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October 15, 2015

Ms. Patricia Van Gerpen, Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, South Dakota 57501-5070

Re: Petition for approval of a new LED rate

Dear Ms. Van Gerpen:

Northern States Power Company, doing business as Xcel Energy, submits the attached petition to the South Dakota Public Utilities Commission seeking approval to modify its Street Lighting Energy Service (Rate Code E31) contained in its Electric Rate Book in order to accommodate new street lighting technology.

We are pleased to offer to customers a new rate option for customer-owned street lighting, in response to growing interest from our South Dakota communities. Light emitting diodes (LED) street lighting has the potential to offer a number of benefits to customers, including reduced bills, decreased maintenance expenses, greater energy efficiency, and improved lighting quality. The present tariff only accommodates Mercury Vapor (MV) and High Pressure Sodium (HPS) street lighting technologies; a new tariff is therefore necessary to provide an accurate rate for the new LED street lighting technologies that are becoming available, and that some of our largest municipal customers are planning to install.

The Street Lighting Energy Service (Rate Code E31) is a non-metered rate. The Company's policy is to move future street lighting locations to connect to our Company metering, and thus fall under the Street Lighting Energy Service-Metered rate (Rate Code E32). However, the Company still provides non-metered service to over 5,700 street light fixtures in the City of Sioux Falls that remain unmetered and will need to remain unmetered until such time as the City of Sioux Falls and Xcel Energy can work to move those existing street light locations to connect to our metering system. If anyone has any questions, please call me at 339-8350

Sincerely,

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Jim Wilcox

c. Laura McCarten