

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

IN THE MATTER OF COMMISSION)	ORDER GRANTING JOINT
STAFF'S REQUEST TO INVESTIGATE)	MOTION FOR APPROVAL OF
NORTHERN STATES POWER COMPANY)	SETTLEMENT STIPULATION
DBA XCEL ENERGY'S PROPOSED FUEL)	
CLAUSE RIDER)	
)	EL16-037

On November 30, 2016, the South Dakota Public Utilities Commission (Commission) received a filing from Northern States Power Company dba Xcel Energy (Xcel) regarding its monthly fuel clause rider (FCR), to be effective December 1, 2016. On November 30, 2016, Commission staff (Staff) filed a Petition to Suspend Proposed Fuel Clause Rider. Staff requested a suspension for 180 days to allow adequate time for it to evaluate whether certain Purchase Power Agreements (PPAs) requested for cost recovery through the FCR are reasonable and cost effective. The costs associated with specific PPAs were not identified in the FCR filing therefore Staff requested suspension to review not only the specific PPAs that were identified, but also additional resources that may be identified through Staff's investigation.

On December 1, 2016, the Commission electronically transmitted notice of the filing and the intervention deadline of December 16, 2016, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. Xcel is a party to the docket. On December 12, 2016, the Commission issued an Order Suspending Fuel Clause Rider for 180 Days. On May 8, 2017, Staff filed a Motion and Brief for Order to Show Cause Why Certain Costs Included In Proposed Fuel Clause Rider Should not be Disallowed (Motion). In its Motion, Staff requested the Commission issue an Order to Show Cause requiring Xcel to come forward and show cause as to why certain expenses should not be disallowed. On May 25, 2017, the Commission issued an Order to Show Cause and an Order Establishing Procedural Schedule. On June 30, 2017, Xcel filed prefiled testimony. On July 28, 2017, Staff filed prefiled testimony. On August 8, 2017, Xcel filed prefiled rebuttal testimony. On August 18, 2017, the parties requested the procedural schedule be suspended. On August 22, 2017, the parties filed a Settlement Stipulation and Joint Motion for Approval of Settlement Stipulation. On August 28, 2017, Staff filed its Memorandum Supporting Settlement Stipulation.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34A, specifically, 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-25, and 49-34A-26.

The Joint Motion for Approval of Settlement Stipulation was noticed for Commission consideration and action at its regularly scheduled meeting on September 12, 2017. The Commission heard from Xcel and Staff concerning the Joint Motion for Approval of Settlement Stipulation and the related Settlement Stipulation.

Having thoroughly reviewed the filings in the docket and after making further inquiry of the parties, the Commission found that the terms and conditions proposed in the Settlement Stipulation were just, reasonable, and in the public interest and that good and sufficient cause was demonstrated to approve the Settlement Stipulation. The Commission voted unanimously to grant the Joint Motion for Approval of Settlement Stipulation and approve the Settlement Stipulation. It is therefore

ORDERED, that the Joint Motion for Approval of Settlement Stipulation is granted and the Settlement Stipulation is approved with an effective date of October 1, 2017. The Settlement Stipulation is incorporated by reference into this Order the same as if it had been set forth in its entirety herein. It is further

ORDERED, that Xcel shall file a compliance filing that provides the amount customers will be refunded associated with the Aurora project proxy pricing back to December 1, 2016. It is further

ORDERED, that Xcel shall file a docket with a proposal to mitigate the potential FCR rate volatility associated with the unrecovered amount in the balancing account.

Dated at Pierre, South Dakota, this 19th day of September, 2017.

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 or by mail.
By: <u>Adam deHueck</u>
Date: <u>9/19/17</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Kristie Fiegen

KRISTIE FIEGEN, Chairperson

Gary Hanson

GARY HANSON, Commissioner

Chris Nelson

CHRIS NELSON, Commissioner