

May 9, 2025

Will Seuffert
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce
Docket No. E002/M-25-27

Dear Mr. Seuffert:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

*In the Matter of Northern State Power Company d/b/a Xcel Energy –
Electric's 2024 Annual Safety, Reliability, and Service Quality Report*

The Petition was filed by Xcel Energy (Xcel or the Company) on April 1, 2025.

The Department recommends that the Minnesota Public Utilities Commission (Commission) deny Xcel Energy's proposals on remote reconnection of disconnected customers during extreme heat events and poor air quality alerts filed in the Company's 2024 Annual SRSQ Report. Additionally, the Department recommends further record development on the matter as discussed further in these comments.

Sincerely,

/s/ Dr. SYDNIE LIEB
Assistant Commissioner of Regulatory Analysis

JK/ar
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce

Docket No. E002/M-25-27

I. INTRODUCTION

Minnesota Rules chapter 7826 and Commission Orders set standards and reporting requirements for Minnesota regulated utilities annual Safety, Reliability, and Service Quality (SRSQ) Reports. At the November 7, 2024 agenda meeting, the Commission heard the 2023 Annual SRSQ reports. The January 13, 2025 Order set additional reporting requirements for the utilities in their 2024 Annual SRSQ reports.¹ In addition to other reporting requirements, Xcel was required to make two proposals for utilizing its Advanced Metering Infrastructure (AMI) system's remote reconnection capabilities to restore power for involuntarily disconnected residential customers during summer weather events.² Xcel submitted a proposal for remote reconnection during extreme heat events and high air quality alerts in its April 1, 2025 SRSQ report.³

This docket raises important questions about the uses of advanced metering infrastructure (AMI) and Xcel's ability to disconnect (and reconnect) customers remotely when the air quality index (AQI) is high. At issue is Xcel's ability, "to restore power for involuntarily disconnected customers with AMI when high air quality index alerts have been issued."

The Minnesota AQI is determined by hourly measurements of five pollutants: fine particles, ground-level ozone, sulfur dioxide, nitrogen dioxide, and carbon monoxide.⁴ AQI is calculated by converting measured pollutant concentrations to a uniform index based on the health effects of the pollutant. The health effects of a pollutant are specific and established by the EPA's National Ambient Air Quality Standard—a standard which is reviewed every five years as required under the Clean Air Act.⁵ An air quality alert is issued when measured or forecasted air quality conditions exceed 101 on the AQI.⁶ Most air quality events are not caused by a short-term increase in emissions, but instead from weather conditions that increase the rate at which pollutants are formed or accumulate in the atmosphere.⁷ An

¹ *In the Matter of Xcel Energy's 2023 Annual Safety, Reliability and Service Quality Report*. Order Accepting Reports and Setting Additional Requirements, January 13, 2025, Docket No. E002/M-24-27, (eDockets) [20251-213880-01](#) (hereinafter: "2023 SRSQ Order").

² 2023 SRSQ Order at order points 24 and 32.

³ *In the Matter of Northern States Power Company's Annual Report on Safety, Reliability, and Service Quality for 2024; and Petition for Approval of Electric Reliability Standards for 2025*. Part 3 of 3: Order Compliance, Xcel Energy, April 1, 2025, Docket No. E002/M-25-27, (eDockets) [20254-217138-05](#), (hereinafter "Part 3: Order Compliance") at 94-101.

⁴ Minnesota Pollution Control Agency, *Understanding the air quality index*. Retrieved from: [Understanding the air quality index \(AQI\) | Minnesota Pollution Control Agency](#) (hereinafter "MPCA, Understanding the AQI.")

⁵ *Id.*

⁶ *Id.*

⁷ MPCA, Understanding the AQI.

air quality alert means that current or forecasted conditions can be harmful to populations who may be sensitive to air pollution.⁸ These populations include, but are not limited to:

- Minnesotans with lung or heart disease,
- Older Minnesotans,
- Children,
- Minnesotans who may be exerting themselves in prolonged, heavy activities (i.e. those who are working outdoors, those who are exercising, etc).

II. PROCEDURAL BACKGROUND

July 26, 2024	The Commission posted a notice of comment period regarding actions it should take in relation to Xcel's Interactive Service Quality Map and Equity Analysis.
August 27, 2024	Comments were filed by multiple intervenors, ⁹ the Office of the Attorney General Residential Utilities Division (OAG-RUD) and the Department of Commerce, Division of Energy Resources.
September 12, 2024	Reply comments filed. The Department requested a supplemental comment period.
September 13, 2024	The Commission posted a notice of comment period for supplemental comments.
September 23, 2024	The Company and the Department submitted supplemental comments.
October 14, 2024	The Company and the Department submitted supplemental reply comments.
October 31, 2024	Commission Staff issued Briefing Papers.
November 7, 2024	Commission met on this docket.

⁸ MPCA, Understanding the AQI.

⁹ The list included: 1) Citizens Utilities Board (CUB); 2) Energy Cents Coalition (ECC); 3) Fresh Energy; 4) Cooperative Energy Futures; 4) Environmental Law and Policy Center; 5) Sierra Club; 6) Vote Solar; 7) City of Minneapolis; 8) City of Edina and 9) Sierra Club North Star Chapter.

January 13, 2025	Commission issued Order “Accepting Reports and Setting Additional Requirements.” ¹⁰
April 7, 2025	The Commission issued a Notice on remote disconnection and reconnection of customers during extreme heat events and air quality alerts.

Topics open for comment:

- Should the Commission accept Xcel’s proposals on remote reconnection of disconnected customers during extreme heat events?
- Should the Commission accept Xcel’s proposals on remote reconnection of disconnected customers during poor air quality events?
- Does Xcel’s proposal to suspend disconnection of customers with Advanced Metering Infrastructure (AMI) when the Air Quality Index (AQI) is 151 or greater and to remotely reconnect customers when the AQI is 201 or greater meet the requirement in Order Point 32 “to restore power for involuntarily disconnected customers with AMI when higher air quality index alerts have been issued”?
- How should Xcel communicate with customers, affected customers, other organizations, etc. on the proposed policy change and during weather events?
- Is a start date for both proposals of 16 months from the issuance of the Order reasonable?
- Is the estimated cost of \$520,000 for implementing the proposals reasonable?
- Are there other issues or concerns related to this matter?

III. DEPARTMENT ANALYSIS

A. FURTHER RECORD DEVELOPMENT

Given the specific focus on the public health impact of pollution and extreme heat throughout this record, the Department believes further record development is needed. The Department recommends the Commission require Xcel to consult with Minnesota Pollution Control Agency (MPCA), MN Department of Health and parties to (1) establish common terminology and definitions regarding poor air quality and extreme heat, and (2) establish appropriate thresholds related to poor air quality and extreme heat. This will ensure that common terminology is used to communicate with Minnesotans, providing consistency and trust. Accordingly, the Department recommends that the Commission deny the proposals, order further record development, and allow Xcel to revise its proposals in light of the record development.

¹⁰ *In the Matter of Xcel Energy’s 2023 Annual Safety, Reliability and Service Quality Report, Order Accepting Report and Setting Additional Requirements*, January 13, 2025, Docket No. E-002/M-24-27, (eDockets) [20251-213880-01](#).

B. RESPONSE TO NOTICE TOPICS

B.1. Should the Commission accept Xcel's proposals on remote reconnection of disconnected customers during extreme heat events?

Xcel states that it has a preexisting program that halts disconnections of residential services in affected counties when an excessive heat watch, heat advisory or excessive heat warning is issued by the National Weather Service.¹¹ In response to Order Point 24 of the Commission's Order regarding Xcel's 2023 SRSQ report,¹² the company proposes to apply the same model to the requirement of initiating reconnections as it does when halting disconnections on a county by county basis when an excessive heat watch, heat advisory or excessive heat warning is issued.¹³

Xcel's recommendation appears to be a reasonable expansion of its current processes in response to extreme heat events. However, the determination of what is reasonable should be substantiated with public health expertise, something the Department does not house. The Department concludes that greater record development in consultation with other state agencies, including the MPCA and the MN Department of Health, is necessary to determine a reasonable heat event threshold for initiating reconnections.

B.2. Should the Commission accept Xcel's proposals on remote reconnection of disconnected customers during poor air quality events?

Xcel proposes to suspend disconnections at an AQI of 151 and to implement reconnections at an AQI of 201. According to the MPCA, an air quality alert is issued when the AQI reaches or is forecasted to reach 101 or above.¹⁴ There are several tiers to the MPCA alert system: Good, Moderate, Unhealthy to Sensitive Populations, Unhealthy, Very Unhealthy, and Hazardous.¹⁵ Xcel's recommendations for an AQI of 151 and 201 (falling into the "Unhealthy" and "Very Unhealthy" categories respectively)¹⁶ are much higher than MPCA's air quality alert threshold of an AQI of 101. The Department believes Xcel is trying to gauge which AQI threshold would be sufficiently "high" to fulfil Order Point 32 of the Commission's Order.¹⁷ However, if the threshold is too high, the Department is concerned that the health and safety of Xcel's most vulnerable populations may be at risk. A lower threshold will benefit the greatest number of vulnerable customers.

Again, given the technical, public health nature of setting an appropriate air quality threshold, the Department believes that additional record development in consultation with MPCA and the MN

¹¹ Part 3: Order Compliance at 95.

¹² 2023 SRSQ Order at order point 24.

¹³ Part 3: Order Compliance at 96.

¹⁴ MPCA, Understanding the AQI.

¹⁵ MPCA, Current Air Quality Conditions. Retrieved from: <https://www.pca.state.mn.us/air-water-land-climate/current-air-quality-conditions>

¹⁶ Part 3: Order Compliance at 96.

¹⁷ 2023 SRSQ Order at order point 32 AND Part 3: Order Compliance at 96

Department of Health is appropriate prior to setting an AQI threshold for suspending disconnections and initiating reconnections.

B.3. Does Xcel's proposal to suspend disconnection of customers with Advanced Metering Infrastructure (AMI) when the Air Quality Index (AQI) is 151 or greater and to remotely reconnect customers when the AQI is 201 or greater meet the requirement in Order Point 32 "to restore power for involuntarily disconnected customers with AMI when higher air quality index alerts have been issued"?

There is little information in the record at this time to determine what a sufficiently "high air quality index alert" might be. As stated above, too high of an index threshold may result in devastating effects to vulnerable populations. Moreover, as stated in Xcel's current SRSQ report, there is not an explicitly labeled "high" category for MPCA's AQI alerts.¹⁸ The Department concludes additional record development around the public health implications of each level of AQI category is necessary before determining if Xcel has met the requirements of Order Point 32 in selecting its AQI thresholds.

B.4. How should Xcel communicate with customers, affected customers, other organizations, etc. on the proposed policy change and during weather events?

It is important to notify customers of a change in policy, and of a change in their service should an air quality event occur. It is commonplace to utilize a bill insert (for those who receive paper bills) or an email (for those who utilize paperless billing) to notify customers of a policy or rate change. In the event a customer is reconnected in response to an air quality event, a notification to the customer's preferred contact method is appropriate. The notification should be similar to the notifications utilized for Xcel's demand response events. The Department recommends the Commission require Xcel to notify customers of the policy change via bill insert or email (according to bill delivery preference). The Department recommends the Commission require Xcel to notify customers of a reconnection event via a notification sent to the customer's preferred contact method (e.g. text, email).

B.5. Is a start date for both proposals of 16 months from the issuance of the Order reasonable?

The Company states that the cause of the 16-month implementation timeline (after an Order is issued directing implementation) is necessary system enhancements, including: development, recording and delivery of messaging to customers, up front system enhancements, annual enhancements.¹⁹ No other detail is provided. At the same time, the Department recognizes that the system Xcel implements needs to function correctly. Given that extreme heat and poor air quality events are most prevalent in the warmest months of the year, the Department suggests that the start date of the proposals coincide with the Spring of 2026 or 2027 depending on the time necessary to review Xcel's implementation plan in more detail

¹⁸ Part 3: Order Compliance at 96

¹⁹ Part 3: Order Compliance at 101

B.6. Is the estimated cost of \$520,000 for implementing the proposals reasonable?

The estimated cost of \$520,000 might be reasonable if it were correctly calculated. The Department's interpretation of the cost information is that the \$160,000 cost estimate is a per event estimate and that the Company forecasts an average of 10 events per year on average. In addition, the \$520,000 estimate makes no attempt to estimate the health benefits that the proposed change would provide from a societal perspective.

B.7. Are there other issues or concerns related to this matter?

The Department emphasizes the importance of limiting the impacts of poor air quality and extreme heat on the most vulnerable populations of Xcel's customers.

According to the World Health Organization, heat stress is a leading cause of weather-related deaths and can exacerbate many underlying health conditions such as cardiovascular disease, diabetes, mental health, asthma, and can increase the risk of accidents and transmission of some infectious diseases.²⁰ The inability of a person to regulate their internal temperature and limit heat gain due to exposure to environmental heat stress (e.g. high temperatures, high humidity, low wind, high thermal radiation, etc.) puts enormous stress on the body—particularly on the heart and kidneys while the body tries to cool itself.²¹ “Deaths and hospitalizations triggered by extreme hot weather occur rapidly (same day and following days), which means interventions also need to be rapid when a heat alert is issued.”²²

Recently, poor air quality events have been triggered by increasingly devastating wildfires in the western United States and central and eastern Canada, but even outside of wildfire-driven events, rising temperatures and other weather events can cause the rate at which air pollutants are formed or accumulate in the atmosphere to increase.²³ Poor air quality is not ideal for the general population but is particularly dangerous for many subsets of the population. For example, there are more than 25 million people in the U.S. that experience chronic lung diseases and another 16 million that experience chronic obstructive pulmonary disease.²⁴ Moreover, cardiovascular diseases are very common in the U.S. and are the leading cause of mortality, comprising approximately 30 to 40 percent of all deaths in the U.S.²⁵ Exposure to poor air quality exacerbates chronic lung diseases, circulatory diseases, and increases the triggers that lead to cardiovascular-related events including heart attacks, stroke, or abnormal heart rhythms.²⁶

²⁰ World Health Organization (28 May 2024) *Heat and Health*. Retrieved from: [Heat and health](#)

²¹ *Id.*

²² *Id.*

²³ MPCA

²⁴ U.S. EPA, Which Populations Experience Greater Risks of Adverse Health Effects from Wildfire Smoke Exposure. Retrieved from: <https://www.epa.gov/wildfire-smoke-course/which-populations-experience-greater-risks-adverse-health-effects-resulting> (hereinafter EPA).

²⁵ *Id.*

²⁶ EPA.

Unfortunately, those most susceptible to poor air quality events are those who suffer from the aforementioned diseases, those who are pregnant, the elderly, children under 18 years old (even those who have no preexisting conditions), and others who may work outdoors.²⁷ During pregnancy, the developing fetus goes through several important development milestones. During these critical milestones, exposure to poor air quality may harm the fetus.²⁸ Because of the physiologic changes experienced in pregnancy for the mother (e.g. increase breathing rates), the mother is also increasingly vulnerable to exposure to poor air quality as well as the risks to the fetus.²⁹ The elderly are at a higher risk for the diseases discussed above and studies cited by the EPA report a greater risk of emergency visits, hospital admissions and mortality associated with even short-term exposure to fine particulate matter. Compared to adults, children tend to spend more time outdoors and engage in more vigorous activities when outdoors, leading to more air (and pollutants) inhaled per pound of body weight.³⁰

As mentioned herein, even short-term exposure to particularly poor air quality or extreme heat can increase the risk of vulnerable populations (those with preexisting conditions, children, the elderly, those that are pregnant, and others) to experience detrimental consequences. The Department concludes that utilizing Xcel's preexisting capability through AMI to remotely reconnect involuntarily disconnected customers is a vital tool in avoiding potentially devastating health and safety impacts of poor air quality events and extreme heat.

IV. DEPARTMENT RECOMMENDATIONS

Based on analysis of Xcel's 2024 SRSQ Annual Report and the information in the record, the Department has prepared recommendations, which are provided below. The recommendations correspond to the subheadings of Section III above.

A. FURTHER RECORD DEVELOPMENT

The Department recommends the Commission deny the proposals; require Xcel to consult with Minnesota Pollution Control Agency (MPCA), MN Department of Health and parties to (1) establish common terminology and definitions regarding poor air quality and extreme heat, (2) establish appropriate thresholds related to poor air quality, extreme heat; and revise its proposals based on those determinations.

B. RESPONSE TO NOTICE TOPICS

B.4. The Department recommends the Commission require Xcel to notify customers of the policy change via bill insert or email (according to bill delivery preference).

B.4. The Department recommends the Commission require Xcel to notify customers of a reconnection event via a notification sent to the customer's preferred contact method (e.g. text, email).

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.*

B.5. Given that extreme heat and poor air quality events are most prevalent in the warmest months of the year, the Department concludes that the start date of the proposals should coincide with the Spring of 2026 or 2027.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Comments

Docket No. E002/M-25-27

Dated this **9th** day of **May 2025**

/s/Sharon Ferguson

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