

MEMORANDUM

To: Commissioners Fedorchak, Christmann and Kalk
Fr: Jerry Lein
Da: September 30, 2016
Re: October 5, 2016 Agenda Item BK2,
Notice of Opportunity for Hearing
Case No. PU-07-776

On July 28, 2016, NSP filed a Motion to Amend Order, requesting the Commission amend its December 31, 2008 Order approving settlement to remove the requirement that NSP file an application for an ADP for all transmission line projects at least fifty miles in length.

Section B of the Settlement Agreement approved by the Commission requires:

"In accordance with N.D.C.C. §49-05-16 the Company agrees to file for an ADP finding from the Commission for all proposed new construction, rehabilitation, or acquisition of an energy conversion facility, renewable energy facility, transmission facility or proposed energy purchase which:

- 1. The Company proposes to allocate all or part of the related costs to the North Dakota jurisdiction for recovery in electric rates; and*
- 2. The capacity of the generation facility or purchase is at least 50 MW; and/or the length of the transmission facility is at least 50 miles long."*

NSP states that after discussing with staff it believes the ADP requirement is unnecessary given the MISO transmission planning process and the Commission's oversight through annual transmission cost recovery rider filings.

JRL