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January 15, 2016

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

- RE: NORTHERN STATES POWER COMPANY
2013 ELECTRIC RATE INCREASE APPLICATION
CASE NO. PU-12-813
- NORTHERN STATES POWER COMPANY
ADVANCED DETERMINATION OF PRUDENCE – COURTENAY
WIND PROJECT APPLICATION
CASE NO. PU-13-706
- NORTHERN STATES POWER COMPANY
ADVANCED DETERMINATION OF PRUDENCE – ODELL
WIND PROJECT APPLICATION
CASE NO. PU-13-707
- NORTHERN STATES POWER COMPANY ADVANCED DETERMINATION OF
PRUDENCE – PLEASANT VALLEY WIND PROJECT APPLICATION
CASE NO. PU-13-708
- NORTHERN STATES POWER COMPANY ADVANCED DETERMINATION OF
PRUDENCE – BORDER WINDS PROJECT APPLICATION
CASE NO. PU-13-742
- NORTHERN STATES POWER COMPANY 150 MW BORDER WINDS PROJECT –
ROLETTE COUNTY PUBLIC CONVENIENCE AND NECESSITY
CASE NO. PU-13-743
- NORTHERN STATES POWER COMPANY ADVANCED DETERMINATION OF
PRUDENCE – NG GENERATORS APPLICATION
CASE NO. PU-13-194
- NORTHERN STATES POWER COMPANY RED RIVER VALLEY NG UNITS
1 & 2 – HANKINSON, ND PUBLIC CONVENIENCE AND NECESSITY
CASE NO. PU-13-195

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Late-filed Exhibit 6
Northern States Power Company
Alison Archer, Assistant General Counsel

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Alison Archer, Assistant General
Counsel

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NORTHERN STATES POWER COMPANY ADVANCE DETERMINATION OF
PRUDENCE – 345 MANKATO ENERGY CENTER APPLICATION
CASE NO. PU-15-96

Dear Mr. Nitschke:

Enclosed for filing, please find Exhibit No. 6 (Late Filed) as requested at the December 15, 2015 hearing in the above referenced Cases.

Please contact me at 612-215-4663 or alison.archer@xcelenergy.com if you have any questions or concerns.

Sincerely,

/s/

ALISON ARCHER
ASSISTANT GENERAL COUNSEL

cc: ALJ Mann
Jack Shuh
Mike Diller
Illona Jeffcoat-Sacco
Jerry Lein
Blaine Johnson

Exhibit 6: Nuclear Authorizations

At the December 15, 2015 hearing in this matter, the Commission inquired about what additional authorizations are needed for Northern States Power Company (NSP) to operate our nuclear plants for the remainder of their licensed terms.

In summary, there are two major authorizations that define at a high level the operating lives of Xcel Energy's nuclear power plants. These include:

1. An operating license issued by the Nuclear Regulatory Commission (NRC), and
2. A Certificate of Need (CON) issued by the Minnesota Public Utilities Commission (MPUC)

Both of these authorizations have been obtained and are discussed in more detail below along with a listing of lessor, but still relevant, permits and approvals necessary for the continued operation of these plants.

NRC Issued Operating License

The NRC is the federal agency designated to regulate the safe non-military use of nuclear materials in the United States. Title 10 of the United States Code of Federal Regulations contains the regulations that the NRC has promulgated governing the design, operation and decommissioning of commercial nuclear power plants. In order to receive authorization to operate a commercial nuclear power plant, a licensee has to prepare an application demonstrating that the design of the plant meets the NRC's regulations, that the licensee is financially qualified to construct and operate the plant, that it will be constructed and operated in accordance with the Quality Assurance requirements and that programs/procedures are in place to ensure that, on an ongoing basis, the licensee will comply with the license.

Once granted a license by the NRC, a licensee has the continuing obligation, under penalty of law, to construct and operate the plant safely, up to and including the decommissioning of the plant once it is permanently shut down. The licensee must also provide information to the NRC concerning any aspect of plant operation in an open and transparent manner. The NRC has the authority to shut down the plant if it finds that the licensee is not complying with the license or if safety performance has dropped to an unacceptable level. This ultimately means that while a license is the required authorization, there are numerous post-license requirements that the NRC can impose on the plant operator that must be complied with to keep the license viable. Currently, the Monticello and Prairie Island Units 1 and 2 renewed plant operating licenses authorize up to 60 years of plant operations until 2030, 2033 and 2034, respectively.

MPUC Issued Certificate of Need

Because NSP's nuclear plants are located in Minnesota, NSP must also comply with Minnesota's specific state requirements. To that end, the second major authorization needed is a CON granted by the MPUC for the spent fuel storage capacity necessary to support plant operations through the 20-year period of extended operation authorized by the renewed NRC plant operating license. This CON is required by Minnesota statute and provides the opportunity for the MPUC to weigh in on the method of storing the spent fuel that will be generated as a result of an additional 20 years of operation, the cost of that storage, progress of the federal government in meeting its contractual obligation to remove spent fuel from the plant sites, and the overall economic performance of the nuclear power plant compared to alternative forms of generation available. Once the MPUC issues its CON, that order is stayed and a report is sent by the MPUC to the Minnesota legislature informing of their decision and the basis for that decision. The stay remains in place until an annual session of the Minnesota legislature has been completed.

The legislature does not have to take up the MPUC CON but can modify it if it chooses. If no action is taken by the Minnesota legislature, the stay is lifted on June 1 of that year. Xcel Energy has applied for and received a CON for the spent fuel storage capacity necessary to support plant operations at Monticello and Prairie Island Units 1 and 2 until 2030, 2033 and 2034 respectively. Both site's CONs were stayed for the required period of time with no action taken to modify them by the Minnesota legislature and are approved and in effect. Please also note that Minnesota Statute 216B.244 NUCLEAR PLANT CAPACITY REQUIREMENTS, also requires that a reactor unit at a nuclear power electric generating plant that has an annual load capacity factor of less than 55 percent for each of three consecutive calendar years must be shut down and cease operating no later than 500 days after the end of the third such consecutive calendar year.

Other Relevant Authorizations

In addition to the two long-term major authorizations provided under the renewed plant operating licenses and the CON for spent fuel storage capacity discussed above, there is a subsequent tier of licenses, permits, and approvals that are necessary to support continued plant operation. These include things like the National Pollution Discharge Elimination System (NPDES) permits concerning water use at the plants, Federal Emergency Management Agency Emergency Planning Certifications, licensing of plant operators, accreditation of the plants' training programs, and agreements with state, county, and local communities to support emergency preparedness. These are all maintained on an ongoing basis to support plant operations.

Case Nos. PU-12-813 *et. al.*

Exhibit 6 (Late Filed)

January 15, 2016

Allowing these licenses, permits or second tier approvals to lapse can impact the ability to continue to operate the plants. One example of a recently renewed agreement is the agreement between the Prairie Island Indian Community and NSP. Given the Prairie Island Community's proximity to our Prairie Island facility, this Agreement provides the Community with the resources to participate in emergency exercises, educate their members and participate in licensing actions between the plant and the NRC. Approval of this agreement is pending before the MPUC.

Dated: January 15, 2016

Prepared by: Terry Pickens, Director, Nuclear Regulatory Policy