

Memorandum

To: Commissioners Christmann, Haugen-Hoffart and Fedorchak

From: Victor Schock, Director of Public Utilities *VS*

Date: December 6, 2024

Re: Northern States Power Company, 2025 Electric Rate Increase, Application, Case No. PU-24-376

On December 2, 2024, Northern States Power Company (NSP) filed an application to increase its Electric rates in North Dakota.

The primary drivers of the increase request as laid out by NSP are: Capital investments in electric generation, transmission and distribution systems, increased operation and maintenance expenses, and increased depreciation.

The chart below provides a summary of the interim and full rate increase requests.

NSP 2025 Electric Rate Increase	
Date Filed	12/2/2024
Test Year	2025
Retail Electric Customers	97,000
Requested ROE	10.30%
Currently Authorized ROE	9.5%
Last Electric Case	PU-20-441
Last Electric Increase authorized	3.4%
Interim Rates Effective Date	2/1/2025
Commission's Deadline for final rates (49-05-06 (1))	7/2/2025

Breakdown	Interim	Full Request
2025 Base Rate Revenue at current rates	\$169,225,680	\$169,225,680
2025 Fuel Revenue	\$53,494,011	\$53,494,011
2025 Rider revenues to be included in final rates	\$7,655,128	\$7,655,128
Total 2025 Retail Revenue at current rates	\$230,374,819	\$230,374,819
Requested Increase	\$27,371,168	\$44,556,037
2025 Retail Revenue at requested rates	\$257,745,987	\$274,930,856
% Increase	11.88%	19.34%
Interim Rate Surcharge	16.17%	
Monthly bill impact to Residential	\$11.36	\$22.34