



414 Nicollet Mall  
Minneapolis, MN 55401

May 21, 2014

— VIA E-MAIL—

Ms. Patricia Van Gerpen, Executive Director  
South Dakota Public Utilities Commission  
Capitol Building, 1<sup>st</sup> Floor  
500 E. Capitol Ave.  
Pierre, SD 57501-5070

**RE: SPENT NUCLEAR FUEL DISPOSAL FEE**

Dear Ms. Van Gerpen:

Northern States Power Company, doing business as Xcel Energy, submits this informational letter regarding the adjustment of the Department of Energy's (DOE) Spent Nuclear Fuel Disposal Fee.

We first notified the Commission of the U.S. Court of Appeals for the District of Columbia's decision regarding the National Association Regulatory Utility Commissioners' lawsuit challenging the DOE's collection of the nuclear waste storage fee in our December 6, 2013 NOTICE OF RECEIPT OF FOURTH PAYMENT.<sup>1</sup> The Company received notification from the DOE on May 12, 2014 that the Spent Nuclear Fuel Disposal Fee will be reduced from 1.0 to 0.0 mill per kilowatt hour of electricity generated and sold effective May 16, 2014. The Disposal Fee is an authorized component of FERC account 518. This fee has been collected from customers via a line item in our monthly Fuel Clause Charge filings. Given the May 16 effective date of the fee change to zero, the estimated fuel cost reduction for the typical South Dakota residential customer (using 750 kwh per month) is approximately 23¢ per month for the balance of 2014.

The July Fuel Clause Charge filing will reflect the May 16 reduction of the Disposal Fee to \$0. In future Fuel Clause Charge filings, we will no longer collect the Disposal Fee from South Dakota customers unless the DOE changes the rate again in the future.

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<sup>1</sup> Docket No. EL11-023

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

SINCERELY,

/s/

JAMES C WILCOX  
PRINCIPAL MANAGER