

PUBLIC UTILITIES COMMISSION
STATE OF SOUTH DAKOTA

Dusty Johnson
Steve Kolbeck
Gary Hanson

Chairman
Vice Chairman
Commissioner

IN THE MATTER OF THE APPLICATION)
OF NORTHERN STATES POWER)
COMPANY, A MINNESOTA)
CORPORATION, FOR AUTHORITY TO)
INCREASE RATES FOR ELECTRIC)
SERVICE IN THE STATE OF SOUTH)
DAKOTA)

DOCKET NO. EL09-_____

NOTICE OF CHANGE IN RATES

NOTICE

Northern States Power Company, a Minnesota corporation (“Xcel Energy” or the “Company”) hereby gives notice to the South Dakota Public Utilities Commission (the “Commission”) of its Application for a change in retail electric rates. Xcel Energy submits to the Commission the revised rate schedules, supporting testimony and exhibits, and required statements that support the requested changes.

The effect of the proposed change in rates is an annual increase in base rates (*i.e.*, non-fuel) electric revenues of approximately \$18.6 million, or about 12.7 percent, effective for electric service on and after August 1, 2009, unless the rates are suspended by the Commission. Of this increase in base rates, approximately \$2.9 million is revenue neutral to the ratepayers and the Company and results from moving cost recovery from the Transmission Cost Recovery Rider and the Environmental Cost Recovery Rider to base rates. Consequently, the increase in overall retail rates is \$15.7 million or about 10.65 percent. The proposed revenue increases to customer classes move the customer classes closer to the cost of service. Increases to individual customers within a class will vary depending on particular usage patterns.

The Company is submitting prepared direct testimony and schedules by the following witnesses:

Witness	Testimony
Judy M. Poferl	Policy
Anne E. Heuer	Revenue Requirements
Jannell E. Marks	Sales Forecast
Robert B. Hevert	Return on Equity
James R. Alders	Energy Supply
Walter T. Grivna	Transmission
Michael A. Peppin	Class Cost of Service Study
Steven V. Huso	Rate Design

RULE COMPLIANCE

A. Report of Tariff Changes

As part of this Notice, Xcel Energy files our revised rate sheets in both legislative and non-legislative format in Volume 3. The rate information and description of the rate and tariff changes required by ARSD § 20:10:13:26, are included in Volume 3 in Mr. Steven V. Huso's Schedules 8, 9, and 10.

B. Attestation of Chief Accounting Officer

The Attestation of the Chief Accounting Officer, required by ARSD § 20:10:13:50 is attached to this Notice.

C. Revenue Estimates, Cost of Service Study, and Statement of System Costs

The Revenue Estimates as required by ARSD § 20:10:13:41 is contained in Statement I. The class cost of service study required ARSD § 20:10:13:43 is found in Statement O. The statement of system costs required by ARSD § 20:10:13:44 is primarily found in Statement N. These Statements are included in Volume 1.

D. Notice

In compliance with ARSD §§ 20:10:13:18 and 19, the Company will notify customers of the proposed increase in electric service rates by posting in a prominent location the Rate Increase Notice attached to this Notice at its local customer service center in Sioux Falls for at least thirty (30) days prior to the rates taking effect. The notice will

state that the proposed rates are available in that office for inspection. We will also issue a press release and post the Application, Testimony, and supporting documentation on our website. Additionally, notice to individuals will be sent with their August bills.

Xcel Energy does not waive any right it may have to update and amend this notice or the statements of fact, expert opinions, substantiating documents and exhibits in support hereof, and to produce other or additional statements of fact, expert opinions, substantiating documents, and exhibits to meet all claims, objections and allegations that may be made by any party to this proceeding.

Dated: June 30, 2009

Northern States Power Company,
a Minnesota corporation

RESPECTFULLY SUBMITTED,

A handwritten signature in black ink, appearing to read 'Judy M. Pofert', written in a cursive style.

JUDY M. POFERL
REGIONAL VICE PRESIDENT
NORTHERN STATES POWER COMPANY,
A MINNESOTA CORPORATION OPERATING IN SOUTH DAKOTA