



500 West Russell Street
Sioux Falls, SD 57104

December 5, 2025

—Via Electronic Filing—

Ms. Leah Mohr, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

RE: UPDATE
2026 TRANSMISSION COST RECOVERY ELIGIBILITY AND ADJUSTMENT FACTOR
DOCKET NO. EL25-031

Dear Ms. Mohr:

Northern States Power Company, doing business as Xcel Energy, submits this update to our 2026 Transmission Cost Recovery (TCR) Rider Petition in the above-noted docket. After discussions with Commission Staff, we have removed all costs associated with the Minnesota Energy Connection (Sherco to Lyons County) project from the 2026 TCR Rider calculations at this time. We understand that Staff is working with a consultant to review the project in the context of their resource planning analysis in our currently pending rate case in Docket No. EL25-024. We expect to re-propose recovery of the project at a later date.

The overall impact of this update is a decrease to the 2026 revenue requirement of \$823,985.

Table 1 recalculates the 2026 TCR Rider rate using the revised revenue requirement and provides a comparison to the original filing.

Table 1
Revised 2026 TCR Rate

	Revised	Original Filing	Change
SD Retail Revenue Requirement	\$2,475,901	\$3,299,886	-\$823,985
SD Retail Sales in kWh	2,320,038	2,320,038	-
2026 TCR Rate (Per kWh)	\$0.001067	\$0.001422	-\$0.000355
Typical Residential Bill Impact	\$0.80	\$1.07	-\$0.27

We have included revisions to the following attachments which were impacted by the removal of the Minnesota Energy Connection project:

Attachment 3: CWIP
Attachment 4: Annual Rider Tracker Summary
Attachment 5-8: Rider Tracker Monthly Detail
Attachment 9: TCR Rate
Attachment 10: SD Electric Sales by Calendar Month (Revenues)
Attachment 16: Proposed Tariff Sheet
Attachment 17: Customer Bill Notice

Please contact me at (605) 339-8350 or steven.t.kolbeck@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

STEVE KOLBECK
DIRECTOR, STATE AFFAIRS AND BUSINESS RELATIONS

Enclosures
cc: Service List