

**STATE OF MINNESOTA
BEFORE THE PUBLIC UTILITIES COMMISSION**

| | |
|--------------------|--------------|
| Katie J. Sieben | Chair |
| Joseph K. Sullivan | Vice-Chair |
| Audrey Partridge | Commissioner |
| Hwikwon Ham | Commissioner |
| John Tuma | Commissioner |

In the Matter of Northern States
Power Co. d/b/a Xcel Energy's 2024
Annual Safety, Reliability,
and Service Quality Report+

MPUC Docket No. E-002/M-25-27

**INITIAL COMMENTS OF ENVIRONMENTAL LAW & POLICY CENTER,
COOPERATIVE ENERGY FUTURES, AND VOTE SOLAR**

The Environmental Law & Policy Center, Cooperative Energy Futures, and Vote Solar (together, ELPC/CEF/VS) jointly submit these comments responding to the Commission's final Topic Open for Comment: Are there other issues or concerns related to this matter? Our comments address Part III of Xcel Energy's Service Quality Annual Report filed on April 1, 2025 (2024 Annual Report). Part III covers new issues and requirements from Xcel's previous Annual Report Safety, Reliability, and Service Quality (SRSQ) proceeding (Docket No. E-002/M-24-27), including specifically further analysis related to disparities in outages and disconnections identified in studies by Xcel's consultant TRC and by Drs. Gabriel Chan and Bhavin Pradhan. ELPC/CEF/VS participated in Xcel's previous SRSQ proceeding,¹ focused on addressing the identified disparities, with expert analysis and advice from Drs. Chan and Pradhan, whose disparity study we included with our comments in that proceeding. We continue

¹ In the previous SRSQ proceeding (Docket No. E-002/M-24-27), we commented as the Grid Equity Commenters, together with Sierra Club.

that focus here, in particular with respect to the disparities in long-duration outages (CELI-12) and Xcel's targeted undergrounding proposal.

A. Further Analysis of Disparities in Long Outages (CELI-12)

ELPC/CEF/VS support Xcel's intent to provide further detail on its targeted undergrounding proposal in its next Integrated Distribution Plan (IDP), expected on November 1, 2025.² We continue to believe, consistent with our comments in the previous SRSQ proceeding, that the Commission and stakeholders should evaluate the strategic aspects of this proposal and any alternatives in the context of the rest of Xcel's distribution planning programs and investments. Similarly, we believe the IDP offers an opportunity to continue to explore other ways to integrate equity considerations into Xcel's distribution planning process going forward. We also note that Xcel appears to propose initial expenditures for this targeted undergrounding initiative in its current rate case,³ in which our organizations have intervened.

While ELPC/CEF/VS appreciate Xcel's additional analysis of its targeted undergrounding proposal in its 2024 SRSQ Report, we remain concerned regarding the cost of undergrounding and its potential to impact rates and affordability, especially in combination with other distribution investments. We recognize that Xcel's undergrounding cost estimates appear to have both decreased and narrowed in range from its projections in the last SRSQ, where it estimated it could cost between \$500,000 to \$5 million per mile.⁴ Now, Xcel estimates that its proposed targeted undergrounding—aiming to underground an additional 40 percent of the distribution system in the identified Census Block Groups (CBGs), including approximately

² 2024 Annual Report at 125 (Part III).

³ *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-24-320, Supplemental Direct Testimony and Schedule of Marty D. Mensen (Distribution), at 2-4 (March 17, 2025).

⁴ *In the Matter of Northern States Power Company's Annual Report on Safety, Reliability, and Service Quality for 2023; and Petition for Approval of Electric Reliability Standards for 2024*, Docket No. E002/M-24-27, Annual Report and Petition at 98 (Part II) (Apr. 1, 2024).

110,000 feet of overhead conductors—would cost between \$21.1 and \$31.7 million in total and take 3 years to complete.⁵ Xcel projects that this undergrounding could achieve CELI-12 rates of 3.58 percent, better than the 4.19 percent system average. However, Xcel also states that the main risk of its undergrounding proposal is “uncertainty in the current cost estimate due to currently limited quantity of comparable past overhead to underground conversion projects.”⁶ Therefore, despite the potential benefits, the costs of undergrounding remain a concern.

In addition, ELPC/CEF/VS would like additional information regarding any ongoing operations and maintenance (O&M) costs associated with undergrounded assets and a comparison to such costs for overhead assets. We would also like to better understand the impacts of undergrounding in the identified CBGs, such as impact to property and roads/traffic during construction, and how Xcel would intend to mitigate them and communicate with the impacted communities. We believe the IDP offers the appropriate forum to explore these and any other issues related to Xcel’s targeted undergrounding proposal, and otherwise to continue the discussion around advancing equity in the context of distribution planning.

B. Third-Party Evaluation of Practices and Policies for Capital Investment Planning, Outage Restoration, and Disconnections

Various configurations of our organizations and others—Vote Solar, the Environmental Law & Policy Center, Cooperative Energy Futures, Sierra Club, and Community Power—have long engaged on the issue of locational reliability and equity in Minnesota. (A bibliography of prior comments filed in 11 different dockets is attached.) Across multiple dockets over several years, we have consistently urged the Commission to build upon Xcel’s pioneering work mapping reliability data by census tract. We have emphasized the need for formal metrics to

⁵ 2024 Annual Report at 125 (Part III).

⁶ *Id.*

better understand how service quality varies across communities, particularly for customers in environmental justice and other vulnerable areas. Our filings have called on the Commission to ensure that any disparities identified are not merely documented but actively addressed through targeted interventions and incorporated into utility planning and capital-investment decision-making.

We appreciate the Commission's recognition of these concerns in Order Point 46 of its January 13, 2025 Order in Xcel's prior SRSQ proceeding, which adopted Fresh Energy's proposal to mandate an independent evaluation of Xcel's capital planning, outage restoration, and disconnection practices through an equity lens. This directive represents a critical step toward aligning utility operations with principles of procedural and distributional justice. We intend to remain closely engaged as that study proceeds, and we look forward to continuing our advocacy in Xcel's forthcoming Integrated Distribution Plan and in its ongoing rate case, both of which offer key opportunities to operationalize the lessons from this work and make equity a durable component of grid planning.

We were pleased to learn about the third-party evaluator that Xcel has commissioned to comply with Order Point 46. ELPC/CEF/VS continue to support this study, as we did in the prior SRSQ proceeding, and appreciate Xcel's efforts to move forward with it.⁷ We also support Xcel's intent to file the study, if completed in time, with its next SRSQ report in April 2026. ELPC/CEF/VS are interested in engaging with the Third-Party Evaluator regarding Task 3: Coordinate with interested stakeholders and Xcel Energy on proposed changes to existing policies and practices. We request that Xcel include our organizations in any outreach

⁷ *Id.* at 125-27 (Part III).

undertaken under this Task, and any other stakeholder outreach related to this Order Point and study.

We also continue to believe that the Commission should establish equity/reliability metrics to be included in Xcel's annual SRSQ analysis. Both the Company's TRC analysis and the Chan/Pradhan analysis identified some disparities in service quality, which the Commission should require Xcel to measure and to track its progress toward addressing. We look forward to continuing to explore how best to implement this goal.

C. Additional Data Layers Added to Interactive Service Quality Map

In response to the Commission's directives from its January 2025 Order in the prior SRSQ, Xcel Energy has expanded its Minnesota interactive service quality map by adding six of eight new data layers at the census block group level, including municipal boundaries, premise counts, percent of underground electric assets, percent of disconnected premises, per-premises energy costs, and average home age. The two remaining layers—average age and amount of arrears for disconnected premises—are delayed due to data availability and geolocation challenges but are expected soon. To maintain consistency, Xcel plans to align all map layers to end-of-year 2024 data and has notified users accordingly. In parallel, the Commission initiated a workgroup under January 2025 Order Point 42 to streamline and enhance affordability and service quality data reporting across dockets, with Xcel submitting a comprehensive matrix of its existing affordability reporting practices in March 2025.

We appreciate the Company's effort to expand the interactive service quality map in response to the Commission's directives and to align data layers to a consistent end-of-year 2024 vintage. These enhancements represent important steps toward enabling meaningful analysis of reliability and affordability across communities. However, as of July 8, 2025, the newly described data layers do not yet appear to be visible or functional on the public-facing ArcGIS

platform. In addition, although the Company’s discussion on pages 109–110 of its filing indicates that map data would be downloadable to facilitate further stakeholder analysis, that functionality does not currently appear to be enabled. We encourage the Commission to follow up to ensure that Xcel implements these features as described and that stakeholders can fully access and use the data for transparency, oversight, and community engagement.

Respectfully submitted,

/s/ Erica S. McConnell

Erica S. McConnell
Staff Attorney
Environmental Law & Policy Center
35 E. Wacker Drive, Suite 1600
Chicago, IL 60601
(312) 673-6500
emcconnell@elpc.org

/s/ William D. Kenworthy

William D. Kenworthy
Senior Regulatory Director, Midwest
Vote Solar
1 South Dearborn Street, Suite 2000
Chicago, IL 60603
will@votesolar.org

/s/ Pouya Najmaie

Pouya Najmaie
Policy and Regulatory Director
Cooperative Energy Futures
310 E 38th St Suite 109
Minneapolis, MN 55409
(612) 715-1224
pouya@cooperativeenergyfutures.com

Date: July 11, 2025

Previous Comments on Locational Reliability and Equity

Environmental Law & Policy Center & Vote Solar, *Initial Comments of the Environmental Law & Policy Center and Vote Solar on Xcel Energy's Integrated Distribution Plan and Advanced Grid Intelligence and Security Certification*, Minn. P.U.C. Docket **E002/M-19-666** (filed Mar. 17, 2020), at 13–15.

Environmental Law & Policy Center & Vote Solar, *Reply Comments of the Environmental Law & Policy Center and Vote Solar on Xcel Energy's Integrated Distribution Plan and Advanced Grid Intelligence and Security Certification*, Minn. P.U.C. Docket **E002/M-19-666** (filed Apr. 10, 2020), at 9.

Environmental Law & Policy Center & Vote Solar, *Supplemental Reply Comments of the Environmental Law & Policy Center and Vote Solar on Xcel Energy's Integrated Distribution Plan and Advanced Grid Intelligence and Security Certification*, Minn. P.U.C. Docket **E002/M-19-666** (filed Apr. 22, 2020), at 1–3.

Environmental Law & Policy Center & Vote Solar, *Initial Comments of the Environmental Law & Policy Center and Vote Solar on Xcel Energy's 2019 Safety, Reliability, and Service Quality Metrics*, Minn. P.U.C. Docket **E002/M-20-374** (filed Aug. 19, 2020), at 4–7.

Environmental Law & Policy Center & Vote Solar, *Initial Comments of the Environmental Law & Policy Center and Vote Solar*, Minn. P.U.C. Dockets **E017/M-21-225**, **E015/M-21-230**, **E002/M-21-237** (filed Aug. 16, 2021).

Community Power, Environmental Law & Policy Center & Vote Solar, *Initial Comments of Community Power, Environmental Law & Policy Center, and Vote Solar*, Minn. P.U.C. Docket **E002/M-21-694** (filed Feb. 25, 2022).

Community Power, Environmental Law & Policy Center & Vote Solar, *Reply Comments of Community Power, Environmental Law & Policy Center, and Vote Solar*, Minn. P.U.C. Docket **E002/M-21-694** (filed Apr. 11, 2022).

Just Solar Coalition, *Surrebuttal Testimony of Alice Madden on Behalf of the Just Solar Coalition*, Minn. P.U.C. Docket **E002/RP-23-268** (filed Mar. 5, 2024).

Vote Solar & Environmental Law & Policy Center, *Comments on Reliability and Equity Metrics*, Minn. P.U.C. Docket **E002/M-22-633** (filed Jan. 6, 2023).

Just Solar Coalition, *Initial Brief of the Just Solar Coalition*, Minn. P.U.C. Docket **E002/M-21-630** (filed Jan. 6, 2022).

Environmental Law & Policy Center & Vote Solar, *Reply Comments on Reliability and Equity Metrics*, Minn. P.U.C. Dockets **E002/CI-17-401** & **E002/M-20-406** (filed Jan. 20, 2023).

Environmental Law & Policy Center & Vote Solar, *Comments on Performance-Based Ratemaking*, Minn. P.U.C. Docket **E002/CI-17-401** (filed July 31, 2023).

Cooperative Energy Futures, Environmental Law & Policy Center, Sierra Club & Vote Solar, *Initial Comments of the Grid Equity Commenters on Xcel Energy's Hosting Capacity Map and Analysis Enhancements Compliance Filing*, Minn. P.U.C. Docket **E002/CI-23-452** (filed Mar. 1, 2024).

Cooperative Energy Futures, Environmental Law & Policy Center, Sierra Club & Vote Solar, *Reply Comments of the Grid Equity Commenters on Xcel Energy's Hosting Capacity Map and Analysis Enhancements Compliance Filing*, Minn. P.U.C. Docket **E002/CI-23-452** (filed Apr. 12, 2024).

Cooperative Energy Futures, Environmental Law & Policy Center, Sierra Club & Vote Solar, *Initial Comments of the Grid Equity Commenters on Xcel Energy's 2023 Annual Safety, Reliability, and Service Quality Report*, Minn. P.U.C. Docket **E002/M-24-27** (filed Aug. 8, 2024).

Cooperative Energy Futures, Environmental Law & Policy Center, Sierra Club & Vote Solar, *Reply Comments of the Grid Equity Commenters on Xcel Energy's 2023 Annual Safety, Reliability, and Service Quality Report*, Minn. P.U.C. Docket **E002/M-24-27** (filed Sept. 12, 2024).