

March 24, 2015

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

RE: **Letter of the Minnesota Department of Commerce, Division of Energy Resources**  
Docket No. G002/M-14-540

Dear Mr. Wolf:

On October 17, 2014, the Minnesota Public Utilities Commission (Commission) issued its *Order* regarding Northern States Power Company, d/b/a Xcel Energy's, (Xcel or the Company) Approval of Modifications to its Interruptible Service Tariffs. The Commission adopted the Minnesota Department of Commerce, Division of Energy Resources' (Department) recommendations including an increase in the penalty charge for unauthorized gas from \$1 per therm to \$5 per therm. The Commission also required the Company to make a compliance filing within 30 days of the *Order* detailing Xcel's proposed policies and procedures regarding disconnection of service for unauthorized gas consumption and to include a draft tariff that illustrates this policy.

On November 17, 2014, the Company made its *Compliance Filing* in response to the Commission's *Order*. Xcel briefly described its proposed policies and procedures and included a tariff revision memorializing these policies in the *Compliance Filing*. On January 27, 2015, the Department filed *Comments* in response to Xcel's *Compliance Filing*. The Department noted that the Company's curtailment procedure appeared reasonable; however, the proposed tariff included terms and details more suited as an internal, rather than customer-facing, document. The Department proposed a simplified version of Xcel's proposed tariff in its January 27, 2015 *Comments*, and requested that Xcel add tariff language detailing how curtailment notifications are made to customers.

On February 26, 2015, the Company filed *Reply Comments* responding to the Department's comments and tariff language recommendation. In response to concerns raised by the Department, Xcel provided revised tariff language laying out its curtailment and disconnection policies and procedures in more general, or layman's, terms. The Company also provided tariff language detailing how curtailment notifications will be made to customers. The Department supports Xcel's proposed tariff changes with one minor exception. Xcel lists customer-provided notification devices as follows:

Curtailed notifications will be made to customer-provided notification devices (phone, email, text message, fax, pager) a minimum of one hour prior to the curtailment start.

The Department does not have an issue with the listed notification devices; however, as written, it would limit possible notification to these types. It is conceivable that other methods currently exist, or will be invented in the future, that could be used to efficiently notify customers of a curtailment. As such, based on the tariff as written, there would need to be a tariff modification before different notification devices or platforms could be used. Therefore, the Department suggests that the Company add the term e.g., to the beginning of the parenthetical list of notification devices. This minor addition should ensure that appropriate notification devices are not limited specifically to those listed in the tariff.

Xcel also responded to a suggestion made in the Department's January 27, 2015 *Comments* that the Company include language in its tariff regarding transfer of interruptible customers to firm service for failure to comply with called curtailments. Xcel appreciated the Department's requested language but was concerned with the timing of this modification. The Company stated that it had not had an opportunity to fully assess the impacts that such a policy may have on its customers. To permit a complete evaluation of this proposed tariff language, the Company instead recommended that it be directed to make a filing later this year that will address the possible procedures involved with moving an interruptible customer to firm service and analyze potential issues that may arise.

The Department notes that it will address the issue of interruptible tariffs in its *Report* that it will file on the 2014 Annual Automatic Adjustment (2014 AAA) Filings (Docket No. G999/AA-14-580) on May 5, 2015. The Department's goal in the 2014 AAA is to create a consistent policy across all Minnesota gas utilities regarding consumption of gas by interruptible customers during curtailment periods. The additional information and concerns that Xcel hopes to address in a future filing may be pertinent and helpful to the discussion in the 2014 AAA; therefore, the Department encourages the Company to provide this information in its response to the Department's upcoming *Report* in Docket No. G999/AA-14-580.

In conclusion, the Department recommends that the Commission accept the Company's tariff modifications, with the minor amendments noted above, with the understanding that further modification may be required through either the 2014 AAA docket or a separate docket that Xcel may initiate later this year.

The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ ADAM J. HEINEN  
Rates Analyst  
651-539-1825

/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  
Letter**

**Docket No. G002/M-14-540**

Dated this 24<sup>th</sup> day of **March 2015**

**/s/Sharon Ferguson**

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