



2302 Great Northern Drive  
Fargo, ND 58102

October 31, 2024

—Via Electronic Mail and U.S. Mail—

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

RE: TARIFF REVISION TO CITY OF GRAND FORKS CITY FEE RIDER  
CASE NO. PU-24-\_\_\_\_

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission this request for approval of a miscellaneous tariff revision to reflect an electric franchise fee modification approved by the City of Grand Forks, North Dakota.

***Ordinances***  
**Grand Forks**

*Electric*

On October 7, 2024, the City of Grand Forks adopted an ordinance to eliminate the reduced electric franchise fee applicable to large volume customers whose electric usage during a monthly billing cycle met certain qualifying criteria, effective January 1, 2025. Franchise Agreement Amendment Ordinance No. 4894 is provided as Attachment A to this filing.

***Tariff Sheet***

Attachment B to this filing contains revised tariff sheets in both legislative and nonlegislative format. On the North Dakota City Fee Rider sheet, Footnote 2 for Grand Forks will be deleted.

**North Dakota Electric Rate Book – NDPSC No. 2**

Sheet No. 5-77, revision 9

***Customer Notification***

Since there are currently no large volume customers in Grand Forks who qualify for the reduced City Fee, there will be no bill messages.

Please contact me at [alex.j.nisbet@xcelenergy.com](mailto:alex.j.nisbet@xcelenergy.com) if you have any questions regarding this filing.

Sincerely,

/s/

ALEX NISBET  
REGULATORY POLICY SPECIALIST

Enclosures

cc: Todd Feland, City Administrator, City of Grand Forks

**ORDINANCE NO. 4894**

An Ordinance to amend the Electric Franchise Ordinance (Northern States Power Company, a Minnesota corporation ~~d/b/a Xeel Energy~~) created under Ordinance No. 4256, that was approved on December 1, 2008, and as amended by Ordinance No. 4783 that was approved on March 1, 2021 (said Ordinance No. 4256 and Ordinance No. 4783 shall be referred to herein as the "NSP Xeel Franchise Ordinance")

**BE IT ORDAINED** by the City Council of the City of Grand Forks, North Dakota, pursuant to its home rule charter, Grand Forks City Code and N.D.C.C. ch. 40-11 that:

**Section 1: Amending Clause to Amend Section 1 of the NSP Xeel Franchise Ordinance.**

Section 1 of the NSP Xeel Franchise Ordinance is amended and modified as follows (with changes in bold, and deletions stricken through and additions underlined):

**SECTION I. DEFINITIONS**

For purposes of this Ordinance, the following terms shall have the following meanings:

**City.** The City of Grand Forks, County of Grand Forks, State of North Dakota.

**City Utility System.** Facilities used for providing non-energy related public utility service owned or operated by City or agency thereof, including sanitary sewer, storm sewer, water service, and facilities for public service and safety. City Utility System shall exclude facilities for providing heating, lighting, except street lighting, or other forms of energy.

**Commission.** The North Dakota Public Service Commission, or any successor agency or agencies, including an agency of the federal government which preempts all or part of the authority to regulate electric retail rates now vested in the North Dakota Public Service Commission.

**Company.** Northern States Power Company, a Minnesota corporation, ~~d/b/a Xeel Energy~~ its successors and assigns.

**Electric Facilities.** Electric transmission and distribution towers, poles, lines, guys, anchors, conduits, fixtures, and necessary appurtenances owned or operated by Company for the purposes of providing electric energy for public use.

**Gross Revenue.** All sums, excluding any surcharge or similar addition to the Company's charges to customers for the purpose of reimbursing the Company for the cost resulting from the franchise fee, received by the Company from the sale of electricity to its retail customers within the corporate limits of the City,

provided, however, that there shall be expressly excluded from the computation of gross revenues all sums received by the Company for electric service sold for municipal street and highway lighting, municipal water pumping, municipal sewage pumping, municipal traffic signal, municipal fire siren services, and for services provided to the University of North Dakota.

**Notice.** A written notice provided by one party to the other party referencing one or more provisions of this Ordinance. Written notice to Company shall be mailed to the General Counsel, 414 Nicollet Mall, 5<sup>th</sup> Floor, Minneapolis, MN 55401. Written notice to the City shall be mailed to the City Administrator, City Hall, 255 4<sup>th</sup> St., P.O. Box 5200, Grand Forks, ND 58206. Either party may change its respective address for the purpose of this Ordinance by written notice to the other party.

**Public Ground.** Land owned by the City for park, open space or similar purpose, which is held for use in common by the public but does not include any public way.

**Public Way.** Any street, alley, walkway or other public right-of-way within the City.

~~Billing Cycle Kilowatts shall mean and be the quotient derived from the fraction, the numerator of which is Kilowatt hours of electricity supplied and sold by the Company to the customer in a Customer Billing Cycle and the denominator of which is Customer Hours of Electricity Usage in a Customer Billing Cycle, and shown by the following fraction:~~

~~Kilowatt hours of electricity supplied and sold by the  
Company to the customer in a Customer Billing Cycle~~

---

~~Customer Hours of Electricity Usage in a Customer Billing  
Cycle~~

~~By way of illustration and example only, if the Kilowatt hours of electricity supplied and sold by the Company to the customer in a Customer Billing Cycle was 18,000,000, and the Customer Hours of Electricity Usage in a Customer Billing Cycle was 720, then the Billing Cycle Kilowatts is 25,000 (18,000,000 / 720 = 25,000).~~

~~Billing Cycle Megawatts shall mean and be the quotient derived from the fraction, the numerator of which is the Billing Cycle Kilowatts and the denominator of which is 1,000, and shown by the following fraction:~~

~~Billing Cycle Kilowatts~~

---

1,000

~~By way of illustration and example only, if the Billing Cycle Kilowatts is 25,000, then the Billing Cycle Megawatts is 25 (25,000 / 1,000 = 25).~~

~~Customer Billing Cycle shall mean the period of time, not to exceed a calendar month, for a periodic billing by the Company to a customer for payment of the Company's supply and sale of electricity to said customer.~~

~~Customer Hours of Electricity Usage shall mean the actual number of hours during a Customer Billing Cycle that electricity is supplied and sold by the Company to the customer. Accordingly, periods of time during a Customer Billing Cycle in which a customer is not being supplied and sold electricity by the Company, including off-peak time periods, shall be excluded.~~

~~Large Volume Electricity User shall mean a Company's customer in which the Company supplies and sells to said customer more than 20 Billing Cycle Megawatts (MW) of electricity during a Customer Billing Cycle. The determination as to whether a customer is a Large Volume Electricity User and whether Large Volume Electricity User Franchise Fee applies shall be made each Customer Billing Cycle. By way of illustration and example only, if a customer is supplied and sold 21 Billing Cycle Megawatts by the Company during one Customer Billing Cycle the customer would be a Large Volume Electricity User and the Large Volume Electricity User Franchise Fee would apply for the Customer Billing Cycle in which 21 Billing Cycle Megawatts were supplied and sold to the customer. However, if a customer is supplied and sold 20 or less Billing Cycle Megawatts by the Company during another Customer Billing Cycle, said customer would not be a Large Volume Electricity User and the Large Volume Electricity User Franchise Fee would not apply for the Customer Billing Cycle in which 20 or less Billing Cycle Megawatts were supplied and sold to the customer. Notwithstanding anything to the contrary, the University of North Dakota and the City (for and electrical service provided and sold by the Company for municipal street and highway lighting, municipal water pumping, municipal sewage pumping, municipal traffic signal, and municipal fire siren services) shall, for all purposes and regardless of the amount of electricity supplied or sold to said parties by the Company, shall be excluded from being a Large Volume Electricity User.~~

~~Large Volume Electricity User Franchise Fee shall mean and be sum of the following:~~

- ~~(A) — The product of the Standard Franchise Fee Gross Revenue from the Large Volume Electricity User during the applicable Customer Billing Cycle multiplied by 2%~~

PLUS

~~(B) The product of the Reduced Franchise Fee Gross Revenue from the Large Volume Electricity User during the applicable Customer Billing Cycle multiplied by 0.75%.~~

~~By way of illustration and example only, if during an applicable Customer Billing Cycle the Standard Franchise Fee Gross Revenue from the Large Volume Electricity User was \$1,224,000.00 and the Reduced Franchise Fee Gross Revenue from the Large Volume Electricity User was \$306,000.00, then the Large Volume Electricity User Franchise Fee for such Customer Billing Cycle is \$26,775.00 calculated as follows:~~

~~(A) \$1,224,000.00 x 2% = \$24,480.00~~

~~PLUS~~

~~(B) \$306,000.00 x 0.75% = \$2,295.00~~

~~Large Volume Electricity User Franchise Fee = \$26,775.00~~

~~Reduced Franchise Fee Gross Revenue shall mean and be the product of Gross Revenue from the Large Volume Electricity User during the applicable Customer Billing Cycle multiplied by the Reduced Franchise Fee Percentage. By way of illustration and example only, if during an applicable Customer Billing Cycle the Gross Revenue from the Large Volume Electricity User was \$1,530,000.00 and the Reduced Franchise Fee Percentage was 20.00%, then the Reduced Franchise Fee Gross Revenue is \$306,000.00 (\$1,530,000.00 x 20.00% = \$306,000.00).~~

~~Reduced Franchise Fee Percentage shall mean and be the difference of 100.00% minus the Standard Franchise Fee Percentage. By way of illustration and example only, if the Standard Franchise Fee Percentage is 80.00%, then the Reduced Franchise Fee Percentage shall be 20.00% (100.00% minus 80.00% = 20.00%).~~

~~Standard Franchise Fee Gross Revenue shall mean and be the product of Gross Revenue from the Large Volume Electricity User during the applicable Customer Billing Cycle multiplied by the Standard Franchise Fee Percentage. By way of illustration and example only, if during an applicable Customer Billing Cycle the Gross Revenue from the Large Volume Electricity User was \$1,530,000.00 and the Standard Franchise Fee Percentage was 80.00%, then the Standard Franchise Fee Gross Revenue is \$1,224,000.00 (\$1,530,000.00 x 80.00% = \$1,224,000.00).~~

~~Standard Franchise Fee Percentage shall mean and be the quotient derived from the fraction and stated in a percentage rounded the nearest 100<sup>th</sup> of a percent, where the numerator is 20 Megawatts (MW) and the denominator is the Billing Cycle Megawatts, and shown by the following fraction:~~

20 MegawattsBilling Cycle Megawatts

~~By way of illustration and example only, if the Billing Cycle Megawatts is 25, then the Standard Franchise Fee Percentage is 80.00% ( $20 / 25 = 80.00\%$ ).~~

Section 2: Amending Clause to Amend Section 9 of the NSP Xcel Franchise Ordinance.

Section 9.1 of the NSP Xcel Franchise Ordinance is amended and modified as follows (with changes in bold, and deletions stricken through and additions underlined):

9.1. Fee Schedule. During the term of the franchise hereby granted, and in lieu of any permit or other fees being imposed on Company, excluding any sales or use taxes, the City hereby imposes on Company a franchise fee of two percent (2%) of the Company's Gross Revenues, as hereinafter defined. Company may collect such amounts from each customer at each and every customer location and to the extent the Company does collect such amount from customers, the amount collected of two (2%) percent shall be uniformly applied to all customers and applied based on the respective customer's billing. After September 15, 2013, September 15, 2018 and September 15, 2023, the City may give Company notice the City desires to renegotiate this fee. Upon Company's receipt of such notice, Company and City shall negotiate in good faith to amend this franchise agreement to provide for a revised fee acceptable to City and Company.

~~9.1.1. Franchise Fee. During the term of the franchise hereby granted, and in lieu of any permit or other fees being imposed on the Company, excluding any sales or use taxes, the City hereby imposes on Company a franchise fee as described herein.~~

~~9.1.2. General Franchise Fee. Except for the Large Volume Electricity User Franchise Fee described in Section 9.1.3 below, the franchise fee payable by the Company to the City shall be two percent (2%) of the Company's Gross Revenues.~~

~~9.1.3. Large Volume Electricity User Franchise Fee. In the event the Company has a Large Volume Electricity User during a Customer Billing Cycle, the Gross Revenue of the Large Volume Electricity User for such Customer Billing Cycle shall not be included in the Gross Revenue in the calculation of the franchise fee payable under Section 9.1.2 above, and for such Customer Billing Cycle, the franchise fee payable by the Company to the City for the Large Volume Electricity User shall be equal to the Large Volume Electricity User Franchise Fee. By way of illustration only, attached as Exhibit A are examples of a Large Volume Electricity User of 100, 75, 50, 25 and 20 Billing Cycle Megawatts, with an assumed power rate~~

~~of \$0.085 per Kilowatt hour and an assumed 720 Customer Hours of Electricity Usage.~~

~~9.1.4. Application of franchise fee to customer. To reimburse the Company for the costs of such franchise fee, the Company may collect and add to its billings to customers with the City a surcharge to each customer at each and every customer location representing applicable franchise fee resulting from the electricity supplied and sold by the Company to said customer. Notwithstanding anything to the contrary, the Company may only collect and add a surcharge for the Large Volume Electricity User Franchise Fee to the billings to the Large Volume Electricity User.~~

~~9.1.5. Modification. After September 15, 2023, the City may give Company notice the City desires to renegotiate the franchise fee. Upon Company's receipt of such notice, Company and City shall negotiate in good faith to amend this franchise agreement to provide for a revised fee acceptable to City and Company.~~

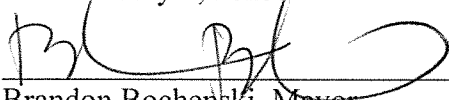
**Section 3: No Other Modification or Amendment of NSP Xeel Franchise Ordinance.**

All of the amendments and modifications described in Section 1 and Section 2 are and shall be incorporated into and made a part of the NSP Xeel Franchise Ordinance.

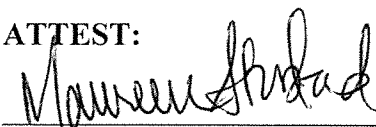
Except as specifically amended or modified by the provisions of Section 1 and Section 2 above, nothing herein is, nor shall it be deemed or construed to be, a modification, alteration, change, waiver or relinquishment of any of the terms, conditions, provisions, obligations or rights, nor expand nor diminish any term and/or condition, of the NSP Xeel Franchise Ordinance.

**Section 4: Effectivity**

This Ordinance shall be in full force and effect on January 1, 2025.

  
\_\_\_\_\_  
Brandon Bochenski, Mayor  
Dated: 10/07/2024

ATTEST:

  
\_\_\_\_\_  
Maureen Storstad, City Auditor  
Dated: 10/07/2024  
Introduction and first reading: 09/16/2024  
Public Hearing: 10/07/2024  
Second reading and final passage and approval: 10/07/2024  
Approved: 10/07/2024  
Published: 10/16/2024

# Legislative

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

**CITY FEE RIDER**

Section No. 5  
~~8th~~<sup>9th</sup> Revised Sheet No. 77

A City Fee as designated will be included in monthly bills computed under the indicated rate schedules effective in the North Dakota communities listed . Except for Cummings, ND the Company remits 100% of these fees collected from customers to the local government unit.

"X" indicates City Fee is applied

	Cummings <sup>1</sup>	Fargo <sup>2</sup>	Grand Forks <sup>3</sup>	Hatton	Larimore	West Fargo	IC
Rate Schedules.....	\$2.60	4%	2%	2%	2%	4%	C
Residential Service.....	X	X	X	X	X	X	
Residential Time of Day Service.....	X	X	X	X	X	X	
Energy-Controlled Service (Non-Demand Metered).....	-	X	X	X	X	X	
Limited Off-Peak Service.....	-	X	X	X	X	X	
Automatic Protective Lighting Service.....	-	X	X	X	X	X	
Small General Service.....	X	X	X	X	X	X	
Small General Time of Day Service.....	X	X	X	X	X	X	
General Service.....	-	X	X	X	X	X	
General Time of Day Service.....	-	X	X	X	X	X	
Peak-Controlled Service.....	-	X	X	X	X	X	
Peak-Controlled Time of Day Service.....	-	X	X	X	X	X	
Real Time Pricing Service.....	-	X	X	X	X	X	
Street Lighting System Service.....	-	X	-	-	-	X	
Street Lighting Service (Purchased Equipment).....	-	X	-	-	-	X	
Street Lighting Service (Purchased Equipment) (Closed).....	-	X	-	-	-	X	
Street Lighting Energy Service-Metered .....	-	X	-	-	-	X	
Small Municipal Pumping Service.....	-	X	-	-	-	X	
Municipal Pumping Service.....	-	X	-	-	-	X	
Fire and Civil Defense Siren Service.....	-	X	-	-	-	X	

<sup>1</sup>The Company collects a fixed monthly fee of \$2.60 per customer in Cummings to offset the community's street lighting bill.

<sup>2</sup> The City Fee is reduced for qualifying large volume customers as detailed in the city's Franchise Agreement.

<sup>3</sup> The City Fee is not applied to University of North Dakota bills.

## **Non-Legislative**

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

**CITY FEE RIDER**

Section No. 5  
 9th Revised Sheet No. 77

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	Cummings <sup>1</sup>	Fargo <sup>2</sup>	Grand Forks <sup>3</sup>	Hatton	Larimore	West Fargo	C
Rate Schedules.....	\$2.60	4%	2%	2%	2%	4%	
Residential Service.....	X	X	X	X	X	X	
Residential Time of Day Service.....	X	X	X	X	X	X	
Energy-Controlled Service (Non-Demand Metered).....	-	X	X	X	X	X	
Limited Off-Peak Service.....	-	X	X	X	X	X	
Automatic Protective Lighting Service.....	-	X	X	X	X	X	
Small General Service.....	X	X	X	X	X	X	
Small General Time of Day Service.....	X	X	X	X	X	X	
General Service.....	-	X	X	X	X	X	
General Time of Day Service.....	-	X	X	X	X	X	
Peak-Controlled Service.....	-	X	X	X	X	X	
Peak-Controlled Time of Day Service.....	-	X	X	X	X	X	
Real Time Pricing Service.....	-	X	X	X	X	X	
Street Lighting System Service.....	-	X	-	-	-	X	
Street Lighting Service (Purchased Equipment).....	-	X	-	-	-	X	
Street Lighting Service (Purchased Equipment) (Closed).....	-	X	-	-	-	X	
Street Lighting Energy Service-Metered .....	-	X	-	-	-	X	
Small Municipal Pumping Service.....	-	X	-	-	-	X	
Municipal Pumping Service.....	-	X	-	-	-	X	
Fire and Civil Defense Siren Service.....	-	X	-	-	-	X	

<sup>1</sup>The Company collects a fixed monthly fee of \$2.60 per customer in Cummings to offset the community's street lighting bill.

<sup>2</sup> The City Fee is reduced for qualifying large volume customers as detailed in the city's Franchise Agreement.

<sup>3</sup> The City Fee is not applied to University of North Dakota bills.

Date Filed: 10-31-24

By: Ryan J. Long

Effective Date:

President, Northern States Power Company, a Minnesota corporation

Case No. PU-24-

Order Date: