

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

**IN THE MATTER OF THE PETITION OF XCEL)
ENERGY FOR APPROVAL OF A FUEL)
CLAUSE RIDER TARIFF CHANGE)
)**

**ORDER APPROVING
TARIFF REVISIONS**

EL09-029

On December 31, 2009, Northern States Power Company, d/b/a Xcel Energy (Xcel), filed to request approval to modify the Fuel Clause Rider tariff in order to sell excess renewable energy (RECs) credits which have been allocated to South Dakota jurisdictional customers. Applicant proposes to credit 85 percent of proceeds to jurisdictional customers with the remaining 15 percent retained by the applicant as incentive to maximize the value obtained from the sale of renewable energy credits. The revised tariff sheets are as follows:

SDPUC Electric Tariff No. 2
Section No. 5

4th Revised Sheet No. 64

Canceling 3rd Revised Sheet No. 64

At its February 9, 2010, meeting, the Commission reviewed the application. Commission Staff recommended that Xcel sell the RECs in a prudent manner, returning all proceeds, minus expenses only, to ratepayers through the fuel clause. Staff also recommended that Xcel include information regarding REC sales in their annual RRCEO report.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A. The Commission finds the revisions are just and reasonable and approves the revisions, subject to the following stated conditions. It is therefore

ORDERED, that the above-referenced tariff is approved subject to the condition that Xcel credit its customers 90 percent of the South Dakota state jurisdictional share of the net revenue generated by the sale of RECs.

Dated at Pierre, South Dakota, this 12th day of February, 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><i>Stephanie H. Ma</i></u>
Date: <u>02/12/10</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