

414 Nicollet Mall Minneapolis, Minnesota 55401

August 4, 2017

—Via Electronic Filing—

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

RE: FILING PURSUANT TO SDPUC COGENERATION AND SMALL POWER

PRODUCTION ORDER, DOCKET NO. F-3365

Dear Ms. Van Gerpen:

Pursuant to the above referenced docket, Northern States Power, doing business as Xcel Energy, hereby submits for South Dakota Commission approval the revised rate sheets for the Occasional Delivery Energy Service tariff and the Time of Delivery Energy Service tariff.

The proposed Occasional Delivery Energy Service rate sheet is revised to reflect a slight decrease of 0.20 cent per kWh in energy payment from the current rate of 2.58 cents per kWh to 2.38 cents per kWh, and no change in the monthly metering charge. The energy payment is based on the Company's 2017 avoided energy cost estimate. The proposed Time of Delivery Energy Service rate sheet is also revised to reflect energy and capacity payments based on the Company's 2017 avoided costs projection, and no change in the monthly metering charge.

The enclosed tariff pages (Attachment A) are consistent with those the Commission approved in its November 13, 2015 Order (Docket No. EL-15-034), as finalized in our compliance filing on November 16, 2015. Attachment B contains the supporting work papers to illustrate the derivation of the proposed rates for these tariffs.

The Company requests the Commission approve the proposed rate sheets.

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In accordance with ARSD §§ 20:10:01:39 through 42, Xcel Energy respectfully requests confidential treatment of certain information contained in this filing. In compliance with ARSD § 20:10:01:41, we have clearly marked each page containing confidential information as "CONFIDENTIAL."

Pursuant to ARSD § 20:10:01:41, we provide the following information in support of our request:

- (1) We request confidential treatment of certain portions of Attachment 1 to this document. Attachment 1 includes the confidential terms resulting from a Confidential Settlement in Docket No. EL14-058.
- (2) We request this document be treated as confidential forever.
- (3) If you have questions regarding this request please contact:
 Amanda Rome
 Lead, Assistant General Counsel
 Xcel Energy Services Inc.
 401 Nicollet Mall
 Minneapolis, MN 55401
 (612) 215-5331
- (4) We request confidential treatment on the grounds that the material is proprietary and trade secret information, the disclosure of which would result in material damage to the Company's financial or competitive position. The claim for confidential treatment is based on ARSD § 20:10:01:39 (4) and SDCL § 1-27-30. The information contained within the referenced documents meets the definition of "trade secret" under SDCL § 37-29-1(4)(1), the South Dakota Uniform Trade Secrets Act, which is defined as information that "Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and... is the subject of efforts that are reasonable under the circumstances to maintain its secrecy." The information also meets the definition of "proprietary information" under SDCL § 1-27-28, which is defined as "information on pricing, costs, revenue, taxes, market share, customers, and personnel held by private entities and used for that private entity's business purposes."

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(5) The noted document qualifies for confidential treatment because it contains proprietary business information which the Company does not disclose to the public. The confidential attachment includes the confidential terms resulting from a Confidential Settlement in Docket No. EL14-058. The disclosure of such information could have a negative impact on the ability to enter into such settlements. The Company treats this information as both highly confidential proprietary and trade secret information, not released to the public.

Please contact me at 612-330-7681 or <u>lisa.r.peterson@xcelenergy.com</u> if you have any questions about this filing.

Sincerely,

LISA PETERSON MANAGER, REGULATORY ANALYSIS

c. Steve Kolbeck

Enclosures