

**STATE OF SOUTH DAKOTA
BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF 2019 INFRASTRUCTURE
RIDER PROJECT ELIGIBILITY AND THE
RATE RIDER ADJUSTMENT FACTOR

DOCKET NO. EL18-____

**INFRASTRUCTURE RIDER
ANNUAL
FILING AND UPDATE**

OVERVIEW

Northern States Power Company, doing business as Xcel Energy, submits to the South Dakota Public Utilities Commission this annual filing to update the Infrastructure Cost Recovery Rider, Adjustment Factor, and Tracker. The Company was initially authorized to establish the Infrastructure Rider by the Commission's April 18, 2013 Order in Docket No. EL12-046. The Infrastructure Rider was subsequently modified and approved in the electric rate case Settlement Stipulation in Docket No. EL14-058 by the Commission's June 16, 2015 Order. This filing is submitted consistent with that Order and Settlement.

Projects eligible for recovery through the Infrastructure Rider include those projects as specified in Exhibit C to the Settlement in Docket No. EL14-058 and capital investments consistent with the Phase-In Statute (SDCL § 49-34A-73) not yet included in base rates or otherwise recovered through other available mechanisms. With this cost recovery mechanism, the Company committed to not file another application to increase base rates before January 1, 2018. As part of that commitment and because additional projects may be added to the Infrastructure Rider, the Company agreed the annual update process would change from a compliance filing to an annual filing, requiring specific Commission approval.

An additional Settlement Stipulation was approved by the Commission's July 18, 2018 Order in the Tax Reform docket (Docket No. GE17-003), which allows the Company to seek recovery through the Infrastructure Rider of new wind generation projects and the costs of terminating certain biomass power purchase agreements during an additional two-year base rate moratorium period (through 2020). Inclusion of the biomass projects was subject to the Commission granting the Company's request for deferred accounting for those costs in Docket No. EL18-027. The Commission issued its Order approving the Company's request for deferred accounting in Docket No. EL18-027 on June 28, 2018. As such, the Company seeks eligibility

determinations for several new wind projects and biomass Power Purchase Agreement (PPA) termination costs as discussed further in this filing.

In compliance with the Settlement and Commission Order in our last electric rate case, we submitted a filing to update the Infrastructure Rider Adjustment Factor on October 1, 2017.¹ The updated Adjustment Factor became effective January 1, 2018. We have included a tracker report showing actual revenue collections under this rate through July 31, 2018 and forecasted costs and collections for the remainder of 2018.

In this filing we propose to increase the Infrastructure rate to recover an estimated \$14.6 million in 2019 revenue requirements, which includes one additional project from Exhibit C and six other new projects.² The resulting rate we propose to implement on January 1, 2019 is \$0.006853 per kWh applied to all energy billed to each customer class during the calendar year 2019. The average bill impact is estimated to be \$5.14 per month for a typical residential electric customer using 750 kWh per month, a \$1.25 increase over the 2018 rate.

We specifically request Commission approval of:

- project eligibility for one project included in the Settlement Agreement Exhibit C not already included in the rider;
- project eligibility of six additional projects consistent with SDCL § 49-34A-73 and the recent Settlement Stipulation in Docket No. GE17-003;
- the Infrastructure Rider Tracker Report and true-up for the 2018 revenue requirements;
- 2019 Infrastructure Rider revenue requirements of \$14.6 million;
- an updated Infrastructure Rider Adjustment Factor of \$0.006853;
- proposed revision to the Infrastructure Rider tariff sheet; and
- proposed customer notice.

REQUIRED INFORMATION

Following is information specified in S.D. Admin. R. 20:10:13:26 regarding our proposed Infrastructure Rider Adjustment Factor and tariff.

¹ Docket No. EL14-058 (last electric rate case) and Docket No. EL-17-039 (most recent Infrastructure Rider filing)

² Two of the new wind projects are separated into multiple work order numbers, shown in detail in the attachments to this filing.

(1) Name and Address of the Public Utility

Northern States Power Company
500 West Russell Street
Sioux Falls, SD 57104
(605) 339-8350

(2) Section and Sheet Number of Tariff Schedule

We propose to revise tariff sheet number 74 in Section 5 of the Northern States Power Company South Dakota Electric Rate Book. Attachment 11 depicts the proposed tariff sheet that would implement the revised Infrastructure Rider Adjustment Factor.

(3) Description of the Tariff Change

This request revises the Infrastructure Rider Adjustment Factor shown as a separate line item on customer bills. The current Infrastructure Adjustment Factor of \$0.005181 became effective on January 1, 2018. We propose the new 2019 Infrastructure Adjustment Factor of \$0.006853 be effective on January 1, 2019.

(4) Reason for the Requested Change

The Company was initially authorized to establish the Infrastructure Rider by the Commission's April 18, 2013 Order in Docket No. EL12-046. In the subsequent electric rate case, Docket No. EL14-058, new projects were included and the rider mechanism was expanded to implement the Phase-In Statute for possible recovery of other capital investments consistent with SDCL § 49-34A-73.1. Exhibit C of the Settlement in the most recent rate case identified projects with forecasted in-service dates through 2017. There is one additional project identified in Exhibit C that is scheduled to be placed in-service in 2019, which we have included in this current request. We also propose to include revenue requirements associated with 6 other capital projects; these projects are alike-in-kind to the types of investments already included in the existing Infrastructure Rider and consistent with the Phase-In Statute project definitions. The recent Settlement Stipulation in Docket No. GE17-003 allows the Company to request recovery of these four new wind projects and costs associated with the termination of two biomass PPAs.

The Infrastructure Rider Adjustment Factor has been updated each year since the mechanism was approved to reflect current costs and new facilities. To ensure that customers are not under or overcharged, we record the actual revenues and costs in

our tracker account and credit or collect any differences during the next recovery period based on the estimated end of year balance in the tracker account.

This petition includes costs for 2019 and the projected true-up amount for 2018. These revenue requirements are incremental to any revenue requirements associated with the identified projects currently included in base rates. None of these costs are included in base rates or other cost recovery mechanisms for 2019.

(5) Present Rate

The current monthly rate for all customer classes is \$0.005181 per kWh, implemented on January 1, 2018 and approved in the Commission's December 21, 2017 Order in Docket No. EL17-039. The rate was calculated by dividing the 2018 projected annual revenue requirements of the Infrastructure Rider Tracker Account, including 2017 true-up and adjustment from the Docket No. EL14-058 rate case proceeding, by the 2018 forecasted retail sales for the period January through December (the time period the rate was in effect); it was rounded to the nearest \$0.000001 per kWh.

(6) Proposed Rate

A. Proposed Tariff

i. Authority

The Commission's authority for considering and approving the revised Infrastructure Rider Adjustment Factor proposed in this Petition was established through approval of the Settlement Agreements in Docket Nos. EL12-046 and as refreshed in EL14-058 first under its general authority provided in SDCL § 49-34A. Additionally, authority granted through SDCL §§ 49-34A-73 through 49-34A-78 (Phase-In Statute) allows for cost recovery of material plant investments in generation, transmission and distribution assets. In part, the Phase-In Statute provides:

S.D. Codified laws 49-34A-73. Phase in rate plan for rate increases due to plant additions. Notwithstanding anything in this chapter to the contrary, an electric utility that is subject to rate regulation by the commission and plans plant additions that are expected to have a material impact on rates may make application to the commission for a phase in rate plan to provide for the phase in of expected rate increases resulting from plant additions. The plan may provide for any of the following:

- (1) Rate increases to be incrementally phased in prior to the commencement of commercial operation of the plant additions;*

- (2) *To the extent rate increases for plant additions are allowed prior to commercial operation, restrictions on the capitalization of allowance for funds used during construction for the plant additions;*
- (3) *Restrictions on other rate increases; and*
- (4) *Any other conditions which benefit the public interest and may be imposed by the commission consistent with the findings in § 49-34A-74.*

S.D. Codified Laws 49-34A-73.1. Plant additions defined. For purposes of §§ 49-34A-73 to 49-34A-78, inclusive, plant additions are investments in fixed generation, transmission, and distribution assets, whether purchased or constructed, including operations and maintenance expenses directly related to those fixed assets, real property, and new power purchases.

In addition, the Settlement Stipulation approved in Docket No. GE17-003 allows for the inclusion of certain new projects in the Infrastructure Rider.

The Company proposes to recover through the Infrastructure Rider the jurisdictional annual revenue requirements associated with capital projects that are determined by the Commission to be eligible for recovery under the approved Settlement.

We have calculated our revenue requirement consistent with the methodology accepted by the Commission in our past Infrastructure Rider filings.³ The 2019 overall rate of return is based on the Company's last authorized capital structure and the return on equity (ROE) approved by the Commission in the most recent rate case.⁴

The Company proposes a 2019 Infrastructure Rider Adjustment Factor for all customer classes of \$0.006853 per kWh. The Infrastructure Rider Adjustment Factor was calculated by dividing the forecasted balance of the Infrastructure Rider Tracker Account by the forecasted retail sales for the calendar year; it is rounded to the nearest \$0.000001 per kWh.

ii. Implementation

Attachment 11 provides the proposed revised tariff sheet to implement the proposed Infrastructure Rider Adjustment Factor based on forecasted costs for the 2019

³ Docket No. EL12-046: April 23, 2013, October 1, 2013, October 1, 2014; Docket No EL14-058: June 18, 2015; Docket No. EL15-038: October 1, 2015; Docket No. EL16-032, September 30, 2016, Docket No. EL17-039: September 29, 2017.

⁴ Docket No. EL14-058.

calendar year. As required by the Commission, for each 12-month period ending December 31, a true-up adjustment to the Tracker Account will be calculated reflecting the difference between the Infrastructure Rider recoveries from customers and the actual revenue requirements for the period.

B. Proposed Infrastructure Projects

i. Summary

The following projects were previously approved for Infrastructure Rider recovery by the Commission in the dockets as noted. The projects approved in the 2014, 2015 and 2016 dockets were reaffirmed for rider inclusion most recently in Docket No. EL17-039 and are included in the 2019 revenue requirement calculations:

Table 1: Projects Currently Included in the Rider by Docket

EL14-058	EL15-038	EL16-032
<ul style="list-style-type: none"> • MNGP Extended Power Uprate (Monticello LCM/EPU)⁵ • PI-9 TN-40 Casks (Prairie Island Casks #39-47) • PI- Relicense ISFSI (Prairie Island ISFSI Relicensing) • PI U2 Generator Replacement • PI U2 GSU Transformer Replacement • MNGP EDG Tornado Missile Protection • MNGP Fukushima Modifications • PI LR Ph II-U2 MRP-227A Implementation • PI-NFPA 805 Fire Model • PI U2 HDTP Speed Control Upgrade • BRD0C Border Wind ND • PVL0C Pleasant Valley Wind • SHC1C U1 Couton Bottom Replacement • BDS0C Install Package Boiler • SHC3C Motor Control Sys PL • Midtown 115kV line • NSM0953 Galloping Mitigation • GIST-III Computer Software • Hiawatha Dam Interconnect Substation • Scott County 345 kV Expansion, Substation • BS-Fcst-BD-SW-CM-M • PI-Repl Instrument Air Compressor 	<ul style="list-style-type: none"> • Prairie 3rd 230/115 kV tra • PI Emerg Resp Equipment FL • PI U1 HDTP Speed Control U • SHC2C U2 Turbine EHC Ctrl • Dynamic EMS Environment Phase • Work and Asset Ph 1 SW MN • MNGP Security Physical Upgrade • PI Sfgds CL Pump Redesign • 760-Red Wing to Wabasha • NSM0953 Galloping Mitigation • HBC7C U7 HGP/Combustion Inspection • SHC1C U1 DCS Controls Repl PH • MNGP Rplc IMUX Front End Proce • GIST-II Computer SoftwareNSPM • MNGP Cyber Security 08-09 • Purch EMS DEMS Ph2 HW MN • PI Fan Coil Unit Face Replacement • PI NFPA 805 -08 Fire Detection • MNGP EDG Fuel Oil Train Separation • PI FLEX Storage Building • CRT0C Courtenay Wind Farm Construction • RIV9C-U9 HGP Inspection No 1 	<ul style="list-style-type: none"> • PI Screenhouse CI Header • SHC3C Turbine EHC Controls • SHC3C Repl U3 Boiler Fin Super • PI Reactor Coolant Pump Rebuild • MT TSTF-523 Vent Installation • MT EDG Fuel Oil Pump Mtr Rplc 1R28 • MT KM 480VAC Cubicle Rplc <hr/> <p style="text-align: center;">EL17-039</p> <ul style="list-style-type: none"> • MNGP Hardened Vents & Filt • PI 2M 2RS 2RX Transformer • PI U1 Generator Replacemnt • MNGP DAS & PPCS Rplc • MNGP 2018 Dry Fuel Storage Load • PI 4.16 KV Bus Modifications • NSPM Tline ELR 2016 69kV Line

⁵ To implement a provision of the Settlement, cost recovery for the Monticello LCM/EPU project did not roll into base rates, but rather remained in the Infrastructure Rider.

The following projects were identified for potential cost recovery in Exhibit C of the rate case Settlement but are not already included in the Infrastructure Rider, other riders or in base rates. We seek inclusion of recovery for this project in 2019:

- PI 1R Transformer Replacement (11503753)

The Company seeks an eligibility determination for the following projects which were not previously identified but are similar in type and nature to projects previously examined by staff and authorized as includable in the Infrastructure Rider. The inclusion in the Infrastructure Rider of new wind projects and costs related to biomass PPA terminations was authorized by the Settlement Stipulation approved by the Commission in its July 18, 2018 Order in Docket No. GE17-003. The proposed projects are:

- G100-Blazing Star I Wind Farm (A.0001701.001; A.0001701.002; A.0001701.003; A.0001701.004; A.0001701.005)
- FOX G100-Foxtail Wind Farm (A.0001703.001; A.0001703.002; A.0001703.003; A.0001703.004)
- G100-Crowned Ridge BOT Wind Farm (A0001705.001)
- G100-Lake Benton BOT Wind Farm (A0001706.001)
- Benson Biomass Termination Costs
- Laurentian Biomass Termination Costs⁶

A complete list of projects is provided in Attachment 9, with detailed descriptions of the six new projects and the one additional project from Settlement Exhibit C. Although inclusion of operating and maintenance costs associated with Phase-In projects is a permitted cost item for which we could request recovery, we are expressly not including O&M expenses in the determination of the Infrastructure Rider Adjustment Factor at this time.

ii. Project Updates

Attachment 4 provides a summary of the updated revenue requirements for the approved projects compared to the forecasted revenue requirements presented in our last Infrastructure Rider update filed in Docket No. EL17-039.

⁶ We note that the Laurentian Biomass Termination Costs item as shown in the attachments also includes termination costs associated with the Pine Bend PPA termination.

In total, the forecast for projects in the 2018 Infrastructure Rider is approximately \$1,230,000 less at this time compared to our approved 2018 level. The principal driver of this difference is the change in the federal tax rate from 35% to 21%, which significantly reduced the revenue requirement for most projects in 2018. In addition, certain projects' revenue requirements increased while other projects underran their original estimates. The result is an overall lower revenue requirement for 2018. Table 1 below summarizes the change between our last compliance filing and the current filing.

Table 2: Revenue Requirement Changes Summary

2018 Decrease in Capital Revenue Requirements (A)	\$(1,230,130)
Decrease to 2017 Carryover into 2018 (B)	\$336,492
<hr/>	
Total 2018 Revenue Requirement Decrease (A) +(B)	\$(893,638)

iii. Supporting Information

(1) South Dakota Jurisdictional Cost

Attachment 5 shows the development of 2019 revenue requirements for each project for the South Dakota jurisdiction, based on the capital related cost, by project, using the most recent capital forecast.

Xcel Energy operates the generation and transmission assets of Northern States Power Company – Minnesota (NSPM) and Northern States Power Company – Wisconsin (NSPW) as one system. Pursuant to the terms of the Federal Energy Regulatory Commission (FERC) regulated *Restated Agreement to Coordinate Planning and Operations and Interchange Power and Energy between Northern States Power Company (Minnesota) and Northern States Power Company (Wisconsin)* (Interchange Agreement), all generation and transmission costs are shared between NSPM and NSPW based on load ratio share using a FERC-approved 36-month coincident peak demand allocator. The NSPM portion is then further allocated to its respective state jurisdictions (South Dakota, North Dakota and Minnesota) based on the allocation methodology generally accepted in our rate case proceedings.

(2) Calculations to establish that the rate adjustment is consistent with the terms of the tariff.

Attachment 1 contains the calculation of the proposed 2019 Infrastructure Rider Adjustment Factor consistent with the terms of the Infrastructure Rider tariff proposed in Attachment 11. Attachment 8 demonstrates the revenue requirement model logic and aids in confirming the calculation is accurate.

C. Infrastructure Tracker Account and Accounting

The Company uses a tracker account as the accounting mechanism for eligible Infrastructure project costs. The revenue requirements included in the Tracker are only those related to South Dakota's share of eligible projects. In making our calculations, the Company used the most current data available at the time of this filing and allocated costs among jurisdictions based on the cost allocation methodology approved in our last rate case and consistent with the Commission's December 21, 2017 Order approving the prior Infrastructure Rider filing. As a result, for 2019 South Dakota electric customers are generally allocated approximately 5.35 percent to 5.55 percent of each individual project, depending on the type of system component.

Each month as revenues are collected from retail customers, the Company tracks the amount of recovery under the Infrastructure Rider Adjustment Factor and compares that amount with the monthly revenue requirements. The difference is recorded in the Tracker Account as the amount of over- or under-recovery. The under-recovered amounts are recorded in FERC Account 182.3, Other Regulatory Assets, and the over-recovered amounts are recorded in FERC Account 254, Other Regulatory Liabilities (the Tracker Accounts). A carrying charge is calculated monthly on the over- or under-recovered balance and added to the tracker balance. Any over- or under-recovery balance at the end of the year is used in the calculation of the Adjustment Factor for the next year's forecasted revenue requirement.

D. Project Cost Recovery

i. Summary

Below we provide support for the proposed 2019 Infrastructure Rider rates. This information is summarized as follows:

- The projected Infrastructure Rider Tracker Account activity for 2019, including both revenue requirements and projected revenues, is summarized in Attachment 2 with monthly detail in Attachment 3.

- The projected 2019 revenue requirement proposed to be recovered through the Infrastructure Rider Adjustment Factor from South Dakota electric customers is approximately \$14.6 million. Detailed revenue requirements for each project can be found in Attachment 5. These calculations are discussed in detail below.
- Projected revenues are calculated by month as shown in Attachment 6 and are based on forecast 2019 State of South Dakota budget sales by calendar month.
- The development of the Infrastructure Adjustment Factor is included in Attachment 1. The proposed Infrastructure Adjustment Factor is shown below.

Included in the \$14.6 million in revenue requirements is the 2018 Infrastructure Rider Tracker Report projected true-up over-collection balance of \$1,067,709. We note that the principal driver for the large carryover balance is due to the change in the federal tax rate from 35% to 21%, which reduced the current 2018 projected revenue requirement calculation when compared to the 2018 revenue requirements approved in Docket No. EL17-039.

ii. Proposed 2019 Infrastructure Rider Adjustment Factor

The Company’s Infrastructure Rider rate design is the annual calculated revenue requirements (including the current year South Dakota jurisdictional project costs and the carryover balance from the previous year) divided by the total annual forecast energy sales to South Dakota retail customers from January through December 2019. This calculation is shown on Attachment 1.

Based on this rate design, we propose the following Infrastructure Rider Adjustment Factor:

Table 3: 2019 Rate Factor Calculation

	Retail
Infrastructure Rider Adjustment Factor Cost Per kWh	\$0.006853
2019 SD retail Sales (MWh)	2,125,179
<i>2019 Revenue Requirement</i>	<i>\$15,630,530</i>
<i>2018 Carry-Forward Balance</i>	<i>\$(1,067,709)</i>
2019 Net SD retail Cost	\$14,562,820

If all capital projects as proposed in this Petition are included for recovery through the Infrastructure Rider, our 2019 revenue requirements will reflect plant additions for those projects and the true-up balance for 2018. The remaining 2017 Tracker Account level has already been included in the present Infrastructure Adjustment Factor, so no amounts to finalize 2017 values are included in this request. We propose to implement a \$0.006853 per kWh Adjustment Factor applicable to all customer classes beginning January 1, 2019.

iii. Bill Impact

The average bill impact for a residential customer using 750 kWh per month will be \$5.14 per month, a \$1.25 increase over the current rate. Consistent with our approved tariff, we will notify our customers of the change through a bill onsert in the month the change is effective.

(7) Proposed Effective Date of Modified Rate

We propose to update the Northern States Power Company South Dakota Electric Rate Book – SDPUC No. 2 with the updated \$0.006853 Infrastructure Rider Adjustment Factor to be effective January 1, 2019. If the Commission acts to suspend the proposed rates and our Petition has not been approved in time to implement January 1, we propose to implement the rate the first billing cycle following Commission approval, or at the time rates are no longer subject to suspension. As indicated above, the rate has been determined based on a January 1 implementation, and we request the opportunity to recalculate the Infrastructure Adjustment Factor to reflect the time remaining in 2019 in the event Commission approval occurs later. We include Sheet No 5-74, Revision 7 as Attachment 11 in legislative and clean form.

(8) Approximation of Annual Increase in Revenue

Attachment 2 shows the summary of the Infrastructure Tracker Account activity for 2017 through 2019, and Attachment 3 provides monthly detail for 2017, 2018 and 2019. The 2018 true-up balance is currently forecasted to be \$(1,067,709) at the end of 2018. We propose 2019 revenue requirements of \$14,562,820, including the true-up balance, be included as part of this rider mechanism; support for this amount is included in Attachments 1 through 7. We have calculated this amount to be collected from customers from January through December 2019 through this tariff mechanism. Pending the timing of Commission approval, we will recalculate the Infrastructure Rider Adjustment Factor based on when the new rate can be implemented.

The proposed 2019 revenue requirements represent a \$3,596,837 increase compared to the 2018 revenue requirements approved through the Infrastructure Rider in Docket No. EL17-039.

(9) Points Affected

The proposed Infrastructure Rider Adjustment Factor would be applicable to all areas served by Xcel Energy in South Dakota.

(10) Estimation of the Number of Customers whose Cost of Service will be Affected and Annual Amounts of either Increases or Decreases, or both, in Cost of Service to those Customers

This tariff rider is proposed to be applied to all customers throughout all customer classes as described within this Petition. Xcel Energy presently serves approximately 93,650 customers in 36 communities in eastern South Dakota.

(11) Statement of Facts, Expert Opinions, Documents, and Exhibits to Support the Proposed Changes

Supporting information is provided in narrative throughout this Petition and in the attached Exhibits.

PLANNED CUSTOMER NOTICE

In accordance with ARSD 20:10:16:01(2), the Company plans to provide notice to customers comparing the prior rate and the new rate through a bill insert. Attachment 13 includes the language we propose be included with customers' bills the month the Infrastructure Adjustment Factor is implemented, or as soon as is practicable after implementation of the Adjustment Factor.

We will work with the Commission Staff to determine if there are any suggestions to modify this bill insert. To the extent that multiple new rider rates are implemented on the same date, we will coordinate the various rider customer notices.

WIND PROJECT PERFORMANCE ANNUAL REPORT

In the rate case Settlement, the Company agreed to report certain information related to capital cost, operating costs, congestion costs and other energy production information for the Pleasant Valley and Border Winds projects once construction of

either project is completed. In the 2015 Infrastructure Rider proceeding, the Company also agreed to report the same information for the Courtenay project once construction is completed.⁷ The Settlement stipulated that reporting should begin with the first October 1 annual Infrastructure Rider update filing following the completion of the project construction, and we will continue to provide annual reports until each of these projects is moved into base rates.

The Pleasant Valley and Border Winds projects went into service in 2015, while the Courtenay project went into service in 2016. We provide the Wind Project Performance Annual Report information for calendar year 2017 for the Pleasant Valley, Border Winds and Courtenay facilities in Attachment 12.

CONFIDENTIAL INFORMATION

Pursuant to South Dakota Admin. R. 20:10:01:41, we provide the following support for our request to classify certain documentation as confidential trade secret data. We request confidential treatment of certain portions of Attachments 2, 3, 4, 5, 7, 8 and 9A Pursuant to S.D. Codified Laws Chapter 20:10:01:41. The Company submits the following justification for confidential treatment of these Attachments.

- (1) An identification of the document and the general subject matter of the materials or the portions of the document for which confidentiality is being requested.**

We request confidential treatment on the grounds that the material is proprietary and trade secret information, the disclosure of which would result in material damage to the Company's financial or competitive position. Certain portions of Attachments 2, 3, 4, 5, 7, 8 and 9A contain financial information that is not available to the general public.

- (2) The length of time for which confidentiality is being requested and a request for handling at the end of that time. This does not preclude a later request to extend the period of confidential treatment.**

The Company requests that certain portions of Attachments 2, 3, 4, 5, 7, 8 and 9A be recognized as trade secret data in perpetuity.

- (3) The name, address, and phone number of a person to be contacted regarding the confidentiality request.**

⁷ Docket No. EL15-038

Steve T. Kolbeck
Principal Manager
500 W. Russell Street
P.O. Box 988
Sioux Falls, SD 57101
(605) 339-8350
steve.t.kolbeck@xcelenergy.com

- (4) The statutory or common law grounds and any administrative rules under which confidentiality is requested. Failure to include all possible grounds for confidential treatment does not preclude the party from raising additional grounds in the future.**

The claim for confidential treatment is based on South Dakota Admin. R. 20:10:01:39 (4) and S.D. Codified Laws Chapter 1-27-30. The information contained within the referenced documents meets the definition of “trade secret” under S.D. Codified Laws Chapter 37-29-1(4)(1), the South Dakota Uniform Trade Secrets Act, which is defined as information that “Derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and... is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.” The information also meets the definition of “proprietary information” under S.D. Codified Laws Chapter 1-27-28, which is defined as “information on pricing, costs, revenue, taxes, market share, customers, and personnel held by private entities and used for that private entity’s business purposes.”

- (5) The factual basis that qualifies the information for confidentiality under the authority cited.**

The Company’s capital structure and confidential provisions of the Settlement is trade secret consistent with the Settlement Stipulation and Commission Order in Docket EL14-058.

APPEARANCE OF COUNSEL

The Company will be represented in this proceeding by the following counsel upon whom all pleadings, documents and other filings should be served:

Ryan Long
Lead Assistant General Counsel
Xcel Energy
414 Nicollet Mall – 401, 8th Floor
Minneapolis, MN 55401
Ryan.J.Long@xcelenergy.com

We request that all communications regarding this proceeding, including data requests, also be directed to:

Carl Cronin
Regulatory Administrator
Xcel Energy
414 Nicollet Mall – 401, 7th Floor
Minneapolis, MN 55401
Regulatory.Records@xcelenergy.com

CONCLUSION

Xcel Energy respectfully requests that the Commission approve the proposed projects as eligible for recovery and approve the revised Infrastructure Rider Adjustment Factor of \$0.006853 per kWh for 2019 as described in this filing. This revised Infrastructure Rider Adjustment Factor is designed to recover the costs associated with significant investments in necessary generation and transmission projects. The Company appreciates the interest and efforts of South Dakota policymakers in adopting a constructive approach to support the continued and on-going system improvements that are needed for safe, efficient and reliable service to customers.

Dated: October 1, 2018

Northern States Power Company