

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

<b>IN THE MATTER OF THE PETITION OF</b>	)	<b>ORDER APPROVING 2026</b>
<b>NORTHERN STATES POWER COMPANY</b>	)	<b>TRANSMISSION COST</b>
<b>DBA XCEL ENERGY FOR APPROVAL OF ITS</b>	)	<b>RECOVERY ELIGIBILITY AND</b>
<b>2026 TRANSMISSION COST RECOVERY</b>	)	<b>RATE ADJUSTMENT</b>
<b>ELIGIBILITY AND RATE ADJUSTMENT</b>	)	
	)	<b>EL25-031</b>

On August 29, 2025, the South Dakota Public Utilities Commission (Commission) received a petition from Northern States Power Company dba Xcel Energy (Xcel) for approval of its 2026 Transmission Cost Recovery (TCR) Rider, TCR rate factor, and tracker account report. For 2026, Xcel proposes to move projects that are currently in the rider that were placed in service as of December 31, 2024, into base rates, consistent with its proposal in docket EL25-024. Xcel's petition seeks recovery of 23 projects, including five projects that have portions in-service beyond December 31, 2024, 16 projects that have in-service dates beyond December 31, 2024, and two new projects, as well as Midcontinent Independent System Operator Regional Expansion Criteria and Benefits (MISO RECB) revenues and expenses. Xcel proposes to recover a 2025 TCR revenue requirement of \$3,299,886, which will result in an average bill impact of \$1.07 per month for a typical residential electric customer using 750 kWh per month. This is an increase of \$0.74 per month from the current TCR Rider recovery. Xcel proposes to implement a rate of \$0.001422 per kWh applied to all energy billed to each customer class beginning January 1 through December 31, 2026. This represents an increase of \$0.000981 from the existing rate of \$0.000441 per kWh.

On September 4, 2025, the Commission electronically transmitted notice of the filing and the intervention deadline of September 19, 2025, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were received. On September 10, 2025, the Commission issued an Order Assessing Filing Fee. On November 19, 2025, the Commission issued an Order Authorizing Executive Director to Enter into Consulting Contracts. On December 5, 2025, Xcel filed an update to remove all costs associated with the Minnesota Energy Connection (Sherco to Lyons County) project from the 2026 TCR Rider calculations at this time in order to allow staff additional time to review the project alongside the resource planning analysis in the currently pending rate case in docket EL25-024. On December 10, 2025, staff filed a Memorandum.

The revised tariff sheet effective for service rendered on and after January 1, 2026, is as follows:

South Dakota Electric Rate Book – SDPUC No. 2

Section No. 5

16th Revised Sheet No. 71

Cancelling 15th Revised Sheet No. 71

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, particularly 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10, 49-34A-12, and 49-34A-25.1 through 49-34A-25.4 and ARSD Chapter 20:10:13.

At its regularly scheduled meeting on December 16, 2025, the Commission considered

this matter. Commission staff recommended approval of the updated 2026 revenue requirements, excluding the Minnesota Energy Connection project, updated TCR rate factor of \$0.001067 per kWh and the updated tariff sheet with an effective date of January 1, 2026. The Commission voted unanimously to approve the updated 2026 revenue requirements, updated TCR rate factor of \$0.001067 per kWh and the updated tariff sheet with an effective date of January 1, 2026. It is therefore

ORDERED, that the TCR rate factor of \$0.001067 per kWh and the updated tariff sheet set forth above are hereby approved effective January 1, 2026.

Dated at Pierre, South Dakota, this 17<sup>th</sup> day of December 2025.

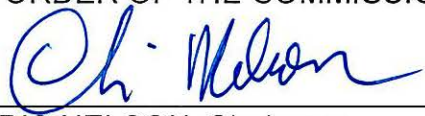
**CERTIFICATE OF SERVICE**

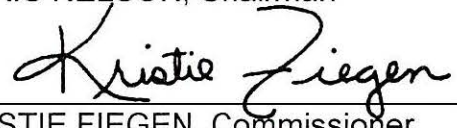
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.

By: 

Date: 17 Dec 2025

BY ORDER OF THE COMMISSION:

  
CHRIS NELSON, Chairman

  
KRISTIE FIEGEN, Commissioner

  
GARY HANSON, Commissioner