

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE PETITION OF )	ORDER DENYING PETITION
NORTHERN STATES POWER COMPANY )	FOR APPROVAL OF THE
D/B/A XCEL ENERGY FOR APPROVAL TO )	INCLUSION OF CERTAIN
INCLUDE CERTAIN RENEWABLE ENERGY )	RENEWABLE
DEVELOPMENT FUND COSTS IN THE )	DEVELOPMENT FUND
ELECTRIC FUEL CLAUSE ADJUSTMENT )	COSTS IN ITS FUEL
)	CLAUSE
)	EL04-015

On May 7, 2004, Northern States Power Company d/b/a Xcel Energy (Xcel) filed with the Public Utilities Commission (Commission) a petition for approval to include renewable development fund payments directed to projects resulting in new renewable energy production, and associated administrative costs, allocated to South Dakota, in a revised fuel clause rider tariff for purposes of cost recovery from South Dakota customers. Renewable development fund payments by Xcel are required by an Act passed by the Minnesota Legislature in exchange for enabling Xcel to temporarily store spent nuclear fuel at the Prairie Island Nuclear Generating Plant at Red Wing, Minnesota.

On May 13, 2004, the Commission electronically transmitted notice of the filing and the intervention deadline of May 28, 2004, to interested individuals and entities. No petitions to intervene or comments were filed. On April 12, 2005, the Commission received a settlement agreement between Xcel and Commission Staff from Commission Staff.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A.

At its regularly scheduled meeting of April 12, 2005, the Commission considered this matter. The Commission voted to deny Xcel's petition and to instead direct Xcel to accumulate these costs in a separate account, by vintage, from 2004 forward, including carrying charges based upon the rate of return last allowed by this Commission, for the Commission's future consideration in the form of a potentially recoverable regulatory asset. The Commission's consideration of recovery of these costs shall take place within Xcel's next general filing for a rate change. It is therefore

ORDERED, that Xcel's petition for approval of the inclusion of certain renewable development fund costs in its fuel clause is hereby denied. It is further

ORDERED, that Xcel shall accumulate these costs in a separate account, by vintage, from 2004 forward, including carrying charges based upon the rate of return last allowed by this Commission, for the Commission's future consideration in the form of a potentially recoverable regulatory asset. The Commission's consideration of recovery of these costs shall take place within Xcel's next general filing for a rate change.

Dated at Pierre, South Dakota, this 15<sup>th</sup> day of April, 2005.

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.

By: *Melaine Krebs*

Date: 4/18/05

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*Gary Hanson*  
GARY HANSON, Chairman

*Robert K. Sahr*  
ROBERT K. SAHR, Commissioner

*Dustin M. Johnson*  
DUSTIN M. JOHNSON, Commissioner