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December 6, 2013

VIA U. S. AND ELECTRONIC MAIL

Mr. Darrell Nitschke, Executive Secretary
North Dakota Public Service Commission
600 East Blvd.
Bismarck, ND 58505

RE: RESPONSE TO COMMISSION REQUEST FOR A STATUS UPDATE OF
PENDING SETTLEMENT NEGOTIATIONS (CASE NO. PU-12-813)

Dear Mr. Nitschke:

Northern States Power Company, doing business as Xcel Energy, respectfully submits this update to the October 25, 2013 letter regarding our efforts to resolve the issues in the above-referenced case through settlement. This letter is in response to the Advisory Staff's written request made yesterday, December 5.

Regrettably, in November, the Company experienced delays in updating and reviewing its North Dakota five year financial forecast. This forecast was a critical factor to the Parties' ability to discuss reasonable levels of annual revenue relief under a "multi-year" rate option, which has been a primary objective of our settlement efforts to this point. Earlier this week, the Company completed its financial projections and is now in a position to work with Advocacy Staff toward finalizing the revenue requirements components of a settlement.

Understanding the Commission's frustration with the Company's delays in submitting late-filed exhibits in this case, as well as our slow progress toward a longer range financial forecast, we recently met with Advocacy staff and have committed to a **one week** period to negotiate and reach a settlement. If a settlement cannot be reached on or before Friday, December 13, then the Parties will cease efforts to reach a resolution.

That said, we respectfully request the Commission afford the Parties until next Friday, December 13 to reach a settlement. We believe that the Commissioners will appreciate the proposed solutions to many of the issues in the case that, in whole, comprise a constructive and balanced outcome for all stakeholders.

Sincerely,



David H. Sederquist
Sr. Regulatory Consultant

CC: Commissioner Kalk (electronic)
Commissioner Christmann (electronic)
Commissioner Fedorchak (electronic)
Mike Diller
Ryan Norrell
Illona Jeffcoat-Sacco