



2302 Great Northern Drive
P O Box 2747
Fargo, ND 58108-2747
(701) 241-8632
dave.sederquist@xcelenergy.com

February 13, 2019

--Via Electronic Filing--

Steven M. Kahl, Executive Secretary
North Dakota Public Service Commission
State Capitol Building, Dept. 408
600 East Boulevard
Bismarck, ND 58505-0480

RE: RENEWABLE ENERGY RIDER TARIFF REVISION
NORTH DAKOTA TAX CUTS AND JOBS ACT (ELECTRIC)
CASE NOS. PU-17-490, PU-18-155

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission the enclosed Renewable Energy Rider (RER) tariff revision incorporating the terms of the Tax Cuts and Jobs Act Settlement Agreement in Case Nos. PU-17-490 and PU-18-155 (the TCJA Settlement). The Commission approved the TCJA Settlement on February 6, 2019.

The TCJA Settlement allows for an expansion of the RER to include renewable energy resources located outside of North Dakota for which the Company has previously received an Advanced Determination of Prudence from the Commission. The Settlement requires a compliance filing to modify the RER tariff language to reflect this change.

With this letter we have submitted both red-line and non-red-line versions of the revised tariff language allowing inclusion of projects outside of North Dakota.

We would also note that once the Commission has acted on our pending application for a 2019 RER rate adjustment (Case No. PU-18-368), the Company will submit a another compliance RER tariff updated with the approved 2019 RER rate. In that compliance tariff we intend on incorporating the final RER tariff language revisions resulting from this TCJA Settlement compliance filing.

We appreciate the Commission's consideration and approval of this RER tariff update to comply with the terms of the approved TCJA Settlement. Please contact me if you have any questions or comments.

Sincerely,



DAVID H. SEDERQUIST
SR. CONSULTANT, REGULATION/FINANCE

cc: Vic Schock
Adam Renfandt

Legislative

NORTH DAKOTA ELECTRIC RATE BOOK - NDPSC NO. 2

RENEWABLE ENERGY RIDER

Section No. 5
~~5th~~^{6th} 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. D

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	\$0.000285 per kWh	E
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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. D

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 ⁰²⁻¹³⁻¹⁹	By: Christopher B. Clark	Effective Date:	01-01-18 02-06-19
Case No.	PU-17- 364 ⁴⁹⁰ & PU- 18-155	President, Northern States Power Company, a Minnesota corporation	Order Date:	12-20-17 02-06-19

Non-Legislative

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RENEWABLE ENERGY RIDER

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Date Filed:	02-13-19	By: Christopher B. Clark	Effective Date:	02-06-19
		President, Northern States Power Company, a Minnesota corporation		
Case No.	PU-17-490 & PU-18-155		Order Date:	02-06-19