

December 9, 2024

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: Letter of the Minnesota Department of Commerce
Docket No. E002/M-24-371

Dear Mr. Seuffert:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

*Petition of Northern States Power Company for Approval of 2025
Transmission Cost Recovery Rider.*

The Petition was filed by Northern States Power Company on November 1, 2024.

The Department recommends the Commission approve the Transmission Cost Recovery Rider factor provisional rates as requested by Northern State Power Company and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Peter Wyckoff, Ph.D.
Deputy Commissioner, Division of Energy Resources

MB/MJ/ar

Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce

Docket No. E002/M-24-371

On November 1, 2024, Northern States Power Company, doing business as Xcel Energy (Xcel or the Company) filed a petition in Docket No. E002/M-24-371, requesting the Minnesota Public Utilities Commission (Commission) approve Xcel's 2025 Transmission Cost Recovery (TCR) Rider revenue requirements and the resulting adjustment factors by customer class (Petition). Xcel's proposal would reduce the total revenue requirements from \$62.7 million for 2024 to \$57.5 million for 2025, and change the TCR Rider factors by category, as shown in Table 1 below, effective January 1, 2025.

Table 1: Adjustment Factor Comparison¹

	2024 Implemented	2025 Proposed
Total Revenue Requirements	\$62,708,031	\$57,525,040
Residential Rate/kWh	\$0.005474	\$0.004442
Commercial Non-Demand/kWh	\$0.003634	\$0.003009
Demand/kW	\$0.240	\$0.323
Critical Peak Price TOU pilot/kWh	\$0.000625	\$0.000848

Xcel proposed an implementation date of January 1, 2025, stating, using the beginning of the calendar year will simplify the rate change process, make the changes clearer to customers, and keep the TCR tracker balance more in-line with actual costs.² Xcel proposes to provisionally implement this TCR adjustment factor reduction if it is not possible for the full TCR rider petition to be approved by that time. The January 1, 2025 implementation date for the TCR Rider factors would coincide with the implementation of interim rates in Xcel's multi-year rate case in Docket No. E002/GR-24-320.

Having completed an initial review of Xcel's Petition, the Department believes full Department review and Commission approval is unlikely by January 1, 2025. Of note, this year's petition introduces new projects.³ Further, the Department does not want to delay implementation of the rate change given it is an overall reduction.

The Department therefore recommends the Commission approve Xcel's requested TCR Rider factors provisional rate reduction to be implemented on January 1, 2025, subject to future update.

¹ Petition, page 13.

² Petition, page 2.

³ Petition, page 7.

The Department is still reviewing Xcel's Petition and is planning to submit full comments regarding Xcel's petition by January 31, 2025, as established by the Commission's *Notice of Extended Comment Period* issued on December 4, 2024.

Under Minnesota Rules 7829.1050, the Commission may act on uncontested proceedings through its consent calendar if a proceeding presents no disputed or novel issues. This docket does not address any novel or disputed issues; therefore, the Department recommends approval through the Commission's consent calendar.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Comments

Docket No. E002/M-24-371

Dated this 9th day of **December 2024**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
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2	Matthew	Brodin	mbrodin@allete.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	M-24-371
3	John	Coffman	john@johncoffman.net	AARP		871 Tuxedo Blvd. St, Louis MO, 63119-2044 United States	Electronic Service		No	M-24-371
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5	Riley	Conlin	riley.conlin@xcelenergy.com	Northern States Power Company dba Xcel Energy-Elec		414 Nicollet Mall, 401 8th Floor Minneapolis MN, 55401 United States	Electronic Service		No	M-24-371
6	George	Crocker	gwillc@nawo.org	North American Water Office		5093 Keats Avenue Lake Elmo MN, 55042 United States	Electronic Service		No	M-24-371
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16	Kavita	Maini	kmairi@wi.rr.com	KM Energy Consulting, LLC		961 N Lost Woods Rd Oconomowoc WI, 53066 United States	Electronic Service		No	M-24-371
17	Stacy	Miller	stacy.miller@minneapolismn.gov	City of Minneapolis		350 S. 5th Street Room M 301 Minneapolis MN, 55415 United States	Electronic Service		No	M-24-371
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21	Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office		1110 West Avenue Red Wing MN, 55066 United States	Electronic Service		No	M-24-371
22	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-24-371
23	Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy		26 E Exchange St, Ste 206 St. Paul MN, 55101-1667 United States	Electronic Service		No	M-24-371
24	Christine	Schwartz	regulatory.records@xcelenergy.com	Xcel Energy		414 Nicollet Mall FL 7 Minneapolis MN, 55401-1993 United States	Electronic Service		No	M-24-371
25	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th PI E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		Yes	M-24-371
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