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P O Box 2747
Fargo, ND 58108-2747

September 1, 2010

Darrell Nitschke
Executive Secretary
North Dakota Public Service Commission
State Capitol
600 East Boulevard
Bismarck, ND 58505-0480

Re: Annual Auditor's Report – Automatic Adjustment Clause

Dear Mr. Nitschke:

Northern States Power Company, a Minnesota corporation operating in North Dakota ("Xcel Energy" or the "Company") submits the attached independent auditor's report of its electric fuel clause adjustment for the year ending June 30, 2010, which was prepared by Deloitte & Touche LLP. The enclosed auditor's report is required in North Dakota Rule 69-09-01-30, subp. 11, which states: "Each utility shall cause an independent audit of its automatic adjustment clause to be performed annually. A copy of the auditor's report must be filed annually with the Commission."

Please feel free to contact me at (612) 330-6128 with any questions regarding the report.

Sincerely,

/s/

Phillip J. Zins
Manager, Pricing and Planning

encl: 1
cc David H. Sederquist

Xcel Energy Inc.

Schedule of Fuel Adjustment Clause Factors for
Northern States Power Company, a Minnesota
Corporation, for North Dakota Electric Customers for
Each of the Months in the Period From July 1, 2009 to
June 30, 2010, and Independent Auditors' Report



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INDEPENDENT AUDITORS' REPORT

Northern States Power Company, a Minnesota Corporation:

We have audited the accompanying Schedule of Fuel Adjustment Clause Factors (the "Schedule") for Northern States Power Company, a Minnesota Corporation (the "Company"), for North Dakota retail electric customers for each of the months in the period from July 1, 2009 to June 30, 2010, based on the Fuel Clause Rider as defined on Sheet No. E 76.2 of the electric rates filed by the Company with the North Dakota Public Utilities Commission (the "Commission") (including the revisions on Docket No. PU-07-740 dated December 1, 2007 and Docket No. PU-07-776 dated March 1, 2009). This Schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on the Schedule based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free of material misstatement. An audit includes consideration of internal control over financial reporting as it relates to the Schedule as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting as it relates to the Schedule. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts in the Schedule, assessing the accounting principles used, and significant estimates made by management, as well as evaluating the overall presentation of the Schedule. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule was prepared for the purpose of complying with the Commission's approved Fuel Clause Rider and Dockets referred to above, and is not intended to be a complete presentation of the Company's revenues and expenses or any other measure.

In our opinion, the accompanying Schedule presents fairly, in all material respects, the Fuel Adjustment Clause Factors for North Dakota retail electric customers for each of the months in the period from July 1, 2009 to June 30, 2010, in accordance with the Fuel Clause Rider and Dockets noted above, and in conformity with the uniform system of accounts prescribed by the Federal Energy Regulatory Commission.

This report is intended solely for the information and use of the board of directors and management of the Company and the Commission and should not be used for any other purpose.

August 31, 2010

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION

STATE OF NORTH DAKOTA RETAIL ELECTRIC CUSTOMERS SCHEDULE OF FUEL ADJUSTMENT CLAUSE FACTORS FOR EACH OF THE MONTHS IN THE PERIOD FROM JULY 1, 2009 TO JUNE 30, 2010 (CENTS PER KWH)

	Residential	C&I Non-Demand	C&I Demand Non-TOD	C&I Demand On-Peak	C&I Demand Off-Peak	Outdoor Lighting
July 1, 2009	2.325	2.463	2.387	3.068	1.804	1.655
August 1, 2009	2.274	2.409	2.334	3.000	1.765	1.619
September 1, 2009	2.288	2.424	2.349	3.019	1.776	1.629
October 1, 2009	2.313	2.450	2.374	3.051	1.795	1.646
November 1, 2009	2.353	2.493	2.415	3.105	1.826	1.675
December 1, 2009	2.264	2.399	2.324	2.987	1.757	1.612
January 1, 2010	2.423	2.567	2.487	3.196	1.880	1.725
February 1, 2010	2.360	2.500	2.422	3.113	1.831	1.680
March 1, 2010	2.358	2.498	2.420	3.111	1.830	1.679
April 1, 2010	2.438	2.583	2.502	3.216	1.892	1.736
May 1, 2010	2.304	2.441	2.365	3.040	1.788	1.640
June 1, 2010	2.362	2.503	2.425	3.117	1.833	1.682