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December 15, 2011

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PUBLIC SERVICE COMMISSION

Darrell Nitschke, Executive Director
 North Dakota Public Service Commission
 State Capitol Building, Dept. 408
 600 East Boulevard
 Bismarck, ND 59505-0480

**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:

Pursuant to the North Dakota Public Service Commission's (the "Commission") November 10, 2011, Order Adopting Settlement in the above referenced proceedings, Northern States Power Company, a Minnesota corporation ("Xcel Energy") and Otter Tail Power Company ("Otter Tail" and, collectively with Xcel Energy, "Applicants") provide to the Commission the following update on the status of the cost allocation methodology applicable to the Brookings Project.

On December 8, 2011, the Midwest Independent Transmission System Operator, Inc.'s ("MISO") Board of Directors unanimously approved the 2011 MISO Transmission Expansion Plan ("MTEP11"). As part of the MTEP11, a portfolio of candidate Multi-Value Projects ("MVPs"), including the Brookings Project, were approved for inclusion in the MTEP and designated as MVPs. Consequently, all conditions as to the MVP status of the Brookings Project have been met and the Brookings Project is now fully and unconditionally approved.

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Please feel free to contact Mr. Dave Sederquist at (701) 241-8632, or Mr. Dean Pawlowski at (218) 739-8947 if the Commission requires any additional information.

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: Illona Jeffcoat-Sacco
Matt Dorsett
Mitch Armstrong