

January 20, 2015

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

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E002/GR-13-868

Dear Mr. Wolf:

Attached are the *Comments* of the Minnesota Department of Commerce, Division of Energy Resources (the Department or DOC) in the following matter:

A Compliance Filing submitted by Xcel Energy pursuant to the Minnesota Public Utilities Commission's (Commission) December 29, 2014 *NOTICE OF SCHEDULE FOR FILING EXCEPTIONS TO THE ALJ'S REPORT AND REQUEST FOR NORTHERN STATES POWER COMPANY D/B/A XCEL ENERGY (XCEL) TO FILE SCHEDULES REFLECTING THE ALJ'S RECOMMENDATION*.

The *Compliance Filing* was submitted on January 9, 2015 and Revised on January 16, 2015 by:

Aakash H. Chandarana
Lead Regulatory Attorney - North
Xcel Energy
414 Nicollet Mall, 5th Floor
Minneapolis, Minnesota 55401

The Department reviewed the Company's *Compliance Filing*, and concludes that the Company's *Compliance Filing* accurately reflects the test year revenue requirement and rate design recommended by the ALJ. The Department is available to answer any questions that the Commission may have.

Sincerely,

/s/ DALE V. LUSTI
Financial Analyst
651-539-1829

DVL/lt
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. E002/GR-13-868

I. INTRODUCTION

On December 26, 2014, the Minnesota Office of Administrative Hearings issued *Findings of Fact, Conclusions and Recommendations (Report)* concerning the request by Xcel Energy to increase electric rates in Minnesota in the above-referenced docket. Ordering Paragraph No. 2 of the Administrative Law Judge's (ALJ) December 26 *Report* recommends:

By January 9, 2015, the Company shall file with the Commission and serve on all parties in this proceeding, financial and rate design schedules that reflect the 2014 test year and 2015 Step revenue requirements and rate design recommended by the Administrative Law Judge.

On December 29, 2014, the Minnesota Public Utilities Commission (Commission) issued its *NOTICE OF SCHEDULE FOR FILING EXCEPTIONS TO THE ALJ'S REPORT AND REQUEST FOR NORTHERN STATES POWER COMPANY D/B/A XCEL ENERGY (XCEL) TO FILE SCHEDULES REFLECTING THE ALJ'S RECOMMENDATION (Notice)* concerning the request by Xcel Energy to increase electric rates in Minnesota in the above-referenced docket. Xcel Energy was requested to file with the Commission, by Friday, January 9, 2015, a revised rate base, income statement, and revenue requirement summary, a schedule of the class revenue allocations and all billing determinants, and bridge schedules that reflect the test year revenue requirement and rate design recommended by the ALJ.

On January 9, 2015, Xcel Energy submitted its *Compliance Filing* in accordance with the Notice and Report referenced above. On January 16, 2015, the Company submitted revised schedules reflecting weather normalized actual sales for calendar year 2014 and the updated property tax accrual for calendar year 2014.

The Minnesota Department of Commerce, Division of Energy Resource (the Department or DOC) reviewed Xcel Energy's *Compliance Filing*. Pursuant to the Commission's December 29, 2014 *Notice* in the above docket, the Department submits these *Comments* that address each compliance item.

II. THE DOC'S ANALYSIS OF THE COMPLIANCE FILING

The Department reviewed the Company's January 9, 2015 and January 16, 2015 *Compliance Filing's* revised: rate base, income statement, and revenue requirement summary; schedule of the class revenue allocations and all billing determinants; and bridge schedules.

As a result of this review, the Department concludes that the Company's *Compliance Filing* accurately reflects the test year revenue requirement and rate design recommended by the ALJ.

III. SUMMARY OF THE DOC'S RECOMMENDATIONS

The DOC concludes that the Company's *Compliance Filing* accurately reflects the test year revenue requirement and rate design recommended by the ALJ.

/lt

CERTIFICATE OF SERVICE

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

Docket No. E002/GR-13-868

Dated this 20th day of January 2015

/s/Sharon Ferguson

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