

State of Minnesota
Before the Public Utilities Commission

Katie Sieben	Chair
Joseph Sullivan	Vice-Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

In the Matter of a Petition for Approval of a
Modification to Low-Income Discount
Program

Docket No. E-002/M-04-1956

In the Matter of a Petition for Approval of
Low-Income Energy Discount Rider Funding

Docket No. E-002/M-10-854

Comments of the Citizens Utility Board of Minnesota

The Citizens Utility Board of Minnesota (“CUB”) respectfully submits these comments in response to Northern States Power Company, dba Xcel Energy’s (“Xcel” or the “Company”) Petition for Approval of a Modification to the Company’s Low Income Discount Program (the “Petition”) filed in the above referenced dockets on September 1, 2023. CUB is supportive of the Company’s Petition and believes that the reallocation of funds from the Medical Affordability Program (“MAP”) to PowerOn is reasonable and warranted.

In late 2022, CUB participated in conversations with Xcel and the Energy CENTS Coalition to develop a mutually agreeable approach towards automatically enrolling income-eligible customers in the Company’s Gas Affordability Program (“GAP”). Under the process ultimately approved by the Commission, Xcel was permitted to automatically enroll LIHEAP recipients in GAP on an annual basis.¹ Income-eligible customers with combined gas and electric service were enrolled in both GAP and PowerOn in July, 2023.² The resulting increase in PowerOn participation has strained the program budget.

As explained by the Company, PowerOn enrollment has risen by approximately 7,000 participants over the course of the past year.³ More than 22,000 customers in Xcel’s service territory now receive program benefits that reduce household utility costs, lower energy burdens, and make electric service more affordable. Providing these benefits to customers

¹ *In the Matter of Northern States Power Company dba Xcel Energy’s Gas Affordability Program Evaluation Report*, Docket No. G-002/M-22-257, Commission Order at 2-3 (Jan. 18, 2023).

² *In the Matter of Northern States Power Company dba Xcel Energy’s Gas Affordability Program Evaluation Report*, Docket No. G-002/M-22-257, Xcel Energy Reply Comments at 2-3 (Nov. 17, 2022).

³ *In the Matter of a Petition for Approval of Low-Income Energy Discount Rider Funding*, Docket No. E-002/M-10-854, Xcel Petition at 4 (Sep. 1, 2023).

has increased program spending to a monthly average of approximately \$1 million.⁴ As of July 31, 2023, the Company's combined PowerOn and Discount Program tracker balance had been depleted to \$2.1 million.⁵ An additional influx of funding is necessary to maintain spending levels and ensure Minnesota households have continued access to affordability benefits.

Xcel's proposal to transfer funds from its Medical Affordability Program ("MAP") to PowerOn seeks to address these budget issues. While PowerOn participation has increased, MAP enrollment remains lower than anticipated. With an annual funding requirement of \$3 million, MAP's \$8.6 million tracker balance exceeds the level required for program operation, especially considering how monthly spending averaged only \$70,000 over the first half of 2023.⁶

Due to the misalignment between program budgets and enrollment, CUB believes Xcel's request for a one-time transfer of \$5.6 million from MAP to PowerOn is reasonable. This inter-program transfer would provide PowerOn with much-needed funds while maintaining MAP's annual operating budget.

This one-time adjustment will not maintain the PowerOn program at current spending levels indefinitely; longer-term solutions are necessary. CUB has engaged in discussions with both the Company and the Energy CENTS Coalition about how to sustain PowerOn funding to accommodate current and expected enrollment levels. It is our understanding that the Company will be filing an additional proposal in this docket that seeks to balance the PowerOn budget with increased program demand. We are supportive of these efforts and look forward to reviewing the Company's official filing.

Sincerely,

October 25, 2023

/s/ Brandon Crawford

Brandon Crawford

Regulatory Advocate

Citizens Utility Board of Minnesota

332 Minnesota St., Suite W1360

651-300-4701, ext. 7

brandonc@cubminnesota.org

cc: Service List

⁴ *Id.*

⁵ *Id.*

⁶ *Id.* at 3.