



414 Nicollet Mall
Minneapolis, MN 55401

May 25, 2012

—Via Electronic Filing—

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

RE: COMPLIANCE FILING
CREDIT MECHANISM FOR A DOE SETTLEMENT
DOCKET NO. EL-11-023

Dear Ms. Van Gerpen:

Northern States Power Company, a Minnesota corporation submits to the South Dakota Public Utilities Commission this compliance report regarding the credit to South Dakota retail electric customers resulting from the first and second settlement payments received from the U.S. Department of Energy for failure to take the Company's spent nuclear fuel. We submit this report in compliance with the Commission's January 30th, 2012 ORDER in the above-referenced Docket.

Specifically, the Order requires:

ORDERED, that within 90 days after the issuance of this order that the refund using the one-time bill credit described in Attachment B of the application, modified to reflect actual sales from January 2011 through December 2011 shall be made and a compliance filing shall be provided to the Commission within 30 days of completing the credit process showing the amount of the DOE Settlement and interest actually earned

CREDIT SUMMARY

In compliance with the Commission's Order we began posting bill credits from the first and second DOE settlement payments to our electric customers on April 16, 2012 with all credits applied to customer accounts as of May 17, 2012. Including interest, a total of \$4,828,034 was credited to South Dakota retail electric customers.

As summarized in Attachment A to this filing, the total amount credited included the South Dakota jurisdictional retail portion of \$4,285,234 from the first DOE payment, \$852,719 from the second DOE payment, plus interest of \$4,531 (net \$232 of bank fees), minus \$314,978 for outside legal fees;¹ resulting in a credit obligation of \$4,827,506. We provide the detail of our interest calculation as Attachment B.

The actual credit amount of \$4,828,034 is \$528 more than the credit obligation of \$4,827,506. Our billing system allows a maximum of six decimal points for credit factors and thus we adjusted the credit factors by class to get as close to the total customer class credit amount using the available six decimal points.

Please contact me at gail.baranko@xcelenergy.com (612-330-6935) if you have any questions regarding this filing.

Sincerely,

/s/

GAIL BARANKO
MANAGER, REGULATORY PROJECT MANAGEMENT

Enclosures

¹ The offset for legal fees includes \$264,420 for South Dakota's jurisdictional share of legal fees incurred through 2008 and \$50,558 for legal fees incurred in 2009.

SD DOE Credit, April 2012

First and Second DOE Settlement Payments

	Settlement Amount	South Dakota Retail
First Settlement Amount	\$ 99,966,841	\$ 4,285,234
Second Settlement Amount	\$ 18,646,577	\$ 852,719
Outside Legal and Expert Witness Costs (Notes (1))		\$ (314,978)
Interest Earned		\$ 4,763
Bank Fees		\$ (232)
Amount Available 1st and 2nd Credit		\$ 4,827,506

Stratification	Weight **	Res	Small Non Demand	C&I Demand	Lighting	Total
Capacity Component (D10C)	18.58%	38.54%	5.49%	55.72%	0.25%	100.00%
Energy Component (E8760)	81.42%	33.59%	5.24%	60.62%	0.55%	100.00%
Combined		34.51%	5.29%	59.71%	0.49%	100.00%
[1] First and Second Settlement Amounts		\$ 1,665,986	\$ 255,272	\$ 2,882,480	\$ 23,769	\$ 4,827,506
[2] Active Customer kWh Sales Jan 2011 through Dec 2011		632,102,993	87,159,408	1,173,243,379	14,141,497	1,906,647,277
[3] Actual Refund Factor (\$/kWh) [3] = [1] / [2]		\$ 0.002636	\$ 0.002930	\$ 0.002457	\$ 0.001681	
[4] Est. Number of Active Customers Receiving a Refund (Note 2)		77,918	7,797	3,626	1,955	
[5] kWh Use per Active Cust Jan 2011 - Dec 2011 [5] = [2] / [4]		8,112	11,179	323,564	7,234	
[6] Est. \$ Credit per Customer [6] = [3] x [5]		\$ 21.38	\$ 32.75	\$ 795.00	\$ 12.16	
Actual Credit by Customer Class		\$ 1,666,223	\$ 255,378	\$ 2,882,659	\$ 23,774	\$ 4,828,034
Over / under credit		\$ 237	\$ 106	\$ 180	\$ 5	\$ 528

Notes:

- (1) South Dakota Retail legal fees are through 2009.
- (2) Number of customers billed in the most recent billing month (March 2012)