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August 26, 2024

—Via Electronic Filing—

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: REPLY COMMENTS
TRANSMISSION COST RECOVERY RIDER
DOCKET NO. E002/M-23-467

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits the enclosed Reply Comments to the Minnesota Public Utilities Commission in response to the July 31, 2024, individual Comments filed by the Department of Commerce, Division of Energy Resources and the Joint Commenters, a group comprising the Department, the Office of the Attorney General-Residential Utilities Division, and the Citizens Utility Board of Minnesota.

Portions of Attachment A contain protected data including Trade Secret information pursuant to Minnesota Statute § 13.37, subd. 1(b), and are marked as "NOT PUBLIC." The information designated as Trade Secret derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and is subject to reasonable efforts by the Company to maintain its secrecy.

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 Nathan Kostiuk at nathan.c.kostiuk@xcelenergy.com or me at amber.r.hedlund@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

AMBER HEDLUND
MANAGER, REGULATORY AFFAIRS

Enclosures
cc: Service List

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STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Hwikwon Ham	Commissioner
Valerie Means	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF THE PETITION OF NORTHERN STATES POWER FOR APPROVAL OF THE TRANSMISSION COST RECOVERY RIDER REVENUE REQUIREMENTS FOR 2023 AND 2024, TRACKER TRUE-UP, AND REVISED ADJUSTMENT FACTORS

DOCKET NO. E002/M-23-467

REPLY COMMENTS

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits these Reply Comments to the Minnesota Public Utilities Commission in response to the July 31, 2024, individual Comments filed by the Department of Commerce, Division of Energy Resources and the Joint Commenters, a group comprising the Department, the Office of the Attorney General-Residential Utilities Division, and the Citizens Utility Board of Minnesota. The Company maintains its support for its Petition and recommends the Commission adopt the Petition as filed, and reject the Department's proposed adjustment related to Hosting Capacity Analysis (HCA) and the Joint Commenters' Performance Incentive Mechanism(s) (PIM(s)) proposals, consistent with the comments set forth below.

Joint Commenters

The Joint Commenters focused on the Company's Advanced Metering Infrastructure (AMI) implementation – and specifically, metrics the Commission established to monitor our performance and our proposed PIM, consistent with the Commission's requirement. The Joint Commenters also propose three PIMs of their own: (1) load shifting, which would penalize the Company for customer load shifting behaviors and programs based on a variety of rate offerings still under development, (2) meter failure rate, which would penalize the Company if the failure rate of its new AMI meters exceeds the rate contemplated in the CBA and provided in our meter vendor contract, and (3) unassigned usage, which would penalize the Company based on incomplete, real baseline information that tracks the Company's use of remote meter commands to reduce electricity usage that is not attributable to a specific customer.[1][2]

The Commission has already established robust customer protections for the Company's AMI implementation, so no additional action on metrics or PIMs is needed at this time. These protections include costs caps and reporting on *nearly 90* deployment- and value-related metrics. Our first AMI Annual Report demonstrated that our AMI meter deployment is on track, and that we are leveraging the AMI investment to glean additional value for customers – even while our AMI meter deployment continues to be underway. We continue to believe this extensive set of reporting offers robust information on the benefits we are realizing for customers from our AMI and FAN investments, and that no additional reporting or performance measures are necessary. As such, we strongly disagree with the Joint Commenters' recommendation to establish several PIMs – a majority of which they propose be penalty-only – and for them to start in 2026, before we have the necessary baseline data to determine targets. Establishing PIMs for AMI and FAN before the deployment is complete is premature, and doing so would also be inconsistent with the Principles and Process the Commission established in its Performance Based Ratemaking (PBR) proceeding.[3]

Further, as we have previously explained, most of the benefits assumed in our CBA on which these PIM proposals are based, will not necessarily lead to net budget reductions or direct and traceable cost savings in the near term.[4] Many metrics associated with our AMI implementation are affected by various factors unrelated to AMI and/or are outside the Company's control altogether, or otherwise do not conform to the Commission's approved Metric Design Principles established in the PBR docket.[5] This creates the potential for confusion, disputes, and incentives or consequences for the Company that are unrelated to its performance with respect to its AMI and FAN implementation. The fact that the benefits modeled in our CBA will not necessarily create near-term, direct cost savings or net budget reductions – combined with the reality that the benefits and metrics are affected by outside factors – calls into question whether PIMs are at all appropriate or reasonable. However, to the extent the Commission believes further work is necessary, that work should be

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[1] Attachment A addresses each proposed PIM in further detail.
[2] *See* the Commission's June 28, 2023 ORDER APPROVING RIDER RECOVERY, CAPPING COSTS, AND SETTING FILING REQUIREMENTS in Docket No. E002/M-21-814.
[3] Docket No. E002/CI-17-401.

referred to the PBR docket, like the Commission recently did with the Company's electric service quality reporting.[6] We address and explain this in more depth below.

Establishing PIMs for AMI and FAN is premature and misplaced in this proceeding for practical and legal reasons. As such, we respectfully request the Commission to:

- Accept the ongoing reporting the Company proposed in our first AMI Annual Report on November 1, 2023;
- Suspend any decisions on AMI and FAN PIMs until the Commission determines its next steps with regard to metrics and PIMs in the PBR docket; and
- To the extent the Commission decides to further consider PIMs specific to AMI and FAN, direct those efforts to continue in the PBR docket.

The Department

The Department's Comments addressed our proposed revenue requirement, adjustment factors, tariff revisions, customer notice, and other topics as noted in items 1, 2, 3, 6, 7, and 8 of the Commission's November 22, 2023 Notice. The Company appreciates the Department's thorough review and substantive alignment with the Company's proposed cost recovery. We respond in more depth below to the one issue the Department noted regarding a component of the revenue requirement associated with our Hosting Capacity Analysis (HCA) request. The Department recommends the Commission require the Company to remove $1.3 million of capitalized internal labor from its total HCA capital costs. In summary, capitalized internal labor costs are properly included in the Company's proposed revenue requirement because they:

- Are supported by statute;
- Comprise the overwhelming majority of costs necessary to meet the Commission's new requirements for the HCA; and
- Were clearly included in the cost estimate when the Commission determined that TCR Rider recovery of the incremental costs associated with the new HCA requirements is appropriate.

The HCA is different from other projects previously recovered through the TCR, in that it is labor-intensive rather than a technology or infrastructure-type project. As such, rider recovery of internal labor is essential to encompass all project costs. With respect to our cost recovery and the Comments by the Department, we respectfully request the Commission to:

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[6] *See,* November 1, 2023 Annual Report, Docket Nos. E002/M-21-814 and E002/M-23-467.

- Approve the inclusion of capitalized internal labor costs associated with the new HCA requirements the Commission imposed on the Company.

In the balance of this Reply, we:

- Further explain the reasons PIMs for AMI and FAN are premature and misplaced in this proceeding,
- Demonstrate our compliance with the Commission's Order requirements, and
- With respect to our proposed cost recovery, explain the reasons the capitalized internal labor we included for our expanded Hosting Capacity project is appropriately recovered through the TCR Rider.

We additionally respond to the Joint Commenters feedback on specific metrics in Attachment A to this filing.

REPLY COMMENTS

I. PERFORMANCE INCENTIVE MECHANISM PROPOSAL

Consideration and/or implementation of PIMs is appropriately done in the PBR docket. Our Petition contained a PIM proposal specifically related to our AMI and FAN implementation, as required by the Commission in its June 2023 Order in Docket No. E002/M-21-814. In complying with this Commission directive, we pointed out that proposing a PIM in the required timeframe leapfrogs the Commission's own PIMs process and framework occurring in the PBR docket and stated our belief that all PIM development should occur in that proceeding. Setting that aside, we proposed a single PIM that encompasses four individual performance metrics[7] that we thoughtfully crafted to comply with the Commission's directive to recommend PIMs, and also to not disregard the important work that is being done in the PBR docket.

The Joint Commenters' proposal disregards and contradicts the PBR docket. The Joint Commenters propose three PIMs that are inconsistent with the PBR proceeding for the following reasons:[8]

- All of their proposed PIMs would be implemented in 2026, ignoring the fact that the Company's AMI deployment is still underway and will continue through the end of 2025. Therefore, a 2026 start leaves no time for the Company to accumulate actual performance data to inform a baseline or target,

[7] Petition at Attachment 15, p. 4.
[8] Attachment A contains further substantive analysis of the Joint Commenters' PIMs proposals.

which is also contrary to decisions the Commission made in the PBR docket.[9]

- They propose PIMs that are functionally de facto penalties, holding the Company to baseline targets that are: (1) not based on actual performance with the AMI deployment complete, and (2) are no longer realistic due to several factors beyond our control, including the persistent customer and load changes stemming from the world-wide Covid pandemic. This is inconsistent with many of the Commission's findings in the PBR docket and the Commission's determination that performance-based ratemaking, among other factors, is a net benefit for the Company, justifying a lower return on equity (ROE).[10]
- One proposed PIM (load shifting) conflicts with the cost-effective alignment of generation and load metrics the Commission already adopted in the PBR docket.[11] It also conflicts with the Metric Design Principles because it would not be complementary to the established regulatory system for demand response programs that are examined in Docket No. E,G999/CI-08-133.
- Another proposed PIM (meter failure rate) is completely outside the Company's control, and therefore contrary to the Metric Design Principles established in the PBR docket.[12]

Finally, their proposal ignores that, in a decision made after we submitted our Petition, the Commission suspended the timeline on PIMs and performance-based ratemaking in the PBR docket until 2026 for reasons that are also relevant to AMI- and FAN-related metrics.[13]

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[9] Defined as three full years of results. See the Commission's April 16, 2020, ORDER ESTABLISHING METHODOLOGIES AND REPORTING SCHEDULES in Docket No. E002/CI-17-401 where the Commission approved the Company's proposed methodology and reporting schedules as detailed in our October 31, 2019 proposed methodologies and process filing and December 12, 2019 Reply Comments, which included using three full years of data for considering potential baselines, targets, and incentives.

[10] *In the Matter of the Application of Northern States Power Company, dba Xcel Energy, for Authority to Increase Rates for Electric Service in the State of Minnesota*, MPUC Docket No. E002/GR-21-630, FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 88-92 (July 17, 2023). Performance metrics and the last multi-year rate plan are further discussed in Attachment A.

[11] *See* ORDER ESTABLISHING PERFORMANCE METRICS, Order Point No. 1e, Docket No. E002/CI-17-401 (September 18, 2019).

[12] Joint Commenters proposed PIM for AMI Meter Failure Rate. *See* ORDER ESTABLISHING PERFORMANCE-INCENTIVE MECHANISM PROCESS Order Point No. 2.C., Docket No. E002/CI-17-401 (January 8, 2019).

[13] The Commission suspended its work on the PBR process until 2026 – pausing at Step 4, which is establishing metrics and review/reporting. Work on Step 5, which is to establish targets *as may be needed*, and Step 6, which is to establish incentive mechanisms *as needed*, will not begin until at least 2026, when the Commission will solicit comments on whether the Commission should: (1) establish baselines and targets (Step 5), or (2) terminate the PBR process and suspend annual PBR reporting. *See* Docket No. E002/CI-17-401, ORDER ACCEPTING 2021 AND 2022 REPORTS, SUSPENDING DECISIONS ON BASELINES AND TARGETS, AND MODIFYING REPORTING (January 26, 2024).

All PIMs development appropriately belongs in the PBR docket and should be done on the same timeline, following the same Metric Design Principles, the same PIM process and Goals-Outcomes-Metrics hierarchy, and done in a comprehensive way. This will ensure any proposed metrics are not otherwise collectively addressed by other metrics, that there is alignment on the methodology and timeline for calculating, verifying, and reporting each of the identified metrics, and that the metrics and any PIMs the Commission determines are appropriate achieve the Commission's stated objective for the PBR docket: "to further align the Company's performance with the public interest."[14]

We have complied with the Commission's directive in this proceeding to propose PIMs specifically related to our AMI and FAN implementation.[15] The Commission should reject the arguments by the Joint Commenters that our proposal was not fully compliant with the Commission's Order in this proceeding. We used the best data we had available at the time to develop a good faith proposal for a PIM structure consistent with the Commission's Order that could serve as a potential PIM framework (should one be necessary) for AMI after the Commission completes its work in the PBR docket. As further discussed below, establishing PIMs for AMI and FAN is both premature and misplaced in this proceeding for practical and legal reasons.

A. Background

The Company is deploying AMI to replace its legacy meters and automated meter reading system because they are at end-of-life. AMI meters provide the opportunity for incremental value exceeding the legacy meters through the advanced features of the meters themselves, and the Company's implementation of a FAN that facilitates two-way communication between the meters and the Company's backend systems. As part of our AMI implementation, we committed to, and the Commission has required, ongoing reporting on nearly 90 deployment- and value-related metrics that provide the Commission and stakeholders significant insights into every dimension of the Company's efforts.

Our first AMI Annual Report demonstrated the incremental value we are getting for

[14] See January 8, 2019 Order at page 11. "A key purpose of this docket is to further align the Company's performance with the public interest. The Commission seeks to streamline metric reporting, to better align it with other parts of the utility's regulatory system, and to use this process to identify where existing metrics do not adequately meet the metric design principles."
[15] Additionally, the implementation timeline contemplated by the Company's PIM proposal was designed to be consistent with the PBR docket, recognizing the need for continued work in that proceeding.

our customers, even while our AMI meter deployment is underway. For example, in our November 2023 AMI Annual Report, we reported that, since we were able to start tracking, we have cumulatively avoided approximately:[16]

- One GWh of energy losses by sending remote disconnection commands to Minnesota AMI meters where there is no registered customer (unknown users).
- $1.7 million of legacy meter reading costs by replacing over 500,000 legacy meters with AMI meters.

These and other tangible benefits we are committed to tracking and reporting on continue to grow.

The Joint Commenters argue that several PIMs are needed to protect customers. We strongly disagree. The Commission has established robust customer protections for both cost recovery through cost caps and with respect to our performance through extensive reporting as mentioned above. We outline the AMI and FAN metric reporting requirements in Attachment B. The extensive reporting we are providing ongoing across several dockets offers robust information on the benefits we are realizing for customers from our AMI and FAN investments, and no additional reporting or performance measures are necessary.

B. All Potential PIMs Belong in the PBR Docket

The Company acknowledges the Commission's directive to propose baselines, targets, and PIMs in this proceeding. Doing so, however, skipped consideration of how the metrics:

- Tie to the Goals and Outcomes the Commission established for potential PIMs,
- Align with the established Metric Design Principles, and
- Progress through Steps 3 through 6 of the Commission's PIM Process and associated Goals-Outcomes-Metrics hierarchy.[17]

Despite this, our Petition satisfied the Commission's directive, which we carefully crafted to comply with both the Commission's direction to recommend PIMs and to not disregard the important work that is being done in the PBR docket.[18]

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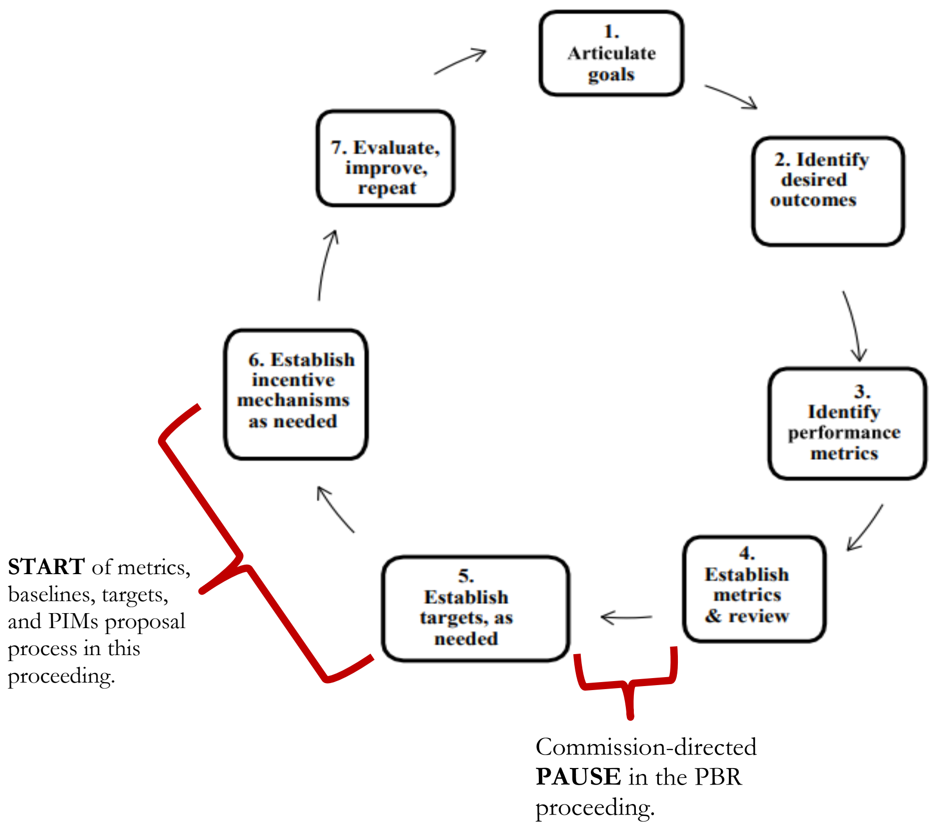
[16] Results through September 30, 2023. *See,* November 1, 2023 Annual Report, pgs. 13 and 14, Docket Nos. E002/M-21-814 and E002/M-23-467.
[17] *See* ORDER ESTABLISHING PERFORMANCE-INCENTIVE MECHANISM PROCESS Order Point Nos. 1 and 2, Docket No. E002/CI-17-401 (January 8, 2019).
[18] Petition at Attachment 15, p. 4.

We provide the Commission's PIM Process below to illustrate where the process directed in this proceeding started (Steps 5 & 6), and where the Commission paused the overall PBR docket (Steps 4-5).

Figure 1: Minnesota Commission PIM Design Process



We discuss below the reasons any PIM consideration or development must be done consistent with the established PIM design process that the Commission has methodically considered and developed over the last seven years to ensure consistency and to comply with state statute.

1. *It is Impracticable to Develop PIMs Using Inconsistent Timelines and Processes*

The Joint Commenters recommend that the initial PIMs they propose should become effective on January 1, 2026, which we oppose. Our Petition explained that the interim targets we proposed for certain performance metrics represent our best estimation of our performance – but simply converting those estimates into PIMs is inappropriate. The Commission's PBR process acknowledges the need for three years of actual performance data prior to implementing a PIM.[19] Because full deployment of AMI will not be complete until the end of 2025, baseline will not exist on the Joint Commenters' proposed implementation timeline of 2026.

For this reason, we proposed PIMs associated with AMI—if any—not take effect any earlier than 2030. While that may sound like it is a long delay, it carefully and appropriately balances the Commission's objectives in the two intertwined proceedings regarding: (1) the Company's performance with respect to its AMI and FAN investments, and (2) the Commission's established step-by-step process and framework in the PBR docket. Between now and 2030, the Commission will receive consistent and robust reporting on nearly 90 dimensions of our AMI and FAN performance. By waiting to potentially establish PIMs until 2030, the Commission will have three full years of actual performance data and would be able to determine whether it is appropriate to establish performance baselines and targets per the established process in the PBR docket. Establishing baselines, targets or PIMs, if appropriate, with actual performance data is necessary to accurately evaluate the Company's performance; establishing these without this fact-based, actual performance data would not be helpful to anyone and may financially harm the Company.

Conversely, the Joint Commenters advocate for an approach that significantly deviates from the PIM implementation process set forth in the PBR docket – a timeline and implementation step-by-step process that all members of the Joint Commenters expressly supported in the PBR docket.[20] Here, the Joint Commenters seek implementation of specific PIMs:

- Without three years of actual performance data,
- Without consideration and correlation of AMI and FAN-specific metrics to other metrics the Commission has determined align with the Commission-established performance outcomes, and
- Prior to completion of the timeline and process contemplated in the PBR docket.

This approach is inconsistent with the decision the Commission made in its

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[19] *See,* the Commission's February 9, 2022 ORDER ACCEPTING REPORT AND SETTING ADDITIONAL REQUIREMENTS, Order Point 5, Docket No. E002/CI-17-401.
[20] Docket No. E002/CI-17-401, ORDER ESTABLISHING METHODOLOGIES AND REPORTING SCHEDULES (April 16, 2020) and Docket No. E002/CI-17-401, ORDER ESTABLISHING PERFORMANCE-INCENTIVE MECHANISM PROCESS (January 8, 2019) page 5.

September 18, 2019 Order[21] establishing performance metrics, and its January 26, 2024 Order[22] suspending decisions on potential baselines and targets until more data is available.

Departing from the Commission's established process and decisions in the PBR docket for purposes of implementing specific PIMs in this proceeding creates inconsistencies that may result in negative outcomes for the Company, regardless of our performance. Alternatively, the flexible approach we advocated for in our Petition strikes the proper balance of proposing meaningful metrics while not disregarding the work that has been done and that continues in the PBR docket.

We have demonstrated incremental value we are gleaning for our customers as our AMI and FAN deployment is underway and that will grow as we complete that implementation. We have complied with all of the Commission's requirements with respect to AMI and FAN metrics and proposals. We are committed and will continue to report on a very robust set of deployment- and value-based metrics, providing the Commission and stakeholders ongoing and meaningful insights into our implementation. Establishing AMI and FAN PIMs at this time, however, would be premature and misplaced in this Rider proceeding.

2. *Establishing PIMs in Multiple Proceedings is Inconsistent with State Statute*

We are also concerned that conducting PIM development outside the PBR docket and implementing PIMs prior to resolution of that proceeding may be inconsistent with the statutory scheme set forth in Minn. Stat. § 216B.

The AMI and FAN investments triggering the PIMs discussion in this Rider proceeding were certified in an Integrated Distribution Planning (IDP) proceeding pursuant to Minn. Stat. § 216B.2425, Subd. 2(e). This Statute permits a utility operating under a multiyear rate plan to seek certification of investments that are "necessary to modernize the transmission and distribution system."[23] Rider recovery of these investments is also authorized because the Company operates under a multiyear rate plan and received certification of these investments under Minn. Stat. § 216B.2425, Subd. 2(e).[24] Therefore, the entire PIMs discussion in this Rider proceeding is predicated upon the Company operating under a multiyear rate plan.

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[21] Docket No. E002/CI-17-401, ORDER ESTABLISHING PERFORMANCE METRICS (September 18, 2019).
[22] Docket No. E002/CI-17-401, ORDER ACCEPTING 2021 AND 2022 REPORTS, SUSPENDING DECISIONS ON BASELINES AND TARGETS, AND MODIFYING REPORTING REQUIREMENTS (January 26, 2024).
[23] *See also* Minn. Stat. § 216B.16, Subd. 19; Minn. Stat. § 216B.2425, Subd. 3.
[24] *See* Minn. Stat. § 216B.16, Subd. 7b(b)(5).

The multiyear rate plan statute provides that "the Commission may initiate a proceeding to determine a set of performance measures that can be used to assess a utility operating under a multiyear rate plan."[25] Using the authority delegated to it by the Legislature, the Commission did just that by initiating the PBR docket. As discussed in our October 31, 2023 TCR Petition and in these Reply Comments, the PBR docket reflects a significant undertaking by the Commission, Company, and stakeholders to thoughtfully address how to implement PIMs. That work is ongoing and contemplates potential implementation of PIMs at some point in the future.[26] Though the investments and potential PIMs in this proceeding are tied to the Company operating under multiyear rate plans, which also triggers the Commission's ability to open a proceeding to explore performance-based metrics, the Joint Commenters seek to bypass the PIMs framework outlined by Minn. Stat. § 216B.16, Subd. 19(h). They do this by proposing penalty-heavy, asymmetrical PIMs, as discussed in Attachment A, for the unassigned usage, meter failure rate, and load shifting metrics without baseline data and without resolution of the PBR docket. In addition to disregarding the significant work done in the PBR docket, the Company believes this approach is inconsistent with state law.

Notwithstanding different views regarding implementation of PIMs in the instant proceeding, we remain committed to working with stakeholders, including the Joint Commenters, to further address appropriate implementation of PIMs. However, that work should continue in the PBR docket.

C. The PIM Design Process Should Be Followed and Applied Consistently with Current Data

While necessity was the primary driver behind the AMI implementation, the technology allows for additional potential benefits and customer programs. To that end, the Company has agreed to and already provided significant reporting on its performance with respect to leveraging additional value from its AMI investments. As we have discussed, we continue to believe it is premature to set baselines and targets for AMI and FAN performance metrics. The process should be paused until after AMI deployment is complete and we have the required three years of data to potentially develop baselines and targets, and the Commission decides its next steps

[25] Minn. Stat. § 216B.16, Subd. 19(h). A plain reading of the term "a proceeding" is that the statute contemplates a single Commission proceeding addressing the initial development of the PIMs process and formal implementation of PIMs.
[26] *See* ORDER ACCEPTING 2021 AND 2022 REPORTS, SUSPENDING DECISIONS ON BASELINES AND TARGETS, AND MODIFYING REPORTING REQUIREMENTS, Docket No. E002/CI-17-401 (January 6, 2024).

with respect to PBR.

As we stated in our Petition, in the Company's last TCR proceeding (Docket No. E002/M-21-814) the Joint Commenters recommended development of PIMs using the PIM Design Process established in Docket No. E002/CI-17-401.[27] In that proceeding, the Commission then ordered the Company to propose PIMs in our next TCR proceeding (the instant docket) using the PIM Design Process, as outlined in Docket No. E002/CI-17-401.[28] The Commission's Order further required the Company to provide three years of data pertaining to the performance metrics set forth in Attachment 1, Table 1 of Staff Briefing Papers–Volume 2 filed on April 26, 2023.[29] We established tracking mechanisms and began reporting on our performance – submitting our first AMI Annual Report November 1, 2023 containing actual results through September 30, 2023.

Since the AMI deployment will not be complete until late 2025, we do not have three years of data from which baselines and targets could reasonably be determined and that complies with established processes. And even then, the established PBR process requires an affirmative determination whether establishing targets is needed – and subsequent to that, a determination whether an incentive mechanism is needed.

As with any CBA, the one for AMI and FAN was an illustrative tool to compare the net present value (NPV) of the costs of the investments in relation to quantifiable benefits on a revenue requirements basis, at the time the CBA was developed. Since the start of the multi-year AMI rollout was more than two years away at the time the CBA was developed, the landscape will most certainly have evolved by the time the rollout is complete. We support reporting on those benefits that were anticipated at the time the project was certified. However, just like the Commission recognized in its decision to pause the PBR docket, AMI and FAN related metrics are also affected by the changing policy landscape and the need to collect data and continue discussions before setting baselines and targets. If the AMI and FAN benefits that were included in the pre-2019 vintage of the CBA are no longer relevant or appropriate by the end

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[27] Docket Nos. E002/M-20-680 and E002/M-21-814, JOINT RECOMMENDATION OF THE MINNESOTA DEPARTMENT OF COMMERCE, DIVISION OF ENERGY RESOURCES, THE OFFICE OF THE ATTORNEY GENERAL – RESIDENTIAL UTILITIES DIVISION, AND THE CITIZENS UTILITY BOARD OF MINNESOTA (November 16, 2022). Recommendation 5.

[28] Docket No. E002/M-21-814, ORDER APPROVING RIDER RECOVERY, CAPPING COSTS, AND SETTING FILING REQUIREMENTS (June 28, 2023) Order Point 16.

[29] In our December 12, 2019, Reply Comments in Docket No. E002/CI-17-401, the Company recommended tracking and reporting the initial metrics for a period of three years to determine if those metrics are the correct ones to be tracking and if they remain valid as time goes by. In their April 16, 2020, Order in the same docket, the Commission approved this methodology.

of the AMI rollout, we should not move forward with them, as doing so would not be in the best interests of our customers or the Commission. It is also similarly illogical to establish punitive PIMs absent clear and accurate baseline data.

D. The Company Complied with the Commission's Requirements

In their Comments, the Joint Commenters suggest the Company did not meet the Commission's requirements to provide targets for certain metrics or to propose PIMs for each one, which seems to stem from a strict correlation of the benefits included in the Company's CBA. This view neglects to consider the Commission's direction that the information provided needed to be based upon projected benefits used in the CBA submitted in support of our AMI and FAN projects, *and any other pertinent information*.

As explained in more detail in Attachment A, we complied with the Commission's June 2023 Order. Our September 25, 2023 Compliance Filing provided the required metrics and targets per Order Point 15. In the narrow circumstances where we could not provide a metric or target, we explained the reasons and we offered alternative evaluation methods that would reasonably isolate the contribution of AMI and focus the evaluation on factors within the Company's control. Order Point 16 required the Company to use the PIM Design Process outlined in the PBR proceeding to propose PIMs for the proposed interim performance targets required in Order Point No. 15. We complied with this requirement also. Our proposal was for a single PIM composed of four metrics:

(1) percentage of disconnects done remotely,
(2) percentage of reconnections done remotely,
(3) usage on unassigned accounts, and
(4) number of theft/meter tampering cases completed.[30]

Attachment A provides additional detail on the reasons we did not include two of the six metrics for which we proposed baselines and targets in our September 25, 2023 Compliance Filing – Meter Failure Rate and Number of Days to Complete a Credit Disconnection.

While we continue to believe that proposing targets and PIM frameworks and potential PIMs are leapfrogging the process and framework established in the PBR proceeding, to be compliant with the Commission directive, we provided a PIM proposal as required. The intent of our proposal was to comply with the Order,

[30] Petition at Attachment 15, p. 4.

which required the Company to be consistent with the process and framework developed in the PBR proceeding.

II. HOSTING CAPACITY ANALYSIS COSTS

In its September 15, 2023, Order in Docket No. E002/M-22-574 (September 2023 Order), the Commission accepted the Company's 2022 Hosting Capacity Program Report and confirmed TCR Rider recovery of costs associated with the incremental and new HCA requirements is appropriate. The Company explicitly laid out and defined the costs, benefits, and alternatives for the project and understood that if the Commission required us to move forward with HCA, the TCR Rider would provide timely cost recovery of the identifiable costs associated with implementation. The costs presented in that docket included capitalized internal labor costs that are essential to performing the additional work required by the Commission's Order.

Furthermore, Minn. Stat. § 216B.16, Subd. 7b (4) authorizes the recovery of costs related to distribution planning required under Minn. Stat. § 216B.2425 subd. 8, which the Company refers to as our Hosting Capacity Analysis. The Company's objective for the Hosting Capacity Analysis (HCA) has traditionally aligned with Minn. Stat. § 216B.2425, subd. 8 and past Commission Orders, which stated that the HCA serves as a "starting point" for interconnection applications. These costs associated with investments in distribution facilities to modernize the utility's grid have been certified by the Commission and are in the public interest. The costs contemplated by the statute do not exclude capitalized internal labor.

The Department states in their Comments that they do not see a difference between HCA and other capital projects, and therefore recommends the Commission require the Company to remove $1.3 million of capitalized internal labor from the total HCA costs. We respectfully disagree and continue to believe the HCA labor costs are different than treatment of other labor costs in the TCR Rider. The Company believes labor costs should be included in capital expenses under specific circumstances such as those presented by the HCA. The HCA is a different type of project where rider recovery of internal labor is essential to encompass all project costs. As we have repeatedly reported, this project is labor intensive and comprised of resources to execute Commission required reporting and compliance. The labor aspect of the HCA is essential to the project, its operation, and success. The future improvements that are planned for the grid will not be possible without the labor that will provide updates and grid modernization analysis and reporting. Recognizing the full value created by the labor in this instance and allowing for recovery is appropriate.

As noted in our Petition, capital labor costs associated with the HCA were not forecasted at the time of our July 2021 budget which formed the basis of the 2022-2024 test years in our last electric rate case since this was not work we were planning to perform.[31] These are incremental labor costs not contemplated or included in the budget at the time of our last rate case.

The Company understands that not all labor costs can be recovered through the TCR rider. As stated in our Petition, we have only proposed recovery of this particular HCA project that is necessitated by the new and incremental requirements imposed by the Commission. These costs are necessary, just, and reasonable to set up and support the foundational investments and move towards the monthly reporting cadence. Therefore, these HCA costs should be recoverable through the rider. Rider recovery of internal labor in this instance is essential to encompass all project costs and ensure project success.

CONCLUSION

We appreciate the opportunity to provide these Reply Comments. We respectfully request that the Commission:

- Approve the Company's TCR Petition as filed.
- Accept the ongoing reporting the Company proposed in its first AMI Annual Report filed on November 1, 2023.
- Suspend any decisions on AMI and FAN PIMs until the Commission determines how PBR efforts will continue; and
- Approve the inclusion of capitalized internal labor costs associated with the new HCA requirements the Commission imposed on the Company.

To the extent the Commission decides to continue work to develop PIMs for AMI and FAN, we respectfully request the Commission to direct any further efforts to develop specific AMI and FAN metrics as potential PIMs to the PBR docket. There it can be determined whether certain metrics specific to AMI and FAN align with the Commission's established PBR goals, objectives, principles, are not otherwise collectively addressed by other metrics, and there is alignment on the methodology and timeline for calculating, verifying, and reporting each of the identified metrics.

Dated: August 26, 2024

Northern States Power Company

[31] *See* Docket No. E002/GR-21-630.

As stated in the body of our Reply Comments, establishing PIMs for our AMI and FAN project is not necessary because the Commission already has robust customer protections in place through cost caps and ongoing multi-dimensional reporting on nearly 90 deployment- and value-related metrics.

To the extent the Commission wishes to further consider PIMs for our AMI and FAN implementation, implementing PIMs in 2026 is premature and should be done as part of a comprehensive process in the Performance Based Ratemaking (PBR) proceeding.[1] Taking a more deliberate and thoughtful approach is consistent with the Commission's decision in a recent Electric Service Quality Annual Report, where the Commission referred the matter of any additional metric development, including whether to set targets, to the PBR proceeding and to take it up when the Commission considers next steps overall in that docket.[2]

In any case, the Joint Commenters' PIMs proposal should be rejected because it conflicts with several aspects of the Commission's PBR framework that the Commission directed potential PIMs for AMI and FAN conform to, as outlined in the main body of our Reply and as detailed in this Attachment.

The purpose of this Attachment is to provide additional technical detail in response to the Joint Commenters' comments and proposals, which demonstrates:

- The Company complied with the Commission's Order requirements,
- The Commission already has robust customer protections in place and additional metrics or PIMs are not necessary at this time,
- Joint Commenters' proposals are not aligned with the Commission's Order that requires use of the PIM Design Process outlined in the PBR proceeding to propose PIMs for the proposed interim performance targets, and
- Joint Commenters proposals are not practicable and ignore that the Commission's Order said interim performance targets must take into account the Company's CBA and any other pertinent information.

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[1] Docket No. E002/CI-17-401.

[2] *See In the Matter of Xcel Energy's Annual Report on Safety, Reliability, and Service Quality and Petition for Approval of Electric Reliability Standards* and *In the Matter of a Commission Investigation to Identify and Develop Performance Metrics and, Potentially, Incentives for Xcel Energy's Electric Utility Operations*, Docket Nos. E002/M-20-406 and E002/CI-17-401, respectively (May 18, 2023).

I. THE COMPANY'S PROPOSAL COMPLIES WITH THE COMMISSION'S ORDER REQUIREMENTS

This section demonstrates how we have complied with relevant Commission requirements with respect to metrics associated with our AMI and FAN implementation.

A. Procedural Summary of Xcel Energy Filings to Comply with Requirements

Our September 25, 2023 Compliance Filing in Docket No. E002/M-21-814 complied with the June 28, 2023 Order in that docket (June 2023 Order), specifically Order Point No. 15, where the Commission required the Company to:[3]

- Provide interim performance targets and evaluation methods for certain performance metrics that were "undefined" in a referenced set of Staff Briefing Papers. The Order specified that such interim performance targets must be based upon projected benefits used in the Company's benefit-cost analysis of the AMI and FAN Projects, and any other pertinent information.
- Propose evaluation methods for each of the metrics.

In our October 31, 2023 Petition in the instant docket we complied with Order Point No. 16 of the Commission's June 2023 Order, which required the following:[4]

- Use the PIM Design Process outlined in the PBR proceeding to propose PIMs for the proposed performance targets required in Order Point No. 15.

Our November 1, 2023 AMI Annual Report in Docket Nos. E002/M-21-814 and E002/M-23-467[5] provided, among other things, our performance results on 87 metrics adopted by the Commission in its June 2023 Order.[6]

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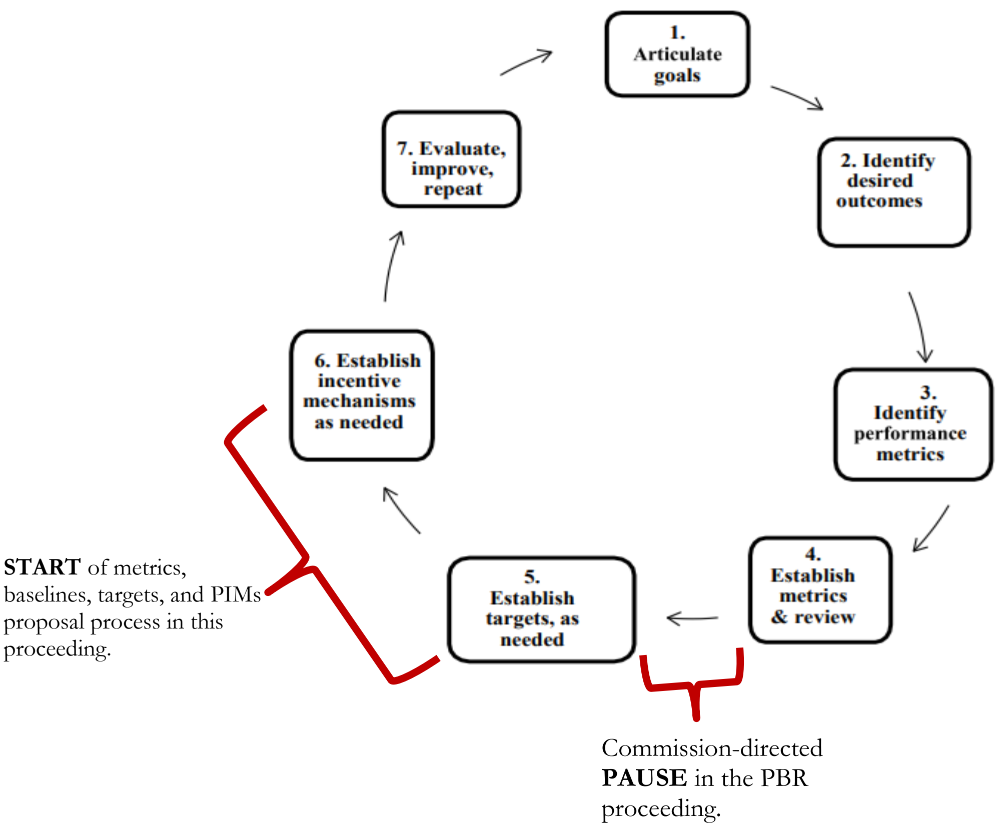
[3] *See* ORDER APPROVING RIDER RECOVERY, CAPPING COSTS, AND SETTING FILING REQUIREMENTS Order Points 14 and 15, Docket No. E002/M-21-814 (June 28, 2023). The specified performance metrics were those that were "undefined" in Attachment 1, Table 1 of Staff Briefing Papers – Volume 2 filed on April 26, 2023.
[4] See Attachment 15.
[5] The AMI Annual Report was intended to be filed in Docket Nos. E002/M-21-814 and E002/M-23-467 on November 1, 2023. The Company later realized it was not filed in Docket No. E002/M-23-467 on November 1, 2023 and on April 12, 2024 filed the Report in that docket for completeness of the record.
[6] Order Point No. 10.

Because of the Commission's linkage of this proposed PIM requirement to the Commission's PBR proceeding, we provide a brief procedural history of the PBR proceeding before discussing how our Petition complies with Order Point Nos. 15 and 16 in the TCR Proceeding.

B. Procedural Summary of the Commission's PBR Proceeding

We start this summary with Figure 1, which provides the Commission's PIM Design Process, with added indicators of where the PBR proceeding stands currently, and where Order Point Nos. 15 and 16 required the Company's proposal to start.

Figure 1
Minnesota Commission PIM Design Process



On June 12, 2017, the Commission issued an Order in our most recent, at the time, general rate case (Docket No. E002/GR-15-826) approving a multi-year rate plan that opened a *Commission Investigation to Identify and Develop Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Utility Operations* to "identify and develop performance metrics and standards, and potentially incentives, to be implemented during the multi-year rate plan." This was authorized by Minn. Stat. § 216B.16, subd. 19, which authorizes the Commission to require a utility proposing a multi-year rate plan "to provide a set of reasonable performance measures and incentives that are quantifiable, verifiable, and consistent with state energy policies." The statute also authorizes the Commission "to initiate a proceeding to determine a set of performance measures that can be used to assess a utility operating under a multiyear rate plan." At the time, we were operating under a four-year multi-year rate plan through 2019.

On January 8, 2019, the Commission issued its ORDER ESTABLISHING PERFORMANCE-INCENTIVE MECHANISM PROCESS, which established a PIM Process and associated Goals-Outcomes-Metrics hierarchy, with an initial focus on Steps 1 through 4. The Order also established Goals for the PIM process and Outcomes (related to three categories: customer focus, utility performance, and public policy). The Order adopted Metric Design Principles and delegated authority to the Executive Secretary to initiate a comment period for the development of PIM Steps 3 and 4 (establish performance metrics and reporting process).

On September 18, 2019, the Commission issued its ORDER ESTABLISHING PERFORMANCE METRICS after a robust stakeholder meeting and comments process. The Order adopted approximately 30 metrics in the areas of Affordability, Reliability, Customer Service Quality, Environmental Performance, and Cost-Effective Alignment of Generation and Load. In it, the Commission agreed with numerous stakeholders that supported adoption of a small number of metrics from the dozens that were proposed. The Commission stated that it intentionally selected a small number of core metrics to avoid delays in implementation and to avoid unnecessary burden on the Company while still gathering sufficient data to measure our performance on key outcomes. This Order also established several principles to guide the stakeholder process going forward, all of which were discussed at the Commission meeting and widely supported by the Company and stakeholders. We outline these below:[7]

a. Utility performance metrics should be focused on results and outcomes. Metrics should not prescribe detailed or specific tools or tactics. This will provide the utility the opportunity to be flexible and tailored to its unique system and customers' needs.

[7] Order Point No. 7

b. Metrics should not support the deployment of specific technologies such as only one type of electric generation, unless such information is needed for a utility to comply with statutes.

c. Metrics identified to gauge environmental performance should directly measure environmental emissions and impacts.

d. Parties should develop measurement methodologies and future metrics with an eye toward development of a utility performance dashboard.

e. Metrics directed by the Commission at this stage of the process are not to be viewed as the final, exclusive list. As stakeholders work forward through the PIM process they may propose reshaping or adding to the metrics outlined above.

The Commission's April 16, 2020 Order established methodologies and reporting schedules for the approved metrics. The Commission also directed the Company to work with stakeholders and the Department to develop a demand response financial incentive – and to file a proposal for Commission consideration by the end of the first quarter 2021. This Order further directed the Company to work with stakeholders to develop evaluation criteria and benchmarks and file them at a later date, noting it will wait until the appropriate step in the PIM process to decide on criteria for good versus bad performance, and establish benchmarks against which to measure the Company's performance. The Commission also noted that the process of evaluating such criteria and benchmarks is likely to be complex and time-consuming, and the Commission will direct Xcel Energy and stakeholders to begin that process.[8]

The Commission accepted the Company's first annual PBR Report in its February 9, 2022 Order and set additional requirements, including that the Company must provide three years of data before developing evaluation and benchmarking targets for the performance metrics.

On March 15, 2022, the Commission issued its ORDER APPROVING MODIFIED LOAD-FLEXIBILITY PILOTS AND DEMONSTRATION PROJECTS, AUTHORIZING DEFERRED ACCOUNTING, AND TAKING OTHER ACTION, approving several load flexibility pilots, rejecting the performance-based incentive mechanism the Company proposed in Compliance with the Commission's April 16, 2020 Order, but authorized deferral of

[8] Order at pages 8-9.

limited expenses in a load-flexibility tracker account.[9] The associated tariffs for these approved pilots were approved in the September 12, 2022 Order.

The Commission's May 18, 2023 Order in the PBR proceeding and the Company's *Annual Report on Safety, Reliability, and Service Quality and Petition for Approval of Electric Reliability Standards* (Docket No. E002/M-20-406) referred the matter of any additional metric development, including whether to set targets, to the PBR proceeding and to take it up when the Commission considers next steps overall in that docket.

Finally, the Commission's January 26, 2024 Order accepted the Company's 2021 and 2022 PBR Reports, suspended decisions on baselines and targets, and modified the reporting requirements to streamline and improve them for future Reports. The Commission concurred with several parties who argued that further work on baselines and targets should be suspended because of recent events that could skew or change the underlying data. The significant events referenced included the COVID-19 pandemic that affected many facets of everyday life in ways that are relevant to the Company's metrics (example: disconnections were suspended March 2020 through August 2021), and a multitude of significant energy laws that had recently passed that are likely to impact many environmental performance metrics.[10]

C. The Company's Petition Is Compliant

In their Comments, the Joint Commenters suggest the Company did not meet the Commission's requirements to provide targets for certain metrics or to propose PIMs for each one, which seems to stem from a strict correlation of the benefits included in the Company's CBA. This view neglects to consider the Commission's direction that the information provided needed to be based upon projected benefits used in the CBA submitted in support of our AMI and FAN projects, *and any other pertinent information*. We address our compliance with Order Points 15 and 16 below.

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[9] The Company's incentive proposal was rejected because, "A substantial driving factor behind the approved load-flexibility pilots is to help Xcel make progress toward its existing obligation to acquire 400 MW of additional demand-response capacity by 2023 under the 2017 IRP order, and the record does not support a finding that any further incentive beyond that mandate is reasonable to induce Xcel to pursue these pilots at this time." Order at page 23.

[10] These include: Minnesota Energy Conservation and Optimization Act of 2021, the Minnesota Natural Gas Innovation Act, the federal Infrastructure Investment and Jobs Act, the federal Inflation Reduction Act, and Minnesota's 100 Percent Clean Energy Law.

1. The Company's Petition Complied with Order Point No. 15

Order Point No. 15 of the June 2023 Order required that we provide interim performance targets and evaluation methods for a referenced set of AMI and FAN Performance Evaluation metrics and Targets from a set of Staff Briefing Papers, based upon projected benefits used in the CBA submitted in support of our AMI and FAN projects, and any other pertinent information.

The metrics we addressed in our September 25, 2023 Compliance Filing were:

- Distribution Management Efficiency
- Outage Management Efficiency
- Avoided Meter Purchases
- Reduced Field and Meter O&M Expenses (which has 3 component parts)
- Reduced Consumption on Inactive Meters
- Reduced Bad Debt Expense
- Reduced Theft/Meter Tampering
- Load Flexibility Benefits (which as 3 component parts)

We explained that the benefits modeled in our CBA will not necessarily create near-term, direct cost savings or net budget reductions; this combined with the reality that the benefits and metrics are affected by outside factors creates challenges in ongoing evaluation of the benefits in the context of AMI. Therefore, attempting to measure the benefits directly attributable to AMI requires creative thinking, a deep understanding of the business functions, and multi-faceted evaluation methods.

We also explained that to holistically evaluate our AMI performance against baselines and targets, we must consider not only real year-over-year results of a specific metric (which may be affected by many variables), but for some benefits, we must also consider – and have developed – a proxy or illustrative evaluation method that places a dollar value on the individual benefits that are directly attributable to AMI. For these reasons and others, we further explained why we were proposing alternative performance metrics for some benefits – and therefore alternative baselines and targets that differ from the metrics shown in the referenced Table in Staff Briefing Papers.

We proposed alternative performance metrics because they are more appropriately within the Company's control and more consistent with the Commission's Metric

Design Principles. In providing the required baseline information, we explained it was necessary to rely on historical information from years where legacy meters were installed because our AMI deployment will not be complete until 2025. As such, we said it would be necessary to revisit baselines after three full years of AMI, after 2028. We also explained the same thing would be required for any interim targets – that they would need to be revisited after gathering three full years of updated data after AMI deployment is complete. We then methodically addressed each of the benefits and performance metrics in terms of the metric in the CBA/Table 1 of Staff Briefing Papers, the CBA model assumption, any alternative metric we were recommending in light of the challenges we describe above, an interim baseline, and an interim target for 2023-2028. We also outlined our proposed evaluation methods.

We detailed the reasons that we were unable to provide reference period data and to propose interim targets for two of the metrics:

1) *Distribution Management Efficiency.* We explained that this efficiency that may stem from leveraging AMI data in planning will be realized through engineering judgement. As such, and the need for at least two full years of AMI data to inform planning, there is currently no way to quantitatively measure or monetize the value of this efficiency. We explained that we cannot predict precisely how AMI data will specifically inform planning for discrete investments, so we cannot develop a quantification method for use in the future. But we are committed to maximizing this benefit through effective use of AMI data. We understand the Commission wishes to hold the Company accountable, and we commit to providing narrative updates about our work to implement and utilize software and processes that leverage AMI data in Distribution Planning with future AMI Annual Reports.
2) *Load Flexibility Benefits.* We explained that we do not have data for these, because they were informed by a third-party study and so no actual performance data exists, and that we did not have broad time of use or critical peak pricing rates enabled by the new AMI meters to inform baselines. We also pointed to the PBR proceeding, in which the Commission established six metrics in the area of Cost-Effective Alignment of Generation and Load, and stated those are appropriate and sufficient to evaluate the Company's performance with respect to load flexibility.

2. The Company's Petition Complied with Order Point No. 16

Order Point No. 16 of the June 2023 Order required the Company to use the PIM Design Process outlined in the PBR proceeding to propose PIMs for the proposed interim performance targets required in Order Point No. 15.

The proposal we made in our November 1, 2023 Petition was for a single PIM, encompassing four performance metrics:

(1) percentage of disconnects done remotely,
(2) percentage of reconnections done remotely,
(3) usage on unassigned accounts, and
(4) number of theft/meter tampering cases completed.[11]

We did not include two of the six metrics for which we proposed baselines and targets in our September 25, 2023 Compliance Filing – Meter Failure Rate and Number of Days to Complete a Credit Disconnection. Neither are appropriate for a PIM. We explained that meter failures are outside the Company's control, so a PIM for Meter Failure is inconsistent with the Commission's Metric Design Principles. Number of Days to Complete a Credit Disconnection would, by design, incent the Company to more quickly disconnect customers, which we explained would be counter to priorities of customer advocates, the Company, and the Commission.

In our Petition, we also pointed out that proposing a PIM in the ordered timeframe leapfrogs the Commission's own PBR process and framework occurring in Docket No. E002/CI-17-401. We illustrate this process inconsistency in Figure 1 above. However, in order to ensure as much consistency as possible with the framework and process the Commission established in the PBR proceeding,[12] our Petition proposed a 2030 implementation date to allow for three years of baseline data (starting in 2026, after the Company completes its AMI deployment in late 2025) followed by revisiting the evaluation and benchmarking targets for the performance metric.

Since submitting our PIM proposal November 1, 2023, the Commission paused the PBR proceeding until 2026.[13] This pause further supports the timing we outlined for

[11] Petition at Attachment 15, p. 4.
[12] Docket No. E002/CI-17-401, ORDER ACCEPTING REPORT AND SETTING ADDITIONAL REQUIREMENTS, Order Point No. 7 (February 2, 2019).
[13] The Commission subsequently suspended its work on the PBR process until 2026 – pausing at Step 4, which is establishing metrics and review/reporting. Work on Step 5, which is to establish targets *as may be needed*, and Step 6, which is to establish incentive mechanisms *as needed*, will not begin until at least 2026, when the Commission will solicit comments on whether the Commission should: (1) establish baselines and targets (Step 5), or (2) terminate the PBR process and suspend annual PBR reporting. *See* Docket No. E002/CI-17-401, ORDER ACCEPTING 2021 AND 2022 REPORTS, SUSPENDING DECISIONS ON BASELINES AND TARGETS, AND MODIFYING REPORTING (January 26, 2024).

potential PIMs specific to AMI and FAN. And, the Commission should defer any further consideration or development of potential AMI and FAN-specific PIMs to that proceeding – like it did in the Company's Annual Report on Safety, Reliability, and Service Quality proceeding in Docket No. E002/M-20-406. In that proceeding, the Commission referred the matter of any additional metric development, including whether to set targets, to the PBR proceeding and to take it up when the Commission considers next steps overall in that docket.[14]

To the extent the Commission decides to continue efforts to consider PIMs for the Company's AMI and FAN implementation in this or its PBR proceeding, we respond to Joint Commenters criticism of the Company's PIM proposal in the following sections. We address the concerns they expressed about transparency because our PIM contains four individual metric components, and the symmetrical structure of the potential incentives and disincentives we proposed in response to the Commission's directive.

D. Transparency is a Key Tenet of the PIM We Proposed

The Joint Commenters expressed concern that a single PIM with several underlying components could mask underperformance in certain areas in a fashion that lacks transparency.[15] Combining four metrics into a single PIM is not complex and maintains transparency into each subpart and the Company's performance as a whole. Calculating our performance is achieved through simple addition, as demonstrated in the two examples we provided in our Petition.

The Joint Commenters also took issue with how we proposed to weight the four outcomes of our proposed PIM. We understand that refinements may be needed as data collection develops. That too is contemplated by the Commission's PIM Design Process – specifically Step 4, which is Establish Metrics and Review. Factors such as this underscore the complexity that the Commission recognized in its April 16, 2020 Order in the PBR proceeding that established methodologies and reporting schedules for the approved metrics. That Order illustrates the complexity at the core of PBR that has not to-date been recognized with respect to the AMI and FAN metrics at issue in this proceeding and this Reply.

The Commission's April 16, 2020 Order in the PBR proceeding:

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[14] *See* May 18, 2023 Order in Docket Nos. E002/M-20-406 and E002/CI-17-401.
[15] Joint Commenters Comments at 10.

- Directed the Company to work with stakeholders and the Department to develop a demand response financial incentive – and to file a proposal for Commission consideration,
- Do further work with stakeholders to develop evaluation criteria and benchmarks and file them at a later date,
- Noted the Commission will wait until the appropriate step in the PIM process to decide on criteria for good versus bad performance, and establish benchmarks against which to measure the Company's performance, and
- Noted that the process of evaluating such criteria and benchmarks is likely to be complex and time-consuming.

We have been working very hard to develop the necessary capabilities report on the very robust set of nearly 90 AMI and FAN metrics to ensure the Commission and stakeholders have visibility into several dimensions of our performance, including the deployment and how we are leveraging the additional AMI capabilities to benefit our customers and our operations.

As we have stated throughout this Reply, we did our best to propose baselines, targets, and a PIM incentive framework to comply with the Commission's directive to do so. However, doing this for AMI metrics at this point, when the AMI deployment continues to be underway, significantly deviates from the Commission's PIM Design Process, is premature, and fails to recognize the same complexities that the Commission otherwise recognized for PBR in that proceeding.

The extensive reporting we are providing across several dockets offers robust information and customer protections with respect to the benefits we are realizing for customers from our AMI and FAN investments. No additional reporting or performance measures are necessary. However, to the extent the Commission believes further work is necessary, that work belongs in the PBR docket. This would be consistent with how the Commission addressed a similar issue in our Annual Electric Service Quality reporting in Docket No. E002/M-20-406, as outlined in Section I.B above.

E. If a PIM is Appropriate, Symmetrical Incentives Are the Proper Design

Joint Commenters disagree with the symmetrical approach to incentives we outlined in our Petition – arguing that the "appropriateness of [specific PIMs] should depend on the individual PIM; in some cases a penalty-only PIM may be appropriate."[16]

Order Point 16 required the Company to consider Hawaii's approach with the use of penalties, incentives, and deadbands.[17] We proposed a symmetrical PIM after review of the Hawaii PIM process. In Hawaii Docket No. 2018-0088, *In the Matter of Instituting a Proceeding to Investigate Performance-Based Regulation*, Hawaiian Electric was instructed to consider an asymmetrical PIM for one metric – with the incentive heavily favoring Hawaii Electric with a 3 to 1 incentive.[18] We ultimately proposed a symmetrical PIM that evenly balances the potential incentives and disincentives. Conversely, the Joint Commenters' PIMs Proposals seeks to create asymmetrical PIMs, fashioned such that they are, in fact, de facto penalties for the Company. As we detail further below, this attempt to preemptively cause financial harm to the Company for its necessary and good faith implementation of smart meters for its Minnesota customers is contrary to the general notions of the regulatory construct and reasonable performance-based ratemaking.

We understand the Commission's intent is to adequately track and maximize AMI benefits. The many metrics we are reporting on, and the PIM proposal we put forward at the Commission's direction, are good faith attempts to demonstrate the value we are deriving for our customers and adequately achieves the Commission's goal of maximizing AMI value for our customers. An asymmetrical "incentive" as proposed by Joint Commenters that is functionally a de facto penalty (as explained further below), is not a fair or reasonable starting point.

II. THE JOINT COMMENTERS' PIMS PROPOSALS

As we note above, the penalty-focused nature of the Joint Commenters' PIMs proposals is not appropriate and we believe, inconsistent with the Commission's objective in this proceeding. In general, performance metrics can be useful tools in supporting public policy goals and driving utility performance but should be viewed within the context of the broader regulatory construct and business model – and should encourage innovation and flexibility, while balancing reward with risk.

A. Joint Commenters' Proposal Ignores Practical Realities

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[16] Joint Commenters Comments at 10.
[17] *See* June 28, 2023 Order, Order Point No. 16,e,ii in Docket No. E002/M-21-814.
[18] 2018-0088.PBR_.Phase-2-DO.Final_.mk_.12-22-2020.E-FILED.pdf (hawaii.gov). Pages 95 to 97.

Though the Joint Commenters acknowledge the progress and work that is ongoing in the PBR proceeding, they argue that PIMs for AMI and FAN are about holding the utility accountable for delivering the promised benefits of its investment and not about revisions to the regulatory construct.[19] We disagree. The Joint Commenters are fixated on the Company's historical CBA and disregard the realities of a massive undertaking that touches every single Xcel Energy electric customer in Minnesota and that the world has continued to evolve and change. For example, as we progress with our AMI deployment and associated software and capabilities development, we are learning how AMI and FAN *actually* can and are changing our operations and relationship with our customers compared to what we thought in the planning stage. We all also weathered a worldwide pandemic that persistently changed the way customers use electricity. And finally, assumptions made with respect to potential AMI-enabled programs in our CBA, which preceded the actual start of our AMI deployment by several years, quickly became outdated in a post-COVID world and as the Commission and stakeholders made progress toward more sophisticated and abundant programs.

The punitive nature of the Joint Commenters proposals disregards practicable realities and disturbs the regulatory construct by creating a regime where PIMs could be structured in a fashion such that they function as de facto reductions to a utility's cost recovery for prudent expenditures that the Commission determined are in the public interest. Despite being framed as providing potential for utility incentives by the Commission, the Joint Commenters proposals are designed to create almost certain penalties for metrics where there is incomplete performance data from which to even determine an appropriate target. If the Commission were to adopt such an approach in this discrete, separate proceeding, the Company fears it would erode the positive work being done with respect to the Company's AMI deployment, the foundational work that has been done in the PBR proceeding, and would transform PIMs into tools that essentially pre-judge outcomes to the detriment of the utility.

B. Joint Commenters' de facto Penalties are Inconsistent with How the Commission has Viewed PIMs in Related Proceedings

The imposition of PIMs with de facto penalties is also inconsistent with how the Commission has viewed PIMs in related proceedings. Performance-based ratemaking was previously found to be a net positive for the Company, reducing overall risk. In the last rate case, parties argued the Company's return on equity (ROE) should be

[19] Joint Commenters Comments at 9.

reduced to account for "risk mitigation adjustments" based on a list of mechanisms identified in Schedule 10 of the Company's ROE Rebuttal Testimony, which included performance-based ratemaking.[20] The Commission relied upon this argument, at least in part, to reduce the 9.87 percent ROE recommended by the Administrative Law Judge to 9.25 percent.[21] If the Commission were to adopt the Joint Commenters' proposals, which almost certainly results in penalties for the Company, it would undercut the rationale of reducing the Company's ROE in the last rate case, and demonstrates that performance-based ratemaking is, in fact, a risk factor for utilities in Minnesota.

In the following sections, we provide additional background information related to our historical CBA and respond to each of the Joint Commenters' PIMs proposals.

C. A CBA is a Projection of Potential Future Benefits, Not a Workplan

The Joint Commenters' strict adherence to the CBA for purposes of structuring PIMs does not recognize the evolving landscape. While a CBA can be a valuable tool and can help to evaluate a planned investment, a CBA is not a specific workplan and is also not fully inclusive of all benefits, such as non-quantifiable benefits like improved customer satisfaction. A perfect example of this is the load shifting benefits we estimated in our initial CBA. Those benefits were estimated from a Potential Study performed by the Brattle Group (Brattle Group Study).[22] It is important to note that the Brattle Group Study was an update to an original study they conducted beginning in 2014 – meaning the customer analysis (pricing and participation) was developed up to five years prior to the CBA – and now is over a decade old.[23]

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[20] *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-21-630, D'Ascendis Rebuttal at Schedule 10 (Nov. 8, 2022); *see, e.g.*, *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-21-630, XLI Post-Hearing Brief at 14 (Jan. 11, 2023).

[21] *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-21-630, FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 88, 91-92 (July 17, 2023).

[22] "The Potential for Load Flexibility in Xcel Energy's Northern States Power Service Territory"

[23] Further, the CBA containing the potential load shifting benefits at issue was developed in 2019 – before the profoundly impactful events of the COVID-19 pandemic that fundamentally and dramatically changed customer behaviors and preferences, with people consuming electricity in different patterns and amounts still today. The Commission acknowledged such in their January 26, 2024 Order in the PBR docket, saying that the unprecedented impacts of the COVID-19 pandemic changed the world and behaviors enough that additional time is needed to gather enough data to make well-informed decisions.

The Brattle Group Study represented the best information available at the time we requested certification of our AMI and FAN project, and as such, was a reasonable tool to inform and estimate potential future load shifting benefits, made possible by broad deployment of smart meters. That said, it was not based on actual program proposals or programs that were approved by the Commission. So, while our CBA reasonably captured that and other potential quantifiable benefits we anticipated AMI and FAN might bring to our customers, a CBA uses historical data and many assumptions to forecast potential future benefit streams. As such, a CBA is imperfect and illustrative, in that it generally does not correlate to specific work plans and specific future program designs. Importantly, the illustrative nature of a CBA cannot account for real-time developments, changes in regulatory directives, and other factors impacting specific rate development.

While AMI meters allow the Company to have more flexibility in the rate offerings we are able to propose and implement, the benefits of a potential future load shifting program are not properly attributable to the AMI meters themselves. The benefits stem from a specific program design that is considered and approved by the Commission. Any metrics to measure value from load shifting programs are therefore appropriately determined in the proceedings where the specific parameters of those programs are considered and approved.

While the CBA represented the Company's best efforts to approximate a load shifting benefit of broad smart meter deployment, the reality is that many of the load shifting programs contemplated by the Brattle Group Study do not exist at this time. Further, the Company been working to develop *actual* load shifting programs, which is occurring in Docket No. E002/M-23-524. It is also important to note that reporting on Commission-approved metrics for cost-effective alignment of generation and load are already established in the PBR proceeding, as follows:

- Demand response, including (1) capacity available (MWh) and (2) amount called (MW, MWh per year),
- Amount of demand response that shapes customer load profiles through price response, time varying rates, or behavior campaigns, and
- Amount of demand response that shifts energy consumptions from times of high demand to times when there is a surplus of renewable generation.

D. Load Shifting Programs

In their Reply Comments, the Joint Commenters propose implementing a de facto penalty-only PIM, based on the projected benefits of an illustrative Critical Peak

Pricing (CPP) and Time of Use (TOU) program contained in the Company's CBA. Specifically, the Joint Commenters' proposal for CPP and a Peak Time Rebate program that was not even included in our CBA has the effect of imposing a **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** penalty to the Company starting in 2026.[24] The Joint Commenters rationalize that this PIM is necessary to ensure ratepayers receive the benefits outlined in the Company's CBA. This misconstrues the purpose of a CBA and expands its use beyond a tool used to evaluate a potential investment or project – and effectively proposes a **de facto penalty** for the Company, purely because one benefit contained in a CBA is not being realized exactly like it was forecasted at a point in time. It also ignores the fact that the Company has proposed broad TOU rates, leveraging its new AMI meters – and that the Company, Commission, and stakeholders are otherwise engaged with the development of actual load shifting programs in other dockets. The Company strongly opposes Joint Commenters' load shifting PIM proposal for these and other reasons stated in this Reply.

1. Tangible, Actual Performance Information is Necessary Prior to Establishing Targets and Certainly, Incentives or Penalties

As a threshold matter, establishing performance metrics for programs that do not exist is not appropriate because there is no basis for the measurement; there is also no actual performance data from which to establish a target, that may or may not lead to development of a PIM. Establishing metrics and PIMs for programs that do not actually exist does not serve a policy goal, does not balance reward with risk, and could lead to harmful financial impacts to the Company.

Further, we disagree with the Joint Commenters' suggestion that we are not in Compliance with Order Point 15 of the June 2023 Order because we did not propose a target for programs that have yet to be developed.[25] As we discuss in this Reply and explained in our Petition, it is not feasible to develop interim performance targets since we have yet to deploy load shifting rates en masse. Their suggestion that the Brattle Group Study could be used as a basis for a target does not recognize that the base customer and load assumptions in that study are from 2014, and were not updated with Brattle's 2019 refresh of the Study. Even if the assumptions in that

[24] Joint Commenters Comments at 4.

[25] Order Point No. 15 requires the Company to provide interim performance targets for each of the performance metrics that are "undefined" in Attachment 1, Table 1 of Staff Briefing Papers – Volume 2 filed on April 26, 2023. Such interim performance targets must be based upon projected benefits used in the Company's benefit-cost analysis of the AMI and FAN Projects, and any other pertinent information.

study had been updated with the 2019 information, load patterns and customer behavior fundamentally and persistently shifted during the COVID-19 pandemic, and data from prior to that shift is no longer representative of the potential from those conceptual rate designs.

Further, the Commission has already and otherwise established load shifting metrics as part of the PBR proceeding and is monitoring the Company's load shifting program development and progress in the PBR docket. Our latest report on 2023 data was filed on April 30, 2024. The Commission's thoughtful PIMs framework and process in the PBR proceeding appropriately recognizes the need for tangible, actual performance information prior to establishing targets – and certainly, prior to considering whether a metric is ripe to be an actual PIM.[26]

2. *Customers are Benefitting from AMI in Ways Contemplated and Not Contemplated in the CBA*

Fundamentally, the Company had to replace its legacy meters because they were at end of life. The fact that we will get additional value from the AMI meters improves the value proposition of this necessary investment, but that does not change the fact that it is a necessary investment. Our primary focus needs to remain on the deployment of the 1.4 million AMI meters for Minnesota electric customers before our end of 2025 deadline to have all legacy meters replaced.[27] As we have explained, we expect to learn through our experience using the new AMI capabilities as the deployment expands and concludes in late 2025. We expect we will achieve significant benefits as contemplated in the CBA. However, as we have also explained, we expect we will realize at least some of those benefits differently than what we contemplated at the time we submitted the CBA. An example of this is in our Distribution Control Centers, where we anticipate avoiding truck rolls through use of AMI meter capabilities; we are indeed realizing that benefit, however, we are learning that leveraging these capabilities creates additional work for our Dispatchers, offsetting the overall benefit to our control center operations.

All this said, customers are benefitting from AMI – even though the deployment is not yet complete. As we noted in the main body of our Reply, our customers are

[26] Docket No. E002/CI-17-401, ORDER ACCEPTING REPORT AND SETTING ADDITIONAL REQUIREMENTS (February 9, 2022), at Order Point 5. The Company's Reply Comments further address these points and the underlying policy and legal considerations that should guide the Commission.

[27] All legacy meters must be replaced no later than December 31, 2025 or the Company will be unable to bill its customers; its legacy meters and meter reading service is at end of life and terminates on that date.

benefiting from our ability to remotely disconnect vacant premises – lowering losses and thus fuel costs for customers. Our customers have also benefitted from the Company avoiding approximately $6 million of legacy meter reading costs from our replacement of approximately 1 million legacy meters with AMI meters. We are committed to leveraging the AMI meters to the benefit of our customers and our operations. We are also happy to continue to report on the myriad of deployment- and value-based metrics the Commission established for this project. Any baselines and targets need to recognize the timeline necessary to completely change over the metering equipment and technology for our customers – and that some benefits will be realized differently than contemplated in the planning stages of any project, especially one of this enormity.

3. Robust Oversight of Load Shifting Programs and Benefits Otherwise Exists

To the extent the Commission believes an additional load shifting metric over-and-above those already established in the PBR proceeding is necessary, that needs to be considered in the proceeding where load shifting programs are being considered and ultimately approved – such as the Shared Savings DSM Financial Incentive Mechanism in Docket No. E,G999/CI-08-133 – and in concert with the PBR proceeding.

The Joint Commenters acknowledged that an incentive for net benefits achieved through load management exists today but have suggested that rather than allowing an incentive through a thoroughly vetted Commission process, it should be abandoned for a PIM that includes programs that do not exist. We do not believe this is supported by Minnesota Legislation that established an analogous set of factors to encourage utility investment in load management programs (Minn. Stat. § 216B.241 subd. 13(d)) and established through a Commission process that went into effect just this year. This is also inconsistent with Commission direction in the PBR proceeding for the Company and parties to develop and propose a demand response financial incentive in the PBR proceeding.[28] While the Commission did not implement the incentive that was proposed, we believe it is instructive that the Joint Commenters' proposed penalty based on an illustrative and outdated program design stands in stark contrast to well-established public policies that incent load management programs in Minnesota.

[28] As noted in the PBR procedural summary in Section 1.B. above.

To the extent the Commission determines additional metrics and a PIM around load shifting is necessary, that needs to be considered in the PBR proceeding, and done in accordance with the PIMs framework and process.

The Joint Commenters' proposed Load Shifting PIM is not in the public interest and would cause financial harm to the Company. As such, we urge the Commission to reject it. We remain committed to the PBR proceeding and are open to evaluating an additional load shifting metric further in that docket, to the extent the Commission believes that is necessary. In the alternative, in the event the Commission is persuaded by the Joint Commenters' proposal, we respectfully request an implementation timeline that would allow for three years of actual data collection after applicable programs are rolled out to inform the creation of baseline data and further refinements.

E. Meter Failure Rate Metric

The Joint Commenters recommend a PIM for the reduced meter failure rate our CBA recognized, arguing that it is necessary to "transfer" financial risk to the Company for a meter failure rate in excess of that forecast in the CBA. The measure in our CBA compares a historic average failure rate for our legacy meters compared to the much lower failure rate our vendor has committed to.

Meter failures are a commercial matter between the Company and its vendor. Our contract with Itron provides a warranty that removes financial risk from our customers, therefore, a PIM is not necessary because our customers are otherwise shielded from this commercial risk. Specifically, **[PROTECTED DATA BEGINS**

PROTECTED DATA ENDS].

Additionally, a metric or PIM for this would be misplaced. The Metric Design Principles adopted by the Commission in its January 8, 2019 Order in the PBR proceeding require that metrics should be sufficiently objective and seek to measure behaviors that are within a utility's control. Meter failures are outside the Company's control, and while a lower meter failure rate is indicative that our meter selection was sound, any suggestion that we could realize a lower meter failure rate with another meter is inappropriate for setting targets or PIMs. If a specific evaluation of meter performance or other functionalities is important to the Commission, the Company is open to engaging with the Joint Commenters and other stakeholders in the PBR proceeding to discuss further.

F. Unassigned Usage Metric

The Joint Commenters proposed a penalty-only PIM for Unassigned Usage (UU), that the metric measure our performance across all customer classes, and that it begin in 2026. This metric design is flawed; there is not sufficient actual performance data on which to base a target for a 2026 start, and we object to the penalty-only approach on which Joint Commenters base their recommendation. We also note that in developing our response to this recommendation, the data we provided in our September 25, 2023 Compliance Filing was for the NSP-Minnesota Operating Company, not the State of Minnesota. So, we provide corrected information in this Reply.

1. The UU Metric Is Rooted in AMI Meter Capabilities

As background, UU is where a person at a premise is using the electric service without registering as the customer of record for that premise. With AMI, we have improved abilities to detect such unauthorized usage, should it occur – and to prevent such usage by leveraging the remote disconnect capability of the meters and software tools we developed to remotely disconnect the power to premises without registered customers.

We included UU benefits as one of the four metric components of our proposed PIM. The Joint Commenters agree the metric for UU should be based on a reduction in energy usage (kWh). However, they propose that the metric apply to *all* customer classes. That design is flawed for an AMI-based metric, because remote connect/disconnect capabilities are only possible with specific meter types. The basis of the UU benefit in our CBA is specific to those customers, which are generally residential and non-demand commercial customers.[29]

2. *A Penalty-Only Design Misconstrues the Beneficiary of the Avoided UU Energy Use*

First, we object to a penalty-only PIM for the reasons we previously stated. We further object with Joint Commenters' assertion that a penalty-only design is appropriate because the Company receives an inherent benefit from remedying unassigned usage through the reduction of bad debt. Bad Debt expense is a cost to the Company and is recovered through base rates. Attempting to justify a penalty approach for the Company's robust efforts to minimize fuel and bad debt costs for customers by leveraging technology is puzzling.

3. *A 2026 Start Ignores the Commission's PIM Process*

Second, the Joint Commenters propose the PIM begin in 2026. We object to this timing – also for the reasons we previously stated, including the necessity to have three years of actual performance data from which to determine the baseline and any target. In addition to the AMI deployment continuing to be underway until its planned completion in late 2025, we have been using a phased/ramp-up approach to remote disconnection of vacant premises, so our results to-date do not reflect full use of the AMI capabilities.

We are taking a gradual ramp-up approach with the new AMI remote command systems and capabilities so that we are able to monitor and avoid inadvertent and negative impacts to our customers, call centers, technology services, and our crews. We have been increasing UU disconnection volume over time as the AMI rollout continues and as our systems become more automated and our personnel grow their experience. This ramp-up approach, and because our AMI meter deployment is not yet complete, means that our avoided kWh results to-date are not truly a baseline from which target or future performance should be based.[30]

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[29] Specifically, the AMI meters for customers on the following rates have the internal service switch necessary for remote connect/disconnect: Residential Service, Residential Time-of-Day Service, Small General Service, or Small General Time of Day Service. AMI meters for customers that require 3 phase/polyphase service (the kind of meters used by larger commercial and industrial customers), demand-billed business customers, and customers that have opted out of receiving AMI meters are not equipped with an internal service switch, so remote connect/disconnect is not possible.

[30] With the AMI deployment still underway and not planned to be complete until late 2025, this is true of all of the metrics we are reporting on.

4. *Correction to Reference Period Data to be State of Minnesota, Not Operating Company*

In developing our response to the Joint Commenters' UU proposal, we discovered that we inadvertently presented a portion of the historical data at the Operating Company level (NSP-Minnesota, which includes Minnesota, North Dakota, and South Dakota) instead of the Minnesota jurisdictional level. We provide revised data in Table 1 below, which results in an amended baseline for the State of Minnesota of 77,810,000 kWh.

Table 1
State of Minnesota – Actual Avoided Unassigned Usage (kWh)

Year	kWh
2019	78,017,000
2020	65,937,000
2021	66,459,000
2022	78,160,000

We also provide an updated Interim Target and Threshold data, as required by the Commission, in Table 2 below.

Table 2
Illustrative Penalty/Incentive Thresholds – Unassigned Usage (kWh)

Year	**Interim Target** (Usage on unassigned accounts)	**Penalty Threshold*** (+1.5 standard deviations)	**Incentive Threshold*** (-1.5 standard deviations)
2023	76,254,000	86,557,000	65,951,000
2024	73,204,000	83,083,000	63,325,000
2025	67,347,000	77,226,000	57,468,000
2026-2028	62,248,000	72,127,000	52,369,000

* Performance for the four PIM metrics would be aggregated to assess overall performance and assess a penalty or incentive.

5. *New or Changing Disconnection Policies Are Misplaced in this Docket*

Finally, the Joint Commenters recommend a policy that the Company maintains for residential disconnections during the Cold Weather Rule period be formalized. Specifically, they recommend that the Company be prohibited from disconnecting unknown users during the period the Cold Weather Rule is in effect. In making this recommendation, they acknowledge that the Cold Weather Rule (Minn. Stat. § 216B.096) does not apply to unassigned usage cases, since this usage is occurring at vacant premises – however, arguing that the Company's policy that goes beyond its statutory obligations should be formalized. They also suggest the Company's practices with respect to the criteria it applies to shut off usage on unassigned accounts be made more stringent and formalized.

The purpose of this docket is for cost recovery of the Company's AMI and FAN expenditures, and to establish metrics that measure the Company's performance with respect to those investments. Any decisions regarding policies or protocols related to the Cold Weather Rule are properly addressed in a Cold Weather Rule docket with the appropriate parties and stakeholders engaged. Similarly, the Joint Commenters' recommendation to formalize the threshold the Company is using to determine when to disconnect service to a vacant premise at which energy usage is occurring is misplaced in this proceeding. Further, the Joint Commenters portray this as an additional consumer protection, with no analysis that the Company's current thresholds of 500 kWh or 60 days of vacancy thresholds are inadequate. They also offer no analysis of the impacts of such a change on fuel costs or on bad debt expense that would end up being socialized as costs to all customers.

For these reasons, the Commission should not accept these recommendations. To the extent the Commission believes a policy analysis or change may be warranted, that should be redirected to a policy-focused proceeding where the appropriate stakeholders can be engaged.

In summary, the Joint Commenters' proposed PIM for UU is flawed, inconsistent with the Commission's PIM Design Principles, and would unfairly harm the Company. To the extent the Commission believes further work to develop a PIM for UU is necessary, that work should be transferred to the PBR proceeding and occur on the Commission's overall timeline and process for PIMs and PBR. Similarly, if the Commission believes policies specific to vacant premises require review, that too should be referred to an appropriate proceeding.

G. Additional Reporting Requirements

The Joint Commenters suggest that the Company be required to submit another annual performance report by February 28 of the following year, with the first report being due by February 28, 2027 (if their PIM proposal beginning in 2026 is adopted). They also recommend that the Company develop and include in its AMI Annual

Report an additional 13 metrics. We oppose both of these recommendations. Finally, they propose a protocol be established to terminate PIMs that are no longer providing value. This recommendation is misplaced and should be referred to the PBR proceeding.

1. An Additional Annual Report Would be Duplicative

As we have discussed elsewhere in the Reply, we already provide robust reporting on our AMI and FAN deployment and on the ways that we are leveraging AMI tools to benefit our customers and the Company. We submitted our first AMI Annual Report with the results of nearly 90 AMI and FAN metrics on November 1, 2023 (for results through September 30, 2023).

As we have discussed and demonstrated, the Commission already has robust customer protections in place for our AMI and FAN initiative, through cost caps on our cost recovery and extensive reporting requirements.[31] We strongly oppose Joint Commenters PIMs proposals, and also a requirement to submit yet another report. Additional reporting would be duplicative and not provide incremental value.

To the extent the Commission determines it is necessary to further consider PIMs for the Company's AMI and FAN implementation project, that work should occur in the PBR proceeding – and any reporting should accordingly be done as part of the ongoing PBR Annual Reports that are already established in that docket.

2. The Proposed Additional Metrics are Not Necessary or Appropriate

The Joint Commenters recommend that the Company develop additional metrics listed in Table 4 of their Reply Comments to be included in the Company's AMI Annual Report. We include the table below for reference.

[31] The Company provides extensive reporting on the deployment and benefits of AMI and FAN in our annual AMI Annual Report, which is required to be filed in Docket No. E002/M-21-814 and subsequent TCR proceedings. *See* June 28, 2023 Order, Order Point No. 10.

Table 3
Joint Commenters Table 4. Additional Recommended Reporting Requirements

Table 4. Additional Reporting Requirements for AMI Annual Report[47,48]

Category (Staff Briefing Papers)	Outcome
Reduced field and meter O&M	Percentage of disconnection completed remotely
	Percentage of reconnection completed remotely
	Reduced field trips due to customer equipment damage
	Reduced "Ok on arrival" outage field visits
	Reduction in field trips for voltage investigations
Reduced theft/meter tampering	Reduced theft/meter tampering (not cases completed)
	Reduced meter reading expenses
	Reduced outage duration
Distribution management efficiency	Reduced O&M spending on asset health and reliability and capacity projects
	Reduced capital spending on asset health and reliability and capacity projects
Outage management efficiency	Reduced O&M spending on storm recovery
	Reduced capital spending on storm recovery
Reduced bad debt expense	Reduced uncollectable/bad debt expense

Joint Commenters' footnote (FN) 47 acknowledges that they are aware that certain outcomes from Table 4 may already be tracked and reported by the Company. In fact, we are already reporting on 10 of their 13 recommended "additional" reporting requirements. In FN47, the Joint Commenters also further stress that the goal of this benefit reporting is to isolate the effect of AMI and FAN to the extent possible. We agree.

However, as noted in our September 25, 2023 Compliance Filing, many of the benefits listed in Table 4 are affected by outside factors, which makes it impracticable to evaluate the benefits in the context of AMI; we therefore proposed alternative evaluation methods that are grounded in available data and tools, and designed to isolate and measure the effects of AMI on our performance. Attempting to measure the benefits directly attributable to AMI requires creative thinking, a deep understanding of the business functions, and multi-faceted evaluation methods. The metrics and evaluation methods we have put forward are robust, practicable, and aligned with the Commission's Metric Design Principles.

The remaining three metrics in Joint Commenters' Table 4 were not part of the Commission's June 2023 Order requirements.

3. PIM Design and Functional Decisions Belong in the PBR Proceeding

The Joint Commenters also suggest the Commission establish the terms for terminating any PIMs that are not functioning as intended. This further illustrates the importance of all PIM development occurring through a single process, and in the context of the entirety of the Company's performance. The Commission is doing that work in the PBR proceeding, and that is where protocols for PIM termination would need to be considered and established.

CONCLUSION

As we have discussed, we thoroughly complied with the Commission's requirements – threading a needle between the process established in the PBR proceeding and the requirement to propose baselines, interim targets, and an incentive framework for our AMI and FAN investments that are still underway. The implementation of AMI and FAN will not be completed until late 2025, so we will not have three years of actual performance data until at least 2028; as such, establishing baselines and setting targets is premature. Further, any incentive mechanism for the Company is properly developed as part of a robust process in the PBR proceeding and in the context of the Company's overall performance. Establishing incentives or accepting Joint Commenters' recommendations for penalty-only PIMs is premature and inconsistent with the PBR proceeding and the regulatory construct.

List of metrics required to comply with Order Point 10 of the Minnnesota Public Utilites Commission Order issued June 28, 2023 in Docket No. E002/M-21-814

1 Survey results of customer on the adequacy and clarity of communications prior to installation of advanced meters
2 Number of advanced meters installed
3 Percentage of advanced meters deployed compared to planned installation
4 Percentage of customers with advanced meters
5 Percentage of FAN deployed
6 Percentage of FAN deployed compared to planned installation
7 Number of customers electing to opt-out of AMI installation
8 Number of calls to Customer Contact Center and meter installation vendor regarding meter installation
9 Number of complaints regarding AMI installation
10 Number of intelligent field devices enabled by the FAN
11 Number of missed installation appointments
12 Total AMI project capital spend to-date vs. total AMI project capital budget
13 Total FAN project capital spend to-date vs. total FAN project capital budget
14 Total AMI project O&M spend to-date vs. total AMI project O&M budget
15 Total FAN project O&M spend to-date vs. total FAN project O&M budget
16 O&M cost savings from avoided field visits
17 Percentage of customers with advanced meters that receive estimated bills
18 Total number of AMI meters used for billing (activated)
19 Percentage of customers with an advanced meter that have made a complaint of inaccurate meter readings
20 Survey of customer satisfaction with outage related communications
21 Number of customers with an advanced meter with an active web portal account
22 Number of monthly, unique visits to the web portal (My Account)
23 Percentage of customers with an advanced meter with Home Area Network (HAN) functionality
24 Number of customers with an advanced meter with Home Area Network (HAN) functionality
25 Percent of customers with an advanced meter with Green Button Connect My Data (CMD) functionality
26 Number of customers with an advanced meter with Green Button Connect My Data (CMD) functionality
27 Number of customer/account inquiries regarding AMI or time varying rates
28 Number of customers enrolled in time-varying rate programs
29 Number of customers enrolled in other AMI-enabled demand management programs
30 Number of avoided truck rolls/field visits
31 Meter accuracy test percentage
32 Percentage of interval reads received
33 Number of remote meter disconnect operations
34 Number of remote meter connect operations
35 Percentage of interval reads received
36 Percentage of customers with advanced meter at least 30 days that are targeted with energy savings messaging
37 Percentage of low-income customers with advanced meters at least 30 days that are targeted with energy savings messaging
38 Percentage of customers aware of AMI
39 Understanding of AMI technology and benefits
40 Percentage of low-income customers aware of AMI
41 Number of customers with advanced meters that adopt an advanced rate option (e.g. TOU) tariff, expressed as a number and percentage by each rate
42 Number of organizational events attended where information on AMI presented, by region
43 Demand Response: percentage participation by class
44 DER: percentage adoption, by class
45 Storage: percentage adoption, by class
46 Customer access to hourly or sub-hourly data
47 Third-party service access to customer data
48 Variety, quality, accessibility of customer data available (consistent with privacy and CEUD requirements)
49 Demand Response: annual max MW reduction total and as a percentage of load, by class
50 Demand Response: MW enrolled total and as percentage of load, by class
51 DER: MWh generated as percentage of sales, by class
52 DER: MW installed as percentage of load, by class
53 Storage: MWh installed energy capacity as percentage as percentage of sales, by class
54 Storage: MW installed capacity as percentage of load, by class
55 Non-Wires Alternatives (NWA): MW as percentage of (peak) load
56 NWA: percentage of customers participating, by class
57 NWA: savings ($) per year
58 Percentage of grid supporting services provided by DER vs. traditional solutions
59 Capex for Asset Health/Reliability, Capacity Projects
60 Storm related capital restoration costs (unrelated, reported elsewhere)
61 AMI meter failure rate (avoided meter purchases)
62 Annual trips for damaged customer equipment
63 Annual trips for residential manual disconnection
64 Annual trips for residential manual reconnection
65 Annual "OK on Arrival" field visits
66 Annual voltage investigation field visits
67 O&M for Asset Health/Reliability, Capacity Projects
68 O&M for storm related activity
69 Customer-minutes of outage (CMO) - major events
70 CMO-single customer events
71 CMO-tap level events
72 Cost of consumption on inactive meters
73 Commodity bad-debt expense
74 Residential demand shift from TOU rates
75 Medium C&I demand shift from TOU rates
76 Residential peak demand reduction from Critical Peak Pricing
77 Medium C&I peak demand reduction from Critical Peak Pricing
78 Capital and O&M $ spent on Asset Health and Reliability projects and Capacity projects
79 Capital and O&M $ spent on storm recovery
80 $ spent on meter replacement due to failure
81 Field trips due to customer equipment damage
82 Percent of disconnects and reconnects done remotely
83 “Ok on arrival” outage field visits
84 Usage on unassigned accounts
85 $ of bad-debt write-offs
86 Increase in Retail Revenue
87 Customer energy price savings due to time-of-use (TOU) rates

CERTIFICATE OF SERVICE

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

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

xx electronic filing

DOCKET NO. E002/M-23-467

Dated this 26th day of August 2024

/s/

____

Joshua DePauw
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Mark B.	Bring	mbring@otpco.com	Otter Tail Power Company	215 South Cascade Street PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_23-467_M-23-467
Christina	Brusven	cbrusven@fredlaw.com	Fredrikson Byron	60 S 6th St Ste 1500 Minneapolis, MN 55402-4400	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
LORI	CLOBES	lclobes@mienergy.coop	MiEnergy Cooperative	31110 COOPERATIVE WAY PO BOX 626 RUSHFORD, MN 55971	Electronic Service	No	OFF_SL_23-467_M-23-467
James	Canaday	james.canaday@ag.state.mn.us	Office of the Attorney General-RUD	Suite 1400 445 Minnesota St. St. Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467
Douglas M.	Carnival	dcarnival@carnivalberns.com	McGrann Shea Carnival Straughn & Lamb	N/A	Electronic Service	No	OFF_SL_23-467_M-23-467
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_23-467_M-23-467
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St, Louis, MO 63119-2044	Electronic Service	No	OFF_SL_23-467_M-23-467
Kenneth A.	Colburn	kcolburn@symbioticstrategies.com	Symbiotic Strategies, LLC	26 Winton Road Meredith, NH 32535413	Electronic Service	No	OFF_SL_23-467_M-23-467
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_23-467_M-23-467
Brandon	Crawford	brandonc@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota St Ste W1360 St. Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467
George	Crocker	gwillc@nawo.org	North American Water Office	5093 Keats Avenue Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_23-467_M-23-467
James	Denniston	james.r.denniston@xcelenergy.com	Xcel Energy Services, Inc.	414 Nicollet Mall, 401-8 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Curt	Dieren	curt.dieren@dgr.com	L&O Power Cooperative	1302 S Union St Rock Rapids, IA 51246	Electronic Service	No	OFF_SL_23-467_M-23-467
Carlon	Doyle Fontaine	carlon.doyle.fontaine@senate.mn	MN Senate	75 Rev Dr Martin Luther King Jr Blvd Room G-17 St Paul, MN 55155	Electronic Service	No	OFF_SL_23-467_M-23-467
Christopher	Droske	christopher.droske@minneapolismn.gov	City of Minneapolis	661 5th Ave N Minneapolis, MN 55405	Electronic Service	No	OFF_SL_23-467_M-23-467
Brian	Edstrom	briane@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota St Ste W1360 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467
Kristen	Eide Tollefson	healingsystems69@gmail.com	R-CURE	28477 N Lake Ave Frontenac, MN 55026-1044	Electronic Service	No	OFF_SL_23-467_M-23-467
Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy	414 Nicollet Mall - 401 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Bob	Eleff	bob.eleff@house.mn	Regulated Industries Cmte	100 Rev Dr Martin Luther King Jr Blvd Room 600 St. Paul, MN 55155	Electronic Service	No	OFF_SL_23-467_M-23-467
Betsy	Engelking	betsy@nationalgridrenewables.com	National Grid Renewables	8400 Normandale Lake Blvd Ste 1200 Bloomington, MN 55437	Electronic Service	No	OFF_SL_23-467_M-23-467
Oncu	Er	oncu.er@avantenergy.com	Avant Energy, Agent for MMPA	220 S. Sixth St. Ste. 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
John	Farrell	jfarrell@ilsr.org	Institute for Local Self-Reliance	2720 E. 22nd St Institute for Local Self-Reliance Minneapolis, MN 55406	Electronic Service	No	OFF_SL_23-467_M-23-467
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_23-467_M-23-467
Lucas	Franco	lfranco@liunagroc.com	LIUNA	81 Little Canada Rd E Little Canada, MN 55117	Electronic Service	No	OFF_SL_23-467_M-23-467
Nathan	Franzen	nathan@nationalgridrenewables.com	Geronimo Energy, LLC	8400 Normandale Lake Blvd Ste 1200 Bloomington, MN 55437	Electronic Service	No	OFF_SL_23-467_M-23-467
Hal	Galvin	halgalvin@comcast.net	Provectus Energy Development llc	1936 Kenwood Parkway Minneapolis, MN 55405	Electronic Service	No	OFF_SL_23-467_M-23-467
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St Saint Paul, MN 55102-2617	Electronic Service	No	OFF_SL_23-467_M-23-467
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_23-467_M-23-467
Allen	Gleckner	gleckner@fresh-energy.org	Fresh Energy	408 St. Peter Street Ste 350 Saint Paul, MN 55102	Electronic Service	No	OFF_SL_23-467_M-23-467
Jenny	Glumack	jenny@mrea.org	Minnesota Rural Electric Association	11640 73rd Ave N Maple Grove, MN 55369	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Shubha	Harris	Shubha.M.Harris@xcelenergy.com	Xcel Energy	414 Nicollet Mall, 401 - FL 8 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Kim	Havey	kim.havey@minneapolismn.gov	City of Minneapolis	350 South 5th Street, Suite 315M Minneapolis, MN 55415	Electronic Service	No	OFF_SL_23-467_M-23-467
Todd	Headlee	theadlee@dvigridsolutions.com	Dominion Voltage, Inc.	701 E. Cary Street Richmond, VA 23219	Electronic Service	No	OFF_SL_23-467_M-23-467
Amber	Hedlund	amber.r.hedlund@xcelenergy.com	Northern States Power Company dba Xcel Energy-Elec	414 Nicollet Mall, 401-7 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_23-467_M-23-467
Jared	Hendricks	jared.hendricks@owatonnautilities.com	Owatonna Municipal Public Utilities	PO Box 800 208 S Walnut Ave Owatonna, MN 55060-2940	Electronic Service	No	OFF_SL_23-467_M-23-467
Annete	Henkel	mui@mnutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St.Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467
Holly	Hinman	holly.r.hinman@xcelenergy.com	Xcel Energy	414 Nicollet Mall, 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Joe	Hoffman	ja.hoffman@smmpa.org	SMMPA	500 First Ave SW Rochester, MN 55902-3303	Electronic Service	No	OFF_SL_23-467_M-23-467
Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.	445 Etna Street Ste. 61 St. Paul, MN 55106	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Jan	Hubbard	jan.hubbard@comcast.net		7730 Mississippi Lane Brooklyn Park, MN 55444	Electronic Service	No	OFF_SL_23-467_M-23-467
Geoffrey	Inge	ginge@regintllc.com	Regulatory Intelligence LLC	PO Box 270636 Superior, CO 80027-9998	Electronic Service	No	OFF_SL_23-467_M-23-467
Casey	Jacobson	cjacobson@bepc.com	Basin Electric Power Cooperative	1717 East Interstate Avenue Bismarck, ND 58501	Electronic Service	No	OFF_SL_23-467_M-23-467
Ralph	Jacobson	ralphj@ips-solar.com		2126 Roblyn Avenue Saint Paul, MN 55104	Electronic Service	No	OFF_SL_23-467_M-23-467
John S.	Jaffray	jjaffray@jjrpower.com	JJR Power	350 Highway 7 Suite 236 Excelsior, MN 55331	Electronic Service	No	OFF_SL_23-467_M-23-467
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2950 Yellowtail Ave. Marathon, FL 33050	Electronic Service	No	OFF_SL_23-467_M-23-467
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Nate	Jones	njones@hcpd.com	Heartland Consumers Power	PO Box 248 Madison, SD 57042	Electronic Service	No	OFF_SL_23-467_M-23-467
Michael	Kampmeyer	mkampmeyer@a-e-group.com	AEG Group, LLC	260 Salem Church Road Sunfish Lake, MN 55118	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.	11 East Superior St Ste 125 Duluth, MN 55802	Electronic Service	No	OFF_SL_23-467_M-23-467
Brad	Klein	bklein@elpc.org	Environmental Law & Policy Center	35 E. Wacker Drive, Suite 1600 Suite 1600 Chicago, IL 60601	Electronic Service	No	OFF_SL_23-467_M-23-467
Brian	Krambeer	bkrambeer@mienergy.coop	MiEnergy Cooperative	PO Box 626 31110 Cooperative Way Rushford, MN 55971	Electronic Service	No	OFF_SL_23-467_M-23-467
Michael	Krause	michaelkrause61@yahoo.com	Kandiyo Consulting, LLC	1200 Plymouth Avenue Minneapolis, MN 55411	Electronic Service	No	OFF_SL_23-467_M-23-467
Michael	Krikava	mkrikava@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Matthew	Lacey	Mlacey@grenergy.com	Great River Energy	12300 Elm Creek Boulevard Maple Grove, MN 553694718	Electronic Service	No	OFF_SL_23-467_M-23-467
Carmel	Laney	carmel.laney@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	OFF_SL_23-467_M-23-467
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Dean	Leischow	dean@sunrisenrg.com	Sunrise Energy Ventures	315 Manitoba Ave Ste 200 Wayzata, MN 55391	Electronic Service	No	OFF_SL_23-467_M-23-467
Annie	Levenson Falk	annielf@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota Street, Suite W1360 St. Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467
Ryan	Long	ryan.j.long@xcelenergy.com	Xcel Energy	414 Nicollet Mall 401 8th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Susan	Ludwig	sludwig@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	OFF_SL_23-467_M-23-467
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_23-467_M-23-467
Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc	414 Nicollet Mall 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Gregg	Mast	gmast@cleanenergyeconomymn.org	Clean Energy Economy Minnesota	4808 10th Avenue S Minneapolis, MN 55417	Electronic Service	No	OFF_SL_23-467_M-23-467
Thomas	Melone	Thomas.Melone@AllcoUS.com	Minnesota Go Solar LLC	222 South 9th Street Suite 1600 Minneapolis, MN 55120	Electronic Service	No	OFF_SL_23-467_M-23-467
Stacy	Miller	stacy.miller@minneapolismn.gov	City of Minneapolis	350 S. 5th Street Room M 301 Minneapolis, MN 55415	Electronic Service	No	OFF_SL_23-467_M-23-467
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Dalene	Monsebroten	dalene.monsebroten@nmpagency.com	Northern Municipal Power Agency	123 2nd St W Thief River Falls, MN 56701	Electronic Service	No	OFF_SL_23-467_M-23-467
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Carl	Nelson	cnelson@mncee.org	Center for Energy and Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Ben	Nelson	benn@cmpasgroup.org	CMMPA	459 South Grove Street Blue Earth, MN 56013	Electronic Service	No	OFF_SL_23-467_M-23-467
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Sephra	Ninow	sephra.ninow@energycenter.org	Center for Sustainable Energy	426 17th Street, Suite 700 Oakland, CA 94612	Electronic Service	No	OFF_SL_23-467_M-23-467
Rolf	Nordstrom	rnordstrom@gpisd.net	Great Plains Institute	2801 21ST AVE S STE 220 Minneapolis, MN 55407-1229	Electronic Service	No	OFF_SL_23-467_M-23-467
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_23-467_M-23-467
David	O'Brien	david.obrien@navigant.com	Navigant Consulting	77 South Bedford St Ste 400 Burlington, MA 01803	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Jeff	O'Neill	jeff.oneill@ci.monticello.mn.us	City of Monticello	505 Walnut Street Suite 1 Monticelllo, MN 55362	Electronic Service	No	OFF_SL_23-467_M-23-467
Russell	Olson	rolson@hcpd.com	Heartland Consumers Power District	PO Box 248 Madison, SD 570420248	Electronic Service	No	OFF_SL_23-467_M-23-467
Carol A.	Overland	overland@legalectric.org	Legalectric - Overland Law Office	1110 West Avenue Red Wing, MN 55066	Electronic Service	No	OFF_SL_23-467_M-23-467
Dan	Patry	dpatry@sunedison.com	SunEdison	600 Clipper Drive Belmont, CA 94002	Electronic Service	No	OFF_SL_23-467_M-23-467
Jeffrey C	Paulson	jeff.jcplaw@comcast.net	Paulson Law Office, Ltd.	4445 W 77th Street Suite 224 Edina, MN 55435	Electronic Service	No	OFF_SL_23-467_M-23-467
Jennifer	Peterson	jjpeterson@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	OFF_SL_23-467_M-23-467
Hannah	Polikov	hpolikov@aee.net	Advanced Energy Economy Institute	1000 Vermont Ave, Third Floor Washington, DC 20005	Electronic Service	No	OFF_SL_23-467_M-23-467
David G.	Prazak	dprazak@otpco.com	Otter Tail Power Company	P.O. Box 496 215 South Cascade Street Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_23-467_M-23-467
Michael	Reinertson	michael.reinertson@avantenergy.com	Avant Energy	220 S. Sixth St. Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
John C.	Reinhardt	N/A	Laura A. Reinhardt	3552 26th Ave S Minneapolis, MN 55406	Paper Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_23-467_M-23-467
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206 St. Paul, MN 551011667	Electronic Service	No	OFF_SL_23-467_M-23-467
Isabel	Ricker	ricker@fresh-energy.org	Fresh Energy	408 Saint Peter Street Suite 220 Saint Paul, MN 55102	Electronic Service	No	OFF_SL_23-467_M-23-467
Noah	Roberts	nroberts@cleanpower.org	Energy Storage Association	1155 15th St NW, Ste 500 Washington, DC 20005	Electronic Service	No	OFF_SL_23-467_M-23-467
Amanda	Rome	amanda.rome@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 5 Minneapoli, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Robert K.	Sahr	bsahr@eastriver.coop	East River Electric Power Cooperative	P.O. Box 227 Madison, SD 57042	Electronic Service	No	OFF_SL_23-467_M-23-467
Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Peter	Scholtz	peter.scholtz@ag.state.mn.us	Office of the Attorney General-RUD	Suite 1400 445 Minnesota Street St. Paul, MN 55101-2131	Electronic Service	No	OFF_SL_23-467_M-23-467
Kay	Schraeder	kschraeder@minnkota.com	Minnkota Power	5301 32nd Ave S Grand Forks, ND 58201	Electronic Service	No	OFF_SL_23-467_M-23-467
Christine	Schwartz	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	Yes	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Dean	Sedgwick	Sedgwick@Itascapower.com	Itasca Power Company	PO Box 455 Spring Lake, MN 56680	Electronic Service	No	OFF_SL_23-467_M-23-467
Maria	Seidler	maria.seidler@dom.com	Dominion Energy Technology	120 Tredegar Street Richmond, VA 23219	Electronic Service	No	OFF_SL_23-467_M-23-467
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_23-467_M-23-467
Patricia F	Sharkey	psharkey@environmentallawcounsel.com	Midwest Cogeneration Association.	180 N LaSalle St Ste 3700 Chicago, IL 60601	Electronic Service	No	OFF_SL_23-467_M-23-467
Bria	Shea	bria.e.shea@xcelenergy.com	Xcel Energy	414 Nicollet Mall Minneapolis, MN 55401	Electronic Service	No	OFF_SL_23-467_M-23-467
Doug	Shoemaker	dougs@charter.net	Minnesota Renewable Energy	2928 5th Ave S Minneapolis, MN 55408	Electronic Service	No	OFF_SL_23-467_M-23-467
Anne	Smart	anne.smart@chargepoint.com	ChargePoint, Inc.	254 E Hacienda Ave Campbell, CA 95008	Electronic Service	No	OFF_SL_23-467_M-23-467
Ken	Smith	ken.smith@ever-greenenergy.com	Ever Green Energy	305 Saint Peter St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_23-467_M-23-467
Trevor	Smith	trevor.smith@avantenergy.com	Avant Energy, Inc.	220 South Sixth Street Suite 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Joshua	Smith	joshua.smith@sierraclub.org		85 Second St FL 2 San Francisco, CA 94105	Electronic Service	No	OFF_SL_23-467_M-23-467

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	OFF_SL_23-467_M-23-467
Beth	Soholt	bsoholt@cleangridalliance.org	Clean Grid Alliance	570 Asbury Street Suite 201 St. Paul, MN 55104	Electronic Service	No	OFF_SL_23-467_M-23-467
Byron E.	Starns	byron.starns@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_23-467_M-23-467
Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_23-467_M-23-467
Pat	Treseler	pat.jcplaw@comcast.net	Paulson Law Office LTD	4445 W 77th Street Suite 224 Edina, MN 55435	Electronic Service	No	OFF_SL_23-467_M-23-467
Lise	Trudeau	lise.trudeau@state.mn.us	Department of Commerce	85 7th Place East Suite 500 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467
Carla	Vita	carla.vita@state.mn.us	MN DEED	Great Northern Building 12th Floor 180 East Fifth Street St. Paul, MN 55101	Electronic Service	No	OFF_SL_23-467_M-23-467

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Curt	Volkmann	curt@newenergy-advisors.com	Fresh Energy	408 St Peter St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_23-467_M-23-467
Roger	Warehime	roger.warehime@owatonnautilities.com	Owatonna Municipal Public Utilities	208 S Walnut Ave PO BOX 800 Owatonna, MN 55060	Electronic Service	No	OFF_SL_23-467_M-23-467
Jenna	Warmuth	jwarmuth@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802-2093	Electronic Service	No	OFF_SL_23-467_M-23-467
Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine	225 South Sixth Street, Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467
Robyn	Woeste	robynwoeste@alliantenergy.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Electronic Service	No	OFF_SL_23-467_M-23-467
Yochi	Zakai	yzakai@smwlaw.com	SHUTE, MIHALY & WEINBERGER LLP	396 Hayes Street San Francisco, CA 94102	Electronic Service	No	OFF_SL_23-467_M-23-467
Christopher	Zibart	czibart@atcllc.com	American Transmission Company LLC	W234 N2000 Ridgeview Pkwy Court Waukesha, WI 53188-1022	Electronic Service	No	OFF_SL_23-467_M-23-467
Kurt	Zimmerman	kwz@ibew160.org	Local Union #160, IBEW	2909 Anthony Ln St Anthony Village, MN 55418-3238	Electronic Service	No	OFF_SL_23-467_M-23-467
Patrick	Zomer	Pat.Zomer@lawmoss.com	Moss & Barnett PA	150 S 5th St #1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-467_M-23-467