



414 Nicollet Mall
Minneapolis, MN 55401

September 1, 2023

—Via Electronic Filing—

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

RE: PETITION
APPROVAL OF A MODIFICATION TO THE
COMPANY'S LOW INCOME DISCOUNT PROGRAM
DOCKET NO. E002/10-854 AND E002/M-04-1956

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits this filing to the Minnesota Public Utilities Commission requesting approval to transfer \$5.6 million in funds from the Medical Affordability Program (MAP) to the PowerON Program in the above-referenced dockets. This transfer will fulfill a budgetary need in the PowerOn Program by effectively utilizing unspent funds in MAP. The Company has worked closely with Energy CENTS Coalition (ECC) to develop this request and they have indicated to the Company they are fully supportive of this request to transfer funds.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact Pamela Gibbs at 612-330-2889 or pamela.k.gibbs@xcelenergy.com or contact me at 612-337-2096 or bridget.dockter@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

BRIDGET N. DOCKTER
MANAGER, POLICY AND OUTREACH
Enclosure
cc: Service Lists

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

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

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF A MODIFICATION TO
THE COMPANY'S LOW INCOME
DISCOUNT PROGRAM

DOCKET NOS. E002/M-10-854 AND
E002/M-04-1956

PETITION

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits this filing to the Minnesota Public Utilities Commission requesting approval to transfer \$5.6 million in funds from the Medical Affordability Program (MAP) to the PowerON Program in the above-referenced dockets. This transfer will fulfill a budgetary need in the PowerOn Program by effectively utilizing unspent funds in MAP. The Company has worked closely with Energy CENTS Coalition (ECC) to develop this request and they have indicated to the Company they are fully supportive of this request to transfer funds.

I. BACKGROUND

Pursuant to Minn. Stat. § 216B.16, the Low Income Program provides eligible electric customers with both bill payment assistance and/or discounts for their electric service. Our Electric Low Income Program portfolio consists of the Low Income Discount, the PowerON Program, and MAP. The PowerON Program component of our Electric Low Income Program offering began in 2005.¹ The PowerON Program has been administered with our community partner, ECC since its inception. PowerON provides bill discounts to qualified customers in return for their commitment to make their affordable payment amount each month.

¹ Docket No. E002/M-04-1956.

To be considered for our PowerON Program, customers must have received energy assistance through the federally funded and state-administered Low Income Home Energy Assistance Program (LIHEAP) in the previous 12 months. The Minnesota Department of Commerce, Division of Energy Resources (Department) administers LIHEAP for Minnesota residents.

In its September 26, 2014, Order,² the Commission approved our Petition to update the tariff language to comply with the changes to Minn. Stat. § 216B.16, subd. 14, resulting from the 2014 Legislative Session. These changes, which became effective on October 1, 2014, established a base annual funding level of \$8 million, which increases in conjunction with general rate increases for residential customers, and replaced the percentage-based participant energy charge discount with a flat \$15 discount on each eligible participant's total monthly bill.

On January 15, 2018, we implemented the new MAP as a modification to the Low Income Program approved by the Commission in its January 10, 2018, Order in Docket No. E002/M-17-629. This program was conceived in response to the multi-year rate plan legislation enacted in 2011. Minn. Stat. § 216B.16, subd. 19(a)(3) allows that a utility submitting a multi-year rate plan “may propose tariffs that expand the products and services available to customers, including, but not limited to, an affordability rate for low-income residential customers.” In November 2015, the Company submitted a multi-year rate plan proposal to increase electric rates. Parties to the proceeding reached a Commission-approved settlement that resulted in (among other things) rate adjustment across four years and an agreement that the Company would develop and implement a new bill payment assistance program designed to aid customers with chronic or severe medical conditions who meet defined income criteria.³

On January 18, 2023, the Public Utilities Commission (Commission) issued an Order approving our proposed auto enrollment process for natural gas customers in the Gas Affordability Program (GAP) who have been enrolled under LIHEAP.⁴ While this program is focused on serving our natural gas customers, if a combination gas and electric customer is auto enrolled through GAP, they are also automatically enrolled in PowerON.

² Docket No. E002/M-04-1956.

³ Docket No. E002/GR-15-826.

⁴ Docket No. G002/M-22-257.

II. PROGRAM INFORMATION

A. Current Program Budgets and Participation

Successful changes to the Low Income Programs has resulted in increases in PowerON participation and spending to date, while the MAP has seen a decline in participation. The PowerON and Monthly Discount Programs effectively combine annual budgets to ensure the needs of each program is met. However, the MAP requires its own program funding per Commission Order. We include Table 1 reflecting the PowerON/Discount and MAP tracker balances through July 31, 2023.

Table 1: Low Income Program Tracker Balances

Program	PowerON	Discount	Combined PowerON & Discount	Medical Affordability
Annual Budget	~\$3.5 million	~\$10.2 million	~ \$13.7 million	\$3.0 million
Current Tracker Balance*	\$0	\$2.1 million	~\$2.1 million	\$8.6 million

*Balances Through July 31, 2023

1. MAP Program Update

The MAP program requires an annual funding amount of \$3 million. The current MAP tracker balance is \$8.6 million. Despite the efforts to boost the MAP, the average spending from January to July was approximately \$70k per month, less than half what the program's budget could manage. Transferring \$5.6 million of underutilized funds from the MAP budget to the PowerON Program will not only leave the required MAP annual budget intact but allow for a generous budget moving forward when compared to current spending.

Outreach Efforts

In recent years we have expanded our MAP outreach by contacting major healthcare providers discharge centers and sending them an information packet on the medical account status protection for customers and how they can apply for the MAP program. The Company has also made numerous proactive outreach efforts to our customers to encourage conversations about resolving past due balances including promotion of Energy Assistance programs and funding.

These include:

- Continued a comprehensive outreach campaign designed to connect potentially eligible customers with energy assistance information including: automated courtesy phone calls and emails, manual live agent phone calls to provide a personal account review.
- Made updates to our Company website and emails relating to energy assistance products that directed all customers linking back to our Energy Assistance and Payment Plan information.
- Mailed prefilled applications to almost 900 customers with past due balances who qualify for medical protections but had not applied for energy assistance in 2022 in an effort to reach additional customers.
- Worked with AARP to modify our Medical Certification form, changing the requirement of a physician sign off to a nurse practitioner as many customers can more easily get appointments for the latter.

Despite our efforts, the number of active MAP participants is currently approximately 700 lower than in 2022.

2. PowerON/Low Income Discount Program Update

While MAP participation has decreased, significant outreach efforts have resulted in over 22,000 customers participating in the PowerON Program. This represents an increase of 7,000 active participants over this time last year. PowerON Program spending has increased to over \$1 million per month over the last three months and we expect that funding needs to increase, especially with the auto enrollment process roll-out that began in July of this year for the Gas Affordability Program (GAP). In that process, if we serve a customer with both natural gas and electricity, that customer will automatically be enrolled in the PowerON Program as well. The July 31, 2023 PowerON/Discount Program has a combined tracker balance of \$2.1 million.

Outreach Efforts

We noted in our 2022 Electric Low Income Discount Annual Report some of these efforts⁵. They included significant outreach coordination of resources with agencies to offer the best financial benefit to our customers. For example, we partnered with the Minnesota Department of Commerce Energy Assistance Program to mail prepopulated energy assistance applications to potential LIHEAP applicants that have not received assistance in the past. We also mailed prefilled applications to customers who were on the PowerON Program but who had not applied for energy assistance.

⁵ 2022 ANNUAL REPORT, ELECTRIC LOW INCOME ENERGY DISCOUNT PROGRAM, DOCKET NOS. E002/M-04-1956 AND E002/M-10-854

Almost 390,000 customers in Minnesota were directly emailed that would be potentially eligible for energy assistance by utilizing a third party report. These customers were then referred to energy assistance agencies and resources available on xcelenergy.com. An additional effort coordinated between Xcel Energy and our program partner Energy CENTS Coalition included sending current LIHEAP customers a letter explaining what their PowerON credit/monthly affordable payment would be if they do not opt out and instructions to opt out or for more information.

B. Sustaining Low Income Program Budgets

The purpose of our Electric Low Income Program is to bring resources to our qualified customers in need to help them pay their bill and ultimately avoid disconnection. To do this, we must manage our overall budget by balancing the impacts of a changing landscape of state and federal assistance with our utility specific program offerings. It is critically important we sustain a fluid tracker balance to meet the needs of our program participants.

We anticipate a 32 percent response rate through the PowerON Program auto enrollment process. This rate compares to a current 15-20 percent response rate when customers receive an outreach mailing and are required to apply to the PowerON Program by returning the application or by applying on-line. Additionally, increasing the PowerON Program participant scope will make it easier to help identify customers with medical needs. We can do this by mailing information to PowerON customers that may qualify for the Medical Affordability Program.

To manage the PowerON Program tracker balance, we commit to providing an update to the Commission if/when we believe the PowerON/Discount tracker balance will fall below \$2 million. In that update we will propose an action plan to correct the anticipated shortfall.

CONCLUSION

As a result of successful program changes that have increased customer participation in the Company's Discount Programs, we respectfully request approval to transfer \$5.6 million in funds from the Medical Affordability Program to the PowerON Program to meet the budgetary needs of that Program.

Dated: September 1, 2023

Northern States Power Company

CERTIFICATE OF SERVICE

I, Ella Giefer, 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. E002/M-10-854
E002/M-04-1956

Dated this 1st day of September 2023

/s/

Ella Giefer
Regulatory Administrator

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
John	Bailey	bailey@ilsr.org	Institute For Local Self-Reliance	1313 5th St SE Ste 303 Minneapolis, MN 55414	Electronic Service	No	OFF_SL_4-1956_1
James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_4-1956_1
Barb	Bischoff	barb.bischoff@nngco.com	Northern Natural Gas Co.	CORP HQ, 714 1111 So. 103rd Street Omaha, NE 681241000	Electronic Service	No	OFF_SL_4-1956_1
Robert S.	Carney, Jr.			4232 Colfax Ave. S. Minneapolis, MN 55409	Paper Service	No	OFF_SL_4-1956_1
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	No	OFF_SL_4-1956_1
George	Crocker	gwillc@nawo.org	North American Water Office	5093 Keats Avenue Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_4-1956_1
Leslie	Davis		Earth Protector, Inc.	PO Box 11688 Minneapolis, MN 554110688	Paper Service	No	OFF_SL_4-1956_1
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	Yes	OFF_SL_4-1956_1
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_4-1956_1
Bruce	Gerhardson	bgerhardson@otpc.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_4-1956_1

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP	Suite 1750 220 South Sixth Street Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_4-1956_1
William J.	Hagstrom	N/A	Catapult Capital Management LLC	32nd Floor 650 Fifth Avenue New York, NY 10019	Paper Service	No	OFF_SL_4-1956_1
Annete	Henkel	mui@mnuutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St. Paul, MN 55101	Electronic Service	No	OFF_SL_4-1956_1
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_4-1956_1
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2950 Yellowtail Ave. Marathon, FL 33050	Electronic Service	No	OFF_SL_4-1956_1
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_4-1956_1
Charles	Kyte	members@mnasa.org	Minnesota Association of School Administrators	1884 Como Ave St. Paul, MN 55108	Electronic Service	No	OFF_SL_4-1956_1
Kim	Lillyblad	kim.lillyblad@avantenergy.com	Avant Energy	220 S. Sixth St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_4-1956_1
Dale	Lusti	dale.lusti@state.mn.us	Office of Energy Security	Suite 500 85 Seventh Place East St. Paul, MN 551012198	Electronic Service	Yes	OFF_SL_4-1956_1
Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_4-1956_1

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 E 7th St St Paul, MN 55106	Electronic Service	No	OFF_SL_4-1956_1
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_4-1956_1
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_4-1956_1
Jeff	Pollock	jcp@jpollockinc.com	J. Pollock Inc.	Suite 335 12655 Olive Boulevard St. Louis, MO 63141	Electronic Service	No	OFF_SL_4-1956_1
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	No	OFF_SL_4-1956_1
Steve	Schneider	steve.schneider@ci.stpaul.mn.us	Board of Water Commissioners	1900 Rice Street St. Paul, MN 55113	Electronic Service	No	OFF_SL_4-1956_1
Christine	Schwartz	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_4-1956_1
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_4-1956_1
Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates	7400 Lyndale Ave S Ste 190 Richfield, MN 55423	Electronic Service	No	OFF_SL_4-1956_1
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	OFF_SL_4-1956_1

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Byron E.	Starns	byron.starns@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_4-1956_1
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_4-1956_1
Kitty	Turner	kat@jpollockinc.com	J. Pollock Inc.	12655 Olive Boulevard St. Louis, MO 63141	Electronic Service	No	OFF_SL_4-1956_1
Rebecca S.	Winegarden	beckwine@msn.com	Unknown	10555 Union Terrace Ln N Maple Grove, MN 553692622	Electronic Service	No	OFF_SL_4-1956_1

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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_10-854_Official
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_10-854_Official
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 E 7th St St Paul, MN 55106	Electronic Service	No	OFF_SL_10-854_Official
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_10-854_Official
Christine	Schwartz	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_10-854_Official
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_10-854_Official