


Memorandum

To: Commissioners Christmann, Haugen-Hoffart, and Fedorchak
From: Adam Renfandt 
Date: May 28, 2024
Subject: Northern States Power Company, Customer Credit - DOE Settlement
2022, Application, Case No. PU-23-364

On December 20, 2023, Northern States Power Company (NSP) filed a request for partial reallocation of the 14th Department of Energy (DOE) settlement payment. NSP proposed to return the funds to customers using one of two options. The first option, NSP would return the funds to customers over a 12-month period using the Bill Credit Rider (BCR) as required by the Amended Order in Case No. PU-23-044. The second option, NSP would offset the ND portion of a new settlement agreement reached with the Prairie Island Indian Community (PIIC) for their proximity to the Prairie Island nuclear generating facility.

On February 22, 2024, the Commission held an Informal to discuss the matter with NSP. The Commission wanted more information about the settlement agreement and how it was reached. On April 20, 2024, a work session was held to discuss the matter where the Commission made clear its preference for NSP to make a supplement filing indicating that it would return the funds back to customers using the BCR and deal with the recovery of the new settlement agreement costs with PIIC from ND ratepayers in a separate mechanism. NSP has subsequently made that filing stating it intends to use the BCR method.

One of the ordering provisions in the Amended Order in Case No. PU-23-044 requires that NSP begin returning the DOE settlement proceeds back to ND customers no later than 120 days from the receipt of the funds from the DOE. For proceeds to go back to customers starting July 1, 2024, NSP requires a 104-day extension. Staff recommends approval of such an extension given the issues that were discussed in the proceeding.