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December 1, 2010

PUBLIC SERVICE COMMISSION

VIA EMAIL AND FEDERAL EXPRESS

Darrell Nitschke
 Executive Director
 North Dakota Public Service Commission
 State Capitol Building, Dept. 408
 600 East Boulevard
 Bismarck, ND 58505-0480

**Re: Otter Tail Power Company
 Advance Determination of Prudence -
 CapX2020 Group 1 Application
 Case No. PU-09-676**

**Northern States Power Company
 Advance Determination of Prudence -
 CapX2020 Group 1 Application
 Case No. PU-09-678**

Dear Mr. Nitschke:

In compliance with ordering clause 6 in the Commission's October 6, 2010 Order Adopting Settlement in the above referenced matters, Northern States Power Company, a Minnesota corporation ("Xcel Energy"), and Otter Tail Power Company, ("Otter Tail" and collectively with Xcel Energy, "Applicants") provide the following:

On November 30, 2010, Xcel Energy, Otter Tail and the other project owners executed the Project Participation Agreement ("Ownership Agreement") and other project agreements constituting the binding contractual investment commitments for the Bemidji Project. The utilities who are committing themselves to funding and eventual ownership of the completed Project are: Xcel Energy, Great River Energy,

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ALLETE, Inc., d/b/a Minnesota Power, Minnkota Power Cooperative (“Minnkota”) and Otter Tail (collectively “Project Owners”).

All applicable critical permits as described in Schedule 1 of the Settlement Agreement have been obtained.

The Project Owners have elected the following ownership percentages in the Bemidji Project:

Minnkota	31.5%
Xcel Energy	26.2%
Otter Tail	20.0%
Great RiverEnergy	13.0%
Minnesota Power	9.3%

The Project Owners expect to begin tree clearing activities in January of 2011. Pursuant to ordering clause 7, Applicants will advise the Commission, in a subsequent filing, of the commencement of clearing activities, the first actual physical construction activity of the Bemidji Project.

Respectfully,

/s/ James R. Alders
James R. Alders
Director of Regulatory Administration
Xcel Energy Services Inc. on behalf of
Northern States Power Company

/s/ Dean Pawlowski
Dean Pawlowski
Principal Engineer
Otter Tail Power Company

cc: Keith Beall, MISO