

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

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In the Matter of Northern States Power
Company d/b/a Xcel Energy's 2023 Annual
Safety, Reliability, and Service Quality Report

Docket No. E-002/M-24-27

Initial Comments of the Joint Commenters

The Citizens Utility Board of Minnesota ("CUB") and Energy CENTS Coalition ("ECC," collectively, the "Joint Commenters") respectfully submit these Initial Comments pursuant to the Minnesota Public Utilities Commission (the "Commission") Notice of Comment Period issued April 26, 2024, in the above-referenced matter.

As a nonprofit advocate for Minnesota ratepayers, CUB represents residential customers' interests in receiving clean, safe, affordable, and reliable energy service. ECC promotes affordable utility service on behalf of low-income Minnesotans and administers bill-payment and conservation assistance programs.

CUB and ECC offer these narrowly-focused comments to call attention to customer challenges and support efforts to strengthen ratepayer protections. As further detailed throughout these Comments, the Joint Commenters recommend the Commission take several actions to ensure the interests of utility customers are adequately safeguarded.

A. Remote-Reconnection of Heat-Affected Customers

Xcel Energy is in the process of installing Advanced Metering Infrastructure ("AMI") throughout its service territory and is expected to complete deployment by the end of 2025.¹ Among other potential uses, AMI enables utilities to remotely disconnect and reconnect customers' electric service. In recognition of the technology's capabilities, Xcel petitioned the Commission for a variance to Minn. R. 7820.2500 to allow the utility to remotely disconnect and reconnect customers without conducting an on-site visit.² As part of its variance request, Xcel agreed to incorporate additional protections and outreach for medically vulnerable individuals.³ The Commission ultimately granted Xcel's proposed variance, but required annual reevaluations in the service quality reporting docket until the variance

¹ *In the Matter of Northern States Power Co. d/b/a Xcel Energy's 2023 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-24-27, Xcel 2023 Annual Report and Petition at 4 (Apr. 1, 2024) (hereinafter "Xcel 2023 Service Quality Report").

² *In the Matter of Northern States Power Company d/b/a Xcel Energy-Electric's Petition Requesting Approval of Changes to its Tariff and Indefinite Variance to Commission Rules Regarding Disconnection of Service*, Docket No. E-002/M-22-233, Xcel's AMI Remote Disconnect/Reconnect Petition (May 20, 2022).

³ *In the Matter of Northern States Power Company d/b/a Xcel Energy-Electric's Petition Requesting Approval of Changes to its Tariff and Indefinite Variance to Commission Rules Regarding Disconnection of Service*, Docket No. E-002/M-22-233, Order Approving Petition as Modified and Requiring Filings at 10 (Mar. 22, 2023) (hereinafter "Remote Disconnection Order").

was made permanent or terminated.⁴ The Commission also required the Company to submit annual compliance reports and file a proposal for remotely reconnecting customers during periods of extreme heat.⁵

Pursuant to the Commission's directive, Xcel has included in its Service Quality Report a proposal for restoring electric service to customers during heat-related events. We are supportive of the Company's proposal. We also recommend these protections be extended to reconnect customers' service when hazardous air quality alerts have been issued.

- i. The Commission should approve Xcel's proposal for remotely reconnecting AMI-enabled residential customers during periods of extreme heat.*

The Minnesota Department of Health emphasizes that excessive heat is a "significant threat to public health," and taking appropriate "measures to ensure that people can stay cool and hydrated during . . . extreme heat event[s] [is] instrumental to preventing heat-related health impacts."⁶ The consequences of prolonged exposure to high temperatures are severe, with 54 deaths attributable to extreme heat occurring in Minnesota between 2000 and 2016.⁷ With excessive heat events becoming "more common, more severe, and longer-lasting as our climate changes," the importance of preventative measures cannot be understated.⁸

Minn. Stat. § 216B.0975 prohibits utilities from involuntarily disconnecting residential services when an "excessive heat watch, heat advisory, or excessive heat warning issued by the National Weather Service is in effect." Although this statutory prohibition prevents customers from losing electric service during extreme heat conditions, it does not assist those customers that have already been disconnected prior to the event in question. In recognition of this gap in customer protections, Xcel proposes to restore electric service to disconnected residences for the duration of heat advisories and excessive heat warnings:

When a heat advisory or excessive heat warning is forecast to occur by the National Weather Service in the next 24 hours, the Company can query all current AMI enabled, disconnected customers. At that point, we can reach out to AMI customers via their preferred channel, i.e. phone call, email, or MyAccount and advise that service will be temporarily restored for the anticipated duration of the heat advisory or excessive heat warning. On average, the National Weather Service establishes less than 15 heat advisory or excessive heat warning days each year. The Company can track annually and by month, the number of days these conditions apply, the number of active Xcel Energy customer accounts disconnected during each of those periods, and number of Xcel Energy accounts reconnected.⁹

⁴ *Id.* at 5-6.

⁵ *Id.* at 12-13.

⁶ MINN. DEPT OF HEALTH, *Extreme Heat Events* (last updated May 21, 2024), available at <https://www.health.state.mn.us/communities/environment/climate/extremeheat.html> (hereinafter "MDH, *Extreme Heat Events*").

⁷ MINN. DEPT OF PUBLIC SAFETY, *Heat Waves Kill* (last visited May 22, 2024), available at <https://dps.mn.gov/divisions/hsem/weather-awareness-preparedness/Pages/severe-weather-heat.aspx#:~:text=According%20to%20the%20Department%20of,130%20degrees%20Fahrenheit%20in%20Moorhead.>

⁸ MDH, *Extreme Heat Events*.

⁹ *In the Matter of Northern States Power Co. d/b/a Xcel Energy's 2023 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-24-27, Xcel 2023 Annual Report and Petition at 33 (Apr. 1, 2024).

Xcel's proposal would extend life-saving protections against extreme heat to a broader swathe of the Company's customers. By allowing customers to regain access to air-conditioning and other electric cooling systems, Minnesotans will be better able to weather extreme heat events and counteract negative health impacts.

ii. *The Commission should require Xcel to extend remote reconnection protections to residential customers during unhealthy air quality events.*

In addition to excessive heat events, the Joint Commenters are concerned about the increasing prevalence of air quality index ("AQI") alerts. AQI measurements account for concentrations of carbon monoxide, sulfur dioxide, ozone, and fine particulate matter, each of which pose health challenges for Minnesotans.¹⁰ Depending on the concentration of these pollutants, a color code is assigned to the AQI, ranging from green (good air quality) to maroon (hazardous air quality).¹¹ In 2023, the Minnesota Pollution Control Agency ("MPCA") issued a record 22 alerts covering 52 days, 14 of which were "red" alerts, indicating unhealthy levels of pollution.¹² During red alerts, poor air quality could cause symptoms such as "irritated eyes, nose, and throat, coughing, chest tightness, or shortness of breath."¹³ More sensitive populations, or people who have been exposed longer, may experience "more serious health effects, including worsening of existing heart or lung disease and respiratory and cardiovascular conditions."¹⁴ The onset of these symptoms could lead to asthma attacks, heart attacks, or stroke.¹⁵

Many of the AQI alerts in 2023 were caused by Canadian wildfire smoke drifting down into Minnesota. The likelihood of extreme wildfires is only expected to increase as climate change causes more droughts and extends the length of the fire season.¹⁶ In order to protect themselves from smoke-related risks, Minnesotans are advised to "stay inside with windows closed and air conditioning on."¹⁷ For customers whose electric service has been disconnected, this is not an option. If households do not have air conditioning or conditions are too warm when windows are closed, they are encouraged to seek shelter at evacuation centers or public buildings with air conditioning and filtration systems.¹⁸ It is our understanding that currently, customers whose existing medical condition makes them more susceptible to poor air quality can apply for additional service protections using Xcel's Medically Necessary Equipment & Emergency Certification Form. However, even customers without a particular sensitivity are at risk during high unhealthy air quality alert events, and currently receive no protection.

Just as the Company's AMI enables restoration of service during periods of extreme heat, it would also allow reconnection when air quality is unhealthy. We recommend that Xcel, and the Commission,

¹⁰ MPCA, *After record number of air quality alerts, even more hazy days expected* (last visited May 22, 2024), available at <https://www.pca.state.mn.us/news-and-stories/air-quality-alerts-record> (hereinafter "MPCA, *Air Quality Alerts Record*").

¹¹ See, e.g., UNIV. OF MINN., *Health, Safety, and Risk Management: Wildfire Air Quality Advisory* (last visited May 22, 2024), available at <https://hsrm.umn.edu/wildfire-air-quality-advisory>.

¹² MPCA, *Air Quality Alerts Record*.

¹³ MPCA, News Release, *Air quality alert issued immediately due to wildfire smoke for all of Minnesota* (May 12, 2024), available at <https://www.pca.state.mn.us/news-and-stories/air-quality-alert-issued-immediately-due-to-wildfire-smoke-for-all-of-minnesota>.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ MPCA, *Air Quality Alerts Record*.

¹⁷ Chloe Johnson, *How to protect yourself from wildfire smoke when it returns to Minnesota this summer*, STAR TRIBUNE (June 8, 2023) (quoting Jesse Berman, Assistant Professor at University of Minnesota's School of Public Health).

¹⁸ MINN. DEP'T OF HEALTH, *Wildfire Smoke* (last updated May 16, 2024), available at <https://www.health.state.mn.us/communities/environment/emergency/natural/wildfires.html>.

extend the Company's proposal to situations where an AQI alert of 151 (red) or higher is issued. AQI reconnections could occur in a manner similar to that described for extreme heat events. Because MPCA issues an air quality forecast two days in advance,¹⁹ the Company would have sufficient time to query AMI enabled, disconnected customers and send communications via preferred channels whenever a red (or higher) AQI alert is expected to occur in the next 24 hours. Service could then be temporarily restored for the duration of the air quality event.

It is our understanding that Xcel is currently evaluating the feasibility of AQI reconnection and is willing to engage in ongoing conversations about implementing these processes.

Enabling remote reconnections during periods of extreme heat and poor air quality will better safeguard Minnesotans against harmful weather patterns and pollutants. For these reasons, the Joint Commenters strongly support the Company's proposal and request these protections be extended to cover unhealthy AQI events.

B. Elevated levels of residential disconnections warrant close and continuing scrutiny

Xcel indicates approximately 775,000 residential customers received disconnection notices throughout 2023, with nearly 25,000 of those households having their service terminated for nonpayment.²⁰ These disconnection levels are the highest they have been since at least 2014—the furthest back Xcel reported in a recent compliance filing.²¹ In fact, more customers were disconnected in May 2023 than in any month in the past decade.²²

The Joint Commenters are extremely concerned about this overarching trend in disconnections and remain wary of how remote metering capabilities are contributing to adverse customer impacts. In addition to allowing faster service reconnections, the deployment of AMI meters opened up the possibility of remotely terminating customers' service. In recognition of these capabilities, the Company sought—and the Commission granted—a temporary variance to Minn. R. 7820.2500 to allow remote disconnections without a final, in-person visit to the customer's residence. When granting Xcel's proposal, the Commission recognized that the uncertainty surrounding customer impacts warranted close and continuing scrutiny. Now that Xcel's variance has expired, the Commission must carefully evaluate disconnection impacts and decide if the variance should be renewed. The Joint Commenters recommend that if the Commission chooses to extend the variance, it also narrow the permissible methods of final communication to ensure customers are provided with adequate notice and are given a chance to rectify billing issues prior to remote disconnection.

In its filing, the Company states that increasing disconnections are, at least in part, "a direct reflection of the current economy, amplified by customers who continue to struggle to pay their bills coming

¹⁹ See MPCA, *Air Quality Forecast* (last visited June 3, 2024), available at <https://www.pca.state.mn.us/air-water-land-climate/air-quality-forecast>.

²⁰ Xcel reports two different figures associated with disconnection notices. On page 25 of its Service Quality Report, Xcel indicates that 495,897 notices were sent; in Attachment E and in the Company's Residential Customer Status Report, the number of notices sent is substantially higher at 774,507. See Xcel 2023 Service Quality Report at Att. E (reporting the number of notices sent and disconnections completed); see also Docket No. E,G999/CI-23-2, Xcel December 2023 Residential Customer Status Report (Jan. 18, 2024) (confirming 774,507 residential disconnection notices were sent in 2023).

²¹ *In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of Amendments to its Natural Gas and Electric Service Quality Tariffs Originally Established in Docket No. E,G-002/CI-02-2034*, Docket No. E,G-002/M-12-383, Xcel Comments at 3 (May 31, 2024) (hereinafter "Xcel Service Quality Tariff Comments").

²² See generally Docket Nos. E,G999/CI-YR-2 (reporting monthly disconnection figures); Docket No. E,G999/CI-23-2, Xcel December 2023 Residential Customer Status Report (Jan. 18, 2024) (reporting 4,822 disconnections, which was the highest number of monthly disconnections since at least 2014).

out of the pandemic.”²³ The Joint Commenters recognize that poor financial circumstances negatively contribute to arrearage levels, and that more customers are eligible for disconnection than in pre-pandemic years. While we do not take issue with the Company’s characterization of the economics underlying disconnections, AMI contributes to this trend by accelerating the rate at which service can be terminated. Together with the Company’s variance, this fundamental change alters how the Company interacts with customers throughout the disconnection process.

Xcel states that “[d]isconnecting a larger eligible group of customers that may otherwise not have been disconnected before provides the opportunity to interact with them and offer energy assistance options they may be wholly unaware of.”²⁴ This “disconnection as disconnection prevention” logic model was shaped by the same rule from which Xcel is seeking a variance. Minn. R. 7820.2500 specifies that during in-person disconnections, a “representative of the utility shall at all times be capable of receiving payment, if nonpayment is the cause of the disconnection of service, or the representative shall be able to certify that the cause of disconnection has been remedied by the customer.”²⁵ Under those protections, it is easy to accept the premise of the “disconnection as disconnection prevention” model because in-person visits were designed to offer a final opportunity to prevent the shutoff.

The Joint Commenters are concerned that Xcel’s current disconnection practices are undermining that model. As previously approved, the temporary variance to Minn. R. 7820.2500 allowed Xcel to replace the final, in-person visit prior to disconnection with “an additional phone call announcing that service would be disconnected the following business day.”²⁶ While this may be sufficient in circumstances where the customer is affirmatively contacted, we no longer believe voicemail messages should be considered a qualifying form of communication, as they do not provide an adequate opportunity for customers to take preventative measures to avoid disconnection.

After conversations with the Company, it is our understanding that final phone calls are automated in nature. In consequence, it is impossible for Xcel to verify whether the voicemail is being received by the intended recipient, or if the phone number is still associated with the residence to be disconnected. Even if a message is recorded, the Company has no means of confirming that the customer has listened to that message and been made aware of the imminent nature of disconnection.

Here, a real-life example helps to illustrate these concerns. ECC was recently contacted by an Xcel customer who relies on a ventilator but whose medical documentation had expired. After being disconnected, the customer took an ambulance to the hospital, where her discharge was ultimately delayed because the hospital did not feel it could safely release her until her power had been restored. While there is no guarantee, it is entirely possible that a utility representative—either visiting in-person or communicating via phone—could have informed the customer they had 30 days to obtain medical certification renewal,²⁷ extended the customer’s certification pursuant to Minn. Stat. § 216B.098, Subd. 5(d),²⁸ and/or provided alternative disconnection prevention options while the customer was awaiting

²³ Xcel 2023 Service Quality Report at 8.

²⁴ *Id.* at 9.

²⁵ Minn. R. 7820.2500.

²⁶ Remote Disconnection Order at 2.

²⁷ See Remote Disconnection Order at 5-6 (extending the length of time for obtaining medical certification to 30 days).

²⁸ Minn. Stat. § 216B.098, Subd. 5(d) allows utilities, at their sole discretion, to extend the duration of certification for up to 12 months if appropriate given the customer’s individual circumstances.

certification from a medical professional. Leaving a voicemail would not offer the same level of protection.

The ability to disconnect service remotely is not the sole cause of increased disconnections, but it enables the Company to disconnect more customers at a faster rate with fewer opportunities for the customer to remedy the situation. We therefore recommend the Commission eliminate voicemail messaging as a permissible form of final contact as a condition of extending the Company's variance. The Joint Commenters see this as a necessary step, but not the only change necessary, to protect consumers should Xcel continue remote disconnections. We are in the midst of ongoing conversations with the Company in an attempt to identify a pathway forward to connect customers with assistance resources and minimize disconnections.

C. Conclusion

CUB and ECC appreciate the opportunity to provide comments on Xcel's Service Quality Report. In summary, we support the use of AMI to reconnect customers during periods of extreme heat and unhealthy AQI events, and see a need to provide additional avenues for disconnection prevention in the face of remote service termination. We will continue monitoring disconnection trends and advocating on behalf of residential customers in the service quality, E,G999/CI-YR-02, and related dockets. We are hopeful that through conversations with Xcel, we can reach a mutually agreeable pathway forward to reduce disconnections and minimize customer impacts.

Sincerely,

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cc: Service List