

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

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

Case No. PU-20-441

ORDER ON REVISED INTERIM RATES

March 19, 2021

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.

On December 16, 2020, the Commission approved NSP's interim annual increase of \$16.3 million for service rendered on or after January 5, 2021.

On March 15, 2021, Xcel filed a request to reduce the interim increase \$13.3 million for service rendered on or after April 1, 2021.

On March 15, 2021, Commission Advocacy Staff filed a response to Xcel's March 15, 2021 filing.

Discussion

Xcel's November 6, 2020 filing set forth a final rate increase 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 \$22.2 million or a 10.8% increase in annual revenue.

The Commission's December 16, 2020 Order approved an interim increase in annual revenue of \$16.3 million, 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 current billing factor is 11.49%.

Xcel's March 15, 2021 filing requests a reduction in the interim relief request from \$16.3 million to \$13.3 million due to an error in their calculation of fuel and purchased power costs for the test year. When applied to the base customer and energy charge portion of the customers' bills only, the billing factor would be 9.36%.

The change in interim rates during a winter month for an Xcel residential electric customer using 750 kilowatt hours(kWh) would be a reduction of approximately \$1.23 during a winter month, and a reduction of approximately \$1.49 during a summer month.

Commission Advocacy Staff believes that Xcel's revised interim increase complies with North Dakota Century Code section 49-05-06(2) governing an interim rate increase and should be approved for service rendered on or after April 1, 2021.

The Commission finds that Xcel's revised 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 to reduce interim rates from an annual revenue requirement increase of \$16,358,221 to an annual revenue requirement increase of \$13,327,779 is APPROVED.
2. The interim rate revenue reduction is effective for service rendered on or after April 1, 2021.

PUBLIC SERVICE COMMISSION

		
Randy Christmann Commissioner	Julie Fedorchak Chair	Brian Kroshus Commissioner