

PUBLIC UTILITIES COMMISSION
STATE OF SOUTH DAKOTA

Gary Hanson
Chris Nelson
Kristie Fiegen

Chairman
Vice Chairman
Commissioner

IN THE MATTER OF THE APPLICATION)
OF NORTHERN STATES POWER)
COMPANY FOR AUTHORITY TO)
INCREASE RATES FOR ELECTRIC)
SERVICE IN THE STATE OF SOUTH)
DAKOTA)

DOCKET NO. EL14-_____

NOTICE OF CHANGE IN RATES

NOTICE

Northern States Power Company, doing business as Xcel Energy, hereby gives notice to the South Dakota Public Utilities Commission of its Application for a change in retail electric rates to be effective on and after January 1, 2015. Xcel Energy submits to the Commission the revised rate schedules, supporting testimony and exhibits, and required statements that support the requested changes.

The effect of the proposed change in rates is an annual incremental increase in revenues from our customers of \$15.600 million, or about 8.0 percent. In addition, the Company currently recovers the costs of certain capital projects through the Infrastructure Rider and the Transmission Cost Recovery (TCR) Rider, which will be recovered through an increase in base rates. The result is that the revenue provided by those riders will cease and will be replaced by an equal increase in base rates of \$9.040 million, for a total increase in electric base rates (i.e. non-fuel) of \$24.64 million, or about 13.2 percent effective for electric service on and after January 1, 2015. Increases to individual customers within a class will vary depending on particular usage patterns.

The Company is submitting prepared direct testimony and schedules by the following witnesses:

Witness	Testimony
Laura McCarten	Policy
Charles R. Burdick	Revenue Requirements, Rate Base and Income Statement
Ann E. Bulkley	Rate of Return / Return on Equity
James P. Gilroy	CCOSS / Rate Design

RULE COMPLIANCE

A. Report of Tariff Changes

As part of this Notice, Xcel Energy files our revised rate sheets in both legislative and non-legislative format in Volume 2. The rate information and description of the rate and tariff changes required by ARSD § 20:10:13:26, are included in Volume 2 in Mr. James P Gilroy’s Schedules 11, 12, and 13.

B. Attestation of Chief Accounting Officer

The Attestation of the Chief Accounting Officer, required by ARSD § 20:10:13:50 is attached to this Notice.

C. Revenue Estimates, Cost of Service Study, and Statement of System Costs

The Revenue Estimates as required by ARSD § 20:10:13:41 is contained in Statement I. The class cost of service study required by ARSD § 20:10:13:43 is found in Statement O. The statement of system costs required by ARSD § 20:10:13:44 is primarily found in Statement N. These Statements are included in Volume 1.

D. Proposed Effective Date

Notice to the Commission of a proposed change in rates must be provided “at least 30 days prior to the proposed effective date” under ARSD § 20:10:13:15. SDCL 49-34A-12 similarly requires “thirty days’ notice to the Commission” and also provides that the notice include “the time when the modified rates will go into effect.” The effect of these provisions is to allow a utility to propose an effective date of the modified rates 30 days or more after notice to the Commission.

The Commission's April 18, 2013 ORDER GRANTING JOINT MOTION FOR APPROVAL OF SETTLEMENT STIPULATION; ORDER APPROVING REFUND PLAN in Docket No. EL12-046 approved a March 15, 2013 Settlement Stipulation which included a Rate Moratorium provision that stated that "the Company shall not file any petition to increase base rates for electric service, for rates proposed to be in effect prior to January 1, 2015." (Settlement Stipulation at page 7). Accordingly, Xcel Energy proposes the effective date of the proposed increase in base rates in this proceeding to be on and after January 1, 2015.

E. Notice to Customers

In compliance with ARSD §§ 20:10:13:18 and 19, the Company will notify customers of the proposed increase in electric service rates by posting in a prominent location the Rate Increase Notice attached to this Notice at its local customer service center in Sioux Falls for at least thirty (30) days prior to the rates taking effect. The notice will state that the proposed rates are available in that office for inspection. We will also issue a press release and post the Application, Testimony, and supporting documentation on our website. Additionally, notice to individuals will be sent with their August bills.

Xcel Energy does not waive any right it may have to update and amend this notice or the statements of fact, expert opinions, substantiating documents and exhibits in support hereof, and to produce other or additional statements of fact, expert opinions, substantiating documents, and exhibits to meet all claims, objections and allegations that may be made by any party to this proceeding.

Dated: June 23, 2014

Northern States Power Company

RESPECTFULLY SUBMITTED,



LAURA MCCARTEN
REGIONAL VICE PRESIDENT