

May 8, 2026

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

RE: **Letter from the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E002/M-23-524

Dear Ms. Bergman:

The Minnesota Department of Commerce (the Department) submits this letter in response to Northern States Power Company, doing business as Xcel Energy's (Xcel or the Company) reply comments¹ as well as its Information Request (IR) response to Commission Staff² filed in Docket No. E002/M-23-524.

I. ORDER POINTS 6 AND 7

In its initial comments, the Department questioned whether Xcel complied with Order Points 6 and 7 of the Commission's February 23, 2026 Order³ in its petition.⁴ In both the Company's IR response and in its reply comments, Xcel provides an overview of its rebate application and online enrollment options.^{5,6}

Upon review of Xcel's proposed enrollment process and as highlighted in the Citizens Utility Board's (CUB) reply comments, it is also the Department's understanding with respect to Order Point 6 that "Xcel intends to only offer online enrollment options to customers who submit, or have in the past submitted, a heat pump rebate application. Online enrollment will not otherwise be available to other customers who primarily heat their home with electricity."⁷ Xcel discusses in its reply comments that

¹ *In the Matter of the Petition of Northern States Power Company, dba Xcel Energy, for Approval of a Residential Time of Use Rate Design*, Xcel Energy, Reply Comments, May 4, 2026, E002/M-23-524, (eDockets) [20265-231445-01](#) (hereinafter "Xcel Reply Comments").

² Xcel Energy, Information Request Response, May 4, 2026, E002/M-23-524, (eDockets) [20265-231448-01](#) (hereinafter "PUC IR 5").

³ Department, Comments, April 24, 2026, Docket No. E002/M-23-524, (eDockets) [20264-230938-01](#), at 2.

⁴ Xcel Energy, Petition, March 25, 2026, E002/M-23-524, (eDockets) [20263-229638-01](#).

⁵ PUC IR 5.

⁶ Xcel Reply Comments, at 2-4.

⁷ Citizens Utility Board, Reply Comments, May 4, 2026, Docket No. E002/M-23-524, (eDockets) [20265-231463-01](#), at 4.

the initial limitation to only customers who have submitted a heat pump rebate application is due to the space heating rate not being widely available (eligibility is determined by the customer's primary heating source).⁸ Xcel states it is interested in expanding the online enrollment option and it continues to investigate how to implement an online system that protects from ineligible enrollments.⁹

In response to the Department's concern regarding compliance with Order Point 7, which necessitates Xcel to allow enrollment in the rate through an online self-service tool, Xcel states that "the Company did not interpret Order Point No. 8 to be specifically referring to the online enrollment addressed in Order Point No. 7, and we drafted language that does not expressly address online self-enrollment."¹⁰ The Department disagrees that Order Point 8 does not require tariff language referencing the online self-enrollment process. However, the Department understands, based on Xcel's response, that the online enrollment functionality remains incomplete and additional system work remains underway.¹¹ Moreover, Xcel indicates that, if inclusion of an online enrollment option in tariffed language is important to parties, it is willing to propose applicable language once the online self-enrollment option is available.¹²

The Department recommends the Commission require Xcel to file a Compliance filing before October 1, 2026 updating the Commission on the roll-out of its online self-enrollment process and the necessary tariff revisions.

II. TERMS AND CONDITIONS MODIFICATION

In its petition, Xcel also "proposed to modify [its tariff language] related to customer opt-outs (Rejoin Policy) [...] to prevent customers from avoiding the price signals of the TOU rate by opting-in when the rate is advantageous to them and opting-out when it is disadvantageous."¹³ In response, the Department proposed alternative language that, as characterized by Xcel, sought to include "customers who have been off the rate for an extended period."¹⁴ Xcel clarified in its reply comments that it intended to avoid customers opting in and out of the rate seasonally avoid price signals, rather than to discourage customers who have been off the rate for an extended period of time from returning. Xcel further clarified that a customer that has been off of the rate for more than 12 months would be treated effectively as a new customer to the rate and therefore not subject to the retention period. To more directly address this concern, Xcel proposes, in its reply comments, an additional modification to its Rejoin Policy:

⁸ Xcel Reply Comments, at 3.

⁹ *Ibid.*

¹⁰ *Id.*, at 4.

¹¹ *Ibid.*

¹² *Ibid.*

¹³ *Id.*, at 5.

¹⁴ *Ibid.*

Any customer who has previously taken service under this tariff and opted out is required to stay on this rate for a minimum of 12 months if they wish to reenroll. This requirement only applies if a customer has taken service under this rate within 12 months prior to rejoining the rate.¹⁵

The Department appreciates the Company's clarification and supports the proposed revision. **The Department recommends the Commission approve Xcel's proposed tariff changes.**

In its initial comments, the Department requested further clarification¹⁶ from the Company regarding "planned customer communications" and "enrollment rules for recently unenrolled customers."¹⁷ Xcel provided the requested information, and the Department has no additional concerns at this time.

Sincerely,

/s/ Sydnie Lieb, Ph.D.
Assistant Commissioner, Office of Regulatory Analysis

AB/RW/KB/ad

¹⁵ *Ibid.*

¹⁶ Department Initial Comments, at 4.

¹⁷ Xcel Reply Comments, at 6.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of people 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
Letter**

Docket No. E002/M-23-524

Dated this **8th** day of **May 2026**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Michael	Allen	michael.allen@allenergysolar.com	All Energy Solar		721 W 26th st Suite 211 Minneapolis MN, 55405 United States	Electronic Service		No	23-524 Official
2	Mara	Ascheman	mara.k.ascheman@xcelenergy.com	Xcel Energy		414 Nicollet Mall FI 5 Minneapolis MN, 55401 United States	Electronic Service		No	23-524 Official
3	Marisa	Bayer	mbayer@edinamn.gov	City of Edina		4801 W 50th St Edina MN, 55424 United States	Electronic Service		No	23-524 Official
4	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission	121 7th PI E Ste 350 St. Paul MN, 55101 United States	Electronic Service		Yes	23-524 Official
5	Matthew	Brodin	mbrodin@allte.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	23-524 Official
6	Rachel	Bryant	rachel.bryant@gridx.com	GridX		14055 W Amherst Ave Lakewood CO, 80228 United States	Electronic Service		No	23-524 Official
7	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	23-524 Official
8	James	Canaday	james.canaday@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Suite 1400 445 Minnesota St. St. Paul MN, 55101 United States	Electronic Service		No	23-524 Official
9	Olivia	Carroll	oliviac@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St W1360 St. Paul MN, 55101 United States	Electronic Service		No	23-524 Official
10	John	Coffman	john@johncoffman.net	AARP		871 Tuxedo Blvd. St, Louis MO, 63119-2044 United States	Electronic Service		No	23-524 Official
11	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	23-524 Official
12	James	Denniston	james.r.denniston@xcelenergy.com	Xcel Energy Services, Inc.		414 Nicollet Mall, 401-8 Minneapolis MN, 55401 United States	Electronic Service		No	23-524 Official
13	John	Farrell	jfarrell@ilsr.org	Institute for Local Self-Reliance		2720 E. 22nd St Institute for Local Self-Reliance Minneapolis MN, 55406 United States	Electronic Service		No	23-524 Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
27	David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency		220 South Sixth Street Suite 1300 Minneapolis MN, 55402 United States	Electronic Service		No	23-524 Official
28	Logan	O'Grady	logrady@mnseia.org	Minnesota Solar Energy Industries Association		2288 University Ave W St. Paul MN, 55114 United States	Electronic Service		No	23-524 Official
29	Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office		1110 West Avenue Red Wing MN, 55066 United States	Electronic Service		No	23-524 Official
30	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	23-524 Official
31	Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy		26 E Exchange St, Ste 206 St. Paul MN, 55101-1667 United States	Electronic Service		No	23-524 Official
32	Kahryn	Riley	kahryn.riley@uplight.com	Uplight		Junction PI Boulder CO, 80301 United States	Electronic Service		No	23-524 Official
33	Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	23-524 Official
34	Peter	Scholtz	peter.scholtz@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Suite 1400 445 Minnesota Street St. Paul MN, 55101-2131 United States	Electronic Service		No	23-524 Official
35	Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates		7400 Lyndale Ave S Ste 190 Richfield MN, 55423 United States	Electronic Service		Yes	23-524 Official
36	Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.		76 W Kellogg Blvd St. Paul MN, 55102 United States	Electronic Service		No	23-524 Official
37	Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy		505 Nicollet Mall Minneapolis MN, 55402 United States	Electronic Service		No	23-524 Official
38	Byron E.	Starns	byron.starns@stinson.com	STINSON LLP		50 S 6th St Ste 2600 Minneapolis MN, 55402 United States	Electronic Service		No	23-524 Official
39	Lauren	Steinhaeuser	lauren.steinhaeuser@xcelenergy.com	Northern States Power Company dba Xcel Energy		414 Nicollet Mall, 401-08 Minneapolis MN, 55401 United States	Electronic Service		No	23-524 Official
40	Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine		225 South Sixth Street, Suite 3500 Minneapolis	Electronic Service		No	23-524 Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
						MN, 55402 United States				
41	Mariko	Yatsuhashi	myatsuhashi@mncee.org	Center for Energy and Environment		212 N 3rd Ave Suite 560 Minneapolis MN, 55404 United States	Electronic Service		No	23-524 Official
42	Kurt	Zimmerman	kwz@ibew160.org	Local Union #160, IBEW		2909 Anthony Ln St Anthony Village MN, 55418-3238 United States	Electronic Service		No	23-524 Official
43	Patrick	Zomer	pzomer@cozen.com	Cozen O'Connor		150 S. 5th Street, #1200 Minneapolis MN, 55402 United States	Electronic Service		No	23-524 Official