

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE PETITION OF)
NORTHERN STATES POWER COMPANY)
DBA XCEL ENERGY FOR APPROVAL OF)
ITS 2017 TRANSMISSION COST)
RECOVERY ELIGIBILITY AND RATE)
ADJUSTMENT)**

**ORDER APPROVING 2017
TRANSMISSION COST
RECOVERY ELIGIBILITY AND
RATE ADJUSTMENT**

EL16-031

On September 1, 2016, the South Dakota Public Utilities Commission (Commission) received a petition from Northern States Power Company dba Xcel Energy (Xcel) for approval of its 2017 Transmission Cost Recovery (TCR) Rider, TCR rate factor, and tracker account report. For 2017, Xcel proposes recovery of the South Dakota jurisdictional portion of the revenue requirements related to 16 transmission projects located throughout its service territory. Xcel does not propose to include any new projects for 2017. Xcel proposes to recover \$8.01 million associated with these projects for the 2017 calendar year. Included in the \$8.01 million figure is the 2016 under-collection balance of \$851,543. The total of the transmission investment costs and the tracker balance results in an average bill impact of \$2.85 per month for a typical residential electric customer using 750 kWh per month. This is an increase of \$0.83 per month from the current TCR Rider recovery. Xcel proposes to implement a rate of \$0.003797 per kWh applied to all energy billed to each customer class beginning January 1, 2017, through December 31, 2017. This represents an increase of \$0.001109 from the existing rate of \$0.002688 per kWh. On November 29, 2016, the Commission received Revised Attachments 3- Capital Expenditure Forecast through 2019, 4 – Annual Tracker Summary, 5 – 2015 Tracker, 6 – 2016 Tracker, 7 – 2017 Tracker, 8 – 2018 Tracker, 9 – 2017 TCR Rate Calculation, 11 – Key Inputs, 12 – 2017 Revenue Requirement by Project by Month, 14, Proposed Tariff Page, and 15- Proposed Customer Bill Notice.

On September 8, 2016, the Commission electronically transmitted notice of the filing and the intervention deadline of September 23, 2016, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were received. The revised tariff sheet effective for service rendered on and after January 1, 2017, is as follows:

South Dakota Electric Rate Book – SDPUC No. 2

Section No. 5

7th Revised Sheet No. 71

Cancelling 6th Revised Sheet No. 71

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, particularly 49-34A-6, 49-34A-8, 49-34A-10, 49-34A-12, and 49-34A-25.1 through 49-34A-25.4.

At its regularly scheduled meeting on December 6, 2016, the Commission considered this matter. The Commission's staff recommended approval of the revised TCR rate factor of \$0.003627 and revised tariff sheet with an effective date of January 1, 2017. The Commission voted unanimously to approve the revised TCR rate factor of \$0.003627 and revised tariff sheet with an effective date of January 1, 2017. It is therefore

ORDERED, that the TCR rate factor of \$0.003627 and revised tariff sheet set forth above are approved effective January 1, 2017.

Dated at Pierre, South Dakota, this 12th day of December, 2016.

<p style="text-align: center;">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.</p> <p>By: <u>Karen E. Cremer</u></p> <p>Date: <u>12/12/2016</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairman

Kristie Feigen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner