

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

**IN THE MATTER OF THE APPLICATION OF)
NORTHERN STATES POWER COMPANY)
DBA XCEL ENERGY FOR AUTHORITY TO)
INCREASE ITS ELECTRIC RATES)**

**ORDER DENYING
INTERVENTION**

EL12-046

On June 29, 2012, the Public Utilities Commission (Commission) received an Application for Authority to Increase Electric Rates in South Dakota (Application) filed by Northern States Power Company dba Xcel Energy (Xcel) for approval to increase rates for electric service to customers in its South Dakota service territory by approximately \$19.368 million annually or approximately 11.53% based on Xcel's 2011 test year. Xcel states that a typical residential electric customer using 750 kWh per month would see an increase of 12.7%, or \$9.82 per month. The proposed rates may potentially affect approximately 85,000 customers in Xcel's South Dakota service territory.

On July 5, 2012, the Commission electronically transmitted notice of the filing and the intervention deadline of September 7, 2012, to interested individuals and entities. On September 6, 2012, Shetek Wind Inc., (Shetek) filed a Petition to Intervene (Petition). On September 21, 2012, Xcel filed an Answer of Northern States Power Company to Petition to Intervene by Shetek Wind Inc. On September 24, 2012, Shetek filed its Reply of Shetek Wind Inc. to Answer of Northern States Power Company.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34A and ARSD Chapter 20:10:13 and 20:10:01:15.02 and 20:10:01:15.05.

At its regularly scheduled meeting on September 25, 2012, the Commission considered this matter and heard argument from the parties. Finding that (i) Shetek is not an Xcel South Dakota ratepayer and will not therefore be directly and immediately affected as a ratepayer by the Commission's decision, (ii) Shetek's asserted pecuniary interest - as a potential wholesale electric supply competitor to Prairie Rose Wind, LLC (Prairie Rose) and other potential wholesale suppliers to Xcel - arising from the retail rate effect on Xcel from the Commission's treatment of rate base and revenue attributable to Xcel's net zero interconnection agreement with Prairie Rose, is too speculative and removed from the retail rate determinations in this matter to constitute a sufficient interest to justify intervention, (iii) Shetek will have the full ability to express its concerns to the Commission and the Commission's Staff through comments to the Commission in this docket and may make a non-party appearance under SDCL 49-34A-13.1, and (iv) to the extent the basis for intervention is in effect an assertion of discriminatory access to interconnection or the wholesale market as a result of MISO's net zero and other interconnection policies, such determinations are within the jurisdiction of FERC and not the Commission, a majority of the Commission voted to deny the Petition, with Commissioner Hanson dissenting.

It is therefore

ORDERED, that the Petition to Intervene of Shetek Wind Inc. is hereby denied.

Dated at Pierre, South Dakota, this 1st day of October, 2012.

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, electronically.

By: *[Signature]*

Date: October 1, 2012

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

[Signature]

CHRIS NELSON, Chairman

[Signature]

KRISTIE FIEGEN, Commissioner

GARY HANSON, Commissioner, dissenting