

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
Renewable Resource Cost Recovery (2021)
Tariff and Rates**

Case No. PU-20-426

ORDER

December 16, 2020

On October 15, 2020, Northern States Power Company (NSP) filed an application for approval of its 2021 Renewable Energy Rider (RER) tariff and rates. The purpose of the rider is to recover, from NSP North Dakota electric customers, costs of renewable energy generation not presently reflected in retail rates.

On November 12, 2020, NSP filed an addendum to its 2021 RER application.

On November 18, 2020, The Commission discussed this matter with NSP and Commission Staff during an Informal Hearing.

On December 2, 2020, the Commission issued a Notice of Opportunity for Hearing that provided until December 30, 2020, for receiving written comments and hearing requests.

The notice identified the issues to be considered in this matter:

1. Whether the investments and associated costs for the resources qualify for recovery.
2. Whether the incurred costs are reasonable and prudent.
3. Whether the rate adjustments are consistent with the terms of NSP's tariff.
4. Whether NSP's proposed tariff changes should be approved?

Discussion

The 2021 RER rate would be applied to all energy billed to each customer effective January 1, 2021. The 2021 RER rate includes the costs of eight previously approved projects and one new project expected to be in service in 2021.

NSP reports a 2021 RER revenue requirement of \$13,327,289. The resulting RER rate would increase from \$0.004566 per kWh to \$0.006238 per kWh. As a result of the RER rate change, a residential electrical customer consuming 750 kWh per month would experience a bill increase of \$1.31 per month.

NSP reports its proposed tariff changes are to clarify the tariff true-up provisions.

The Commission finds NSP's investments and associated costs for the resources qualify for recovery, the incurred costs are reasonable and prudent, and the rate adjustments are consistent with the terms of NSP's tariff.

Having considered this matter, the Commission finds NSP's proposed 2021 RER rate and tariff changes are reasonable and should be approved.

Order

1. Northern States Power Company's Renewable Energy Rider rate of 0.6238 cents per kWh is APPROVED for service rendered on or after January 1, 2021 subject to the Commission not receiving any written comments or hearing requests by December 30, 2020.
2. Northern States Power Company's proposed tariff clarifications are APPROVED subject to the Commission not receiving any written comments or hearing requests by December 30, 2020.

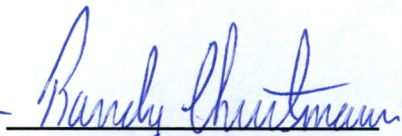
PUBLIC SERVICE COMMISSION



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