

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

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

In the Matter of a Commission Investigation to Identify and Develop Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Operations

Docket No. E002/CI-17-401

Reply Comments of the Citizens Utility Board of Minnesota

I. Introduction

The Citizens Utility Board of Minnesota ("CUB", "we", "our", "us") again appreciates the Commission's efforts to investigate performance incentives for the electric operations of Northern States Power Company d/b/a Xcel Energy ("Xcel" or the "Company"). In our initial comments, CUB offered the following initial observations and recommendations:

- 1) The Commission should be wary of establishing baselines or targets for some metrics when data Xcel has reported for the past three years is materially skewed by the COVID-19 pandemic.
- 2) The Commission should consider additional data reporting to provide enhanced insights into Xcel's efforts and accomplishments in helping customers avoid disconnection.
- 3) The Commission and parties should explore additional ways to utilize the interactive map Xcel has developed to develop one or more equity metrics, and/or to better incorporate equity principles into existing metrics.

Unfortunately, due to competing deadlines arising between filing initial comments and this reply, we have had very limited time to review other parties' initial comments and to refine or add to our own recommendations in this docket. That being said, we offer a few additional thoughts and reactions below.

II. Analysis

First, from other parties' comments, we see no reason to question the completeness of Xcel's 2021 and 2022 PBR Annual Reports, and we are not opposed to their approval.

Second, as we stated in our initial comments, we appreciated the opportunity to confer with Xcel and other parties prior to filing recommendations. As Xcel notes in their initial comments, those conversations seemed to acknowledge "that recently passed Federal and State Legislation could have

significant impacts on many of the metrics involved in this proceeding and how it moves forward."¹ We also note other parties, like CUB, express concern over how the COVID-19 pandemic impacts the data Xcel reported in recent years.² Therefore, we agree with CEE and Fresh Energy's suggestion that "the Commission [not] take any action to set targets or establish baselines or benchmarks at this time."³

Third, we support the principle (as proposed by Xcel) of "setting a future target focused on reduced customer disconnections in geographical areas identified by our Electric Service Quality map utilizing census block groups to help those most in need when an appropriate baseline of data becomes available."⁴ We also agree with Xcel that such targets may be easier to develop when Xcel's AMI rollout is complete.⁵ Though we do not have additional suggestions to share on this now, we look forward to working with Xcel on this proposal in the future.

Finally, we agree with the OAG's sentiment that "it would not be productive to reduce arrearages by being more aggressive with disconnections... rather, the Commission should look for improvement in both figures together."⁶ We also agree that these goals are best accomplished through encouraging Xcel to work with customers by "directing them to energy assistance programs and establishing workable payment plans."⁷ We stand by the similar suggestions and observations we made about this in our initial comments and look forward to continuing to work with Xcel, OAG, and other parties to discuss how best to accomplish these goals by developing metrics and targets in the future, as informed by additional data.

III. Conclusion

CUB again appreciates the opportunity to contribute to this conversation. CUB looks forward to working with the Commission and stakeholders to further assess, develop, and refine performance-based regulation in Minnesota.

Respectfully submitted,

August 14, 2023

/s/ Brian Edstrom

Brian Edstrom

Senior Regulatory Advocate, Citizens Utility Board of Minnesota

332 Minnesota St., Suite W1360

St. Paul, MN 55101

651-300-4701, ext. 6

briane@cubminnesota.org

¹ *In the Matter of a Commission Investigation to Identify and Develop Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Operations*, Xcel Initial Comments, Docket No. E002/CI-17-401 (July 31, 2023), p. 7

² See, e.g., *In the Matter of a Commission Investigation to Identify and Develop Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Operations* Joint Comments of the Center for Energy and Environment and Fresh Energy Docket No. E002/CI-17-401 (July 28, 2023), p. 2.

³ *Id.*

⁴ Xcel Initial Comments, p. 17.

⁵ *Id.*

⁶ *the Matter of a Commission Investigation to Identify and Develop Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Operations*, OAG Initial Comments, Docket No. E002/CI-17-401 (July 31, 2023), p. 5.

⁷ *Id.*

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_17-401_Official
David	Dahlberg	davedahlberg@nweco.com	Northwestern Wisconsin Electric Company	P.O. Box 9 104 South Pine Street Grantsburg, WI 548400009	Electronic Service	No	OFF_SL_17-401_Official
John	Farrell	jfarrell@ilsr.org	Institute for Local Self-Reliance	2720 E. 22nd St Institute for Local Self-Reliance Minneapolis, MN 55406	Electronic Service	No	OFF_SL_17-401_Official
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_17-401_Official
Katherine	Hamilton	katherine@aem-alliance.org	Advanced Energy Management Alliance	1701 Rhode Island Ave, NW Washington, DC 20036	Electronic Service	No	OFF_SL_17-401_Official
Kim	Havey	kim.havey@minneapolismn.gov	City of Minneapolis	350 South 5th Street, Suite 315M Minneapolis, MN 55415	Electronic Service	No	OFF_SL_17-401_Official
William D	Kenworthy	will@votesolar.org	Vote Solar	332 S Michigan Ave FL 9 Chicago, IL 60604	Electronic Service	No	OFF_SL_17-401_Official
Brad	Klein	bklein@elpc.org	Environmental Law & Policy Center	35 E. Wacker Drive, Suite 1600 Suite 1600 Chicago, IL 60601	Electronic Service	No	OFF_SL_17-401_Official
Annie	Levenson Falk	annielf@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota Street, Suite W1360 St. Paul, MN 55101	Electronic Service	No	OFF_SL_17-401_Official
Gregory C.	Miller	gmiller@dakotaelectric.com	Dakota Electric Association	4300 220th Street West Farmington, MN 55024	Electronic Service	No	OFF_SL_17-401_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kristin	Munsch	kmunsch@citizensutilityboard.org	Citizens Utility Board of Minnesota	309 W. Washington St. Ste. 800 Chicago, IL 60606	Electronic Service	No	OFF_SL_17-401_Official
Rolf	Nordstrom	rnordstrom@gpisd.net	Great Plains Institute	2801 21ST AVE S STE 220 Minneapolis, MN 55407-1229	Electronic Service	No	OFF_SL_17-401_Official
Audrey	Partridge	apartridge@mncee.org	Center for Energy and Environment	212 3rd Ave. N. Suite 560 Minneapolis, Minnesota 55401	Electronic Service	No	OFF_SL_17-401_Official
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_17-401_Official
Isabel	Ricker	ricker@fresh-energy.org	Fresh Energy	408 Saint Peter Street Suite 220 Saint Paul, MN 55102	Electronic Service	No	OFF_SL_17-401_Official
Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_17-401_Official
Christine	Schwartz	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_17-401_Official
Doug	Scott	dscott@gpisd.net	Great Plains Institute	2801 21st Ave Ste 220 Minneapolis, MN 55407	Electronic Service	No	OFF_SL_17-401_Official
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_17-401_Official
Patricia F	Sharkey	psharkey@environmentalallawcounsel.com	Midwest Cogeneration Association.	180 N LaSalle St Ste 3700 Chicago, IL 60601	Electronic Service	No	OFF_SL_17-401_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_17-401_Official
Christopher	Villarreal	cvillarreal@rstreet.org	R Street Institute	1212 New York Ave NW Ste 900 Washington, DC 20005	Electronic Service	No	OFF_SL_17-401_Official
Jeff	Zethmayr	jzethmayr@citizensutilityboard.org	Citizens Utility Board	309 W. Washington, Ste 800 Chicago, IL 60606	Electronic Service	No	OFF_SL_17-401_Official