
TRANSMISSION COST RECOVERY RIDER

Section No. 5
9th Revised Sheet No. 71
Cancelling 8th Revised Sheet No. 71

APPLICATION

Applicable to bills for electric service provided under the Company's retail rate schedules.

RIDER

There shall be included on each customer's monthly bill a Transmission Cost Recovery (TCR) adjustment, which shall be the TCR Adjustment Factor multiplied by the customer's monthly billing kWh for electric service. This TCR Adjustment shall be calculated before city surcharge and sales tax.

DETERMINATION OF TCR ADJUSTMENT FACTOR

The TCR Adjustment Factor shall be calculated by dividing the forecasted balance of the TCR Tracker Account by the forecasted retail sales for the calendar year. The TCR Adjustment Factor shall be rounded to the nearest \$0.000001 per kWh.

The TCR Adjustment Factor may be adjusted annually with approval of the South Dakota Public Utilities Commission (Commission). The TCR Adjustment Factor shall apply to bills rendered on and after January 1st of the year. The TCR factor for all rate schedules is:

All Classes	\$0.003037 per kWh	R
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Recoverable Transmission Costs shall be the annual revenue requirements associated with transmission projects eligible for recovery under SDCL 49-34A-25.1 that are determined by the Commission to be eligible for recovery under this Transmission Cost Recovery Rider. A standard model will be used to calculate the total forecasted revenue requirements for eligible projects for the designated period. All costs appropriately charged to the Transmission Tracker Account shall be eligible for recovery through this Rider, and all revenues recovered from the TCR Adjustment shall be credited to the Transmission Tracker Account.

Forecasted retail sales shall be the estimated total retail electric sales for the designated recovery period.

TRUE-UP

For each 12-month period ending December 31, a true-up adjustment to the Tracker Account will be calculated reflecting the difference between the TCR Adjustment recoveries and the actual revenue requirements for such period. The true-up adjustment shall be calculated and recorded by no later than May 1 of the following calendar year and will be included in calculating the TCR Adjustment Factor effective with the start of the next designated recovery period.

For example, the Year 1 actual revenue requirements versus TCR Adjustment recoveries would be determined by May 1 of Year 2, at which time the Company would record an adjustment to the Tracker Account. The difference between the Year 1 actual revenue requirements and Year 1 TCR Adjustment recoveries would be included in the calculation of the TCR Adjustment factor filed by September 1 of Year 2 to be effective January 1 of Year 3.

Date Filed:	08-31-18	By: Christopher B. Clark	Effective Date:	01-01-19
		President, Northern States Power Company, a Minnesota corporation		
Docket No.	EL18-036		Order Date:	12-17-18

Infrastructure Rider Rate Increase

Effective January 1, 2019

The Infrastructure Rider Adjustment, which recovers the costs and expenses of capital projects, is increasing from \$0.005181 per kWh to \$0.006853 per kWh. The South Dakota Public Utilities Commission has approved the Infrastructure Rider Adjustment as a separate line item on your monthly electric bill beginning January 1, 2019.

Residential Electric Service — Winter Month Bill Example

This chart compares customer bills with the 2018 Infrastructure Rider rate versus bills with the new Infrastructure Rider (I-Rider) rate. The table below shows the Infrastructure Rider increase only and does not factor in any other rate changes that may occur at the same time.

Usage (kWh)	Prior Rates				New Rates				Change in Bill	Percent Change
	Other Rates	Prior I-Rider Factor	Prior I-Rider	Prior Bill	Other Rates	New I-Rider Factor	New I-Rider	New Bill		
400	\$51.66	\$0.005181	\$2.07	\$53.73	\$51.66	\$0.006853	\$2.74	\$54.40	\$0.67	1.25%
500	\$62.52	\$0.005181	\$2.59	\$65.11	\$62.52	\$0.006853	\$3.43	\$65.95	\$0.84	1.29%
600	\$73.37	\$0.005181	\$3.11	\$76.48	\$73.37	\$0.006853	\$4.11	\$77.48	\$1.00	1.31%
750	\$89.65	\$0.005181	\$3.89	\$93.54	\$89.65	\$0.006853	\$5.14	\$94.79	\$1.25	1.34%
1000	\$116.78	\$0.005181	\$5.18	\$121.96	\$116.78	\$0.006853	\$6.85	\$123.63	\$1.67	1.37%
2000	\$225.32	\$0.005181	\$10.36	\$235.68	\$225.32	\$0.006853	\$13.71	\$239.03	\$3.35	1.42%

Transmission Cost Recovery Rider Rate Decrease

Effective January 1, 2019

Xcel Energy has upgraded transmission facilities to help ensure continued safe and reliable service to our South Dakota customers. The South Dakota Public Utilities Commission has approved a Transmission Cost Recovery (TCR) Rider as a separate line item on your monthly electric bill to recover the cost of new and modified transmission facilities. The rate factor will decrease from \$0.003131 per kWh to \$0.003037 per kWh beginning January 1, 2019.

Residential Electric Service — Winter Month Bill Example

This chart compares customer bills with the 2018 TCR rate versus bills with the new TCR rate. The table below shows the TCR decrease only and does not factor in any other rate changes that may occur at the same time.

Usage (kWh)	Prior Rates				New Rates				Change in Bill	Percent Change
	Other Rates	Prior TCR Factor	Prior TCR	Prior Bill	Other Rates	New TCR Factor	New TCR	New Bill		
400	\$51.85	\$0.003131	\$1.25	\$53.10	\$51.85	\$0.003037	\$1.21	\$53.06	-\$0.04	-0.08%
500	\$62.76	\$0.003131	\$1.57	\$64.33	\$62.76	\$0.003037	\$1.52	\$64.28	-\$0.05	-0.08%
600	\$73.66	\$0.003131	\$1.88	\$75.54	\$73.66	\$0.003037	\$1.82	\$75.48	-\$0.06	-0.08%
750	\$90.01	\$0.003131	\$2.35	\$92.36	\$90.01	\$0.003037	\$2.28	\$92.29	-\$0.07	-0.08%
1000	\$117.26	\$0.003131	\$3.13	\$120.39	\$117.26	\$0.003037	\$3.04	\$120.30	-\$0.09	-0.07%
2000	\$226.27	\$0.003131	\$6.26	\$232.53	\$226.27	\$0.003037	\$6.07	\$232.34	-\$0.19	-0.08%

For more information:

You may call **800.895.4999** with questions or examine the new rates by visiting our website at www.xcelenergy.com/SDRates.

