

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

**IN THE MATTER OF THE APPLICATION OF
NORTHERN STATES POWER COMPANY
D/B/A XCEL ENERGY FOR AUTHORITY TO
INCREASE ITS ELECTRIC RATES.**

) **ORDER GRANTING JOINT**
) **MOTION FOR APPROVAL**
) **OF SETTLEMENT**
) **STIPULATION AND**
) **APPROVING TARIFFS**
EL09-009

On June 30, 2009, Northern States Power Company d/b/a Xcel Energy (Xcel), filed with the Public Utilities Commission (Commission) for approval to increase rates for electric service to customers in its service territory by approximately \$18.6 million annually or approximately 12.7% based on Xcel's 2008 test year. Of this increase in base rates, approximately \$2.9 million is currently being collected through Xcel's Transmission Cost Recovery Rider and Environmental Cost Recovery Rider, which Xcel is proposing to subsequently recover in base rates. Consequently, the annual increase in overall retail rates is approximately \$15.7 million or approximately 10.65%. The company states that a typical residential electric customer using 750 kWh per month would see a net increase of 12.4 percent, or \$8.55 per month. The proposed rates may potentially affect approximately 81,000 customers in Xcel's service territory. At its regularly scheduled meeting of July 14, 2009, the Commission found that pursuant to SDCL 49-1 A-8, Xcel shall be assessed a filing fee as requested by the deputy executive director up to the statutory limit of \$100,000. The Commission further established an intervention deadline of September 15, 2009. Pursuant to SDCL 49-34A-14, the Commission suspended the operation of the schedule of rates proposed by Xcel for 90 days beyond July 30, 2009. At its regularly scheduled meeting of November 3, 2009, the Commission further suspended the operation of the schedule of rates proposed by Xcel for 60 days beyond October 28, 2009. On December 22, 2009, the Commission received a Joint Motion for Approval of Settlement Stipulation and Settlement Stipulation signed by the parties and Staff Memorandum Supporting Settlement Stipulation. Xcel filed its revised tariff sheets and customer notice.

The Joint Motion and Settlement Stipulation were duly noticed for Commission consideration and action at the Commission's regular meeting on January 5, 2010. The Commission heard from Xcel and Commission Staff (Staff) concerning the proposed Settlement Stipulation. Following lengthy questioning of Xcel and Staff by the Commissioners, Commissioner Hanson moved to grant the Joint Motion for Approval of Settlement Stipulation and to approve the rates, terms and conditions contained in the Settlement Stipulation. Chairman Johnson moved to amend the pending motion to remove from the Settlement Stipulation the recovery of expenses for payments by Xcel to the Minnesota Renewable Development Fund imposed upon Xcel by the State of Minnesota. The Commission voted unanimously to approve the motion to amend. Chairman Johnson moved to amend the pending motion to remove from the Settlement Stipulation the known and measurable adjustment for the 2009 two percent pay raises for non-union employees. The motion to amend failed, with Commissioners Kolbeck and Hanson voting against the amendment. Finding that the rates, terms and conditions proposed in the Settlement Stipulation as amended were just, reasonable and in the public interest and that good and sufficient cause was demonstrated to approve the Settlement Stipulation as amended, including the tariff sheets and the rates contained therein as amended to reflect the Commission's amendment, the Commission voted unanimously to grant the Joint Motion for Approval of amended Settlement Stipulation and approve the tariffs as so amended and refiled with the Commission.

The revised tariff sheets proposed by Xcel, effective for bills rendered on and after January 18, 2010, are as follows:

Section 1

1st Revised Sheet No. 1 Cancelling Original Sheet No. 1

Section 2

1st Revised Sheet No. 1 Cancelling Original Sheet No. 1

Section 3

1st Revised Sheet No. 2 Cancelling Original Sheet No. 2

Section 5

1st Revised Sheet No. 1 Cancelling Original Sheet No. 1
3rd Revised Sheet No. 2 Cancelling 2nd Revised Sheet No. 2
1st Revised Sheet No. 3 Cancelling Original Sheet No. 3
1st Revised Sheet No. 4 Cancelling Original Sheet No. 4
3rd Revised Sheet No. 5 Cancelling 2nd Revised Sheet No. 5
1st Revised Sheet No. 6 Cancelling Original Sheet No. 6
1st Revised Sheet No. 7 Cancelling Original Sheet No. 7
1st Revised Sheet No. 9 Cancelling Original Sheet No. 9
3rd Revised Sheet No. 11 Cancelling 2nd Revised Sheet No. 11
1st Revised Sheet No. 13 Cancelling Original Sheet No. 13
1st Revised Sheet No. 14 Cancelling Original Sheet No. 14
1st Revised Sheet No. 21 Cancelling Original Sheet No. 21
4th Revised Sheet No. 23 Cancelling 3rd Revised Sheet No. 23
1st Revised Sheet No. 24.1 Cancelling Original Sheet No. 24.1
1st Revised Sheet No. 25 Cancelling Original Sheet No. 25
1st Revised Sheet No. 28 Cancelling Original Sheet No. 28
1st Revised Sheet No. 31 Cancelling Original Sheet No. 31
1st Revised Sheet No. 32 Cancelling Original Sheet No. 32
1st Revised Sheet No. 34 Cancelling Original Sheet No. 34
3rd Revised Sheet No. 35 Cancelling 2nd Revised Sheet No. 35
1st Revised Sheet No. 36 Cancelling Original Sheet No. 36
1st Revised Sheet No. 39 Cancelling Original Sheet No. 39
1st Revised Sheet No. 40 Cancelling Original Sheet No. 40
3rd Revised Sheet No. 41 Cancelling 2nd Revised Sheet No. 41
1st Revised Sheet No. 42 Cancelling Original Sheet No. 42
1st Revised Sheet No. 56 Cancelling Original Sheet No. 56
1st Revised Sheet No. 57 Cancelling Original Sheet No. 57
1st Revised Sheet No. 58 Cancelling Original Sheet No. 58
1st Revised Sheet No. 59 Cancelling Original Sheet No. 59
1st Revised Sheet No. 60 Cancelling Original Sheet No. 60
1st Revised Sheet No. 63 Cancelling Original Sheet No. 63
4th Revised Sheet No. 64 Cancelling 3rd Revised Sheet No. 64
Original Sheet No. 64.1
Original Sheet No. 64.2
1st Revised Sheet No. 65 Cancelling Original Sheet No. 65
2nd Revised Sheet No. 66 Cancelling 1st Revised Sheet No. 66
1st Revised Sheet No. 68 Cancelling Original Sheet No. 68
1st Revised Sheet No. 71 Cancelling Original Sheet No. 71

1st Revised Sheet No. 72 Cancelling Original Sheet No. 72

Section 6

1st Revised Sheet No. 1 Cancelling Original Sheet No. 1

1st Revised Sheet No. 3 Cancelling Original Sheet No. 3

Original Sheet No. 3.1

1st Revised Sheet No. 4 Cancelling Original Sheet No. 4

1st Revised Sheet No. 5 Cancelling Original Sheet No. 5

1st Revised Sheet No. 6 Cancelling Original Sheet No. 6

Original Sheet No. 7

1st Revised Sheet No. 8 Cancelling Original Sheet No. 8

1st Revised Sheet No. 9 Cancelling Original Sheet No. 9

1st Revised Sheet No. 10 Cancelling Original Sheet No. 10

1st Revised Sheet No. 11 Cancelling Original Sheet No. 11

1st Revised Sheet No. 14 Cancelling Original Sheet No. 14

1st Revised Sheet No. 15 Cancelling Original Sheet No. 15

Original Sheet No. 15.1

Original Sheet No. 16

1st Revised Sheet No. 17 Cancelling Original Sheet No. 17

1st Revised Sheet No. 18 Cancelling Original Sheet No. 18

1st Revised Sheet No. 19 Cancelling Original Sheet No. 19

1st Revised Sheet No. 20 Cancelling Original Sheet No. 20

1st Revised Sheet No. 22 Cancelling Original Sheet No. 22

1st Revised Sheet No. 23 Cancelling Original Sheet No. 23

1st Revised Sheet No. 24 Cancelling Original Sheet No. 24

1st Revised Sheet No. 25 Cancelling Original Sheet No. 25

1st Revised Sheet No. 26 Cancelling Original Sheet No. 26

1st Revised Sheet No. 27 Cancelling Original Sheet No. 27

1st Revised Sheet No. 29 Cancelling Original Sheet No. 29

1st Revised Sheet No. 31 Cancelling Original Sheet No. 31

1st Revised Sheet No. 32 Cancelling Original Sheet No. 32

1st Revised Sheet No. 34 Cancelling Original Sheet No. 34

Section 8

2nd Revised Sheet No. 1 Cancelling 1st Revised Sheet No. 1

1st Revised Sheet No. 2 Cancelling Original Sheet No. 2

Original Sheet No. 2.1

1st Revised Sheet No. 3 Cancelling Original Sheet No. 3

1st Revised Sheet No. 4 Cancelling Original Sheet No. 4

1st Revised Sheet No. 5 Cancelling Original Sheet No. 5

1st Revised Sheet No. 6 Cancelling Original Sheet No. 6

Section 9

7th Revised Sheet No. 3 Cancelling 6th Revised Sheet No. 3

Original Sheet No. 10

It is therefore

ORDERED, that the Joint Motion for Approval of Settlement Stipulation is hereby granted subject to the amendment to the Settlement Stipulation approved by the Commission. The amended

Settlement Stipulation is incorporated by reference into this Decision and Order the same as if it had been set forth in its entirety herein; and it is further

ORDERED, that the aforementioned tariff sheets are approved for service rendered on and after January 18, 2010, subject to the condition that Xcel refile such tariff sheets with amendments that conform such tariff sheets to the Commission's amendment to the Settlement Stipulation.

Dated at Pierre, South Dakota, this 12th day of January, 2010.

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.
By: <u>Demaris Atthelm</u>
Date: <u>1-12-10</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner