

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

IN THE MATTER OF THE FILING BY NORTHERN) STATES POWER COMPANY DBA XCEL ENERGY) FOR APPROVAL OF A CREDIT MECHANISM FOR) A DEPARTMENT OF ENERGY SETTLEMENT) PAYMENT WITH DEFERRED ACCOUNTING AND) APPROVAL TO DEPART FROM ITS FUEL CLAUSE) TARIFF, AS NECESSARY)	ORDER APPROVING DEFERRED ACCOUNTING TREATMENT EL11-023
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On August 16, 2011, the Public Utilities Commission (Commission) received an application from Northern States Power Company dba Xcel Energy (Xcel) for approval of a credit mechanism for funds received from a settlement with the United States Department of Energy (DOE) pursuant to DOE's partial breach of its contract to begin accepting spent nuclear fuel on or before January 31, 1998. The gross amount currently available for credit is \$99,996,841 on a total NSP system basis, or approximately \$4.3 million on a South Dakota jurisdictional basis, for damages incurred through December 31, 2008. This amount is currently reflected in Xcel's revenues. Xcel also requested that the amount of the credit be net of South Dakota's share of outside legal costs of just over \$0.25 million incurred in pursuit of the settlement. Xcel requested that an order regarding the appropriate credit mechanism be issued by the end of 2011 or that the Commission grant approval for deferred accounting treatment of the settlement monies on or before December 31, 2011, in order to avoid having to potentially recognize income in 2011 that will ultimately be returned to customers in 2012.

On August 18, 2011, the Commission electronically transmitted notice of the filing and the intervention deadline of September 2, 2011, to interested individuals and entities. No parties sought intervention.

At its regularly scheduled meeting on December 6, 2011, the Commission considered this matter. Staff recommended approval of deferred accounting treatment of the 2011 settlement proceeds but to take no action at this time with respect to subsequent years. The Commission voted unanimously to approve the deferred accounting treatment of the 2011 settlement proceeds.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10, and 49-34A-12. It is therefore

ORDERED, that Xcel's request for deferred accounting treatment of the 2011 settlement proceeds is hereby approved.

Dated at Pierre, South Dakota, this 14th day of December, 2011.

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>[Signature]</u>
Date: <u>12-14-11</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

<u>[Signature]</u> GARY HANSON, Chairman
<u>[Signature]</u> CHRIS NELSON, Commissioner
<u>[Signature]</u> KRISTIE FIEGEN, Commissioner