

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
Renewable Resource Cost Recovery (2025)
Rates**

Case No. PU-24-341

ORDER

December 18, 2024

Preliminary Statement

On September 20, 2024, Northern States Power Company (NSP) filed a request for approval of its 2025 Renewable Energy Rider (RER). The purpose of this rider is to recover, from NSP North Dakota electric customers, costs of renewable energy generation not presently reflected in retail rates. In this filing, NSP would recover costs of four previously approved projects, and two new projects.

On October 22, 2024, the Commission issued a Notice of Opportunity for Hearing, which provided until December 6, 2024, for receiving written comments and hearing requests. No responses were received. The Notice provided that, if deemed appropriate, the Commission can determine the matter without a hearing.

The Notice identified the issues to be considered in this proceeding are:

1. Whether the investments and associated costs for the resources qualify for recovery,
2. Whether the incurred costs are reasonable and prudent, and,
3. Whether the rates are consistent with the terms of NSP's tariff.

Discussion

The 2025 RER rate would be applied to all energy billed to each customer effective January 1, 2025. The 2025 RER rate would recover the costs of four previously approved projects: Freeborn Wind, Dakota Range I & II, Nobles Wind Repower, and Grand Meadows Repower. The 2025 RER rate would also recover the costs of two additional projects: Border Winds Repower and Pleasant Valley Repower.

On December 12, 2024, NSP filed a supplement to the 2025 Renewable Energy Rider filing. The supplemental filing revised NSP's 2025 ND RER revenue requirement by removing costs exceeding the cap established for the Wind Repower Portfolio in the Settlement Agreement resolving Case Nos. PU-20-425 and PU-21-93. The following figures reflect the changes made in the supplemental filing.

Freeborn Wind is estimated at \$1,700,067, a decrease of \$150,629 from 2024. Dakota Range Wind is estimated at \$1,620,897, a decrease of \$125,394 from 2024. Nobles Wind Repower is estimated at \$814,180, a decrease of \$96,277 from 2024. Grand Meadows Repower is estimated at \$490,005, a decrease of \$98,664 from 2024. Borders Wind Repower costs are estimated at \$229,441 for 2025. Pleasant Valley Repower costs are estimated at \$165,722 for 2025.

NSP proposes a current year revenue requirement of \$3,915,383, which combined with the previous year's under-collection of \$446,320 results in a total 2025 RER of \$4,361,703. The 2025 RER rate is calculated to be \$0.002042 per kWh, resulting in a residential customer using 750kWh to experience a monthly bill decrease of \$0.02 per month. The monthly charge for a residential customer using 750 kWh per month would be \$1.53.

The Commission finds NSP's investments and associated costs for the resources qualify for recovery, the incurred costs are reasonable and prudent, and the rate adjustments are consistent with the terms of NSP's tariff.

Having considered this matter, the Commission finds NSP's proposed 2025 RER rate and tariff is reasonable and should be approved.

Order

The Commission orders NSP's 2025 Renewable Energy Rider Rates filed on December 12, 2024, are approved for service rendered on or after January 1, 2025.

PUBLIC SERVICE COMMISSION

		
Sheri Haugen-Hoffart Commissioner	Randy Christmann Chair	Julie Fedorchak Commissioner