

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
Renewable Resource Cost Recovery (2017)
Rates**

Case No. PU-16-687

ORDER ON RENEWABLE RESOURCE COST RECOVERY RATES

January 18, 2017

Preliminary Statement

On November 1, 2016 Northern States Power Company (NSP or Company) filed an application for approval of its 2017 Renewable Resource Cost Recovery Rider (RER Rider) rate.

On November 30, 2016 the Commission issued a Notice of Opportunity for Hearing. A deadline of January 13, 2017 was set for comments and requests for a hearing. No comments or requests were received.

This filing was NSP's second annual update to its RER Rider. The RER Rider was first approved by Commission order on February 26, 2014.

There are no new projects included in this filing. The RER Rider will continue to reflect the costs to North Dakota customers for North Dakota's share of the two Company owned wind projects in North Dakota, the Border Winds and Courtenay Projects.

The filing requests a decrease of \$134,811 over the currently effective revenue requirement. The current rate is \$0.000936 per kilowatt-hour for all customer classes. The 2017 rate will be \$0.000898 per kilowatt-hour. For the average residential customer using 750 kilowatt-hours, the decrease will be \$0.03 per month, or \$0.67 as compared to the current billing of \$0.70.

The proposed rate complies with the tariff and the costs for the Border Winds and Courtenay Projects are reasonable and prudent.

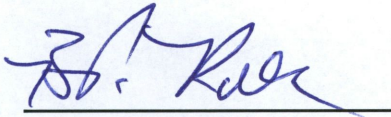
Order

The Commission orders:

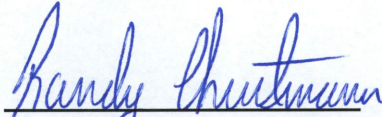
1. Northern States Power Company's request for a rate adjustment for its Renewable Resource Cost Recovery Rider is approved.

2. The Company shall file a compliance tariff within 10 days after the date of this order. The Company may adjust the rate to reflect that recovery will occur over less than a twelve month period as part of its compliance filing.


PUBLIC SERVICE COMMISSION



Brian P. Kalk
Commissioner



Randy Christmann
Chairman



Julie Fedorchak
Commissioner