

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Northern States Power Company
Transmission Facility Cost Recovery (2023)
Rates**

Case No. PU-22-402

ORDER

January 25, 2023

Preliminary Statement

On November 3, 2022, Northern States Power Company (NSP) filed an application for approval of its 2023 Transmission Cost Recovery (TCR) Rider rate. The TCR Rider allows NSP to recover transmission capital and operating costs not presently reflected in base retail rates.

On November 30, 2022, the Commission issued a Notice of Opportunity for Hearing, which provided until January 11, 2023, for receiving written comments and hearing requests. No response was received. The notice identified the issues to be considered in this matter are:

1. Whether the investments and associated costs for the new or modified electric transmission facilities qualify for recovery,
2. Whether the incurred costs are reasonable and prudent, and
3. Whether the rate adjustments are consistent with the terms of NSP's tariff.

On December 22, 2022, NSP filed a revised 2023 TCR Rider rate after Staff review noted that one project needed to be removed from the revenue requirement.

On January 10, 2023, the Commission discussed this matter with NSP during an Informal Hearing.

Discussion

This annual update adds three new transmission projects that are not currently in TCR Rider rates or base rates totaling \$26,553 revenue requirement for 2023.

NSP proposes a 2023 TCR Rider revenue requirement totaling \$1,859,218, resulting in a 2023 TCR Rider rate of \$0.000873 per kWh for service rendered on or after February 1, 2023. This change results in a monthly billing increase for a residential customer using 750 kWh per month of approximately \$0.65 over the existing TCR Rider rate.

The investments and associated costs for the new and modified electric transmission facilities qualify for recovery through the TCR.

The incurred costs for new and modified electric transmission facilities are reasonable and prudent.

The proposed rate adjustment complies with the terms of NSP's tariff.

Having considered this matter, the Commission finds NSP's 2023 TCR Rider rate is reasonable and should be approved. Therefore, the Commission issues its:

Order

The Commission Orders Northern States Power Company's 2023 Transmission Facility Cost Recovery Rider rate filed on December 22, 2022, is APPROVED for service rendered on or after February 1, 2023.

PUBLIC SERVICE COMMISSION


Sheri Haugen-Hoffart
Commissioner


Randy Christmann
Chair


Julie Fedorchak
Commissioner