

June 16, 2014

Ms. Patricia Van Gerpen, Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, South Dakota 57501-5070 Eric Pauli, Manager, Community Relations 500 West Russell Street P.O. Box 988 Sioux Falls, SD 57101-0988 Telephone (605) 339-8303 Internet - eric.pauli@xcelenergy.com

Dear Ms. Van Gerpen:

Enclosed for filing please find a copy of an executed "Service Territory Exchange Agreement between Xcel Energy and Southeastern Electric Coop."

This agreement seeks to modify an existing service territory boundary in section 7 of T100N R49W in Lincoln County, South Dakota in southeastern Sioux Falls, South Dakota.

Attached Exhibit A to the new agreement provides additional graphical detail to this request. The "yellow" line of the diagram depicts the existing service territory boundary line between Xcel Energy and Southeastern Electric Cooperative, Inc. in southeast Sioux Falls as defined and depicted in our "contract in the matter of establishment of an assigned service area" dated January 28, 1976 on file with the South Dakota Public Utilities Commission. The "orange" highlight in this new agreement's map overlays the new territory boundary line that the parties wish to adopt. Attachment B provides the legal description for the boundary change.

For convenience of all of the parties, we have agreed to exchange territory as depicted on the diagram so as to provide each electric provider with a more compact and contiguous service territory more amenable to construction and maintenance of electrical power facilities for each provider.

Xcel Energy respectfully requests that the South Dakota Public Utilities Commission approve this agreement.

If anyone has any questions, please call me at 605-339-8303.

Sincerely,

Eric Pauli