

SOUTH DAKOTA ELECTRIC RATE BOOK - SDPUC NO. 2

INFRASTRUCTURE RIDER

Section No. 5
7th Revised Sheet No. 74
Cancelling 6th Revised Sheet No. 74

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 an Infrastructure Rider adjustment charge, which shall be the Infrastructure Rider Adjustment Factor multiplied by the customer's monthly billing kWh for electric service. This Infrastructure Rider adjustment charge shall be calculated before any city surcharge or city and state sales tax.

DETERMINATION OF INFRASTRUCTURE RIDER ADJUSTMENT FACTOR

The Infrastructure Rider Adjustment Factor shall be calculated by dividing the forecasted balance of the Infrastructure Rider Tracker Account by the forecasted retail sales for the upcoming recovery period. The Infrastructure Rider Adjustment Factor shall be rounded to the nearest \$0.000001 per kWh.

The Infrastructure Rider Adjustment Factor may be adjusted annually subject to a compliance filing with the South Dakota Public Utilities Commission (Commission). Revisions to the Infrastructure Rider Adjustment Factor shall apply to bills rendered on and after January 1. The Infrastructure Rider Adjustment Factor for all rate schedules is:

All Customers	\$0.006853 per kWh
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A standard model will be used to calculate the total forecasted revenue requirements for each eligible project for the designated period, including a carrying charge, and these revenue requirements will be charged to the Infrastructure Rider Tracker Account. All costs appropriately charged to the Infrastructure Rider Tracker Account shall be eligible for recovery through this Infrastructure Rider. All revenues recovered from Infrastructure Rider Adjustment Factors shall be credited to the Infrastructure Rider Tracker Account.

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

PROJECTS ELIGIBLE FOR INCLUSION IN INFRASTRUCTURE RIDER

Projects eligible for recovery in the Infrastructure Rider effective on or after July 1, 2015 include 2015 capital projects specified in the settlement agreement in Docket No. EL14-058. For an Infrastructure Rider adjustment factor effective January 1, 2016, projects eligible for recovery include those projects as specified in the settlement agreement in Docket No. EL14-058 and capital investments consistent with SDCL § 49-34A-73 and that are not yet included in base rates or recovered through other mechanisms, subject to Commission approval.

(Continued on Sheet No. 5-75)

Date Filed:	10-01-18	By: Christopher B. Clark	Effective Date:	01-01-19
		President, Northern States Power Company, a Minnesota corporation		
Docket No.	EL18-040		Order Date:	12-18-18

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.

