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February 1, 2023

—VIA ELECTRONIC FILING AND U.S. MAIL—

Steven M. Kahl, Executive Director
North Dakota Public Service Commission, Dept. 408
State Capitol, 600 E. Boulevard
Bismarck, ND 58504-0480

**RE: IMPLEMENTATION OF A COMPETITIVE RESPONSE RIDER TARIFF
Case No. PU-22-185**

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy, hereby submits to the North Dakota Public Service Commission a second revised Competitive Response Rider (CRR) for approval. The Company submitted its first proposed revisions to the CRR on September 9, 2022. We submit further revisions in response to additional discussion with Advocacy Staff. Specifically, the Company's second revised tariff proposal removes the following language:

In a future rate case, the test year revenues associated with any customer taking service under this rate will be included at the discounted rate level applicable during the test year.

The Company will address the appropriate rate case treatment associated with any discount under the CRR at the time we bring a specific proposal to the Commission for approval.

In addition, the second revision removes language related to the regulatory review of a proposed discounted rate under the CRR and changes the maximum term for a proposed electric service agreement under the CRR to five years consistent with the term used by other North Dakota utilities.

A redlined version of these changes and updated tariff sheets are included with these proposed revisions. We appreciate Staff's willingness to further engage with the Company on refining the tariff language.

Please feel free to contact me at (701) 241-8632 if the Commission requires additional information or has any questions.

Sincerely,

/s/

ALEX NISBET
REGULATORY POLICY SPECIALIST

Enclosures

Legislative

COMPETITIVE RESPONSE RIDER

Section No. 5
4th Revised Sheet No. 84

AVAILABILITY

The Competitive Response Rider (CRR) is available, at Company's discretion, to 1) any existing demand-metered commercial and industrial customer with a minimum load of 2 MW and the ability to obtain its energy requirements from an alternate electric supplier, or 2) any prospective demand-metered commercial and industrial customer with a projected minimum initial load of 10 MW and the ability to locate its facilities outside the Company's service territory. This Rider will require a written electric service agreement (ESA) between the Company and the customer

RATE

Standard service rates and provisions apply, including controllable service provisions, except that under this Rider demand charges and/or energy charges may be reduced for qualifying customers, as described below.

TERMS AND CONDITIONS OF SERVICE

1. The required minimum load served under the CRR is 2 MW for existing customers and 10 MW for prospective customers. Customer must provide Company with data and written assurances of their ability to meet certain load requirements described herein. Company will request the Commission to treat as trade secret any information provided to the Commission that meets the requirements for such protection.
2. Customer must execute an ESA, or amend its existing ESA, with the Company to include:
 - a. The size of the load served under this Rider.
 - b. The term of service under this Rider, which must be at least one year and no longer than ~~seven~~**five** years for existing customers and ~~ten years for~~ new customers, beginning on the date the customer begins taking service under this Rider. I
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 - c. The rate being provided under this Rider, which must recover at least the incremental cost of providing service during the term of the ESA, including any applicable on-peak or off-peak differential. The ESA must also include an annual minimum charge to fully recover distribution costs.
 - d. The effective date of the rate, which must be at least 60 days after the date upon which the Company files its petition for Commission approval of the ESA.
3. Any rate offered under this Rider shall not be available for any month in which the load served under this Rider falls below the required minimum load level.

The minimum rate under this schedule shall recover at least the incremental cost of providing the service, including any energy-related marginal costs plus the cost of any incremental capacity, and any marginal customer-related costs. The goal of this calculation is to establish a floor price to ensure that the revenue requirement of other Customers will not increase due to the addition of the new load. ~~In a future rate case, the test year revenues associated with any customer taking service under this rate will be included at the discounted rate level applicable during the test year.~~ D
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(Continued on Sheet No. 5-85)

Date Filed:	05-04-22	By: Christopher B. Clark	Effective Date:
		President, Northern States Power Company, a Minnesota corporation	
Case No.	PU-22-185		Order Date:

Northern States Power Company, a Minnesota corporation
Minneapolis, Minnesota 55401

NORTH DAKOTA ELECTRIC RATE BOOK – NDPSC NO. 2

COMPETITIVE RESPONSE RIDER (Continued)

Section No. 5
4th Revised Sheet No. 85

REGULATORY REVIEW

The Commission has the authority to approve, modify, or reject a rate under this Rider. If the Commission approves the rate, it is effective as agreed to by the Company and customer. If the rate is modified by the Commission, the Commission shall issue an order modifying the rate subject to the approval of the Company and the customer. Each party has ten days in which to reject the proposed modification. If no party rejects the proposed modifications, the Commission's order becomes final. ~~The Commission shall accept or reject the modified version within 30 days. If the Commission rejects the rate, it shall issue an order indicating the reasons for the rejection.~~

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Date Filed: 05-04-22

By: Christopher B. Clark

Effective Date:

President, Northern States Power Company, a Minnesota corporation

Case No. PU-22-185

Order Date:

Non-Legislative

COMPETITIVE RESPONSE RIDER

Section No. 5
4th Revised Sheet No. 84

AVAILABILITY

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RATE

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TERMS AND CONDITIONS OF SERVICE

1. The required minimum load served under the CRR is 2 MW for existing customers and 10 MW for prospective customers. Customer must provide Company with data and written assurances of their ability to meet certain load requirements described herein. Company will request the Commission to treat as trade secret any information provided to the Commission that meets the requirements for such protection.
2. Customer must execute an ESA, or amend its existing ESA, with the Company to include:
 - a. The size of the load served under this Rider.
 - b. The term of service under this Rider, which must be at least one year and no longer than five years for existing customers and new customers, beginning on the date the customer begins taking service under this Rider.
 - c. The rate being provided under this Rider, which must recover at least the incremental cost of providing service during the term of the ESA, including any applicable on-peak or off-peak differential. The ESA must also include an annual minimum charge to fully recover distribution costs.
 - d. The effective date of the rate, which must be at least 60 days after the date upon which the Company files its petition for Commission approval of the ESA.
3. Any rate offered under this Rider shall not be available for any month in which the load served under this Rider falls below the required minimum load level.

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The minimum rate under this schedule shall recover at least the incremental cost of providing the service, including any energy-related marginal costs plus the cost of any incremental capacity, and any marginal customer-related costs. The goal of this calculation is to establish a floor price to ensure that the revenue requirement of other Customers will not increase due to the addition of the new load.

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COMPETITIVE RESPONSE RIDER (Continued)

Section No. 5
4th Revised Sheet No. 85

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