

**SERVICE TERRITORY EXCHANGE AGREEMENT
BETWEEN
XCEL ENERGY AND SOUTHEASTERN ELECTRIC COOP**

This agreement entered into this 31st day of July, 2014, ("Agreement") between Northern States Power Company doing business as Xcel Energy, with offices located at 500 W. Russell Street, Sioux Falls, South Dakota ("Xcel Energy"), and Southeastern Electric Cooperative, Inc. with principal place of business at 501 South Broadway, Marion, South Dakota ("Southeastern") (together, "Parties").

RECITALS:

WHEREAS, pursuant to SDCL 49-34A-42 *et seq.*, the Parties have electric service territory established under South Dakota Law; and

WHEREAS, Southeastern and Xcel Energy agree to adjust the service territory line 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,

NOW THEREFORE, the Parties agree as follows:

1. Xcel Energy and Southeastern agree to a new service territory line in section 8 of T100N R49W in Lincoln County, South Dakota as depicted on the map in attached Exhibit A and as further described in Exhibit B.
2. The Parties agree that that the change in service territory boundary line transfers to Southeastern the existing service territory of Xcel Energy.
3. The Parties agree that no compensation is due to Xcel Energy from Southeastern for this service territory transfer.
4. The parties agree to jointly submit these agreed upon changes to the South Dakota Public Utilities Commission for its approval.
5. Except as specifically set forth herein, this Agreement does not modify or limit the legal rights of any party.
6. The Parties acknowledge that this Agreement is subject to the jurisdiction of the Commission.

IN WITNESS WHEREOF: This Agreement is executed and made effective between Southeastern and Xcel Energy.

This 21st day of August, 2014

Xcel Energy:

Southeastern Electric Cooperative, Inc.

By: Laura McCarten
Regional Vice President, NSP-MN

By: Brad Schardin, General Manager

Attest: Laura McCarten

Attest: Brad Schardin, G. Mgr.