

**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 2018 TRANSMISSION COST)
RECOVERY ELIGIBILITY AND RATE)
ADJUSTMENT)**

**ORDER APPROVING 2018
TRANSMISSION COST
RECOVERY ELIGIBILITY AND
RATE ADJUSTMENT**

EL17-036

On September 1, 2017, the South Dakota Public Utilities Commission (Commission) received a petition from Northern States Power Company dba Xcel Energy (Xcel) for approval of its 2018 Transmission Cost Recovery (TCR) Rider, TCR rate factor, and tracker account report. For 2018, Xcel proposes recovery of the South Dakota jurisdictional portion of the revenue requirements related to 15 transmission projects located throughout its service territory. Xcel does not propose to include any new projects for 2018. Xcel proposes to recover \$6.72 million associated with these projects for the 2018 calendar year. Included in the \$6.72 million figure is the 2017 over-collection balance of \$609,328. The total of the transmission investment costs and the tracker balance results in an average bill impact of \$2.38 per month for a typical residential electric customer using 750 kWh per month. This is a decrease of \$0.34 per month from the current TCR Rider recovery. Xcel proposes to implement a rate of \$0.003175 per kWh applied to all energy billed to each customer class beginning January 1, 2018, through December 31, 2018. This represents a decrease of \$0.000452 from the existing rate of \$0.003627 per kWh. On November 3, 2017, the Commission received Updated Attachments 1 – Project Descriptions, 2 – Project Timelines, 3 – Capital Expenditure Forecast through 2022, 4 – Annual Tracker Summary, 5 – 2016 Tracker, 6 – 2017 Tracker, 7 – 2018 Tracker, 8 – 2019 Tracker, 9 – 2018 TCR Rate Calculation, 10 – SD Electric Sales by Calendar Month (Revenues), 11 – Key Assumptions, 12 – 2018 Revenue Requirement by Project by Month, 13 – Revenue Requirement Model Logic, 14 – RECB Details, 15 – OATT Credit Factor, 16 – Proposed Tariff Sheet, and 17 – Proposed Customer Notice.

On September 7, 2017, the Commission electronically transmitted notice of the filing and the intervention deadline of September 22, 2017, 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, 2018 is as follows:

South Dakota Electric Rate Book – SDPUC No. 2

Section No. 5

8th Revised Sheet No. 71

Cancelling 7th 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 November 21, 2017, the Commission considered this matter. The Commission's staff recommended approval of the updated TCR rate factor of \$0.003131 and updated tariff sheet with an effective date of January 1, 2018. The Commission voted unanimously to approve the updated TCR rate factor of \$0.003131 and updated tariff sheet with an effective date of January 1, 2018. It is therefore

ORDERED, that the TCR rate factor of \$0.003131 and updated tariff sheet set forth above are approved effective January 1, 2018.

Dated at Pierre, South Dakota, this 28th day of November, 2017.

CERTIFICATE OF SERVICE

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.

By: Adam de Hueck

Date: 11/28/17

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Kristie Fiegen
KRISTIE FIEGEN, Chairperson

Gary Hanson
GARY HANSON, Commissioner

Chris Nelson
CHRIS NELSON, Commissioner