

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
2021 Electric Rate Increase
Application**

Case No. PU-20-441

ORDER ON INTERIM RATES

December 16, 2020

Preliminary Statement

On November 6, 2020, Northern States Power Company, doing business as Xcel Energy (Xcel) filed with the Commission an increase in rates for electric service.

On November 6, 2020, Xcel filed an interim rate increase for electric service.

December 2, 2020, the Commission suspended Xcel's tariffs and rates.

On November 27, 2020, Commission Advocacy Staff filed comments regarding the Interim Rate Increase.

Discussion

Xcel's final rate increase is based on revenue requirements for a projected 2021 test year. The final rate change would result in an increase in annual revenue for the 2021 test year of \$22,227,649 or a 10.8% increase in annual revenue.

The final rate increase during a winter month for an Xcel residential electric customer using 750 kilowatt hours (kWh) would be \$8.37, or an increase of 10.48%. The final rate increase during a summer month for an Xcel residential electric customer using 750 kilowatt hours (kWh) would be \$8.53, or an increase of 9.22%.

Even though the Commission suspended the rates, a company filing for a rate increase is entitled to an interim rate increase under North Dakota Century Code section 49-05-06(2). The interim rate increase must meet certain criteria including: the same rate of return on common equity authorized by the Commission in the public utility's most recent rate proceeding; rate base and expense items the same in nature and kind allowed by the Commission in its most recent rate proceeding and; no change in the existing rate design.

The interim rate increase is an increase in annual revenue of \$16,358,221, or a 7.92% increase in annual revenue to be effective January 5, 2021. When applied to the

base customer and energy charge portion of the customers' bills only, the increase is 11.49%.

The interim increase during a winter month for an Xcel residential electric customer using 750 kilowatt hours (kWh) would be \$6.63, or an increase of 8.3%. The interim increase during a summer month for an Xcel residential electric customer using 750 kilowatt hours (kWh) would be \$7.99, or an increase of 8.64%. When applied to the base customer and energy charge portion of the customers' bills only, the increase is 11.49%.

Commission Advocacy Staff states that Xcel's interim increase complies with North Dakota Century Code section 49-05-06(2) regarding an interim rate increase.

The Commission finds that Xcel's interim increase complies with North Dakota Century Code section 49-05-06(2) regarding an interim rate increase.

In the event the interim rate amounts collected by Xcel are in excess of final rates approved by the Commission, Xcel is required to refund the excess under North Dakota Century Code section 49-05-06(4), including interest at a rate to be determined by the Commission.

Order

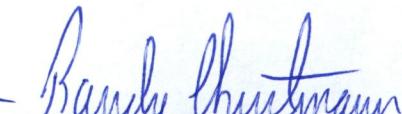
The Commission orders:

1. The request of Northern States Power Company, doing business as Xcel Energy for interim rates to increase annual revenue collections by \$16,358,221 is APPROVED.
2. Interim rates are effective for service rendered on or after January 5, 2021.

PUBLIC SERVICE COMMISSION


Julie Fedorchak
Commissioner


Brian Kroshus
Chairman


Randy Christmann
Commissioner