

MEMORANDUM

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To: Commissioners Kroshus, Fedorchak, and Christmann  
From: Patrick Fahn  
Date: December 03, 2020  
Subject: PU-20-452: NSP-Horace Franchise Fee

On November 20, 2020, Northern States Power Company filed a change to its tariff and rates to reflect a new natural gas franchise fee adopted by the City of Horace. The fee adopted on November 18, 2020, will be 2% of gross revenues from sales of natural gas within the City of Horace, effective March 1, 2021.

As in NSP's filing of the West Fargo's natural gas franchise fee in Case No. PU-19-362, I recommend the Commission approve the tariff and rates by Motion, without Notice of Opportunity for Hearing, for the following reasons: (1) the 2% fee is governmentally imposed, (2) NSP remits 100% of this fee to the City of Horace, (3) NSP's has changed its tariff to properly reflect the fee as defined in the Horace Franchise Agreement, and (4) the Commission has had the requisite 30 days' notice of the tariff change.

NSP indicates there will be a message in customer bills describing the City of Horace fee.