



500 West Russell Street
Sioux Falls, South Dakota 57101-0988

June 28, 2013

—Via Electronic Filing—

Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre, SD 57501

Re: 2013 REPORT OF NORTHERN STATES POWER COMPANY ON MEETING THE
RENEWABLE, RECYCLED AND CONSERVED ENERGY OBJECTIVE

Dear Ms. Van Gerpen:

In accordance with SDCL 49-34A-105, Northern States Power Company, a Minnesota corporation, provides the attached report on meeting the state's renewable, recycled and conserved energy objective for 2012.

Based on the jurisdictional energy allocator applicable to South Dakota, we have determined that the share of system-wide energy from renewable resources allocable to South Dakota was 296,287 MWh. This represents the energy we provided to our customers in 2012 that was generated by renewable generation facilities as defined by SDCL 49-34A-94.

After restricting the renewable energy from hydro resources to only those with an in-service date on or after July 1, 2008 and adjusting retail energy sales as provided in Chapter 49-34A-103, we calculate that approximately 15.0 percent of the energy provided to South Dakota customers in 2012 was from renewable energy resources. This percent reflects an increase from the 2011 level of 13.3 percent due to the continued addition of renewable resources, increased generation from all renewable resources except hydroelectric resources and the resolution of the assignment of silent Renewable Energy Credits (RECs) pertaining to one renewable contract that did not contain specific REC provisions. We no longer include in the calculation the silent RECs associated with PURPA or amended contracts that were awarded to the

generator owners. In addition, no renewable energy credits have been retired to date to comply with the South Dakota renewable energy objective (REO).

Attachment 1 includes the following information as requested by the Commission:

- Retail Sales (MWh) - Total & SD-based
- Total Renewable Generation Capacity Owned (MW) - All States & SD¹
- Renewable Generation Capacity Owned (MW) - Total & SD-based by technology¹
- Renewable Generation with RECs Retired for SD (MWh) - Total & SD-based by technology¹
- Renewable Generation with RECs Retired for other states/purposes (MWh) - Total & SD-based by technology¹
- Conserved Energy (MWh) and Capacity (MW)

Attachment 2 presents the renewable energy calculations.

We include in the report the amount of conserved energy achieved in 2012.² In 2012, the Company implemented our Demand Side Management (DSM) plan approved by Commission Order on October 21, 2011 in Docket No. EL11-013. The conserved capacity and energy is shown on Attachment 1 for the State of South Dakota account for the approved DSM plan.

Additionally, the Commission's Order in Docket No. EL09-029, dated February 12, 2010, directs the Company to report any sales of RECs in this report. Vintage 2012 RECs sold from transactions executed to date are shown in row 17 of Attachment 2. Since July 1, 2012, we have sold just over 100,000 SD RECs which accounts for approximately \$511,000 allocated to the SD ratepayers. South Dakota customers have been credited these amounts through the monthly Fuel Clause Charge consistent with the Commission's February 12, 2010 Order in Docket No. EL09-029.

Finally, the Company continues to seek to incorporate renewables and energy efficiency measures when and where those measures are cost effective. The Company expects to continue to be able to meet the renewable energy objective in South Dakota.

If there are questions regarding information contained in the report, please feel free to contact me at (605) 339-8350 or Kari Chilcott Clark at (303) 571-6905.

¹ As Defined in SDCL 49-34-94.

² These figures were calculated using both the deemed and measured energy savings approaches outlined in the Commission's rules, SD Admin. R. 20:10:38:04 and 20:10:38:05. However, the Company does not include conserved energy toward our compliance with the REO at this time.

SINCERELY,

A handwritten signature in black ink, appearing to read "J C Wilcox". The signature is fluid and cursive, with the first and last names being more prominent than the middle initial.

JAMES C. WILCOX
PRINCIPAL MANAGER

Enclosures

Please provide a value in each of the boxes below with an "X" in it.

Company:
Northern States Power

Calendar Year 2012 RREO Report	Value	Comments
Retail Sales		
Total - All States (MWh)	77,284,306	
SD (MWh)	2,030,028	
Renewable Generation Capacity Owned\Purchased¹		
Total - All States (MW)	2,407	
SD (MW)	54	MinnDakota Wind (2) - 54 MW
Renewable Generation Capacity Owned\Purchased		
Total - All States (MW)		
Wind	1,820	Includes capacity for Windsource program
Solar	6	
New Hydro	12	Dells Upgrade of units 2 - 4, Dec 2008 - July 2009; SAF Hydro COD 2011
Old Hydro	269	
Hydrogen	-	
Biomass\RDF\Landfill Gas	300	Capacity from all steam turbines is presented for mixed fuel plants; only the renewable generation creates RECs
Geothermal	-	
Recycled	-	
Total - All States (MW)	2,407	
SD (MW)		
Wind	54	
Solar	0	
New Hydro	0	
Old Hydro	0	
Hydrogen	0	
Biomass\RDF\Landfill Gas	0	
Geothermal	0	
Recycled	0	
Total SD (MW)	54	
Renewable Energy Credits Retired for SD		
Total - Generated In All States (MWh)		
Wind	0	
Solar	0	
New Hydro	0	
Old Hydro	0	
Hydrogen	0	
Biomass\RDF\Landfill Gas	0	
Geothermal	0	
Recycled	0	
Total - All States (MWh)	0	
Generated in SD (MWh)		
Wind	-	
Solar	-	
New Hydro	-	
Old Hydro	-	
Hydrogen	-	
Biomass\RDF\Landfill Gas	-	
Geothermal	-	
Recycled	-	
Total SD (MWh)	-	
Renewable Energy Credits Retired for Other States³		
Total - Generated In All States (MWh)		
Wind	4,828,728	
Solar	2,751	
New Hydro	2,938	
Old Hydro	509,211	
Hydrogen	-	
Biomass\Biogas\RDF\Landfill Gas\MSW	798,301	
Geothermal	-	
Recycled	-	
Total - All States (MWh)	6,141,929	
Generated In SD (MWh)		
Wind	156,115	
Solar	-	
New Hydro	-	
Old Hydro	-	
Hydrogen	-	
Biomass	-	
Geothermal	-	
Recycled	-	
Total SD (MWh)	156,115	
Conserved Energy & Capacity		
Conserved Energy (MWh)⁴		
Total - All States	544,208	Includes all of NSP-MN (MN, ND and SD) and NSP-WI (WI and MI)
SD	5,611	As reported in the 2012 DSM Status Report filed May 1, 2013 in Docket No. EL13-017.
Conserved Capacity (MW)⁵		
Total - All States	153	Includes all of NSP-MN (MN, ND and SD) and NSP-WI (WI and MI)
SD	1.9	As reported in the 2012 DSM Status Report filed May 1, 2013 in Docket No. EL13-017.

Footnotes:

¹ Includes owned generation and purchased generation (nameplate capacity) for renewable resources only

² "Silent" RECs are related to renewable energy purchases initiated prior to the renewable energy credits

market. Capacity from PPAs in which the RECs have been assigned to the generator owner through negotiated agreements or MNPUC Docket E002/M-08-440 are not included.

³ RECs present demonstrate RECs retired for WI RPS and MN RES compliance. It does not include RECs retired on behalf of WI Wholesale Customers

Retired RECs are a combination of vintages 2008 - 2012.

⁴ The annualized energy savings resulting from utility energy-efficiency program achievements in 2012.

⁵ The annualized capacity savings resulting from utility energy-efficiency program achievements in 2012.

South Dakota Renewable, Recyclable and Conserved Energy Objective 2012 Status Report

Attachment 2
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Jurisdictional Allocators

State	State Allocators
1 Minnesota	73.6918%
2 North Dakota	5.2198%
3 South Dakota	4.8702%
4 Wisconsin/Michigan	16.2183%
5 NSP System	100.0000%

System Renewable Generation

Source	M-RETS RECs
6 Wind	4,911,214
7 Solar	6,710
8 Hydro (pre-7/1/2008)	647,982
9 Hydro (post 7/1/2008)	29,650
10 Biomass\Wood\Landfill Gas	1,053,195
11 Refuse-Derived Fuel (RDF)	232,454
12 NSP System	6,881,205

SD RREO Renewable Energy

13 SD % of System Total Generation:	4.87021%	L3
14 System RECs allocated to SD:	335,129	L12 x L13
15 Remove Old Hydro (per SD RREO):	(31,558)	-L8 x L13
16 SD RREO qualifying renewable energy:	303,571	
17 Vintage 2012 REC Sales ¹ :	(7,284)	
18 Net SD RREO qualifying renewable energy:	296,287	
19 SD retail sales:	2,009,443	FERC Form 1
20 Remove SD Hydro allocation (per SD RREO)	(31,558)	-L8 x L13
21 SD REO adjusted retail sales:	1,977,885	
22 SD REO renewable energy %:	<u>15.0%</u>	(L18/L21)
23 RECs retired for 2011 REO compliance	<u>0</u>	

1 Vintage 2012 REC sales executed as of June 23, 2012

1MWh = 1 REC