

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Northern States Power Company  
Transmission Facility Cost Recovery (2021)  
Rates**

**Case No. PU-20-406**

**ORDER**

**December 16, 2020**

**Preliminary Statement**

On September 23, 2020, Northern States Power Company (NSP) filed an application for approval of its 2021 Transmission Cost Recovery (TCR) Rider rate. The TCR Rider allows NSP to recover transmission capital and operating costs not presently reflected in base retail rates.

On October 7, 2020, the Commission issued a Notice of Opportunity for Hearing, which provided until November 21, 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 new or modified electric transmission facilities 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 November 18, 2020, the Commission discussed this matter with NSP during an Informal Hearing.

**Discussion**

This annual update adds six new or modified transmission projects that are not currently in TCR Rider rates or base rates.

NSP reports a January through December 2021 TCR Rider revenue requirement of \$8,831,036, resulting in a 2021 TCR Rider rate of 0.4133 cents per kWh. The 2020 TCR Rider revenue requirement was \$6,835,616, which resulted in a 2020 TCR Rider rate of 0.3322 cents per kWh. This change results in a monthly billing impact for a residential customer using 750 kWh per month will be an increase of approximately \$0.61.

The investments and associated costs for the new and modified electric transmission facilities qualify for recovery through the TCR.

The incurred costs for new and modified electric transmission facilities are reasonable and prudent.

The proposed rate adjustment complies with the terms of NSP's tariff.

Having considered this matter, the Commission finds NSP's 2021 TCR Rider rate is reasonable and should be approved. Therefore, the Commission issues its:

**Order**

The Commission Orders Northern States Power Company's 2021 Transmission Facility Cost Recovery Rider rate filed on September 23, 2020 is APPROVED for service rendered on or after January 1, 2021.

**PUBLIC SERVICE COMMISSION**

		
<b>Julie Fedorchak</b> Commissioner	<b>Brian Kroshus</b> Chairman	<b>Randy Christmann</b> Commissioner