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August 12, 2013

**PUBLIC DOCUMENT:
TRADE SECRET INFORMATION EXCISED**

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

— VIA E-MAIL & FEDERAL EXPRESS —

RE: NORTHERN STATES POWER COMPANY FOR
ELECTRIC RATE INCREASE APPLICATION
CASE NO. PU-12-813

Dear Mr. Nitschke:

Pursuant to North Dakota Century Code, Section 49-05-05, Northern States Power Company, doing business as Xcel Energy (the “Company” or “Xcel Energy”) submits an original and ten (10) copies of our rebuttal testimony in the above-referenced case.

The following rebuttal testimony is being filed:

- Policy – Laura McCarten
- Revenue Requirements – Anne Heuer
- Return on Equity /Capital Structure – Ann Bulkley
- Jurisdictional Demand Allocator – Scott Brockett
- Depreciation, Retirement & Removal Costs, and Asset Retirement Obligations – Lisa Perkett
- Nuclear Operations – Timothy O’Connor
- Recovery of Purchased Power Costs – Steve Wishart
- Incentive Compensation – Sharon Koenig
- Rate Design – Steve Huso

In addition, Xcel Energy is submitting in a sealed envelope labeled “**TRADE SECRET – PRIVATE**” one copy of the trade secret version of the rebuttal testimony by Ms. Koenig and Mr. O’Connor.

The rebuttal testimony of Ms. Koenig includes a study by the consulting firm Towers Watson comparing our total cash compensation levels to two sets of data. The first set of comparison data was a national sample, reflecting a large majority of U.S. electric and gas companies. The second set of comparison data reflected data from U.S. electric and gas companies similar in size to the Company. The rebuttal testimony of Mr. O’Connor includes information regarding Xcel Energy’s Nuclear Fleet Personnel Churn versus the Net Improvement for the nuclear fleet and Prairie Island’s Industry Performance Indicator since the fourth quarter of 2011.

The Company believes this information to be proprietary and of a privileged nature, and we consider it to be Trade Secret. This information is consistent with the type of information described in the Company’s pending April 9, 2013 Application for Trade Secret Protection. Any rebuttal testimony containing trade secret information is marked “Non-Public” consistent with our Trade Secret Application dated April 9, 2013.

Please contact me if you have any questions regarding this filing at david.sedquist@xcelenergy.com or 701-241-8632.

Sincerely,



David H. Sederquist
Sr. Consultant, Regulation & Finance
Northern States Power Company

Enclosures