

What Is the Process for Reviewing

Xcel Energy's Request?

In addition to the review by the MPUC, the Minnesota Office of Energy Security (OES) conducts an investigation of Xcel Energy's books and records. The Office of the Attorney General-Residential Utilities Division (OAG-RUD) may investigate this proposal as well.

Public hearings will be scheduled by the MPUC and overseen by an Administrative Law Judge. Customers and others will have the opportunity to comment on our rate request at the hearings. The public is encouraged to attend and provide comments. Notice of the hearing dates and locations will be published in local newspapers in Xcel Energy's service area, inserts in monthly bills, and at www.xcelenergy.com. Click "**About Energy & Rates**" under the "**Company**" tab.

For more information

You may visit Xcel Energy's corporate office during normal business hours to examine the current and proposed rate schedules. Xcel Energy's corporate office is located at:

414 Nicollet Mall
Minneapolis, Minnesota 55401

Phone: **800-895-4999**
Web: www.xcelenergy.com

You may contact the Minnesota Department of Commerce at:
85 Seventh Place East, Suite 500
St. Paul, Minnesota 55101

Phone: **651-296-9314**
Citizens with hearing or speech disabilities may call through Minnesota Relay at **800-627-3529** or **7-1-1**

Web: <https://www.edockets.state.mn.us/EFiling/search.jsp>
(Web address case sensitive)

Select 10 in the year field, enter 971 in the number field, click on Search, and the list of documents will appear on the next page.

How to participate.

Anyone who wishes to formally intervene in this case should contact:

Minnesota Office of Administrative Hearings
P.O. Box 64620
St. Paul, Minnesota, 55164-0620
Phone: **651-361-7900**, TTY: **651-361-7878**.

You do not need to contact the Administrative Law Judge if you simply want to attend the public hearings, provide oral comments at the public hearings or submit comment letters.

You may also provide comments to the Minnesota Public Utilities Commission at:

121 Seventh Place East, Suite 350
St. Paul, Minnesota, 55101-2147

Telephone: **651-296-0406** or **800-657-3782**
Citizens with hearing or speech disabilities may call through Minnesota Relay at **800-627-3529** or **7-1-1**

E-mail: PublicComments.puc@state.mn.us

Written comments are most effective when the following three items are included:

- (1) The issue(s) in Xcel Energy's proposal you are addressing.
- (2) Your specific recommendation.
- (3) The reason for your recommendation.

Please be sure to reference docket number E002/GR-10-971 in all correspondence or requests.

Important

Comments will be made available to the public on the MPUC's website, except in limited circumstances consistent with the Minnesota Government Data Practices Act. The MPUC does not edit or delete personal identifying information from submissions.

XCEL ENERGY MINNESOTA ELECTRIC PRICES

Interim Change in Electric Rates in Effect January 2, 2011

Until Final Decision is Made



1-800-481-4700
xcelenergy.com

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Xcel Energy's rate increase request.

Xcel Energy has asked the Minnesota Public Utilities Commission (MPUC) for permission to increase its electricity rates by \$150.1 million, or approximately 5.62 percent effective January 2, 2011 and an additional \$48.3 million or 1.81 percent, for a total of \$198.5 million or 7.43 percent effective January 1, 2012. In addition, Xcel Energy has requested an increase in the rate charged to customers subscribing to the Windsource® program. The current Windsource rate is \$3.53 per 100 kWh block and if approved by the MPUC, the rate will increase to \$4.96 per 100 kWh block.

While the MPUC considers Xcel Energy's request, state law allows Xcel Energy to collect higher rates on an interim basis. The overall interim rate increase is \$123.0 million or approximately 4.9 percent over total current rates. Because this increase only applies to the base rate portion of customers' bills (exclusive of fuel costs and certain rate riders), the interim rate request is billed as a 7.58 percent increase, or \$3.92 per month for an average residential customer. This increase appears on your bill as an interim rate adjustment.

The MPUC is evaluating our request and will make its decision in December 2011. If final rates are lower than interim rates, we will refund customers the difference with interest. If final rates are higher than interim rates, we will not charge customers the difference.

Why is Xcel Energy asking for an increase at this time?

Xcel Energy's last request for a rate increase was in 2008. Since that time, Xcel Energy has made significant investments in its plants and infrastructure. In addition, general economic trends have increased the costs of operating our business. Also, the cost of meeting new and increasing federal safety and reliability requirements has grown. A rate increase is necessary at this time in order to support our need to continue to make investments in our system and provide safe, reliable, efficient energy in the future.

How will the rate change affect monthly bills?

The proposed rate increase will affect individual monthly bills differently depending on electricity use and customer type. The proposed rate increase affects only those charges that recover the cost of providing service to our customers—approximately 70 percent of your total bill. This rate increase does not affect the fuel portion of your bill ("Fuel Cost Charge").

What Is Xcel Energy doing to control costs?

We realize how important it is that we continue to provide customers with safe and reliable electricity, while ensuring the most reasonable price possible. To do so, we are:

- Continuing to do everything we can to keep our costs down;
- Leading the nation with our energy conservation programs

Proposed Changes for Monthly Electricity Base Rates

This chart shows the current and proposed electricity base rates for each customer class.

PROPOSED CHANGE IN MONTHLY ELECTRICITY COSTS

Customer classification	Average monthly kWh usage	Current monthly cost	Interim monthly increase	Proposed final monthly increase
Residential - Overhead line service	580	\$64.73	\$3.44	\$4.09
Residential - Underground line service	850	\$93.83	\$4.96	\$5.53
Energy-Controlled (Dual Fuel)	966	\$66.74	\$2.61	\$4.69
Small General Service	1,035	\$111.25	\$5.75	\$3.27
Small General Time-of-Day Service	1,467	\$135.25	\$6.45	\$3.68
General Service	18,420	\$1,535.12	\$68.18	\$79.91
General Time-of-Day Service	199,251	\$13,880.98	\$562.00	\$737.74
Peak-Controlled Service	61,990	\$6,229.04	\$300.47	\$452.96
Peak-Controlled Time-of-Day Service	602,797	\$47,193.60	\$2,043.20	\$3,045.37
Small Municipal Pumping	559	\$62.70	\$3.30	\$3.29
Municipal Pumping	5,962	\$559.96	\$26.59	\$30.94

MONTHLY CUSTOMER CHARGES

Customer classification	Current	Proposed
Residential		
Overhead line	\$6.50	\$7.50
Overhead line - electric heating	\$8.50	\$9.50
Underground line	\$8.50	\$9.50
Underground line - electric heating	\$10.50	\$11.50
Small Commercial		
Small General	\$8.50	\$9.00
Small General Time-of-Day	\$10.50	\$11.00
Commercial and Industrial		
General	\$25.00	\$25.00
General Time-of-Day	\$28.00	\$28.00
Peak-Controlled	\$52.00	\$52.00
Peak-Controlled Time-of-Day	\$52.00	\$52.00

which help customers manage their energy use and save money on their bills;

- Working with local and state agencies that provide energy assistance to low-income customers;
- Using a variety of fuel sources so we can better manage costs and protect the environment;
- Keeping our power plants operating efficiently and at peak performance.

ENERGY (PER KWH) AND DEMAND (PER KW) RATES

Customer classification	Current	Proposed
Residential		
Energy: Summer (June-September)	7.363 ¢	8.661 ¢
Energy: Winter (Other months)	6.365 ¢	7.361 ¢
Energy: Winter - electric heating	5.111 ¢	5.861 ¢
Small General		
Energy: Summer	7.173 ¢	8.245 ¢
Energy: Winter	6.175 ¢	6.945 ¢
Small General Time-of-Day		
Energy: On-Peak Summer	13.108 ¢	14.881 ¢
Energy: On-Peak Winter	10.983 ¢	12.080 ¢
Energy: Off-Peak Summer	1.920 ¢	2.500 ¢
Energy: Off-Peak Winter	1.920 ¢	2.500 ¢
General		
Energy	2.295 ¢	2.904 ¢
Demand: Summer	\$10.48	\$12.46
Demand: Winter	\$7.08	\$8.56
General Time-of-Day		
Energy: On-Peak	3.019 ¢	3.806 ¢
Energy: Off-Peak	1.776 ¢	2.252 ¢
Demand: Summer	\$10.48	\$12.46
Demand: Winter	\$7.08	\$8.56