

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

**Northern States Power Company  
Renewable Resource Cost Recovery (2020)  
Rates**

**Case No. PU-19-329**

**ORDER**

**February 19, 2020**

**Preliminary Statement**

On September 26, 2019, Northern States Power Company (NSP) filed an application for approval of an annual update to its Renewable Energy Rider (RER) rate. The RER allows NSP to recover capital and operating costs of company-owned renewable energy generation not presently reflected in base retail rates.

On November 21, 2019, the Commission issued a Notice of Opportunity for Hearing, which provided until January 3, 2020 for receiving written comments and hearing requests. No response was received. The notice identified the issues to be considered in this matter are:

1. Whether the investments and associated costs for the resources qualify for recovery,
2. Whether the incurred costs are reasonable and prudent, and
3. Whether the rate adjustments are consistent with the terms of NSP's tariff.

On January 17, 2020, NSP filed a supplement to its 2019 RER revenue requirements and the RER rate to demonstrate alternative methods of recognizing production tax credits (PTCs) in the revenue requirement.

On January 22, 2020, the Commission discussed this matter with NSP during an Informal Hearing.

On February 10, 2020, NSP filed a revised RER rate.

**Discussion**

The RER update includes two new projects that are expected to be in service during 2020. Additionally, the updated rates reflect a levelization of PTCs.

NSP reports a March through December 2020 RER revenue requirement of \$8,306,544, resulting in a RER rate of 0.4566 cents per kWh.

The monthly billing impact for a residential customer using 750 kWh per month will be an increase of approximately \$2.53 per month.

The Commission finds NSPs proposed 2020 RER rate is reasonable and appropriate.

### Order

The Commission orders Northern States Power Company's Renewable Energy Rider rate of 0.4566 cents per kWh filed on February 10, 2020 is APPROVED for service rendered on or after March 1, 2020.

### PUBLIC SERVICE COMMISSION

  
Julie Fedorchak  
Commissioner

  
Brian Kroshus  
Chairman

  
Randy Christmann  
Commissioner