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January 3, 2023

—Via U.S. Mail and Electronic Filing—

Steven M. Kahl, Executive Director  
North Dakota Public Service Commission, Dept. 408  
State Capitol  
600 East Boulevard  
Bismarck, ND 58505-0480

**RE: FILING PURSUANT TO NDPSC SMALL POWER PRODUCTION AND  
COGENERATION RULES (CHAPTER 69-09-07)  
CASE NO. PU-23-\_\_\_**

Dear Mr. Kahl:

Pursuant to the above referenced Rules, NDPSC Order Case No. 9999, and NDCC Section 49.05.06, Northern States Power Company, doing business as Xcel Energy and operating in North Dakota, submits for filing the original and seven copies of the Small Power Production and Cogeneration rate sheets and avoided cost documentation for the Standard Contract Offer and Guidelines proposed for 2023. These updated rates reflect an increase in energy payments and a reduction in capacity payments from current rates.

The Net Energy Billing Service is revised to reflect the 2023 avoided energy cost level and meter charges. This service is available to qualifying facilities with a capacity of 100 kW or less, where the output from the qualifying facility can be used to offset energy delivered by the Company. The Purchase and Sales Billing Service and Time of Day Purchase Service are also revised to reflect the 2023 avoided cost level and metering charges. The Purchase and Sales Billing Service is also available to qualifying facilities with capacity of 100 kW or less.

The Company also submits the avoided costs for the Standard Contract Offer and Guidelines for filing. The provisions of the Standard Contract Offer and Guidelines have not changed from last year's filing.

Under separate cover, we are forwarding to Commission Staff the work papers which support this filing. The updated tariffs were developed in accordance with NDPSC Small Power Production and Cogeneration Rules (Chapter 69-09-07).

Currently, there are seven customers on the Net Energy Billing Service. Pursuant to North Dakota PSC Small Power Production and Cogeneration Rules (Chapter 69-09-07-09, part 3, subpart 2) the Company will provide an annual report of total monthly energy produced by these customers. As was the case with last year's filing, Xcel Energy respectfully requests that the Commission forego an informal hearing on this filing in the interests of time and resources unless Commission Staff has any concerns with the filed revisions.

The revised rate sheets and avoided cost level for Standard Contract Offer and Guidelines are filed to become effective March 1, 2023.

We also propose to include the following bill message when the new rates are implemented:

*Effective March 1, 2023, your bill reflects a change in the customer generation buyback rates.*

It is customary for Xcel Energy to note in this annual filing that previous statutory changes to the Public Utility Regulatory Policy Act of 1978 (PURPA) may affect future development of Qualifying Facilities in North Dakota by either encouraging or discouraging cogeneration and small power production. These changes are contained in:

- the Energy Policy Act of 2005 (EPAAct 2005<sup>1</sup>),
- the Federal Energy Regulatory Commission's adoption of a Small Generation Interconnection Procedure and standard form Small Generation Interconnection Agreement in FERC Order No. 2006;<sup>2</sup> and
- FERC Order No. 688 and 688-A governing the mandatory purchase obligation under EPAAct 2005.<sup>3</sup>

If you have any questions concerning this filing, please contact me at alex.j.nisbet@xcelenergy.com or John Chow at john.chow@xcelenergy.com.

Sincerely,

/s/

ALEX J. NISBET  
REGULATORY POLICY SPECIALIST

Enclosures

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<sup>1</sup> Pub. L. No. 109-58, Sec. 1253, 119 Stat. 594 (2005).

<sup>2</sup> *Standardization of Small Generation Interconnection Agreements and Procedures*, Order No. 2006, 70 Fed. Reg. 34,189 (June 13, 2005); 111 FERC ¶ 61,220 (2005); *order on reh.*, Order No. 2006-A, 116 FERC ¶ 61, 046 (2006).

<sup>3</sup> New PURPA Section 210(m) Regulations Applicable to Small Power Production and Cogeneration Facilities, Order No. 688, 71 FR 64342 (Nov. 1, 2006), FERC Stats. & Regs. ¶ 31,233 (2006)

**Legislative**

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

**NORTH DAKOTA ELECTRIC RATE BOOK - NDPSC NO. 2**

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**NET ENERGY BILLING SERVICE**  
**RATE CODE D50**

Section No. 9  
~~14th~~15th Revised Sheet No. 2

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**AVAILABILITY**

Available to any Small Qualifying Facility (SQF) with a capacity of 100 kW or less who receives non-time of day retail electric service from Company and offsets energy delivered by Company.

**RATE**

Metering Charge per Month	
Single Phase	\$3.25
Three Phase	\$5.50

Payment Schedule for Energy Delivered to Company	
Energy Payment per kWh	<del>3.0923</del> <u>3.734</u> ¢

C

**TERMS AND CONDITIONS OF SERVICE**

1. Energy used by customer in excess of energy delivered by the small qualifying facility at the same site during the same billing period shall be billed in accordance with the appropriate non-time of day retail electric rate.  
  
For demand metered General Service customers, the entire kW demand supplied by the Company at the same site during the same billing period shall be billed to the customer according to the appropriate General Service demand charge rate.
2. Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the small qualifying facility (SQF). The net interconnection charge is the responsibility of the SQF.
3. The voltage and phase of customer's generator must be consistent with existing service and approved by the Company.
4. The customer must maintain a power factor of the generator as close to unity as is consistent with NSP operating standards.

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Date Filed:	<del>01-03-22</del> <u>01-03-23</u>	By: Christopher B. Clark	Effective Date:	<del>03-01-22</del>
		President, Northern States Power Company, a Minnesota corporation		
Case No.	<del>PU-22-01623-</del>		Order Date:	<del>02-23-22</del>

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

**NORTH DAKOTA ELECTRIC RATE BOOK - NDPSO NO. 2**

**PURCHASE AND SALE BILLING SERVICE**  
**RATE CODE D51**

Section No. 9  
~~16th~~17th Revised Sheet No. 3

**AVAILABILITY**

Available to any Small Qualifying Facility of less than 100 kW who receives non-time of day retail electric service.

**RATE**

Metering Charge per Month

Single Phase	\$5.25
Three Phase	\$7.60

Payment Schedule for Energy Delivered to Company

	<u>Oct-May</u>	<u>Jun-Sep</u>	
Energy Payment per kWh	<u>3.8233-032¢</u>	<u>3.5553-213¢</u>	<u>C</u>
Capacity Payment per kWh for Firm Power	<u>0.1800-196¢</u>	<u>1.2834-398¢</u>	<u>C</u>

**DETERMINATION OF FIRM POWER**

The small qualifying facility will have supplied firm power if during the billing period an on peak capacity factor of at least 65 percent was achieved. The calculation of the on peak capacity factor will be as follows:

The average on peak period metered capacity delivered to the Company for the on peak period of the billing period divided by the greatest 15 minute metered capacity delivered for the on peak period of the same billing period expressed in percent and rounded to the nearest whole percent. If the percent calculated is 65 or greater, capacity payment will be made. If the percent calculated is less than 65, capacity payment will not be made.

**TERMS AND CONDITIONS OF SERVICE**

1. Electric service provided by Company to customer at the same site shall be billed in accordance with the appropriate non-time of day retail electric tariff.
2. Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the small qualifying facility (SQF). The net interconnection charge is the responsibility of the SQF.
3. The minimum contracted term of service is 12 months.

Date Filed: ~~01-03-22~~01-03-23

By: Christopher B. Clark

Effective Date: ~~03-01-22~~

President, Northern States Power Company, a Minnesota corporation

Case No. ~~PU-22-01623-~~

Order Date: ~~02-23-22~~

**NORTH DAKOTA ELECTRIC RATE BOOK - NDPSO NO. 2**

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**TIME OF DAY PURCHASE SERVICE**  
**RATE CODE D52**

Section No. 9  
~~16th~~17th Revised Sheet No. 4

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**AVAILABILITY**

Available to any Small Qualifying Facility (SQF).

**RATE**

Metering Charge per Month

Single Phase	\$5.25
Three Phase	\$7.60

Payment Schedule for Energy Delivered to Company

	<u>Oct-May</u>	<u>Jun-Sep</u>	
Energy Payment per On-Peak kWh	<del>3-8214.732</del> ¢	<del>4-4845.233</del> ¢	<u>C</u>
Energy Payment per Off-Peak kWh	<del>2-6133.343</del> ¢	<del>2-5252.671</del> ¢	<u>C</u>
Capacity Payment per On-Peak kWh for Firm Power	<del>0-5650.519</del> ¢	<del>4-0073.677</del> ¢	<u>C</u>

**DETERMINATION OF FIRM POWER**

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The average on-peak period metered capacity delivered to the Company for the on-peak period of the billing period divided by the greatest 15 minute metered capacity delivered for the on-peak period of the same billing period expressed in percent and rounded to the nearest whole percent. If the percent calculated is 65 or greater, capacity payment will be made. If the percent calculated is less than 65, capacity payment will not be made.

**TERMS AND CONDITIONS OF SERVICE**

1. Electric service provided by Company to customer at the same site shall be billed in accordance with the appropriate time of day retail electric tariff.
2. Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the small qualifying facility (SQF). The net interconnection charge is the responsibility of the SQF.
3. The minimum contract term of service is 12 months.

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**Non-Legislative**

**NET ENERGY BILLING SERVICE  
RATE CODE D50**

Section No. 9  
15th Revised Sheet No. 2

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**AVAILABILITY**

Available to any Small Qualifying Facility (SQF) with a capacity of 100 kW or less who receives non-time of day retail electric service from Company and offsets energy delivered by Company.

**RATE**

Metering Charge per Month

Single Phase	\$3.25
Three Phase	\$5.50

Payment Schedule for Energy Delivered to Company

Energy Payment per kWh	3.734¢
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**TERMS AND CONDITIONS OF SERVICE**

1. Energy used by customer in excess of energy delivered by the small qualifying facility at the same site during the same billing period shall be billed in accordance with the appropriate non-time of day retail electric rate.  
  
For demand metered General Service customers, the entire kW demand supplied by the Company at the same site during the same billing period shall be billed to the customer according to the appropriate General Service demand charge rate.
2. Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the small qualifying facility (SQF). The net interconnection charge is the responsibility of the SQF.
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Date Filed: 01-03-23

By: Christopher B. Clark

Effective Date:

Case No. PU-23-

President, Northern States Power Company, a Minnesota corporation

Order Date:

**NORTH DAKOTA ELECTRIC RATE BOOK - NDPSA NO. 2**

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**PURCHASE AND SALE BILLING SERVICE  
RATE CODE D51**

Section No. 9  
17th Revised Sheet No. 3

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**AVAILABILITY**

Available to any Small Qualifying Facility of less than 100 kW who receives non-time of day retail electric service.

**RATE**

Metering Charge per Month

Single Phase	\$5.25
Three Phase	\$7.60

Payment Schedule for Energy Delivered to Company

	<u>Oct-May</u>	<u>Jun-Sep</u>	
Energy Payment per kWh	3.823¢	3.555¢	C
Capacity Payment per kWh for Firm Power	0.180¢	1.283¢	C

**DETERMINATION OF FIRM POWER**

The small qualifying facility will have supplied firm power if during the billing period an on peak capacity factor of at least 65 percent was achieved. The calculation of the on peak capacity factor will be as follows:

The average on peak period metered capacity delivered to the Company for the on peak period of the billing period divided by the greatest 15 minute metered capacity delivered for the on peak period of the same billing period expressed in percent and rounded to the nearest whole percent. If the percent calculated is 65 or greater, capacity payment will be made. If the percent calculated is less than 65, capacity payment will not be made.

**TERMS AND CONDITIONS OF SERVICE**

1. Electric service provided by Company to customer at the same site shall be billed in accordance with the appropriate non-time of day retail electric tariff.
2. Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the small qualifying facility (SQF). The net interconnection charge is the responsibility of the SQF.
3. The minimum contracted term of service is 12 months.

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Date Filed: 01-03-23

By: Christopher B. Clark

Effective Date:

President, Northern States Power Company, a Minnesota corporation

Case No. PU-23-

Order Date:

**NORTH DAKOTA ELECTRIC RATE BOOK - NDPSO NO. 2**

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**TIME OF DAY PURCHASE SERVICE  
RATE CODE D52**

Section No. 9  
17th Revised Sheet No. 4

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**AVAILABILITY**

Available to any Small Qualifying Facility (SQF).

**RATE**

Metering Charge per Month

Single Phase	\$5.25
Three Phase	\$7.60

Payment Schedule for Energy Delivered to Company

	<u>Oct-May</u>	<u>Jun-Sep</u>	
Energy Payment per On-Peak kWh	4.732¢	5.233¢	C
Energy Payment per Off-Peak kWh	3.343¢	2.671¢	C
Capacity Payment per On-Peak kWh for Firm Power	0.519¢	3.677¢	C

**DETERMINATION OF FIRM POWER**

The small qualifying facility will have supplied firm power if during the billing period an on-peak capacity factor of at least 65 percent was achieved. The calculation of the on-peak capacity factor will be as follows:

The average on-peak period metered capacity delivered to the Company for the on-peak period of the billing period divided by the greatest 15 minute metered capacity delivered for the on-peak period of the same billing period expressed in percent and rounded to the nearest whole percent. If the percent calculated is 65 or greater, capacity payment will be made. If the percent calculated is less than 65, capacity payment will not be made.

**TERMS AND CONDITIONS OF SERVICE**

1. Electric service provided by Company to customer at the same site shall be billed in accordance with the appropriate time of day retail electric tariff.
2. Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the small qualifying facility (SQF). The net interconnection charge is the responsibility of the SQF.
3. The minimum contract term of service is 12 months.

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Date Filed: 01-03-23

By: Christopher B. Clark

Effective Date:

President, Northern States Power Company, a Minnesota corporation

Case No. PU-23-

Order Date:

Table 1

**Standard Contract Offer  
by  
Northern States Power Company**

**2023 Rate Sheet**

Years	\$/kW-mth	Years	\$/MWh
Contract Length	Levelized Capacity	Payment Period	Levelized Energy (1)
1	3.44		
2	3.47		
3	3.51		
4	3.54		
5	3.58		
6	3.61	1	29.79
7	3.65	2	28.95
8	3.69	3	28.20
9	3.73	4	27.51
10	3.76	5	26.86
11	3.80	6	26.25
12	3.84	7	25.68
13	3.88	8	25.13
14	3.92	9	24.61
15	3.96	10	24.10
16	4.00	11	23.62
17	4.05	12	23.15
18	4.09	13	22.70
19	4.13	14	22.27
20	4.17	15	21.84
21	4.22	16	21.43
22	4.26	17	21.04
23	4.31	18	20.65
24	4.36	19	20.28
25	4.40	20	19.92
26	4.45		
27	4.50		
28	4.55		
29	4.59		
30	4.64		
31	4.69		
32	4.75		
33	4.80		
34	4.85		
35	4.90		

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 29.79 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 21.84 \$/MWh for each year with the remaining 5 years for payback account corrections.

**Standard Contract Offer  
by  
Northern States Power Company**

**2024 Rate Sheet**

<b>Years</b>	<b>\$/kW-mth</b>	<b>Years</b>	<b>\$/MWh</b>
<b>Contract Length</b>	<b>Levelized Capacity</b>	<b>Payment Period</b>	<b>Levelized Energy (1)</b>
1	0.00		
2	0.00		
3	0.00		
4	0.00		
5	0.74		
6	1.25	1	25.54
7	1.63	2	25.52
8	1.92	3	25.38
9	2.15	4	25.16
10	2.35	5	24.89
11	2.51	6	24.58
12	2.66	7	24.25
13	2.79	8	23.90
14	2.91	9	23.55
15	3.02	10	23.19
16	3.12	11	22.83
17	3.21	12	22.46
18	3.30	13	22.10
19	3.38	14	21.75
20	3.46	15	21.40
21	3.54	16	21.05
22	3.62	17	20.71
23	3.69	18	20.37
24	3.76	19	20.04
25	3.83	20	19.71
26	3.90		
27	3.97		
28	4.04		
29	4.10		
30	4.17		
31	4.24		
32	4.30		
33	4.37		
34	4.43		
35	4.50		

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 25.54 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 21.40 \$/MWh for each year with the remaining 5 years for payback account corrections.

**Standard Contract Offer  
by  
Northern States Power Company**

**2025 Rate Sheet**

<b>Years</b>	<b>\$/kW-mth</b>	<b>Years</b>	<b>\$/MWh</b>
<b>Contract Length</b>	<b>Levelized Capacity</b>	<b>Payment Period</b>	<b>Levelized Energy (1)</b>
1	0.00		
2	0.00		
3	0.00		
4	0.00		
5	0.74		
6	1.25	1.00	20.70
7	1.63	2.00	21.61
8	1.92	3.00	22.15
9	2.15	4.00	22.46
10	2.35	5.00	22.60
11	2.51	6.00	22.62
12	2.66	7.00	22.57
13	2.79	8.00	22.45
14	2.91	9.00	22.28
15	3.02	10.00	22.08
16	3.12	11.00	21.86
17	3.21	12.00	21.62
18	3.30	13.00	21.36
19	3.39	14.00	21.10
20	3.47	15.00	20.83
21	3.55	16.00	20.55
22	3.62	17.00	20.27
23	3.69	18.00	19.99
24	3.77	19.00	19.71
25	3.84	20.00	19.43
26	3.91		
27	3.97		
28	4.04		
29	4.11		
30	4.17		
31	4.24		
32	4.30		
33	4.37		
34	4.44		
35	4.50		

(1) Minimum contract length required for levelized energy payments is 6 years. Maximum length is 20 years. Examples: A 6 year contract could receive one year of levelized energy rates at 20.70 \$/MWh with the remaining 5 years used for payback account corrections. A 20 year contract could receive 15 years of levelized payment at 20.83 \$/MWh for each year with the remaining 5 years for payback account corrections.