

The Commission met on **Thursday, April 1, 2010**, with Commissioners Boyd, O'Brien, Pugh, Reha and Wergin present.

The following matters were taken up by the Commission:

TELECOMMUNICATIONS AGENDA

P-999/CI-10-135

In the Matter of the Telephone Assistance Plan

Commission Wergin moved that the Commission:

1. Accept the TAP reports.
2. Do not adjust the TAP surcharge.
3. Instruct staff to submit a six month report on the balance and availability of funds in the TAP fund for Commission review at an agenda meeting.
4. Do not instruct staff to open a generic docket.
5. Accept the data on Attachment 3 as the corrected TAP subscribership levels and expenses for 2007 and 2008.
6. Require carriers to submit FCC audits to the Commission when the reports become available.

The motion passed, 5-0.

ENERGY AGENDA

IP-6838/CN-10-80

In the Matter of the Application of Prairie Rose Wind, LLC for a Certificate of Need for a 101 MW Wind Project and Related 115 kV Transmission Line in Rock County in Southwestern Minnesota

Commissioner Reha moved that the Commission approve the Notice Plan as modified by the OES and grant a variance to Minn. Rule 7829.2550, subp. 1 to allow the applicant to file a certificate of need upon Commission approval.

The motion passed, 5-0

IP-6838/CN-10-80

In the Matter of the Application of Prairie Rose Wind, LLC for a Certificate of Need for a 101 MW Wind Project and Related 115 kV Transmission Line in Rock County in Southwestern Minnesota

Commissioner Pugh moved that the Commission grant Prairie Rose Wind, LLC a variance to Minn. Rules, Part 7849.0200, subp. 6 to extend the period for Commission consideration of the exemption request and the request for a variance for an unspecified but reasonable period of time.

The motion passed, 5-0.

E-111/M-10-36

In the Matter of Dakota Electric Association's 2010 Annual Resource and Tax Adjustment

Commissioner Wergin moved that the Commission approve DEA's 2010 Annual Resource and Tax Adjustment petition.

The motion was adopted, 5-0.

E,G-002/M-09-1241

In the Matter of the Petition for Approval of Amendments to the Standard Billing Form Back

Commissioner Pugh recommended that the Commission approve the amendments to Xcel's Standard Billing Form Back and related tariff pages contained in Xcel's February 5, 2010, filing.

The motion passed 5-0.

E-002/M-09-1083

In the Matter of the Petition of Northern States Power Company, a Minnesota Corporation, for Approval of the 2010 Renewable Energy Standard Cost Recovery Rider and 2009 RES Tracker Report

Commission Boyd moved that the Commission:

1. Approve the 2009 Tracker Compliance And True-up Report
2. As to project costs, approve Xcel's proposed RES Rider revenue requirement calculation with the following modifications.
 - A. Reduce Nobles costs by \$1.74 million from Table 1.
 - B. Allow Merricourt increased cost of \$3.108 million from Table 1.
 - C. Reduce Wind2Battery by \$200,000.

- D. Allow Xcel to seek recovery of excluded project costs on a prospective (not deferred accounting) basis in its next electric rate case, with the burden on Xcel to show why it is reasonable to recover the costs from ratepayers.
3. Set the rate of return used in the revenue requirement calculation to reflect the finally approved rate of return (8.83% overall) from Xcel's electric rate case, Docket 08-1065).
 4. Make no determination at this time as to the allocation of North Dakota Investment Tax Credit to Minnesota jurisdiction.
 5. Approve Xcel's alternative rate design implementing straight energy methodology, but direct parties to work out an acceptable alternative to be addressed in Xcel's next rider filing.
 6. Direct Xcel to include a rate design alternative proposal for consideration in its next RES update filing reflecting the allocation of the RES rate adjustment based on the percentage of revenue basis, illustrating comparative impacts on the customer classes and customers within the demand-billed classes.
 7. Direct that Xcel's 2011 RES update filing reflect the findings contained in the Wind2Battery compliance filing due on September 14, 2010 in Docket E002/AI-09-379.
 8. Direct that RES project costs recovery through the rider be limited to the amounts of the initial estimates at the time the projects are approved as eligible projects, with the opportunity for the Company to seek recovery of excluded costs on a prospective basis (no deferred accounting) in a subsequent rate case.
 9. Approve Xcel's request to recalculate the 2010 RES rate factor at a level to collect the full revenue requirement for the year 2010 over the remaining number of months following the expected implementation date.
 10. Direct Xcel to file schedules of calculations modifying its 2010 RES rate adjustment to reflect the above decisions. This information, including revised tariff pages, should be filed within 10 days of the Order in this proceeding.

The motion passed 5-0.

E-002/M-09-1048

In the Matter of Northern States Power Company, a Minnesota Corporation, d/b./a Xcel Energy's Petition for Approval of a Modification to its TCR Tariff, 2010 Project Eligibility TCR Rate Factors, Continuation of Deferred Accounting and 2009 True-up Report

Commissioner O'Brien moved that the Commission:

1. Approve the 2009 tracker compliance and true-up report.

2. As to project costs, approve Xcel's proposed TCR Rider with the following modifications:
 - A. Deny recovery for the Brookings CapX Project until cost allocation issues are resolved;
 - B. Approve recovery of the \$9.3 million in Nobles Wind Farm Project costs;
 - C. Approve \$6 million of the Blue Lake-Wilmarth Project costs (not the \$7.7 million requested by Xcel);
 - D. Approve recovery of cost changes to the BRIGO and 825 Wind Projects; and
 - E. Approve cost recovery for the Chisago-Apple River Project for the undergrounding of distribution facilities at Lindstrom and \$865,000 in cost recovery for underground facilities near Taylors Falls.
3. Set the rate of return used in the revenue requirement calculation to reflect the finally approved rate of return (8.83% overall) from Xcel's electric rate case, Docket 08-1065).
4. In setting guidelines for evaluating project costs going forward, Xcel shall eliminate the lesser of 10% or \$1,000,000 threshold for variance analysis and the filing of explanations of changes in TCR project costs, as adopted for the TCR projects in Docket 08-1284.
5. In setting guidelines for evaluating project costs going forward, the TCR project cost recovered through the rider should be limited to the amounts of the initial estimates at the time the projects are approved as eligible projects, with the opportunity for the Company to seek recovery of excluded costs on a prospective basis in a subsequent rate case. A variance may be brought forward for Commission review if unforeseen and extraordinary circumstances arise on the project.
6. Approve Xcel's proposed methodology of collecting within the C&I classes consistent with current practice and request parties to work out an acceptable alternative to be filed by the Company's next rider filing.
7. Direct Xcel to include a rate design alternative proposal reflecting the allocation of the TCR rate adjustment based on the percentage of revenue basis, illustrating comparative impacts on the customer classes and customers within the demand-billed classes.
8. Approve Xcel's request to recalculate the 2010 TCR rate factor as a level to collect the full revenue requirement for the year 2010 over the remaining number of months following the expected implementation date.
9. Direct Xcel to file schedules of calculations modifying its 2010 TCR rate adjustment to reflect the above decisions. This information, including revised tariff pages, should be filed within 10 days of the Order in this proceeding.
10. Approve the customer notice, with any adjustment to the TCR factors to reflect the Commission Order.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: APRIL 21, 2010

A handwritten signature in black ink that reads "Burl W. Haar". The signature is written in a cursive style with a large initial 'B' and 'H'.

Burl W. Haar, Executive Secretary