



414 Nicollet Mall
Minneapolis, MN 55401

May 14, 2012

—Via Electronic Filing—

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

RE: COMPLIANCE FILING
CREDIT MECHANISM FOR A DOE SETTLEMENT
DOCKET NO. EL-11-023

Dear Ms. Van Gerpen:

Northern States Power Company, a Minnesota corporation submits to the South Dakota Public Utilities Commission this compliance report regarding the credit to South Dakota retail electric customers resulting from the third settlement payment received from the U.S. Department of Energy for failure to take the Company's spent nuclear fuel. We submit this report in compliance with the Commission's January 30th, 2012 ORDER in the above-referenced Docket.

Specifically, the Order requires:

ORDERED, that within 90 days after the issuance of this order that the refund using the one-time bill credit described in Attachment B of the application, modified to reflect actual sales from January 2011 through December 2011 shall be made and a compliance filing shall be provided to the Commission within 30 days of completing the credit process showing the amount of the DOE Settlement and interest actually earned

On December 14, 2012, Xcel filed a request to suspend the January 30, 2012, Order with respect to the third settlement payment proceeds received on October 16, 2012 to preserve the option of partially offsetting the decommissioning accrual expense in Docket No. EL12-46. The Company's request was denied by Order dated January 17, 2013. The Order further required the Company to credit the Settlement proceeds as expeditiously as possible. I apologize for the delay in submitting this compliance letter.

CREDIT SUMMARY

In compliance with the Commission's Order we began posting bill credits from the third DOE settlement payments to our electric customers on February 20, 2013 with all credits applied to customer accounts as of April 8, 2013. As summarized in Attachment A to this filing, a total of \$1,000,645 was credited to South Dakota retail electric customers.

In preparing this report, the Company determined the amounts used to calculate the customer credit did not include \$246.76 (\$420.47 in interest minus \$173.71 in bank fees) for the interest earned from receipt of the settlement payment in October 2013. Please see Attachment B for the detail of our interest calculation and the bank fees. We will carry this amount forward and include it in the credit for the fourth payment, which we expect to receive in the fourth quarter of 2013. I apologize for this oversight.

Please contact me at gail.baranko@xcelenergy.com (612-330-6935) if you have any questions regarding this filing.

Sincerely,

/s/

GAIL BARANKO
MANAGER, REGULATORY PROJECT MANAGEMENT

Enclosures