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Minneapolis, MN 55401

August 10, 2020

—Via Electronic Filing—

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

RE: REPLY COMMENTS
ANNUAL REPORT AND REQUEST FOR COMMISSION FINDING REGARDING
THE CUSTOMER COMPLAINT PERFORMANCE SERVICE QUALITY PLAN
DOCKET NO. E,G002/M-02-2034, E,G002/M-12-383

Dear Mr. Seuffert:

Northern States Power Company, a Minnesota corporation, doing business as Xcel Energy, submits this reply consistent with the schedule set forth in the May 6, 2020 Notice of Comment Period and the July 15, 2020 Notice Including Additional Topic In Reply Comment Period.

We have electronically filed this document, and copies have been served on the parties on the attached service list. Please contact me at 612-330-6935 or gail.baranko@xcelenergy.com, or Pamela Gibbs at pamela.k.gibbs@xcelenergy.com or 612-330-2889 if you have any questions regarding this filing.

Sincerely,

/s/

GAIL A. BARANKO
REGULATORY MANAGER

c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Joseph K. Sullivan	Vice Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF NORTHERN STATES
POWER COMPANY D/B/A XCEL ENERGY
FOR APPROVAL OF AMENDMENTS TO ITS
NATURAL GAS AND ELECTRIC SERVICE
QUALITY TARIFFS & INVESTIGATION AND
AUDIT OF SERVICE QUALITY REPORTING

DOCKET NOS. CI-02-2034/M-12-383

REPLY COMMENTS

INTRODUCTION

Northern States Power Company, a Minnesota corporation, doing business as Xcel Energy, submits this reply consistent with the schedule set forth in the May 6, 2020 Notice of Comment Period and the July 15, 2020 Notice Including Additional Topic In Reply Comment Period.

We appreciate the Department of Commerce's recommendation that the Commission approve our 2019 Quality Service Plan (QSP) as complete. The Department also recommends that the Commission exclude the 129 solar installer complaints from the calculation of customer complaints for the QSP tariff metric and the Company provide information on steps it has taken to avoid such circumstances in the future. In these Reply Comments, we reiterate our position to exclude the 129 solar complaints, respond to parties' comments as they relate to the topics listed in the May 5, 2020 Notice, and address the additional issue posed in the July 15, 2020 Notice. We acknowledge that late filed comments were also submitted on August 7, 2020; the substance of these comments are similar to points raised in those filed on or before July 2, 2020, and we address the issues accordingly.

We understand the solar community has many concerns regarding the Minnesota Distributed Energy Resources Interconnection Process (MN DIP) and our implementation of the process over the last year. However, there is a separate process

to review MN DIP for any potential changes, and we believe following the Commission's established process to examine MN DIP will develop a more robust record and provide wider opportunities for meaningful participation and feedback by other parties, including other utilities. In fact, the Commission just recently started a process to review MN DIP, and issued a Notice on July 22, 2020 to solicit feedback on topics that should be examined.¹

REPLY

A. SHOULD THE COMMISSION GRANT XCEL ENERGY'S REQUEST THAT 129 INTERCONNECTION APPLICATION COMPLAINTS FROM TWO SOLAR INSTALLERS NOT BE CONSIDERED "CUSTOMER COMPLAINTS," AND NOT BE INCLUDED IN THE CUSTOMER COMPLAINTS METRIC IN THE COMPANY'S QSP TARIFF?

We appreciate the Department's Comments recommending the exclusion of the 129 customer complaints filed by two installers in December 2019 from the calculations of customer complaints for the QSP tariff. It is inconsistent with the language or intent of the QSP tariff to include complaints filed by third-party installers in their own name relating to interconnection applications submitted in the names of their customers.

The Department recommended that Xcel Energy identify all the steps taken to prevent similar occurrences as described in these 129 solar complaints. We appreciate this recommendation and further note that we have submitted these details in our March 2, 2020 MN DIP Compliance Report in Docket No. E999/CI-16-521 where we noted updated processes put in place in December/January as we continued to modify our system tools to best align with MN DIP. For example, an adjustment was made to our process to automate meter orders based on how installers were uploading their application materials rather than how the process is sequentially ordered in MN DIP. This change has allowed for faster turnaround once applicants are ready to move forward with installation.

Additionally, we have included discussion of MN DIP topics and concerns in Docket Nos. E002/M-13-1015 (Solar*Rewards Compliance Filing) and E002/M-13-867 (Community Solar Garden (CSG) Docket). Our most recent Q3 Compliance filing described the engineering solutions created in 2020 to move projects forward in situations where projects are "on hold" as a result of the required serial review of the

¹ Docket No. E999/CI-16-521, Notice of Workgroup Members Solicitation and Comment Period, July 22, 2020.

MN DIP. Projects are reaching capacity limits in some of the 15 percent of our distribution feeders most impacted by the addition of solar installations creating the need for more in-depth review.²

Finally, we note that it is our understanding that the Distributed Generation Workgroup (DGWG) will likely begin its review of the MN DIP process in September 2020. In these dockets, we will continue conversations about the challenges presented with the implementation of MN DIP, including the large number of interconnection applications the Company received over the summer of 2019 shortly after the implementation of MN DIP, and will actively participate in finding solutions.

We agree with the Department's thorough review and recommendation to exclude these 129 solar complaints from the calculation of customer complaints for the Quality of Service tariff.

B. SHOULD THE THRESHOLD FOR XCEL ENERGY'S CUSTOMER COMPLAINTS PERFORMANCE BE RE-EVALUATED?

The July 15, 2020 Notice posed the question whether the threshold for the Company's customer complaints performance should be re-evaluated. The current threshold for Commission complaints is defined in our Quality of Service Plan (QSP) tariff and is set at 0.2059 complaints per 100,000 customers. This threshold was established prior to the expansion of DER installations or the implementation of our new interconnection process as part of our transition to the MN DIP, approved by the Commission on August 13, 2018. As part of the interconnection guidelines, the MN DIP provides that the Consumers Affairs Office (CAO) is available as a venue for mediation as part of the MN DIP dispute resolution process. Therefore, the seven-year history (2005-2011) of actual customer complaints used to establish the current performance threshold did not contemplate complaints driven by solar installers.

We do not believe the issue of performance threshold re-evaluation is ripe at this time. First, it needs to be determined if complaints stemming from solar developers (or other third parties) should be included in measuring the quality of customer service. We do not believe this was the intent of the QSP tariff; but if the Commission decides to include such complaints in the performance metric, a separate proceeding is needed to examine the intent of the metric, the definitions in the tariff, and how performance is measured going forward.

² Docket No. E002/M-13-867, Q3 Compliance Report (CSG), July 22, 2020.

In addition to continued growth in solar development, the Company is also experiencing other significant changes, including the rollout of AMI meters, grid modernization projects, and electric vehicle programs. These initiatives are intended to improve the customer experience or to provide customers with new options and services; however, we do expect there will be some growing pains and adjustments. For example, during the AMI meter deployment, we will visit 1.4 million customer premises to exchange electric meters. We recognize there will likely be some customer dissatisfaction, and this has potential to result in increased customer complaints. We believe that during the meter deployment and perhaps for a time period after deployment, there should be a reconsideration how and if these complaints will be counted against the QSP threshold.

C. SHOULD COMPLAINTS FROM SOLAR INSTALLERS BE TRACKED, NOT AS “CUSTOMER COMPLAINTS” FOR QSP PURPOSES, BUT INSTEAD, IN A SEPARATE TRACKING MECHANISM?

We support the Department’s conclusion that complaints from solar installers should be tracked, but not as “customer complaints” for QSP purposes.

The Commission’s August 12, 2018 approval of the MN DIP established certain compliance and reporting requirements. On March 2, 2020, the Company filed its first compliance report regarding the implementation of MN DIP.³ There were 1,618 interconnection applications received by the Company in 2019 in the first six months following the implementation of the MN DIP. In that filing, we reported on creating new tools, adding transparency into the new process, and increasing the functionality as well as incorporating user feedback, ongoing training and communication to applicants regarding the changing interconnection process. In addition, we outlined challenges regarding the understanding of the new process, software tools that had to be rebuilt and then modified based on user feedback, unclear areas of the MN DIP impacting project completion and other areas where additional clarification may be needed. We further noted how we have adjusted the process to help verify future compliance and meet the needs identified by stakeholders – areas where the MN DIP is clear, but we have adjusted for simplicity. We also reached out to Commission Staff and peer utilities to discuss opportunities for improvement and how to efficiently move through the process outlined by the Commission. We propose to track MN DIP-related complaints separately and report them in the annual MN DIP compliance filing in Docket No. E-999/CI-16-521.

³ Xcel Energy, “Compliance Filing-2019 Interconnections”, E-999/CI-16-521, March 2, 2020.

D. HOW SHOULD THE DEFINITION OF “CUSTOMER” IN XCEL ENERGY’S QSP TARIFF BE INTERPRETED?

The Customer Complaints metric should measure true underperformance as contemplated by the language of the QSP tariff, thereby reflecting an increase in customer complaints (and a corresponding decline in the Company’s performance), rather than encompass complaint types that do not fit under the applicable definitions and were not considered in setting this performance standard. We agree with the Department’s analysis that a “common usage and understanding” of customer complaints should be utilized based on the provisions of the QSP tariff, and this supports our conclusion to remove solar installer complaints. These QSP tariff provisions include:

- Provide that the Customer Complaints metric “measures the number of Customer Complaints submitted [to] the Commission’s [CAO] [emphasis added]”.
- Define “Customer Complaint” as “any complaint submitted, in writing, by US Mail, e-mail, or by fax, registered by the Minnesota Public Utilities Commission’s Consumer Affairs Office to the Company, regarding a complaint submitted by an Xcel Energy customer in which the customer states a grievance related to the Company’s provision of service to that customer” [emphasis added]; and
- Define “Customer” as “an electric or natural gas customer that receives a bill for utility service from the Company or a representative of that customer. A representative includes an individual designated with Power of Attorney for the Customer, an attorney retained to represent the Customer, or an individual authorized by the Customer to act on his/her account” [emphasis added].

The 129 solar complaints related to MN DIP at issue here were about the customers’ Solar*Rewards projects in the interconnection process, but the complaints were not brought by a “Customer” as defined in MN DIP. In fact, many of these complaints were addressing concerns with the MN DIP process, but the proper procedures to bring complaints or dispute resolution forward under MN DIP were not followed. The MN DIP has a process for dispute resolution and for bringing matters to the CAO, including prerequisites that must be met before MN DIP interconnection application disputes can be submitted to the CAO. We note that the complainants have not met these prerequisites either as part of their comments or as part of the original 129 complaints in this docket.

To briefly summarize the requirements of MN DIP for dispute resolution, only an “interconnection customer” can bring a MN DIP dispute to the CAO. Solar installers are not an “Interconnection Customer”, but instead, are classified as an “Applicant Agent” when installing the system for our retail customers. This term is defined in our MN DIP tariff at Sheet 10-205 as follows:

Applicant Agent – A person designated in writing by the Interconnection Customer to represent or provide information to the Area EPS on the Interconnection Customer’s behalf throughout the interconnection process.

The role of the Applicant Agent, as defined above, is limited to providing information to the Area Electric Power System (EPS). Its role does not include the ability to file complaints to the CAO on behalf of the Interconnection Customer. The MN DIP only provides for dispute resolution by a “Party” (MN DIP 5.3), and the term “Party” is defined in MN DIP as follows:

Party or Parties – The Area EPS Operator and the Interconnection Customer.

Further, there are other prerequisites to filing a dispute or mediation request to the CAO, including that prior to submitting a “Notice of Dispute.” The Party needs to contact the other Party and raise the issue and the relief sought in an attempt to resolve the issue immediately, and this includes allowing 30 Business Days for discussions to resolve the matter before submitting the matter to the CAO for mediation. (MN DIP 5.3.2; 5.3.3; and 5.3.6). In the case of these 129 complaints, this process was generally not followed, or in some cases the Company was provided only 24 hours to resolve. In addition, these complaints were submitted by an Applicant Agent, not by an Interconnection Customer, so none of the complaints are a “customer complaint” as it is defined in the QSP docket.

We finally note that any additional MN DIP-related disputes raised in the July 1, 2020 comments of certain parties in this docket should follow the process defined in the MN DIP (or in some cases the contractual obligations signed by the garden operator for existing projects).

E. SHOULD THE ISSUE OF COMPLAINTS ABOUT XCEL ENERGY’S COMPLIANCE WITH THE MN DIP BE FILED AND ADDRESSED IN ANOTHER DOCKET?

MN DIP has been available to interconnection applicants for one year. We acknowledge there have been delays and software adjustments that caused additional challenges for all parties; we have been transparent regarding these details in various Commission filings, stakeholder meetings, and ongoing communications to the solar

community. Parties have displayed frustration in the current docket by describing project disputes and unsubstantiated violations of the MN DIP in their comments. However, the Commission has already established a process how challenges with MN DIP and dispute resolution are handled, including compliance reporting.⁴ As discussed above, the Commission Staff is also in the process of hosting a workgroup to address issues with the MN DIP implementation and has issued a Notice for topics that should be reviewed.

The Commission has broad discretion to investigate matters on its own initiative when it believes there is reason to do so. Several parties have commented regarding the MN DIP process and how the Company has implemented this process. However, we do not believe the record has been substantially built to address changes to MN DIP here and would support moving this topic to another open docket.

Furthermore, based on comments received to date in this docket, there appears to be a lack of consensus as to what “complaints” or topics would be considered. The parties’ comments seem to have three differing perspectives on: (1) Future compliance reporting; (2) MN DIP process; and (3) implementation of MN DIP. We provide our view on these topics below.

1. Ongoing Compliance and Complaint Tracking

As discussed above, we continue to support utilizing the process already established by the Commission in Docket No. E-999/CI-16-521 for ongoing tracking and compliance. In addition, the Commission has the authority to determine how complaints should be tracked and addressed as part of their order in this docket.

2. MN DIP Process – Request by MnSEIA

In their Comments, MnSEIA has requested analysis and ongoing discussion of the implementation of the MN DIP. If MnSEIA is seeking changes to the MN DIP, it can raise those issues as part of the DGWG workgroup that is looking into modifying MN DIP or alternatively the Commission may consider moving further discussions to Docket No. E-999/CI-16-521.

For instance, MnSEIA has requested several changes to the MN DIP, including shortened timelines, cluster studies, changes to the serial process of review, and

⁴ In their comments, IREC requests that more detailed reporting on utility compliance with MN DIP be established. We note that specific compliance reporting was ordered by the Commission in its April 19, 2019 Order in Docket No. E-999/CI-16-521.

“abolition of process outside of MN DIP.” Further, they have requested financial penalties for non-compliance. These issues impact the Company’s tariffs, but our tariff language follows the MN DIP language that was approved by the Commission. Any changes to these tariff sections should, therefore, be considered as changes to the MN DIP and addressed in the appropriate process with all parties. MN DIP changes were not intended to be applied for individual utilities.

The parties have also questioned the dispute resolution process defined in MN DIP. We are following the dispute process as it is currently written in MN DIP. If the process is modified in the future by the Commission, we will certainly adjust accordingly.

3. Implementation of MN DIP

There have been challenges and situations that were unexpected to us prior to implementation of MN DIP. We appreciate stakeholder comments and continue to make adjustments as we are able, consistent with the MN DIP process. If parties would like to further discuss how we have implemented MN DIP, the Commission could consider moving this topic to Docket No. E002/M-18-714 to address Xcel Energy’s implementation and accountability (rather than addressing all utilities in Minnesota). However, comments regarding the implementation of MN DIP, including those by Novel Energy Solutions, seem to be focused on one particular program – Solar*Rewards Community. In this case, Novel Energy Solutions could consider following the MN DIP dispute resolution process for those issues that is available,⁵ but there should only be one unified interconnection process for all Minnesota utilities consistent with the statutory requirements in Minn. Stat. 216B.1611 that were a basis for the MN DIP process.

CONCLUSION

The Company appreciates the opportunity to submit these Reply Comments. We support the Department’s recommendation to exclude the 129 customer complaints filed by two installers in December 2019 from the calculation of customer complaints for the QSP tariff metric, that the Company provide information on the steps it has taken to avoid such circumstances in the future, and that the Commission accept our report as filed.

⁵ We note that Novel Energy Solutions has included issues for both operational solar community gardens as well as those moving through the MN DIP process.

We propose that any concerns regarding MN DIP will be addressed through further proceedings in Docket No. E-999/CI-16-521, or if preferred, in Docket No. E002/M-18-714.

Dated: August 10, 2020
Northern States Power Company

CERTIFICATE OF SERVICE

I, Paget Pengelly, 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 Nos. E,G002/CI-02-2034
E,G002/M-12-383**

Dated this 10th day of August 2020

/s/

Paget Pengelly

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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_2-2034_1
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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_2-2034_1
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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_12-383_Official
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