



414 Nicollet Mall  
Minneapolis, MN 55401

January 17, 2019

—Via Electronic Filing—

Mr. Steve Kahl  
Interim Executive Secretary  
North Dakota Public Service Commission  
Department 408  
600 East Boulevard Avenue  
Bismarck, North Dakota 58505-0480

RE: FEDERAL TAX CUT AND JOBS ACT REFUND PLAN COMPLIANCE FILING  
CASE NOS. PU-17-490, PU-18-155

Dear Mr. Kahl:

Northern States Power Company, (NSP) doing business as Xcel Energy, submits to the North Dakota Public Service Commission this compliance filing regarding the 2018 refund to North Dakota electric customers resulting from the Federal Tax Cut and Jobs Act (TCJA). Specifically, the Commission’s December 21, 2018 Order in Case No. PU-18-155 requires:

*1. NSP shall file, within 30 days, a plan detailing refund allocations, calculations, and the process for a \$9,763,400 refund; and shall implement the refund within 90 days of this Order.*

## REFUND PLAN

### A. Design and Timing

The Company will provide a TCJA refund to our North Dakota customers who took electric service during 2018. The total electric refund of \$9,763, 400 will be allocated to customer classes using the Ordered revenues approved in our most recent electric rate case (Case No. PU-12-813). Once the credit amounts have been allocated to each customer class, a credit factor will be calculated for each customer class based on actual usage from December 2017 to November 2018. The appropriate credit factor will then be applied to each customer’s usage for that time period.

For customers who moved within our service territory during 2018, the refund will capture that customer’s usage at both (or multiple) locations. For customers who moved out of our service territory during 2018, and have a resulting account balance equal to or greater than \$2.00 will receive the refund in in the form of a check.

59 PU-18-155 Filed 01/17/2019 Pages: 3  
Compliance filing - refund allocation plan  
40 PU-17-490 Filed 01/17/2019 Pages: 3  
Compliance filing - refund allocation plan

Attachment A provides the 2018 electric TCJA refund amounts allocated to customer class, an estimated refund factor and estimated average refund amounts per customer class. For residential customers, the average refund amount is \$46.13. Refund amounts will be based on a customer's actual usage and there may be significant variability in the actual amounts refunded to customers. The refund process is scheduled to begin late January with posting to customer accounts starting on March 6, 2019.

## **B. Customer Notice**

We propose the following bill message to be included on customer bills

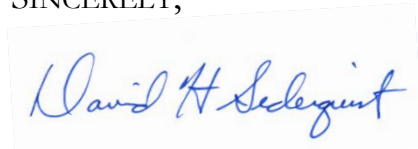
*Your electric bill includes a refund due to a reduction in Xcel Energy's 2018 federal taxes. The refund was approved by the ND Public Service Commission and is shown on your bill as "2018 Elec Fed Tax Cut CR"*

## **C. Refund Compliance Report**

The Company intends to submit a refund compliance report 30 days after completion of the refund. The report will include the final credits used to calculate the refund by customer, the actual amount returned to each class and the average refund by class.

Please contact me at if you have any questions regarding this filing.

SINCERELY,

A handwritten signature in blue ink that reads "David H. Sederquist". The signature is written in a cursive style and is contained within a light blue rectangular box.

DAVID H. SEDERQUIST  
SR. REGULATORY CONSULTANT NORTHERN STATES POWER COMPANY

Enclosures

	<b>2015</b>	<b>Revenue</b>					<b>Estimated Average</b>	<b>Estimated</b>
	<b>Ordered</b>	<b>Refund</b>	<b>Tax Refund</b>	<b>Estimated kWh Sales</b>	<b>Calculated</b>	<b>Estimated</b>	<b>Customers</b>	<b>Average Refund</b>
	<b><u>Revenue (\$000)</u></b> <sup>1</sup>	<b><u>Allocator</u></b>	<b><u>Allocation</u></b>	<b><u>Dec 2017 - Nov 2018</u></b>	<b><u>Refund Factor</u></b>	<b><u>Refund</u></b>	<b><u>Dec 2017 - Nov 2018</u></b> <sup>2</sup>	<b><u>per Customer</u></b>
Residential	\$83,016	38.51%	\$3,759,868	798,194,167	\$0.00471047	\$3,759,868	81,502	\$46.13
Commercial Non Demand	\$13,592	6.31%	\$615,594	112,419,119	\$0.00547588	\$615,594	8,900	\$69.17
Commercial & Industrial Demand	\$116,819	54.19%	\$5,290,835	1,338,514,052	\$0.00395277	\$5,290,835	4,108	\$1,287.88
<u>Lighting</u>	<u>\$2,144</u>	<u>0.99%</u>	<u>\$97,104</u>	<u>17,897,448</u>	<u>\$0.00542556</u>	<u>\$97,104</u>	<u>2,051</u>	<u>\$47.34</u>
Total	\$215,571	100.00%	\$9,763,400	2,267,024,786		\$9,763,400	96,561	

<sup>1</sup> Second Amended Settlement Agreement; Case No. PU-12-813; Attachment F; Page 1 of 1

<sup>2</sup> Billings for December 2018 were not yet completed at the time of the refund