

ELECTRIC RATE INCREASE

Effective May 1, 2013

Peak-Controlled Time of Day Service	Prior Rates	New Rates
Customer charge per month	\$50.00	\$50.00
Firm On-Peak Demand charge per kW—Summer	\$10.90	\$11.75
Firm On-Peak Demand charge per kW—Winter	\$7.40	\$8.05
Controllable Demand per kW	\$5.33	\$5.82
Off-Peak Demand per kW—Excess	\$2.00	\$2.00
Energy charge per kWh—On-Peak	3.252 ¢	3.744 ¢
Energy charge per kWh—Off-Peak	1.995 ¢	2.297 ¢
Energy charge credit per kWh over 360 hours	0.702 ¢	0.766 ¢

Energy-Controlled Service	Prior Rates	New Rates
Customer charge per month	\$50.00	\$50.00
Firm On-Peak Demand charge per kW—Summer	\$10.90	\$11.75
Firm On-Peak Demand charge per kW—Winter	\$7.40	\$8.05
Controllable Demand per kW	\$4.94	\$5.41
Off-Peak Demand per kW—Excess	\$2.00	\$2.00
Firm Energy charge per kWh—On-Peak	3.252 ¢	3.744 ¢
Firm Energy charge per kWh—Off-Peak	1.995 ¢	2.297 ¢
Controllable Energy charge per kWh—On-Peak	2.922 ¢	3.401 ¢
Controllable Energy charge per kWh—Off-Peak	1.875 ¢	2.177 ¢
Control Period Energy charge per kWh	9.200 ¢	9.200 ¢
Energy charge credit per kWh over 360 hours	0.702 ¢	0.766 ¢

For More Information

You may examine new rate schedules by visiting our website at xcelenergy.com - from the the About us tab select Regulatory Filings then choose South Dakota 2012 Electric Rate Case. If you have further questions, please contact Xcel Energy at **1-800-895-4999**.

On June 29, 2012, Northern States Power Company, doing business as Xcel Energy asked the South Dakota Public Utilities Commission (SDPUC) for permission to increase its electricity rates. Xcel Energy requested an increase of approximately \$19.4 million or 11.53 percent. The primary reason a rate increase is necessary is to maintain safe and reliable service. Xcel Energy has made significant investments in its generation, transmission and distribution systems to reliably meet the electricity needs of its South Dakota customers. The company has been authorized by the SDPUC to increase overall electric rates by approximately 6.9 percent or \$11.57 million, effective May 1, 2013.

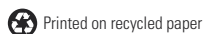
Also, the company has been authorized to implement a Rate Phase-In Rider to recover an additional \$3.71 million, or 2.2 percent, for the cost of certain capital projects and incremental property taxes not otherwise included in base rates, effective May 1, 2013. Combined, the authorized increase in base rates and Rate Phase-In Rider is \$15.28 million or approximately 9.06 percent. A moratorium on base rate increases is in effect until January 1, 2015.

The actual impact of the requested base rate increase on an individual customer's bills will vary depending on the customer's rate class and amount of energy use. As a result of the change in base rates and Rate Phase-In Rider, a typical residential customer using an average of 750 kilowatt-hours (kWh) of energy each month will see an increase of \$6.44 per month (from \$77.45 to \$83.89) based on average rates.

State law allowed Xcel Energy to collect an interim (temporary) rate increase while the Commission considered the rate request. The interim increase of \$19.4 million annually began on January 1, 2013. Since the final rate increase is less than the interim rate increase, Xcel Energy will refund the difference, with interest, on June or July bills. The average residential customer's interim refund will be approximately \$5.00.



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A sample of some of the new rates which became effective with service rendered on and after May 1, 2013 is shown below. The first bill you receive may be prorated, depending on your meter reading date. This means that any service provided prior to May 1, 2013 will be billed at the old rates, and any service provided on and after May 1, 2013 will be billed at the new rates.

¢ = rate in cents
\$ = rate in dollars

Residential Service—Average Month Bill Example

Usage (kWh)	Prior Rates	New Rates*	Amount of Increase	Percent Increase
400	\$45.16	\$48.59	\$3.43	7.60%
500	\$54.38	\$58.68	\$4.29	7.90%
600	\$63.61	\$68.76	\$5.15	8.09%
750	\$77.45	\$83.89	\$6.44	8.32%
1000	\$100.52	\$109.10	\$8.58	8.54%
2000	\$190.80	\$208.27	\$17.47	9.16%

*includes Base Rate and Rate Phase-In Rider.

Prior Rates New Rates

Fuel charge per kWh—varies monthly	2.695 ¢	2.695 ¢
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Residential Service Prior Rates New Rates

Customer charge per month—overhead service	\$8.25	\$8.25
Customer charge per month—underground service	\$10.25	\$10.25
Energy charge per kWh—Summer	7.432 ¢	8.161 ¢
Energy charge per kWh—Winter 0 – 1000 kWh	6.032 ¢	6.641 ¢
Energy charge per kWh—Winter excess kWh	5.734 ¢	6.389 ¢
Energy charge per kWh—Winter Sp. Htg. excess kWh	3.934 ¢	4.166 ¢

Residential Time of Day Service Prior Rates New Rates

Customer charge per month—overhead service	\$10.25	\$10.25
Customer charge per month—underground service	\$12.25	\$12.25
Energy charge per kWh—Summer On-Peak	16.122 ¢	17.235 ¢
Energy charge per kWh—Winter On-Peak	12.250 ¢	13.155 ¢
Energy charge per kWh—Winter Sp Htg On-Peak	10.120 ¢	10.762 ¢
Energy charge per kWh—Off-Peak	2.240 ¢	2.540 ¢

Residential Heat Pump Service Prior Rates New Rates

Customer charge per month	\$3.05	\$3.05
Energy charge per kWh—Summer	5.930 ¢	6.522 ¢
Energy charge per kWh—Winter	3.824 ¢	4.060 ¢

Energy-Controlled Non-Demand Service Prior Rates New Rates

Customer charge per month	\$3.05	\$3.05
Energy charge per kWh—Standard	3.227 ¢	3.486 ¢

Limited Off-Peak Service Prior Rates New Rates

Customer charge per month	\$3.05	\$3.05
Customer charge per month—3 phase	\$5.15	\$5.15
Customer charge per month—primary voltage	\$25.00	\$25.00
Energy charge per kWh—Off-Peak	2.040 ¢	2.340 ¢

Small General Service Prior Rates New Rates

Customer charge per month	\$9.00	\$9.00
Energy charge per kWh—Summer	6.932 ¢	7.586 ¢
Energy charge per kWh—Winter	5.532 ¢	6.066 ¢

Small General TOD Service Prior Rates New Rates

Customer charge per month	\$11.00	\$11.00
Energy charge per kWh—Summer On-Peak	12.118 ¢	13.345 ¢
Energy charge per kWh—Winter On-Peak	9.171 ¢	10.090 ¢
Energy charge per kWh—Off-Peak	2.240 ¢	2.540 ¢

General Service Prior Rates New Rates

Customer charge per month	\$21.00	\$21.00
Demand charge per kW—Summer	\$10.90	\$11.75
Demand charge per kW—Winter	\$7.40	\$8.05
Energy charge per kWh	2.545 ¢	2.910 ¢
Energy charge credit per kWh over 360 hours	0.702 ¢	0.766 ¢

General Time of Day Service Prior Rates New Rates

Customer charge per month	\$24.00	\$24.00
On-Peak Demand per kW—Summer	\$10.90	\$11.75
On-Peak Demand per kW—Winter	\$7.40	\$8.05
Off-Peak Demand per kW—Excess	\$2.00	\$2.00
Energy charge per kWh—On-Peak	3.252 ¢	3.744 ¢
Energy charge per kWh—Off-Peak	1.995 ¢	2.297 ¢
Energy charge credit per kWh over 360 hours	0.702 ¢	0.766 ¢

Peak-Controlled Service Prior Rates New Rates

Customer charge per month	\$50.00	\$50.00
Firm Demand charge per kW—Summer	\$10.90	\$11.75
Firm Demand charge per kW—Winter	\$7.40	\$8.05
Controllable Demand per kW	\$5.33	\$5.82
Energy charge per kWh	2.545 ¢	2.910 ¢
Energy charge credit per kWh over 360 hours	0.702 ¢	0.766 ¢