



500 West Russell St
Sioux Falls, SD 57104

November 29, 2022

--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: UPDATE
2022 INFRASTRUCTURE RIDER PROJECT ELIGIBILITY AND FACTOR
DOCKET NO. EL22-026

Dear Ms. Van Gerpen:

Northern States Power Company, doing business as Xcel Energy, submits the enclosed update to our 2022 Infrastructure Rider Petition. We appreciate Commission Staff's thorough review of our Petition, which brought to our attention a necessary correction in our calculation related to the Benson Biomass buyout. We propose to adjust our initial Petition to make this correction, which decreases the 2023 total revenue requirement by approximately \$137,784 and increases the proposed monthly credit to customers from \$0.001037 per kWh to \$0.001100 per kWh.

As discussed in our response to Commission Staff Data Request No. 1-5, the Benson Biomass buyout had three distinct portions: 1) the purchased plant asset; 2) the contract buyout cost; and 3) the costs associated with winding down operations and demolition of the plant. During the development of this year's Infrastructure Rider filing, we discovered we had inadvertently excluded the costs associated with winding down operations at the Benson Biomass Plant and had only included parts 1) and 2) in the 2020 and 2021 Infrastructure Rider filings, even though all three parts had originally been included in the 2019 docket. We added part 3) to the current filing, which resulted in most of the variance relative to what was filed last year.

While responding to the data request, we discovered a mismatch between how the Benson Biomass buyout was being handled in our retail model and how it was being handled in the Infrastructure Rider. As a result, this Petition update filing revises the 2021 and 2022 revenue requirements downward to reflect this mismatch in the current Infrastructure Rider tracker.

We have included all of the initial filing attachments related to the rate and revenue requirement calculations¹ for ease of review, but we note that only the following attachments were impacted by the Benson Biomass updates:

- Attachment 1: Rate Factor Calculation & Bill Impact
- Attachment 2: Annual Rider Tracker Summary
- Attachment 3: Rider Tracker Monthly Detail
- Attachment 4: Comparison to Previous Filing
- Attachment 5: Rider Revenue Requirements Detail
- Attachment 6: SD Calendar Month Electric Sales (Revenues)
- Attachment 8: Revenue Requirements Model Logic
- Attachment 11: Proposed Tariff Sheet
- Attachment 13: Customer Bill Notice

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 Attachments 2, 3, 4, 5, 7, and 8.

- (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. Attachments 2, 3, 4, 5, 7, and 8 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 Attachments 2, 3, 4, 5, 7, and 8 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.**

¹ We have excluded the attachments related to wind performance, Attachments 12 and 12A.

Steve Kolbeck
500 W. Russell Street
P.O. Box 988
Sioux Falls, SD 57101
(605) 339-8350
steven.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 grounds for confidential treatment are 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 “[d]erives 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 . . . 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 cost of capital is trade secret consistent with the Settlement Stipulation and Commission Order in Docket No. EL14-058.

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

Sincerely,
/s/
STEVE KOLBECK
PRINCIPAL MANAGER

Enclosures
cc: Service List