

Memorandum

To: Commissioners Fedorchak, Christmann, and Haugen-Hoffart

From: Adam Renfandt, Analyst

Date: September 28, 2022

Re: Northern States Power Company, Franchise Fee - City of Fargo, Tariff and Rates, Case No. PU-22-360

On September 2, 2022, Northern States Power Company (NSP) filed an application for revisions to its Surcharge Rider tariff to incorporate the changes approved by the city of Fargo, North Dakota, providing for a franchise fee discount to large volume users of gas. The franchise fee for large volume users of gas would be reduced from 2% of a customer's total monthly bill for gas service to .75%. The franchise agreement defines a large volume gas user as one whose maximum daily requirement is 200 million cubic feet. Currently, no customers who qualify for such a rate.

Staff believes the proposed tariff changes are reasonable and prudent and recommends approval.