

Staff Briefing Papers – Volume 5 – Rate Design

Meeting Date June 11, 2026

Agenda Item 1***

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

Docket No. E-002/GR-24-320

In the Matter of the Application of Xcel Energy for Authority to Increase Rates for Electric Service in the State of Minnesota.

Issues See Volume 0

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 **Relevant Documents**

Date

See Volume 0

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BACKGROUND

Rate Design is the second step of a two-step rate making process. The purpose of rate design is to assign revenue responsibilities to customer classes. Once the appropriate revenue level, or revenue requirement, is determined, the Commission must determine the rates used for charging the utility's customers for service. In setting rates, rates must be just and reasonable¹ and an important aspect of reasonable rates is their design. It should be noted also that rate design is largely a quasi-legislative function, involving policy decisions. A key purpose of rate design is to determine which customer classes should pay the costs that are reflected in the revenue deficiency and what kinds of rates should be used to recover those costs.

Minnesota statutes state that the utility has the burden of proof in establishing whether any requested rate change is just and reasonable. Minnesota statute also requires that the requested rates must encourage energy conservation. If any doubt exists in determining the reasonableness of a rate, the issue must be resolved in the customer's favor. In addition, Minnesota law prohibits public utilities from charging unreasonably discriminatory rates. Similarly, a public utility shall not, as to rates or service, make or grant any unreasonable preference or advantage to any person or subject any person to any unreasonable prejudice or disadvantage. The Commission is also required to consider the ability to pay as a factor when setting public utility rates.²

The relevant provisions guiding the Commission's establishment of utility customer rates are set forth in Minn. Stat. §§ 216B.03 and 216B.07. Section 216B.03 states: Every rate made, demanded, or received by any public utility, or by any two or more public utilities jointly, shall be just and reasonable. Rates shall not be unreasonably preferential, unreasonably prejudicial, or discriminatory, but shall be sufficient, equitable, and consistent in application to a class of consumers. To the maximum reasonable extent, the commission shall set rates to encourage energy conservation and renewable energy use and to further the goals of sections 216B.164, 216B.241, and 216C.05. Any doubt as to reasonableness should be resolved in favor of the consumer. For rate-making purposes a public utility may treat two or more municipalities served by it as a single class wherever the populations are comparable in size or the conditions of service are similar.

Similarly, § 216B.07 provides, "No public utility shall, as to rates or service, make or grant any unreasonable preference or advantage to any person or subject any person to any unreasonable prejudice or disadvantage."

In addition to these statutory guidelines for setting rates, the Commission uses its quasi-legislative authority to establish rates for different customer classes by balancing both cost and

¹ Minn. Stat. §§216B.03, 216B.07 and 216B.16, subd. 4.

² Minn. Stat. §216B.03.

non-cost factors and making choices among public policy alternatives. In designing rates, the Commission has considered a wide variety of factors, including the following:

- Company allowed a reasonable opportunity to recover costs;
- Marginal costs and economic efficiency;
- Constraints of revenue requirements;
- Avoidance of undue discrimination;
- Avoidance of cross-subsidies;
- Cost of service;
- Value of service;
- Promotion of revenue stability for the utility;
- Rate stability for customers (Continuity with prior rates, in order to avoid rate shock or rate destabilization);
- Appropriate rate relationships;
- Encouragement of energy conservation;
- Reductions in coincidence peak demand;
- Ease of understanding and administration;
- Impact on low-income customers;
- Impact on customers with special medical needs;
- Equity/Fairness
- Other Customer impacts:
 - Ability to pay;
 - Ability to pass along increases;
 - Ability to deduct utility expenses on taxes;
 - Ability to bypass the utility;
- Competitive impact;
- Incentives for efficient use of service; and
- Other state policy objectives.

Although not necessarily a complete and exhaustive list, in past rate cases, parties have raised issues and provided evidence that have led to recommendations based on one or more of the above factors and considerations. As an example, in its May 4, 2009 Order, in a Minnesota Power rate case,³ the Commission explained:

Other factors include, inter alia, economic efficiency; continuity with prior rates; ease of understanding; ease of administration; promotion of conservation; ability to pay; and ability to bear, deflect, or otherwise compensate for additional costs. (Commission Order at 63.)

The Commission has considered the introduction of all such evidence to be useful and appropriate for assisting in making rate design decisions. No one factor stands out above all

³ Docket No. E-001/GR-08-415.

others, and in past rate cases, the Commission has considered the totality of evidence introduced in the record when making its final decisions on rate design. Overall, the Commission has considerable authority to exercise its judgment, provided the final rates are “just and reasonable” and not “unreasonably preferential, unreasonably prejudicial, or discriminatory.”⁴

DISPUTED ISSUES

I. Class Revenue Apportionment

A. Introduction

Revenue apportionment is the first step of rate design in a utility ratemaking proceeding. After the Commission establishes the utility's total revenue requirement, it must determine how that requirement should be divided among the various customer classes.

An important input to revenue apportionment is the Class Cost of Service Study (CCOSS), which estimates the cost to serve each customer class. However, parties and the Commission have long recognized that CCOSS results are inherently subjective because most costs are either joint costs, incurred to serve multiple services simultaneously or common costs, which are shared across classes without a clear causal relationship. As a result, different CCOSS methodologies can produce materially different allocations, and no single study definitively determines the correct apportionment. In this proceeding, multiple CCOSS studies were submitted.

B. Parties' Positions

Six parties offered revenue apportionment recommendations in this proceeding: Xcel Energy (the Company), the Department of Commerce (Department), the Office of the Attorney General (OAG), Large Industrial Intervenors (XLI), Suburban Rate Authority (SRA), and Walmart. The primary contested proposals are those of the Company, OAG, and XLI. Table 1 below shows the competing class share proposals for the 2025 and 2026 test year.

⁴ Minn. Stat. §216B.03,

Table 1: Proposed Revenue Apportionment Comparison⁵

| Customer Class | Present Revenue | OAG Proposed | Company (NSP) Proposed | XLI Proposed |
|--------------------------------|-----------------|--------------|------------------------|--------------|
| TY 2025 | | | | |
| Residential | 39.59% | 38.87% | 40.12% | 42.04% |
| C&I Non-Demand (Small General) | 3.16% | 3.16% | 3.29% | 3.09% |
| C&I Demand (Large General) | 56.38% | 57.06% | 55.68% | 53.95% |
| Lighting | 0.87% | 0.90% | 0.90% | 0.93% |
| TY 2026 | | | | |
| Residential | 38.88% | 39.01% | 40.46% | 41.33% |
| C&I Non-Demand (Small General) | 3.07% | 3.18% | 3.40% | 3.00% |
| C&I Demand (Large General) | 57.19% | 56.91% | 55.24% | 54.76% |
| Lighting | 0.86% | 0.90% | 0.90% | 0.91% |

1. Xcel Energy

The Company proposed a 20% movement toward cost for all customer classes, starting from its Hybrid Minimum System CCOSS.⁶ This approach results in a Residential class share of 40.12% and a C&I Demand class share of 55.68% for 2025, with separate updated apportionments proposed for 2026. The Company characterized the 20% movement toward cost-based results as a balanced approach that reflects cost causation while also maintaining rate continuity and limiting rate shock.

Under this proposal, the Residential class would experience a 10.24% increase in 2025, compared to the 12.88% increase indicated by the CCOSS for full cost recovery. The C&I Demand class would see a 9.09% increase, compared to a CCOSS-indicated increase of 7.11%. The Lighting class, which would require a 23.47% increase to reach cost, is moderated to 12.36% under the Company's proposal.⁷

2. Department of Commerce

The Department supported the Company's proposed 2025 revenue apportionment as

⁵ Proposed Findings of Fact, Conclusions of Law, and Recommendation (Xcel), Table 11 at 199.

⁶ Ex. Xcel-76 at 11 (Paluck Direct).

⁷ Ex. Xcel-76 at 11–12 (Paluck Direct).

reasonable.⁸ Consistent with past MYRP practice, the Department recommended that the Commission establish a single fixed revenue apportionment based on the 2025 test year figures, to remain in effect until the Company's next rate case. The Department argued that using a single apportionment reduces the risk of rate shock from the cumulative effect of successive movements toward cost⁹ and is consistent with prior Commission orders in the 2015 and 2021 MYRPs.

3. Office of the Attorney General

The OAG recommended an alternative revenue apportionment intended to reduce revenue responsibility for residential and small commercial customers. This recommendation was based on averaging the results of three CCOSS (Peak-and-Average, Basic Customer, and Minimum System).¹⁰ The OAG then applied two non-cost adjustments: (1) limiting the Lighting class increase to the level proposed by the Company to avoid rate shock; and (2) setting the Small General (C&I Non-Demand) class's rate increase to zero for 2025, because all three CCOSS models consistently showed that class is currently paying above cost.¹¹

Under the OAG's 2025 proposal, the Residential class would receive a 6.8% increase substantially lower than the Company's proposed 10.24%.¹² The OAG justified this by arguing that the Peak-and-Average and Basic Customer CCOSS methods better reflect cost causation than the Minimum System method. The OAG also relied on significant non-cost considerations, including residential customers' limited ability to pass through electricity cost increases, the disproportionate energy burden on low-income households, and evidence of elevated residential arrearages. With respect to the MYRP apportionment issue, the OAG agreed that separate apportionments for 2025 and 2026 are appropriate given the material changes in forecasted C&I Demand sales.

4. Large Industrial Intervenors

XLI, representing large industrial customers, recommended a revenue apportionment that more aggressively moves toward cost, but applies gradualism for the Residential and Lighting classes. XLI developed a revised CCOSS and found that a pure movement to cost would require an 18.6% Residential increase and a 21.3% Lighting increase both exceeding 150% of the system average.¹³

⁸ Ex. DOC-19 at 24 (Bahn Direct); Ex. DOC-20 at 5 (Bahn Surrebuttal).

⁹ DOC Initial Brief at 86–88; Ex. DOC-20 at 10–11 (Bahn Surrebuttal).

¹⁰ Ex. OAG-8 at 42–43

¹¹ Ex. OAG-8 at 43–44

¹² Ex. OAG-8 at Table 4 at 44.

¹³ Ex. XLI-3 at 33–34 (Ly Direct) (Schedule 8 showing XLI recommended class revenue allocation).

XLI therefore applied gradualism by limiting Residential and Lighting increases to 150% of the system average (approximately 18.3% in 2025), with remaining costs shifted to other classes in proportion to rate base.¹⁴ The net result was a Residential class share of 42.04% and a C&I Demand class share of only 53.95%. XLI argued that current rates are inequitable because the Residential and Lighting classes are being heavily subsidized by C&I classes, and that Minnesota's statutory¹⁵ goal of retail electricity rates at least 5% below the national average is not being met for very large industrial customers.

5. Suburban Rate Authority and Walmart.

Both SRA and Walmart supported the Company's proposed 2025 revenue apportionment. Neither party offered an independent CCOS or alternative apportionment recommendation.

C. ALJ Report

The ALJ recommended adoption of the OAG's revenue apportionment as the most reasonable approach on the record.¹⁶ The ALJ's reasoning rested on four pillars: (1) the OAG's use of multiple CCOS methodologies is consistent with Commission practice and avoids over-reliance on any single model; (2) there is persuasive consensus across all CCOS studies in the record that the Small General Service class is already paying above cost, justifying a zero rate increase;¹⁷ (3) the OAG appropriately moderated the Lighting class increase to avoid rate shock; and (4) the OAG is the only party whose proposal genuinely incorporates non-cost affordability factors particularly residential customers' inability to pass on cost increases and the disproportionate energy burden borne by low-income households.

On the MYRP apportionment question, the ALJ departed from the Department's recommendation of a single fixed apportionment and agreed with the Company and OAG that separate apportionments for 2025 and 2026 are warranted. The ALJ found that the material increase in forecasted C&I Demand class sales between the two years means that maintaining the 2025 apportionment into 2026 would—unlike in prior MYRPs—move rates farther from cost rather than closer to it.

¹⁴ Ex. XLI-3 at 33 (Ly Direct).

¹⁵ Minn. Stat. § 216C.05 (2024).

¹⁶ ALJ Report ¶¶ 1108.

¹⁷ ALJ Report ¶¶ 1106.

D. Exceptions to the ALJ Report

1. Xcel Energy

Xcel took exception to the ALJ's recommendation to adopt the OAG's revenue apportionment proposal and objected to the ALJ's findings ¶¶1102-1104 which incorrectly characterized its proposal as failing to consider non-cost factors. Xcel used its CCOSS only as a starting point, moving only 20% toward that estimate in order to account for broader policy considerations such as rate continuity and avoiding rate shock. This approach demonstrates substantial reliance on non-cost factors and, in fact, gives greater weight to those considerations than the OAG's recommendation, which averaged three CCOSS methodologies and therefore remained primarily cost-driven.¹⁸

Xcel argued that the ALJ's endorsement of the OAG's proposal is internally inconsistent. Specifically, Xcel noted that the ALJ found the Peak-and-Average CCOSS methodology should be given "significantly less weight" in this proceeding.¹⁹ Yet the OAG's recommended apportionment assigned one-third weight to the Peak-and-Average CCOSS methodology. Adopting a proposal that materially relies on a methodology the ALJ expressly discounted is unreasonable.

Xcel also contended that the OAG's figures are skewed. Although the ALJ found that the Basic Customer and Minimum System methodologies should be given equal weight,²⁰ the OAG's recommended 6.7% apportionment for Residential customers falls near the bottom of the 5.9% to 13.5% range produced by those methodologies, heavily favoring the Basic Customer method.²¹

The ALJ's recommendation to assign no rate increase to the Small General Service class is unreasonable. While Xcel agreed that this class should receive a smaller increase, it contended that exempting a single class entirely from any increase improperly overemphasizes cost-based considerations while disregarding other relevant non-cost rate design principles. Finally, Xcel points to broad cross-party support for its proposal, the Department, Walmart, and SRA all endorsed it over the OAG's, while noting that no other party supported the OAG's approach.

The Company recommended that the Commission reject ALJ Findings ¶¶1106 to 1108, and ¶¶1110, and replace them with the following language: "The Company's recommended revenue apportionment for 2025 and 2026 are a reasonable balance of cost and non-cost factors, and should be adopted."

¹⁸ Xcel Exceptions, p. 73.

¹⁹ ALJ Report ¶¶ 1055

²⁰ ALJ Report ¶¶ 1056

²¹ Xcel Exceptions, p. 74.

2. Xcel Large Industrials

XLI filed exceptions to the ALJ's adoption of the OAG's revenue allocation proposal, arguing that it lacks record support and would undermine the purpose of revenue allocation by increasing interclass subsidies, particularly by shifting additional subsidy responsibility onto C&I Demand customers. XLI also noted that Xcel's own cost-of-service information shows the Company's proposed allocation increased the subsidy paid by the C&I Demand class as shown in table 2.

Table 2: Xcel's Movement to Cost under Proposed Revenue Allocation²²

| Customer Class | Present Rates | | | Proposed Rates | | | Movement to Cost |
|------------------|----------------|------|------------|----------------|------|------------|------------------|
| | Rate of Return | RROR | Subsidy | Rate of Return | RROR | Subsidy | |
| Residential | 5.40% | 95 | (\$21,145) | 7.25% | 96 | (\$25,039) | -18% |
| C&I Non-Demand | 6.09% | 108 | 2,522 | 7.94% | 105 | 2,258 | 10% |
| C&I Demand | 5.89% | 104 | 21,990 | 7.83% | 104 | 26,187 | -19% |
| Lighting | 4.06% | 72 | (3,367) | 5.94% | 79 | (3,406) | -1% |
| Minnesota Retail | 5.66% | 100 | \$0 | 7.56% | 100 | \$0 | 17% |

This issue was further compounded under the OAG proposal. C&I Demand customers would receive a 13 percent increase in 2026 which is at the upper end of the ALJ's endorsed cost-of-service range, while Residential customers would receive only a 6.7 percent increase, at the lower end of that same range. XLI argued that this outcome moves customer classes away from, rather than closer to, rates that reflect the actual cost to serve each class.

Table 3: Class Increases (By Percentage) As of 2026 Under ALJ Recommendation²³

| Party | Method | Residential | SCI Non-Demand | Demand | Lighting |
|-------------|----------------|-------------|----------------|--------|----------|
| OAG | Peak & Avg | 3.5% | -8.9% | 15.7% | 28.7% |
| OAG | Basic Customer | 5.8% | -8.5% | 13.9% | 31.3% |
| DOC | Basic Customer | 9.6% | -11.8% | 11.5% | 26.9% |
| Xcel Energy | Hybrid | 13.5% | -6.2% | 8.3% | 30.6% |
| SRA | Hybrid | 13.5% | -6.1% | 8.3% | 29.3% |
| DOC | Hybrid | 15.0% | -7.2% | 7.3% | 26.1% |
| XLI | Hybrid | 16.1% | -2.0% | 6.3% | 19.9% |

XLI proposed a revenue allocation that moves all customer classes toward cost of service while

²² XLI – Exceptions – pp. 26.

²³ XLI – Exceptions – pp. 31.

capping any single class's increase at 150 percent of the system average, a rate-shock protection that applied equally to residential and C&I customers alike.

XLI also found ALJ's application of rate-shock and ability-to-pay considerations was one-sided, giving weight to those factors only as they related to residential customers while overlooking their equally significant relevance to C&I Demand customers. The ALJ praised the OAG's revenue allocation recommendation for considering "ability to pay and ability to pass on costs,"²⁴ yet the record plainly established that C&I customers faced material constraints on their ability to absorb rate increases. As XLI Witness Ly testified, commercial and industrial customers' ability to pass on higher electricity costs was limited by increasing global and domestic competition, particularly for entities in commodity-based industries where electricity represented a significant operating expense.²⁵ The significant increases that would result from the OAG's recommended revenue allocation would have negatively impacted industrial customers' ability to compete with both domestic and global competitors.²⁶ By selectively applying rate-shock and ability-to-pay principles to residential customers while ignoring their relevance to C&I Demand customers, the ALJ's analysis was fundamentally asymmetric and unsupported by the record.

E. Decision Options

- 5001. Adopt Xcel's proposed revenue apportionment for 2025 and 2026. [Xcel, SRA, Walmart]
- 5002. Adopt the Department's proposed 2025 test year revenue apportionment for the entire MYRP. [DOC]
- 5003. Adopt OAG's proposed revenue apportionment for 2025 and 2026. [OAG, ALJ]
- 5004. Adopt XLI's proposed class revenue apportionment based on its revised CCOSS. [XLI]

II. Residential and Small Commercial Customer Charges

A. Introduction

Rate design for the Residential and Small General (Small Commercial) customer classes has historically been based on a two-part tariff consisting of: (1) a fixed monthly customer charge intended to recover customer-specific costs that do not vary with the amount of energy used;

²⁴ ALJ Report at 179, ¶ 1107.

²⁵ Ex. XLI-6 at 22-23 (Ly Rebuttal).

²⁶ *Id.*

and (2) a per-kWh volumetric energy charge. The customer charge was intended to recover those costs that are directly caused by connecting an individual customer to the system costs such as metering, billing, service drops, and related back-office expenses. These are costs the utility must incur in taking on another consumer.

B. Parties’ Positions

The primary contested positions on the customer charge are those of the Company, DOC, and OAG. Table 4 summarizes the proposals.

Table 4: Customer Charge Proposals — Residential and Small Commercial

| Party / Method | Residential Customer Charge | Small Commercial Charge | CCOSS Basis |
|----------------|-----------------------------|-------------------------|---|
| Company | \$11.00/mo | \$11.00/mo | Hybrid Min. System |
| DOC | \$6.00/mo (no change) | \$6.00/mo (no change) | Basic Customer (excl. shared service drops) |
| OAG | \$6.00/mo (no change) | \$6.00/mo (no change) | Basic Customer (consistent with 2021 order) |

1. Xcel Energy

The Company proposed to increase the monthly customer charge for Residential and Small Commercial (C&I non-demand) customers from \$6.00 to \$11.00 per month.²⁷ The proposed \$11.00 customer charge remains well below the level of customer-related costs identified in its CCOSS—approximately \$23.80 for Residential customers and \$24.54 for Small Commercial customers—and characterized the proposal as a measured step toward improved alignment with cost causation.²⁸ The \$11.00 charge would recover only about 45% of those estimated customer-related costs.

Xcel further asserted that its current \$6.00 charge is near the 10th percentile of investor-owned utilities nationally and that even at \$11.00, the charge would remain below the national median.²⁹ The Company also contended that a higher fixed charge paired with lower volumetric rates supports beneficial electrification by reducing the marginal cost of additional usage, and promotes intra-class equity by reducing the extent to which higher usage households contribute to fixed system costs through energy charges.

²⁷ Ex. Xcel-76 at 14, Table 5 (Paluck Direct)

²⁸ Ex. Xcel-76 at 16, Table 6 (Paluck Direct)

²⁹ Proposed Findings of Fact, Conclusions of Law, and Recommendation (Xcel), ¶ 889.

2. Department of Commerce

The Department recommended that the Commission deny Xcel's proposal and retain the current \$6.00 monthly customer charge.³⁰ In the Department's view, the proposed \$5.00 increase constituted rate shock, particularly given the Commission's recent decision in the prior rate case to reduce the charge from \$8.00 to \$6.00. The Department also maintained that fixed charges should recover only clearly customer-specific costs, such as meters and billing, and argued that Xcel's analysis improperly assigns portions of shared distribution infrastructure to the customer charge.

The Department also contested the Company's inflation argument, noting that the proper consumer price index (CPI) comparison is to the entire customer bill, not the customer charge in isolation. Residential customers pay a two-part rate and when the fixed monthly customer charge was decreased in 2023, the volumetric per-kWh rate was increased to compensate.³¹ Looking at the customer charge in isolation misses that tradeoff entirely. The Department further pointed to the Commission's express reasoning in the 2021 MYRP order, which reduced the customer charge to \$6.00 on the same grounds the Company now asks the Commission to set aside.³²

3. Office of the Minnesota Attorney General

The OAG recommended denying Xcel's proposal and retaining the current \$6.00 monthly customer charge. The OAG argued that increasing the fixed charge would have regressive effects by placing a disproportionate burden on low-usage and low-income customers,³³ including many who reside in multi-unit buildings and consume less electricity. A lower fixed charge enhances customer control by tying a larger share of total bills to actual energy consumption, thereby reinforcing conservation incentives. Finally, the OAG asserted that customer-specific costs necessary to connect and serve an individual customer are approximately \$7.18 to \$7.20 per month, and therefore contended that the proposed \$11.00 charge exceeds what cost causation justifies.³⁴

4. The Energy Cents Coalition

The Energy Cents Coalition (ECC) raised significant concerns regarding Xcel's proposal to increase the monthly residential customer charge from \$6.00 to \$11.00, although it did not expressly oppose the specific dollar amount. ECC cited evidence of substantial residential financial strain, including elevated arrearages and disconnections, and emphasized that many

³⁰ Ex. DOC-19 at 39–44 (Bahn Direct)

³¹ Ex. DOC-19 at 35 (Bahn Direct)

³² Ex. DOC-19 at 40 (Bahn Direct)

³³ Ex. OAG-8 at 54 (Scharber Direct)

³⁴ Ex. OAG-8 at 51 (Scharber Direct)

low-income households already face high energy burdens.³⁵ ECC maintained that increasing the fixed monthly charge would disproportionately impact energy-burdened customers because the charge applies regardless of electricity usage.

C. ALJ Report

The ALJ recommended adoption of the OAG and Department's recommendation of maintaining the \$6.00 monthly customer charge for residential and small commercial customers and denying the Company's request to increase the customer charge.³⁶

The ALJ found the OAG's cost modeling persuasive, concluding that Xcel's current \$6.00 customer charge is close to actual customer-specific costs. The ALJ reasoned that setting customer charges based on narrowly defined customer-specific costs is appropriate because lower fixed charges necessarily imply higher usage charges, which in turn incentivize conservation by increasing the financial benefit to customers who reduce their usage. OAG's quantitative analysis demonstrating potential energy savings of 50,000 to 100,000 MWh from denying the request showed that keeping the charge flat would comply with the statutory requirement to set rates that encourage energy conservation to the maximum reasonable extent.³⁷

D. Exceptions to the ALJ Report

1. Xcel Energy

Xcel took exception to the ALJ's recommendation to retain the existing \$6.00 customer charge for Residential and Small Commercial customers. Xcel argued that the ALJ placed undue reliance on the OAG's customer-specific cost calculation while giving little to no weight to other cost methodologies in the record. The Department's corrected analysis supported a \$7.26 customer charge, with an even higher amount if service drops are included, while Xcel's own analysis supports a charge of up to \$24.00. The ALJ acted inconsistently by relying on multiple methodologies in other rate design issues but deferring almost entirely to the OAG's approach here without explaining why other analyses were discounted.

Xcel contended that the ALJ's preference for the OAG's calculation was results-driven rather than analytically sound, that selecting a methodology simply because it produced a lower charge that encouraged conservation was not a reasonable basis for disregarding other cost

³⁵ Ex. ECC-1 at 2-3 (Shardlow Direct)

³⁶ ALJ Report ¶ 1126.

³⁷ ALJ Report ¶ 1127 (citing Ex. OAG-8 at 60 (Scharber Direct)); see also Minn. Stat. § 216B.03 (2024).

calculations.³⁸ The ALJ recommendation failed to properly balance conservation goals against other statutory objectives, including setting rates that are just and reasonable, non-discriminatory, supportive of the utility's financial health, and consistent with electrification policy. Xcel argued that an artificially low customer charge would shift costs to higher-usage customers, including some low-income households, reduce revenue stability and utility financial health, and increase volumetric electricity rates in a way that could discourage electrification.³⁹

Although the record would support a charge as high as \$24.00, Xcel proposed only a moderate increase to \$11.00, which it argued appropriately balances conservation against the other policy goals. Xcel asks the Commission to reject ALJ Findings ¶¶1127–1129 and instead adopt its recommended \$11.00 customer charge.

E. Decision Options

5005. Adopt Xcel's proposed \$11.00 customer charge for both Residential and Small Commercial customers. [Xcel]

5006. Adopt OAG's proposal to maintain the current \$6.00 per month customer charge for both Residential and Small Commercial customers. [OAG, DOC, ALJ]

III. C&I Demand Class Rate Design

A. Introduction

The C&I Demand class is the largest of Xcel's customer classes by revenue, encompassing commercial and industrial customers billed on demand-metered tariffs and representing approximately 55-56% of total retail revenues.⁴⁰ These customers pay a multi-part rate that includes:

- Monthly Customer Charge: A fixed fee designed to recover customer-specific cost.
- Energy Charge (kWh): A volumetric rate for electricity consumed, which is seasonally differentiated (summer vs. winter).
- Demand Charge (kW): A capacity-based fee based on the customer's maximum demand during the billing period.

In the Company's prior Multi-Year Rate Plan proceeding (Docket No. E-002/GR-21-630), the

³⁸ Xcel Exceptions, p. 76.

³⁹ Xcel Exceptions, p. 76-77.

⁴⁰ Ex. Xcel-73 (Barthol Direct) at Table 2 at 9.

Commission established two significant compliance obligations directly applicable to this case. Order Point 67 required that “In its next general rate case, Xcel must further segment the C&I Demand class based on factors such as size, load factor, and coincidence factor to facilitate the creation of a C&I TOU rate.”⁴¹ Order Point 62 directed the Company to work with stakeholders in Docket No. E-002/M-20-86 to address C&I fixed customer charges, demand rates, seasonal costs, and Demand Response/Distributed Energy Resources (DER) initiatives.

Separately, in its 2024-2040 Integrated Resource Plan (IRP),⁴² the Commission ordered the Company to file in a new docket a proposal for development of a new rate class or sub-class and tariff for super-large customers, with a requirement that all incremental costs attributable to such customers be assigned to the super-large class or sub-class. That filing was made in Docket No. E-002/M-25-289 on July 16, 2025, and is currently pending Commission decision. These parallel proceedings intersect directly with several disputed C&I Demand rate design issues in this case.

B. Parties Positions

1. Xcel Energy

a. Energy and Demand Charges

Xcel proposed to maintain the current ratio between demand and energy charges. This approach minimizes changes to the existing rate structure and results in similar percentage bill impacts across customers with different load factors, including those at 200, 400, and 600 hours-use levels.⁴³

b. Monthly Customer Charges

Xcel proposed a modest increase to the General Service monthly customer charge, from \$25.98 to \$27.50 per month. This adjustment is intended to better align the charge with underlying customer-related costs.

c. Interruptible Service Discounts and Peak Controlled Service

Xcel proposed a 4.4% increase in the total dollar amount of demand charge discounts for interruptible service. The Company emphasized that this change does not alter the effective discount percentage, as the difference between firm and controllable demand charges remains

⁴¹ N. States Power Co. for Auth. to Increase Electric Service Rates in Minnesota, Docket No. E-002/GR-21-630, FINDING OF FACT, CONCLUSIONS, AND ORDER at 60, Order ¶ 67.

⁴² In the Matter of Xcel Energy's 2024-2040 Upper Midwest Integrated Resource Plan, Docket No. E-002/RP-24-67, ORDER APPROVING SETTLEMENT AGREEMENT WITH MODIFICATIONS at Order ¶ 32 (Apr. 21, 2025)

⁴³ Ex. Xcel-76 at 20 (Paluck Direct).

the same.⁴⁴

Xcel also proposed two modifications to the Peak Controlled Service tariff. First, it would eliminate the Annual Minimum Demand Charge (AMDC), a rarely used and complex billing provision, as a customer-friendly simplification. Second, it would add the performance factor calculation directly to the tariff schedules to improve transparency in how bills are calculated.

d. Voltage Discounts

Xcel proposed to update voltage discounts on a cost-based basis. Demand charge discounts were recalculated to reflect current cost levels, while energy charge discounts were revised to align with the proposed base energy and fuel charge levels.⁴⁵

e. TOU Segmentation Compliance

With respect to Order Point 67, Xcel acknowledged the requirement but indicated that a full segmentation analysis is not feasible at this time. The Company explained that the Advanced Metering Infrastructure (AMI) deployment for C&I Demand customers is still incomplete, which limits its ability to evaluate the class comprehensively.⁴⁶

2. The Department of Commerce

The Department did not oppose any of Xcel's specific intra-class rate design proposals for the C&I Demand class, including the energy-to-demand ratio, customer charge, interruptible discounts, elimination of the AMDC, or updates to voltage discounts.⁴⁷ On TOU segmentation, the Department acknowledged Xcel's AMI limitations but noted that the Commission's Order Point 67 requirement remains unmet. The Department emphasized that continued progress toward a C&I TOU rate is expected through the parallel dockets.

3. Xcel Large Industrials

XLI advocated for a rate design that reduces the revenue burden on industrial customers. It contended that Minnesota's industrial electric rates are already about 13 percent above the national average and argued that Xcel's proposal would widen that gap to approximately 22

⁴⁴ Ex. Xcel-76 at 21 (Paluck Direct).

⁴⁵ Ex. Xcel-76 at 22 (Paluck Direct).

⁴⁶ Ex. Xcel-76 at 25–26 (Paluck Direct).

⁴⁷ Ex. DOC-19 at 45–47 (Bahn Direct).

percent, diminishing competitiveness.⁴⁸ XLI argued this is directly inconsistent with the Minnesota energy policy goal in Minn. Stat. § 216C.05, which directs the achievement of retail electricity rates at least 5% below the national average for each customer class.

XLI also opposed treating new large-load customers, such as data centers, as sub-classes within the existing C&I Demand class and instead recommended creating a separate class to prevent their distinct load characteristics from affecting cost allocation for existing industrial customers.

C. ALJ Recommendation

The ALJ did not identify any concerns with Xcel's C&I Demand intra-class rate design proposals. None of the specific components including the energy-to-demand ratio, customer charge, interruptible discounts, elimination of the AMDC, or voltage discounts were treated as contested issues in the ALJ Report.

D. Decision Option

- 5007. Maintain the current ratio between demand and energy charges as proposed by Xcel. [Xcel, ALJ].
- 5008. Approve Xcel's proposed increase to the General Service monthly customer charge from \$25.98 to \$27.50 per month. [Xcel, ALJ].
- 5009. Reject Xcel's proposed increase to the General Service monthly customer charge pending further cost-based analysis. [XLI]
- 5010. Approve Xcel's proposed 4.4% increase to the total dollar amount of demand charge discounts for interruptible service. [Xcel, ALJ]
- 5011. Approve Xcel's proposal to eliminate the Annual Minimum Demand Charge (AMDC) from the Peak Controlled Service tariff. [Xcel, ALJ]
- 5012. Approve Xcel's proposal to add the performance factor calculation directly to the Peak Controlled Service tariff schedules. [Xcel, ALJ]
- 5013. Approve Xcel's proposed cost-based updates to voltage discounts, including revised demand charge discounts and updated energy charge discounts. [Xcel, ALJ]
- 5014. Order Xcel to provide a compliance filing within 180 days detailing a timeline and methodology for C&I Demand class segmentation by size, load factor, and coincidence factor to facilitate development of a C&I TOU rate, consistent with Order Point 67 of the

⁴⁸ Ex. XLI-3 at 32 (Ly Direct).

Commission's July 17, 2023 Order in Docket No. E-002/GR-21-630. [Department]

IV. Residential Arrears Management Program

A. Introduction

The Residential Arrears Management Program (RAMP) is an arrears management program designed to help eligible residential customers reduce or eliminate their past-due balances, thereby reducing their energy burden and the risk of service disconnection.⁴⁹ Rather than creating a new customer charge, RAMP would be funded entirely by repurposing the residential late payment fees that Xcel already collects under its existing Commission-approved tariffs fees that currently serve to offset the company's revenue requirement in a rate case.

Each year, Xcel would pool all late payment fees collected from residential customers — estimated at \$6.1 million in 2025 and \$5.8 million in 2026 and divide that total among all customers meeting the eligibility criteria to determine a uniform, per-customer credit amount.⁵⁰ That credit would be applied directly to each eligible customer's past-due balance as a lump-sum benefit. Up to five percent of the annual late payment fee revenues would be used to cover RAMP's administrative costs, including customer outreach and staffing, consistent with the administrative cost structure of similar programs in Minnesota and Colorado.

To participate in RAMP, a customer must satisfy four criteria: (1) hold an active Xcel account in the State of Minnesota; (2) self-attest that their household income is at or below 80 percent of the established Area Median Income (AMI) for their county; (3) not have qualified for or received Energy Assistance Program (EAP/LIHEAP) benefits from the Minnesota Department of Commerce; and (4) have a past-due balance of \$300 or more, provided funds remain available.⁵¹

B. Parties' Positions

1. Xcel Energy

Xcel proposed RAMP in direct response to the Commission's January 2025 order⁵² and supports its full approval as filed. The company's core position is that RAMP should be funded using 100 percent of projected residential late payment fee revenues.

⁴⁹ Ex. Xcel-39 at 3 (Lindgren Supplemental Direct)

⁵⁰ Ex. Xcel-39 at 4 (Lindgren Supplemental Direct)

⁵¹ Ex. Xcel-39 at 3 (Lindgren Supplemental Direct)

⁵² In the Matter of Xcel Energy's 2023 Safety, Reliability and Service Quality Annual Report, Docket No. E002/M-24-27, Order Accepting Reports and Setting Additional Requirements, Order Point No. 33 (Jan. 13, 2025).

However, in rebuttal testimony, Xcel agreed to five of the six modifications proposed by the Department. Specifically, the Company accepted that: (1) eligible customers whose RAMP credit does not fully eliminate their balance should, at the customer's discretion, be enrolled in a payment plan or budget billing arrangement; (2) Xcel should proactively contact eligible customers who are not already on a payment plan; (3) any late fees that have accrued on a customer's account should be waived upon enrollment in RAMP; (4) the 2025 late payment fee revenues (approximately \$6.1 million) should remain in general operating revenues rather than being dedicated to RAMP, given that the program will not launch until after the Commission's final order; and (5) that Xcel should provide detailed annual program status reports.⁵³

Xcel opposed the Department's recommendation to cap RAMP's 2026 funding at 50 percent of late fee revenues. Xcel's position was that because RAMP benefits are calculated and distributed as a lump sum based on the full year's late payment fee collections, the timing of the Commission's approval within 2026 does not reduce the total funding required for the first year of the program.⁵⁴

2. The Department of Commerce

The Department supported RAMP in concept but recommended several structural and funding modifications. The Department recommended six specific modifications to the program's design and funding structure to improve its effectiveness and accountability. Xcel agreed to five of the six recommendation modifications and opposed the Department's 2026 funding modification.

On funding and timing, the Department raised a practical concern: because the Commission's final order in this case is not expected until mid-2026, RAMP cannot be operational for the full 2026 calendar year. The Department therefore recommended that the full \$6.1 million in 2025 late payment fees remain in general operating revenues rather than being allocated to RAMP, and that RAMP's 2026 funding be capped at 50 percent of that year's late payment revenues — approximately \$2.9 million — with the remaining \$2.9 million offsetting the company's 2026 revenue requirement.⁵⁵

The Department also proposed a robust annual reporting framework under which Xcel would be required to report on eight specific metrics, including the number of customers served, total program spending, average initial and remaining arrears of participants, the number of customers who remain current on their payment plans, and the number who have paid off their full balance.

⁵³ Ex. Xcel-81 at 10-12 (Howard Rebuttal).

⁵⁴ Ex. Xcel-81 at 10 (Howard Rebuttal)

⁵⁵ Ex. DOC-19 at 70 (Bahn Direct).

3. Energy CENTS Coalition

ECC supported the RAMP proposal in principle and agreed with the Department's recommended modifications, including the proposed reporting requirements. ECC viewed the program design favorably, particularly the use of self-attestation for income verification, which reduces barriers to enrollment, and the relatively broad eligibility threshold set at 80 percent of area median income (AMI).

However, ECC raised a fundamental equity concern about the funding mechanism: because late payment fees are disproportionately paid by low-income customers who are struggling to keep current on their bills, using those fees to fund RAMP creates a regressive dynamic in which the very customers the program is designed to help are also its primary funders.⁵⁶ ECC agreed with CUB that customers were, in effect, required to pay late fees as a prerequisite for becoming eligible for the assistance that those same fees fund.

ECC supported waiving late fees for low-income customers regardless of whether RAMP is approved, viewing it as a more direct and equitable means of reducing energy burden. ECC further recommended that, if RAMP is approved, the Commission require additional reporting on participant income levels, the program's impact on service disconnection rates, its effect on enrollment in other affordability programs, and a comparison to the performance of similar programs in Colorado.

4. Citizens Utility Board of Minnesota

CUB was the primary party opposing RAMP as proposed, though its objection was rooted primarily in opposition to the late payment fee funding mechanism rather than to the goal of helping customers with arrears. CUB's primary recommendation was that the Commission eliminate late payment fees for all residential customers. CUB argued that Xcel had not demonstrated in this proceeding that such fees are just and reasonable, and that the Company's own evidence indicated it had not evaluated whether late fees are effective in encouraging timely payment. CUB pointed to research indicating that waiving late fees during the COVID-19 pandemic had little discernible effect on the timeliness of residential customer payments, suggesting the fees serve a punitive rather than a corrective function.⁵⁷

CUB also identified what it described as a circular flaw in RAMP's design: customers had to accumulate at least \$300 in past-due balances while late fees continue to accrue before qualifying for assistance. In CUB's view, this structure requires customers to incur penalties through the same late fees that ultimately fund the relief they are seeking.⁵⁸ CUB argued that in the alternative, if late fees are retained, revenues should be directed to Xcel's existing

⁵⁶ Ex. ECC-2 at 4-5 (Shardlow Surrebuttal).

⁵⁷ Ex. CUB-3 at 14-15, 21 (Levenson-Falk Direct).

⁵⁸ Ex. CUB-3 at 19 (Levenson-Falk Direct).

PowerOn program rather than used to create a new program.

In surrebuttal testimony, CUB stated that, if the Commission permits late fees to continue, CUB would not oppose directing those revenues to fund RAMP provided the fees are waived for low-income households and reduced to 0.45 percent per month (from the current 1.5 percent per month) for all other customers.⁵⁹

C. ALJ Recommendation

The ALJ recommended that the Commission approve RAMP as proposed by Xcel, including the modifications that Xcel agreed to accept from the Department but rejecting the Departments' recommendation to cap 2026 RAMP funding to 50% of late payment fee revenues.⁶⁰ The ALJ found that RAMP, together with the accepted Department modifications, meets the requirements set forth in the Commission's January 2025 order and appropriately deploys late payment fee revenues to mitigate costs for low-income customers.

D. Exceptions to the ALJ Report

1. Citizens Utility Board of Minnesota

CUB raised two concerns about the structural fairness of RAMP that the ALJ failed to adequately consider. First, CUB identified a significant inequity involving customers who receive federal energy assistance through the Energy Assistance Program (EAP). Under RAMP's design as proposed, EAP-enrolled households are explicitly excluded from program eligibility, meaning they cannot receive arrearage forgiveness through RAMP. Yet those same customers could still be assessed late payment fees, the very fees that fund the program. In effect, EAP households would be compelled to contribute financially to a relief program from which they are barred from benefiting.⁶¹

Second, CUB flagged what it characterized as a perverse incentive embedded in RAMP's structure. Customers who fall behind but manage to pay down their balance before reaching the \$300 eligibility threshold would essentially end up subsidizing the arrearage forgiveness received by customers who do qualify for the program. As the Department explained, this dynamic could actually discourage struggling customers from making partial payments, since doing so might keep them just below the eligibility threshold while still leaving them on the wrong side of the program's cost-sharing arrangement. CUB noted this problem persisted even under the company's agreement to waive late fees for enrolled customers, since the perverse

⁵⁹ Ex. CUB-8 at 21 (Levenson-Falk Surrebuttal)

⁶⁰ ALJ Report ¶ 11142 ("The Commission should adopt the Company's proposal and the Department's modifications, except that the Commission should allow the Company to fund the RAMP program with all 2026 late payment fee revenue.").

⁶¹ CUB Exceptions at pg. 23.

incentive operates at the eligibility stage, before enrollment occurs.⁶²

Regarding how late payment fee revenues should be used, CUB supported the Department's recommendation that at least 50% of those 2026 revenues be used to offset the company's overall revenue requirement, reducing the rate increase for all customers not just channeled into RAMP.⁶³

2. The Department of Commerce

The ALJ adopted most of the Department's recommendations for RAMP, approving five of the Department's six proposed program modifications. However, on the one recommendation the ALJ did not adopt, the ALJ allowed Xcel to treat the full \$5.8 million in projected 2026 late payment fee revenue as available to fund RAMP for the entire year. The ALJ reasoned that a mid-year program start did not prevent the Company from using the full amount of 2026 late fee revenue to support the program.

The Department argued the ALJ's reasoning missed the point. The Department's objection was not about whether Xcel can spend all of the 2026 late fees on RAMP, it is about whether Xcel should be authorized to recover that full amount from ratepayers before the program is even operating. Because RAMP will not launch until mid-year 2026, allowing 100% of the projected 2026 late fee revenue to be included in the authorized revenue requirement would mean ratepayers are funding a full year of program costs for what is, at best, a half-year program. That inflates the total revenue Xcel is permitted to collect from customers in 2026.⁶⁴

E. Decision Option

5015. Approve RAMP as proposed by Xcel, including the five modifications agreed to by Xcel from the Department's recommendations. [Xcel, ALJ]

5016. Approve RAMP as proposed by Xcel with all six modifications recommended by the Department, including the 2026 funding cap. [Department]

5017. Do not approve RAMP as proposed, and instead direct Xcel to redirect late payment fee revenues to the existing PowerOn program. [CUB]

5018. Require Xcel to provide detailed annual program status reports on the eight metrics proposed by the Department, including number of customers served, total program spending, average initial and remaining arrears, number of customers current

⁶² *Id.*

⁶³ CUB Exceptions at pg. 25-26.

⁶⁴ DOC Exceptions at pg. 37.

on payment plans, and number of customers who have paid off their full balance. [Xcel, Department, ALJ]

V. Low-Income Discount/Income-Based Rates

A. Introduction

The Low-Usage Affordability Credit (LUAC) originally called the Low-Income Low-Usage (LILU) program was approved by the Commission in Xcel's previous rate case in 2023.⁶⁵ It is a discounted electricity rate available to income-qualified customers who use a relatively small amount of electricity each month. Specifically, qualifying customers receive a 35 percent discount on the base rate portion of their electric charges for monthly usage up to 300 kWh. Customers may qualify through self-attestation of income or by demonstrating enrollment in other public assistance programs such as SNAP, TANF, or LIHEAP making it relatively easy to sign up without extensive paperwork. The program was designed to reach approximately 92,000 customers, with an approved annual budget of \$8.3 million.

B. Parties' Positions

1. Xcel Energy

Xcel supported expanding the LUAC program by raising the monthly eligibility threshold from 300 kWh to 500 kWh.⁶⁶ The Company's rationale is straightforward: the program has not reached its target enrollment, and raising the threshold creates a larger pool of eligible customers to contact. Xcel argued this can be accomplished within the \$8.3 million annual budget already approved by the Commission, and it commits to monitoring enrollment and reporting back if costs approach or exceed that level.

Xcel opposed the Joint Intervenors' universal low-income rate proposal on several grounds. The Company argued that Minnesota rate design principles generally require differences in rates to reflect differences in cost of service, and that low-income customers do not impose measurably different costs. Xcel maintained that targeted bill credits—such as its existing PowerOn program—are a more appropriate tool for delivering affordability benefits, as they allow for more precise targeting and greater transparency of program costs. The Company also noted that its affordability programs served approximately 119,000 customers in 2023–2024 and that participation continues to grow, with PowerOn enrollment increasing by more than 100 percent over the past five years.

⁶⁵ Docket No. E-002/GR-21-630, July 17, 2023, Findings of Fact, Conclusions of Law, and Order, Order Points 63 and 64.

⁶⁶ Ex. Xcel-81 at 19–20 (Howard Rebuttal).

2. Joint Intervenors

The Joint Intervenors supported the expansion of LUAC but argued it is insufficient on its own.⁶⁷ The Joint Intervenors contended that the scope of the affordability problem is far larger than existing programs address: approximately 300,000 of Xcel’s customers may be considered low-income, and an estimated 150,000 of those have a high energy burden. Current programs serve a fraction of this population.

The Joint Intervenors argued that a rate-based approach is both legally permissible and practically important. They noted that Minnesota law requires the Commission to consider customers’ ability to pay when setting rates, and that the Commission has previously exercised this authority in approving LUAC in the last rate case. The Joint Intervenors also pointed to what they characterized as an inconsistency in the Company’s position: Xcel offers discounted rates to large industrial customers through the Business Incentive and Sustainability (BIS) Rider and the Competitive Response Rider (CRR), despite those discounts not being based on cost-of-service differences. While the Company justified those programs as producing system-wide benefits by attracting or retaining large loads, the Joint Intervenors argued that similar benefits would result from improving low-income customers’ ability to pay, including reductions in bad debt expense for all ratepayers.

The Joint Intervenors further noted that at least 11 other states—including Massachusetts, California, and Illinois—have implemented income-based utility discount programs. They argued that the experience in these states demonstrates that such programs are both workable and beneficial.

3. Energy CENTS Coalition

The Energy Conservation Coalition (ECC) emphasized targeted, practical expansions of existing affordability programs rather than a fundamental redesign of base rates. ECC supported Xcel’s proposal to increase the LUAC usage threshold to 500 kWh, noting that the change would better serve low-income renters and facilitate beneficial electrification, such as heat pumps, for income-qualified households. ECC’s primary recommendation is to expand automatic enrollment in the PowerON program to all electric customers receiving federal Low-Income Home Energy Assistance Program (LIHEAP) benefits, which ECC stated would close the current eligibility gap affecting electric-only customers.

4. The Department of Commerce

The Department of Commerce raised significant caution about the Joint Intervenors’ universal low-income rate proposal, while not opposing the LUAC expansion. The primary concern was the Joint Intervenors’ \$100 million annual cost estimate for the program. The Department found that this estimate relied on unrealistic assumptions, including that there would be no

⁶⁷ Ex. JIN-2 at 29-41 (Chan Direct).

program “leakage”—meaning no benefits would go to ineligible households—and that the estimate accurately reflected the number of eligible customers.⁶⁸ The Department also observed that even if the cost estimate were accurate, spreading \$100 million across 300,000 eligible customers would provide only about \$333 per year per household, or roughly \$28 per month, which may not meaningfully reduce energy burden for the most financially stressed customers.

More broadly, the Department argued that the universal rate proposal lacked sufficient detail for the Commission to evaluate its merits. A robust cost-benefit analysis and a clear method for determining customer eligibility would be needed before the Commission could make an informed decision on whether to proceed.

C. ALJ Recommendation

The ALJ concluded that a low-income rate is not categorically prohibited under Minnesota law and that ability to pay is a valid consideration in rate design.⁶⁹ While recognizing concerns raised by the Company and the Department regarding feasibility, cost, and implementation, the ALJ found that the record demonstrates a need for additional affordability measures. Rather than adopting a specific rate at this time, the ALJ recommended that the Commission initiate a process to develop a potential low-income rate.⁷⁰ This process would allow for further analysis of design, cost, eligibility, and legal considerations before any final decision on implementation.

D. Exceptions to the ALJ Report

1. Xcel Energy

Xcel did not directly oppose the ALJ's recommendation to initiate a process to explore a potential low-income discount rate, but raised significant concerns. Xcel asked whether a low-income discount rate would be legally permissible, noting concerns that such a rate could be considered unreasonably preferential, prejudicial, or discriminatory under Minnesota Statutes § 216B.03. Xcel also questioned the reliability of the underlying data supporting the proposal, whether existing bill credit programs could already provide better-targeted assistance to customers, and how such a rate could realistically be implemented. The Department echoed these concerns, questioning the accuracy of the cost estimates presented in the supporting testimony, the feasibility of identifying and verifying eligible customers, and the risk of leakage, where benefits could flow to households that do not qualify.

⁶⁸ Ex. DOC-22 at 4 (Schmitz Rebuttal).

⁶⁹ ALJ Report, ¶¶ 1153–1158.

⁷⁰ ALJ Report, ¶¶ 1160–1161.

Xcel argued that affordability concerns are better addressed through targeted assistance programs already in place, noting that nearly 120,000 customers were enrolled in such programs in 2023–2024.⁷¹ However, Xcel stated it would participate in a separate Commission proceeding to further examine a low-income discount rate, provided the Commission makes clear at the outset that the proposal could ultimately be rejected if it proves unreasonable, discriminatory, or impractical.

E. Appendix

F. Decision Option

5019. Approve Xcel's proposal to raise the LUAC monthly usage eligibility threshold from 300 kWh to 500 kWh within the existing \$8.3 million annual budget. [Xcel]
5020. Approve the Joint Intervenors' universal low-income rate proposal providing income-qualified customers a discounted base rate. [Joint Intervenors]
5021. Reject the universal low-income rate proposal as insufficiently developed for Commission evaluation at this time, pending submission of a robust cost-benefit analysis and a clear eligibility determination methodology. [Xcel, Department]
5022. Initiate a separate proceeding to develop and evaluate a potential universal low-income rate, allowing for further analysis of program design, cost, eligibility criteria, and legal considerations before any final decision on implementation. [ALJ]

VI. Street Lighting

A. Introduction

Street lighting service is provided to municipalities and other governmental entities under Rate Code A30. Customers are billed a fixed monthly charge per fixture, which varies based on the fixture's wattage and whether it is served by overhead or underground facilities. Unlike residential service, street lighting bills do not fluctuate month to month; each fixture of a given type receives the same uniform rate adjustment.

The dispute in this case arose from a 2023 settlement agreement between Xcel and the Suburban Rate Authority (SRA), which required the Company to simplify its Rate Code A30 rate design workpapers. In doing so, Xcel removed a "dampener" that had previously spread cost increases more evenly across different wattage levels. Without it, when rates rise, lower-wattage overhead fixtures receive much higher percentage increases than higher-wattage

⁷¹ ALJ Report, ¶¶ 1147.

fixtures even when the dollar amount of the increase is similar across wattage types.⁷²

B. Parties' Position

1. Xcel Energy

Xcel requested that the Commission to approve Rate Code A30 as proposed. The Company argued its design is cost-based and fully compliant with the 2023 Settlement. The higher percentage increases on lower-wattage fixtures are simply a mathematical result of applying the same dollar increase to a lower starting price, not a flaw in the design.⁷³ Xcel also noted that most street lighting customers hold a mix of wattages, so their overall bill tracks closer to the class average increase rather than the worst-case percentage on any single fixture type. The Company suggests that if SRA wants to revisit rate design, the appropriate place is a future rate case.

2. Suburban Rate Authority

The SRA argued the proposed rate design produces rate shock for the most common fixture types.⁷⁴ For example, the 30–40 watt LED overhead fixture, the most prevalent type in the A30 class would increase 18.2 percent in 2025 and 25.6 percent by 2026, compared to the class average of 12.4 and 16.9 percent respectively. SRA proposed to address this by adjusting the underground premium, the extra charge for fixtures fed by underground conductors. Xcel's own cost study supports a premium of \$22.57 per month per fixture, but Xcel applied only 50 percent of that figure in its tariff. SRA proposed using 55 percent instead. Raising the underground premium slightly would shift some cost toward underground customers, reducing the increases for lower-wattage overhead customers.

3. The Department of Commerce

The Department reviewed Xcel's compliance with the 2023 Settlement and found no concerns.⁷⁵ The Department confirmed that Xcel's analysis supported an underground premium of \$22.57, higher than what Xcel actually proposed but did not take a position on whether the Commission should adopt the higher figure. The Department supported approving the street lighting tariff modifications as filed.

⁷² Ex. Xcel-77 at 21 (Paluck Rebuttal).

⁷³ Ex. Xcel-77 at 23 (Paluck Rebuttal).

⁷⁴ Ex. SRA-2 at 6, Figure 4 (Bride Rebuttal).

⁷⁵ Ex. DOC-19 at 49–50 (Bahn Direct).

C. ALJ Recommendation

The ALJ recommended approving Xcel’s Rate Code A30 rate design as proposed and denying SRA’s request to adjust the underground premium.⁷⁶ The ALJ based the conclusion on two grounds. First, the SRA did not raise the underground premium adjustment until surrebuttal testimony, which left no opportunity for Xcel or other parties to analyze or respond to the proposal. Second, the ALJ found that rate shock should be evaluated based on a customer’s total bill, rather than at the level of an individual fixture type. Because most A30 customers have a mix of fixture wattages, higher percentage increases for lower-wattage fixtures are generally offset by smaller increases for higher-wattage fixtures. As a result, the record does not demonstrate that any customer would experience meaningful rate shock when considering the overall bill impact. The ALJ also noted that the SRA may raise the underground premium issue in a future rate case, where a more complete evidentiary record could be developed.

D. Exception to the ALJ Report

1. The Suburban Rate Authority

The SRA argued that the ALJ’s percentage-based characterization does not accurately reflect the record evidence. The total proposed dollar increase for low wattage overhead fixtures on Rate A30 is substantially larger than the increases applied to other fixture types. This is not a situation where a lower cost basis for low wattage fixtures creates a superficially larger percentage increase while the actual dollar impacts remain comparable across fixture types. The table below shows that the dollar increases for the lowest-wattage overhead fixtures, OH40LED and OH75LED, significantly exceed those for other fixture categories.

Table 5: A30 Streetlighting Rate: Current and Proposed Monthly Charges⁷⁷

| Type | Fixture | Present Rates (\$/mo) | 2025 Rates (\$/mo) | 2026 Rates (\$/mo) | 2025 vs Present (\$/mo) | 2026 vs Present (\$/mo) |
|-------------|----------|-----------------------|--------------------|--------------------|-------------------------|-------------------------|
| Overhead | OH40LED | \$12.36 | \$14.61 | \$15.53 | \$2.25 | \$3.17 |
| | OH75LED | \$13.09 | \$15.34 | \$16.04 | \$2.25 | \$2.95 |
| | OH165LED | \$16.61 | \$18.17 | \$18.10 | \$1.56 | \$1.49 |
| | OH250LED | \$20.33 | \$21.40 | \$20.55 | \$1.07 | \$0.22 |
| Underground | UG40LED | \$23.91 | \$25.09 | \$25.96 | \$1.18 | \$2.05 |
| | UG75LED | \$24.64 | \$25.82 | \$26.47 | \$1.18 | \$1.83 |
| | UG165LED | \$27.87 | \$28.66 | \$28.54 | \$0.79 | \$0.67 |

⁷⁶ ALJ Report ¶ 1169

⁷⁷ Ex. Xcel-4 Application – Volume 2E, Proposed Tariffs.

SRA argued that this disproportionate impact on municipalities and other streetlighting customers should be directly considered in the Commission’s final determination, rather than minimized through a percentage-based framing that obscured the magnitude of the actual monthly bill increases borne by customers relying on these fixture types.

E. Decision Option

- 5023. Approve Xcel's proposed Rate Code A30 rate design as filed. (Xcel, Department, ALJ).
- 5024. Reject Xcel's proposed Rate Code A30 rate design. [SRA]
- 5025. Approve Xcel's proposed underground premium at 50 percent of the cost-study-supported figure of \$22.57 per month per fixture, as proposed by Xcel. (Xcel, ALJ).
- 5026. Approve an underground premium at 55 percent of the cost-study-supported figure of \$22.57 per month per fixture. [SRA]

VII. Super Large Customer Tariff

A. Introduction

The rapid growth of data centers and other very large electricity users has raised a new policy question for Minnesota utilities. Should these customers, whose power demands can exceed 100 megawatts and far surpass those of typical commercial or industrial users, remain within the existing Commercial and Industrial (C&I) rate structure, or do their size and distinct usage characteristics warrant a separate tariff and rate class?

In its 2025 Integrated Resource Plan Order, the Commission directed Xcel to file a proposal for a new rate class or sub-class and tariff to serve super-large customers.⁷⁸ The Commission also specifically decided at that time not to fold the super-large customer tariff issues into this rate case, and instead directed that they be addressed in a separate, dedicated docket. Xcel filed that proposal on July 16, 2025 in Docket No. E-002/M-25-289, where it remains pending with active participation from more than a dozen stakeholders.

Although the Commission directed that these issues be addressed in a separate proceeding, two parties, XLI and the Joint Intervenors, raised arguments related to a super large customer tariff in their surrebuttal testimony in this rate case. They asked the Commission to resolve

⁷⁸ In the Matter of Xcel Energy’s 2024–2040 Upper Midwest Integrated Resource Plan, Docket No. E-002/RP-24-67, Order Approving Settlement Agreement with Modifications, Order Point No. 32 (Apr. 21, 2025).

several design questions in this docket.

B. Parties' Position

1. Xcel Energy

Xcel proposed treating Super Large customers as a sub-class of the C&I Demand class, as outlined in Docket E-002/M-25-289. The Company argued that this is a foundational rate design issue currently under review in that docket and should not be decided in the present proceeding. Because no customers are currently eligible under the proposed tariff, Xcel stated that it has no billing data and no record regarding the energy or demand usage patterns of these customers. As a result, the Company could not incorporate them into the Class Cost of Service Study that underlying the rate design in this proceeding.⁷⁹ Xcel further contended that, even if such data existed, redesigning the CCOSS to accommodate a new rate class would take several months and would be impossible to complete before the close of briefing in this case. The Company indicated that it expects the tariff to be approved through the dedicated docket during 2026 and committed to incorporating it into its next rate case.

2. Xcel Large Industrials

In its Surrebuttal testimony, XLI raised two concerns. First, XLI argued that super-large customers particularly data centers, are so fundamentally different from existing C&I Demand customers that they should be established as an entirely new, separate rate class, not merely a sub-class within the existing C&I Demand class.⁸⁰ According to XLI, treating them as a sub-class could distort the CCOSS and make it difficult to verify whether they are paying their fair share of system costs. Second, XLI argued that Xcel's proposal to allocate any incremental revenues from super-large customers using existing base rate revenue allocation is inconsistent with traditional cost causation principles.

3. The Joint Intervenors

The Joint Intervenors aligned with XLI on the CCOSS issue.⁸¹ They recommended that the Commission require Xcel to file a revised CCOSS incorporating the super-large customer tariff so that the rate design implications of these new customers to be properly evaluated. Like XLI, the Joint Intervenors expressed concern that adding customers with dramatically different usage characteristics to the existing C&I Demand class without updating the CCOSS could disadvantage other ratepayers.

⁷⁹ Ex. Xcel-98 at 4–5 (Paluck Responsive).

⁸⁰ Ex. XLI-9 at 21–22 (Ly Surrebuttal).

⁸¹ Ex. JIN-1 at 30-35 (Kenworthy Direct).

C. ALJ Recommendation

The ALJ recommended that the Commission take no action on XLI's and the Joint Intervenors' proposals in this proceeding and instead address all issues related to super-large customer tariff in Docket No. E-002/M-25-289.⁸² The recommendation is based on three considerations.

First, on the practical merits, there are no current super-large customers, no approved tariff, and no billing data. The ALJ found that preparing a new CCOSS incorporating these customers would not affect the 2025 Test Year or 2026 Plan Year rates in this proceeding because the customers do not yet exist. Accordingly, requiring Xcel to prepare such a study would use significant resources without affecting the outcome of this rate case.

Second, on procedural concerns, the ALJ noted that the proposals to redesign the CCOSS and create a new rate class were raised for the first time in surrebuttal testimony. Accordingly, other parties did not have a meaningful opportunity to respond, develop the evidence of record, or analyze the broader implications of those proposal.

Third, on fairness to other stakeholders, more than a dozen parties, many of whom are not participating in this rate case, have been active in Docket No. E-002/M-25-289, which the Commission previously identified as the appropriate venue for addressing these issues. Accordingly, deciding key tariff design questions in this proceeding would limit those parties' opportunity to be heard.

D. Exception to the ALJ Report

1. Joint Intervenors

The Joint Intervenors' primary concern was ensuring that any action on the Super Large Customer Tariff in this rate case remained consistent with the Commission's parallel consideration of Xcel's proposed tariff in Docket No. E-002/M-25-289. Specifically, the Joint Intervenors recommended that the Commission: (1) make clear that any decisions in this rate case remain subject to the final outcome in Docket No. 25-289; (2) require Xcel to file an updated CCOSS after that docket concludes to reflect the final tariff design, charges, and allocation methodology; and (3) adopt deposit and contract requirements from Docket No. 25-289 to protect existing customers from speculative development risks and stranded costs.⁸³

The Joint Intervenors cautioned that although Xcel did not expect any super-large customers during the 2025 Test Year or 2026 Plan Year, such customers could begin taking service before

⁸² ALJ Report ¶¶ 1176–1178.

⁸³ Joint Intervenors Exceptions, p. 13.

the next rate case. If that occurred, the rates established here would still apply, potentially without the updated cost allocation or tariff modifications needed to ensure those customers bear the costs attributable to them, consistent with Minn. Stat. § 216B.1622, subd. 2(1).

E. Staff Analysis

After the close of the evidentiary record in this proceeding, Xcel filed a letter on May 5, 2026, in Docket No. E002/M-25-289 announcing a significant shift in its position. The Company now supports creating a separate rate class for large load customers, rather than a sub-class within the existing C&I Demand class, to improve transparency in the allocation of both base rate and rider costs. This revised position addresses some of the concerns raised by XLI and the Joint Intervenors regarding cost causation, transparency, and the potential for cost shifting to existing customers. At its May 15 agenda meeting, the Commission voted to require Xcel to establish a separate very large customer class for data centers for cost allocation and rate design purposes.

F. Decision Option

5027. Take no action on super-large customer tariff issues in this proceeding and defer all related rate design questions to Docket No. E-002/M-25-289, the dedicated proceeding designated by the Commission for this purpose. [Xcel, ALJ]
5028. Address super-large customer tariff design issues in this proceeding, including class structure and cost allocation methodology. [XLI, Joint Intervenors]
5029. Defer preparation of a new Class Cost of Service Study incorporating super-large customers to Xcel's next rate case, after the super-large customer tariff has been approved and billing data is available. [Xcel, ALJ]
5030. Order Xcel to file a new Class Cost of Service Study incorporating the super-large customer tariff so that rate design implications of these customers can be properly evaluated prior to final approval of the tariff. [XLI, Joint Intervenors]

VIII. Late Payment and Reconnection Fees

A. Introduction

Xcel currently applies a late payment charge of 1.5 percent per month (18 percent annually), or \$1.00, whichever is greater, beginning two working days after the bill due date, which is the maximum allowed under Minnesota Rule 7820.5500. Xcel projects collecting approximately \$6.1 million in late payment fees in 2025 and \$5.8 million in 2026, and proposes to use this revenue to fund a new Residential Arrears Management Program (RAMP).

Reconnection fees are set by Minnesota Rule 7820.2600 and the Company's tariff. Residential customers with Advanced Metering Infrastructure (AMI) are charged \$13.50 for reconnection, while customers who opt out of AMI are charged \$95, effective January 1, 2026, up from \$50.

B. Parties' Position

1. Xcel Energy

Xcel supported retaining the current 1.5 percent monthly late payment charge, arguing that it encourages timely bill payment and helps limit costs that would otherwise be borne by other ratepayers. Xcel also cited increased arrearages during the COVID-19 late fee moratorium as evidence that eliminating such charges leads to higher delinquency rates.⁸⁴ The Company indicated it may support waiving late payment charges for low-income customers but opposed eliminating the charges for all customers.

Xcel opposed eliminating reconnection fees, stating that the charges are designed to recover the actual costs of performing reconnections. The Company argued that eliminating these fees would increase its revenue requirement and shift those costs to all ratepayers, including many low-income customers who pay their bills on time. If the Commission chooses to waive reconnection fees for equity reasons, any such waiver should be limited to low-income customers, with eligibility criteria developed through a stakeholder process.⁸⁵

2. Citizen Utility Board

CUB recommended that the Commission eliminate late payment charges for all residential customers or, in the alternative, reduce them to 0.45 percent per month, reflecting the Company's actual cost of carrying past-due balances, and limit their use to cost recovery rather than revenue generation.⁸⁶ CUB argued that Xcel's late payment charge of 1.5 percent per month (18 percent annually) has at times exceeded typical credit card interest rates and exacerbates financial hardship for customers unable to pay on time. CUB also pointed to approximately 750,000 residential customers who incurred multiple late fees between 2022 and 2024 as evidence that the charges do not effectively promote timely payment.

CUB recommended eliminating reconnection fees for all residential customers. It argued that these fees create an additional barrier to restoring service for customers who have already accumulated at least \$300 in arrears. CUB estimated that removing the fees would cost the typical residential customer about \$0.03 per month, or roughly \$485,000 annually in total, and

⁸⁴ Ex. Xcel-71 at 49 (Martin Rebuttal)

⁸⁵ Ex. Xcel-71 at 27 (Martin Rebuttal).

⁸⁶ Ex. CUB-3 at 20 (Levenson-Falk Direct)

noted that the Company already proposed recovering these costs through base rates.⁸⁷

3. Energy CENTS Coalition

ECC supported CUB's alternative proposal to cap late fees at the Company's actual cost of interest, 0.45 percent per month, and to waive those fees for low-income customers. ECC also recommended that the Commission explore additional equitable funding sources for RAMP beyond late fee revenue.

ECC supported eliminating reconnection fees, stating that seeking reconnection was not maladaptive behavior in the same way as late payment. ECC argued that these costs should be spread across all customers, given the minimal impact on individual bills.

C. ALJ Recommendation

The ALJ recommended that the Commission approve the Company's continued use of late payment charges. The ALJ found that CUB, as the party challenging the existing rates, had the burden to show the fees are unjust and unreasonable, and concluded that CUB did not meet that burden.⁸⁸

The ALJ recommended that the Commission reject CUB's proposal to eliminate reconnection fees for all residential customers. The ALJ relied primarily on Minnesota Rule 7820.2600, which clearly allows utilities to charge a reconnection fee based on the cost of providing that service as stated in the utility's tariff.⁸⁹

If the Commission does not retain reconnection fees in full, ALJ recommended any waiver should be limited to low-income customers, with eligibility criteria developed by the Company in consultation with stakeholders.⁹⁰

D. Exceptions to the ALJ Report

1. Citizen Utility Board

CUB strongly disagreed with the ALJ recommendation to allow Xcel to keep charging customers a late payment fee equal to an 18% annualized interest rate or 1.5% per month. CUB argued that this fee is grossly excessive and unfair, pointing out that it is more than three times what

⁸⁷ Ex. CUB-3 at 15-16 (Levenson-Falk Direct).

⁸⁸ ALJ Report ¶¶ 860-865.

⁸⁹ ALJ Report ¶¶ 878.

⁹⁰ ALJ Report ¶¶ 882.

the company itself pays in interest on overdue residential balances, approximately 0.45% per month, or about 5.4% annually.⁹¹ CUB's witness, Levenson-Falk, presented evidence showing that these fees do not actually change customers' payment behavior; instead, they pile financial hardship onto the households least able to afford it.⁹² Against a backdrop in which Xcel disconnected roughly twice as many customers in 2024 and 2025 as in any prior year, CUB considers the continued use of these fees to be contrary to the public interest.

CUB further took exception to the ALJ's treatment of the burden of proof on this issue. Under Minnesota law, the utility bears the burden of proving that any proposed rate, including how late payment fee revenues are used, is just and reasonable. The ALJ instead suggested that CUB, as the party recommending fee elimination, bore that burden. CUB argued this was legally wrong, particularly because the Commission had previously directed Xcel to consider eliminating late payment fees or redirecting those revenues to low-income assistance, and Xcel responded by proposing RAMP, a new use of those revenues rather than addressing elimination.⁹³

CUB also objected to the ALJ's recommendation to allow Xcel to continue charging reconnection fees to residential customers who have been disconnected for nonpayment. The ALJ's reasoning rested almost entirely on Minnesota Rule 7820.2600, which states that a utility "may" charge a reconnection fee based on the actual cost of reconnection. CUB argued the ALJ misread this rule: the word "may" means the charge is discretionary, not mandatory, and the Commission retains authority to decide whether such fees are just and reasonable, including the option to waive or eliminate them.⁹⁴

CUB also raised a concern the ALJ did not address: Xcel may already be recovering some of the labor costs associated with reconnection through its base rates, which are paid by all customers. If that is true, allowing the company to also charge a reconnection fee for those same labor costs would amount to double recovery of expenses, an unreasonable outcome for customers.⁹⁵

E. Decision Option

5031. Approve Xcel's continued use of the current late payment charge of 1.5 percent per month (18 percent annually), or \$1.00, whichever is greater. [Xcel, ALJ]

⁹¹ CUB Exceptions at pp. 22.

⁹² Ex. CUB-8 at 18-22 (Levenson-Falk Surrebuttal).

⁹³ CUB Exceptions at pp. 18.

⁹⁴ CUB Exceptions at pp. 31-32.

⁹⁵ CUB Exceptions at pp. 32-33.

5032. Eliminate late payment charges for all residential customers. [CUB]
5033. Reduce the late payment charge from 1.5 percent per month to 0.45 percent per month for all residential customers and waive late payment charges entirely for low-income customers. [ECC, CUB Alternative]
5034. Waive late payment charges for low-income customers only, while retaining the current 1.5 percent per month charge for all other residential customers. [Xcel Alternative]
5035. Approve Xcel's continued use of reconnection fees as currently structured, including the \$13.50 fee for AMI customers and the \$95.00 fee for AMI opt-out customers effective January 1, 2026. [Xcel, ALJ]
5036. Eliminate reconnection fees for all residential customers and recover associated costs through base rates. [CUB, ECC]
5037. Waive reconnection fees for low-income customers only, with eligibility criteria to be developed by Xcel in consultation with stakeholders, while retaining reconnection fees for all other residential customers. [Xcel Alternative, ALJ]

RESOLVED ISSUES

IX. Conservation Cost Recovery Charge Rider

A. Introduction

Minnesota law requires electric utilities to make annual investments in Conservation Improvement Programs (CIP), which are designed to help customers reduce energy use.⁹⁶ These programs include initiatives such as rebates for energy-efficient appliances, weatherization assistance, and upgrades for commercial buildings. These programs are funded by customers, with costs recovered through Xcel's Conservation Cost Recovery Charge (CCRC), a per-kilowatt-hour charge embedded in base rates.

B. Parties' Position

1. Xcel Energy

Xcel proposed to increase the CCRC from its current level of 0.4955 cents per kWh to 0.6204

⁹⁶ Minnesota law (Minn. Stat. § 216B.241) requires electric utilities to spend a minimum percentage of their gross operating revenues on conservation improvement programs.

cents per kWh.⁹⁷ The current rate was set in Xcel's last rate case and reflects 2022 CIP spending levels. Xcel's proposed increase reflects the higher projected CIP expenditures for the 2025 test year, which total approximately \$166.6 million. Dividing that figure by projected net kilowatt-hour sales (after excluding CIP-exempt customers) yields the proposed rate of 0.6204 cents per kWh.

2. All other Parties

No party in this proceeding contested Xcel's proposed CCRC. The Department of Commerce, the Office of the Attorney General, the Joint Intervenors, CUB, and other parties did not raise objections or propose an alternative CCRC level.

C. ALJ Recommendation

The ALJ recommended that the Commission approve Xcel's proposed CCRC of 0.6204 cents per kWh.⁹⁸ The record is uncontested: Xcel supported the increase with a detailed cost calculation tied to its projected 2025 CIP spending, and no party challenged the methodology or the figures. The ALJ found the proposal reasonable and consistent with the established process for setting the CCRC in a rate case.

D. Decision Option

5038. Approve Xcel's proposed increase to the Conservation Cost Recovery Charge from 0.4955 cents per kWh to 0.6204 cents per kWh, consistent with projected 2025 CIP expenditures of approximately \$166.6 million. [Xcel, ALJ].

X. Excess Footage Charges

A. Introduction

When Xcel connects a new customer, the standard installation assumes the meter is within a set distance of the nearest distribution line. If the required line extension exceeds that distance such as for setback or remote properties, the customer pays a per-foot charge for the additional wiring, known as Excess Footage Charges.

There are three excess footage rates, each tied to a specific type of conductor: service lines (from the pole to the meter), single-phase primary or secondary extensions, and three-phase primary or secondary extensions. Each rate reflects the material, labor, and equipment costs of installing that conductor type.

⁹⁷ Ex. Xcel-73 at 50–51 (Barthol Direct).

⁹⁸ ALJ Report ¶ 257.

B. Parties' Position

1. Xcel Energy

Xcel proposed to increase all three excess footage rates to reflect current material, labor, and equipment costs. The proposed rates are as follows:

Table 6: Excess Footage Charges⁹⁹

| Charge Type | Current Rate | Proposed Rate |
|--|--------------|---------------|
| Service Line (per foot) | \$7.90 | \$10.00 |
| Single-Phase Primary or Secondary Extension (per foot) | \$8.00 | \$10.50 |
| Three-Phase Primary or Secondary Extension (per foot) | \$13.90 | \$17.00 |

2. Department of Commerce

The Department of Commerce initially raised concerns because Xcel’s direct testimony did not provide a sufficiently detailed explanation of how the proposed rates were calculated.¹⁰⁰ The Department requested additional cost analysis and supporting data for the excess footage charges, along with the related Winter Construction and Dedicated Switching increases.

In rebuttal testimony, Xcel provided a detailed cost workup for each charge type, including equipment specifications, material costs, and labor assumptions supporting the proposed rates. After reviewing this information, the Department withdrew its concerns and recommended approval of the rate changes. No other party filed testimony or took a position on the excess footage charges.

C. ALJ Recommendation

The ALJ recommended that the Commission approve Xcel’s proposed increases to the Excess Footage Charges.¹⁰¹ The record fully supports the proposal. Xcel justified the increases with a cost analysis tied to current material, labor, and equipment costs.

⁹⁹ Ex. Xcel-73 at 52 and Schedule 11, Page 2 (Barthol Direct).

¹⁰⁰ Ex. DOC-19 at 53–54 (Bahn Direct).

¹⁰¹ ALJ Report ¶¶ 258–264

D. Decision Options

5039. Approve Xcel's proposed increases to all three Excess Footage Charges as follows: Service Line from \$7.90 to \$10.00 per foot; Single-Phase Primary or Secondary Extension from \$8.00 to \$10.50 per foot; and Three-Phase Primary or Secondary Extension from \$13.90 to \$17.00 per foot. [Xcel, Department, ALJ].

XI. Winter Construction Charges

A. Introduction

Winter Construction Charges are fees assessed when a customer requests electric service installation during winter conditions, when frozen ground and weather constraints increase the cost of construction. These charges are designed to recover the incremental costs associated with winter excavation, including additional labor, equipment, and restoration work.

B. Parties' Position

1. Xcel Energy

Xcel proposed updates to its Winter Construction Charges to reflect current cost data and to ensure that customers requesting winter service bear the additional costs caused by those conditions rather than shifting those costs to general ratepayers.¹⁰² The proposed Winter Construction Charges shown below are cost-based and supported by updated cost studies and are consistent with prior Commission direction to periodically review and update these types of service-related charges.

Table 7: Winter Construction Charges¹⁰³

| Type | Present Rate | Proposed Rate |
|----------------------------|--------------|---------------|
| Thawing (Per Frost Burner) | \$640.00 | \$870.00 |
| Trenching (Per Foot) | \$8.90 | \$18.00 |

2. Department of Commerce

The Department reviewed the Company's proposed tariff changes for Winter Construction Charges, as part of its broader evaluation of rate design and customer-specific charges. The

¹⁰² Ex. Xcel-73 at 52 (Barthol Direct)

¹⁰³ Ex. Xcel-73 at 53 (Barthol Direct)

Department requested additional information to ensure that the proposed increases were supported by sufficient cost justification and appropriately reflected incremental costs. After reviewing the Company's responses and supporting workpapers, the Department did not propose a separate alternative methodology and recommended approval of the rate changes.¹⁰⁴ No other party filed testimony or took a position on the winter construction charges.

C. ALJ Recommendation

The ALJ recommended that the Commission approve the Company's proposed Winter Construction Charges without modification.¹⁰⁵

D. Decision Option

5040. Approve Xcel's proposed increases to all Winter Construction Charges as follows: Thawing from \$640.00 to \$870.00 per Frost Burner; and Trenching from \$8.90 to \$18.00 per foot. [Xcel, Department, ALJ].

XII. Dedicated Switching

A. Introduction

Dedicated Switching is a specialized tariff service offered by Xcel to certain large commercial and industrial (C&I) customers. The service applies when a customer needs its electric service fully de-energized to perform work on its own equipment. Because these outages are scheduled at the customer's request, often outside normal business hours the Company must assign a crew to temporarily disconnect and later restore the customer's service.

B. Parties' Position

1. Xcel Energy

Xcel proposed to increase the Monday-through-Saturday rate from \$300.00 to \$800.00 per hour and the Sunday/holiday rate from \$400.00 to \$1,000.00 per hour. The Company stated that the existing rates are outdated and no longer reflect the actual cost of providing the service, particularly in light of rising labor and equipment expenses

¹⁰⁴ Ex. DOC-20 at 15-16 (Bahn Surrebuttal)

¹⁰⁵ ALJ Report ¶¶ 258–264

2. Department of Commerce

The Department initially expressed concern that Xcel had not sufficiently explained or supported its proposed Dedicated Switching rate increases. The Department requested additional information, including the underlying cost drivers, historical customer usage for 2022 through 2024, projected usage for the test and plan years, and corresponding actual and forecasted revenues.

After the Company provided this information in rebuttal testimony, the Department reviewed the supplemental data and determined that the proposal was adequately supported and recommended that the Commission approve the proposed rate increases. No other party submitted testimony on this issue.

C. ALJ Recommendation

The ALJ recommended that the Commission approve the Company's proposed Dedicated Switching Charges without modification.¹⁰⁶

D. Decision Option

5041. Approve Xcel's proposed increases to all Dedicated Switching Charges as follows: Monday-through-Saturday rate from \$300.00 to \$800.00 per hour; and Sunday/holiday rate from \$400.00 to \$1,000.00 per hour. [Xcel, Department, ALJ].

XIII. Fuel Clause Rider

A. Introduction

The Fuel Clause Rider is the mechanism through which Xcel recovers its fuel and purchased power costs from customers. Rather than burying these costs inside base rates, the Company keeps them separate and transparent, allowing customers to see exactly what they are paying for energy supply, apart from other charges like distribution and riders.

B. Parties' Position

1. Xcel Energy

Xcel updated the Fuel Adjustment factor to reflect changes in the 2025 Test year. The update followed the Commission's established annual process. For each service category, the Company

¹⁰⁶ ALJ Report ¶¶ 258–264.

recalculated the Fuel Adjustment Factor Ratios using updated 2025 data for three inputs: the CCOSS Ratios, which allocate costs among customer classes; the TOU Ratios, which reflect differences in customer usage patterns by time period; and the TOD Ratios, which reflect how costs vary across different times of the day. The Company did not propose any changes to the underlying methodology. Instead, the filing reflects a routine annual recalibration of the ratios using updated test year information.

2. The Department of Commerce

The Department reviewed the Company's update and raised no concerns. It confirmed that the ratios were updated using the Commission-approved methodology from prior cases.¹⁰⁷ And recommended commission approval.

No other party, intervenor, or consumer group raised objections or proposed an alternative.

C. ALJ Recommendation

The ALJ reviewed the record and agreed with the Company and the Department recommendation. The ALJ found that the Fuel Adjustment Factor Ratios were properly updated for Test Year 2025 using the Commission-approved methodology, that the Department reviewed and supported the proposed updates, and that the revised ratios are reasonable and should be approved.¹⁰⁸

D. Decision Option

5042. Approve Xcel Energy's proposed updates to the Fuel Adjustment Factor Ratios for Test Year 2025. [Xcel, ALJ, Department]

XIV. 2025 Late Fee Revenue

A. Introduction

Xcel anticipated collecting \$6.1 million in residential late payment fees in the 2025 test year and \$5.8 million in the 2026 plan year. Xcel charges customers late payment fees at 1.5% per month (or \$1.00, whichever was greater), beginning two business days after a bill is due.

¹⁰⁷ Ex. DOC-19 at 51 (Bahn Direct).

¹⁰⁸ ALJ Report at ¶¶ 281–283.

B. Parties' Position

1. Xcel Energy

Xcel proposed removing residential late payment revenue from the cost of service for both the 2025 test year and the 2026 plan year so those funds could be used to support RAMP per Commission's January 13, 2025 Order in Docket No. E002/M-24-27. The order required RAMP to be funded using late payment fees, and the Xcel argued that this funding approach should be reflected in the MYRP cost of service for both years. As a result, the Company's stated revenue requirement increased by \$6.1 million in 2025 and \$5.8 million in 2026.

2. The Department of Commerce

The Department opposed the Company's proposal to remove late payment revenues from the 2025 cost of service. The Department's main concern was that the Commission was not expected to issue a final RAMP order until sometime in 2026, meaning the program would not be available to help eligible customers in 2025. As a result, the Department argued it would be unreasonable to exclude those revenues in 2025, because doing so would increase the revenue requirement without providing any RAMP benefit to customers that year.

In Rebuttal Testimony, the Company revised its position for the 2025 test year and agreed to add the full \$6.1 million of 2025 residential late fee revenues back into the cost of service, which reduced the revenue requirement accordingly.¹⁰⁹

C. ALJ Recommendation

The ALJ reviewed the record and agreed with the Company and the Department recommendation.

D. Decision Option

5043. Require Xcel to include \$6.1 million in late fee revenues in the Company's cost of service for 2025. [Xcel, ALJ, Department]

XV. ATO/MTO Dual Feeder Service

A. Introduction

Automatic Throw-Over/Manual-Throw-Over (ATO/MTO) Dual Feeder Service is an optional service where the Company installs an ATO/MTO switch and also installs or reserves capacity on a second, "backup" distribution feeder. If the customer's primary feeder loses power for any

¹⁰⁹ Ex. Xcel-19 at 14-15 (Halama Rebuttal).

reason, the alternate feeder can be used to keep the customer served. The service is designed for commercial and industrial customers requiring heightened reliability, such as hospitals and data centers. At present, Xcel serves 205 such customers in Minnesota with approximately 560 megawatts (MW) of reserved distribution capacity.¹¹⁰

Under the current tariff, ATO/MTO Dual Feeder Service customers pay for the extra equipment and construction needed to create the duplicate feeder setup, this includes excess facilities costs, engineering/design, and any applicable winter construction charges. However, they do not pay for the ongoing cost of holding capacity in reserve on the alternate feeder, even though that capacity is dedicated to them and cannot be used to serve other customers.

B. Parties' Position

1. Xcel Energy

Xcel proposed a tariff change to correct this cost-causation misalignment. The Company argued that ATO/MTO customers are the only ones who benefit from having backup feeder capacity held in reserve, so those customers and not all ratepayers should bear the cost of that reserved capacity. The Company proposed applying the new charge to new ATO/MTO service agreements, and to existing customers when their agreements expire and are renewed.

Xcel noted that because the new charges would be added gradually and only as new ATO/MTO agreements are signed and existing agreements are renewed, it could not estimate the exact revenue impact or how much base rates would be reduced in the 2025 and 2026 test years.

2. The Department of Commerce

The Department agreed that Xcel should be permitted to recover the costs associated with reserving alternate feeder capacity, and that those costs should be allocated to the customers receiving the benefit rather than to the broader customer base.¹¹¹

To address concerns about possible double recovery, the Department proposed a compliance tracking requirement in which Xcel will track the revenues collected under all new ATO/MTO Dual Feeder Service contracts and report those amounts in its next rate case, along with a forecast of expected contract revenues for the test years. In Rebuttal Testimony, the Company agreed to the Department's reporting requirements.

¹¹⁰ Ex. Xcel-34 at 195 (Mensen Direct).

¹¹¹ Ex. DOC-7 at 27 (Uphus Direct).

C. ALJ Recommendation

The ALJ found that the proposed changes are consistent with sound cost causation principles and recommended the Commission to approve the Company's proposed changes to the ATO/MTO Dual Feeder Service Tariff.¹¹²

D. Decision Option

5044. Authorize Xcel to implement the new monthly reserved capacity charge for new ATO/MTO Dual Feeder Service customers and for existing customers upon contract renewal or expiration of existing agreements. [Xcel, ALJ, Department]
5045. Require Xcel to track revenues under all new ATO/MTO Dual Feeder Service contracts and to report those revenues in the Company's next rate case, along with a forecasted budget of revenues for the proposed test years. [Xcel, ALJ, Department]

DECISION OPTIONS

DISPUTED ISSUES

I. Class Revenue Apportionment

5001. Adopt Xcel's proposed revenue apportionment for 2025 and 2026. [Xcel, SRA, Walmart]
5002. Adopt the Department's proposed 2025 test year revenue apportionment for the entire MYRP. [DOC]
5003. Adopt OAG's proposed revenue apportionment for 2025 and 2026. [OAG, ALJ]

¹¹² ALJ Report at ¶¶ 320.

5004. Adopt XLI's proposed class revenue apportionment based on its revised CCOSS. [XLI]

II. Residential and Small Commercial Customer Charges

5005. Adopt Xcel's proposed \$11.00 customer charge for both Residential and Small Commercial customers. [Xcel]

5006. Adopt OAG's proposal to maintain the current \$6.00 per month customer charge for both Residential and Small Commercial customers. [OAG, DOC, ALJ]

III. C&I Demand Class Rate Design

5007. Maintain the current ratio between demand and energy charges as proposed by Xcel. [Xcel, ALJ].

5008. Approve Xcel's proposed increase to the General Service monthly customer charge from \$25.98 to \$27.50 per month. [Xcel, ALJ].

5009. Reject Xcel's proposed increase to the General Service monthly customer charge pending further cost-based analysis. [XLI]

5010. Approve Xcel's proposed 4.4% increase to the total dollar amount of demand charge discounts for interruptible service. [Xcel, ALJ]

5011. Approve Xcel's proposal to eliminate the Annual Minimum Demand Charge (AMDC) from the Peak Controlled Service tariff. [Xcel, ALJ]

5012. Approve Xcel's proposal to add the performance factor calculation directly to the Peak Controlled Service tariff schedules. [Xcel, ALJ]

5013. Approve Xcel's proposed cost-based updates to voltage discounts, including revised demand charge discounts and updated energy charge discounts. [Xcel, ALJ]

5014. Order Xcel to provide a compliance filing within 180 days detailing a timeline and methodology for C&I Demand class segmentation by size, load factor, and coincidence factor to facilitate development of a C&I TOU rate, consistent with Order Point 67 of the Commission's July 17, 2023 Order in Docket No. E-002/GR-21-630. [Department]

IV. Residential Arrears Management Program

5015. Approve RAMP as proposed by Xcel, including the five modifications agreed to by Xcel from the Department's recommendations. [Xcel, ALJ]

5016. Approve RAMP as proposed by Xcel with all six modifications recommended by the Department, including the 2026 funding cap. [Department]

5017. Do not approve RAMP as proposed, and instead direct Xcel to redirect late payment fee revenues to the existing PowerOn program. [CUB]
5018. Require Xcel to provide detailed annual program status reports on the eight metrics proposed by the Department, including number of customers served, total program spending, average initial and remaining arrears, number of customers current on payment plans, and number of customers who have paid off their full balance. [Xcel, Department, ALJ]

V. Low-Income Discount/Income-Based Rates

5019. Approve Xcel's proposal to raise the LUAC monthly usage eligibility threshold from 300 kWh to 500 kWh within the existing \$8.3 million annual budget. [Xcel]
5020. Approve the Joint Intervenors' universal low-income rate proposal providing income-qualified customers a discounted base rate. [Joint Intervenors]
5021. Reject the universal low-income rate proposal as insufficiently developed for Commission evaluation at this time, pending submission of a robust cost-benefit analysis and a clear eligibility determination methodology. [Xcel, Department]
5022. Initiate a separate proceeding to develop and evaluate a potential universal low-income rate, allowing for further analysis of program design, cost, eligibility criteria, and legal considerations before any final decision on implementation. [ALJ]

VI. Street Lighting

5023. Approve Xcel's proposed Rate Code A30 rate design as filed. (Xcel, Department, ALJ).
5024. Reject Xcel's proposed Rate Code A30 rate design. [SRA]
5025. Approve Xcel's proposed underground premium at 50 percent of the cost-study-supported figure of \$22.57 per month per fixture, as proposed by Xcel. (Xcel, ALJ).
5026. Approve an underground premium at 55 percent of the cost-study-supported figure of \$22.57 per month per fixture. [SRA]

VII. Super Large Customer Tariff

5027. Take no action on super-large customer tariff issues in this proceeding and defer all related rate design questions to Docket No. E-002/M-25-289, the dedicated proceeding designated by the Commission for this purpose. [Xcel, ALJ]
5028. Address super-large customer tariff design issues in this proceeding, including class structure and cost allocation methodology. [XLI, Joint Intervenors]

5029. Defer preparation of a new Class Cost of Service Study incorporating super-large customers to Xcel's next rate case, after the super-large customer tariff has been approved and billing data is available. [Xcel, ALJ]

5030. Order Xcel to file a new Class Cost of Service Study incorporating the super-large customer tariff so that rate design implications of these customers can be properly evaluated prior to final approval of the tariff. [XLI, Joint Intervenors]

VIII. Late Payment and Reconnection Fees

5031. Approve Xcel's continued use of the current late payment charge of 1.5 percent per month (18 percent annually), or \$1.00, whichever is greater. [Xcel, ALJ]

5032. Eliminate late payment charges for all residential customers. [CUB]

5033. Reduce the late payment charge from 1.5 percent per month to 0.45 percent per month for all residential customers and waive late payment charges entirely for low-income customers. [ECC, CUB Alternative]

5034. Waive late payment charges for low-income customers only, while retaining the current 1.5 percent per month charge for all other residential customers. [Xcel Alternative]

5035. Approve Xcel's continued use of reconnection fees as currently structured, including the \$13.50 fee for AMI customers and the \$95.00 fee for AMI opt-out customers effective January 1, 2026. [Xcel, ALJ]

5036. Eliminate reconnection fees for all residential customers and recover associated costs through base rates. [CUB, ECC]

5037. Waive reconnection fees for low-income customers only, with eligibility criteria to be developed by Xcel in consultation with stakeholders, while retaining reconnection fees for all other residential customers. [Xcel Alternative, ALJ]

RESOLVED ISSUES

IX. Conservation Cost Recovery Charge Rider

5038. Approve Xcel's proposed increase to the Conservation Cost Recovery Charge from 0.4955 cents per kWh to 0.6204 cents per kWh, consistent with projected 2025 CIP expenditures of approximately \$166.6 million. [Xcel, ALJ].

X. Excess Footage Charges

5039. Approve Xcel's proposed increases to all three Excess Footage Charges as

follows: Service Line from \$7.90 to \$10.00 per foot; Single-Phase Primary or Secondary Extension from \$8.00 to \$10.50 per foot; and Three-Phase Primary or Secondary Extension from \$13.90 to \$17.00 per foot. [Xcel, Department, ALJ].

XI. Winter Construction Charges

5040. Approve Xcel's proposed increases to all Winter Construction Charges as follows: Thawing from \$640.00 to \$870.00 per Frost Burner; and Trenching from \$8.90 to \$18.00 per foot. [Xcel, Department, ALJ].

XII. Dedicated Switching

5041. Approve Xcel's proposed increases to all Dedicated Switching Charges as follows: Monday-through-Saturday rate from \$300.00 to \$800.00 per hour; and Sunday/holiday rate from \$400.00 to \$1,000.00 per hour. [Xcel, Department, ALJ].

XIII. Fuel Clause Rider

5042. Approve Xcel Energy's proposed updates to the Fuel Adjustment Factor Ratios for Test Year 2025. [Xcel, ALJ, Department]

XIV. 2025 Late Fee Revenue

5043. Require Xcel to include \$6.1 million in late fee revenues in the Company's cost of service for 2025. [Xcel, ALJ, Department]

XV. ATO/MTO Dual Feeder Service

5044. Authorize Xcel to implement the new monthly reserved capacity charge for new ATO/MTO Dual Feeder Service customers and for existing customers upon contract renewal or expiration of existing agreements. [Xcel, ALJ, Department]

5045. Require Xcel to track revenues under all new ATO/MTO Dual Feeder Service contracts and to report those revenues in the Company's next rate case, along with a forecasted budget of revenues for the proposed test years. [Xcel, ALJ, Department]

XVI. Appendix**A. Revenue Apportionment**

ALJ Report ¶¶ 1091-1112.
Ex. Xcel-76 at 10-13 (Paluck Direct)
Ex. Xcel-77 at 2-10 (Paluck Direct)
Ex. DOC-19 at 18-30 (Bahn Direct)
Ex. DOC-20 at 4-11 (Bahn Surrebuttal)
Ex. OAG-8 at 35-46; 44-48 (Scharber Direct)
Ex. OAG-9 at 24-30 (Scharber Rebuttal)
Ex. XLI-3 at 28-34 (Ly Direct)
Ex. XLI-6 at 22-23 (Ly Rebuttal)
Ex. XLI-9 at 19-20 (Ly surrebuttal)
Ex. ECC-1 at 2-3 (Shardlow Direct)
Ex. WAL-1 at 15-19 (Austin Direct)
Xcel Energy – Exceptions pp. 72-75.
XLI – Exceptions – pp. 25 -33.

B. Residential & Small Commercial Customer Charges

ALJ Report ¶¶ 1113-1129.
Ex. Xcel-76 at 14-20 (Paluck Direct)
Ex. Xcel-77 at 10-15 (Paluck Rebuttal)
Ex. Xcel-78 at 5-6 (Paluck Surrebuttal)
Ex. DOC-16 at 45-46 (Zajicek Direct)
Ex. DOC-19 at 30-44 (Bahn Direct)
Ex. DOC-20 at 11-14 (Bahn Surrebuttal)
Ex. OAG-8 at 46-64(Scharber Direct)
Ex. OAG-11 at 44-48 (Scharber Surrebuttal)
ECC-1 at 2-3 (Shardlow Direct)
Xcel Energy – Exceptions pp. 75-78.

C. Commercial & Industrial Class Rate Design

Ex. Xcel-76 at 20-22 (Paluck Direct)
Ex. Xcel-77 at 5-6 (Paluck Rebuttal)
Ex. DOC-19 at 44-49 (Bahn Direct)
Ex. XLI-3 at 25-27 (Ly Direct)
Ex. XLI-9 at 21-24(Ly Surrebuttal)

D. Residential Arrears Management Program

ALJ Report ¶¶ 1130-1142.

Ex. Xcel-39 (Lindgren Supplemental Direct)
 Ex. Xcel-71 at 27-32 (Martin Rebuttal)
 Ex. Xcel-81 at 8-14, 21-23 (Howard Rebuttal)
 Ex. DOC-19 at 62-70 (Bahn Direct)
 Ex. DOC-20 at 20-28 (Bahn Surrebuttal)
 Ex. CUB-3 at 18-20 (Levenson-Falk Direct)
 Ex. CUB-8 at 21-22 (Levenson-Falk Surrebuttal)
 ECC-2 at 2-5 (Shardlow Surrebuttal)
 CUB – Exceptions – pp. 16-38.
 DOC – Exceptions – pp. 36-37.

E. Low-Income Discount/Income-Based Rates

ALJ Report ¶¶ 1143-1161.
 Ex. Xcel-71 at 53-64(Martin Direct)
 Ex. Xcel-76 at 27-28 (Paluck Direct)
 Ex. Xcel-77 at 15-10 (Paluck Rebuttal)
 Ex. Xcel-78 at 2-12 (Paluck Surrebuttal)
 Ex. Xcel-81 at 17-20 (Howard Rebuttal)
 Ex. DOC-22 (Schmitz Rebuttal)
 Ex. ECC-2 at 6-8 (Shardlow Surrebuttal)
 Ex. JIN-2 at 30-41 (Chan Direct)
 Ex. JIN-5 at 23-38 (Chan Direct)
 Xcel Energy – Exceptions pp. 79-80.

F. Street Lighting

ALJ Report ¶¶ 1162-1169.
 Ex. Xcel-75 at 2-3 (Barthol Surrebuttal)
 Ex. Xcel-76 at 22-23 (Paluck Direct)
 Ex. Xcel-77 at 20-24 (Paluck Rebuttal)
 Ex. Xcel-78 at 2-5 (Paluck Surrebuttal)
 Ex. DOC-19 at 45-51 (Bahn Direct)
 Ex. DOC-20 at 14 (Bahn surrebuttal)
 Ex. SRA-1 at 4-15 (Bride Direct)
 Ex. SRA-2 at 2-7 (Bride Rebuttal)
 Ex. SRA-3 at 2-8 (Bride Surrebuttal)
 SRA – Exceptions – pp. 1.

G. Late Payment and Reconnection Fees

ALJ Report ¶¶ 234-237.
 Ex. Xcel-19 at 14-15 (Halama Rebuttal)
 Ex. DOC-19 at 66-68 (Bahn Direct)

H. Conservation Cost Recovery Charge Rider

ALJ Report ¶¶ 257.

Ex. Xcel-73 at 50-51 and Schedule 10 (Barthol Direct)

I. Excess Footage Charges

ALJ Report ¶¶ 258–264.

Ex. Xcel-73 at 52-54 (Barthol Direct)

Ex. Xcel-74 at 40-42 (Barthol Rebuttal)

Ex. DOC-19 at 53-54 (Bahn Direct)

Ex. DOC-20 at 15-16 (Bahn surrebuttal)

J. Winter Construction Charges

ALJ Report ¶¶ 258–264.

Ex. Xcel-73 at 52-54 (Barthol Direct)

Ex. Xcel-74 at 40-42 (Barthol Rebuttal)

Ex. DOC-19 at 53-54 (Bahn Direct)

Ex. DOC-20 at 15-16 (Bahn surrebuttal)

K. Dedicated Switching

ALJ Report ¶¶ 258–264.

Ex. Xcel-73 at 52-54 (Barthol Direct)

Ex. Xcel-74 at 40-42 (Barthol Rebuttal)

Ex. DOC-19 at 53-54 (Bahn Direct)

Ex. DOC-20 at 15-16 (Bahn surrebuttal)

L. Super Large Customer Tariff

ALJ Report ¶¶ 1170–1178

Ex. Xcel-98 (Paluck Responsive Testimony)

Ex. XLI-9 at 24 (Ly Surrebuttal)

JIN-1 at 30-35 (Kenworthy Direct)

Joint Intervenors – Exceptions pp. 12-14.

M. Fuel Clause Rider

ALJ Report ¶¶ 314-320.

Ex. Xcel-34 at 195-196 (Mensen Direct).

Ex. Xcel-35 at 51 (Mensen Rebuttal).

Ex. DOC-7 at 27 (Uphus Direct).

Ex. DOC-8 at 8 (Uphus Surrebuttal).