



414 Nicollet Mall
Minneapolis, MN 55401

April 22, 2016

—Via Electronic Filing—

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

RE: PETITION
REQUEST FOR VARIANCE - BILLING ERROR RULES
DOCKET NO. E,G002/M-16-_____

Dear Mr. Wolf:

Enclosed for filing is the Petition of Northern States Power Company, doing business as Xcel Energy, requesting approval of a variance to Minn. R. 7820.3800 and 7820.4000, and a one-time modification to the terms of the Company's Billing Error Tariff requirements contained in its Electric and Natural Gas Rate Books .

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list.

Please contact Amber Hedlund at amber.r.hedlund@xcelenergy.com or (612) 337-2268 if you have any questions regarding this filing.

Sincerely,

/s/

BRIA E. SHEA
Regulatory Manager

Enclosure
c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF A VARIANCE TO
COMMISSION RULES GOVERNING
BILLING ERRORS

DOCKET NO. E,G002/M-16-_____

PETITION

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission this Petition for approval of a variance to the Commission's Billing Error Rules, and a one-time modification to the Company's Billing Errors Tariff requirements contained in its Electric and Natural Gas Rate Books to approve two credits for overcharges.

In this filing, we seek approval to apply a billing credit to one residential electric customer (Customer A) for an incorrect application of a rate schedule billing error, and to one residential natural gas customer (Customer B) for an overcharge stemming from a switched meter with a neighboring premise. These billing errors exceed the three-year timeframe for remedies provided in our tariffs and the Commission's Rules.

I. SUMMARY OF FILING

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary is attached.

II. SERVICE ON OTHER PARTIES

Pursuant to Minn. R. 7829.1300, subp. 2 and Minn. Stat. § 216.17, subd. 3, Xcel Energy has electronically filed this document. A summary of the filing has been served on all parties on the Company's miscellaneous electric service list.

III. GENERAL FILING INFORMATION

Pursuant to Minn. R. 7829.1300, subp. 3, the Company provides the following information.

A. Name, Address, and Telephone Number of Utility

Northern States Power Company doing business as:
Xcel Energy
414 Nicollet Mall
Minneapolis, MN 55401
(612) 330-5500

B. Name, Address, and Telephone Number of Utility Attorney

Alison Archer
Assistant General Counsel
Xcel Energy
414 Nicollet Mall, 401 – 8th Floor
Minneapolis, MN 55401
(612) 215-4662

C. Date of Filing

The date of this filing is April 22, 2016. The Company requests approval of the proposed variance to Minn. R. 7820.3800 and Minn. R. 7820.4000 and one-time modification to the Billing Error Tariff provisions in its Electric and Natural Gas Rate Books to be effective immediately upon issuance of the Commission's Order granting our Petition.

D. Statute Controlling Schedule for Processing the Filing

This Petition is made pursuant to Minn. Stat. § 216B.16, subd. 1, which prescribes general timelines for rate and tariff changes, including, but not limited to, a requirement of 60-days' notice prior to any rate or tariff change.

Commission Rules define this filing as a "miscellaneous tariff filing" under Minn. R. 7829.0100, subp. 11 since no determination of Xcel Energy's overall revenue requirement is necessary. Minn. R. 7829.1400, subp. 1 and 4 permit comments in response to a miscellaneous filing to be filed within 30 days and reply comments to be filed no later than 10 days thereafter.

E. Utility Employee Responsible for Filing

Bria E. Shea
Regulatory Manager
Xcel Energy
414 Nicollet Mall, 401 – 7th Floor
Minneapolis, MN 55401
(612) 330-6064

IV. MISCELLANEOUS INFORMATION

Pursuant to Minn. R. 7829.0700, the Company requests that the following persons be placed on the Commission’s official service list for this proceeding:

Alison C. Archer
Assistant General Counsel
Xcel Energy
414 Nicollet Mall, 401 – 8th Floor
Minneapolis, MN 55401
alison.c.archer@xcelenergy.com

SaGonna Thompson
Regulatory Administrator
Xcel Energy
414 Nicollet Mall, 401 – 7th Floor
Minneapolis, MN 55401
regulatory.records@xcelenergy.com

Any information requests in this proceeding should be submitted to Ms. Thompson at the email address above.

V. DESCRIPTION AND PURPOSE OF FILING

A. Background

1. Customer A

Minnesota customers can only have one primary heat source, which can be tax exempt for a seasonal period from November 1 to April 30¹. In Minnesota, gas is considered the primary heat source; however, customers qualify for the Electric Space Heat Rate (ESHR) if their primary heating source is electric. If this criterion is met, a rate change can be requested by the customer to be put on the ESHR.

Customer A installed geo thermal heating, an electric heat pump, in August 2010. Customer A received the heat pump rebate from Xcel Energy in February 2011; however, their account was not changed to the correct ESHR. Customer A advised

¹ Minn. Rule 8130.1100, Subp. 3, C; Minn. Stat. § 297A.67, Subd. 15

the Company in November 2015 that they were misinformed about our available rates and therefore, they never requested the rate change to the ESHR.

Customer A's rate was corrected on November 11, 2015. We are requesting to credit Customer A back to September 6, 2010, the first billing cycle that qualified for the ESHR.

2. *Customer B*

The Company regularly reviews natural gas meters that register in our system as having zero consumption. As part of this process, the Company discovered that an occupied premise at a duplex had little to no consumption, while the unoccupied premises at the same duplex registered normal natural gas consumption. This prompted a field investigation. Upon investigation, the Company determined that the two natural gas meters at the duplex had been switched and were being billed to the incorrect accounts.

It appears that the meters were set incorrectly at the time of installation, which resulted in each premise being billed for their neighboring usage. Both meters were corrected in the system on November 12, 2015. Customer B called on March 31, 2016 to inquire about a refund for the error beyond the three-year allowable time frame, so we are requesting a variance for this customer back to August 1, 2011 – when the customer began residing at the premise.

B. Company Actions

Because the period over which the errors occurred exceed the three-year timeframe identified in our Electric Rate Book and the Commission's Billing Errors Rule, a one-time variance to the Commission's Billing Error Rules, and a one-time modification to our tariff provisions is required to provide an additional credit to the affected customers.

We have calculated and provided billing credits in accordance with Minn. Rules 7820.3800 and 7820.4000 and calculated interest consistent with Minn. Stat. § 325E.02(b) as outlined below:

1. *Customer A*

On November 11, 2015, we credited Customer A the principal amount of \$894.51 and the interest amount of \$1.90 for the period within Commission rules and our

tariff. The table below outlines the total overcharges and corresponding interest amounts owed to Customer A.

Time Period	Principal	Interest	Total
<i>Within</i> Commission Rules and Tariff period: 11/2/12 through 11/3/15	\$894.51	\$1.90	\$896.41
<i>Exceeding</i> Commission Rules and Tariff period: 9/6/2010 through 11/1/12 ²	\$401.43	\$2.75	\$404.18
Total	\$1,295.94	\$4.65	\$1,300.59

2. *Customer B*

On November 13, 2015, we credited Customer B the principal amount of \$2,019.70, and interest amount of \$3.88 for the period within Commission rules and our tariff. The table below outlines the total overcharges and corresponding interest amounts owed to Customer B.

Time Period	Principal	Interest	Total
<i>Within</i> Commission Rules and Tariff period: October 22, 2012 through October 22, 2015	\$2,019.70	\$3.88	\$2,023.58
<i>Exceeding</i> Commission Rules and Tariff period: August 1, 2011 through October 21, 2012	\$148.11	\$0.84	\$148.95
Total	\$2,167.81	\$4.72	\$2,172.53

We note that the undercharged tenant at this location was billed for the difference between the amount collected for service rendered and the amount that should have collected for service rendered, for the period beginning one year before the date of discovery in compliance with Minn. Rule 7820.4000, subp. 3. No other past residents of these premises were credited or debited, in compliance with Minn. Rule 7820.4000.

² While the ESHR is only applicable seasonally (November 1 through April 30), we note that the billing period is for the full year due to customers on the ESHR being charged a different customer charge for the entire year, than those not on the ESHR.

C. Applicable Law

Minn. Rules 7820.3800 and 7820.4000 govern errors related to electric and natural gas bills, respectively, and provide in relevant part:

When a customer has been overcharged.... as a result of incorrect reading of the meter, **incorrect application of rate schedule, incorrect connection of the meter**, application of an incorrect multiplier or constant or other similar reasons, the amount of the overcharge shall be refunded to the customer... the utility shall calculate the difference between the amount collected for service rendered and the amount the utility should have collected for service rendered, plus interest, for the period beginning three years before the date of discovery... If the date the error occurred can be fixed with reasonable certainty, the remedy shall be calculated on the basis of payments for service rendered after that date, but in no event for a period beginning more than three years before the discovery of an overcharge... [Emphasis added]

Customer A was overcharged due to an incorrect application of a rate schedule. These facts fit with Minn. R. 7820.3800, subp. 1, which provides criteria for errors warranting a remedy. Therefore, we believe these fact patterns are the type of error contemplated by Minn. R. 7820.3800.

Customer B was overcharged due to an incorrect connection of the meter. These facts fit with Minn. R. 7820.4000, subp. 1, which provides criteria for errors warranting a remedy. Therefore, we believe these fact patterns are the type of error contemplated by Minn. R. 7820.4000.

The Company's Electric and Natural Gas Tariffs contain similar provisions that permit an adjustment for overcharges up to a maximum of three years from the date of discovery of the billing error.

Given the unique facts presented here, we are seeking a variance from this rule and one-time modification to our Electric and Natural Gas Tariffs to allow for a credit for the charges billed to the customer that exceed the three-year timeframe identified in our Electric and Natural Gas Rate Books and the Commission's Billing Errors Rule.

Minn. R. 7829.3200, which provides criteria for a variance from the Commission's Rules, states:

Subp. 1 The commission shall grant a variance to its rules when it determines that the following requirements are met:

- A. enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
- B. granting the variance would not adversely affect the public interest; and
- C. granting the variance would not conflict with standards imposed by law.

As further discussed below, we believe that the unique facts presented here meet the criteria for a one-time rule variance.

D. Variance Request

Xcel Energy respectfully requests that the Commission approve a variance to Minn. R. 7820.3800 and Minn. R. 7820.4000 and a one-time modification to the terms of our Electric and Natural Gas Billing Errors Tariffs. As outlined below, we believe the criteria for variance established under Minn. R. 7829.3200 are met here.

1. Enforcement of the Rule Would Impose an Excessive Burden

Given the amount of time at issue, enforcement of Minn. R. 7820.3800 and Minn. R. 7820.4000 would impose an excessive burden on the customers by limiting the credit from the total over-billed amount. We believe that with these facts, it is fair and prudent to fully credit the customers for the overcharged amount, including interest calculated at the rate identified in the Commission's Rule.

2. Granting the Variance Does Not Adversely Affect the Public Interest

The public interest is not adversely affected by granting a variance to approve the credit to each customer's account. The credits serve only to make the customers whole against actual overcharges resulting from the application of the wrong rate schedule and an incorrect connection of the meter.

3. Variance Does Not Conflict with Standards Imposed by Law

We are not aware of any conflict with any standards imposed by law. Rather, the Commission's Rules expressly contemplate variances under circumstances such as those presented here. In addition, the Commission has in the past approved a utility's

voluntary credit beyond the limits of its Rules when special circumstances exist affecting the customer.³

Consistent with the Commission's June 21, 2010 Order in Docket No. E002/M-10-258, once a Docket Number is assigned to this Petition we will notify the affected customer of our request for a variance from the Commission's Rules and our Tariff, and provide instructions on how to participate in this proceeding.

CONCLUSION

We respectfully request the Commission grant a variance to its Billing Errors Rule, and approve a one-time modification to our Tariff providing Customer A and Customer B with a credit for the over-billed amount that exceeds the three-year timeframe specified in the rule and our tariff.

Dated: April 22, 2016

Northern States Power Company

³ See *In the Matter of Northern States Power Company d/ b/ a Xcel Energy's Request for a Variance to the Billing Error Rules*, Docket No. E002/M-13-19, ORDER (March 12, 2013); *In the Matter of Northern States Power Company, d/ b/ a Xcel Energy Request for a Variance to the Billing Error Rules*, Docket No. E002/M-13-438, ORDER (July 12, 2013); *In the Matter of Northern States Power Company, d/ b/ a Xcel Energy (Xcel) Request for a Variance to Billing Error Rules*, Docket No. E,G002/M-14-74, ORDER (April 18, 2014); *In the Matter of Northern States Power Company, d/ b/ a Xcel Energy (Xcel) Request for a Variance to Billing Error Rules*, Docket No. E002/M-15-203, ORDER (May 7, 2015); and *In the Matter of Northern States Power Company, d/ b/ a Xcel Energy (Xcel) Request for a Variance to Billing Error Rules*, Docket No. E002/M-15-881, ORDER (December 11, 2015).

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF A VARIANCE TO
COMMISSION RULES GOVERNING
BILLING ERRORS

DOCKET NO. E,G002/M-16-_____

PETITION

SUMMARY OF FILING

Please take notice that on April 22, 2016 Northern States Power Company, doing business as Xcel Energy, filed with the Minnesota Public Utilities Commission a Petition for approval of a variance to its Billing Error Rules, and a one-time modification to the Company's Billing Errors Tariff requirements.

CERTIFICATE OF SERVICE

I, Jim Erickson, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

Docket No. E,G002/M-16-_____
Xcel Energy Miscellaneous Electric and Gas Service List

Dated this 22nd day of April 2016

/s/

Jim Erickson
Regulatory Administrator

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
James J.	Bertrand	james.bertrand@stinson.com	Stinson Leonard Street LLP	150 South Fifth Street, Suite 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Jeffrey A.	Daugherty	jeffrey.daugherty@centerpointenergy.com	CenterPoint Energy	800 LaSalle Ave Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Emma	Fazio	emma.fazio@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP	Suite 1750 220 South Sixth Street Minneapolis, MN 554021425	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Sandra	Hofstetter	sHofstetter@mnchamber.com	MN Chamber of Commerce	7261 County Road H Fremont, WI 54940-9317	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Michael	Hoppe	il23@mtn.org	Local Union 23, I.B.E.W.	932 Payne Avenue St. Paul, MN 55130	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2265 Roswell Road Suite 100 Marietta, GA 30062	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Mark J.	Kaufman	mkaufman@ibewlocal949.org	IBEW Local Union 949	12908 Nicollet Avenue South Burnsville, MN 55337	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Thomas	Koehler	TGK@IBEW160.org	Local Union #160, IBEW	2909 Anthony Ln St Anthony Village, MN 55418-3238	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Michael	Krikava	mkrikava@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
David W.	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	Suite 300 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Byron E.	Starns	byron.starns@stinson.com	Stinson Leonard Street LLP	150 South 5th Street Suite 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
James M.	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
SaGonna	Thompson	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric and Gas