

October 25, 2024

-Via Electronic and U.S Mail -

Steve Kahl, Interim Executive Director
North Dakota Public Service Commission
State Capitol Building, Dept 408
600 East Boulevard
Bismarck, ND 59505-0480

RE: IN THE MATTER OF VARIOUS REFUNDS VIA THE BILL CREDIT RIDER
CASE NO. PU-24-____

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy (Xcel Energy or the Company), submits to the North Dakota Public Service Commission this Application for approval to issue the North Dakota jurisdictional share of various refunds to our customers via the Bill Credit Rider (BCR).

The Company proposes to include the following items in the BCR over a 12 month-period beginning on January 1, 2025:

- Three separate land sales in Minnesota;
- 15th payment pursuant to a settlement with the United States Department of Energy (DOE) for 2023 damages due to the partial breach of its contract to take spent nuclear fuel; and
- Earnings-sharing due to revenue exceeding the 9.75 percent return on equity (ROE) set in the last electric rate case (PU-20-441).

An electronic copy of this filing is also being sent to you for your convenience. Please contact me at alex.j.nisbet@xcelenergy.com if you have any questions regarding this filing.

Please contact me if you have any questions regarding this filing.

Sincerely,

/s/

ALEX NISBET
REGULATORY POLICY SPECIALIST

Enclosures
CC: Victor Schock

1 PU-24-362 Filed 10/25/2024 Pages: 18
Various Refunds via the Bill Credit Rider (BCR)
Northern States Power Company
Alex Nisbet, Reg. Policy Specialist

STATE OF NORTH DAKOTA
BEFORE THE
NORTH DAKOTA PUBLIC SERVICE COMMISSION

IN THE MATTER OF VARIOUS REFUNDS
VIA THE BILL CREDIT RIDER

CASE NO. PU-24-____

APPLICATION

I. INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission this application for approval to issue the North Dakota jurisdictional share of various refunds to our customers via the Bill Credit Rider (BCR). The Company is proposing to issue the refunds through the BCR over a 12 month-period beginning on January 1, 2025.

This Application is comprised of the net impact of the following refunds:

- Three separate land sales in Minnesota;
- 15th payment pursuant to a settlement with the United States Department of Energy (DOE) for 2023 damages due to the partial breach of its contract to take spent nuclear fuel; and
- Earnings-sharing due to revenue exceeding the 9.75 percent return on equity (ROE) set in the last electric rate case (PU-20-441).

The company proposes to address the three separate matters in this one filing in an effort to conserve Commission and Company resources and to expedite the refund to our North Dakota customers. The total refund amount to be issued to North Dakota customers is \$15,497,834.

In support of this filing, Xcel Energy provides:

- Background information regarding the various refunds;
- A description of how the various refunds will be credited through the BCR; and
- Customer bill notice information.

Also provided with this Application are the following attachments:

- Attachment A: Land Sale Journal Entries
- Attachment B: DOE #15 Refund Details
- Attachment C: Red Wing, Becker & Sherco Land Sale Refund Details
- Attachment D: 2021 & 2022 Excess Earnings Refund
- Attachment E: Summary of Refunds and updated BCR factors

II. FILING INFORMATION

Pursuant to Section 69-02-02-04 of the North Dakota Administrative Code, the following information is provided:

A. Contact information for utility making the filing

Riley Conlin
Principal Attorney
Xcel Energy Services Inc.
414 Nicollet Mall – 401, 8th Floor
Minneapolis, MN 55401
riley.conlin@xcelenergy.com

Alex Nisbet
Regulatory Policy Specialist
Xcel Energy
2302 Great Northern Drive
PO Box 2747
Fargo, ND 58108-2747
(701) 929-0547
alex.j.nisbet@xcelenergy.com

We request that all communications regarding this proceeding, including data requests, also be directed to:

Christine Schwartz
Regulatory Administrator
Xcel Energy
414 Nicollet Mall – 401, 7th Floor
Minneapolis, MN 55401
regulatory.records@xcelenergy.com

B. Date of filing and proposed effective date

The date of this filing is October 25, 2024. The Company proposes updating the BCR factors to incorporate the land sale proceeds, DOE #15 settlement payment, and 2021 and 2022 earnings-sharing refunds on January 1, 2025.

C. Statutory Authority

We submit this application pursuant to N.D.C.C. Section 49-02-03 which establishes Commission authority to supervise rates.

D. Articles of Incorporation

Pursuant to Section 69-02-02-04 of the North Dakota Administrative Code, a certified copy of Xcel Energy's Articles of Incorporation is on file with the Commission, as is an original Certificate of Good Standing.

III. BACKGROUND

A. Land Sale Proceeds

This Application contains three separate land sales, the largest consisting of 348 acres of land that was previously maintained as buffer around the Sherburne County Generating Station (Sherco) in Becker, Minnesota. The Company undertook an analysis of the Sherco site and concluded that the land is no longer necessary as buffer (without any detrimental effects to our operations) and could therefore be sold.

The other two parcels were significantly smaller in size (10.94 and 6.80 acres) and were sold to the City of Red Wing and the City of Becker, respectively. The land sales to the City of Red Wing and the City of Becker are unrelated to the Sherco sale, but we have combined the three sales into this Application to expedite the process and conserve Commission and Company resources.

The total amount of the gain on land sale proceeds that we are proposing to refund to North Dakota customers through the BCR is \$405,248.

Sherco Land Sale

In 2023, 2026, and 2030, our three coal-fired generation stations – Sherco 2, Sherco 1, and Sherco 3, respectively – will be retired. 460 MW of solar will be installed at the site, with Sherco Solar I achieving commercial operation in the fourth quarter of 2024, and Sherco Solar II approximately a year later.

In preparation for this change, the Company assessed the Sherco site and concluded that the land we previously maintained as a buffer around the original Sherco facility site is no longer necessary and selling it would have no impact on our operations,

reliability, or safety. Therefore, in partnership with the City of Becker, the Company sought opportunities to market the land for industrial development projects. This process led to an agreement with Elk River Technologies to purchase the land for the development of a data center. The Company completed the sale of 348 acres of land at Sherco to Elk River Technologies on April 24, 2024, for the amount of \$7,905,021. The jurisdictional allocation portion of these proceeds for our North Dakota customers is \$391,472. We provide the final journal entries as Attachment A, Page 1 to this filing.

City of Becker Land Sale

Xcel Energy was approached regarding this parcel, near but not adjacent to the Sherco Generating Station, because City of Becker engineers identified it as the only suitable location to construct a new lift station. The parcel is not necessary as a buffer solution for any current, or future, Sherco Generating Station needs, and is physically separated from other Xcel Energy owned parcels by privately owned land.

The Company completed the sale of 6.80 acres of land to the City of Becker on June 2, 2023, for the amount of \$209,141. The jurisdictional allocation portion of these proceeds for our North Dakota customers is \$9,682. We provide the final journal entries as Attachment A, Page 2 to this filing.

City of Red Wing Land Sale

On December 15, 2022, Xcel Energy received a notice from the City of Red Wing that it was acquiring easements, and other property interests, in advance of a road improvement project consisting of an overpass in the vicinity of the Prairie Island Generating Facility. As part of conducting due diligence, Xcel Energy negotiated an Agreement with the City of Red Wing so that we may maintain uninterrupted access to the Prairie Island Generating Facility.

The Company completed the sale of 10.94 acres of land, and 0.56 acres of temporary easement, to the City of Red Wing on September 18, 2023, for the amount of \$167,172. The jurisdictional allocation portion of these proceeds for our North Dakota Customers is \$4,094. We provide the final journal entries as Attachment A, Page 3 to this filing.

B. DOE #15 Settlement Proceeds

In March of 2023, the Company and the U.S. Department of Energy agreed to extend the settlement an additional three years to allow for the recovery of damages (via the

15th, 16th, and 17th payments) through December 31, 2025. The first payment under this fourth extension (and 15th payment overall) has not been received, however we have been informed of the DOE #15 payment amount of \$10,617,252 which is expected this quarter. This payment is for the period of January 1, 2023, to December 31, 2023. Attachment B, page 1 shows the derivation of the North Dakota jurisdictional portion of \$538,348 along with the estimated credit by customer class. Attachment B, pages 2 and 3 provide details on the estimated monthly refund by class and forecasted monthly interest calculations, respectively.

In its Amended Order in Case No. PU-23-044 (approving the disbursement of the thirteenth DOE Settlement Payment), the Commission ordered at page 3:

4. *NSP shall refund future DOE settlement proceeds back to North Dakota customers using the Bill Credit Rider as soon as is practicable beginning no later than 120 days from the receipt of the funds from DOE.*
5. *NSP shall complete the refund over a period of 12 months.*
6. *Within 30 days of receipt of the settlement proceeds, NSP shall provide notification to the Commission detailing the amount and planned timing of the refund. A refund report must be filed with the Commission by NSP within 30 days from Completion of future refunds.*

The Company is proposing to issue the DOE #15 refund through the BCR over a 12 month-period beginning on January 1, 2025, through December 31, 2025. The payment is expected in the fourth quarter and a January 1, 2025, implementation of the new BCR factor meets the requirements of Order Point 4. The BCR factors will be effective through December 2025 in compliance with Order 5. Upon receipt of the payment, the Company will submit a compliance letter confirming receipt of DOE #15.

C. Over-earnings for the 2021 and 2022 electric annual reports

The Company's 2021 Report of Regulated Earnings for North Dakota electric resulted in a return on equity (ROE) of 11.34 percent. Per provisions of the Order on Settlement in Case No. PU-20-441, the Company is obligated to refund 100 percent of weather-normalized earnings in excess of a 9.75 percent ROE, which results in a refund obligation of \$7,107,218.

The Company's 2022 Report of Regulated Earnings for North Dakota electric resulted in a ROE of 11.28 percent, resulting in a refund obligation of \$7,434,207.

During review of the 2021 and 2022 Annual Reports, the Company and Commission Staff disagreed on revenues from excess capacity during 2022. As background, the Midcontinent Independent System Operator (MISO) conducts a Planning Resource Auction (PRA) where market participants buy and sell production capacity such that each load serving entity has sufficient capacity to cover their peak demand plus a reserve margin in each of the four seasons. For the purposes of the 2022 filing, the PRA revenue for the “disallowed resources” was removed consistent with the treatment of the associated expenses. “Disallowed resources” are those resources that have not been approved for cost recovery in North Dakota. The Company and Commission Staff were unable to reach agreement on how to assign these capacity revenues to North Dakota ratepayers and believe that this issue merits additional review.

In addition, Staff had concerns with how Covid related weather normalization adjustments were made in 2021 and 2022. As background, the Company implemented adjustments to our jurisdictional allocation methodology to account for the increased use of air conditioning in summer months by customers working from home during the Covid pandemic.

As over-earnings of \$14,541,425 (\$7,107,218 for 2021 and \$7,434,207 for 2022) is not contested by either party, the Company is seeking to refund that amount through this filing on an urgent basis and address the contested issues in the upcoming electric rate case. The Company will provide testimony in the rate case on these issues with the intent of adding context, so these matters are reviewed and resolved holistically.

IV. REQUEST TO REFUND THROUGH THE BCR

Xcel Energy requests Commission approval to issue a refund from the land sale proceeds, the DOE #15 settlement payment, and the 2021 and 2022 earnings-sharing refunds to customers via the BCR over 12 months starting January 1, 2025. The calculation of the refund credits by class are included in Attachment E. The refund factors would be added to the current BCR factors for DOE #14 and credited beginning January 1st through the BCR with a negative rate per kWh for each customer class. The credits would be calculated based on allocation of the \$15,497,834 to class divided by the forecast kWh sales per class during the refund period. The Company will true-up each of these refunds and carryover any balances to future refunds.

As described below, the Company first determines the North Dakota jurisdictional share of the refund using an approved jurisdictional allocator. The North Dakota

portion of the refund would then be allocated to each customer class using applicable class allocation factors. Under the BCR method, the customer class Bill Credit would then be divided by the forecasted kWh sales within each customer class during the selected future refund period to arrive at a Bill Credit factor per kWh for each customer class. These class Bill Credit factors are applied to actual customer usage each month for a 12-month period.

For example, forecasted sales by class for January 1, 2025, through December 31, 2025, would be used to calculate the BCR class factors per kWh for the refund payment. The class factors would be applied to actual usage on customer bills, showing a credit each month. At the end of that 12-month period, there will likely be an over- or under refund of the total amount, which would need to be trued-up.

For the DOE #15 payment and gain on land sale proceeds, consistent with the treatment of previous refunds of a similar nature, payment is first allocated between the NSP-Minnesota (NSPM) and NSP-Wisconsin (NSPW) operating Companies using the Interchange Agreement's 36-month Coincident Peak (36CP) demand allocator. Then, the NSPM company portion is further allocated to state jurisdictions (North Dakota, South Dakota, Minnesota) using actual 2023 12CP jurisdictional demand data.

The DOE #15 refund, to ensure the most appropriate apportionment of credits among customer classes, is allocated to customer class using the applicable energy and capacity nuclear plant stratification allocators from the Company's most recently approved Class Cost of Service Study (from Case No. PU-20-441).

The land sales proceeds are allocated to class, consistent with the treatment of previous asset sales refunds, based on the 2021 test year production plant-in-service rate base by class from the Company's most recently approved Class Cost of Service Study (Case No. PU-20-441).

For the 2021 and 2022 ND earnings per share refunds, consistent with the treatment of previous refunds of a similar nature, the allocation to customer class is based on the 2021 test year return allocation to class from the Company's most recently approved Class Cost of Service Study (Case No. PU-20-441).

As mentioned above, the Company will place the DOE #15 payment in a separate interest-bearing account to protect both customers and the Company and to ensure the funds are accurately accounted for pending the actual bill credits. As with previous refunds of a similar nature, the Company proposes that the bill credit amount include the actual amount of interest earned by the Company, minus any bank fees or charges

on these funds. The Company will calculate interest for the 12-month refund period and will do an interest true-up once the funds are paid. Interest will be calculated based on the actual interest rate in the account. The interest rate used for the DOE #15 payment forecast interest is 3.75 percent and provided in Attachment B, page 3.

V. CUSTOMER NOTICES

To ensure compliance with the customer information provisions of Section 69-09-02-02.1 of the North Dakota Administrative Code, the Company's North Dakota customers will see the following bill message on the first bills issued with the updated BCR rate factors:

The North Dakota Public Service Commission approved a customer credit for funds received due to the following: Land Sales, 2021 & 2022 Earnings-Sharing due to revenue exceeding the percentage set in the last electric rate case, and proceeds received as part of a settlement with the U.S. Department of Energy regarding nuclear fuel storage. Your credit will be shown as "Bill Credit Rider" for the next twelve months on your billing statement.

The Company commits to working collaboratively with Commission Staff if there are any suggested modifications to this customer notification.

VI. CONCLUSION

The Company respectfully requests the Commission approve the refund of the land sale proceeds, the DOE #15 settlement payment, and the 2021 and 2022 earnings-sharing refunds through the BCR effective January 1, 2025, through December 31, 2025.

Dated: October 25, 2024

Northern States Power Company

Northern States Power Company

NSPM-Sherco 1 land sale to Elk River Technologies

Activity	FERC Account	Account Description	Debit	Credit
Record Sale Proceeds	131	Cash or Equivalent-(Elk River Technologies)	\$ 7,905,021	
	108.30	Retirement Work in Progress - Salvage		\$ 7,905,021
Record Costs Associated with Sale	108.20	Retirement Work in Progress - Cost of Removal	\$ 29,208	
	131	Cash or Equivalent		\$ 29,208
Retire Assets Sold and Clear Retirement Work Order	108.30	Retirement Work in Progress - Salvage	\$ 7,905,021	
	421.1	Gain on Disposition of Property		\$ 7,720,580
	108.2	Retirement Work in Progress - Cost of Removal		\$ 29,208
	101	Electric Plant in Service-Land		\$ 155,233
Reclass North Dakota share of gain to Regulatory Liability	421.1	Gain on Disposition of Property	\$ 391,472	
	254	Other Regulatory Liability		\$ 391,472

\$ 16,230,724 \$ 16,230,724

\$ -

2023 Actual Allocators:

EDemandProd
36 mth Interchange Demand Allocator

	MN	ND	SD
	87.15%	6.05%	6.80%
	83.88%	83.88%	83.88%
	73.10%	5.07%	5.71%
	\$5,643,638	\$391,472	\$440,643

Northern States Power Company

NSPM-6.80 acres to the City of Becker

Activity	FERC Account	Account Description	Debit	Credit
Record Sale Proceeds	131	Cash or Equivalent-(City of Becker)	\$ 209,141	
	108.30	Retirement Work in Progress - Salvage		\$ 209,141
Record Costs Associated with Sale	108.20	Retirement Work in Progress - Cost of Removal-(City of Becker)	\$ 16,665	
	131	Cash or Equivalent		\$ 16,665
Retire Assets Sold and Clear Retirement Work Order	108.30	Retirement Work in Progress - Salvage	\$ 209,141	
	421.1	Gain on Disposition of Property		\$ 190,953
	108.2	Retirement Work in Progress - Cost of Removal-(City of Becker)		\$ 16,665
	101	Electric Plant in Service-Land-(City of Becker)		\$ 1,523
Reclass North Dakota share of gain to Regulatory Liability	421.1	Gain on Disposition of Property	\$ 9,682	
	254	Other Regulatory Liability		\$ 9,682

\$ 444,628 \$ 444,628

\$ -

2023 Actual Allocators:
 EDemandProd
 36 mth Interchange Demand Allocator

MN	ND	SD
87.15%	6.05%	6.80%
83.88%	83.88%	83.88%
73.10%	5.07%	5.71%
\$139,584	\$9,682	\$10,898

Northern States Power Company

NSPM-10.94 acres, and 0.56 acres of Temporary Easement, to the City of Red Wing, Minnesota

Activity	FERC Account	Account Description	Debit	Credit
1. Record Sale Proceeds	131	Cash or Equivalent	\$ 167,172	
	108.3	Retirement Work in Progress - Salvage		\$ 167,172
2. Record Costs Associated with Sale	108.2	Retirement Work in Progress - Cost of Removal	\$ 9,469	
	131	Cash or Equivalent		\$ 9,469
3. Retire Assets Sold and Clear Retirement Work Order	108.3	Retirement Work in Progress - Salvage	\$ 167,172	
	421.1	Gain on Disposition of Property		\$ 80,748
	108.2	Retirement work in progress-Cost of Removal		\$ 9,469
	101	Electric Plant in Service-Land		\$ 76,955
4. Reclass North Dakota share of gain to Regulatory Liability	421.1	Gain on Disposition of Property	\$4,094	
	254	Other Regulatory Liability		\$ 4,094
			\$ 347,907.44	\$ 347,907.44

2023 Actual Allocators:
 EDemandProd
 36 mth Interchange Demand Allocator

MN	ND	SD
87.15%	6.05%	6.80%
83.88%	83.88%	83.88%
73.10%	5.07%	5.71%
\$59,025	\$4,094	\$4,609

Northern States Power Company
 Electric Utility - State of North Dakota

DOE Settlement - 15th Payment
Customer Credits for North Dakota Jurisdiction

<u>Item</u>	<u>Total</u>	<u>NSPM</u>	<u>Retail</u>			<u>Minn Whisle</u>
			<u>Minn</u>	<u>N. Dakota</u>	<u>S. Dakota</u>	
2023 12 CP Allocator		100.0000%	87.1503%	6.0452%	6.8045%	0.0000%
Overall Allocator *	100.0000%	83.8765%	73.0986%	5.0705%	5.7074%	0.0000%

DOE 15th Credit	\$10,617,252	\$8,905,380	\$7,761,065	\$538,348	\$605,967	\$0
------------------------	---------------------	--------------------	--------------------	------------------	------------------	------------

* The NSPM/NSPW Co split uses a 36 CP allocator

ND DOE 15th Payment	\$538,348
Interest on DOE 15th Payment	\$12,813 Thru 12/31/25
Total DOE 15th Payment Credit	\$551,161

North Dakota (PU-20-441)						
Stratification Components	Weight **	Res	Sm Non Dm	C&I Demand	Lighting	Total
Capacity Component (D10C) ***	19.03%	33.64%	4.46%	61.58%	0.31%	100.00%
Energy Component (E8760) ***	80.97%	36.91%	4.93%	57.50%	0.66%	100.00%
Wtd Combination	100.00%	36.29%	4.84%	58.28%	0.59%	100.00%
[1] Credit by Customer Class		\$200,011	\$26,696	\$321,190	\$3,263	\$551,161
[2] Est MWh Sales Jan 2025-Dec 2025		776,035	98,013	1,241,741	16,054	2,131,843
[3] Est. Credit / kWh, [3] = [1] / [2] / 1000		\$0.000258	\$0.000272	\$0.000259	\$0.000203	\$0.000259
[4] Est Customer Count Jan 2025-Dec 2025		83,310	8,861	4,350	2,076	98,597
[5] Est. kWh / Cust. [5] = [2] x 1000 / [4]		9.315	11.061	285.480	7.732	21.622
[6] Est. Credit / Customer, [6] = [3] x [5]		\$2.40	\$3.01	\$73.84	\$1.57	\$5.59

** Nuclear Plant Stratification from Case No. PU-20-441

*** Class Allocation Factors from Case No. PU-20-441

Northern States Power Company
 Electric Utility - State of North Dakota

15th DOE Credit by Month

15th DOE Credit Factor/ kWh Including Estimated Interest	\$0.000258	\$0.000272	\$0.000259	\$0.000203
---	-------------------	-------------------	-------------------	-------------------

ND MWh Sales Forecast (Jan 2025- Dec 2025)

	Residential	Commercial Non Demand	C&I Demand	Lighting
Jan-25	92,659	10,876	107,420	1,813
Feb-25	76,095	9,510	93,126	1,554
Mar-25	71,857	10,134	108,497	1,615
Apr-25	53,380	7,319	89,445	1,294
May-25	51,289	7,447	98,066	1,169
Jun-25	55,175	7,179	105,729	990
Jul-25	64,508	7,694	115,750	942
Aug-25	63,068	7,410	113,280	942
Sep-25	47,352	6,478	101,908	1,203
Oct-25	52,723	6,424	103,434	1,259
Nov-25	64,290	7,476	100,238	1,755
Dec-25	83,639	10,067	104,846	1,520
TOTAL	776,035	98,013	1,241,741	16,054

Estimated DOE Refund by Class

	Residential	Commercial Non Demand	C&I Demand	Lighting	Total	
Jan-25	\$23,881	\$2,962	\$27,785	\$368	\$54,998	\$54,998
Feb-25	\$19,612	\$2,590	\$24,088	\$316	\$46,607	\$46,607
Mar-25	\$18,520	\$2,760	\$28,064	\$328	\$49,673	\$49,673
Apr-25	\$13,758	\$1,993	\$23,136	\$263	\$39,150	\$39,150
May-25	\$13,219	\$2,028	\$25,366	\$238	\$40,851	\$40,851
Jun-25	\$14,220	\$1,955	\$27,348	\$201	\$43,725	\$43,725
Jul-25	\$16,626	\$2,096	\$29,940	\$192	\$48,853	\$48,853
Aug-25	\$16,255	\$2,018	\$29,301	\$192	\$47,766	\$47,766
Sep-25	\$12,204	\$1,764	\$26,360	\$244	\$40,573	\$40,573
Oct-25	\$13,589	\$1,750	\$26,754	\$256	\$42,348	\$42,348
Nov-25	\$16,570	\$2,036	\$25,928	\$357	\$44,890	\$44,890
Dec-25	\$21,557	\$2,742	\$27,120	\$309	\$51,727	\$51,727
TOTAL	\$200,011	\$26,696	\$321,190	\$3,263	\$551,161	\$551,161

Northern States Power Company
 Electric Utility - State of North Dakota

ND Forecasted interest

<u>Revenue Month</u>	<u>Beginning Balance</u>	<u>Refund Principal</u>	<u>Monthly Interest</u>	<u>Ending Balance</u>	<u>Description of Change</u>	<u>Interest Rate</u>
Nov-24	\$0	\$538,348	\$1,684	\$540,032	Payment 11/1/24	
Dec-24	\$540,032		\$1,745	\$541,777	November, estimated	3.7500% Forecasted
Jan-25	\$541,777	(\$54,998)	\$1,745	\$488,524	December, estimated	3.7500% Forecasted
Feb-25	\$488,524	(\$46,607)	\$1,424	\$443,342	January, estimated	3.7500% Forecasted
Mar-25	\$443,342	(\$49,673)	\$1,435	\$395,104	February, estimated	3.7500% Forecasted
Apr-25	\$395,104	(\$39,150)	\$1,242	\$357,196	March, estimated	3.7500% Forecasted
May-25	\$357,196	(\$40,851)	\$1,164	\$317,509	April, estimated	3.7500% Forecasted
Jun-25	\$317,509	(\$43,725)	\$1,005	\$274,789	May, estimated	3.7500% Forecasted
Jul-25	\$274,789	(\$48,853)	\$903	\$226,839	June, estimated	3.7500% Forecasted
Aug-25	\$226,839	(\$47,766)	\$752	\$179,825	July, estimated	3.7500% Forecasted
Sep-25	\$179,825	(\$40,573)	\$585	\$139,838	August, estimated	3.7500% Forecasted
Oct-25	\$139,838	(\$42,348)	\$478	\$97,967	September, estimated	3.7500% Forecasted
Nov-25	\$97,967	(\$44,890)	\$335	\$53,412	October, estimated	3.7500% Forecasted
Dec-25	\$53,412	(\$51,727)	\$0	\$1,684	November, estimated	3.7500% Forecasted
Jan-26	\$1,684	\$0	\$0	\$1,684	December, estimated	3.7500% Forecasted
	<u>Interest Rate</u>		<u>Interest Total</u>			
	3.75%	(\$551,160.89)	\$12,813			

Northern States Power Company
Electric Utility - State of North Dakota**Sherco, Becker, RW Land Sales Refund
Customer Credits for North Dakota Jurisdiction**

Item	Total	NSPM	Retail			Minn Whlsle
			Minn	N. Dakota	S. Dakota	
2023 12 CP Allocator		100.0000%	87.1503%	6.0452%	6.8045%	0.0000%
Overall Allocator *	100.0000%	83.8765%	73.0986%	5.0705%	5.7074%	0.0000%

Sherco Diode Land Sale Credit	\$7,720,580	\$6,475,752	\$5,643,638	\$391,472	\$440,643	\$0
--------------------------------------	--------------------	--------------------	--------------------	------------------	------------------	------------

* The NSPM/NSPW Co split uses a 36 CP allocator

ND Sherco Land Sale Refund	\$391,472
ND Becker Land Sale Refund	\$9,682
<u>ND Red Wing Land Sale Refund</u>	<u>\$4,094</u>
Total ND Land Sale Credit	\$ 405,248

North Dakota (PU-20-441)						
Class Allocation		Res	Sm Non Dm	C&I Demand	Lighting	Total
2021 TY Production Plant (\$000)**		321,037	42,845	516,859	5,196	885,937
2021 TY Allocation Factor		36.24%	4.84%	58.34%	0.59%	100.00%
Gain on Land Sale Class %s		36.24%	4.84%	58.34%	0.59%	100.00%
[1] Credit by Customer Class		\$146,850	\$19,598	\$236,423	\$2,377	\$405,248
[2] Est MWh Sales Jan 2025-Dec2025		<u>776,035</u>	<u>98,013</u>	<u>1,241,741</u>	<u>16,054</u>	<u>2,131,843</u>
[3] Est. Credit / kWh, [3] = [1] / [2] / 1000		\$0.000189	\$0.000200	\$0.000190	\$0.000148	\$0.000190
[4] Est Customer Count Jan 2025-Dec 2025		83,310	8,861	4,350	2,076	98,597
[5] Est. kWh / Cust, [5] = [2] x 1000 / [4]		<u>9,315</u>	<u>11,061</u>	<u>285,480</u>	<u>7,732</u>	<u>21,622</u>
[6] Est. Credit / Customer, [6] = [3] x [5]		\$1.76	\$2.21	\$54.35	\$1.14	\$4.11

** Case No. PU-20-441; Michael Peppin Direct Testimony; Schedule 4; Page 1; Line 1

Northern States Power Company
Electric Utility - State of North Dakota

**North Dakota 2021 & 2022 Excess Earnings Refund
Refund Calculation**

1	2021 ND Excess Earnings Refund	\$7,107,218
2	2022 ND Excess Earnings Refund	<u>\$7,434,207</u>
3	Total Refund	\$14,541,425

<u>Customer Class</u>	<u>2021 Test Year Proposed Return Allocator (\$000)¹</u>	<u>2021 Test Year Proposed Return Allocation Factor</u>	<u>Total Refund Obligation by Class</u>	<u>Jan 2025-Dec 2025 Est. Average Customers</u>	<u>Estimated Average Refund per Customer</u>
4 Residential	\$20,811	41.84%	\$6,084,024	83,310	\$73.03
5 Commercial Non Demand	\$2,621	5.27%	\$766,224	8,861	\$86.47
6 C&I Demand	\$26,173	52.62%	\$7,651,419	4,350	\$1,759.09
7 <u>Lighting</u>	<u>\$136</u>	<u>0.27%</u>	<u>\$39,758</u>	<u>2,076</u>	<u>\$19.15</u>
8 Total	\$49,741	100.00%	\$14,541,425	98,597	

¹ Case No. PU-20-441; Michael Peppin Direct Testimony; Schedule 4; Page 1; Line 29B

Northern States Power Company
Electric Utility - State of North Dakota

ND Customer Refund Summary

	<u>Residential</u>	<u>Commercial Non Demand</u>	<u>C&I Demand</u>	<u>Lighting</u>	<u>Total</u>
[1] Earnings per Share Refund Obligation (Attachment A)	\$6,084,024	\$766,224	\$7,651,419	\$39,758	\$14,541,425
[2] Sherco, Becker, RW Land Sales (Attachment B)	\$146,850	\$19,598	\$236,423	\$2,377	\$405,248
[3] DOE 15th Payment Refund Obligation (Attachment C)	<u>\$200,011</u>	<u>\$26,696</u>	<u>\$321,190</u>	<u>\$3,263</u>	<u>\$551,161</u>
[4] Total Refund Target; [4] = [1] + [2] + {3}	\$6,430,885	\$812,518	\$8,209,033	\$45,398	\$15,497,834
[5] Est. MWh Sales Jan 2025 - Dec 2025	776,035	98,013	1,241,741	16,054	2,131,843
[6] Calculated Refund Factors, [6] = [4] / [5] / 1000	\$0.008287	\$0.008290	\$0.006611	\$0.002828	
[7] Est. Customer Count Jan 2025 - Dec 2025	83,310	8,861	4,350	2,076	98,597
[8] Est. kWh / Cust, [8] = [5] x 1000 / [7]	9,315	11,061	285,480	7,732	
[9] Est. Credit / Customer, [9] = [6] x [8]	\$77.19	\$91.69	\$1,887.28	\$21.87	

<u>Total BCR</u>	<u>Residential</u>	<u>Commercial Non Demand</u>	<u>C&I Demand</u>	<u>Lighting</u>
Current Credit Factors - DOE #14 *	0.000433	0.000449	0.000432	0.000339
New Credit Factors - Combined	<u>\$0.008287</u>	<u>\$0.008290</u>	<u>\$0.006611</u>	<u>\$0.002828</u>
BCR Factors effective Dec 1, 2024	\$0.008720	\$0.008739	\$0.007043	\$0.003167

*Docket No. PU-23-364