

## Staff Briefing Papers

Meeting Date July 9, 2020

Agenda Item \*\*7

Company Northern States Power Company d/b/a Xcel Energy

Docket No. **G-002/M-20-323**

**In the Matter of the Petition of Northern States Power Company for Approval of a Modification to its Natural Gas State Energy Policy (SEP) Tariff, Updated 2020 SEP Rate Factor, and 2019 SEP Compliance Filing**

Issues

Should the Commission accept Xcel Energy's 2019 SEP compliance filing, approve the proposed 2020 SEP rate factor, and approve the Company's proposed modification to its SEP tariff?

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### Relevant Documents

#### Date

Xcel Energy – Petition and Compliance Filing	February 28, 2020
Department of Commerce – Comments	March 27, 2020
Xcel Energy – Reply Comments	April 6, 2020
Department of Commerce – Response	May 4, 2020

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

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## I. Statement of the Issues

Should the Commission accept Xcel Energy's 2019 SEP compliance filing, approve the proposed 2020 SEP rate factor, and approve the Company's proposed modification to its SEP tariff?

## II. Introduction

On September 26, 2003, Northern States Power Company d/b/a Xcel Energy (Xcel or the Company) filed its first request for approval of a State Energy Policy Rate Rider. On April 6, 2004, the Commission issued its Order Approving State Energy Policy Rider, As Modified.<sup>1</sup>

Since that time, the Commission has issued determinations sixteen times. In its last order, issued July 19, 2019 in Docket No. G-002/M-19-200, the Commission authorized Xcel to continue recovering certain costs through the SEP rider.

This year, Xcel petitioned for approval of its updated natural gas State Energy Policy (SEP) Rider rate factor, Annual SEP compliance filing, and proposed customer notice and tariff update. The only disputed issue revolves around the Company's sales forecast. The Department recommended that the Commission require Xcel to use the 2019 actual sales figure, which is higher than Xcel's forecast, to calculate the SEP rider factor.

## III. Background

On February 28, 2020, Xcel submitted its request for approval of its 2020 State Energy Policy (SEP) rider rate factor, proposed customer notice, updated tariff and its 2019 annual SEP rider compliance filing. The current SEP rider is recovering two types of costs: 1) Assessment for the Department of Commerce's Regional and National Duties (ADRND), and 2) the Cast Iron Pipe Replacement Project. ADRND costs are costs due to expenses incurred by the Department of Commerce for services to the Commission on reliability issues and other projects or analyses. The Cast Iron project costs are costs incurred under Minn. Stat. § 216B.1637 as Recovery of Certain Greenhouse Gas Infrastructure Costs prior to the repeal of Minn. Stat. § 216B.1637 in July 2013.

On March 27, 2020, the Department filed comments stating that the Company's Petition fulfills the Commission's reporting requirements contained in previous orders<sup>2</sup> and asking Xcel the

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<sup>1</sup> *In the Matter of a Petition by Northern States Power Company d/b/a Xcel Energy for Approval of an Electric and Gas State Energy Policy Rate Rider*, Docket No. E-002, G-002/M-03-1544

<sup>2</sup> Order Approving State Energy Policy Rider, As Modified, Docket No. E,G-002/M-03-1544; Order Accepting And Modifying Petition Regarding State Energy Policy Rate Rider, Docket No. E,G-002/M-08-261; Informal Letter Order (approving SEP rider rate adjustment factor, customer notice, and requiring information in next annual SEP filing), Docket No. E, G-002/M-14-185; Order Continuing Recovery of Costs Through the State Energy Policy Rider and Other Action, Docket No. G-002/M-17-174; and Order Accepting Petition As A Compliance Filing, Setting SEP Rate Factor, And Requiring Compliance filing, Docket No. G-002/M-18-184

reasons for its under-estimation of its proposed 2018-2019 sales forecast in its last SEP filing, in Docket No.G-002/M-19-200.

On April 6, 2020, Xcel submitted reply comments saying that the Company and the Department agree on the reasonableness of the costs going through the SEP rider, but acknowledging that the sales forecast used to calculate the rider rate is the only outstanding issue.

On May 4, 2020, the Department filed its response to Xcel, acknowledging Xcel's corrections to Department exhibits in the current and previous year docket.<sup>3</sup> The Department recommended that the Commission accept the Company's Petition as a compliance filing and approve a SEP rate factor based on 2019 actual retail sales instead of Xcel's sales forecast.

#### IV. Parties' Comments

##### A. Xcel Energy (Gas) – Initial Filing

The Company has requested, for 2019, a decrease to its 2018 SEP rate factor from \$0.001173 to \$0.000943 per therm. According to Xcel, this lower rate factor is warranted to allow the Company to recover a revenue requirement of approximately \$0.9 million over the 12 month period from July 2019 through June 2020 (see Table 1: SEP Costs and Rate Factor table, below). As noted, the proposed rate incorporates the 2018-2019 over-collections from customers in the period.

The implementation of the proposed factor would result in a decrease of about \$0.19 annually for the average natural gas residential customer using 70.33 therms per month. Currently, the average residential customer pays about \$0.99 a year for the recovery of approximately \$1.3 million in SEP costs. Under the proposed factor, the average customer would pay about \$0.80 per year.

**Table 1: SEP Costs and Rate Factor<sup>4</sup>**

Gas	2018-2019 Approved	2019-2020 Proposed**	2018 vs 2019 Difference
ADRND	\$7,089	\$26,931	\$19,842
Cast Iron	\$1,450,900	\$1,374,210	(\$76,690)
Cast Iron O&M Credit	(\$72,310)	(\$72,310)	\$0
Test Period (Over)/Under	(\$118,742)	\$18,661	\$137,403
Prior Year Actual (Over)/Under	<u>\$34,863</u>	<u>(\$411,879)</u>	<u>(\$446,742)</u>
Revenue Requirement	\$1,301,800	\$935,613	(\$366,187)
Therm Sales*	1,109,497,520	992,590,020	(116,907,500)
Factor	\$0.001173	\$0.000943	(\$0.000231)

\*The Sales Forecast information in Table 1 is annualized to provide a comparison of Xcel's projected factor and its approved factor.

\*\*The 2019-2020 proposed revenue requirement includes 6 months of actuals and 6 months of forecast.

<sup>3</sup> Instant Docket, Department Comments, May 4, 2020, pages 1-2.

<sup>4</sup> Xcel Petition, February 28, 2020, page 7, Table 2.

Since the cast iron project is no longer incurring costs, the Company proposes moving the remaining depreciation expenses into rate base at the filing of its next rate case. The Company notes that there have been no carbon offsets or credits associated with the cast iron replacement program. The Cast Iron O&M Credit in the table reflects the portion of cast iron pipe replaced through the 2010 test year since that amount is already accounted for in base rates.

In compliance with the Commission's August 24, 2017 Order Continuing Recovery of Costs Through the State Energy Policy Rider and Other Action,<sup>5</sup> the Company used the capital structure authorized in its 2013 electric rate case<sup>6</sup> to calculate revenue requirements. Xcel used the Return on Equity of 9.04 percent as recommended by the Department and later approved in the Commission's Order in Gas Utility Infrastructure Cost (GUIC) Rider.<sup>7</sup> The Company also noted that, beginning with January 2018, the 21 percent federal tax rate was incorporated into all SEP Rider revenue requirement calculations.

Order Point No. 3 of the Commission's August 24, 2017 Order Continuing Recovery Of Costs Through The State Energy Policy Rider And Other Action (August 24, 2017 Order)<sup>8</sup> states that the Company shall not prorate its ADIT in the SEP Rider. Xcel stated that, since it proposes to implement a new rate factor July 1, 2020 after the test period ends on June 30, 2020, the revenue requirement calculation excludes proration for the 2019-2020 SEP months.

Xcel proposed the following bill message notifying customers of the change in their monthly bills:

*We have updated the Resource Adjustment line item on your bill to reflect changes in the State Energy Policy (SEP) portion of the Resource Adjustment, which recovers the costs for cast iron pipe replacement and to support Minnesota's interests in energy decisions made at the regional and national levels. The natural gas SEP portion of the Resource Adjustment decreased to \$0.000943 per therm.*

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<sup>5</sup> *In the Matter of the Petition of Northern States Power Company for Approval of a Modification to its Natural Gas State Energy Policy (SEP) Tariff, 2017 SEP Rate Factor, and 2016 SEP Compliance Filing, Docket No. G-002/M-17-174, Ordering Paragraph 5: "The Commission approves the capital structure authorized in Xcel Electric's 2013 electric rate case for use in this docket along with the 9.04 percent Return on Equity (ROE) the Department recommended in Xcel's Gas Utility Infrastructure Cost (GUIC) in Docket No. G-002/M-16-891. A true up to align the ROE to the Commission's final decision in the GUIC docket shall be made at the next SEP filing."*

<sup>6</sup> *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota, Docket No. E-002/GR-13-868*

<sup>7</sup> *In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy, for Approval of a Gas Utility Infrastructure Cost Rider True-up Report for 2016, Forecasted 2017 Revenue Requirement, and Revised Adjustment Factors, Docket No. G-002/M-16-891*

<sup>8</sup> *In the Matter of the Petition of Northern States Power Company for Approval of a Modification to its Natural Gas State Energy Policy (SEP) Tariff, 2017 SEP Rate Factor, and 2016 SEP Compliance Filing, Docket No. G-002/M-17-174*

Finally, Xcel noted that the August 24, 2017 Order requires a comparison between actual and budget monthly costs. The Company provided these detailed monthly comparisons in its Attachment C and summarized the 12-month period in Table 2 on the next page:

**Table 2: Budget Deviations for Past 12 Months<sup>9</sup>**

ADRND	\$20,058
Cast Iron	<u>(\$39,058)</u>
Net Variance	(\$19,001)

The Company went on to explain that the two main factors contributing to the differences were:

1. ADRND costs were excluded from the budget because the legislature had not approved funding of the ADRND at the time the forecast was developed, and
2. Cast iron pipe replacement costs were lower due to lower property tax rates than what was forecast.

#### **B. Department of Commerce - Comments**

The Minnesota Department of Commerce, Division of Energy Resources filed comments on March 27, 2020. The Department said that it expected to recommend that the Commission approve Xcel Energy's proposed SEP adjustment factor with modifications based on information it requested Xcel to provide in reply comments.

The Department reviewed Xcel's Petition and concluded that the Company submitted the gas information required by the implementation process approved in the 2003 proceeding.<sup>10</sup>

In compliance with the Commission's 2017 order (Docket No. E, G-002/M-17-174), the Department reviewed the Petition and concluded that Xcel submitted the information required by the Commission's August 24, 2017 Order, and that the deviations between forecasted and actual costs appear to be reasonable.

However, the Department noted that the Company's revenue collections were \$343,329 higher than forecast based on higher actual sales levels across all classes. The Department stated that this is concerning because 1) Xcel has underestimated sales in prior SEP filings<sup>11</sup> and 2) the Commission had approved a reduced SEP Rider rate in Docket No. G-002/M-19-200 based on a higher sales forecast than initially proposed by Xcel Energy.

As a result, the Department recommended that Xcel Energy explain the reason(s) for its under-estimation of its proposed 2018-2019 sales forecast of 1,011,582,014 therms, in Docket No. G-002/M-19-200, and provide its actual, non-normalized 2019 sales.

<sup>9</sup> Instant docket, Petition, February 28, 2020, page 11.

<sup>10</sup> Docket No. E, G-002/M-03-1544.

<sup>11</sup> For example, Xcel underestimated sales in Docket No. G002/M-18-184, where the Commission noted in its December 21, 2018 Order the Department's observation that "using lower estimated sales to calculate the SEP rate factor, as requested by Xcel, would unnecessarily increase costs to ratepayers."

The Department argued that Xcel has often underestimated its sales. To avoid charging rates that are too high, the Commission required Xcel to use historical actual sales to set rates in recent SEP proceedings. Similarly, the Department believes that historical actual sales should be used in this proceeding.

**Table 3: Xcel's Proposed Rate Factor**

Gas	19-200	20-323	Difference	% Difference
ADRND	\$7,089	\$26,931	\$19,842	279.9%
Cast Iron	\$1,450,900	\$1,374,210	(\$76,790)	(5.3%)
Cast Iron O&M Credit	(\$72,310)	(\$72,310)	\$0	
Previous Year Carryover	\$34,863	(\$411,879)	(\$446,742)	
Test Year Carryover	(\$118,742)	\$18,661	\$137,403	
Revenue Requirement	\$1,301,800	935,613	(\$366,187)	(28.1%)
Xcel's Estimated Therms	1,109,497,520	992,590,020	(116,907,500)	(10.5%)
Factor	\$0.001173	\$0.000943	(\$0.000231)	(19.7%)

Table 3, above, shows that Xcel forecast a 10.5 percent decrease in sales in 2020 compared to 2018 actual sales, which was used to calculate the 19-200 factor. The Department argued that this significant decrease in sales does not appear to be reasonable and would have a material effect on rates. For example, if Xcel used 2018 actual sales of 1,109,497,520 to calculate the proposed 20-323 factor it would become \$0.000843 per therm, which is a decrease from its proposed factor of \$0.000943 per therm and would result in a 28.1% decrease from the current factor of \$0.001173 per therm.

### 1. Reasonableness of Proposed SEP Rider Rate

The Department reviewed the reasonableness of Xcel's proposed natural gas SEP rider rate and concluded as follows:

#### a) Energy-Related Mandates

The Department concluded that Xcel's proposed treatment of the ADRND is reasonable.

#### b) Cast Iron Replacement Project

The Department determined that the costs for the Cast Iron Replacement Project in the SEP tracker account as proposed by Xcel is reasonable.

#### c) Carbon Offsets

In Xcel Energy's 2008 SEP Rider proceeding, the Commission required that the Company:

- Report, in all future SEP Rider filings, the sale of any carbon offset or credit for decreased greenhouse gas emissions associated with gas pipe replacement under the Project; and
- Credit the gas SEP tracker account with any proceeds received by the Company from the sale of each carbon offset or credit associated with the Project.

The Department concluded that Xcel Energy's statements regarding carbon offsets and credits comply with the Commission's requirements on this issue as established in the Company's 2008 SEP Rider proceeding.

#### d) Relationship to Rate Cases

The Department's comments adopted by the Commission in Xcel's previous SEP Factor filing<sup>12</sup> confirmed that the Company did not include SEP revenues or expenses in its last natural gas rate case (Docket No. G-002/GR-09-1153) and concluded that the proposed rider only included incremental costs not currently recovered elsewhere in rates.

#### e) Rate Calculation

As shown in Table 3, above, Xcel Energy proposed to decrease its natural gas SEP Rider rate by 19.7 percent. The Department noted that using Xcel's 2018 actual sales would decrease the current rate by over 28 percent, to \$0.000843 per therm. Table 4, below, shows the Company's historical SEP Rider rates. The Department noted that, with the exception of 2015 where a correction to a previous error resulted in an amount of revenues going unreported, the proposed 2020 Rider rate is the lowest it has been over the previous seven years. The reduction to \$0.000943 would further reduce the rate per therm.

**Table 4: Natural Gas SEP Rider Rates**

Year	Rate per Therm
Proposed 2020	\$0.000943
2019	\$0.001173
2018	\$0.001576
2017	\$0.002103
2016	\$0.001368
2015	\$0.000724
2014	\$0.002238
2013	\$0.002736

#### f) Customer Notice

The Department noted that the customer notice proposed by Xcel Energy reflects the customer notice approved in the last SEP proceeding (19-200), with the updated SEP Rider factor proposed by the Company.

## 2. Department Recommendation

The Department said that it expected to recommend that the Commission approve the Company's petition with the modification of using a more reasonable sales estimate, particularly since Xcel Gas has often underestimated its sales.

<sup>12</sup> Docket No. G-002/M-19-200, Department Comments, May 1, 2019.



Thus, the Department recommended that the Company explain in reply comments the reason(s) for its under-estimation of its proposed 2018-2019 sales forecast of 1,011,582,014 in Docket No. G002/M-19-200 and provide its actual (non-normalized) 2019 sales.

### **C. Xcel Energy – Reply Comments**

Xcel Gas submitted its reply to the Department’s comments on April 6, 2020, stating that it agreed with the Department on the reasonableness of the costs flowing through the SEP Rider and that the only outstanding issue is related to the natural gas sales forecast used to calculate the rider rate.

Xcel added the following clarifying note:

1,011,582,014 therms was our proposed July 2019 – June 2020 sales forecast used to calculate the proposed 2019 – 2020 SEP Rider rate in Docket No. G-002/M-19-200. The final rate approved by the Commission in that docket was calculated using 2018 actual retail sales of 1,109,497,520.

Xcel explained in its reply comments that there were two reasons for the under-estimation of its proposed 2018-2019 sales forecast:

There are two primary factors contributing to the difference between the sales forecast of 1,011,582,014 therms and actual 2019 sales of 1,310,860,707 therms. The weather in 2019 was colder than normal and Interdepartmental Transportation sales, which is gas used for electric generation, were higher than forecast.

Table 5, below, provides Forecasted and Actual Heating Degree Days in 2019.

**Table 5: Forecasted and Actual Heating Degree Days in 2019<sup>13</sup>**

<u>2019</u>	<u>Normal</u> <u>HDD</u>	<u>Actual</u> <u>HDD</u>	<u>Percent</u> <u>Deviations</u>
Jan	1,486	1,569	5.6%
Feb	1,223	1,448	18.4%
Mar	966	1,129	16.8%
Apr	502	557	10.9%
May	203	295	45.5%
June	33	10	-70.0%
July	3	0	-100.0%
Aug	6	2	-72.7%
Sep	115	58	-49.5%
Oct	470	584	24.3%
Nov	846	1,013	19.7%
Dec	1,339	1,285	-4.1%
<b>Total 2019</b>	<b>7,192</b>	<b>7,949</b>	<b>10.5%</b>
Jan-May, Oct, Nov	5,696	6,594	15.8%
Jan-May, Oct-Dec	7,035	7,879	12.0%

The Company pointed out that the abnormally cold weather contributed 53,475,596 more therms to 2019 sales than would have occurred under normal weather.

Xcel added a minor point of clarification regarding the Department’s comment on its higher revenue collection. According to Xcel, “Our Petition stated that actual sales were higher than forecast, but did not state that sales were higher across all classes. As Attachment A shows, sales were higher overall, but were lower for some classes”.

The second reason provided by Xcel regarding the under-estimation of its 2018 -2019 Sales Forecast is related to Interdepartmental Transportation Sales. These are sales that serve Xcel’s gas-fired electric generating units. These sales were higher than forecast due to greater commitments and dispatch by MISO.

Xcel concluded by stating that its sales forecasting methodology is appropriate for rate-setting, and the Company will continue to support the use of forecasted sales as the best approach for matching costs and revenues for the following reasons:

- The Company’s forecast is based on sound statistical methodologies that are used throughout the utility industry and incorporates reasonable assumptions.
- The forecast of generation gas use is based on the same underlying electric sales forecast that is used for rate case and fuel reform filings.

<sup>13</sup> Instant Docket, Xcel Reply, April 6, 2020, Table 1, page 2.

- A forecast of generation gas use is superior to using historical data because it can capture changes in the system resource mix that can materially impact gas generation.

#### **D. Department of Commerce – Response Comments**

On May 4, 2020, the Department filed its response to the Company’s April 6th reply comments.

The Department stated that it appreciated Xcel’s corrections of the sales forecast numbers in the record.<sup>14</sup>

Regarding the appropriate sales forecast for SEP Rider calculation, the Department made the following points:

As noted in the Department’s Comments, Xcel Gas has often underestimated its sales; to avoid charging rates that are too high, the Commission required Xcel to use historical actual sales to set rates in recent SEP proceedings. Similarly, historical actual sales should be used in this proceeding. The Department noted that its recommendation is based on facts to date, and may change in future proceedings if Xcel Gas forecasts become superior to the use of historical data.

Using 2019 actual retail therm sales of 1,310,860,707<sup>15</sup> would result in an SEP factor of \$0.000714 per therm,<sup>16</sup> as opposed to the originally proposed \$0.000943 per therm in the Company’s initial Petition. This is a 24.3 percent reduction from the Company’s proposed SEP factor, and a 39.2 percent reduction from the current factor of \$0.001173 per therm.

The Department recommended the following:

1. Accept Xcel’s Petition as a compliance filing;
2. Approve an SEP rate factor of \$0.000714 per therm, based on 2019 actual retail sales of 1,310,860,707, to be effective on July 1, 2020; and
3. Require Xcel to file a compliance filing that includes its revised SEP rider tariff language.

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<sup>14</sup> The Department stated that

“[it] appreciates Xcel Gas’ correction of the record in Docket Nos. G-002/M-19-200 and 20-323 regarding the 1,011,582,014 therms forecast period. The Department notes that Table 1 and Table 2 of the Department’s May 1, 2019 comments and Table 1 of the Department’s May 9, 2019 Supplemental Comments in Docket No. G-002/M-19-200 should have referenced the 1,011,582,014 therms forecast period as July 1, 2019-June 30, 2020 (2019-2020), instead of July 1, 2018-June 30, 2019 (2018-2019)”.

Additionally, the Department noted that Table 1 of the Department’s March 27, 2020 in Docket No. G-002/M-20-323 should have similarly referenced the 992,590,020 therms forecast period as July 1, 2020-June 30, 2021, instead of July 1, 2019-June 30, 2020.

<sup>15</sup> Instant Docket, Xcel Reply Comments, April 6, 2020, page 2.

<sup>16</sup> \$935,613/1,310,860,707 therms = \$0.000714/therm.

## V. Staff Analysis

The only outstanding issue is whether Xcel should use its sales forecast to calculate the rider rate or use historical sales from the recently updated Xcel Jurisdictional Annual Report for the 2019 calendar year, as recommended by the Department of Commerce.

Staff concurs that using an underestimated (lower) sales forecast will result in a higher rider factor per therm sold.

The Department argued that:

- 1) Xcel has underestimated sales in prior SEP filings
- 2) The Commission had approved a reduced SEP Rider rate in Docket No. G-002/M-19-200 based on a higher sales forecast than initially proposed by Xcel Energy.

Staff notes that the Commission has required the use of actual sales in only the two most recent annual SEP rider filings out of a total of sixteen annual filings.

Xcel argued that “the use of forecasted sales [i]s the best opportunity for matching costs and revenues for the following reasons:

- The Company’s forecast is based on sound statistical methodologies that are used throughout the utility industry and incorporates reasonable assumptions.
- The forecast of generation gas use is based on the same underlying electric sales forecast that is used for rate case and fuel reform filings.
- A forecast of generation gas use is superior to using historical data because it can capture changes in the system resource mix that can materially impact gas generation.”

Staff notes that a sales forecast that uses known future plans logically seems like the appropriate benchmark to calculate the rider rate. However, if history shows that the forecast continually underestimates actual sales, then the forecast is probably biased. With the effects of COVID-19 depressing sales for some customer classes, staff believes that the sales forecast has less chance of underestimating actual sales. However, on the other hand, the negative COVID-19 financial impacts on ratepayers makes any over-charging errors harder for consumers to bear. Because of this, staff concurs with the Department recommendation that Xcel use actual 2019 sales to calculate the SEP rider rate factor.

## VI. Decision Alternatives

### 2019 SEP Compliance filing

1. Accept the compliance-related sections of Xcel's petition as being in compliance with the Commission's July 19, 2019 Order<sup>17</sup> accepting most recent SEP Rider petition. (Xcel, DOC)

### 2019-2020 SEP Rate Factor

2. Authorize Xcel to implement its initially proposed 2019-2020 SEP Rider adjustment factor of \$0.000943 per therm, based on Xcel's proposed 2019-2020 SEP revenue requirement of \$935,613 and Xcel's forecast of 992,590,020 therms, to be effective as of the first of the month following the issuance of the Commission's order in this docket. (Xcel)

### OR

3. Authorize Xcel to implement a modified proposal for a 2019-2020 SEP Rider adjustment factor of \$0.000714 per therm, based on Xcel's proposed 2019-2020 SEP revenue requirement of \$935,613 and Xcel's 2019 actual retail sales of 1,310,860,707 therms, to be effective as of the first of the month following the issuance of the Commission's order in this docket. (DOC)

### Tariff Language Compliance Filing

4. Require Xcel to make a compliance filing within 10 days of the Commission's order in this docket with its revised SEP rider tariff language. (Xcel, DOC)

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<sup>17</sup> *In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy (Xcel), for Approval of a Modification to the Natural Gas State Energy Policy (SEP) Tariff, Updated SEP Rate Factor, and SEP Compliance Filing, Docket No. G-002/M-19-200*