

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

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June 20, 2025

**In the Matter of a Commission Inquiry into Xcel
Energy's Advanced Rate Design for Load
Management**

Docket No. E-002/CI-24-115

COMMENTS OF FRESH ENERGY

Introduction

Fresh Energy appreciates the opportunity to provide these comments in response to the Minnesota Public Utility Commission's March 17, 2025 Notice of Comment period in Docket No. E002/CI-24-115.

Fresh Energy's comments respond to three of the topics raised in the notice:

- 1) Should Xcel Energy perform a study evaluating the contribution to Minnesota system costs caused by residential customers with different usage profiles, consulting the Citizens Utility Board Illinois study as an example?
- 2) What action should the Commission take, if any, regarding the information submitted by the Citizens Utility Board of Minnesota and the Chan Lab at the University of Minnesota ("Chan Lab/CUB") in their February 13, 2025 and March 5, 2025 letters related to this matter?
- 3) Are there any other issues or concerns related to this matter?

Fresh Energy supports a customer segmentation study being conducted and believes the Commission should order the release of the requested anonymized customer energy use data ("CEUD") allowing Chan Lab/CUB to complete the study. We do not believe the Commission should order Xcel to do a similar study. Additionally, Fresh Energy is

concerned about the estimated data access fee Xcel shared with Chan Lab/CUB in its May 15, 2025 response to CUB IR 002.

A. Should Xcel perform a study evaluating the contribution to Minnesota system costs caused by residential customers with different usage profiles, consulting the Citizen's Utility Board Illinois study as an example?

Fresh Energy supports a study evaluating residential system cost causation based on usage profile. Such a study would be valuable in advancing the conversation around energy equity issues in Minnesota and providing data to support future rate designs that allocate system costs across ratepayers in a more equitable manner. However, we do not believe Xcel needs to be ordered to conduct this study as there is a qualified third-party (Chan Lab/CUB) prepared to conduct the study. Requiring the utility to conduct the study on its own or contract with a third-party evaluator to complete the study would be needlessly redundant and would only delay study implementation.

In its initial comments, the Company questions whether such a study is needed given the results of its TOU pilot and its current rate options, including the Low-Income Low-Usage (LILU) discount program, and Automatic Bill Credit (ABC) pilot.¹ Fresh Energy supports each of these programs and appreciates that Xcel provides these options for its customers. However, we believe a comprehensive customer segmentation study, as Chan Lab/CUB is proposing, is beneficial to the Company and its ratepayers. We explain why we believe this study is valuable by responding directly to the reasons provided by the Company for questioning the need for a study in its initial comments.

"Similar findings have already been shown for our Minnesota low-income residential customers"

In its initial comments, Xcel notes that its Residential Time of Use (TOU) Rate Pilot provided similar information to the primary finding in the CUB Illinois Study, that low-income customers have lower on-peak demand and appear to have less overall energy usage, on average.² Fresh Energy does not dispute the findings of the TOU pilot, but we do not believe the Company's TOU pilot is an adequate substitute for a more comprehensive, system-wide customer segmentation study.

¹ MN PUC Docket No. 24-115, Utility Initial Comments, April 16, 2025, pp. 5 – 7

² *Ibid.* pg 5

First, the TOU pilot focused on two small geographic regions within the Company's service territory and included analysis of data from approximately 17,000 customers across both the participant and the control groups.³ Chan Lab/CUB is requesting data from approximately 1.1 million AMI meters across the Company's entire service territory.⁴ While the sample size for the pilot study was adequate for the purpose of evaluating the TOU pilot program, it does not provide a comprehensive picture of the Company's service territory in the same way the system-wide customer segmentation study would.

Additionally, the TOU pilot only enrolled participants subject to the residential standard rate (A01 – overhead connections, and A03 – underground connections).⁵ This resulted in a study that evaluated only low-income customers either enrolled in the standard rate, or participating in the TOU pilot. As Xcel notes in its comments, it offers several different rate structures for low-income customers, many of which were not offered at the time the TOU pilot was evaluated. The customer segmentation study would provide a more comprehensive analysis of low-income customers participating in the various rates the Company offers. This would be useful for understanding how energy use varies across different rate structures.

“Rate options now exist addressing the needs identified in the Study”

Fresh Energy agrees with Xcel that the Company offers several useful rate options for its customers. However, we do not believe these are representative of the full suite of rate designs needed to address the needs of low-income customers. Rate design is an ever-evolving process and the Company, with the input from stakeholders, should continuously strive to improve its rate offerings to better meet system and customer needs. The information provided by the proposed study would provide data on cross-subsidization of utility costs across different demographic groups and income levels, potentially identifying necessary modifications to existing rate designs or opportunities for new rate offerings to customers. This type of continued evaluation of existing rate structures is broadly aligned with the principles of just and reasonable ratemaking and may support Commission decisions in future rate cases or rate design dockets.

B. What action should the Commission take, if any, regarding the information submitted by the Citizens Utility Board of Minnesota and the Chan Lab at the

³ MN PUC Docket No. 17-775, Xcel Energy Minnesota Time-of-Use Pilot Evaluation – Final Report. Attachment A, p. 11. February 10, 2023

⁴ MN PUC Docket No. 24-115, Utility Initial Comments, April 16, 2025, p. 13

⁵ MN PUC Docket No. 17-775, Xcel Energy Minnesota Time-of-Use Pilot Evaluation – Final Report. Attachment A, p. 10. February 10, 2023

University of Minnesota in their February 13, 2025 and March 5, 2025 letters related to this matter?

Fresh Energy supports the Commission ordering Xcel to release the anonymized CEUD requested by Chan Lab/CUB. We believe the request meets the requirements outlined in the Open Data Access Standards (ODAS) as articulated by Chan Lab/CUB in its March 5, 2025 letter.⁶

We disagree with the Company's use of Section III.C to deny the data request and agree with Chan Lab/CUB's assertion that the company has failed to articulate a "reasonable belief" that the request would create a security risk for the Company or its customers.⁷ In its initial comments, the Company does not raise a specific security concern related to this request. Instead, the Company appears to be applying Section III.C in a broad manner in response to the lack of an expert-level analysis of the anonymization standard in the ODAS docket.⁸ However, in the July 5, 2024 Order establishing updated ODAS, the Commission stated, despite Xcel's assertion that expert testimony was needed before the standards may be applied, that the adopted standards, "strike an appropriate balance between facilitating access to anonymized CEUD and establishing reasonable protections for customer privacy."⁹ Thus, Fresh Energy believes that the concerns raised by Xcel related to expert-level analysis of the anonymization standards have already been addressed by the Commission's order. In the absence of a more specific security concern related to this request, Fresh Energy does not view the exception listed under Section III.C as a valid basis for denying this request.

C. Are there any other issues or concerns related to this matter?

The Company notes if it is ordered to release the requested CEUD it will charge a data access fee consistent with ODAS Section IV.A.¹⁰ In response to an information request from CUB, the Company estimated the data access fee to be \$34,000.¹¹ Fresh Energy is concerned this cost estimate is inconsistent with costs charged by similar utilities. Specifically, Commonwealth Edison ("ComEd"), one of the utilities evaluated in the CUB Illinois study, charges a fee of up to \$1,300 for similar data anonymized under the same 15/15 protocol.¹²

⁶ MN PUC Docket No. 24-115, Citizens Utility Board of Minnesota and Chan Lab, Open Data Access Standards Complaint, March 5, 2025, pp. 4-5.

⁷ *Ibid*, p. 5.

⁸ MN PUC Docket No. 24-115, Utility Initial Comments, April 16, 2025, p. 12

⁹ MN PUC Docket No. 19 – 505, Order, July 5, 2024, p. 4.

¹⁰ Xcel Initial Comments. p.13

¹¹ Xcel Response to CUB Information Request 002, May 15, 2025.

¹² ComEd Anonymous Data FAQs, [Anonymous Data FAQs | ComEd - An Exelon Company](#).

It is unclear to Fresh Energy why Xcel's data anonymization process would cost significantly more than a comparable utility.

Further, in its breakdown of the data access fee, the Company has included \$20,000 for associated legal fees. Section VI.A(1) of the ODAS includes expenses related to compiling and anonymizing data but does not include legal fees. Fresh Energy does not support the inclusion of legal expenses as part of the data access fee and believes the inclusion of these expenses is inconsistent with what is allowable under ODAS Section VI.A(1).

Finally, Section VI.A(2) of the ODAS requires the utility to "consider the reasonable value of the data prepared to the utility and, if appropriate, reduce the fee assessed to the requesting person." As discussed above, Fresh Energy believes the proposed customer segmentation study would provide value to the Company. Accordingly, we encourage the Company to revise its data access fee to better reflect this value.

In its reply comments, we ask that Xcel revise its data access fee proposal to address the concerns raised above. If the updated fee estimate is still unreasonable, Fresh Energy asks that the Commission cap the requested fee at a level it deems reasonable based on information provided in the record.

Fresh Energy appreciates the opportunity to comment on the important matters under consideration here. Thank you for the Commission's time and consideration of our comments.

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