

MEMORANDUM

To: Commissioners Christmann, Kalk and Fedorchak
From: Sara Cardwell *SJC*
Date: January 20, 2017
Re: Agenda Briefing Memo, Case No. PU-16-658
NSP Transmission Facility Cost Recovery Rider

On December 20, 2016, Northern States Power Company (NSP) filed its compliance filing for the 2017 annual update of its Transmission Facility Cost Recovery (TCR) rate. On December 5, 2016, as discussed during the informal hearing, NSP submitted a supplemental filing increasing the annual expense projections by \$584,000 due to the recent order in the FERC case, (Docket EL14-12) in regards to return on equity for transmission owners. The resulting projected 2017 TCR revenue requirement, including a true-up amount from 2016 of \$631,540, is \$7.263 million.

The resulting customer billing surcharge for 2017 is 0.3220 cents per kWh for all retail sales, which is an increase of 0.088 cents per kWh from the surcharge billed in 2016.

The billing effect for a typical residential customer without electric space heating using 750 kWh per month would be an increase of \$0.66 per month.

SJC