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Public Service Commission of Wisconsin  
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February 17, 2009

Mr. John Shenot, Policy Advisor  
Commissioners' Office  
Public Service Commission of Wisconsin  
P.O. Box 7854  
Madison, WI 53707-7854

**RE: Investigation on the Commission's Own Motion  
Regarding Advanced Renewable Tariff Development**

**Docket No. 05-EI-148**

Dear Mr. Shenot:

The attached is Northern States Power Company's, a Wisconsin corporation, response to question 1 of the Public Service Commission of Wisconsin's January 16, 2009 Notice of Investigation on advanced renewable tariffs. Note that responses to questions 2 thru 16 are being provided as joint investor-owned electric utility responses, filed by the Wisconsin Utilities Association.

Please direct any questions to me at (715) 737-4012 or via e-mail at [Karl.j.Hoesly@XcelEnergy.com](mailto:Karl.j.Hoesly@XcelEnergy.com)

Sincerely,

/s/

Karl J. Hoesly  
Manager, Regulatory Affairs

Attachment

1. Wisconsin utilities for whom the Commission has previously approved an experimental ART are asked to respond to Questions 1.a through 1.e.

- a. How did the utility decide upon the design and price of each ART?

**Response: NSPW based their approved (Docket No. 4220-UR-115) experimental ART on the information provided by the Wisconsin Distributed Resources Collaborative (WIDRC). This body of information is based on other states or country's activities in Advanced Renewable Tariffs.**

- b. What effect did each ART have in terms of number of participating customers, enrolled capacity, and actual generation?

**Response: None.**

- c. To date, how would the total cost to the utility of each ART compare to market rates for electricity and market rates for electricity generated from renewable resources?

**Response: Currently NSPW does not have any customers on the ART. However, the ART rates are higher than our existing system renewable PPAs, and competitive with recent small renewable generation offers. The current ART prices are approximately 25% higher than average 2008 MISO day-ahead market prices.**

- d. What effect, if any, have ARTs had on utility rates, voluntary “green power” prices, and utility returns?

**Response: None.**

- e. What contribution has each ART made toward utility compliance with renewable portfolio standard obligations?

**Response: None.**