

**STATE OF MINNESOTA
BEFORE THE PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Joseph K. Sullivan	Vice Chair
Hwikwon Ham	Commissioner
Audrey Partridge	Commissioner
John Tuma	Commissioner

In the Matter of a Commission Inquiry into
Xcel Energy's Advanced Rate Design for Load
Management

DOCKET NO. E-002/CI-24-115

**REPLY COMMENTS OF THE OFFICE
OF THE ATTORNEY GENERAL—
RESIDENTIAL UTILITIES DIVISION**

INTRODUCTION

The Office of the Attorney General—Residential Utilities Division (OAG) respectfully submits the following Reply Comments in response to the initial comments the Citizen's Utility Board of Minnesota (CUB), Fresh Energy, and the Minnesota Department of Commerce (Department). CUB recommended the Commission require Xcel to provide the Chan Lab with the requested anonymized CEUD for the Chan Lab to perform its study. CUB called out the duplicative nature of Xcel conducting a similar study and the possibility of unnecessary ratepayer costs and benefits if Xcel is directed to do so.¹ Fresh Energy similarly recommended the Commission order the release of the requested data to the Chan Lab, instead of ordering Xcel to conduct a similar study.² Fresh Energy observed that requiring Xcel to conduct a study delays the study implementation and creates redundancy.³

¹ *In the Matter of a Comm. Inquiry into Xcel Energy's Advanced Rate Design for Load Mgmt.*, Docket Nos. E-002/CI-24-115, CUB Initial Comments at 2, 5 (June 20, 2025) (eDockets No. [20256-220082-02](#)).

² *In the Matter of a Comm. Inquiry into Xcel Energy's Advanced Rate Design for Load Mgmt.*, Docket Nos. E-002/CI-24-114, Fresh Energy Initial Comments at 1 (June 20, 2025) (eDockets No. [20256-220095-01](#)).

³ *Id.* at 1-2.

The Department also observed that the data request is reasonable and consistent with the Commission's Standards.⁴ The Department did not oppose Xcel conducting a separate internal study and stated that "[i]ndependent and utility-led studies serve different purposes, and the presence of both could provide valuable points of comparison."⁵

The OAG continues to recommend the Commission order Xcel to provide the Chan Lab the requested data. The OAG also understands why the Department sees value in additional studies being performed, but the OAG ultimately agrees with CUB and Fresh Energy that ordering Xcel to conduct an additional study would not be a good use of ratepayer dollars. The Commission should not order Xcel Energy to conduct a similar study.

ANALYSIS

I. ORDERING AN ADDITIONAL STUDY IS NOT APPROPRIATE HERE.

Xcel stated that it does not oppose conducting a residential usage study if directed by the Commission.⁶ The Department does not oppose Xcel conducting a separate internal study and recommends that "Xcel conduct a parallel study if desired."⁷ However, the Department acknowledges that Xcel should not be the sole party responsible for performing the study.⁸ And the Department recommends that the Chan Lab move forward with the proposed study that "offers

⁴ *In the Matter of a Comm. Inquiry into Xcel Energy's Advanced Rate Design for Load Mgmt.*, Docket Nos. E-002/CI-24-115, DOC Initial Comments at 1 (June 20, 2025) (eDockets No. [20256-220066-01](#)).

⁵ *Id.* at 7.

⁶ *In the Matter of a Comm. Inquiry into Xcel Energy's Advanced Rate Design for Load Mgmt.*, Docket Nos. E-002/CI-24-115, Xcel Initial Comments at 5 (Apr. 16, 2025) (eDockets No. [20254-217758-01](#)).

⁷ *In the Matter of a Comm. Inquiry into Xcel Energy's Advanced Rate Design for Load Mgmt.*, Docket NO. E-002/CI-24-115, DOC Initial Comments at 7 (June 20, 2025) (eDockets No. [20256-220066-01](#)).

⁸ *Id.*

an independent, academically grounded approach to understanding intra-class cost causation in Minnesota.”⁹

Conducting a parallel study, however, has a financial cost, which Xcel will ask ratepayers to bear. Such a parallel study has an unknown, and likely marginal, benefit beyond the benefit provided by the Chan Lab’s study. The cost to ratepayers of such a study is also unknown. For these reasons, the OAG recommends against directing Xcel to conduct its own study. Instead, Xcel is free to have its shareholders fund a parallel study if it chooses.

Even if Xcel conducts a study based on a proposed methodology from the Department¹⁰ the costs of such a study are unknown, potentially large, and have not been shown to be reasonable. While the OAG appreciates the Department’s desire to create “a more robust understanding of usage profiles and rate equity,” the additional understanding potentially provided by the study must be weighed against the cost to ratepayers.¹¹ The cost grows if Xcel uses outside consulting firms as it has in the past. For example, Xcel previously engaged firms including TRC Companies,¹² or Guidehouse¹³ to perform studies and analysis. If Xcel retains consultants to conduct a study, it will incur costs for not only gathering the data and transmitting it to consultants, but it would also need to pay its consultants to analyze the data and conduct the study. In contrast, the Chan Lab would

⁹ *Id.*

¹⁰ The Department stated in its initial comments that it was developing a proposed methodology and would offer more specific recommendations in reply comments. *See* DOC Initial Comments at 8.

¹¹ *Id.*

¹² *In the Matter of N. States Power Co.’s Annual Report on Safety, Reliability, and Serv. Quality for 2023; and Petition for Approval of Elec. Reliability Standards for 2024*, Docket No. E002/M-24-27, Annual Report and Petition at 107-109 (Apr. 1, 2024) (eDocket No. [20244-204891-01](#)).

¹³ *Request for Info. Indep. Expert Rep. 2020-2034 Upper Mid. W. Integrated Res. Plan Certificate of Need for Two Gen-Tie Lines Sherburne Cnty. to Lyon Cnty.*, E002/RP-19-368 , E002/CN-22-131, RFI Independent Expert Report MN Energy Connection Gen-Tie Line at 1 (Mar. 10, 2023) (eDockets No. [20233-193818-02](#)).

be conducting the study at their own expense.¹⁴ As outlined by CUB “the value of third-party research was discussed extensively in Docket NO. E,G-999/M-19-505.”¹⁵ The cost of providing the data to the Chan Lab, which under the Standards will be paid by the requestor, will likely be significantly less than having Xcel conduct the study independently or in the alternative creating a competing study.

CONCLUSION

The Commission should allow CUB and the Chan Lab to proceed with their proposed study in accordance with the Open Data Access Standards July 5, 2024 Order. Xcel should provide the requested data under the Standards. The Commission should not order Xcel to complete a parallel study, as the costs to ratepayers of conducting a parallel or competing study has not been shown to be reasonable. Xcel may complete a study, if it chooses, at its shareholders’ expense.

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Respectfully submitted,

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¹⁴ *In the Matter of a Comm. Inquiry into Xcel Energy’s Advanced Rate Design for Load Mgmt.*, Docket No. E-002/CI-24-115, Comments of the Citizens Utility Board of Minn. And the Chan Lab at 8 (June 20, 2025) (eDockets No. [20256-220082-02](#)).

¹⁵ *Id.* at 5.