



414 Nicollet Mall
Minneapolis, MN 55401

August 24, 2017

—Via Electronic Filing—

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

RE: REPLY COMMENTS
CUSTOMER COMMUNICATION PREFERENCES
DOCKET NO. E,G002/M-17-553

Dear Mr. Wolf:

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission these Reply Comments. We respond to the Comments submitted by the Department of Commerce and Office of the Attorney General.

REPLY TO DEPARTMENT OF COMMERCE

We appreciate the Department's review of the changes we propose to meet our customers in their channel of preference in various areas of our operations. We accept the Department's recommendation to additionally include discussion regarding the successes and challenges we faced in the reporting period related to our change in general customer service hours in our annual service quality reports – and the recommendation for a two-year compliance review of the call center change through the annual service quality reporting process.

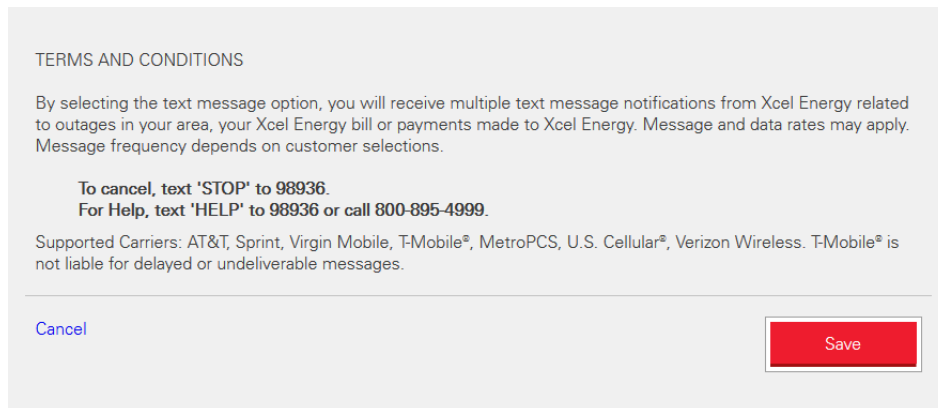
The Department additionally recommended that we include language on our website and in our eBill and eBill Payment Terms of Use notifying customers opting to receive text/SMS messages for outage notifications that they may incur charges from their phone companies. We clarify that we currently generally advise customers of the potential for text/SMS charges from their phone carriers in conjunction with choosing their communication preferences several ways, as follows:

- *Mobile App* – Section 16 of the Customer Mobile App Terms of Use specifies the following:

16. Systems Requirements and Application Features

... **You are responsible** for obtaining Internet and mobile carrier services via the service provider(s) of your choice, **for any and all fees imposed by such service provider(s) and any associated communications service provider(s) charges. Standard messaging, data and other fees may be charged by your mobile carrier. Fees and charges will appear on your mobile bill or be deducted from your pre-paid balance.** Your carrier may prohibit or restrict certain Application features, and certain Application features may be incompatible with your carrier or mobile device. Contact your carrier with questions regarding these issues. **If you sign up to receive SMS or MMS messages that may be offered through the Application, you may unsubscribe from receiving text messages by replying "STOP."** [Emphasis added]

- *Interactive Voice Response* – As part of the verification process that confirms the phone number and times of day the customer wants messages we state, “Message and data rates may apply.”
- *My Account* – Customers see the following message:



TERMS AND CONDITIONS

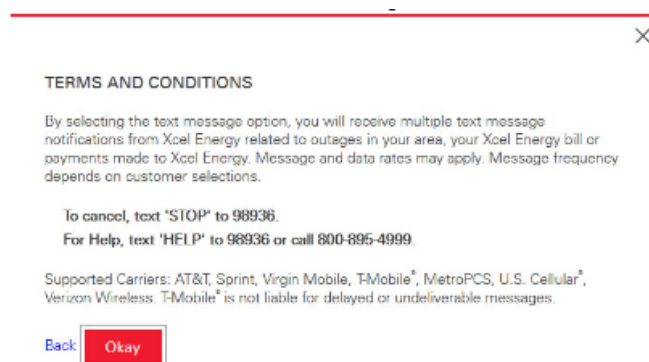
By selecting the text message option, you will receive multiple text message notifications from Xcel Energy related to outages in your area, your Xcel Energy bill or payments made to Xcel Energy. Message and data rates may apply. Message frequency depends on customer selections.

To cancel, text 'STOP' to 98936.
For Help, text 'HELP' to 98936 or call 800-895-4999.

Supported Carriers: AT&T, Sprint, Virgin Mobile, T-Mobile®, MetroPCS, U.S. Cellular®, Verizon Wireless. T-Mobile® is not liable for delayed or undeliverable messages.

Cancel Save

- *Website xceleenergy.com* – Customers that do not have My Account can sign-up for specific communication preferences on our website. If customers select text notifications, they must click “Okay” on the following advisory regarding text messages, including that message and data rates may apply from their phone carrier:



TERMS AND CONDITIONS

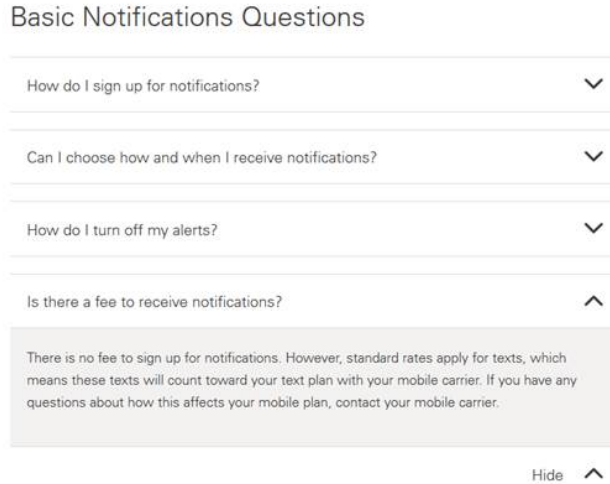
By selecting the text message option, you will receive multiple text message notifications from Xcel Energy related to outages in your area, your Xcel Energy bill or payments made to Xcel Energy. Message and data rates may apply. Message frequency depends on customer selections.

To cancel, text 'STOP' to 98936.
For Help, text 'HELP' to 98936 or call 800-895-4999.

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Back Okay

Additionally, our website contains a Notifications page with Frequently Asked Questions that advises customers that standard data rates may apply to text messages from customers' phone carriers, as follows:



- *Final confirmation* – Upon opting into text/SMS messaging through any method, customers receive the following confirmation:

Xcel Energy Msg: Welcome to Xcel Energy text notifications. Msg&Data rates may apply. Reply HELP for help or 800-895-4999. Reply STOP to cancel.

We however accept the Department's recommendation to add advisory language to the eBill and eBill Payment Terms of Use regarding potential charges customers may incur for text/SMS message from phone carriers as a supplement to our current advisory methods. Please see Attachment A to this Reply for our proposed addition to the eBill and eBill Payment Terms of Use. The additional language we propose is consistent with relevant language contained in our current Mobile App Terms of Use, as shown above. Attachment A shows our original proposed changes in **red** and the additional changes denoting the text/SMS advisory in **blue**.

With this addition to the eBill and eBill Payment Terms of Use and clarification of the current methods we employ to advise customers of the potential for charges from their phone carriers for text messages, we respectfully request the Commission to approve our:

- Revised eBill and eBill Payment Terms of Use, and
- Variance to apply the customer-expressed communication method (phone, email or text/SMS) for planned outages.

We propose to submit all approved tariff changes in a compliance filing ten days after

receiving the Commission's Order.

REPLY TO OAG

The OAG requests the Commission to either require the Company to maintain 24/7 general customer service hours or refund the future savings we estimated from this change – noting the recent Commission adoption of the Stipulation in our recently concluded general rate case (on June 12, 2017 in Docket No. E002/GR-15-826).

The change in our general customer service hours that is the subject of the OAG's comments is not driven by cost savings. Rather, it is a recognition that our customers' preferences for interacting with the Company are changing. We are therefore making corresponding changes in our operations to meet those preferences – and largely shifting our customer service representatives to periods of higher call volumes and other customer communication channel support.

Effective management of our business will naturally result in variations of individual O&M (and capital) line items due to changing business circumstances – with some line items exceeding budgeted levels, and others lagging budgeted levels. This business reality was contemplated in the rate case Stipulation, which provides a capital true-up and our managing to an overall O&M level for the 2016 Test Year and subsequent Plan Years – with the Plan Years intended to be representative of future conditions.

The change to our general service hours does not impact time-critical calls regarding electric or natural gas emergencies or outages – and is consistent with the industry, including other utilities in Minnesota. As demonstrated in our Petition, we carefully considered our customers' contact behaviors and preferences for non-time critical questions and issues, and determined our updated hours and operational support plan based that data. For approximately 90 percent of calls where a customer requests the assistance of a representative, there will be no impact. We acknowledge that there will be a transition period for the remaining calls, which we have accounted-for in our implementation plans as described in our Petition.

The Commission maintains transparency and oversight of our financials and service quality through various compliance and annual reporting requirements. With respect to the issue of our ongoing service quality relevant in this proceeding, we report our telephone response time and customer complaints annually under the Commission's Rules and our Quality Service Plan (QSP) tariff – with penalties associated with underperformance under the QSP tariff. As noted above, we also accept the Department's recommendation that we provide additional discussion in our annual

reports – and that the Commission revisit the issue of our general service hours after two years, as part of our annual service quality filings.

CONCLUSION

We respectfully request the Commission to approve our petition, as supplemented by this Reply. We have worked hard to maintain our excellent service to customers to-date, and would not propose the change in our general service business hours if we believed it would result in a reduction in our service quality – or we would not meet our Rule and Tariff service quality requirements. Rather, we believe this change will allow us to better meet our customers’ needs as they continue to evolve in how they choose to interact with the Company. We are accountable to the overall O&M levels specified in the rate case, are further accountable to meet our service quality requirements – and, the Commission maintains transparency into our financial and service quality performance.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact Jody Londo at jody.l.londo@xcelenergy.com or (612) 330-5601 if you have any questions regarding this filing.

Sincerely,

/s/

BRIA E. SHEA
DIRECTOR, REGULATORY & STRATEGIC ANALYSIS

Enclosures
c: Service List

5. eBill and Notice of Electronic Presentment

By registering for eBill in My Account, you will receive email and/or text message notifications through eBill when your Xcel Energy bill is issued, depending on the method of communication you choose. These bill ready notifications will be sent to the email address and/or phone number you provided to Xcel Energy. You are responsible for obtaining Internet and mobile carrier services via the service provider(s) of your choice, for any and all fees imposed by such service provider(s) and any associated communications service provider(s) charges. Standard messaging, data and other fees may be charged by your mobile carrier. Once you sign up for eBill, you will no longer receive Xcel Energy bills through the mail. Because these and some other transaction notices are being given pursuant to the agreement between you and Xcel Energy, you may not "opt-out" from email communications related to My Account. You may opt-out from text message communications related to My Account. You may sign in just to view your electronic bill, without making a payment. Another option is to sign in and view your bill online using eBill, and then pay your bill electronically through your Payment Account. Other payment options may also become available through My Account or elsewhere at www.xcelenergy.com. ~~Once you sign up for eBill, you will no longer receive Xcel Energy bills through the mail.~~

...

19. Notices

You agree that by subscribing to eBill, all notices or other communications which Xcel Energy may be required to give you arising from our obligations under these eBill and eBill Payment Terms of Use may be sent to you ~~electronically to any electronic mail address you provide via the communication method of your choosing (e.g., email and/or text message)~~, or in any other manner permitted by law. You are responsible for obtaining Internet and mobile carrier services via the service provider(s) of your choice, for any and all fees imposed by such service provider(s) and any associated communications service provider(s) charges. Standard messaging, data and other fees may be charged by your mobile carrier.

...

Certificate of Service

I, Carl Cronin, hereby certify that I have this day served copies of the foregoing document or a summary thereof on the attached list of persons.

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

xx via electronic filing

Docket No. E,G002/M-17-553

Dated this 24th day of August 2017

/s/

Carl Cronin
Records Analyst

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