



500 West Russell Street  
Sioux Falls, South Dakota 57101

August 27, 2012

**--Via Electronic Filing--**

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

RE: COMPLIANCE FILING  
2011-2012 TRANSMISSION COST RECOVERY RIDER  
DOCKET NO. EL12-035

Dear Ms. Van Gerpen:

On April 30, 2012, Northern States Power Company, doing business as Xcel Energy, filed with the South Dakota Public Utilities Commission a petition for approval of our 2011-2012 Transmission Cost Recovery project eligibility, TCR rate factors, and tracker account report. The Commission approved the Settlement Stipulation in an Order dated August 17, 2012. Effective September 1, 2012, the TCR rate factor will change to \$0.003038.

*Updated Tariff Sheet*

We have attached a copy of our compliance tariff sheet for your Xcel Energy South Dakota Electric Rate Book as Attachment A.

**South Dakota Electric Rate Book – SDPUC No. 2**

Sheet No. 5-71, revision 2

*Customer Notification*

Customers will be alerted of this rate change via the bill message below and the bill insert included as Attachment B. The bill message will be included on bills beginning September 1, 2012. The bill insert will be included in bills beginning September 26, 2012.

*This month the Transmission Cost Recovery (TCR) Adjustment, which recovers the costs and expenses of new or modified transmission facilities, will be increasing from \$0.000094 per kWh to \$0.003038 per kWh. Questions? Contact us at 1-800-895-4999.*

Please call me at (605) 339-8350 if you have any questions regarding this filing.

SINCERELY,

/s/

JAMES C. WILCOX  
MANAGER, GOVERNMENT AND REGULATORY AFFAIRS

Enclosures