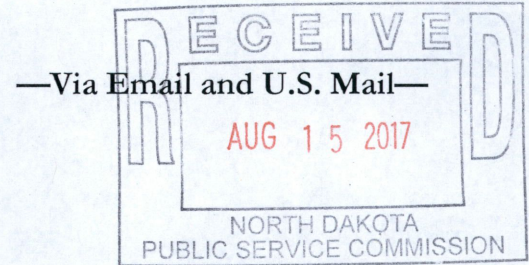


2302 Gr. N. Drive
Fargo, ND 58102

August 15, 2017

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



—Via Email and U.S. Mail—

RE: 2017 Five-Year Transmission, Distribution, and General Depreciation Study

Dear Mr. Nitschke:

Per provisions of the Settlement Agreement approved by the North Dakota Public Service Commission in its *Order Adopting Settlement* dated December 31, 2008 (Case No. PU-07-776), Northern States Power Company provides here its 2017 Five-Year Transmission, Distribution, and General Depreciation Study formally filed with the Minnesota Public Utilities Commission (MPUC).

The proposed changes include extensions and reductions in average service life as well as higher removal costs and higher salvage for several groups of assets. The Petition also requests a change from the use of an average service life methodology to an average remaining life methodology for transmission, distribution, and general plant for the Company's electric, natural gas, and common utilities. In the aggregate these changes, proposed to be effective January 1, 2018 in Minnesota, reduce the Company's Minnesota jurisdiction annual depreciation costs by approximately \$6.9 million. Since the Company keeps a separate set of asset-related records for its North Dakota jurisdiction, there would be no impact in North Dakota until we file our next rate case.

The full filing can be found on the MPUC's website here, or by going to www.edockets.state.mn.us/EFiling, clicking on the "eDockets Search" in the left margin, and searching for Docket No. E,G002/D-17-581. Please contact me at 701-241-8632, if you have any questions regarding this submission.

Sincerely,

DAVID SEDERQUIST
SR. REGULATORY CONSULTANT

7 **PU-17-186** Filed: 8/15/2017 Pages: 1
Letter re 2017 transmission, distribution, and general depreciation study

Northern States Power Company
David Sederquist

7 **PU-17-185** Filed: 8/15/2017 Pages: 1
Letter re 2017 transmission, distribution, and general depreciation study

Northern States Power Company
David Sederquist