



December 8, 2014

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

Re: Ex-Parte Communications Regarding Restack Negotiated Agreement Progress

Dear Mr. Nitschke:

Northern States Power Company (NSP), doing business as Xcel Energy, respectfully provides information regarding ex-parte informational meetings that occurred between Company employees and the Commissioners serving on the North Dakota Public Service Commission.

On November 13, Dave Sparby, Xcel Energy Senior Vice President and Revenue Group President, and NSP President and Chief Executive Officer, and Laura McCarten, NSP Regional Vice President, met individually with Commissioners Kalk and Christmann in their PSC offices. Separately, on November 24, Laura McCarten and I spoke by phone with Commissioner Fedorchak. During these meetings Company officials briefed the Commissioners about the restack negotiated agreement progress, and briefly described how the restack approach is not sustainable in the long term. This is largely because the restack is not an effective mechanism for the NDPSC to proactively influence the resource mix we use to serve North Dakota. In addition, the uncertainty around achieving multi-state cost recovery under a restack framework creates increasing financial risk for the company. Finally, the restack methodology would become increasingly complex with each new resource addition and thus more difficult to administrate over time. We also briefly discussed the concept of further separation of our North Dakota operations from our integrated system, possibly to the point of setting up a separate NSP-ND operating company.

- 93 PU-13-742 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 92 PU-13-708 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 93 PU-13-707 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 92 PU-13-706 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 221 PU-12-813 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 109 PU-13-195 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 93 PU-13-194 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications
- 104 PU-13-743 Filed 12/11/2014 Pages: 2
Letter summarizing ex parte communications

Darrell Nitschke, Executive Director

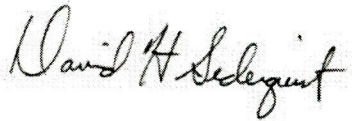
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In order to provide further information about the restack negotiations and future corporate structure options, the Company is participating in an informal meeting that has been noticed for December 10.

Please feel free to contact me if the Commission requires additional information or has any questions.

Respectfully,

A handwritten signature in cursive script that reads "David H. Sederquist".

David H. Sederquist
Sr. Consultant, Regulation and Finance

cc: Illona Jeffcoat-Sacco
Matt Dorsett
Mitch Armstrong