

MEMORANDUM

To: Commissioners Fedorchak, Christmann and Kalk
Fr: Jerry Lein
Da: December 16, 2015
Re: Agenda Briefing Memo, Case No. PU-15-684
NSP Transmission Facility Cost Recovery Rider

NSP has filed its 2015 annual update of its Transmission Facility Cost Recovery (TCR) rate for 2016. On November 30, 2015, as discussed during the informal hearing, NSP submitted a supplemental filing increasing the annual expense projections by \$19,257 for IRS regulations regarding Accumulated Deferred Income Tax (ADIT). The resulting projected 2016 TCR revenue requirement, including a true-up amount from 2015 of \$162,845, is \$5.406 million.

The resulting customer billing surcharge for 2016 is 0.2340 cents per kWh for all retail sales, which is a decrease of 0.0165 cents per kWh from the surcharge billed in 2015.

The billing effect for a typical residential customer without electric space heating using 750 kWh per month would be a decrease of \$0.12 per month.

JRL