



414 Nicollet Mall
Minneapolis, Minnesota 55401

October 31, 2013

— VIA ELECTRONIC FILING —

Dr. Burl W. Haar
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: PETITION FOR APPROVAL OF THIRD AMENDMENT TO A POWER
PURCHASE AGREEMENT WITH BIG BLUE WIND FARM, LLC
DOCKET NO. E002/M-13-____

Dear Dr. Haar:

Enclosed is our Petition requesting approval of the Third Amendment to the Power Purchase Agreement (PPA) between Xcel Energy and Big Blue Wind Farm, LLC for 36 MW of wind generation.

The streamlined process outlined in Minn. Stat. § 216B.1612, Subd. 7(d) allows a PPA to be deemed approved by the Minnesota Public Utilities Commission if no party objects within 30 days of contract submittal. Accordingly, this Petition is being filed pursuant to Minn. Stat. § 216B.1612 and the Commission's September 5, 2008 Order approving our C-BED tariff in Docket No. E002/M-07-1527. We respectfully request the Commission initiate its process for review.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact me at (612) 330-7529 or paul.lehman@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

PAUL J LEHMAN
MANAGER, REGULATORY COMPLIANCE & FILINGS

Enclosure
c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
David C. Boyd	Commissioner
Nancy Lange	Commissioner
J. Dennis O'Brien	Commissioner
Betsy Wergin	Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF THE THIRD
AMENDMENT TO THE POWER PURCHASE
AGREEMENT WITH BIG BLUE WIND
FARM, LLC

DOCKET NO. E002/M-13-____

PETITION

OVERVIEW

Northern States Power Company, doing business as Xcel Energy, submits this Petition requesting approval of the Third Amendment to the Power Purchase Agreement with Big Blue Wind Farm, LLC for 36 MW of wind generation. The Company requests the Minnesota Public Utilities Commission find that this Amendment is reasonable and in the public interest for the following reasons:

- The amended Big Blue PPA continues to comply with Minn. Stat. § 216B.1691 and can be used to meet the Company's obligations under that statute;
- Costs related to the amended Big Blue PPA continue to be subject to review for recovery through the Company's Fuel Clause Rider, pursuant to Minn. Stat. § 216B.1645; and
- This amended PPA continues to be subject to ongoing prudence review through the annual automatic adjustment reports.

The Third Amendment reduces the wind production commitment from 145,000 MWh to 120,000 MWh. We have included the Third Amendment as Attachment A. We believe this amendment to the Big Blue PPA is reasonable because in the first six months of 2013, Big Blue has produced 66,698 MWh.

While we believe this amendment is in the public interest, we recognize it is the Commission's prerogative to approve or not approve the Third Amendment.

However, we are requesting, pursuant to Minn. Stat. § 216B.1612, subd. 7(d), that this amendment be deemed approved if there are no objections within 30 days of the filing of this petition.

In this Petition, we outline:

- The Project background;
- The terms of the Third Amendment; and
- Why we believe the Third Amendment is reasonable and should be approved.

I. SUMMARY OF FILING

A one-paragraph summary of this filing accompanies this petition pursuant to Minnesota Rule 7829.1300, subp. 1.

II. SERVICE ON OTHER PARTIES

Pursuant to Minnesota Rule 7829.1300, subp. 2, Xcel Energy has served the Department of Commerce, Division of Energy Resources and the Office of the Attorney General (Residential Utilities Division). A summary of the filing has been served on all parties on the Company's miscellaneous electric service list.

III. GENERAL FILING INFORMATION

Pursuant to Minn. R. 7829.1300, subp. 3, Xcel Energy provides the following required information.

A. Name, Address, and Telephone Number of Utility

Northern States Power Company, doing business as Xcel Energy
414 Nicollet Mall
Minneapolis, Minnesota 55401
(612) 330-5500

B. Name, Address, and Telephone Number of Utility Attorney

James R. Denniston
Assistant General Counsel
Xcel Energy
414 Nicollet Mall, 5th Floor
Minneapolis, Minnesota 55401

(612) 215-4656

C. Date of Filing and Proposed Effective Date of Rates

Xcel Energy submits this petition for approval on October 31, 2013.

D. Statute Controlling Schedule for Processing the Filing

As permitted under Minn. Stat. § 216B.1612, subd. 7(d), this PPA is deemed approved if the Commission receives no objections within 30 days of the filing date.

E. Utility Employee Responsible for Filing

Paul J Lehman
Manager, Regulatory Compliance & Filings
Xcel Energy
414 Nicollet Mall, 7th Floor
Minneapolis, Minnesota 55401
612-330-7529

IV. DESCRIPTION AND PURPOSE OF FILING

A. Project Background

Big Blue is a 36 MW C-BED project located in Faribault County in south central Minnesota. The Company submitted a request for approval of the Big Blue C-BED PPA on June 30, 2010. On July 26, 2010, the Company filed a First Amendment to the PPA, amending the milestone regarding securing C-BED status for the wind project. The PPA, as amended, was approved in Docket No. E002/M-10-733 by the Commission on August 26, 2010.

On January 13, 2011, Xcel filed a Petition for Approval of the Second Amendment to the PPA to significantly delay the due dates for some significant milestones, and allow Big Blue to avoid any additional default payments should the Commission approve this Second Amendment. In return, Big Blue agreed to a significantly lower price for the output of its wind project. The Commission approved the Second Amendment in Docket No. E002/M 12-72 on March 27, 2012.

Following the execution of the Second Amendment, the project requested a re-determination of its C-BED eligibility based upon the new pricing, which was confirmed by the Department in a letter dated December 28, 2011.

Exergy Development was the initial developer of the Big Blue Wind Farm; however, Exergy defaulted on payments to Fagen for construction of the project. As a result, Fagen took Exergy to court over the payment default. On November 2, 2012, the United States District Court for the District of Minnesota issued an order in CIVIL No. 12-CV-02703 (MJD/SER) which recognized that the ultimate parent ownership of Seller had been transferred from Exergy Development Group of Idaho, LLC to Midwest Ethanol Transport, LLC, an affiliate of Fagen, Inc. On December 14, 2012, Seller and the Company entered into a Consent to Change of Control required by the PPA's Section 19.

B. Relevant Amendment Terms

The original PPA signed by Exergy selected the annual Committed Renewable Energy of the Big Blue facility to be 145,000 MWh. After reviewing the Committed Renewable Energy number chosen by Exergy, new owner Fagen examined the met tower data at the Big Blue facility and has requested to change the Committed Renewable Energy number to 120,000 MWh. We believe that this request is reasonable since Big Blue has produced 66,698 MWh in the first six months of 2013. The Third Amendment lowers the Committed Renewable Energy from 145,000 MWh to 120,000 MWh.

C. Reasonableness of the Third Amendment

The Third Amendment allows the PPA to better align with actual production data at the Big Blue facility. Furthermore, the change in Committed Renewable Energy does not impact customer cost. Therefore, we believe the amendment to be reasonable.

V. EFFECT OF PROJECT ON XCEL ENERGY REVENUE

No net increase in revenue to Xcel Energy in the Minnesota jurisdiction will result from this PPA amendment. Pursuant to Minn. Stat. §216B.1645, the Minnesota portion of these energy costs will continue to be recovered through the Fuel Cost Charge of the Fuel Clause Rider. The costs will be recovered through similar mechanisms in the other states in which we serve.

VI. MISCELLANEOUS INFORMATION

Pursuant to Minnesota Rule 7829.0700, Xcel Energy requests that the following persons be placed on the Commission's official service list for this matter:

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
David C. Boyd
Nancy Lange
J. Dennis O'Brien
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF THE THIRD
AMENDMENT TO THE POWER PURCHASE
AGREEMENT WITH BIG BLUE WIND
FARM, LLC

DOCKET NO. E002/M-13-____

PETITION

SUMMARY OF FILING

Please take note that on October 31, 2013, Northern States Power Company, doing business as Xcel Energy, filed with the Minnesota Public Utilities Commission a Petition for approval of the Third Amendment to the Power Purchase Agreement with Big Blue Wind Farm, LLC for the purchase of 36 MW of wind generation that reduces the wind production commitment from 145,000 MWh to 120,000 MWh. This project is a Community Based Energy Development project pursuant to Minn. Stat. §216B.1612.

**THIRD AMENDMENT TO
C-BED RENEWABLE ENERGY PURCHASE AGREEMENT**

This Third Amendment to the June 1, 2010 C-BED Renewable Energy Purchase Agreement (“PPA”), as amended, is entered into as of October 1, 2013, by and between Big Blue Wind Farm, LLC (“Seller”) and Northern States Power Company, a Minnesota corporation (“NSP”) (individually, a “Party” and collectively, the “Parties”). Unless otherwise defined herein, capitalized terms shall be given their respective meanings as set forth in the PPA.

Recitals

WHEREAS, the Parties entered into the PPA on June 1, 2010, the First Amendment on July 22, 2010 and Second Amendment on December 21, 2011; and

WHEREAS, the Minnesota Public Utilities Commission (“MPUC”) approved the PPA and First Amendment on August 26, 2010 and the Second Amendment on March 27, 2012; and

WHEREAS, the original developer of Big Blue, Exergy Development Group of Idaho, L.L.C., established the Committed Renewable Energy level of 145,000 MWh on March 29, 2012; and

WHEREAS on November 2, 2012, the United States District Court for the District of Minnesota issued an order in CIVIL No. 12-CV-0273 (MJD/SER) which recognized that the ultimate parent ownership of Seller had been transferred from Exergy Development Group of Idaho, L.L.C. to Midwest Ethanol Transport, LLC, an affiliate of Fagen, Inc. (“Court Order”); and

WHEREAS, the Parties agreed that the changed ownership described in the Court Order constitutes a Change of Control under Section 19.3 of the PPA, and on December 14, 2012, NSP provided consent for the Change of Control from Exergy Development Group of Idaho, L.L.C. to Midwest Ethanol Transport, LLC, an affiliate of Fagen Inc.; and

WHEREAS, the Parties desire to amend 7.2 Committed Renewable Energy from 145,000 MWh to 120,000 MWh.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. 7.2 Committed Renewable Energy is amended by deleting in its entirety and replacing it as follows:

7.2 Committed Renewable Energy. The Committed Renewable Energy is one hundred twenty thousand megawatt hours (120,000 MWh) of Renewable Energy delivered to Company in each Commercial Operation Year, net of energy self-generated and consumed for House Power, and net of losses prior to the Point of Delivery.

2. **MPUC Approval.** This Third Amendment shall be effective as of the date that an order granting MPUC approval is in effect. NSP agrees to file this Third Amendment within 30 Days after execution of this Third Amendment and shall request Negative Checkoff Approval for this Third Amendment. If Negative Checkoff Approval does not occur for any reason, this Third Amendment shall be subject to such consideration and approval as may be determined by the MPUC, and the Parties agree to use commercially reasonable efforts to seek such approval.

(a) NSP shall use commercially reasonable efforts to obtain MPUC approval of this Third Amendment and NSP's purchase under the PPA as amended hereunder as being reasonable and in the public interest subject only to ongoing prudency review of NSP's purchase hereunder.

(b) Notwithstanding anything to the contrary contained in this Third Amendment or in the PPA, in the event that the MPUC rejects MPUC approval, imposes conditions on MPUC approval unsatisfactory to NSP in its sole discretion, otherwise declines to approve this Third Amendment, or fails to render a decision within two hundred forty (240) Days following NSP's filing of this Third Amendment, then the PPA, as amended by the First Amendment and Second Amendment, shall remain in full force and effect.

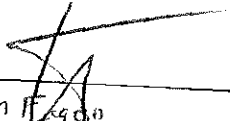
3. **Governing Law.** This Third Amendment shall be governed by and interpreted in accordance with the laws of the State of Minnesota applicable to contracts made and to be performed in the State of Minnesota.

[Signatures follow on the next page.]

IN WITNESS WHEREOF, the Parties have executed this Third Amendment as of the Effective Date.

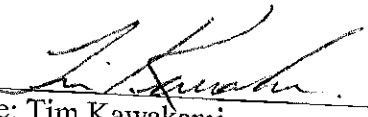
Seller:

BIG BLUE WIND FARM, LLC

By: 
Name: Ron Magdo
Title: Chief Manager & President

NSP:

NORTHERN STATES POWER COMPANY

By: 
Name: Tim Kawakami
Title: Director, Purchased Power
Xcel Energy Services Inc. as agent
for Northern States Power Company

CERTIFICATE OF SERVICE

I, SaGonna Thompson, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

DOCKET NOS. E002/M-13-___ AND MISCELLANEOUS ELECTRIC SERVICE LIST

Dated this 31st day of October 2013

/s/

SaGonna Thompson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James J.	Bertrand	james.bertrand@leonard.com	Leonard Street & Deinard	150 South Fifth Street, Suite 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	Suite 4800 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Jeffrey A.	Daugherty	jeffrey.daugherty@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Lloyd	Grooms	lgrooms@winthrop.com	Winthrop and Weinstine	Suite 3500 225 South Sixth Street Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2265 Roswell Road Suite 100 Marietta, GA 30062	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	90 South 7th Street Suite #4800 Minneapolis, MN 554024129	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Mark J.	Kaufman	mkaufman@ibewlocal949.org	IBEW Local Union 949	12908 Nicollet Avenue South Burnsville, MN 55337	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Thomas G.	Koehler	N/A	Local Union #160, IBEW	2909 Anthony Ln Minneapolis, MN 55418-3238	Paper Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Michael	Krikava	mkrikava@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Paper Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
David W.	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	Suite 300 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Joseph V.	Plumbo		Local Union 23, I.B.E.W.	932 Payne Avenue St. Paul, MN 55130	Paper Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Byron E.	Starns	byron.starns@leonard.com	Leonard Street and Deinard	150 South 5th Street Suite 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James M.	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
SaGonna	Thompson	Regulatory.Records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric