

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
Transmission Facility Cost Recovery (2018)
Rates**

Case No. PU-17-365

ORDER ON TRANSMISSION FACILITY COST RECOVERY RATES

December 20, 2017

Preliminary Statement

On October 2, 2017, Northern States Power Company (NSP or Company) filed an application for approval of its 2018 Transmission Cost Recovery Rider (TCR Rider) rate.

On October 18, 2017, the Commission issued a Notice of Opportunity for Hearing. A deadline of December 6, 2017 was set for comments and requests for a hearing. No comments or requests were received.

On November 29, 2017, the Commission held an informal hearing on NSP's request.

On December 5, 2017, the Company filed an update to its original filing to eliminate costs for three projects that were inappropriately included for 2017 and the double counting of costs in base rates and the rider for a third project. This lowered the rate slightly from the original filing.

This filing was NSP's fourth annual update to its TCR Rider. The TCR Rider was first approved by Commission order on February 26, 2014 pursuant to North Dakota Century Code Section 49-05-04.3.

The annual update includes five new transmission projects. The Company explained each of these projects and the reason for their addition in the informal hearing

The original filing was for an approximate increase of \$200,000 over the currently effective rate. The December 5, 2017 filing reduces the change to \$130,205.

The current rate is \$0.003220 per kilowatt-hour for all customer classes. The 2018 rate will be \$0.003270 per kilowatt-hour. For the average residential customer using 750 kilowatt-hours, the increase will be \$0.03 per month, or \$2.45 as compared to the current billing of \$2.42.

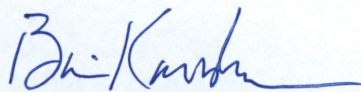
The December 5, 2017 revised proposed rate adjustment complies with the tariff and the incurred costs for new and modified electric transmission facilities are reasonable and prudent.

Order

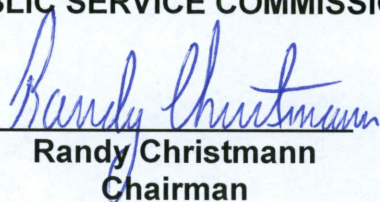
The Commission orders:

Northern States Power Company's request for a rate adjustment for its Transmission Facility Cost Recovery Rider is approved effective January 1, 2018.

PUBLIC SERVICE COMMISSION



**Brian Kroshus
Commissioner**



**Randy Christmann
Chairman**



**Julie Fedorchak
Commissioner**