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September 29, 2017

--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: 2018 RENEWABLE ENERGY RIDER RATE ADJUSTMENT
CASE NO. PU-17-_____

Dear Mr. Nitschke:

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission this application for approval of a revised Renewable Energy Rider (RER) rate designed to recover the 2018 revenue requirements associated with the Company's two wind energy projects located in North Dakota. The Company proposes that the rate go into effect January 1, 2018.

The filing fee of \$50 is to be taken from the Company's miscellaneous filing fund.

We have provided an electronic version of this application for your convenience as well as an original and seven copies.

Please contact me if you have any questions or comments.

Sincerely,

DAVID H. SEDERQUIST
SR. CONSULTANT, REGULATION/FINANCE

c: Pat Fahn

Enclosures

**BEFORE THE NORTH DAKOTA PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF A 2018 RENEWABLE
ENERGY RIDER RATE

CASE NO. PU-17-____

Application of Northern States Power Company

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission this application for approval of a 2018 Renewable Energy Rider (RER) rate designed to recover the revenue requirements associated with the Company's eligible renewable energy projects. We submit this application pursuant to N.D.C.C. Sections 49-02, 49-05, and 49-06, which authorize the Commission to approve rate recovery of investments and expenses related to new or modified renewable energy facilities located in North Dakota.

In this filing we propose to decrease the RER rate to recover an estimated \$643,655 in 2018 revenue requirements related to the Company's two North Dakota wind projects, Border Winds and Courtenay. The resulting rate we propose to implement on January 1, 2018 is \$0.000285 per kWh applied to all energy billed to each customer class during the calendar year 2018. The average bill impact is estimated to be \$0.21 per month for a typical residential non-heating electric customer using 750 kWh per month. The 2018 rate is lower than the 2017 rate primarily because more wind energy was generated in 2016 and 2017 than had been forecasted for those years, resulting in more production tax credits (PTCs). In addition, in April 2017 the IRS increased the PTC credit value from \$23.00 to \$24.00 per MWh for inflation, which was not forecasted in our 2017 RER application. The result is an increase in the total dollar value of the PTCs generated, thereby lowering overall costs, and creating an estimated \$673,000 carryover credit into 2018.

Approval of the Company's use of an RER was established by the Commission's February 26, 2014 *Order Adopting Settlement* in Case No. PU-12-813. The Company is currently recovering the costs associated with the Border Winds and Courtenay projects through the RER at the rate of \$0.000898 per kWh, approved by the Commission in Case No. PU-16-687 for 2017.

In summary, this Application seeks Commission approval of:

- a true-up of the estimated 2017 cost recovery;

- the 2018 RER revenue requirement of \$643,655;
- the rate of \$0.000285 per kWh to be implemented January 1, 2018; and
- a revised RER tariff sheet and customer notice.

I. GENERAL INFORMATION

Pursuant to Section 69-02-02-04 of the North Dakota Administrative Code outlining the Commission's Rules of Practice and Procedure, the following information is provided:

A. Name, address, and telephone number of the utility making the filing

Northern States Power Company
2302 Great Northern Drive
PO Box 2747
Fargo, ND 58108-2747
(701) 241-8632

B. Name, address, and telephone number of the attorney for Northern States Power Company

Amanda Rome
Lead Assistant General Counsel
Xcel Energy Services Inc.
414 Nicollet Mall 401– 8th Floor
Minneapolis, MN 55401
(612) 215-5331

C. Title of utility employee responsible for filing

David H. Sederquist
Sr. Regulatory and Financial Consultant
2302 Great Northern Drive
PO Box 2747
Fargo, ND 58108-2747

D. Date of filing and proposed effective date

The date of this filing is September 29, 2017. The Company proposes the RER rate be reflected in the RER charge included in the Company's retail electric billing rates effective January 1, 2018, or in the first full month following Commission approval if Commission action occurs after December 2017. If rate implementation is later than January 1, we request the monthly rate be recalibrated to recover the approved 2018 revenue requirement over the remaining months of 2018.

E. Articles of Incorporation

Pursuant to Section 69-02-02-04 of the North Dakota Administrative Code, a certified copy of Xcel Energy's Articles of Incorporation is on file with the Commission, as is an original Certificate of Good Standing.

II. BACKGROUND AND PURPOSE OF FILING

The Company has made and continues to make significant investments in low-cost wind energy facilities in North Dakota. These power generation investments will help keep customer energy bills low, further diversify our energy portfolio, and help to keep the state's air quality among the best in the nation. To properly match revenue with the costs of the North Dakota jurisdictional portion of these investments, we propose the RER rate presented in this application to be effective January 1, 2018 through December 31, 2018.

N.D.C.C. Section 49-05-16 provides a rebuttable presumption that generation resources to be developed in North Dakota are prudent. Further, N.D.C.C. Sections 49-02, 49-05 and 49-06 and Commission precedent in Case No. PU-06-466¹ allows for the recovery of costs of renewable resources developed in North Dakota. As approved in Case No. PU-12-813, the Company is permitted to recover costs including, but 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 Fuel Cost Rider (FCR). Eligible projects (or portions of these projects) must be located in the state of North Dakota, must have previously been granted an Advance Determination of Prudence (ADP) by the Commission, and must be placed in service at the time of recovery.

This application proposes a revised RER rate to recover the 2018 revenue requirements of RER-eligible projects that are not currently included in the Company's *base* rates.

In support of our request, we include details of the following:

- the actual and projected 2017 RER tracker account activity with an estimated true-up for the difference between costs incurred and revenues collected, included in Attachment D;
- the projected RER tracker account activity for 2018, including both revenue requirements and projected revenues, included in Attachment E;

¹ Otter Tail Power Company Renewable Generation Rider.

- the projected 2018 revenue requirements of \$643,655 proposed to be recovered through the RER rate from North Dakota electric customers, shown in Attachment B; and
- the RER rate of \$0.000285 per kWh for all customer classes shown in Attachment A.

III. PROJECT ELIGIBILITY

To be eligible for inclusion in the RER, a project must be a renewable energy resource, be located (all or in part) in the state of North Dakota, and have been granted an ADP by the Commission. The Border Winds and Courtenay wind projects are qualifying wind energy facilities located in the state of North Dakota that have each been granted an ADP by the Commission, but are not yet included in base rates. Both projects, therefore, meet the requirements established by the legislature and the Commission for inclusion in the RER. Each project is described more completely below. Both the Border Winds and Courtenay projects have been determined by the Commission in prior RER proceedings to be eligible for RER recovery. We propose to include the projected revenue requirements associated with the Border Winds and Courtenay facilities in the RER rate effective January 1, 2018.

A. Border Winds

The Border Winds facility is a 150 MW wind resource developed by RES Americas in Rollette County, in northeastern North Dakota, which upon completion was transferred to the Company to own and operate in December 2015. The facility consists of 75 Vestas 2.0 MW wind turbine generators. Associated infrastructure includes access roads, an electrical collection system, meteorological monitoring stations, a project collector substation, a new interconnection substation, and an operations and maintenance facility. The Company originally identified this project for acquisition through a competitive bidding process in which a Request for Proposals (RFP) for additional wind resources was issued in February 2013. On August 13, 2013, the Company filed an ADP Application seeking Commission approval to develop, own, and operate the Border Winds project. In Case No. PU-13-742, the Commission approved the ADP by Order dated February 26, 2014. The Border Winds facility went into service in December 2015. This project earns federal PTCs. See Attachment I for production data and resulting PTCs produced. The Commission first approved this project for recovery in our first RER proceeding, Case No. PU-15-683 and reaffirmed eligibility in Case No. PU-16-687.

B. Courtenay

The Courtenay wind project is a 200 MW wind resource in Stutsman County, North Dakota that covers 24,900 acres of land and, consistent with the Certificate of Site Compatibility, consists of 100 Vestas 2.0 MW wind turbine generators and associated infrastructure. This project is also the result of our February 2013 RFP for additional wind resources. The Company was originally granted an ADP for the Courtenay project as a power purchase agreement in Case No. PU-13-706. However, due to changed circumstances, on April 30, 2015, the Company filed an ADP Application seeking Commission approval to finish developing, own, and operate the Courtenay facility. In Case No. PU-15-181, the Commission approved the ADP by Order dated August 26, 2015. The Courtenay wind facility went into service in November 2016, after we filed our last RER rate adjustment request on November 1, 2016 (Case No. PU-16-687). This project earns federal PTCs. See Attachment I for production data and resulting PTCs produced. The Commission first approved this project for recovery in our first RER proceeding, Case No. PU-15-683 and reaffirmed eligibility in Case No. PU-16-687.

IV. ALLOCATIONS, RATE DESIGN, AND ACCOUNTING

A. 2018 RER Revenue Requirements

The detailed investments, related revenue requirements, and other inputs and calculations in support of the proposed RER rate are shown in the following attachments:

Attachment A	2018 RER Rate Calculation
Attachment B	Annual RER Tracker Summary
Attachment C	2016 Tracker
Attachment D	2017 Tracker
Attachment E	2018 Tracker
Attachment F	2019 Tracker
Attachment G	Project Capital Expenditures
Attachment H	Monthly Revenue Requirement by Project
Attachment I	Production Tax Credits (PTCs)
Attachment J	Operation & Maintenance Expense (O&M)
Attachment K	Monthly Sales Forecast
Attachment L	Universal Inputs
Attachment M	Revised Tariff Sheet No. 87
Attachment N	Proposed Customer Notice

B. Jurisdictional Energy and Demand Allocators

The revenue requirements included in the RER tracker are only those related to North Dakota's share of the Border Winds and Courtenay energy facilities and their associated costs. Northern States Power Company-Minnesota (NSPM) and Northern States Power Company-Wisconsin (NSPW), together the NSP Companies, operate as an integrated electric system (NSP System). The NSP Companies plan and operate the NSP System through the Federal Energy Regulatory Commission (FERC) approved Restated Agreement to Coordinate Planning and Operations and Interchange Power and Energy between NSPM and NSPW (Interchange Agreement). The Interchange Agreement is a formula rate which provides for charges to flow between NSPM and NSPW for certain electric production and transmission costs related to the NSP Companies' integrated electric system.

The Interchange Agreement provides for a sharing of NSP System production and transmission costs on a load ratio share basis in light of the integrated nature of the NSP System, and the charges between NSPM and NSPW are intended to accomplish such sharing. Under the terms of the Interchange Agreement tariff, all fixed production and all transmission costs are shared between the NSP Companies based on the respective Company's load ratio share (using a 36-month coincident peak demand allocator). All variable production costs are shared between the NSP Companies based on energy. As a result, approximately 84 percent of all production and transmission costs incurred by both NSPM and NSPW support customers of NSPM while approximately 16 percent support NSPW customers.

NSPM provides service to customers in North Dakota, South Dakota, and Minnesota. In general, NSPM's fixed production and all transmission costs (again, approximately 84 percent of total NSP System costs) are allocated to these three state jurisdictions based on load ratio share (using the 12-month coincident peak jurisdictional demand allocator approved by all three state commissions). Again, all variable production costs are shared between the NSPM jurisdictions based on energy, including wind production investments, which are considered variable.

Based on these demand and energy allocators, approximately 6.5 percent of NSPM's production and transmission costs are allocated to the North Dakota jurisdiction. On an NSP System basis, approximately 5.5 percent (i.e. 84 percent multiplied by 6.5 percent) of total costs support the North Dakota jurisdiction.

The 2018 forecast revenue requirements are allocated to the North Dakota jurisdiction based on the 2018 jurisdictional demand and energy allocators, respectively. The sales and demand data used to calculate the jurisdictional allocators are consistent with the period's sales, which is also used to estimate the period's

customer collections. Total revenue requirements were allocated consistent with the process described above which serves to:

- Allocate a share of the total costs to NSPW; and
- Exclude the portion of NSPM costs not related to serving North Dakota retail customers. This step allocates a share of costs to the South Dakota and Minnesota retail jurisdictions, as well as the firm requirements wholesale customers base.²

Any resulting over- or under-recovery from customers that occurs in 2018 as a result of the use of forecast data will be trued-up to actual jurisdictional revenue requirements at the time the 2019 RER rate is determined.

Table 1 below shows the cost category, allocation method, and allocator used to assign 2018 forecasted costs to the North Dakota jurisdiction. The derivation of the individual allocators is shown in Attachment L.

Table 1: 2018 RER Allocators

Cost Category	Allocation Method	2018 ND Allocator
Wind Investment-related costs; Property Taxes	Composite Energy & Demand	5.5290%
Transmission-related costs; Production O&M - Fixed	Composite Demand	5.3544%
PTCs; Production O&M - Variable	Composite Energy	5.5182%

By performing this cost allocation process, we ensure that electric customers in other jurisdictions are allocated a share of each project’s revenue requirements, consistent with the Company’s allocation of similar costs in a general rate case.

C. Taxes

The RER rate includes current and deferred taxes, and also property taxes on both the wind and transmission facilities. In addition, the revenue requirements are offset by PTCs, North Dakota Investment Tax Credits (NDITCs), and Accumulated Deferred Income Taxes (ADIT) as further described below.

² NSPM currently does not have any full requirements wholesale customers on the NSP system.

1. Property Tax

a. Wind Facilities

The tax in lieu of property taxes for the wind facilities is calculated based on a formula with two parts: one based on nameplate capacity and one based on energy production. We have applied the formula specific to the capacity and estimated wind generation for the projects included in the rider and include the results in our revenue requirement calculations.

b. Transmission Facilities

The property tax associated with the transmission facilities is calculated using a method consistent with that used in our Transmission Cost Recovery (TCR) Rider. The North Dakota state composite property tax rate is applied to the gross transmission plant in service at the end of the prior year. The North Dakota composite rate is calculated by the Company's Tax Department and reflects the ratio of 2017 payable property taxes to North Dakota taxable investment as valued at the end of the prior year.

2. Revenue Requirements Offsets

a. PTCs

The Border Winds and Courtenay facilities are currently eligible for federal PTCs. PTC benefits are based on actual and expected energy production. We have calculated the PTCs on a monthly basis and used the credit amount to offset the revenue requirement. PTCs are calculated by multiplying the actual or expected kWh generated by the currently effective per kWh credit. The 2017 PTC credit is \$24 per MWh; in 2016 the PTC credit was \$23 per MWh. In this filing, we assumed the 2017 rate going forward; however, we would update the credit for future years if the Internal Revenue Service (IRS) makes changes to the law that redefine the credit. The actual PTC benefits will be trued up through the RER Tracker Account and updated in each annual filing.

We note that due to the variability of wind production, we propose to continue to true-up the PTCs for these projects in future RER tracker updates, even after the project costs have been incorporated into base rates.

b. North Dakota Investment Tax Credits

N.D.C.C. Section 57-38-01.8 provides for a tax credit against North Dakota income taxes for the installation of solar, biomass, geothermal, and wind projects that meet certain requirements. Because this tax credit is structured to provide a credit against North Dakota income taxes, an entity must have sufficient North Dakota income tax liability to realize the benefits.

The Company does not currently expect to have a North Dakota tax liability and therefore does not expect to be able to utilize any ND ITCs in 2018.

c. Accumulated Deferred Income Taxes

The Company continues to calculate the plant related ADIT offset to rate base in accordance with the proration formula in IRS regulation section 1.167(1)-1(h)(6).

D. Capital Structure

The Company has calculated the revenue requirements consistent with the approved *Revised Second Amended Settlement* in Case No. PU-12-813. The capital structure approved in that docket was included on Attachment D of the Settlement Agreement. See Attachment L of this application for the detailed inputs.

E. Depreciation

The remaining life assumptions used in this filing are consistent with the remaining lives approved in the last North Dakota electric rate case. The Company is using a depreciable life assumption of 25 years for the wind projects recovered through this rider as that is the standard depreciation the Company assigns to all wind assets. If any changes are made to the projects' remaining lives in future Commission Orders, those changes will be reflected in future filings.

F. Operation and Maintenance Expense

As allowed under the enabling statute, the proposed RER rate includes projected O&M expense for Company labor and related labor costs, consulting services and other outside contract vendor costs, routine janitorial, electric and gas service, sewer maintenance, snow removal, landowner payments, space costs and avian costs. We believe these expenses are reasonable and are necessary to operate and maintain these wind production facilities.

G. Transmission Costs

We include in the overall revenue requirement a calculation of the budgeted costs payable to Otter Tail Power Company and Minnkota Power Cooperative which are required to interconnect the Courtenay project to the transmission system because existing infrastructure for this added generation needed to be modified and upgraded to allow for it to be injected into the Transmission grid.

H. RER Tracker Account

To ensure that customers are not under or overcharged, we will record the actual RER revenues and costs in a tracker account as the accounting mechanism for eligible RER facilities costs. Any differences based on the estimated end-of-year balance in the tracker account will be returned or collected (i.e., tried up) as part of our next annual RER rate adjustment application.

Each month as revenues are collected from retail customers, the Company tracks the revenue collected under the RER rate and compares that amount with the actual monthly revenue requirement (costs). The difference is recorded in the tracker account as the amount of over- or under-recovery. Any over- or under-recovery balance at the end of the year is used in the calculation of the RER rate for the following year.

I. Accounting for the Tracker

Xcel Energy calculates the monthly North Dakota jurisdictional revenue requirements (including appropriate overall return, income taxes, property taxes and depreciation), and compares them with monthly RER rate recoveries from customers. The under-recovered amounts are recorded in FERC Account 182.3, Other Regulatory Assets and the over-recovered amounts are recorded in FERC Account 254, Other Regulatory Liabilities (the Tracker Accounts).

V. RATE APPLICATION AND IMPACT

A. Updated RER Rate

The Company's RER rate design represents the total annual calculated revenue requirement for 2018 divided by the forecasted energy sales to North Dakota electric retail customers during the 2018 calendar year. The rate is rounded to the nearest \$0.000001 per kWh. This calculation is shown on Attachment A. Based on this rate design, we propose the following RER Rate:

Table 2: 2018 RER Rate Calculation

	Retail
ND Retail Revenue Requirements <i>2018</i>	\$643,655
ND Retail Sales (kWh) <i>Jan.-Dec. 2018</i>	2,261,208,247
2018 RER Rate Cost Per kWh	\$0.000285

The average bill impact for a residential customer using 750 kWh in a month is \$0.21 per month, or \$0.46 less than the \$0.67 impact of the current monthly RER rate.

For each 12-month period ending December 31, a true-up adjustment will be recorded to reset the Tracker Account. The true-up will reflect the difference between the collected RER revenues and the actual RER revenue requirement for the period.

B. Tariff

Xcel Energy proposes to update its Renewable Energy Rider tariff sheet number 87 in Section 5 of the North Dakota Electric Rate Book—NDPSC No. 2 with the proposed 2018 rate. Attachment M depicts the proposed tariff sheet.

The tariff provides that the RER rate will be applied to customer bills subsequent to Commission approval. While we propose an effective date of January 1, 2018, the tariff sheet and revised RER rate will not be effective until the Commission approves this application.

The RER tariff sheet will be updated to comply with the Commission’s final order in this proceeding. If the final RER rate goes into effect after January 1, 2018, or the Commission determines modifications need to be made to our RER proposal, the Company will recalculate the final RER rate based on the approved revenue requirement and forecasted sales over the remaining months of 2018. We anticipate that our 2019 RER rate application will be filed in September or October 2018.

C. Notice to Customers

To ensure compliance with the customer information provisions of Section 69-02-02-04 of the North Dakota Administrative Code, the Company’s North Dakota customers will see on their October bills one of the following notices of the proposed change in RER rates, depending on customer class:

Residential [Rate Codes: D01, D02, D03, D04]

(Assumes an approximate usage of 750 kWh per month for non-space heating customers and 1000 kWh per month for space heating customers)

On Sept. 29, 2017, Xcel Energy filed a request with the North Dakota Public Service Commission to decrease the Renewable Energy Rider (RER) rate from \$0.000898 to \$0.000285 per kWh. If approved, you can expect an average monthly bill decrease of about \$0.46 for non-space heating and about \$0.61 for space heating. The proposed rate change is for bills beginning Jan. 1, 2018, and will not be effective until approved by the Commission.

Small Commercial [Rate Codes: D12, D13, D14, D18, D19, D40]

(Assumes an approximate usage of 1500 kWh per month)

On Sept. 29, 2017, Xcel Energy filed a request with the North Dakota Public Service Commission to decrease the Renewable Energy Rider (RER) rate from \$0.000898 to \$0.000285 per kWh. If approved, you can expect an average monthly bill decrease of about \$0.92. The proposed rate change is for bills beginning Jan. 1, 2018, and will not be effective until approved by the Commission.

Large Commercial [Rate Codes: D16, D17, D20, D21, D22, D41]

(Assumes an approximate usage of 40,000 kWh per month)

On Sept. 29, 2017, Xcel Energy filed a request with the North Dakota Public Service Commission to decrease the Renewable Energy Rider (RER) rate from \$0.000898 to \$0.000285 per kWh. If approved, you can expect an average monthly bill decrease of about \$24.52. The proposed rate change is for bills beginning Jan. 1, 2018, and will not be effective until approved by the Commission.

Following approval of the RER rate factor change by the Commission, the Company will provide notice to customers comparing the impact of the prior RER rate to the impact of the new RER rate through a bill insert. Attachment N shows our proposed customer notice to be included on bills the month the RER rate factor is implemented, or as soon as is practicable after implementation of the new rate.

We will work with Commission Staff to determine if there are any suggested modifications of these customer notifications. To the extent that multiple new rider rates are implemented on the same date, we will try to coordinate the various rider customer notices.

APPEARANCE OF COUNSEL

The Company will be represented in this proceeding by the following counsel upon whom all pleadings, documents and other filings should be served:

Amanda Rome
Lead Assistant General Counsel
Xcel Energy
414 Nicollet Mall, 401-8th Floor
Minneapolis, MN 55401
Amanda.Rome@xcelenergy.com

We request that all communications regarding this proceeding, including data requests, also be directed to:

Carl Cronin
Regulatory Administrator
Xcel Energy Services Inc.
414 Nicollet Mall, 401-7th floor
Minneapolis, MN 55401
Regulatory.Records@xcelenergy.com

CONCLUSION

Xcel Energy respectfully requests that the Commission approve the proposed RER rate for 2018 as described in this filing. This rate is designed to recover the costs associated with significant investments in renewable energy facilities that are not presently reflected in our general rate schedules.

Dated: September 29, 2017

Northern States Power Company

RER Rate - 2018		<i>Reference</i>
2018 Revenue Requirements	\$643,655	<i>Att. E</i>
Forecasted kWh Sales	2,261,208,247	<i>Att. K</i>
RER Cost per kWh	\$0.000285	

Northern States Power Company
State of North Dakota
Renewable Energy Rider (RER)

Case No. PU-17-____
Application
Attachment B
1 of 1

Annual Tracker Summary				
Amounts in dollars	2016	2017	2018	2019
	<i>Att. C</i>	<i>Att. D</i>	<i>Att. E</i>	<i>Att. F</i>
Carryover Balance	267,616	(439,616)	(672,522)	-
Border Winds Capital	1,809,636	1,686,251	1,574,749	1,492,097
PTCs	(1,231,916)	(1,250,069)	(1,318,896)	(1,323,569)
O&M	234,608	272,719	291,614	202,800
Property Taxes	32,494	33,239	33,489	33,544
Total Border Winds Costs	844,822	742,141	580,955	404,872
Courtenay Wind Capital	609,788	2,117,671	1,944,475	1,810,624
PTCs	(171,044)	(1,611,768)	(1,764,531)	(1,770,605)
O&M	74,796	351,899	399,810	390,374
Transmission (Interconnect) Costs	15,090	86,147	91,478	91,363
Property Taxes	-	56,468	56,795	56,888
Total Courtenay Wind Costs	528,629	1,000,418	728,026	578,645
ADIT Pro-rate	-	14,981	7,195	4,173
Revenue Requirement	1,641,066	1,317,924	643,655	987,691
Revenue Collections	2,080,683	1,990,446	643,655	987,691
Balance	(439,616)	(672,522)	(0)	(0)

2016 Tracker															
Amounts in dollars	Carryover	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Annual Total	Reference
		<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>	<i>Actual*</i>		
Carryover Balance	267,616	22,301	22,301	22,301	22,301	22,301	22,301	22,301	22,301	22,301	22,301	22,301	22,301	267,616	
Border Winds Capital		154,480	153,521	154,672	153,665	152,682	151,344	150,024	149,059	148,644	148,194	147,193	146,159	1,809,636	Att. H
PTCs		(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(102,660)	(1,231,916)	Att. I
O&M		19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551	19,551	234,608	Att. J
Property Taxes		2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	2,708	32,494	
Total Border Winds Costs		74,079	73,119	74,270	73,264	72,281	70,943	69,623	68,658	68,242	67,793	66,792	65,757	844,822	
Courtenay Wind Capital		31,167	26,755	24,174	22,200	22,513	24,072	28,439	27,807	27,126	26,752	124,126	224,657	609,788	Att. H
PTCs		-	-	-	-	-	-	-	-	-	-	-	(171,044)	(171,044)	Att. I
O&M		6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	6,233	74,796	Att. J
Transmission (Interconnect) Costs		-	-	-	-	-	-	-	-	-	900	7,095	7,095	15,090	
Property Taxes		-	-	-	-	-	-	-	-	-	-	-	-	-	
Total Courtenay Wind Costs		37,400	32,988	30,407	28,433	28,746	30,305	34,672	34,040	33,359	33,885	137,454	66,940	528,629	
ADIT Prorate		-	-	-	-	-	-	-	-	-	-	-	-	-	
Revenue Requirement		133,781	128,409	126,979	123,998	123,328	123,549	126,597	124,999	123,903	123,979	226,547	154,999	1,641,066	
Revenue Collections		221,001	173,391	173,958	142,215	159,181	167,179	180,518	186,945	157,489	159,994	160,606	198,206	2,080,683	
Balance		(87,221)	(132,203)	(179,182)	(197,399)	(233,253)	(276,882)	(330,803)	(392,749)	(426,335)	(462,349)	(396,408)	(439,616)		

* Note - The "Actual" label refers to data inputs into the revenue requirement calculation, for example PTCs, O&M expenditures, and Plant In-Service balances based on capital expenditures. However, the total revenue requirement is subject to change at year-end due to updating forecast to actuals, allocator updates, and annual deferred tax calculations.

2017 Tracker															
Amounts in dollars	Carryover	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Annual Total	Reference
		Actual*	Actual*	Actual*	Actual*	Actual*	Actual*	Mixed	Mixed	Forecast	Forecast	Forecast	Forecast		
Carryover Balance	(439,616)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(36,635)	(439,616)	
Border Winds Capital		144,646	143,892	143,135	142,379	141,621	140,865	140,110	139,353	138,658	137,957	137,197	136,437	1,686,251	Att. H
PTCs		(121,329)	(111,475)	(120,713)	(110,947)	(92,031)	(106,284)	(98,014)	(62,732)	(115,082)	(107,428)	(116,314)	(87,719)	(1,250,069)	Att. I
O&M		66,020	4,210	2,600	48,922	(23,257)	28,307	24,936	21,415	21,379	21,927	21,407	34,854	272,719	Att. J
Property Taxes		2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	2,770	33,239	
Total Border Winds Costs		92,107	39,396	27,792	83,124	29,103	65,659	69,803	100,806	47,725	55,226	45,060	86,341	742,141	
Courtenay Wind Capital		182,485	181,373	180,131	179,154	178,483	177,314	175,958	174,826	173,690	172,555	171,419	170,283	2,117,671	Att. H
PTCs		(171,656)	(144,821)	(140,510)	(130,127)	(146,668)	(126,608)	(92,471)	(73,378)	(134,703)	(157,842)	(147,020)	(145,965)	(1,611,768)	Att. I
O&M		36,067	27,205	4,837	69,133	(20,069)	29,856	34,008	30,377	30,377	30,377	49,353	30,377	351,899	Att. J
Transmission (Interconnect) Costs		7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	7,179	86,147	
Property Taxes		4,717	4,717	4,717	4,717	4,717	4,698	4,698	4,698	4,698	4,698	4,698	4,698	56,468	
Total Courtenay Wind Costs		58,792	75,653	56,355	130,055	23,642	92,439	129,372	143,702	81,241	56,966	85,628	66,572	1,000,418	
ADIT Prorate		1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	14,981	
Revenue Requirement		115,513	79,664	48,761	177,792	17,358	122,711	163,789	209,121	93,580	76,806	95,302	117,527	1,317,924	Att. A
Revenue Collections		205,508	159,446	180,690	137,558	149,524	156,497	174,741	164,635	152,295	153,690	164,777	191,085	1,990,446	Att. K
Balance		(89,996)	(169,778)	(301,707)	(261,472)	(393,638)	(427,424)	(438,376)	(393,890)	(452,605)	(529,489)	(598,964)	(672,522)		

* Note - The "Actual" label refers to data inputs into the revenue requirement calculation, for example PTCs, O&M expenditures, and Plant In-Service balances based on capital expenditures. However, the total revenue requirement is subject to change at year-end due to updating forecast to actuals, allocator updates, and annual deferred tax calculations.

2018 Tracker															
Amounts in dollars	Carryover	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Annual Total	Reference
		<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>		
Carryover Balance	(672,522)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(56,043)	(672,522)	
Border Winds Capital		134,477	133,886	133,296	132,705	132,115	131,524	130,934	130,343	129,753	129,162	128,572	127,981	1,574,749	Att. H
PTCs		(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(109,908)	(1,318,896)	Att. I
O&M		24,301	24,301	24,301	24,301	24,301	24,301	24,301	24,301	24,301	24,301	24,301	24,301	291,614	Att. J
Property Taxes		2,791	2,791	2,791	2,791	2,791	2,791	2,791	2,791	2,791	2,791	2,791	2,791	33,489	
Total Border Winds Costs		51,661	51,070	50,480	49,889	49,299	48,708	48,118	47,527	46,937	46,346	45,756	45,165	580,955	
Courtenay Wind Capital		166,663	165,823	164,982	164,141	163,301	162,460	161,619	160,779	159,938	159,097	158,257	157,416	1,944,475	Att. H
PTCs		(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(147,044)	(1,764,531)	Att. I
O&M		33,318	33,318	33,318	33,318	33,318	33,318	33,318	33,318	33,318	33,318	33,318	33,318	399,810	Att. J
Transmission (Interconnect) Costs		7,623	7,623	7,623	7,623	7,623	7,623	7,623	7,623	7,623	7,623	7,623	7,623	91,478	
Property Taxes		4,733	4,733	4,733	4,733	4,733	4,733	4,733	4,733	4,733	4,733	4,733	4,733	56,795	
Total Courtenay Wind Costs		65,292	64,452	63,611	62,770	61,930	61,089	60,249	59,408	58,567	57,727	56,886	56,045	728,026	
ADIT Prorate		600	600	600	600	600	600	600	600	600	600	600	600	7,195	
Revenue Requirement		61,509	60,078	58,647	57,216	55,785	54,353	52,922	51,491	50,060	48,629	47,198	45,767	643,655	
Revenue Collections		65,217	54,530	58,624	44,416	48,000	50,509	55,427	55,249	48,707	49,064	52,998	60,913	643,655	
Balance		(3,708)	1,840	1,863	14,663	22,447	26,291	23,787	20,029	21,382	20,947	15,147	(0)		

2019 Tracker															
Amounts in dollars	Carryover	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Annual Total	<i>Reference</i>
		<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>		
Carryover Balance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Border Winds Capital		127,590	126,999	126,408	125,818	125,227	124,637	124,046	123,456	122,865	122,274	121,684	121,093	1,492,097	<i>Att. H</i>
PTCs		(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(110,297)	(1,323,569)	<i>Att. I</i>
O&M		16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	16,900	202,800	<i>Att. J</i>
Property Taxes		2,795	2,795	2,795	2,795	2,795	2,795	2,795	2,795	2,795	2,795	2,795	2,795	33,544	
Total Border Winds Costs		36,988	36,397	35,806	35,216	34,625	34,035	33,444	32,853	32,263	31,672	31,082	30,491	404,872	
Courtenay Wind Capital		154,510	153,851	153,192	152,533	151,874	151,215	150,556	149,897	149,238	148,579	147,920	147,261	1,810,624	<i>Att. H</i>
PTCs		(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(147,550)	(1,770,605)	<i>Att. I</i>
O&M		32,531	32,531	32,531	32,531	32,531	32,531	32,531	32,531	32,531	32,531	32,531	32,531	390,374	<i>Att. J</i>
Transmission (Interconnect) Costs		7,614	7,614	7,614	7,614	7,614	7,614	7,614	7,614	7,614	7,614	7,614	7,614	91,363	
Property Taxes		4,741	4,741	4,741	4,741	4,741	4,741	4,741	4,741	4,741	4,741	4,741	4,741	56,888	
Total Courtenay Wind Costs		51,845	51,186	50,527	49,868	49,209	48,550	47,891	47,232	46,573	45,914	45,255	44,596	578,645	
ADIT Pro-rate		348	348	348	348	348	348	348	348	348	348	348	348	4,173	
Revenue Requirement		89,180	87,931	86,681	85,431	84,182	82,932	81,683	80,433	79,184	77,934	76,685	75,435	987,691	
Revenue Collections		99,958	83,746	89,878	68,198	73,677	77,415	85,141	84,654	74,728	75,255	81,521	93,519	987,691	
Balance		(10,778)	(6,594)	(9,791)	7,443	17,948	23,465	20,007	15,786	20,242	22,921	18,084	(0)		

Capital Expenditures						
Amounts in dollars	Pre-2016	2016	2017	2018	2019	Total
<u>Border Winds</u>						
Production	260,168,974	1,001,877	181,571			261,352,422
Trans Serving Generation	93,217					93,217
Total Border Winds - Capital Expenditures	260,262,190	1,001,877	181,571			261,445,639
<u>Courtenay Wind</u>¹						
Production	96,369,921	170,577,585	778,748			267,726,254
Trans Serving Generation	58,560	8,116,571	(428,395)			7,746,736
Transmission	11,015	8,807,420	(129,964)			8,688,471
Land Rights	440,555	1,650,117	(4,365)			2,086,307
Total Courtenay Wind - Capital Expenditures	96,880,051	189,151,693	216,025			286,247,769

¹ We note that the pre-2016 cost assignments between categories do not tie to our last RER application. In the prior filing, manual adjustments were made to update 2015 subproject category cost assignments; however, the Company made category corrections in the budget system in 2016. The amounts in the current attachment reflect the actual spend by subproject and align with the Company's capital asset system data by year.

Amounts in dollars	2016 Capital Revenue Requirement by Project												Total	Reference	
	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16			
Border Winds															
Rate Base															
Plant In-Service	256,476,984	261,922,759	261,939,966	261,953,382	262,005,191	261,168,607	261,212,067	261,316,604	262,909,763	262,933,690	262,975,402	262,917,023			262,917,023
Less Accumulated Book Depreciation Reserve	1,365,872	2,273,937	3,191,654	4,109,426	5,027,314	5,943,801	6,858,868	7,774,200	8,692,594	9,613,915	10,535,355	11,456,764			11,456,764
Less Accumulated Deferred Taxes	58,695,231	59,864,718	61,034,205	62,203,692	63,373,179	64,542,666	65,712,153	66,881,641	68,051,128	69,220,615	70,390,102	71,559,589			71,559,589
End Of Month Rate Base	196,415,882	199,784,104	197,714,107	195,640,263	193,604,697	190,682,140	188,641,045	186,660,763	186,166,041	184,099,160	182,049,945	179,900,670			179,900,670
Return on Rate Base															
Debt Return	388,613	384,644	385,905	381,882	377,892	373,078	368,260	364,356	361,953	359,466	355,470	351,394			4,452,910
Equity Return	898,980	889,799	892,715	883,408	874,179	863,044	851,897	842,865	837,307	831,554	822,310	812,881			10,300,939
Total Return on Rate Base	1,287,592	1,274,443	1,278,619	1,265,290	1,252,071	1,236,123	1,220,156	1,207,221	1,199,260	1,191,020	1,177,780	1,164,274			14,753,849
Income Statement Items															
Book Depreciation	907,947	908,065	917,718	917,772	917,888	916,487	915,067	915,333	918,394	921,321	921,440	921,409			10,998,839
Deferred Taxes	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487	1,169,487			14,033,845
Gross Up for Income Tax	(485,243)	(490,101)	(482,475)	(487,963)	(493,188)	(500,784)	(507,998)	(513,317)	(516,165)	(519,223)	(524,769)	(530,518)			(6,051,742)
Total Income Statement Expense	1,592,191	1,587,451	1,604,730	1,599,296	1,594,187	1,585,191	1,576,556	1,571,503	1,571,716	1,571,585	1,566,158	1,560,379			18,980,943
Total Revenue Requirement	2,879,783	2,861,895	2,883,349	2,864,586	2,846,258	2,821,313	2,796,712	2,778,724	2,770,976	2,762,604	2,743,938	2,724,653			33,734,792
Rider Eligible Revenue Requirement	154,480	153,521	154,672	153,665	152,682	151,344	150,024	149,059	148,644	148,194	147,193	146,159			1,809,636
Courtenay Wind															
Rate Base															
Plant In-Service	-	-	-	-	-	-	-	-	-	-	281,448,871	297,164,965			297,164,965
Less Accumulated Book Depreciation Reserve	-	-	-	-	-	-	-	-	-	-	509,265	1,539,244			1,539,244
Less Accumulated Deferred Taxes	5,045,730	10,234,533	15,423,336	20,612,139	25,800,942	30,989,745	36,178,548	41,367,352	46,556,155	51,744,958	56,933,761	62,122,564			62,122,564
End Of Month Rate Base	(5,045,730)	(10,234,533)	(15,423,336)	(20,612,139)	(25,800,942)	(30,989,745)	(36,178,548)	(41,367,352)	(46,556,155)	(51,744,958)	224,005,845	233,503,157			233,503,157
Return on Rate Base															
Debt Return	(4,760)	(14,835)	(24,910)	(34,984)	(45,059)	(55,134)	(65,209)	(75,284)	(85,359)	(95,434)	167,237	444,165			110,433
Equity Return	(11,011)	(34,317)	(57,623)	(80,930)	(104,236)	(127,542)	(150,849)	(174,155)	(197,462)	(220,768)	386,869	1,027,489			255,466
Total Return on Rate Base	(15,770)	(49,152)	(82,533)	(115,914)	(149,295)	(182,677)	(216,058)	(249,439)	(282,821)	(316,202)	554,106	1,471,654			365,899
Income Statement Items															
Book Depreciation	-	-	-	-	-	-	-	-	-	-	509,265	1,029,978			1,539,244
Deferred Taxes	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803	5,188,803			62,265,638
Gross Up for Income Tax	(4,591,039)	(4,639,990)	(4,654,805)	(4,658,307)	(4,619,171)	(4,556,796)	(4,442,082)	(4,420,572)	(4,399,952)	(4,373,631)	(3,938,055)	(3,499,232)			(52,793,632)
Total Income Statement Expense	597,764	548,814	533,998	530,496	569,632	632,008	746,721	768,231	788,851	815,172	1,760,013	2,719,550			11,011,249
Total Revenue Requirement	581,994	499,662	451,466	414,582	420,337	449,331	530,663	518,792	506,030	498,970	2,314,119	4,191,204			11,377,148
Rider Eligible Revenue Requirement	31,167	26,755	24,174	22,200	22,513	24,072	28,439	27,807	27,126	26,752	124,126	224,657			609,788

Reference

Att. C

Att. C

Note: Rider Eligible Requirements are calculated using both Energy and Demand allocators from the separate Production and Transmission components of the project

Amounts in dollars	2017 Capital Revenue Requirement by Project												Total	Reference	
	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17			
Border Winds															
Rate Base															
Plant In-Service	262,923,811	262,929,850	262,931,936	262,936,712	262,937,500	262,946,085	262,946,085	262,946,085	263,099,147	263,099,147	263,099,157	263,099,157			263,099,157
Less Accumulated Book Depreciation Reserve	12,378,079	13,299,418	14,220,772	15,142,138	16,063,515	16,984,909	17,906,319	18,827,729	19,749,427	20,671,414	21,593,401	22,515,388			22,515,388
Less Accumulated Deferred Taxes	72,149,088	72,738,586	73,328,085	73,917,583	74,507,082	75,096,581	75,686,079	76,275,578	76,865,077	77,454,575	78,044,074	78,633,572			78,633,572
End Of Month Rate Base	178,396,644	176,891,846	175,383,080	173,876,991	172,366,903	170,864,595	169,353,686	167,842,778	166,484,644	164,973,158	163,461,682	161,950,197			161,950,197
Return on Rate Base															
Debt Return	347,847	344,926	342,000	339,073	336,145	333,221	330,295	327,362	324,576	321,790	318,855	315,921			3,982,012
Equity Return	804,676	797,919	791,151	784,380	777,606	770,841	764,074	757,287	750,444	744,399	737,610	730,821			9,211,606
Total Return on Rate Base	1,152,523	1,142,845	1,133,151	1,123,453	1,113,751	1,104,061	1,094,369	1,084,649	1,075,420	1,066,189	1,056,465	1,046,742			13,193,618
Income Statement Items															
Book Depreciation	921,315	921,339	921,354	921,366	921,377	921,394	921,410	921,410	921,698	921,987	921,987	921,987			11,058,624
Deferred Taxes	589,499	589,499	589,499	589,499	589,499	589,499	589,499	589,499	589,499	589,499	589,499	589,499			7,073,983
Gross Up for Income Tax	(27,527)	(31,620)	(35,724)	(39,831)	(43,942)	(48,043)	(52,129)	(56,202)	(59,921)	(63,752)	(67,879)	(72,005)			(598,573)
Total Income Statement Expense	1,483,287	1,479,218	1,475,129	1,471,034	1,466,934	1,462,850	1,458,780	1,454,707	1,451,276	1,447,733	1,443,607	1,439,481			17,534,034
Total Revenue Requirement	2,635,810	2,622,062	2,608,280	2,594,487	2,580,685	2,566,911	2,553,149	2,539,355	2,526,696	2,513,922	2,500,073	2,486,223			30,727,652
Rider Eligible Revenue Requirement	144,646	143,892	143,135	142,379	141,621	140,865	140,110	139,353	138,658	137,957	137,197	136,437			1,686,251

Reference

Att. D

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Total	
Courtenay Wind														
Rate Base														
Plant In-Service	297,199,731	297,220,843	296,940,763	297,601,087	298,062,997	297,370,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989		297,380,989
Less Accumulated Book Depreciation Reserve	2,580,363	3,621,580	4,662,320	5,703,758	6,747,268	7,790,968	8,834,025	9,877,099	10,920,174	11,963,249	13,006,324	14,049,399		14,049,399
Less Accumulated Deferred Taxes	63,339,689	64,556,814	65,773,940	66,991,065	68,208,190	69,425,315	70,642,440	71,859,566	73,076,691	74,293,816	75,510,941	76,728,066		76,728,066
End Of Month Rate Base	231,279,678	229,042,449	226,504,503	224,906,264	223,107,539	220,154,706	217,904,524	215,644,324	213,384,124	211,123,924	208,863,724	206,603,524		206,603,524
Return on Rate Base														
Debt Return	451,227	446,896	442,260	438,245	434,947	430,334	425,283	420,904	416,515	412,127	407,738	403,349		5,129,823
Equity Return	1,043,825	1,033,807	1,023,083	1,013,793	1,006,164	995,493	983,808	973,678	963,526	953,374	943,222	933,070		11,866,845
Total Return on Rate Base	1,495,051	1,480,703	1,465,343	1,452,038	1,441,111	1,425,827	1,409,091	1,394,582	1,380,042	1,365,501	1,350,960	1,336,420		16,996,668
Income Statement Items														
Book Depreciation	1,041,119	1,041,217	1,040,740	1,041,439	1,043,509	1,043,701	1,043,056	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075		12,510,155
Deferred Taxes	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125	1,217,125		14,605,502
Gross Up for Income Tax	(421,473)	(427,503)	(434,310)	(439,531)	(442,909)	(449,278)	(456,772)	(462,917)	(469,087)	(475,257)	(481,427)	(487,597)		(5,448,061)
Total Income Statement Expense	1,836,771	1,830,839	1,823,554	1,819,033	1,817,725	1,811,547	1,803,409	1,797,283	1,791,113	1,784,943	1,778,773	1,772,603		21,667,596
Total Revenue Requirement	3,331,823	3,311,542	3,288,897	3,271,071	3,258,836	3,237,374	3,212,500	3,191,865	3,171,155	3,150,444	3,129,733	3,109,023		38,664,263
Rider Eligible Revenue Requirement	182,485	181,373	180,131	179,154	178,483	177,314	175,958	174,826	173,690	172,555	171,419	170,283		2,117,671

Att. D

Note: Rider Eligible Requirements are calculated using both Energy and Demand allocators from the separate Production and Transmission components of the project

Amounts in dollars	2018 Capital Revenue Requirement by Project												Total	Reference		
	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18				
Border Winds																
Rate Base																
Plant In-Service	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157
Less Accumulated Book Depreciation Reserve	23,437,375	24,359,362	25,281,350	26,203,337	27,125,324	28,047,311	28,969,298	29,891,285	30,813,272	31,735,259	32,657,246	33,579,233	33,579,233	33,579,233	33,579,233	33,579,233
Less Accumulated Deferred Taxes	78,877,138	79,120,704	79,364,270	79,607,836	79,851,402	80,094,968	80,338,533	80,582,099	80,825,665	81,069,231	81,312,797	81,556,363	81,556,363	81,556,363	81,556,363	81,556,363
End Of Month Rate Base	160,784,644	159,619,091	158,453,538	157,287,985	156,122,432	154,956,879	153,791,326	152,625,773	151,460,220	150,294,667	149,129,114	147,963,561	147,963,561	147,963,561	147,963,561	147,963,561
Return on Rate Base																
Debt Return	313,322	311,059	308,796	306,532	304,269	302,006	299,743	297,480	295,217	292,954	290,691	288,427	288,427	288,427	288,427	3,610,495
Equity Return	724,809	719,573	714,338	709,103	703,868	698,632	693,397	688,162	682,926	677,691	672,456	667,221	667,221	667,221	667,221	8,352,176
Total Return on Rate Base	1,038,130	1,030,632	1,023,134	1,015,635	1,008,137	1,000,638	993,140	985,642	978,143	970,645	963,146	955,648	955,648	955,648	955,648	11,962,671
Income Statement Items																
Book Depreciation	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	11,063,845
Deferred Taxes	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	243,566	2,922,790
Gross Up for Income Tax	228,551	225,369	222,187	219,005	215,824	212,642	209,460	206,278	203,096	199,915	196,733	193,551	193,551	193,551	193,551	2,532,610
Total Income Statement Expense	1,394,104	1,390,922	1,387,740	1,384,558	1,381,376	1,378,195	1,375,013	1,371,831	1,368,649	1,365,468	1,362,286	1,359,104	1,359,104	1,359,104	1,359,104	16,519,246
Total Revenue Requirement	2,432,234	2,421,554	2,410,874	2,400,193	2,389,513	2,378,833	2,368,153	2,357,473	2,346,793	2,336,113	2,325,432	2,314,752	2,314,752	2,314,752	2,314,752	28,481,917
Rider Eligible Revenue Requirement	134,477	133,886	133,296	132,705	132,115	131,524	130,934	130,343	129,753	129,162	128,572	127,981	127,981	127,981	127,981	1,574,749
Courtenay Wind																
Rate Base																
Plant In-Service	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989
Less Accumulated Book Depreciation Reserve	15,092,473	16,135,548	17,178,623	18,221,698	19,264,773	20,307,848	21,350,922	22,393,997	23,437,072	24,480,147	25,523,222	26,566,296	26,566,296	26,566,296	26,566,296	26,566,296
Less Accumulated Deferred Taxes	77,345,703	77,963,340	78,580,976	79,198,613	79,816,250	80,433,886	81,051,523	81,669,160	82,286,797	82,904,433	83,522,070	84,139,707	84,139,707	84,139,707	84,139,707	84,139,707
End Of Month Rate Base	204,942,813	203,282,101	201,621,390	199,960,678	198,299,967	196,639,255	194,978,544	193,317,832	191,657,121	189,996,409	188,335,698	186,674,986	186,674,986	186,674,986	186,674,986	186,674,986
Return on Rate Base																
Debt Return	399,543	396,318	393,094	389,869	386,645	383,420	380,196	376,971	373,747	370,522	367,297	364,073	364,073	364,073	364,073	4,581,695
Equity Return	924,264	916,805	909,346	901,886	894,427	886,968	879,508	872,049	864,590	857,130	849,671	842,211	842,211	842,211	842,211	10,598,856
Total Return on Rate Base	1,323,807	1,313,123	1,302,440	1,291,756	1,281,072	1,270,388	1,259,704	1,249,020	1,238,336	1,227,652	1,216,968	1,206,284	1,206,284	1,206,284	1,206,284	15,180,551
Income Statement Items																
Book Depreciation	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	12,516,898
Deferred Taxes	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	617,637	7,411,640
Gross Up for Income Tax	34,341	29,807	25,274	20,740	16,207	11,673	7,140	2,607	(1,927)	(6,460)	(10,994)	(15,527)	(15,527)	(15,527)	(15,527)	112,881
Total Income Statement Expense	1,695,052	1,690,519	1,685,985	1,681,452	1,676,918	1,672,385	1,667,852	1,663,318	1,658,785	1,654,251	1,649,718	1,645,184	1,645,184	1,645,184	1,645,184	20,041,419
Total Revenue Requirement	3,018,860	3,003,642	2,988,425	2,973,208	2,957,990	2,942,773	2,927,555	2,912,338	2,897,121	2,881,903	2,866,686	2,851,469	2,851,469	2,851,469	2,851,469	35,221,970
Rider Eligible Revenue Requirement	166,663	165,823	164,982	164,141	163,301	162,460	161,619	160,779	159,938	159,097	158,257	157,416	157,416	157,416	157,416	1,944,475

Reference

Att. E

Att. E

Note: Rider Eligible Requirements are calculated using both Energy and Demand allocators from the separate Production and Transmission components of the project

Amounts in dollars	2019 Capital Revenue Requirement by Project												Total	Reference		
	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19				
Border Winds																
Rate Base																
Plant In-Service	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157	263,099,157
Less Accumulated Book Depreciation Reserve	34,501,220	35,423,208	36,345,195	37,267,182	38,189,169	39,111,156	40,033,143	40,955,130	41,877,117	42,799,104	43,721,091	44,643,079	45,565,066	46,487,053	47,409,040	48,331,027
Less Accumulated Deferred Taxes	81,798,172	82,039,982	82,281,791	82,523,600	82,765,410	83,007,219	83,249,029	83,490,838	83,732,648	83,974,457	84,216,266	84,458,076	84,699,885	84,941,694	85,183,503	85,425,312
End Of Month Rate Base	146,799,765	145,635,968	144,472,172	143,308,375	142,144,578	140,980,782	139,816,985	138,653,189	137,489,392	136,325,596	135,161,799	133,998,003	132,834,206	131,670,409	130,506,612	129,342,815
Return on Rate Base																
Debt Return	286,166	283,906	281,647	279,387	277,127	274,868	272,608	270,348	268,088	265,829	263,569	261,309	259,049	256,789	254,529	252,269
Equity Return	661,989	656,762	651,535	646,307	641,080	635,852	630,625	625,398	620,170	614,943	609,715	604,488	600,000	595,222	590,444	585,666
Total Return on Rate Base	948,155	940,668	933,181	925,694	918,207	910,720	903,233	895,746	888,259	880,772	873,284	865,797	858,310	850,823	843,336	835,849
Income Statement Items																
Book Depreciation	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987	921,987
Deferred Taxes	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809	241,809
Gross Up for Income Tax	191,918	188,741	185,564	182,387	179,210	176,033	172,856	169,679	166,502	163,325	160,148	156,971	153,794	150,617	147,440	144,263
Total Income Statement Expense	1,355,714	1,352,537	1,349,360	1,346,183	1,343,006	1,339,829	1,336,652	1,333,475	1,330,298	1,327,121	1,323,944	1,320,767	1,317,590	1,314,413	1,311,236	1,308,059
Total Revenue Requirement	2,303,870	2,293,205	2,282,541	2,271,877	2,261,213	2,250,549	2,239,885	2,229,221	2,218,557	2,207,893	2,197,229	2,186,565	2,175,901	2,165,237	2,154,573	2,143,909
Rider Eligible Revenue Requirement	127,590	126,999	126,408	125,818	125,227	124,637	124,046	123,456	122,865	122,274	121,684	121,093	120,503	119,912	119,321	118,731

Reference

Att. F

	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Total			
Courtenay Wind																
Rate Base																
Plant In-Service	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989	297,380,989
Less Accumulated Book Depreciation Reserve	27,609,371	28,652,446	29,695,521	30,738,596	31,781,671	32,824,745	33,867,820	34,910,895	35,953,970	36,997,045	38,040,119	39,083,194	40,126,269	41,169,343	42,212,418	43,255,493
Less Accumulated Deferred Taxes	84,396,615	84,653,524	84,910,433	85,167,342	85,424,250	85,681,159	85,938,068	86,194,976	86,451,885	86,708,794	86,965,703	87,222,611	87,479,520	87,736,429	87,993,338	88,250,247
End Of Month Rate Base	185,375,003	184,075,019	182,775,035	181,475,052	180,175,068	178,875,085	177,575,101	176,275,118	174,975,134	173,675,151	172,375,167	171,075,184	169,775,200	168,475,217	167,175,233	165,875,250
Return on Rate Base																
Debt Return	361,199	358,674	356,150	353,626	351,102	348,578	346,054	343,530	341,005	338,481	335,957	333,433	330,909	328,385	325,861	323,337
Equity Return	835,562	829,723	823,884	818,045	812,206	806,367	800,528	794,689	788,850	783,010	777,171	771,332	765,493	759,654	753,815	747,976
Total Return on Rate Base	1,196,761	1,188,398	1,180,034	1,171,671	1,163,308	1,154,945	1,146,581	1,138,218	1,129,855	1,121,492	1,113,129	1,104,765	1,096,402	1,088,039	1,079,676	1,071,313
Income Statement Items																
Book Depreciation	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075	1,043,075
Deferred Taxes	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909	256,909
Gross Up for Income Tax	297,921	294,372	290,823	287,275	283,726	280,177	276,628	273,080	269,531	265,982	262,433	258,885	255,336	251,787	248,238	244,689
Total Income Statement Expense	1,597,904	1,594,356	1,590,807	1,587,258	1,583,709	1,580,161	1,576,612	1,573,063	1,569,515	1,565,966	1,562,417	1,558,868	1,555,319	1,551,770	1,548,221	1,544,672
Total Revenue Requirement	2,794,665	2,782,753	2,770,841	2,758,929	2,747,017	2,735,105	2,723,193	2,711,281	2,699,369	2,687,458	2,675,546	2,663,634	2,651,722	2,639,810	2,627,898	2,615,986
Rider Eligible Revenue Requirement	154,510	153,851	153,192	152,533	151,874	151,215	150,556	149,897	149,238	148,579	147,920	147,261	146,602	145,943	145,284	144,625

Att. F

Note: Rider Eligible Requirements are calculated using both Energy and Demand allocators from the separate Production and Transmission components of the project

Production Tax Credits					
	2016	2017	2018	2019	
	<i>Actual</i>	<i>Mixed</i>	<i>Forecast</i>	<i>Forecast</i>	<u>Reference</u>
<u>Border Winds</u>					
Wind Production (MWh)	622,226	592,001	619,412	619,412	
PTC Credit per MWh	\$ 23.00	\$ 24.00	\$ 24.00	\$ 24.00	
PTC Value	\$ 14,311,000	\$ 14,208,000	\$ 14,866,000	\$ 14,866,000	
Allocator	5.3542%	5.4724%	5.5182%	5.5377%	
PTC North Dakota Jurisdiction	\$ 766,233	\$ 777,524	\$ 820,334	\$ 823,240	
Gross Up for Income Taxes	1.6078	1.6078	1.6078	1.6078	
PTC Revenue Requirement	\$ (1,231,916)	\$ (1,250,069)	\$ (1,318,896)	\$ (1,323,569)	Att. B-F
<u>Courtenay Wind</u>					
Wind Production (MWh)	86,382	763,302	828,696	828,645	
PTC Credit per MWh	\$ 23.00	\$ 24.00	\$ 24.00	\$ 24.00	
PTC Value	\$ 1,987,000	\$ 18,319,000	\$ 19,889,000	\$ 19,887,000	
Allocator	5.3542%	5.4724%	5.5182%	5.5377%	
PTC North Dakota Jurisdiction	\$ 106,387	\$ 1,002,496	\$ 1,097,512	\$ 1,101,290	
Gross Up for Income Taxes	1.6078	1.6078	1.6078	1.6078	
PTC Revenue Requirement	\$ (171,044)	\$ (1,611,768)	\$ (1,764,531)	\$ (1,770,605)	Att. B-F

Operations & Maintenance Expense					
Amounts in dollars	2016	2017	2018	2019	<i>Reference</i>
	<i>Actual</i>	<i>Mixed</i>	<i>Forecast</i>	<i>Forecast</i>	
<u>Border Winds</u>					
Labor/Consulting	3,663,298	4,302,343	4,527,747	2,308,467	
Space/Lease Costs	491,738	862,298	566,853	566,853	
Materials	9,152	2,068	286,956	852,264	
Other	354,624	24,630	64,722	64,722	
Total O&M Costs	4,518,813	5,191,339	5,446,278	3,792,306	
Allocator	5.1918%	5.2534%	5.3544%	5.3477%	
O&M North Dakota Jurisdiction	234,608	272,719	291,614	202,800	<i>Att. B-F</i>
<u>Courtenay Wind</u>					
Labor/Consulting	1,440,661	5,672,272	6,155,632	5,693,058	
Space/Lease Costs		717,018	1,228,108	1,252,849	
Materials		281,212	5,004	275,736	
Other		28,064	78,246	78,246	
Total O&M Costs	1,440,661	6,698,566	7,466,990	7,299,889	
Allocator	5.1918%	5.2534%	5.3544%	5.3477%	
O&M North Dakota Jurisdiction	74,796	351,899	399,810	390,374	<i>Att. B-F</i>

**North Dakota Calendar Month Electric Sales (MWh)
 2018 Budget**

ANNUAL Summary											
	Residential w/o Sp Heat	Residential w/ Sp Heat	Total Residential	Small C&I	Large C&I	Total C&I	Street Lighting	Public Authority	Interdept	Total Other	Total Retail
2017	163,071	88,627	251,699	356,594	118,625	475,219	5,884	4,222	0	10,106	737,024
2018	514,089	265,059	779,148	1,092,505	361,495	1,454,000	14,720	13,341	0	28,061	2,261,208
2019	514,635	266,944	781,579	1,097,241	362,750	1,459,990	14,810	13,341	0	28,151	2,269,720
Sep-17	36,339	12,636	48,975	86,552	31,775	118,326	1,125	1,167	0	2,292	169,593
Oct-17	35,884	16,195	52,079	85,844	30,955	116,799	1,325	945	0	2,269	171,147
Nov-17	40,600	24,720	65,320	86,427	29,071	115,498	1,706	969	0	2,675	183,494
Dec-17	50,248	35,076	85,324	97,771	26,824	124,596	1,728	1,142	0	2,870	212,790
Total 17	163,071	88,627	251,699	356,594	118,625	475,219	5,884	4,222	0	10,106	737,024
Jan-18	56,025	41,783	97,808	102,217	26,124	128,342	1,746	1,218	0	2,964	229,114
Feb-18	44,436	34,418	78,854	82,820	27,524	110,343	1,467	904	0	2,371	191,569
Mar-18	44,537	29,988	74,525	99,298	29,830	129,127	1,072	1,226	0	2,298	205,951
Apr-18	33,337	15,558	48,895	75,422	29,584	105,006	1,168	967	0	2,135	156,036
May-18	35,015	13,352	48,367	87,715	30,477	118,191	873	1,198	0	2,071	168,629
Jun-18	41,521	12,199	53,720	89,983	31,776	121,759	814	1,148	0	1,963	177,442
Jul-18	48,159	13,743	61,902	97,634	33,237	130,871	724	1,221	0	1,945	194,718
Aug-18	47,937	13,606	61,543	96,474	33,908	130,382	935	1,236	0	2,171	194,095
Sep-18	36,350	13,236	49,586	87,341	31,885	119,226	1,132	1,167	0	2,299	171,111
Oct-18	35,895	16,504	52,399	86,626	31,062	117,689	1,333	945	0	2,278	172,365
Nov-18	40,613	25,403	66,016	88,312	29,172	117,484	1,716	969	0	2,686	186,186
Dec-18	50,263	35,269	85,532	98,663	26,918	125,580	1,738	1,142	0	2,880	213,993
Total 18	514,089	265,059	779,148	1,092,505	361,495	1,454,000	14,720	13,341	0	28,061	2,261,208
Jan-19	56,051	41,893	97,944	102,570	26,215	128,785	1,757	1,218	0	2,975	229,704
Feb-19	44,456	34,573	79,029	83,422	27,619	111,041	1,476	904	0	2,380	192,450
Mar-19	44,557	30,106	74,663	99,640	29,933	129,573	1,079	1,226	0	2,305	206,541
Apr-19	33,352	15,856	49,208	75,683	29,686	105,369	1,175	967	0	2,142	156,718
May-19	35,031	13,603	48,634	88,017	30,582	118,599	879	1,198	0	2,076	169,309
Jun-19	41,540	12,213	53,753	90,293	31,886	122,180	819	1,148	0	1,968	177,901
Jul-19	48,495	13,887	62,382	97,971	33,352	131,323	729	1,221	0	1,950	195,655
Aug-19	47,959	13,569	61,527	96,806	34,026	130,832	940	1,236	0	2,176	194,536
Sep-19	36,367	13,416	49,782	87,642	31,995	119,637	1,139	1,167	0	2,306	171,726
Oct-19	35,912	16,645	52,556	86,925	31,170	118,095	1,341	945	0	2,286	172,937
Nov-19	40,631	25,466	66,098	89,269	29,273	118,542	1,727	969	0	2,696	187,336
Dec-19	50,286	35,718	86,004	99,003	27,011	126,014	1,749	1,142	0	2,891	214,908
Total 19	514,635	266,944	781,579	1,097,241	362,750	1,459,990	14,810	13,341	0	28,151	2,269,720

2018 kWh:
 2,261,208,247 Att. A

Rate/kWh from Att. A	Revenues (sales x rate) Att. E
\$0.000285	65,217
\$0.000285	54,530
\$0.000285	58,624
\$0.000285	44,416
\$0.000285	48,000
\$0.000285	50,509
\$0.000285	55,427
\$0.000285	55,249
\$0.000285	48,707
\$0.000285	49,064
\$0.000285	52,998
\$0.000285	60,913
\$0.000285	643,655

	Universal Inputs			
	2016	2017	2018	2019
Cap Structure (Last Authorized)				
Long Term Debt %	44.96%	44.96%	44.96%	44.96%
Long Term Debt Cost	5.14%	5.14%	5.14%	5.14%
Short Term Debt %	2.48%	2.48%	2.48%	2.48%
Short Term Debt Cost	0.75%	0.75%	0.75%	0.75%
Weighted Cost of Debt	2.33%	2.33%	2.33%	2.33%
Common Stock %	52.56%	52.56%	52.56%	52.56%
Common Stock Cost	10.25%	10.25%	10.25%	10.25%
Preferred Stock %	0.00%	0.00%	0.00%	0.00%
Preferred Stock Cost	0.00%	0.00%	0.00%	0.00%
Weighted Cost of Equity	5.39%	5.39%	5.39%	5.39%
Tax Rates				
Income Tax Rates				
State Income Tax Rate	4.31%	4.31%	4.31%	4.31%
Federal Income Tax Rate	35.00%	35.00%	35.00%	35.00%
Composite Income Tax Rate				
State Composite Income Tax Rate	37.8015%	37.8015%	37.8015%	37.8015%
Company Composite Income Tax Rate	40.8468%	40.8468%	40.8468%	40.8468%
Property Tax Rate	0.790%	0.750%	0.750%	0.750%
Allocators				
ND 12-month CP energy (Electric Energy)	6.3759%	6.5140%	6.5759%	6.5979%
NSPM 36-month CP demand (Interchange Electric)	84.1349%	84.2464%	84.0798%	83.9377%
Wind Jurisdictional Allocator	5.3644%	5.4878%	5.5290%	5.5381%
ND 12-month CP demand (Electric Demand)	6.1708%	6.2357%	6.3682%	6.3710%
NSPM 36-month CP demand (Interchange Electric)	84.1349%	84.2464%	84.0798%	83.9377%
Trans Jurisdictional Allocator	5.1918%	5.2534%	5.3544%	5.3477%
ND 12-month CP energy (Electric Energy)	6.3759%	6.5140%	6.5759%	6.5979%
NSPM Interchange Energy (Interchange Electric)	83.9749%	84.0104%	83.9153%	83.9318%
PTC Jurisdictional Allocator	5.3542%	5.4724%	5.5182%	5.5377%

Legislative

NORTH DAKOTA ELECTRIC RATE BOOK - NDPSC NO. 2

RENEWABLE ENERGY RIDER

Section No. 5

~~4th~~^{5th} 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

~~\$0.000898~~\$0.000285 per kWh

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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: ~~11-01-16~~09-29-17

By: Christopher B. Clark

Effective Date: ~~02-01-17~~

President, Northern States Power Company, a Minnesota corporation

Case No. PU-~~17-16-687~~

Order Date: ~~01-18-17~~

Non-Legislative

NORTH DAKOTA ELECTRIC RATE BOOK - NDPSC NO. 2

RENEWABLE ENERGY RIDER

Section No. 5
5th Revised Sheet No. 87

APPLICATION

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

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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	\$0.000285 per kWh
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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.

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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: 09-29-17

By: Christopher B. Clark

Effective Date:

President, Northern States Power Company, a Minnesota corporation

Case No. PU-17-

Order Date:

Proposed Customer Bill Notice

Renewable Energy Rider Rate Decrease Effective January 1, 2018

The Renewable Energy Rider (RER) line item on your bill recovers investment costs associated with new and modified renewable energy facilities located in North Dakota. Beginning January 1, 2018, the RER rate will decrease from \$0.000898 to \$0.000285 per kWh.

Residential Electric Service – Winter Month Bill Example

This chart below shows the impact on customer bills of the new RER rate decrease. The comparison does not reflect any other rate changes that may be happening concurrently.

Usage (kWh)	Prior				New				Change In Bill	Percent Decrease
	Other Charges	Prior RER Rate	Prior RER Charge	Prior Bill	Other Charges	New RER Rate	New RER Charge	New Bill		
400	\$50.35	\$0.000898	\$0.36	\$50.71	\$50.35	\$0.000285	\$0.11	\$50.46	(\$0.25)	-0.49%
500	\$59.31	\$0.000898	\$0.45	\$59.76	\$59.31	\$0.000285	\$0.14	\$59.45	(\$0.31)	-0.52%
600	\$68.27	\$0.000898	\$0.54	\$68.81	\$68.27	\$0.000285	\$0.17	\$68.44	(\$0.37)	-0.54%
750	\$81.72	\$0.000898	\$0.67	\$82.39	\$81.72	\$0.000285	\$0.21	\$81.93	(\$0.46)	-0.56%
1000	\$104.12	\$0.000898	\$0.90	\$105.02	\$104.12	\$0.000285	\$0.29	\$104.41	(\$0.61)	-0.58%
2000	\$193.74	\$0.000898	\$1.80	\$195.54	\$193.74	\$0.000285	\$0.57	\$194.31	(\$1.23)	-0.63%

For more information

You may examine the new rate rider details by visiting our website at xcelenergy.com/ndrates.