

PUBLIC UTILITIES COMMISSION
STATE OF SOUTH DAKOTA

Chris Nelson
Kristie Fiegen
Gary Hanson

Chairman
Vice Chairperson
Commissioner

IN THE MATTER OF THE APPLICATION)
OF NORTHERN STATES POWER)
COMPANY FOR AUTHORITY TO)
INCREASE RATES FOR ELECTRIC)
SERVICE IN THE STATE OF SOUTH)
DAKOTA)

DOCKET NO. EL22-_____

NOTICE OF CHANGE IN RATES

NOTICE

Northern States Power Company, a Minnesota corporation (the “Company”), doing business as Xcel Energy, hereby gives notice to the South Dakota Public Utilities Commission, pursuant to Administrative Rule of South Dakota (ARSD) § 20:10:13:15 and South Dakota Codified Law (SDCL) § 49-34A-12, of the Company’s Application for a change in retail electric rates to be effective on and after January 1, 2023. Xcel Energy submits to the Commission the revised rate schedules, supporting testimony and exhibits, and required statements that support the requested changes.

The effect of the proposed change in rates is a net annual incremental increase in revenues from our customers of \$44.1 million, or about 17.9 percent. In addition, the Company currently recovers the costs of certain capital projects through the Infrastructure Rider and the Transmission Cost Recovery (TCR) Rider, which will be recovered through an increase in base rates. The requested increase reflects an additional \$85.8 million through base rates, offset by the elimination of \$41.7 million in Infrastructure and TCR Rider charges. The result is that the revenue provided by those riders will cease and will be replaced by an equal increase in base rates of \$41.7 million, for a total increase in electric base rates (i.e. non-fuel) of \$85.8 million, effective for electric service on and after January 1, 2023. Increases to individual customers within a class will vary depending on particular usage patterns.

The Company is submitting prepared direct testimony and schedules by the following witnesses on the following topics:

- **Mr. Allen D. Krug** – Policy
- **Mr. Benjamin C. Halama** – Overall Revenue Requirements, Rate Base and Income Statement
- **Mr. Dylan W. D’Ascendis** – Rate of Return / Return on Equity

- **Ms. Laurie J. Wold** – Capital Investments, Depreciation, and Nuclear Decommissioning
- **Mr. Marty D. Mensen** – Distribution
- **Ms. Farah L. Mandich** – Resource Planning
- **Mr. Christopher J. Barthol** – Class Cost of Service Study
- **Mr. Nicholas N. Paluck** – Rate Design

RULE COMPLIANCE

A. Report of Tariff Changes

As part of this Notice, Xcel Energy files our revised rate sheets in both legislative and non-legislative format in Volume 2, as Exhibit____(NNP), Schedule 10. The description of the rate and tariff changes and supporting information required by ARSD § 20:10:13:26, are included in Volume 2 in Mr. Paluck’s Direct Testimony and Exhibit____(NNP), Schedules 8, 9, and 10.

B. Attestation of Authorized Accounting Representative

The Attestation of the Authorized Accounting Representative required by ARSD § 20:10:13:50 is attached to this Notice.

C. Revenue Estimates, Cost of Service Study, and Statement of System Costs

The Revenue Estimates as required by ARSD §20:10:13:41 are contained in Statement I. The class cost of service study required by ARSD §20:10:13:43 is found in Statement O. The statement of system costs required by ARSD §20:10:13:44 is primarily found in Statement N. These and other Required Statements are included in Volume 1 of the Application.

D. Proposed Effective Date

Notice to the Commission of a proposed change in rates must be provided “at least 30 days prior to the proposed effective date” under ARSD § 20:10:13:15. SDCL § 49-34A-12 similarly requires “thirty days’ notice to the Commission” and also provides that the notice include “the time when the modified rates will go into effect.” The effect of these provisions is to allow a utility to propose an effective date of the modified rates 30 days or more after notice to the Commission. Xcel Energy proposes that the effective date of the proposed increase in base rates in this proceeding to be on and after January 1, 2023, therefore this Notice complies with the requirements of ARSD § 20:10:13:15 and SDCL 49-34A-12.

E. Notice to Customers

In compliance with ARSD §§ 20:10:13:17 through 19 and SDCL § 49-34A-12, the Company will notify the public and customers of the proposed increase in electric service rates by posting in a prominent location the Public Rate Increase Notice attached to this Notice at its local customer service center in Sioux Falls for at least thirty (30) days prior to the rates taking effect. The notice will state that the proposed rates are available in that office for inspection. The Company will also issue a press release and post the Application, Testimony, and supporting documentation on our website. Additionally, notice to customers will be sent within 60 days of this filing.

Xcel Energy does not waive any right it may have to update and amend this Notice or the statements of fact, expert opinions, substantiating documents and exhibits in support hereof, and to produce other or additional statements of fact, expert opinions, substantiating documents, and exhibits to meet all claims, objections and allegations that may be made by any party to this proceeding.

Dated: June 30, 2022

Northern States Power Company

RESPECTFULLY SUBMITTED,

Handwritten signature of Amy A. Liberowski in cursive script.

AMY LIBERKOWSKI

REGIONAL VICE PRESIDENT, REGULATORY AND PRICING