

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendraye

Chair

Ken Nickolai

Commissioner

Marshall Johnson

Commissioner

Phyllis Reha

Commissioner

Thomas Pugh

Commissioner

To: Service List

SERVICE DATE: FEBRUARY 2, 2007

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In the Matter of a Request by Northern States Power Company d/b/a Xcel Energy for Approval of a Change in Contract Demand Entitlements and Associated Costs Effective November 1, 2005

The above entitled matter has been considered by the Commission and the following disposition made:

1. Regarding the Design Day, Entitlements and Allocation Factors:

a. Approve the Department revised Minnesota design day (670,964 Dk) and the level of demand entitlement shown in Revised DOC Attachment 1, page 2, Column 2, including the Minnesota design-day capacity of 689,578 Dth, effective November 2005;

b. Approve a Minnesota-jurisdictional allocation factor of 0.1310 for allocating the costs of entitlements on Viking for the Minnesota portion of the Grand Forks lateral;

c. Approve the Department revised Moorhead, Minnesota area jurisdictional allocation factor of 0.2089 used to allocate the costs of the pipeline loop installed by Viking to service the incremental needs for the Moorhead, Minnesota/Fargo, North Dakota area;

d. Approve the Department revised Minnesota-jurisdictional allocation factor of 0.8931

used to allocate the rest of the costs associated with the requested firm demand entitlements;

e. Approve recovery of the associated demand costs effective with the dates each cost is actually incurred and consistent with Xcel Energy's seasonal rate design; and

f. Require the Company to use the above-mentioned Department revised jurisdictional allocation factors in correcting the jurisdictional allocation in the true-up filed recently on September 1, 2006 and implement the revised true-up adjustment in the March 1, 2007 PGA; and

2. Regarding the proposal to assign demand costs to interruptible customers, require the Company to include, in the November 2006 demand-entitlement filing, a separate proposal to assign demand costs (including for example, but not limited to, storage costs and/or third-party reservation fees) to interruptible customers.

The Commission agrees with and adopts the recommendations of the Department of Commerce, modified by adding the underlined text in 1,f above, which are attached and hereby incorporated in the Order.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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