



2302 Great Northern Drive
P O Box 2747
Fargo, ND 58108-2747
(701) 241-8632
dave.sederquist@xcelenergy.com

December 23, 2015

--Via Electronic Filing--

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

RE: COMPLIANCE FILING
2016 RENEWABLE ENERGY RIDER PROJECT ELIGIBILITY AND RATE
ADJUSTMENT APPLICATION
CASE NO. PU-15-683

Dear Mr. Nitschke:

On October 1, 2015, Northern States Power Company, doing business as Xcel Energy, filed its 2016 Renewable Energy Rider (RER) Application. On December 16, 2015, the North Dakota Public Service Commission passed a MOTION in the above-referenced case approving an RER billing surcharge of \$0.000936 per kWh effective January 1, 2016.

Tariff

Our compliance tariff sheet is attached as follows:

North Dakota Electric Rate Book – NDPSC No. 2

Sheet No. 5-87, revision 3

Customer Notification

North Dakota electric customers will be notified of the change with the following bill message:

The Renewable Energy Rider (RER) line item on your bill funds investments in new and modified renewable energy facilities located in North Dakota. Beginning this month, the RER rate is \$0.000936 per kWh, in effect for all electric customers.

If you have any questions, please contact me at 701-241-8632 or dave.sederquist@xcenergy.com.

Sincerely,



DAVID H. SEDERQUIST
SR. CONSULTANT, REGULATION/FINANCE

cc: Mike Diller
Enclosure

RENEWABLE ENERGY RIDER

Section No. 5
3rd Revised Sheet No. 87

APPLICATION

Applicable to qualifying charges for electric service provided under all Company retail rate schedules.

RENEWABLE ENERGY RIDER

There will be included on each customer's monthly bill a Renewable Energy Rider ("RER") charge for purposes of recovering capital and operating costs of company-owned renewable energy generation located in the state of North Dakota and not presently reflected in base retail rates. The RER charge shall be determined by multiplying a customer's monthly billed kWh for electric service by the current RER Rate. The RER charge shall be calculated prior to the application of any city surcharges and/or sales tax.

DETERMINATION OF RER RATE

The RER Rate is determined by dividing the annual forecasted RER revenue requirement amount by the annual forecasted kWh sales. The annual forecasted RER revenue requirement is the sum of the RER costs for the forecast period and the carryover balance in the RER Tracker Account from the prior period. The RER Rate will be calculated annually, with the approval of the Commission. The present RER Rate is:

All Classes	\$0.000936 per kWh
-------------	--------------------

C

All approved costs appropriately charged to the RER Tracker Account are eligible for recovery through this Rider, and all revenues recovered through the Rider are credited to the RER Tracker Account.

QUALIFYING RENEWABLE ENERGY RIDER COSTS

Qualifying RER costs include all annual revenue requirements eligible for recovery under N.D.C.C. § 49-02, 49-05 and 49-06. These costs include, but are not limited to, depreciation expense, property taxes, and operation and maintenance expenses related to Company-owned renewable energy project costs and capacity-related renewable energy purchased power costs not currently being recovered in base rates or eligible for recovery through the FCR. Eligible projects (or portions of these projects) must be located in the state of North Dakota and must have previously been granted an Advance Determination of Prudence by the Commission.

TRUE-UP

For each calendar year the RER is in place, a true-up adjustment to the Tracker Account will be calculated reflecting the difference between actual RER revenue and the actual RER costs (revenue requirements) for the recovery period. The true-up shall be recorded by May 1 of the following calendar year and will be included in the calculation of the RER rate effective for the next calendar year recovery period.

For example, Year 1 actual RER revenue will be compared to the actual RER revenue requirements for the same period and the difference recorded as an adjustment to the Tracker Account on or before May 1 of Year 2. This difference would then be included in the calculation of the new RER Rate to be filed with the Commission later in Year 2, and effective January 1 of Year 3.

Date Filed:	10-01-15	By: Christopher B. Clark	Effective Date:	01-01-16
		President, Northern States Power Company, a Minnesota corporation		
Case No.	PU-15-683		Order Date:	12-16-15