



414 Nicollet Mall  
Minneapolis, Minnesota 55401-1993

January 31, 2007

Ms. Patricia Van Gerpen  
Executive Director  
SD Public Utilities Commission  
500 East Capitol Avenue  
Pierre, South Dakota 57501

**RE: Northern States Power Company, A Minnesota Corporation and Wholly  
Owned Subsidiary of Xcel Energy Inc.  
February 2007 Fuel Clause Adjustment**

Dear Ms. Van Gerpen:

Northern States Power Company d/b/a Xcel Energy hereby submits for filing the fuel clause adjustment determination for Xcel Energy for the billing month of February 2007.

The fuel clause adjustment is a positive 1.728 cents per kWh and is the value used in the application of Fuel Clause Rider No. 1 included in the Electric Rate Book, SDPUC No. 1 for Xcel Energy. Pursuant to Commission approval dated November 4, 2006 under Docket No. EL06-026, the Company is authorized to pass through the fuel clause South Dakota's portion of the Department of Energy (DOE) Uranium enrichment services overcharge settlement refund plus accrued interest and net of the incremental legal expenses. In order to reimburse South Dakota ratepayers with the net proceeds of this settlement, the Company includes a credit of \$1,587,794 to the December Nuclear Fuel Expense Account (FERC Account 518).<sup>1</sup> Separately, a special adjustment debit of \$7,364 or 0.005¢ is included in the February FCA factor reflecting the South Dakota's portion of net accrued interest and legal fee expense of this DOE settlement refund. An estimated

---

<sup>1</sup> Estimated South Dakota allocation is \$72,060.