

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

**IN THE MATTER OF COMMISSION STAFF'S) ORDER TO SHOW CAUSE
REQUEST TO INVESTIGATE NORTHERN)
STATES POWER COMPANY DBA XCEL) EL16-037
ENERGY'S PROPOSED FUEL CLAUSE RIDER)**

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 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. Included in Staff's Motion was a request for a procedural schedule.

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

At its regularly scheduled meeting of May 23, 2017, the Commission considered this matter. The Commission reviewed Staff's Motion and supporting Affidavit of Jon Thurber (Affidavit), Xcel's Response to Commission Staff's Motion to Show Cause, and heard the arguments of the parties. The Commission voted unanimously to issue an Order to Show Cause requiring Xcel to show whether costs associated with the North Star Solar, Marshall Solar, and Aurora Solar projects, as well as costs associated with projects identified in Exhibit_JPT-2, Exhibit_JPT-3, and Exhibit_JPT-4, attached to the Affidavit, should be passed on to South Dakota customers through the FCR. It is therefore

ORDERED, that Xcel shall appear and show cause, beginning on August 29, 2017, and continuing through August 31, 2017, as to why costs associated with the North Star Solar, Marshall Solar, and Aurora Solar projects, as well as costs associated with projects identified in Exhibit_JPT-2, Exhibit_JPT-3, and Exhibit_JPT-4, attached to the Affidavit, should be passed on to South Dakota customers through the FCR.

Dated at Pierre, South Dakota, this 25th day of May, 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: Adam Chetnick

Date: 5/25/17

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Kristie Fiegen
KRISTIE FIGEN, Chairperson

Gary Hanson
GARY HANSON, Commissioner

Chris Nelson
CHRIS NELSON, Commissioner