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August 29, 2014

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

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 8 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,

A handwritten signature in blue ink, appearing to read 'Eric Pauli', written over a light blue horizontal line.

Eric Pauli