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May 15, 2017

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Comments from Fresh Energy and Minnesota Center for Environmental Advocacy on the Notice of Comment Period in the Matter of an Alternative Rate Design Stakeholder Process for Xcel Energy – Docket No. E002/M-15-662

Dear Mr. Wolf,

Pursuant to the Commission's notice of comment period issued on April 19, 2017, in the above-named docket, please see attached for comments on the procedural questions posed by the Commission in the notice. We appreciate the opportunity to participate in this docket. Please contact us with any questions regarding these comments.

Sincerely,

/s/ Will Nissen

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STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange, Chair
Dan Lipschultz, Commissioner
Matt Schuerger, Commissioner
Katie Sieben, Commissioner
John Tuma, Commissioner

**In the Matter of an Alternative Rate
Design Stakeholder Process for Xcel
Energy – Docket No. E002/M-15-662**

Fresh Energy and the Minnesota Center for Environmental Advocacy (MCEA) appreciate the opportunity to offer comments on the Commission’s specific questions regarding Xcel Energy’s April 11, 2017 proposal to develop a residential Time of Use (TOU) rate pilot with stakeholder input. Fresh Energy and MCEA note that our March 31, 2017 comments in this docket¹ already give considerable context to why a TOU rate pilot is desirable under the Reasonable Rate Statute’s requirements and the Commission’s identified rate design principles. As a result, these comments only address the additional questions presented following Xcel’s presentation at the Commission informational meeting.

1. What procedural actions, if any, should the Commission take at this time with respect to Xcel’s proposal to file a rate design pilot by November 2017?

The Commission should order Xcel to file a rate design pilot on or by November 1, 2017, in this docket. The November 1, 2017 proposal should include a TOU rate pilot, but Xcel should also be allowed to include other pilot design elements as discussed in the stakeholder process—as suggested by Xcel in its March 31 comments.

The Commission should also require Xcel to file interim filings at each stakeholder benchmark envisioned in the Company’s proposed timeline.² Through stakeholder engagement thus far, it is our understanding that this is the intention of the company and the parties assisting with the process.

An order for these regular filings is necessary to keep the process on track and transparent, using a timeline that the company has already presented as achievable. Such an order would also give some certainty to stakeholders that their participation in the process will lead to a concrete proposal for Commission action.

¹ Comments from Fresh Energy and Minnesota Center for Environmental Advocacy on the Notice of Comment Period in the Matter of an Alternative Rate Design Stakeholder Process for Xcel Energy – Docket No. E002/M-15-662, Mar. 31, 2017 ([link](#)).

² NSPM Rate Design Pilot, MPUC Informational Meeting, Docket No. E002/M-15-662, Apr. 11, 2017, at 5 ([link](#)).

2. Should the record in this docket eventually be incorporated into the record for Xcel's pilot when filed?

Yes.

3. Should this generic docket continue in parallel to the Xcel pilot development, and if so, what should the Commission address in this generic docket apart from the issues addressed in the Xcel pilot proceeding?

Fresh Energy and MCEA do not take a position but note that the recent Xcel Rate Case has brought up many difficult-to-resolve rate design issues. To the extent that the Commission or other parties are interested in other matters related to alternative rate designs that are not discussed or addressed in the instant plan laid out by Xcel Energy, this docket could continue exploring those matters.

The Commission should, however, make sure that this docket resolves the residential rate design pilot process before changing the docket's focus to non-residential rate design issues. For the time being, discussion within the stakeholder engagement process described at the informational meeting is sufficient to address the pertinent matters at hand for developing a residential TOU rate pilot.

4. Please provide any other comments related to Xcel's information meeting presentation on its plan to develop and file a TOU pilot.

Fresh Energy and MCEA continue to believe that the Commission has an active role to play in guiding the evolution of this inquiry into rate design. The success of the stakeholder process, and its ability to lead to concrete improvements in rate design consistent with Minnesota law, depends on this docket remaining transparent and organized. By setting the tone, the Commission can continue to show leadership and hold parties accountable. This will be best accomplished by benchmarking success at predetermined filing deadlines, and acting on proposals as soon as they are developed and presented for Commission approval.