



414 Nicollet Mall
Minneapolis, MN 55401

February 8, 2012

– VIA FEDERAL EXPRESS –

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

RECEIVED

FEB 08 2012

PUBLIC SERVICE COMMISSION

RE: APPLICATION OF NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION, FOR TRADE SECRET PROTECTION FOR THREE POWER PURCHASE AGREEMENT WITH MANITOBA HYDRO-ELECTRIC BOARD CASE NO. PU-12-_____

Dear Mr. Nitschke:

Northern States Power Company, a Minnesota corporation (“Xcel Energy” or the “Company”), operating in North Dakota, respectfully submits: (1) an original and seven (7) copies of the enclosed Application for Trade Secret Protection; (2) an original and seven (7) copies of the public version of our Advanced Determination of Prudence for three Power Purchase Agreements with Manitoba Hydro-Electric Board; and (3) one (1) copy of the trade secret version of the ADP Application, which has been placed in a sealed envelope and labeled “**TRADE SECRET – PRIVATE.**”

The MH PPAs are presented together as a package in this proceeding and Xcel Energy requests that they be treated as a package for consideration as all three contracts. The proposed PPAs essentially extends the current suite of contracts for an additional 10 years, thus extending the parties’ relationship until at least 2025 and work together to form a single transaction that results in 725 MW of reliable summer-season capacity for 10 years along with associated energy, with the potential that the amount could increase to 850 MW in 2021.

The filing contains cost information, contract terms and internal modeling results as discussed in our attached application. We believe

Darrell Nitschke, Executive Director

February 8, 2012

Page 2 of 2

that disclosure of this information will provide economic value to potential vendors, contractors and suppliers and as a result could result in higher costs for our customers if this information is disclosed.

As a result, we believe it is important that our request for trade secret protection be granted in order that we can minimize costs to our customers. We look forward to working with the Commission to answer any questions they may have in granting this determination. Thank you in advance for your review of this filing.

SINCERELY,

/s/

MATTHEW P. LOFTUS
ASSISTANT GENERAL COUNSEL

Enclosures

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA**

NORTHERN STATES POWER COMPANY, A
MINNESOTA CORPORATION
IN THE MATTER OF AN APPLICATION FOR
ADVANCE DETERMINATION OF PRUDENCE
FOR THREE POWER PURCHASE AND
DIVERSITY EXCHANGE AGREEMENTS WITH
MANITOBA HYDRO-ELECTRIC BOARD

CASE No. PU-12-_____

APPLICATION FOR TRADE SECRET PROTECTION

Northern States Power Company, a Minnesota corporation (“Xcel Energy” or the “Company”) respectfully requests the North Dakota Public Service Commission (the “Commission”) enter a trade secret protective order pursuant to § 69-02-09-01 of the North Dakota Administrative Code in the above referenced case. The purpose of the requested protective order is to protect against public disclosure of trade secret and commercial information as defined by N.D.C.C. § 44-04-18.4 from disclosure pursuant to N.D.C.C. § 44-04-18 and any other public disclosure laws as may be applicable.

- 1. A general description of the nature of the information sought to be protected.**

The information for which the Company seeks protection includes cost information, contract terms and internal modeling results regarding the three purchase agreements (“MH PPAs” or “PPAs”) with Manitoba Hydro-Electric Board (“Manitoba Hydro”) as marked in our Application for Advance Determination of Prudence in the above referenced docket.

The Company states the information sought to be protected, as described above, is “information pertaining to buying and selling of goods and services that has not been previously publicly disclosed and that if the information were to be disclosed... would cause substantial competitive injury to the person from which the information was obtained” and is therefore “commercial information” as provided in N.D.C.C. § 44-04-18.4(2)(a) and consequently “is confidential if it is of a privileged nature and it has not been previously publicly disclosed” pursuant to N.D.C.C. § 44-04-18.4(1).

The Company further states that the information sought to be protected, as described above, is “information... that: (1) derives independent economic value ... from not being generally known to, and not being readily ascertainable by proper means by other persons that can obtain economic value from its disclosure; and (2) is the subject of efforts that are reasonable under the circumstances to maintain the secrecy of the information” and is therefore “trade secret” as provided in N.D.C.C. § 44-04-18.4(2)(d) and consequently “is confidential if it is of a privileged nature and it has not been previously disclosed” pursuant to N.D.C.C. § 44-04-18.4(1). The Company further states that the information sought to be protected meets the definition of “trade secret” as set forth in N.D.C.C. § 47-25.1-01(4).

2. Explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.

The information could have economic value to potential vendors, contractors and suppliers who may desire to bid for PPAs or other generation resources to the Company in the future. In particular, potential suppliers would know what the Company has paid under this PPA and, consequently, the price could potentially serve as a floor, below which no bidder would submit a price. Such a result could be harmful for the Company’s customers. Further, other utilities may use such information in negotiating with Manitoba Hydro.

3. An explanation why the information is not readily ascertainable by proper means by other persons.

The confidentiality of this information has been maintained by Xcel Energy. The information is not disclosed to the public or to persons other than employees or authorized agents who need to know the information to fulfill their responsibilities in connection with the Manitoba Hydro PPAs or to third persons pursuant to agreement to maintain the confidentiality of the information.

The Company has requested that this information be treated as trade secret in all of its regulatory filings and other sharing of this information with governmental entities.

4. A general description of the persons or entities that would obtain economic value from disclosure or use of the information.

Other entities from which Xcel Energy purchases power and other utilities would obtain economic value from disclosure of this information.

5. A specific description of known competitors and competitor's goods and services that is pertinent to the tariff or rate filing.

See response to No. 4.

6. A description of the efforts used to maintain the secrecy of the information.

The Company and Manitoba Hydro have both contractually agreed to maintain the confidentiality of certain provisions of the PPAs. See also the response to No. 3.

In accordance with Section 69-02-09-02 of the North Dakota Administrative Code, one copy of the trade secret material is provided in the enclosed sealed envelope which is labeled: **TRADE SECRET – PRIVATE.**

Respectfully submitted this 8th day of February, 2012

Northern States Power Company,
a Minnesota corporation

By: Matthew P. Loftus
Assistant General Counsel