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February 15, 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: SUPPLEMENTAL INFORMATION REGARDING THE EFFECTIVE DATE
2019 TRANSMISSION COST RECOVERY RIDER RATE ADJUSTMENT APPLICATION
CASE NO. PU-18-364

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission supplemental information regarding its pending 2019 Transmission Cost Recovery (TCR) Rider rate application. This information, which was also shared at the February 6, 2019 Informal Hearing on this matter, addresses how the proposed TCR rate would be modified to accommodate an April 1, 2019 implementation date as opposed to the originally contemplated effective date of January 1, 2019.

Table 1 below compares the 12-month rate proposed in the 2019 TCR rate application, intended to be effective January 1, 2019, to the 9-month rate that could be implemented April 1, 2019:

Table 1: 2019 Rate Calculation Comparison

	12 Months	9 Months
ND retail revenue requirement	\$5,107,064	\$3,102,920*
ND retail Sales	2,233,684 MWh	1,620,796 MWh
2019 TCR Adjustment Factor Cost Per kWh	\$0.002286	\$0.001914
Typical Residential Bill Impact	\$1.71	\$1.44

*Assumes revenues would be collected for the first three months of 2019 at the higher current TCR rate of \$0.003270. The ND retail sales to which the rate would be applied reflect the projected sales for the 9-month period April - December.

The Company respectfully requests the Commission to approve the modified 9-month rate of \$0.001914 per kWh. This rate will allow recovery of the projected \$5.1 million revenue requirement within the 2019 calendar year, thereby avoiding the likelihood of a material over-recovery in 2019 due to collection at a higher rate for the first three months of the year. The lower 9-month rate is about 27 cents less compared to the full 12-month rate for a typical residential monthly bill.

We are also providing with this filing, for the Commission's reference, a revised Attachment 11 to the 2019 TCR rate application showing the revised customer bill notice for the alternative 9-month rate.

We appreciate the Commission's consideration of this supplemental information regarding an April 1, 2019 implementation date of the 2019 TCR rate. Please contact me if you have any questions or comments.

Sincerely,



DAVID H. SEDERQUIST
SR. CONSULTANT, REGULATION/FINANCE

c: Victor Schock
Adam Renfandt

Proposed Customer Bill Notice

Transmission Cost Recovery Rider Rate Decrease Effective April 1, 2019

The Transmission Cost Recovery (TCR) line item on your bill recovers investment costs associated with transmission lines, substations, and equipment and certain regional transmission costs. Beginning April 1, 2019, the TCR rate will decrease from \$0.003270 to \$0.001914 per kWh.

Residential Electric Service – Winter Month Bill Example

The chart below shows the impact on customer bills of the TCR rate decrease. The comparison does not reflect any other rate changes that may occur at the same time.

Usage (kWh)	Prior				New				Change In Bill	Percent Change
	Other Charges	Prior TCR Rate	Prior TCR Charge	Prior Bill	Other Charges	New TCR Rate	New TCR Charge	New Bill		
400	\$49.20	\$0.003270	\$1.31	\$50.51	\$49.20	\$0.001914	\$0.77	\$49.97	-\$0.54	-1.07%
500	\$57.88	\$0.003270	\$1.64	\$59.52	\$57.88	\$0.001914	\$0.96	\$58.84	-\$0.68	-1.14%
600	\$66.55	\$0.003270	\$1.96	\$68.51	\$66.55	\$0.001914	\$1.15	\$67.70	-\$0.81	-1.18%
750	\$79.56	\$0.003270	\$2.45	\$82.01	\$79.56	\$0.001914	\$1.44	\$81.00	-\$1.01	-1.23%
1500	\$101.25	\$0.003270	\$3.27	\$104.52	\$101.25	\$0.001914	\$1.91	\$103.16	-\$1.36	-1.30%
1000	\$144.63	\$0.003270	\$4.91	\$149.54	\$144.63	\$0.001914	\$2.87	\$147.50	-\$2.04	-1.36%
2000	\$188.00	\$0.003270	\$6.54	\$194.54	\$188.00	\$0.001914	\$3.83	\$191.83	-\$2.71	-1.39%

For more information

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