



414 Nicollet Mall
Minneapolis, Minnesota 55401

October 9, 2017

VIA ELECTRONIC FILING

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: REPLY COMMENTS
2016 ANNUAL AUTOMATIC ADJUSTMENT OF CHARGES REPORT - ELECTRIC
DOCKET NO. E999/AA-16-523

Dear Mr. Wolf:

Northern States Power Company, doing business as Xcel Energy, submits these Reply Comments in response to the September 13, 2017 Comments of the Department of Commerce, Division of Energy Resources.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact Rebecca Eilers at rebecca.d.eilers@xcelenergy.com or 612-330-5570 or me at amy.a.liberkowski@xcelenergy.com or 612-330-6613 if you have any questions regarding this filing.

SINCERELY,

/s/

AMY A. LIBERKOWSKI
DIRECTOR, REGULATORY PRICING & PLANNING

c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange	Chair
Dan Lipschultz	Commissioner
Matthew Schuerger	Commissioner
Katie Sieben	Commissioner
John Tuma	Commissioner

IN THE MATTER OF NORTHERN STATES
POWER COMPANY, REVIEW OF 2015-2016
ANNUAL AUTOMATIC ADJUSTMENT
REPORT FOR ITS ELECTRIC OPERATION

DOCKET NO. E999/AA-16-523

REPLY COMMENTS

OVERVIEW

Northern States Power Company, doing business as Xcel Energy, submits this Reply to the Minnesota Department of Commerce - Division of Energy Resources' September 13, 2017 review of our Annual Automatic Adjustment of Charges (AAA) Report for 2015-2016.

We appreciate the Department's thorough review of the Company's 2016 AAA filing and its recommendation that the Commission accept the Company's filing. In this Reply, we provide corrected versions of Attachment 1, page 2 of the relevant monthly FCA dockets (Docket Nos. E002/AA-16-274, E002/AA-16-372 and E002/AA-16-492), we discuss the corrections made to that attachment, and we respond to the Department's request that the Company discuss the measures we have taken to avoid incorrect data entry in the future. We also explain whether Day Ahead and Real-Time Ramp Capability Amounts are included in the fuel clause charge. Finally, we address the Department's recommendations that the Commission adopt two new standards for recovery of replacement power costs.

REPLY

I. Monthly FCA Data

The Department noted concerns with data used in certain monthly FCA filings covered in this AAA period. The Company appreciates the time and effort that the Department has dedicated to verifying our monthly fuel clause computation and apologizes for data issues that made review more difficult. As requested by the

Department, the Company agrees to file corrected attachments in the relevant monthly FCA dockets with narrative explaining the corrections.

To alleviate future issues, the Company has added an additional reviewer to the monthly FCA process, and commits to providing narrative in the monthly FCA cover letter that would identify any new adjustments or changes to data formats. In addition, the Company is willing to work with the Department on streamlining the FCA report to ease review.

II. Day Ahead and Real-Time Ramp Capability Amounts

The Company has included Day Ahead and Real-Time Ramp Capability Amounts in our fuel clause reports. During the 2015-2016 AAA period, the May 2016 credit of \$617.28 Real Time Ramp Capability Amount was included. For June 2016, the credits for Day Ahead and Real Time Ramp Capability Amounts were \$574.37 and \$127.44, respectively. Given the small amounts for these items, we initially combined them with the ASM Real Time Net Regulation Adjustment Amount charge type in our MISO ASM report schedules:

SAP Internal Order	SAP Account	SAP Name
200000002163	5066016	NSPM MISO NSPP RT_ASM_NRGA

Beginning in August 2016, the Day Ahead and Real Time Ramp Capability Amounts were combined with the ASM Day Ahead Regulation Amount and the Real Time Regulation Amount charge types respectively:

SAP Internal Order	SAP Account	SAP Name
200000002143	5066016	NSPM MISO NSPP DA_ASM_REG
200000002164	5066016	NSPM MISO NSPP RT_ASM_REG

III. The Department's Proposed Standards for Recovery of Replacement Power Costs

Finally, we wish to briefly address the Department's recommendation that the Commission adopt two new standards for recovery of replacement power costs. Those proposed standards would:

- Hold utilities at least partially if not fully responsible for incremental costs of replacement power due to forced outages caused by improper work by contractors; and
- Hold utilities financially responsible for replacement power costs due to any failure to remove all foreign material from generation facility work areas.¹

While we understand the Department's concerns regarding contractor performance and foreign-material issues, we do not believe the Commission needs to—or should—adopt these bright-line standards. First of all, we note that the Department, utilities, and stakeholders are in the midst of discussing potential reforms and standards for the AAA in Docket No. E999/CI-03-802. We believe that the Department's current proposal should be taken up in that docket alongside its other reform proposals, so that the Commission and stakeholders can consider all such proposals at the same time and in the same docket. We do not believe the Commission should adopt piecemeal standards as part of this docket while that conversation is ongoing.

Second, we have significant concerns about the Commission adopting the proposed bright line rules without any consideration given to the particular facts of the outage in question. The standard for recovery of these costs is prudence—that is, whether the costs (and resulting rates) are just and reasonable. Importantly, the prudence standard is fact specific and considers whether the utility acted reasonably given the circumstances that existed at the time relevant to the inquiry. We believe the Department's proposed standards would unreasonably limit this inquiry in a way that deviates from the prudence standard and pre-judges certain outages before they occur.

The Department's proposed standards would do away with analysis altogether and simply ask whether an outage was due to “foreign material” or “improper work” by a contractor. We do not believe these rules can adequately be substituted for a fact-

¹ Department Review at 34. We note that these are the same standards proposed by the Department in Docket No. E999/AA-15-611 and that the Commission declined to adopt these as part of its July 21, 2017 Order.

specific prudence analysis, and we further believe there is substantial ambiguity regarding what qualifies as “improper work” and “foreign material,” such that applying these standards may simply substitute one factual inquiry for another. For these reasons, we respectfully request that the Commission not adopt either standard in this docket and that it instead continue to apply the prudence standard when deciding whether replacement power costs are properly recoverable.

CONCLUSION

The Company appreciates this opportunity to submit its Reply to the Department’s review. Through this Reply, we have worked to provide additional information in response to the issues raised by the Department. We respectfully request that the Commission accept and approve Xcel Energy’s FYE16 Electric AAA Report as supplemented by this Reply.

Dated: October 9, 2017

Northern States Power Company

Explanation of April 2016 FCA Adjustment in Balance of Unrecovered Expenses

Northern States Power Company
Electric Operations - State of Minnesota
Derivation of Adjustment for Fuel Clause Rider
Actual Costs for Jan-16 and Projected Costs for Mar-16 (Docket No. E002/AA-16-205)

Attachment 1
Page 2

	Column (A)	Column (B)	Column (C)
	Projected * Jan-2016	Actual Jan-2016	Projected Mar-2016
* From 2 months ago			
System Fuel, Purchased Power Costs & MISO Recovery Authorized in Minnesota Jurisdiction			
1	Account 551 - Fossil Fuel	\$45,029,964	
2	Account 518 - Nuclear Fuel	\$7,094,043	
3	Account 555 - Purchased Power (Include WindSource Wind Contracts, excludes wind curtailment payments)	\$38,317,328	
4	Account 555 - Wind Curtailment Payment (as reported in Wind Curtailment Report)	\$3,168,089	
5	Account 555 - Subtotal	\$38,685,417	
6	Account 555 - MISO Day 2 Charges - Total	\$5,071,466	
7	- Schedules 16 & 17	\$679,780	
8	- Schedule 24	\$79,278	
9	- RSC/RM Allocation Adjustment	\$71,315	
10	- RT PV MWP Allocation Adjustment	\$0	
11	- Congestion and Loss Allocation Adjustment	\$340,903	
12	Account 555 - MISO Day 2 Charges - Net	\$3,899,990	
13	Account 555 - MISO ASM Charges	\$2,694,277	
14	- Excessive/Non-Excessive Charges	\$57,276	
15	- Other Charges	(\$974)	
16	- Congestion and Loss Allocation Adjustment	\$0	
17	Account 555 - MISO ASM Charges - Total	\$2,752,527	
18	Account 555 - Total MISO Charges	\$6,652,517	
19	Total System Costs	\$ 97,261,941	
20	Less Fuel Cost of Intersystem Sales (Included MISO Day 2 Charges)	(\$7,335,841.60)	
21	Less Account 555 - Purchased Power For WindSource Program		
22	WindSource Energy Costs	(\$301,043)	
23	WindSource Renewable Energy Certificates (RECs) Purchases	\$0	
24	WindSource REC-Related Fuel Costs	\$12,138	
25	Subtotal	(\$288,905)	
26	Net System Costs (Exclude WindSource Related Contract Costs)	\$ 89,637,195	
27	Less Account 555 - Purchased Power For Solar Gardens Program		
28	Solar Gardens Program - Credits	\$0	
29	Solar Gardens Program - Unsubscribe Energy Purchase	(\$574)	
30	Subtotal	(\$574)	
31	Account 407.3 - Renewable Development Fund Project Expenses **		
32	Account 407.3 - Renewable Development Fund Administrative Expenses **		
33	Account 407.3 - Total Renewable Development Fund Recoveries **		
34	Net System Costs (Exclude WindSource Related Contract Costs) [4+5+6]	\$97,827,744	\$89,636,621
35	NSP System MWh Sales		
36	Total NSP System Retail	3,557,831	
37	Firm Resale		
38	Total NSP System	3,557,831	
39	WindSource MWh	12,015	
40	Total NSP System Exclude WindSource	3,666,973	3,471,813
41	NSP System Cost of Fuel, Purchased Power & MISO Recovery Per kWh		
42	System Energy Cost per kWh [line 6 / line 9b / 10]	2.668¢	2.538¢
43	Minnesota Jurisdictional Calendar Month Retail MWh Sales Subject To FCA		
44	Total Minnesota Retail MWh	2,567,047	
45	WindSource MWh	12,015	
46	Total Minnesota Retail MWh Subject to FCA [line 11 - line 12]	2,632,925	2,555,332

In March 2016 FCA calculation, the January Intersystem Sales amount incorrectly subtracted the GEN Book amount of \$1,076,527 twice. It resulted an over-credit of Fuel Cost of Intersystem Sales to retail customers of which the Minnesota portion was \$775,721. The over-credit was subsequently adjusted in the April 2016 FCA true-up:

	Original	Corrected	Adjustment
5071001 Gen Trading	\$1,076,527.57	\$1,076,527.57	-
Non-Native 2000000002041	\$375,318.19	\$375,318.19	-
Non-Native 2000000002042	\$1,506,257.35	\$1,506,257.35	-
Non-Native 2000000002043	\$2,483,665.32	\$2,483,665.32	-
Total Gen Trading	\$5,441,768.43	\$5,441,768.43	-
5071006 Prop Trading	\$817,545.60	\$817,545.60	-
Gen Trading	\$1,076,527.57	\$1,076,527.57	-
Non-Native	\$5,441,768.43	\$4,365,240.86	\$1,076,527.57
Total STOU (Intersystem Sales)	\$7,335,841.60	\$6,259,314.03	\$1,076,527.57
January 2016 Minnesota MWh Sales Subject to FCA		2,555,032	
January 2016 Total NSP System MWh Exclude WindSource		3,545,816	
Minnesota Allocation Percentage		72.058%	
Intersystem Sales Over-credit Adjustment		\$1,076,527.57	
Adjustment to April 2016 FCA True Up [1]x[2]		\$775,720.56	
1204 Prior Unrecovered Expenses (Dec-2015 Balance of Unrecovered Expenses)			(\$2,667,448)
1205 Prior (True-Up) Expenses Recovered in Feb-2016			(\$2,597,435)
1206 Over/Under Recovery in Feb-16 to be Trued Up in Apr-16 FCA Line [12k - Line 12]			(\$4,717,543)
1207 February 2016 Saver's Switch True-Up Adjustment			\$0
1208 Unadjusted Balance of Unrecovered Expenses Line 12xi - Line 12xii + Line 12i + Line 12m			(\$4,987,550)
1209 Adjustment to April 2016 FCA True Up [1]x[2]			\$775,721
1210 Adjusted Balance of Unrecovered Expenses Line 12xi - Line 12xii + Line 12i + Line 12m			(\$4,011,833)

Northern States Power Company
Electric Operations - State of Minnesota
Derivation of Adjustment for Fuel Clause Rider
Actual Costs for Feb-16 and Projected Costs for Apr-16 (Docket No. E002/AA-16-274)

Attachment 1
Page 3

	Column (A)	Column (B)	Column (C)
	Feb-2016	Feb-2016	Apr-2016
* From 2 months ago			
Adjusted Minnesota MWh Sales Subject To FCA			
121	(i) Residential		652,530
	(ii) C & I Non-Demand		76,652
	(iii) C & I Demand Non-TOD		730,819
	(iv) C & I Demand TOD On-Peak		321,888
	(v) C & I Demand TOD Off-Peak		528,691
	(vi) Outdoor Lighting		16,770
	Total	2,385,071	2,327,350
122	Class Ratio/TOD Ratio	Dec-2015	Feb-2016
	(i) Residential	1.0185	1.0185
	(ii) C & I Non-Demand	1.0493	1.0493
	(iii) C & I Demand Non-TOD	1.0028	1.0028
	(iv) C & I Demand TOD On-Peak	1.2732	1.2732
	(v) C & I Demand TOD Off-Peak	0.7987	0.7987
	(vi) Outdoor Lighting	0.7446	0.7446
Trued Up Feb-16 Cost Recovery			
			Total
			Dec-2015
123	Prior Unrecovered Expenses (Dec-2015 Balance of Unrecovered Expenses)		(\$2,667,448)
			Total
			Feb-2016
			Apr-2016
			Total
			Dec-2015
			Feb-2016
124	Prior (True-Up) Expenses Recovered in Feb-2016	(i)	(ii)
	(i) Residential	-0.113908¢	652,530
	(ii) C & I Non-Demand	-0.117355¢	76,652
	(iii) C & I Demand Non-TOD	-0.113252¢	730,819
	(iv) C & I Demand TOD On-Peak	-0.142932¢	321,888
	(v) C & I Demand TOD Off-Peak	-0.089326¢	528,691
	(vi) Outdoor Lighting	-0.083275¢	16,770
	Total		2,327,350
125	Feb-16 Fuel Cost Charge	Base Costs	Fuel Adj Factor
	(i) Residential	2.730¢	0.025¢
	(ii) C & I Non-Demand	2.812¢	0.026¢
	(iii) C & I Demand Non-TOD	2.688¢	0.025¢
	(iv) C & I Demand TOD On-Peak	3.412¢	0.029¢
	(v) C & I Demand TOD Off-Peak	2.141¢	0.018¢
	(vi) Outdoor Lighting	1.996¢	0.017¢
126	Cost Recovered in Feb-16 Based on Forecast	Base + Factor	Total
	(i) Residential	\$17,814,069	\$152,855
	(ii) C & I Non-Demand	\$2,155,454	\$18,499
	(iii) C & I Demand Non-TOD	\$19,644,415	\$168,556
	(iv) C & I Demand TOD On-Peak	\$10,982,819	\$94,262
	(v) C & I Demand TOD Off-Peak	\$11,319,274	\$97,121
	(vi) Outdoor Lighting	\$334,729	\$2,872
	Total	\$62,250,760	\$534,165
127	Actual Cost Should Have Been Recovered in Feb-16 Line 12d		\$58,067,383
128	Over/Under Recovery in Feb-16 to be Trued Up in Apr-16 FCA Line [12k - Line 12]		(\$4,717,543)
129	February 2016 Saver's Switch True-Up Adjustment		\$0
130	Balance of Unrecovered Expenses Line 12xi - Line 12xii + Line 12i + Line 12j + Line 12m		(4,011,833)
131	Per Unit True Up Amount - Line 12a/Line 12g Col(B)/10		-0.17¢

Actual Costs for Feb-16 and Projected Costs for Apr-16 - REVISED ATTACHMENT 1 PAGE 2

E002/AA-16-274

Column (AA)	Column (A)	Column (B)
Projected *	Actual	Projected
Feb-2016	Feb-2016	Apr-2016

* From 2 months ago

System Fuel, Purchased Power Costs & MISO Recovery Authorized in Minnesota Jurisdiction			
1	Account 151 - Fossil Fuel		\$34,725,752
2	Account 518 - Nuclear Fuel		\$7,279,561
3a	Account 555 - Purchased Power (Include WindSource Wind Contracts, excludes wind curtailment payments)		\$38,306,607
3b	Account 555 - Wind Curtailment Payment (as reported in Wind Curtailment Report)		\$306,314
3bb	Account 555 - Biomass Curtailment Payment (as reported in Biomass Curtailment Report)		\$0
3c	Account 555 - Subtotal		\$38,612,921
3d	Account 555 - MISO Day 2 Charges - Total		\$6,341,748
3e	- Schedules 16 & 17		\$662,862
3f	- Schedule 24		\$97,706
3ff	- RSG/RNU Allocation Adjustment		\$29,474
	- RT PV MWP Allocation Adjustment		\$0
	- Congestion and Loss Allocation Adjustment		\$345,045
3g	Account 555 - MISO Day 2 Charges - Net		\$5,206,661
3h	Account 555 - MISO ASM Charges		
	- Excessive/Non-Excessive Charges	\$1,061,441	
	- Other Charges	\$70,839	
	- Congestion and Loss Allocation Adjustment	(\$467)	
	Account 555 - MISO ASM Charges - Total	\$1,131,813	
3i	Account 555 - Total MISO Charges	\$6,338,474	
4	Total System Costs	\$ 86,956,708	
5a	Less Fuel Cost of Intersystem Sales (Included MISO Day 2 Charges)	(\$6,168,145)	
5b	Less Account 555 - Purchased Power For Windsorce Program		
	Windsorce Energy Costs	(\$411,071)	
	Windsorce Renewable Energy Certificates (RECs) Purchases	\$0	
	Windsorce REC-Related Fuel Costs	(\$111,018)	
5b	Subtotal	(\$522,089)	
6a	Net System Costs (Exclude WindSource Related Contract Costs)	\$ 80,266,474	
5c	Less Account 555 - Purchased Power For Solar Gardens Program		
	Solar Gardens Program - Credits	\$0	
	Solar Gardens Program - Unsubscribed Energy Purchase	(\$1,264)	
5c	Subtotal	(\$1,264)	
6	Net System Costs (Exclude WindSource Related Contract Costs) [4+5a+5b]	\$89,482,589	\$80,265,210
NSP System MWh Sales			
7	Total NSP System Retail		3,228,305
8	Firm Re-sale		-
9	Total NSP System		3,228,305
9a	Windsorce MWh		11,068
9b	Total NSP System Exclude Windsorce	3,310,062	3,217,237
NSP System Cost of Fuel, Purchased Power & MISO Recovery Per KWh			
10	System Energy Cost per kWh [line 6 / line 9b/ 10]	2.703¢	2.495¢
Minnesota Jurisdictional Calendar Month Retail MWh Sales Subject To FCA			
11	Total Minnesota Retail MWh		2,338,418
12	Windsorce MWh		11,068
12a	Total Minnesota Retail MWh Subject to FCA [Line 11 - Line 12]	2,385,071	2,327,350
Minnesota Jurisdictional Energy Cost			
12b	Net System Costs Applicable to Minnesota Jurisdiction [Line 10xLine 12ax10]	\$64,468,471	\$58,067,383
12c	Total Allocated Asset and Non-Asset Based Intersystem Margin	\$0	\$0
12d	Total Minnesota Jurisdictional Energy Cost	\$64,468,471	\$58,067,383
12e	Minnesota Energy Cost Per KWh [Line 12d/Line 12a/10]	2.703¢	2.495¢

Actual Costs for Mar-16 and Projected Costs for May-16 - REVISED ATTACHMENT 1 PAGE 2

E002/AA-16-372

	<i>Column (AA)</i>	<i>Column (A)</i>	<i>Column (B)</i>
	Projected *	Actual	Projected
	Mar-2016	Mar-2016	May-2016
* From 2 months ago			
System Fuel, Purchased Power Costs & MISO Recovery Authorized in Minnesota Jurisdiction			
1	Account 151 - Fossil Fuel	\$27,324,375	
2	Account 518 - Nuclear Fuel	\$10,696,586	
3a	Account 555 - Purchased Power (Include WindSource Wind Contracts, excludes wind curtailment payments)	\$38,819,576	
3b	Account 555 - Wind Curtailment Payment (as reported in Wind Curtailment Report)	\$302,311	
3bb	Account 555 - Biomass Curtailment Payment (as reported in Biomass Curtailment Report)	\$0	
3c	Account 555 - Subtotal	<u>\$39,121,887</u>	
3d	Account 555 - MISO Day 2 Charges - Total	\$4,691,969	
3e	- Schedules 16 & 17	\$580,054	
3f	- Schedule 24	\$82,385	
3ff	- RSG/RNU Allocation Adjustment	(\$33,450)	
	- RT PV MWP Allocation Adjustment	\$0	
	- Congestion and Loss Allocation Adjustment	\$581,556	
3g	Account 555 - MISO Day 2 Charges - Net	<u>\$3,481,424</u>	
3h	Account 555 - MISO ASM Charges		
	- Excessive/Non-Excessive Charges	\$729,518	
	- Other Charges	\$67,649	
	- Congestion and Loss Allocation Adjustment	(\$11,145)	
	Account 555 - MISO ASM Charges - Total	<u>\$786,022</u>	
3i	Account 555 - Total MISO Charges	\$4,267,446	
4	Total System Costs	<u>\$ 81,410,293</u>	
5a	Less Fuel Cost of Intersystem Sales (Included MISO Day 2 Charges)	(\$6,558,736)	
5b	Less Account 555 - Purchased Power For Windsource Program		
	Windsource Energy Costs	(\$424,994)	
	Windsource Renewable Energy Certificates (RECs) Purchases	\$0	
	Windsource REC-Related Fuel Costs	(\$100,578)	
5b	Subtotal	<u>(\$525,572)</u>	
6a	Net System Costs (Exclude WindSource Related Contract Costs)	<u>\$ 74,325,985</u>	
5c	Less Account 555 - Purchased Power For Solar Gardens Program		
	Solar Gardens Program - Credits	\$0	
	Solar Gardens Program - Unsubscribed Energy Purchase	(\$5,233)	
5c	Subtotal	<u>(\$5,233)</u>	
6	Net System Costs (Exclude WindSource Related Contract Costs) [4+5a+5b]	<u>\$83,163,634</u>	<u>\$74,320,752</u>
			<u>\$86,076,157</u>
NSP System MWh Sales			
7	Total NSP System Retail	3,268,372	
8	Firm Re-sale	-	
9	Total NSP System	<u>3,268,372</u>	
9a	Windsource MWh	12,755	
9b	Total NSP System Exclude Windsource	<u>3,471,813</u>	<u>3,222,764</u>
		<u>3,255,617</u>	
NSP System Cost of Fuel, Purchased Power & MISO Recovery Per KWh			
10	System Energy Cost per kWh [line 6 / line 9b/ 10]	<u>2.395¢</u>	<u>2.283¢</u>
			<u>2.671¢</u>

Actual Costs for Apr-16 and Projected Costs for Jun-16 - REVISED ATTACHMENT 1 PAGE 2

E002/AA-16-492

Column (AA)	Column (A)	Column (B)
Projected *	Actual	Projected
Apr-2016	Apr-2016	Jun-2016

* From 2 months ago

System Fuel, Purchased Power Costs & MISO Recovery Authorized in Minnesota Jurisdiction			
1	Account 151 - Fossil Fuel		\$23,358,395
2	Account 518 - Nuclear Fuel		\$10,504,918
3	Account 555 - Purchased Power (Include WindSource Wind Contracts, excludes wind curtailment payments)		\$42,618,294
3b	Account 555 - Wind Curtailment Payment (as reported in Wind Curtailment Report)		\$635,338
3bb	Account 555 - Biomass Curtailment Payment (as reported in Biomass Curtailment Report)		\$0
3c	Account 555 - Subtotal		\$43,253,632
3d	Account 555 - MISO Day 2 Charges - Total		\$1,644,428
3e	- Schedules 16 & 17		\$566,192
3f	- Schedule 24		\$87,127
3ff	- RSG/RNU Allocation Adjustment		\$38,365
	- RT PV MWP Allocation Adjustment		\$0
	- Congestion and Loss Allocation Adjustment		\$753,763
3g	Account 555 - MISO Day 2 Charges - Net		\$198,981
3h	Account 555 - MISO ASM Charges		
	- Excessive/Non-Excessive Charges	\$1,766,824	
	- Other Charges	\$94,094	
	- Congestion and Loss Allocation Adjustment	(\$1,129)	
	Account 555 - MISO ASM Charges - Total	\$1,859,789	
3i	Account 555 - Total MISO Charges	\$2,058,769	
4	Total System Costs	\$ 79,175,715	
5a	Less Fuel Cost of Intersystem Sales (Included MISO Day 2 Charges)	(\$9,933,338)	
5b	Less Account 555 - Purchased Power For Windsorce Program		
	Windsorce Energy Costs	(\$519,175)	
	Windsorce Renewable Energy Certificates (RECs) Purchases	\$0	
	Windsorce REC-Related Fuel Costs	(\$100,438)	
5b	Subtotal	(\$619,613)	
6a	Net System Costs (Exclude WindSource Related Contract Costs)	\$ 68,622,764	
5c	Less Account 555 - Purchased Power For Solar Gardens Program		
	Solar Gardens Program - Credits	(\$597)	
	Solar Gardens Program - Unsubscribed Energy Purchase	\$0	
5c	Subtotal	(\$597)	
6	Net System Costs (Exclude WindSource Related Contract Costs) [4+5a+5b]	\$81,013,535	\$68,622,167
NSP System MWh Sales			
7	Total NSP System Retail		2,948,008
8	Firm Re-sale		-
9	Total NSP System		2,948,008
9a	Windsorce MWh		10,645
9b	Total NSP System Exclude Windsorce	3,106,071	2,937,363
NSP System Cost of Fuel, Purchased Power & MISO Recovery Per KWh			
10	System Energy Cost per kWh [line 6 / line 9b/ 10]	2.608¢	2.336¢
Minnesota Jurisdictional Calendar Month Retail MWh Sales Subject To FCA			
11	Total Minnesota Retail MWh		2,162,456
12	Windsorce MWh		10,645
12a	Total Minnesota Retail MWh Subject to FCA [Line 11 - Line 12]	2,251,426	2,151,811
Minnesota Jurisdictional Energy Cost			
12b	Net System Costs Applicable to Minnesota Jurisdiction [Line 10xLine 12ax10]	\$58,717,180	\$50,266,305
12c	Total Allocated Asset and Non-Asset Based Intersystem Margin	\$0	\$0
12d	Total Minnesota Jurisdictional Energy Cost	\$58,717,180	\$50,266,305
12e	Minnesota Energy Cost Per KWh [Line 12d/Line 12a/10]	2.608¢	2.336¢

CERTIFICATE OF SERVICE

I, Lynnette Sweet, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

DOCKET No. E999/AA-16-523

Dated this 9th day of October 2017

/s/

Lynnette Sweet

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_16-523_AA-16-523
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_16-523_AA-16-523
Carl	Cronin	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_16-523_AA-16-523
Ian	Dobson	Residential.Utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_16-523_AA-16-523
Marie	Doyle	marie.doyle@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall P O Box 59038 Minneapolis, MN 554590038	Electronic Service	No	OFF_SL_16-523_AA-16-523
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_16-523_AA-16-523
Bruce	Gerhardson	bgerhardson@otpc.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_16-523_AA-16-523
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_16-523_AA-16-523
Amber	Lee	ASLee@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	2665 145th St W Rosemount, MN 55068	Electronic Service	No	OFF_SL_16-523_AA-16-523
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_16-523_AA-16-523

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Leann	Oehlerking Boes	lboes@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	OFF_SL_16-523_AA-16-523
Randy	Olson	rolson@dakotaelectric.com	Dakota Electric Association	4300 220th Street W. Farmington, MN 55024-9583	Electronic Service	No	OFF_SL_16-523_AA-16-523
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_16-523_AA-16-523
Robyn	Woeste	robynwoeste@alliantenergy.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Electronic Service	No	OFF_SL_16-523_AA-16-523
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_16-523_AA-16-523