



500 West Russell St
Sioux Falls, SD 57104

November 4, 2015

--Via Electronic Filing--

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

RE: SUPPLEMENT
2016 TRANSMISSION COST RECOVERY ELIGIBILITY AND ADJUSTMENT
FACTOR
DOCKET NO. EL15-030

Dear Ms. Van Gerpen:

Northern States Power Company, doing business as Xcel Energy, submits the enclosed supplement to the 2016 Transmission Cost Recovery (TCR) Rider Petition. After review and discussion of the initial filing with PUC Staff, the Company has removed the Galloping Mitigation project and the Red Wing-Wabasha project from the TCR rider revenue requirements to be given further consideration for inclusion in the Infrastructure Rider (Docket No. EL-15-038). We have included in this filing updated Attachments 3-16 reflecting the removal of these two projects from the TCR.

In addition, the updated attachments adjust the 2016 revenue requirements calculation to include the plant related Accumulated Deferred Income Taxes (ADIT) offset to rate base in accordance with the proration formula in IRS regulation section 1.167(1)-1(h)(6), as discussed on page 9 of our September 1, 2015 Petition. The impact of the ADIT adjustment in 2016 is \$14,570. (See Attachment 4.)

The removal of the two projects from the TCR and the ADIT adjustment result in a reduction in the revenue requirement from \$5.76 million to \$5.71 million and a reduction in the Adjustment Factor from \$0.002715 to \$0.002688.

Please call me at (605) 339-8350 if you have any questions regarding this filing.

SINCERELY,

/s/

JAMES C. WILCOX
PRINCIPAL MANAGER

Enclosure