposes only, in a single private residence where service is provided through underground facilities.

RATE

Customer Charge per Month		\$10.55	
Energy Charge per kWh	<u>On Peak Period</u>		<u>Off Peak Period</u>
June - September	\$0.1368		\$0.0328
Other Months			
Without Electric Space Heating	\$0.1091		\$0.0328
Electric Space Heating	\$0.0902		\$0.0328

FUEL CLAUSE

Bills subject to the adjustment provided for in Fuel Clause Rider.

MONTHLY MINIMUM CHARGE

Customer Charge.

SURCHARGE

In certain communities, bills are subject to a surcharge provided for in Surcharge Rider.

LATE PAYMENT CHARGE

A late payment charge of 1% of the unpaid balance will be added to the next month's bill after the date due.

OTHER PROVISIONS

This schedule is also subject to provisions contained in Rules for Application of Residential Rates.

DEFINITION OF PEAK PERIODS

The on peak ~~period is defined as the hours shall be a~~ 12 hour block of continuous hours as selected by customer from options listed below, ~~except beginning in 2007 the on peak period will be shifted one (1) hour later during two periods: the second Sunday in March to the first Sunday in April, and the last Sunday in October to the first Sunday in November. The on peak period occurs~~ ~~On-peak hours shall begin at the same time for each of the on-peak days, which are~~ Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. The off peak period is defined as all other hours. Definition of on peak and off peak period is subject to change with change in Company's system operating characteristics.

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(Continued on Sheet No. 5-6)

Date Filed: 10-15-96 By: Michael J. Hanson Cynthia L. Leshner Effective Date: 12-16-96
General Manager & Chief Executive President and CEO of Northern States Power Company
Docket No. EL96-02507 NSP - South Dakota Order Date: 12-16-96

SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

LIMITED OFF PEAK SERVICE
RATE CODE E11

Section No. 5
~~Original-1st Revised~~ Sheet No. 11
~~Relocated from SDPUC No. 1 Sheet No. 3-6.3~~

AVAILABILITY

Available to secondary and primary voltage customers for controlled loads which will be energized only for the time period between 10:00 p.m. to 6:30 a.m. daily, except beginning in 2007 the hours will be 11:00 p.m. to 7:30 a.m. during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November.

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RATE

Customer Charge per Month

Secondary Voltage	
Single Phase	\$2.70
Three Phase	\$4.05
Primary Voltage	\$24.00

Energy Charge per kWh

Secondary Voltage	\$0.0270
Primary Voltage	\$0.0264

FUEL CLAUSE

Bills subject to the adjustment provided for in Fuel Clause Rider.

MONTHLY MINIMUM CHARGE

Secondary Voltage	
Single Phase	\$6.00
Three Phase	\$10.00
Primary Voltage	\$60.00

SURCHARGE

In certain communities, bills are subject to a surcharge provided for in Surcharge Rider.

LATE PAYMENT CHARGE

A late payment charge of 1% of the unpaid balance will be added to the next month's bill after the date due.

(Continued on Sheet No. 5-12)

Date Filed: ~~10-15-96~~ By: ~~Michael J. Hanson~~ Cynthia L. Leshner Effective Date: ~~12-16-96~~
01-18-07
General Manager & Chief Executive President and CEO of Northern States Power Company
Docket No. ~~EL96-025~~ NSP - South Dakota Order Date: ~~12-16-96~~

SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

**SMALL GENERAL TIME OF DAY SERVICE
 RATE CODE E14 (METERED) AND
 RATE CODE E18 (UNMETERED)**

Section No. 5
~~1st~~-2nd Revised Sheet No. 23

AVAILABILITY

Available to any non-residential customer for single or three phase electric service supplied through one meter.

RATE

	<u>Oct-May</u>	<u>Jun-Sep</u>
Customer Charge per Month		
Metered Time of Day	\$9.25	\$9.25
Metered Non-Time of Day	\$7.25	\$7.25
Unmetered Continuous 24 Hour Use	\$5.95	\$5.95
Low Wattage Use, 100 W or Less	\$.25	\$.25
Low Wattage Use, From 100 W to 400 W	\$1.05	\$1.05
Energy Charge per kWh		
On Peak Period Energy	\$0.0868	\$0.1066
Off Peak Period Energy	\$0.0292	\$0.0292
Continuous 24 Hour Energy	\$0.0494	\$0.0563

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FUEL CLAUSE

Bills subject to the adjustment provided for in Fuel Clause Rider.

MONTHLY MINIMUM CHARGE

Customer Charge.

SURCHARGE

In certain communities, bills are subject to a surcharge provided for in Surcharge Rider.

LATE PAYMENT CHARGE

A late payment charge of 1% of the unpaid balance will be added to the next month's bill after the date due.

DEFINITION OF PEAK PERIODS

The on peak period is defined as those hours between 9:00 a.m. and 9:00 p.m., except beginning in 2007 the on peak period will be 10:00 a.m. to 10:00 p.m. during two periods, the second Sunday in March to the first Sunday in April and the last Sunday in October to the first Sunday in November. The on peak period occurs Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. The off peak period is defined as all other hours. Definition of on peak and off peak period is subject to change with change in Company's system operating characteristics.

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(Continued on Sheet No. 5-24)

Date Filed: 09-21-2000 By: Michael L. Swenson Cynthia L. Leshner Effective Date: 01-10-2001
State Vice President, North Dakota and South Dakota President and CEO of Northern States Power Company
 Docket No. EL00-02707- Order Date: 01-10-2001



SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

GENERAL TIME OF DAY SERVICE (Continued)
RATE CODE E16

Section No. 5
~~Original 1st Revised~~ Sheet No. 29
~~Relocated from SDPUC No. 1 Sheet No. 3-39 &~~
~~3-39.1~~

DEFINITION OF PEAK PERIODS

The on peak period is defined as those hours between 9:00 a.m. and 9:00 p.m., except beginning in 2007 the on peak period will be 10:00 a.m. to 10:00 p.m. during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November. The on peak period occurs - Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. The off peak period is defined as all other hours. Definition of on peak and off peak period is subject to change with change in Company's system operating characteristics.

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DETERMINATION OF ON PEAK PERIOD DEMAND

The actual on peak period demand in kW shall be the greatest 15 minute average load for the on peak period during the period for which the bill is rendered. The adjusted on peak period demand in kW for billing purposes shall be determined by dividing the actual on peak period demand by the power factor expressed in percent but not more than 90%, multiplying the quotient so obtained by 90%, and rounding to the nearest whole kW. In no month shall the on peak billing demand be greater than the value in kW determined by dividing the kWh sales for the billing month by 75 hours per month.

DETERMINATION OF OFF PEAK PERIOD DEMAND IN EXCESS OF ON PEAK PERIOD DEMAND

The actual off peak period demand in kW shall be the greatest 15 minute average load for the off peak period during the period for which the bill is rendered rounded to the nearest whole kW.

The off peak period demand in excess of on peak period demand in kW to be billed shall be determined by subtracting the billing on peak period demand from the actual off peak period demand as defined above only if the off peak period demand is greater.

POWER FACTOR

For three phase customers with services above 200 amperes or above 480 volts, the power factor for the month shall be determined by permanently installed metering equipment. For all single phase customers and three phase customers with services 200 amperes or less, a power factor of 90% will be assumed.

STANDBY SERVICE

Standby Service is available under this schedule subject to the provisions contained in the Standby Service Rider.

MINIMUM DEMAND TO BE BILLED

The monthly minimum on peak period billing demand shall not be less than provided above.

(Continued on Sheet No. 5-30)

Date Filed: ~~10-15-96~~ By: Michael J. HansonCynthia L. Leshner Effective Date: ~~12-16-96~~
01-18-07
General Manager & Chief Executive President and CEO of Northern States Power Company
Docket No. ~~EL96-02507-~~ NSP - South Dakota Order Date: ~~12-16-96~~



SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

PEAK CONTROLLED TIME OF DAY SERVICE (Continued)
RATE CODE E21

Section No. 5
~~Original-1st Revised~~ Sheet No. 35
~~Relocated from SDPUC No. 1 Sheet No. 3-40.4~~

FUEL CLAUSE

Bills subject to the adjustment provided for in Fuel Clause Rider.

LATE PAYMENT CHARGE

A late payment charge of 1% of the unpaid balance will be added to the next month's bill after the date due.

DEFINITION OF PEAK PERIODS

The on peak period is defined as those hours between 9:00 a.m. and 9:00 p.m. except beginning in 2007 the on peak period will be 10:00 a.m. to 10:00 p.m. during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November. The on peak hours occurs Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. The off peak period is defined as all other hours. Definition of on peak and off peak period is subject to change with change in Company's system operating characteristics.

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DETERMINATION OF DEMAND

Actual On Peak Period Demand in kW shall be the greatest 15 minute load for the on peak period during the billing month.

Adjusted On Peak Period Demand in kW for billing purposes shall be determined by dividing the actual on peak demand by the power factor expressed in percent but not more than 90%, multiplying the quotient so obtained by 90%, and rounding to the nearest whole kW.

Actual Off Peak Period Demand in kW shall be the greatest 15 minute load for the off peak period during the billing month rounded to the nearest whole kW. In no month shall the off peak period demand for billing purposes be considered as less than the current month's actual off peak period demand in kW.

Off Peak Period Demand in Excess of On Peak Period Demand in kW to be billed shall be determined by subtracting the billing on peak period demand from the actual off peak period demand only if the off peak period demand is greater.

(Continued on Sheet No. 5-36)

Date Filed: 10-15-96 By: Michael J. HansonCynthia L. Leshner Effective Date: 12-16-96
General Manager & Chief ExecutivePresident and CEO of Northern States Power Company
Docket No. EL96-02507 NSP - South Dakota Order Date: 12-16-96

SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

ENERGY CONTROLLED SERVICE (Continued)
RATE CODE E22

Section No. 5
Original-1st Revised Sheet No. 41
~~Relocated from SDPUC No. 1 Sheet No. 3-43 & 3-43.1~~

FUEL CLAUSE

Bills subject to the adjustment provided for in Fuel Clause Rider.

LATE PAYMENT CHARGE

A late payment charge of 1% of the unpaid balance will be added to the next month's bill after the date due.

DEFINITION OF PEAK PERIODS

The on peak period is defined as those hours between 9:00 a.m. and 9:00 p.m. except beginning in 2007 the on peak period will be 10:00 a.m. to 10:00 p.m. during two periods: the second Sunday in March to the first Sunday in April; and the last Sunday in October to the first Sunday in November. The on peak period occurs Monday through Friday, except the following holidays: New Year's Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day. When a designated holiday occurs on Saturday, the preceding Friday will be designated a holiday. When a designated holiday occurs on Sunday, the following Monday will be designated a holiday. The off peak period is defined as all other hours. Definition of on peak and off peak period is subject to change with change in Company's system operating characteristics.

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DETERMINATION OF DEMAND

Actual On Peak Period Demand in kW shall be the greatest 15 minute load for the on peak period during the billing month.

Adjusted On Peak Period Demand in kW for billing purposes shall be determined by dividing the actual on peak demand by the power factor expressed in percent but not more than 90%, multiplying the quotient so obtained by 90%, and rounding to the nearest whole kW.

Actual Off Peak Period Demand in kW shall be the greatest 15 minute load for the off peak period during the billing month rounded to the nearest whole kW. In no month shall the off peak period demand for billing purposes be considered as less than the current month's actual off peak period demand in kW.

Off Peak Period Demand in Excess of On Peak Period Demand in kW to be billed shall be determined by subtracting the billing on peak period demand from the actual off peak period demand only if the off peak period demand is greater.

Predetermined Demand shall be specified and agreed to by the customer and Company. Customer's adjusted on peak demand must not exceed the predetermined demand level (PDL) during a control period.

(Continued on Sheet No. 5-42)

Date Filed: 10-15-96 By: Michael J. Hanson Cynthia L. Leshner Effective Date: 12-16-96
General Manager & Chief Executive President and CEO of Northern States Power Company
Docket No. EL96-02507- NSP - South Dakota Order Date: 12-16-96

Customer Letter - draft

Date

Dear Time of Day Customer:

The Energy Policy Act of 2005 allows the federal government to expand Daylight Savings Time (DST) in 2007. The following information will explain why DST is being expanded, and what that will mean to the Time of Day (TOD) rate you are charged for your electric service.

Before the federal change, DST season began at 2:00 a.m. on the first Sunday of April and ends at 2:00 a.m. on the last Sunday of October. With the federal change, in 2007 DST will begin three weeks earlier on the second Sunday in March, and will extend an additional week to the first Sunday of November. Overall, in 2007 the DST season is lengthened by four weeks.

Why is daylight savings-time being expanded in 2007?

Lengthening the DST season by four weeks may reduce energy use. The US Department of Energy ("DOE") will evaluate whether the expanded DST season has resulted in additional energy savings in a report to Congress. Congress will then decide whether to make this expanded DST season permanent or revert to the previous DST schedule.

What will this DST expansion mean to my Time of Day meter?

TOD customers have a unique meter that measures their use during specific hours. These meters are programmed to account for use during these hours. Programming these meters to accommodate this test period involves costs, time and labor. Because this is a test, rather than a permanent change, your TOD meter will remain on Central Standard Time. It will *not* switch to the new expanded Central Daylight Time during the expanded period. This should not have a negative effect on the federal test of the changes to daylight savings time, but will avoid unnecessary costs if the change to DST is not made permanent by Congress.

What will be the difference between actual (prevailing) time and meter time when expanded DST is in effect?

For the four weeks of March 11-31, 2007 and November 1-4, 2007, the Time of Day meter clock will continue to reflect and measure usage at Central Standard Time. This means that during these four weeks, the on-peak period will be from 9 am to 9 pm Central Standard Time (10 am to 10 pm Daylight Saving Time).

Beginning April 1, the internal meter will reset to Daylight Savings Time, as it has in previous years, and continue to follow Daylight Savings Time until October 28, 2007 when it will reset to Central Standard Time. Therefore, peak usage between April 1 and October 28 will be measured from 9 am to 9 pm on Daylight Savings Time.

For the four week extended period of Daylight Savings Time in 2007, the on-peak period will be 10 am to 10 pm Daylight Savings Time. This temporary shift in the on-peak period will avoid unnecessary costs of reprogramming the meters, and is not expected to impact customer bills significantly/adversely. Customers should see very little impact on total bills from this one-hour shift in the on-peak period during four weeks of the year.

How will this hour difference between the actual time and the meter clock affect my TOD billing period?

During the four extra weeks of DST or Central Daylight Time, your Time of Day off-peak and on-peak periods will be as listed below:

Time of Day Meters	Actual Clock Time
Off-peak	10 p.m. to 10 a.m.
On-peak	10 a.m. to 10 p.m.

For the 48 weeks of the year not included in the expanded Daylight Savings Time trial period, the Time of Day meter's clock will indicate the correct time periods. Until a final decision is made we believe the best solution is to accommodate this test period.

For more information, contact the Business Solutions Center at 1-800-481-4700.

Sincerely,

Name

Title