



500 West Russell St
Sioux Falls, SD 57104

November 29, 2017

--Via Electronic Filing--

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

RE: UPDATE
2018 INFRASTRUCTURE RIDER PROJECT ELIGIBILITY AND FACTOR UPDATE
DOCKET NO. EL17-039

Dear Ms. Van Gerpen:

Northern States Power Company, doing business as Xcel Energy, submits the enclosed update to our 2018 Infrastructure Rider Petition. In response to Staff's concerns about the inclusion of the Black Dog Unit 6 Simple Cycle project in the 2018 Infrastructure Rider, we have removed the project from our proposed revenue requirements. We expect to address cost recovery of this project in a future proceeding.

This removal decreases the 2018 total revenue requirement from approximately \$11.37 million to approximately \$10.97 million and the proposed rate from \$0.005367 per kWh to \$0.005181 per kWh. An average residential customer using 750 kWh of electricity in a month would see a decrease in their monthly bill of approximately \$0.11 compared to the current Infrastructure Rider rate as opposed to a \$0.03 increase as proposed in our initial Petition.

In addition to this change, we have made a correction in this update filing. The detailed revenue requirement calculation for the NSPM T-Line ELR 2016 69kV Line project (A.0000504.025) was inadvertently not included in Attachment 5 as filed in our initial Petition. A corrected Attachment 5 is included in this update filing. The omission of the project detail on this supporting attachment did not impact the total revenue requirement calculation.

We have included all of the attachments that were submitted with our initial Petition with this Update for ease of review, but we note that only the following attachments

were impacted by the removal of the Black Dog project and the correction to Attachment 5:

- Attachment 1: Rate Factor Calculation and Bill Impact
- Attachment 2: Annual Rider Tracker Summary
- Attachment 3: Rider Tracker Monthly Detail
- Attachment 4: Comparison to Previous Filing
- Attachment 5: 2018 Rider Revenue Requirements Detail
- Attachment 9: Project List and Descriptions
- Attachment 11: Proposed Tariff Sheets – Legislative and Clean
- Attachment 13: Customer Bill Notice

Confidential Information

Pursuant to South Dakota Admin. R. 20:10:01:41, we provide the following support for our request to classify certain documentation as confidential trade secret data.

We request confidential treatment of the updated Attachments 2, 3, 4, 5, 7 and 8 Pursuant to S.D. Codified Laws Chapter 20:10:01:41. The Company submits the following justification for confidential treatment of updated Attachments 2, 3, 4, 5, 7 and 8.

(1) An identification of the document and the general subject matter of the materials or the portions of the document for which confidentiality is being requested.

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. Updated Attachments 2, 3, 4, 5, 7 and 8 contain financial information that is not available to the general public.

(2) The length of time for which confidentiality is being requested and a request for handling at the end of that time. This does not preclude a later request to extend the period of confidential treatment.

The Company requests that Updated Attachments 2, 3, 4, 5, 7 and 8 be recognized as trade secret data in perpetuity.

(3) The name, address, and phone number of a person to be contacted regarding the confidentiality request.

Steve Kolbeck
500 W. Russell Street
P.O. Box 988
Sioux Falls, SD 57101
(605) 339-8350
steven.t.kolbeck@xcelenergy.com

- (4) The statutory or common law grounds and any administrative rules under which confidentiality is requested. Failure to include all possible grounds for confidential treatment does not preclude the party from raising additional grounds in the future.**

The claim for confidential treatment is based on South Dakota Admin. R. 20:10:01:39 (4) and S.D. Codified Laws Chapter 1-27-30. The information contained within the referenced documents meets the definition of “trade secret” under S.D. Codified Laws Chapter 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 S.D. Codified Laws Chapter 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.”

- (5) The factual basis that qualifies the information for confidentiality under the authority cited.**

The Company’s cost of capital is trade secret consistent with the Settlement Stipulation and Commission Order in Docket No. EL14-058.

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

Sincerely,

/s/

STEVE KOLBECK
PRINCIPAL MANAGER

Enclosure