

November 19, 2025

Sasha Bergman  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce  
Docket No. G002/M-25-67

Dear Ms. Bergman,

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

*In the Matter of Northern States Power Company, doing business as Xcel Energy's (Xcel or the Company) Petition for Approval of Changes in Contract Demand Entitlements.*

The Petition was filed by Xcel on August 1, 2025 and the Supplemental filing was filed on October 31, 2025.

The Department recommends **approval of Xcel's Petition** and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Dr. SYDNIE LIEB  
Assistant Commissioner of Regulatory Analysis

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Attachment



## Before the Minnesota Public Utilities Commission

### Comments of the Minnesota Department of Commerce

Docket No. G002/M-25-67

#### I. INTRODUCTION

Pursuant to Minnesota Rules 7825.2910, subpart 2,<sup>1</sup> Northern States Power Company, doing business as Xcel Energy (NSP, Xcel, or the Company) filed a demand entitlement petition (Petition) on August 1, 2025, with the Minnesota Public Utilities Commission (Commission), to change the levels of demand for natural gas pipeline capacity for its customers.<sup>2</sup> On October 31, 2025, Xcel submitted its Supplemental Filing providing an update to its Petition.<sup>3</sup>

The Company requested Commission approval to place the Purchased Gas Adjustment (PGA) changes into effect on November 1, 2025. The Company stated that, in the event that the Commission does not act by November 1, 2025, the Company, pursuant to Minn. Stat. § 216B.16, subd. 7, Minn. R. 7825.2920, and Xcel's PGA tariffs, will provisionally place the PGA changes into effect on November 1, 2025, subject to later Commission approval.<sup>4</sup> This process is consistent with how past demand entitlement filings have been implemented.

In its Petition, Xcel requests approval from the Commission to implement its proposed interstate pipeline transportation, storage entitlement, and other demand-related contracts for 2025-2026 effective November 1, 2025. The Company requested that the adjustments be made through the PGA to reflect changes in its firm pipeline demand entitlement levels as follows:

- increase its Minnesota jurisdictional design-day (DD) requirement by 1,951 dekatherms per day (Dth/day), about 0.25% (1,951 Dth/786,332 Dth);
- change the capacity resources used to meet the design-day requirements and increase the amount of capacity resources (total entitlements) for Minnesota by 20,333 Dth/day or 2.50% (20,333 Dth/814,710 Dth);
- an increase in the reserve margin from 3.9% to 6.2% for Minnesota;
- slightly decrease the jurisdictional allocation to Minnesota (rather than North Dakota) to 86.02% from 86.42% to reflect customer growth and usage patterns; and,
- change its recovery of Supply Reservation fees.<sup>5</sup>

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<sup>1</sup> "Filing upon a change in demand. Gas utilities shall file for a change in demand to increase or decrease demand, to redistribute demand percentages among classes, or to exchange one form of demand for another."

<sup>2</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Initial Filing, August 1, 2025, Docket No. G002/M-25-67, (eDockets) [20258-221652-01](#), (hereinafter "Petition").

<sup>3</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Supplemental Filing, October 31, 2025, Docket No. G-002/M-25-67, (eDockets) [202510-224563-01](#), (hereinafter "Supplemental Filing").

<sup>4</sup> *Id. at i-ii.*

<sup>5</sup> *Id. at 2-4.*

## II. PROCEDURAL BACKGROUND

August 1, 2025	Xcel Energy filed a Petition for changes in contract demand entitlements. <sup>6</sup>
October 31, 2025	Xcel Energy filed supplemental comments including updates to its hedging transactions and the status of the Company's Maplewood Propane Air peak shaving plant. <sup>7</sup>

The Department provides comments on the Company's proposals, including discussion on the following areas:

- design-day forecast and requirements;
- proposed overall demand entitlement levels;
- reserve margins;
- supplier reservation fees;
- the PGA cost recovery proposals;
- Xcel's ANR Storage;
- Xcel's compliance with Ordering Paragraph 9 of the Commission's February 17, 2023 Order in Docket G999/CI-21-135;
- Rate Cases at the Federal Energy Regulatory Commission (FERC); and
- Status of Xcel's Peaking Plant.

## III. DEPARTMENT ANALYSIS

### A. DESIGN-DAY FORECAST AND REQUIREMENTS

#### A.1. XCEL'S PROPOSED DESIGN-DAY LEVELS

Xcel expects an increase of 3,295 customers between the 2024-2025 and 2025-2026 heating seasons in the Minnesota jurisdiction (from 493,513 to 496,808). The Company projected that this increase in customer base would increase the design-day requirements for Minnesota by 1,951 Dth.<sup>8</sup>

#### A.2. XCEL'S FORECAST

Consistent with its approach since its 2004-2005 demand-entitlement filing, the Company used two forecast methodologies in its estimate of its design-day requirement for the 2025-2026 heating season:

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<sup>6</sup> Petition.

<sup>7</sup> Supplemental Filing.

<sup>8</sup> Petition at 3.

the Actual Peak Use-per-Customer Design Day (UPC DD) and the Average Monthly Design Day (Avg. Monthly DD). The Department assesses the foundations of the methodologies below.<sup>9</sup>

#### *A.2.1. Actual Peak Use-per-Customer Design Day (UPC DD)*

The UPC DD method employs a use-per-customer number of 1.57393 Dth/day to estimate the design-day demand forecast, based on the actual use per customer on Thursday, January 29, 2004, which was a day for which only firm customers were on the system.<sup>10</sup> Xcel multiplied the 1.57393 Dth/day value by estimates of total firm customers in all of Xcel's service areas and added the contracted billing demand for Small and Large Demand Billed Customers to arrive at the total expected design-day demand for the Xcel system. Thus, unlike the Avg. Monthly DD method, the way customers are distributed among service areas does not affect the aggregate forecasts produced by the UPC DD method because the total number of customers and the resulting total volume is unchanged no matter where the customers are located.

Xcel's analysis using the UPC DD and the Avg. Monthly DD resulted in an equivalent total expected design-day demand for the Xcel system.<sup>11</sup> If either cold temperatures or differences in results compared with the Avg. Monthly DD method indicate that the 1.57393 Dth/day peak-day use-per customer volume is out of date, the Company states that it will adjust the volume accordingly.<sup>12</sup>

#### *A.2.2. Average Monthly Design Day*

The Avg. Monthly DD method is a statistical method that uses linear regression analysis to estimate design-day demand. Xcel performs a separate regression on each demand area for both residential and commercial customers.<sup>13</sup> These separate demand areas have their own specific usage characteristics based on the input data; as such, the coefficients used to estimate use per customer vary from service area to service area. Consequently, the shifting of customers among demand areas can affect the aggregate forecasts produced by the Avg. Monthly DD method. The Company's service areas were unchanged from the 2016-2017 heating season to the 2025-2025 heating season; therefore, any changes in the aggregate forecast numbers using the Avg. Monthly DD method are related to typical growth dynamics and data turnover (Xcel used the 62 most recent months of data in its analysis),<sup>14</sup> and to the usage characteristics of customers in a given demand area.

The Company summarized its output statistics for each of its demand areas in Attachment 1, Schedule 1 of its Petition. Of the R-squared values for its various statistical models, Xcel stated that nearly 89% are greater than 0.80, which suggests that a high level of the predictive quality of the model is included

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<sup>9</sup> *Id.* at Attachment 1 at 2-5.

<sup>10</sup> *Id.* at Attachment 1, Schedule 3, at 2.

<sup>11</sup> *Id.* Schedule 3, at 1, and Attachment 1, Schedule 1 at 1-5.

<sup>12</sup> *Id.* Attachment 1, at 3-4

<sup>13</sup> Xcel has 15 separate demand areas. The demand areas that the Company conducts separate analyses on are as follows: Metro, Brainerd, Mainline, Mainline—Welcome, Willmar, Paynesville, VGT-Chisago, Watkins, Tomah, Red Wing, Grand Forks MN, Fargo MN, Grand Forks ND, Fargo ND, and WBI ND.

<sup>14</sup> Petition at Attachment 1, at 3.

in the input data for the specified variables. The models that have R-squared values less than 0.80 are generally associated with models that have a smaller number of customers. This result is not surprising or concerning, because a smaller sample of customers will inherently increase data variability—changes in consumption by a single customer, or group of customers, will have a much greater impact on total consumption than in a larger estimation group.<sup>15</sup>

The statistics presented by the Company in its Petition suggest that the Avg. Monthly DD method produces acceptable forecasts. In Docket No. G002/M-13-663 the Department noted that, while acceptable, the Avg. Monthly DD method might not represent the best option available for forecasting natural gas needs.<sup>16</sup> The Department noted that there were potential issues related to the model, because it assumes natural gas consumption is constant at all temperatures; the Avg. Monthly DD estimates the average demand area consumption based on a given temperature, instead of for a peak day where consumption is likely to be above average. After conversations with the Company, both parties concluded that using a regression model based on daily consumption data would be very difficult since it would require a forecast of daily interruptible load in order to isolate firm load.<sup>17</sup> Further, Xcel's dual-method approach counteracts some of the issues inherent in the Avg. Monthly DD method as the Avg. Monthly DD method generally results in higher forecasted requirements than those produced using the UPC DD method.

Xcel noted that some of its models had autocorrelation present in the regression analysis. The presence of autocorrelation in a regression analysis implies that the errors are not independent of each other.<sup>18</sup> This result would violate one of the basic assumptions in typical regression analysis which is that one normally assumes that the errors are all independent of one another. Hence, the presence of autocorrelation would affect the validity of the statistical tests that are typically applicable to regression analysis such as, for example, the coefficient of determination ("R-squared") test statistic, and the t-statistic. When forecasting with an ordinary least squares (OLS) regression model, absence of autocorrelation between the errors is very important. As recommended in the Company's previous demand entitlement filings, Xcel did check and correct its regression models for autocorrelation and the Department appreciates Xcel doing so.

Xcel also noted that in one regression model, Grand Forks MN Small Commercial, the analysis resulted in negative intercept coefficients which would indicate negative usage at zero Heating Degree Days (HDDs). The Company stated the following:<sup>19</sup>

This would indicate negative gas use at zero heating degree day (HDD), which is not realistically possible. To correct for this, we adjusted the heating degree day values to 0 for each summer month for the affected areas. This supports our base use of gas during the summer months, which is not temperature dependent, and is more reflective of reality. We then

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<sup>15</sup> *Id.* Attachment 1 Pages 3-4

<sup>16</sup> *Comments*, Docket No. G002/M-13-663 (August 30, 2013)(eDocket# [20138-89788-01](#)), at 5-6.

<sup>17</sup> *Comments - Supplement*, Docket No. G002/M-13-663 (March 4, 2014)([20143-97061](#)), at 2.

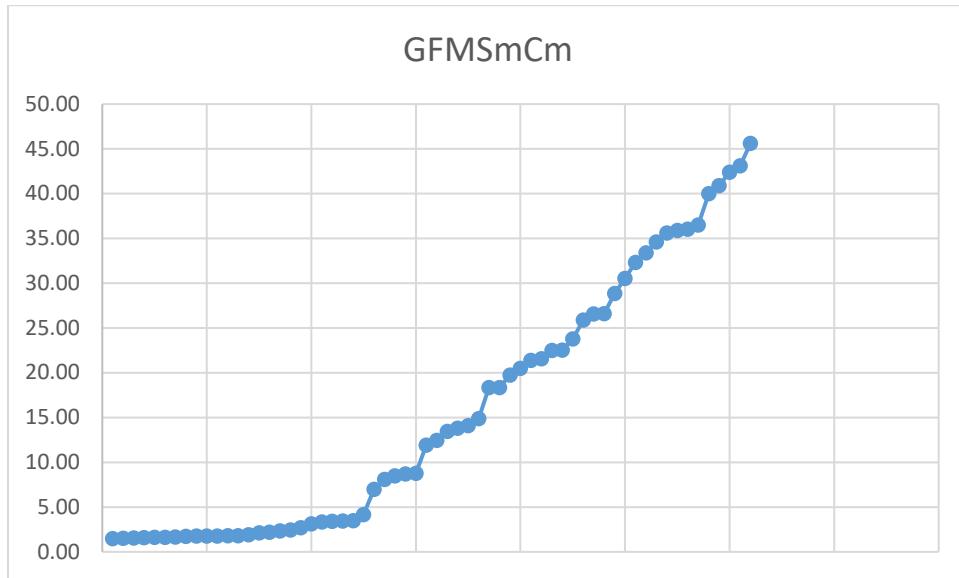
<sup>18</sup> Petition at Attachment 1, at 3-4.

<sup>19</sup> *Id.* Attachment 1, at 3.

performed the regression analysis on the one area, which resulted in positive intercept coefficients, though not statistically significantly different from zero.

The Department agrees with Xcel that negative usage at zero HDDs is impossible and appreciates Xcel's correction. The Department examined the Grand Forks MN Small Commercial regression output and data to determine if any root cause of the negative intercept could be found. The regression intercept for Grand Forks MN Small Commercial was -0.105, suggesting that at a 0 HDD customers would somehow use -0.105 Dth of gas. While nonsensical this is a very small value and very close to zero. In general, the Department found that many of the lower usage areas had regression results with intercepts near zero, and those areas shared a general seasonal trend with high usage in the winter and near zero usage in the summer. The Department compared the input data for the Grand Forks MN Small Commercial with other areas and found that when the month usage was sorted from low to high, the Grand Forks MN Small Commercial data does not show a natural curve to usage, as shown below, instead with a clear slope shift for non-summer months. While similar trends were present for other areas, the trend was more pronounced for Grand Forks MN Small Commercial. As similar regressions all had intercepts near zero, this slight skew in data for Grand Forks MN Small Commercial appears to have resulted in the negative intercept. As the basic regression analysis used to forecast the design day does not know that a negative intercept is nonsensical, it is not surprising that certain data irregularities could result in a negative intercept. Given the intercept for Grand Forks MN Small Commercial is near zero and that the overall UPC DD results in extremely similar forecasts for Minnesota, the Department is not concerned with this slight anomaly.

**Graph 1: Grand Forks MN Small Commercial Gas Usage Sorted from Low to High**



The Department concludes that Xcel's forecast methodology is acceptable, and the Department agrees with Xcel that the Company should continue to use the two methods to develop its design-day estimate, updating the UPC DD method when appropriate.

### A.3. *Xcel's Forecasts*

Xcel projected that its Minnesota and North Dakota design-day requirements will increase by 6,500 Dth/day to 914,092 Dth/day in the 2025-2026 heating season, or a 0.7% increase. The Company's forecast of its Minnesota design-day requirements is 786,332 Dth/day, an increase of 1,951 Dth/day, or an increase of 0.25%. In addition, the forecasted North Dakota usage for 2025-2026 is 127,760 Dth/day, an increase of 4,549 Dth/day, or a 3.69% increase from the 2025-2026 heating season.<sup>20</sup>

Xcel's customer forecast shows the number of Minnesota customers increasing by 3,295, from 493,513 in the 2024-2025 forecast to 496,808 in the 2025-2026 forecast, an increase of approximately 0.67%.<sup>21</sup>

The North Dakota customer count is forecasted to increase by approximately 0.9% to 65,975 in 2025-2026, up from 65,391 in 2024-2025.<sup>22</sup>

The Department notes that the slightly bigger rate of increase in forecasted North Dakota gas consumption indicates that the proportion of design-day responsibility on the Xcel system shifted slightly to North Dakota from Minnesota, which is typical of the trend in the past several years.<sup>23</sup> According to the Petition, the consumption allocator for Minnesota for the 2025-2026 heating season is 86.02%, down from 86.42% during the 2024-2025 heating season.<sup>24</sup>

The Department recreated and confirmed the results of both of the Company's forecast methods. Based on the Departments analysis and the Company's descriptions of its forecasting techniques, the Department concludes that Xcel's forecasting of design-day levels was performed appropriately and recommends Commission Approval.

### A.4. *JURISDICTIONAL ALLOCATIONS*

The 2025-2026 heating season jurisdictional allocation factor, which is used to allocate new peak capacity to Minnesota and North Dakota, remained within 0.50 percentage points of the projection for the prior heating season. The allocation factor is calculated by dividing the design-day forecasted demand for Minnesota (786,332 Dth/day) by the same demand for the Company's system (914,091 Dth/day). The Avg. Monthly DD results are used to update the allocation factor, which decreased from 86.42% to 86.02%.<sup>25</sup>

Small annual changes in the allocation factor are almost inevitable. A locational change of a handful of customers in one state or the other can change the total numbers upon which the allocation factor is

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<sup>20</sup> *Id.* Attachment 1, Schedule 3, at 1.

<sup>21</sup> *Id.* Attachment 1, at 2.

<sup>22</sup> *Id.* Attachment 1, Schedule 1, at 5

<sup>23</sup> The exceptions were the Minnesota allocation increase from 87.51% to 87.57% for the 2019-2020 heating season (Docket No. G002/M-19-498) and increasing from 87.27% to 87.39% in the 2021-2022 heating season (Docket No. G002/M-21-589).

<sup>24</sup> Petition Attachment 1, Schedule 1

<sup>25</sup> *Id.* Attachment 1, at 14.

based and therefore change the allocation between the states. Again, such changes are typically not significant. The Department concludes that Xcel's proposed jurisdictional allocation change is reasonable.

*B. CHANGES TO ENTITLEMENTS*

The Company has supply entitlements with five companies: Northern Natural Gas (NNG or Northern), Viking Gas Transmission Company (VGT), ANR Pipeline (ANR), Great Lakes Gas Transmission Company (GLGT), and Williston Basin (WBI). Xcel requested approval of renewals and consolidation of existing contract entitlements for ANR (and some minor changes), Viking, and Northern. Xcel also requested approval of its capacity acquisitions on Northern as well as additional supplier entitlements. Costs also increased due to federal pipeline rate cases, as discussed further below.

Tables 1 provides a summary by pipeline. The full detail by contract is located in Attachment 1, Schedule 2 and Attachment 2, Schedule 1 of the Supplemental Filing.

**Table 1: Proposed Changes in Entitlements by Pipeline 2025-2026<sup>26</sup>**

Pipeline	Proposed Dth/day Change	Proposed Annual Cost Change Effective 11/1/2025
NNG	24,033	\$2,220,094.57
VGT	0	0
ANR	19	\$5,504,905.85
GLT	0	\$94,887.00
WBI	0	0
Supplier Entitlements	4,000	\$387,491

As indicated in Attachments 1 of the Supplemental Filing, Xcel proposed several changes in its demand entitlements that, in total, would increase costs from all source systems by approximately \$8,207,378.42 effective November 1, 2025. Additionally, these changes will increase to \$18,582,093.04 as compared to November 1, 2024 due to increases related to three of the interstate pipelines having rate cases with the Federal Energy Regulatory Commission (FERC). These amounts are for Minnesota and North Dakota customers. The impacts attributable only to Minnesota will be \$7,060,259.55 as of November 1, 2025, and \$15,984,933.73 effective January 1, 2026. As discussed below, the capacity changes are related to reliability needs across the Xcel system.<sup>27</sup> The cost changes are due not only to capacity renewals and acquisitions, but also a large portion of the increases are related to rate cases from NNG, ANR, and GLGT. The ANR and GLGT rate case impacts are included in Table 1 above, while

<sup>26</sup> Supplemental Filing Revised Attachment 1, Schedule 2 and Revised Attachment 2, Schedule 1.

<sup>27</sup> Id.

the NNG impacts are effective January 1, 2026, which are the cause of the \$10,374,714.62 at that time for Minnesota and North Dakota.

The Company proposed no overall changes to be made to VGT and WBI Pipeline capacity and entitlements. The net change to the design-day capacity is an increase of 20,333 Dth/day on a Minnesota jurisdictional basis. As discussed above, this large increase was necessary in part to meet increased design day requirements, but also to raise the reserve margin from 3.9% to 6.2%. Xcel was forced to lower its reserve margin last year due to an inability at that time to obtain additional capacity from pipelines. As will be discussed more below, the 6.2% reserve margin is more in line with historical reserve margins for the Company. Xcel also states that much of this increased capacity is on discounted long-term contracts which will allow for future growth.<sup>28</sup>

Xcel continued to treat storage-capacity demand charges as commodity costs instead of demand costs beginning with the Company's July 2014 PGA, as ordered in Xcel's grouped 2007-2013 Contract Demand Entitlement Filings.<sup>29</sup> Xcel provided a summary of hedging transactions for the heating season in response to reporting requirements established in the Commission's May 27, 2008,<sup>30</sup> April 22, 2016,<sup>31</sup> and February 12, 2020<sup>32</sup> Orders. Xcel filed a Petition in Docket No. G002/M-23-521 requesting approval of a four-year extension of variances to the PGA rules to allow continued use of hedging transactions, and the Commission issued its Order on May 21, 2024.<sup>33</sup>

#### *B.1. Demand Entitlement Levels*

Xcel's Petition proposed changes in the resources used to meet its design-day customer requirements. Overall, the Company's system firm supply entitlements, which include entitlements for Minnesota and North Dakota, increased, from 942,684 Dth/day to 970,717 Dth/day, or 2.97%.<sup>34</sup>

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<sup>28</sup> Petition at Attachment 1, page 5.

<sup>29</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements, Order*, June 9, 2014, Docket Nos. G002/M-07-1395, G002/M-08-1315, G002/M-09-1287, G002/M-10-1163, G002/M-11-1076, G002/M-12-862, and G002/M-13-663, (eDockets) [20146-100237-11](#).

<sup>30</sup> *In the Matter of a Petition Submitted by Northern States Power Company Requesting Approval of an Extension of Variances to Minnesota Rules to Allow Xcel to Recover the Costs of Financial Instruments Through the Purchased Gas Adjustment (PGA) Clause, Order*, May 27, 2008, Docket No. G002/M-08-46, (eDockets) [5235084](#).

<sup>31</sup> *In the Matter of a Petition Submitted by Northern States Power Company Requesting Approval of an Extension of Variances to Minnesota Rules to Allow Xcel to Recover the Costs of Financial Instruments Through the Purchased Gas Adjustment (PGA) Clause, Order*, April 22, 2016, Docket No. G002/M-16-88, (eDockets) [20164-120532-01](#).

<sup>32</sup> *In the Matter of a Petition Submitted by Northern States Power Company Requesting Approval of an Extension of Variances to Minnesota Rules to Allow Xcel to Recover the Costs of Financial Instruments Through the Purchased Gas Adjustment (PGA) Clause, Order*, February 12, 2020, Docket No. G002/M-19-703, (eDockets) [20202-160321-01](#).

<sup>33</sup> *In the Matter of the Petition of Northern States Power Co. d/b/a Xcel Energy (Xcel) for Approval of an Extension of Rule Variances to Recover the Costs of Financial Instruments Through the Purchased Gas Adjustment (PGA) Clause, Order*, May 21, 2024, Docket No. G002/M-23-521, (eDockets) [20245-206926-01](#).

<sup>34</sup> Petition, Attachment 1 Schedule 5 at page 1.

### *B.1.1. Northern Natural Gas*

Most of Xcel's firm pipeline transportation contracts are with NNG that were put in place in 2007 and ran through October 2017. As described in 2016-2017 filing, Xcel already renewed the long-term contacts for another 10-year term through October 2027 due to a required one-year advance notice for extension. As part of the extension, the renewal included a \$0.01/Dth rate increase beginning November 1, 2017.<sup>35</sup>

As described in the 2017 filing, the Company added three new entitlements for the 2017-2018 heating season that serve peak demand. According to the Company, 918 Dth/day of incremental capacity at St. Cloud, Minnesota, 3,333 Dth/day in the Lake Elmo, Minnesota area, and 8,486 Dth/day in the Twin Cities were added, effective November 1, 2017.<sup>36</sup> In the Company's 2019 filing Xcel contracted with NNG for incremental capacity on its system as part of the Northern Lights 2019 project effective November 1, 2019. This expansion added 10,482 Dth/day on a year-round basis.<sup>37</sup>

Xcel continued expanding its entitlements with NNG in future filings, adding 9,459 Dth/Day effective November 1, 2021,<sup>38</sup> and proposing to add 9,263 Dth/day effective November 1, 2023.<sup>39</sup> In the 2023 filing Xcel noted that the Northern Lights 2023 expansion project was delayed at FERC and so would not be in service until November 1, 2024, although Xcel received partial capacity through other means from NNG.<sup>40</sup> Thus, in the 2023 filing Xcel has gotten (TFX) Northern firm capacity entitlement of 9,263 Dth/day through the NL 2023 project and 1,152 Dth/day for a total incremental capacity of 10,415 Dth/day. Some of this additional capacity expired on October 31, 2024 with the remainder of the NL 2023 project capacity expected to be in service November 1, 2024. This expiration led to a small net decrease in NNG entitlements but completes previously approved and planned expansion of entitlements.<sup>41</sup>

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<sup>35</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Petition, August 1, 2017, Docket No. G-002/M-17-586, (eDockets) [20178-134428-02](#) (Hereinafter "2017 Filing")

<sup>36</sup> 2017 Filing Attachment 1, page 4.

<sup>37</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Petition, August 2, 2019, Docket No. G-002/M-19-498, (eDockets) [20198-154913-02](#), Attachment 1, page 5.

<sup>38</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Petition, July 30, 2021, Docket No. G-002/M-21-589, (eDockets) [20217-176647-01](#), Attachment 1, page 6.

<sup>39</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Petition, August 1, 2022, Docket No. G-002/M-22-429, (eDockets) [20228-188028-01](#), Attachment 1, page 7.

<sup>40</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Supplemental Filing, November 1, 2023, Docket No. G-002/M-23-361, (eDockets) [202311-200116-01](#), Hereinafter "2023 Supplemental Filing" page 2.

<sup>41</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Petition Changes in Contract Demand Entitlements, August 1, 2024, Docket No. G-002/M-24-271, (eDockets) [20248-209190-01](#), Attachment 1, page 5-6.

In the Petition Xcel added 24,033 Dth/day as part of NNG's Northern Lights 2025 expansion project, effective November 1, 2025.<sup>42</sup> 18,782 Dth/day is on a year-round discounted contract and provides for Growth in the St. Cloud, MN area with the contract through October 31, 2027. The remaining 5,251 Dth/day is intended to serve growth around Delano, MN and St. Michael MN, and is under contract for 10 years through November 1, 2035.

#### *B.1.2. Viking Gas Transmission*

The Company obtained 4,000 Dth/day of December through February delivered supply, as the Company sold out of full winter transportation capacity. Due to this reduction in time period the contract cost \$25,136<sup>43</sup> less than the originally projected \$121,766.<sup>44</sup> Xcel often obtains short-term capacity through VGT to meet overall design day projections.

#### *B.1.3. Great Lakes Gas Transmission*

Xcel reported no changes in demand entitlement contracts with GLGT. As discussed below, GLGT's rates have increased due to a FERC rate case resulting in increased costs for Xcel related to ongoing demand entitlement contracts with GLGT.

#### *B.1.4. ANR Pipeline*

Xcel made small adjustments to several entitlements to match the changes in ANR's in-kind fuel percentages made each spring by FERC resulting in an overall net decrease in ANR entitlements of 19 Dth/day.<sup>45</sup> These changes do not materially impact demand costs. However, as discussed below ANR had a FERC rate case which resulted in an increase of \$5,504,905.85 due to the Company's existing entitlements.<sup>46</sup>

#### *B.1.5. ANR Storage Company Entitlement*

Xcel reported no changes in demand entitlement contracts with ANR Storage Company.

#### *B.1.6. WBI Pipeline*

Xcel reported no changes to its WBI capacity entitlements.

#### *B.1.7. Conclusion*

The Department analyzed the above changes in design-day entitlement resources, and each change appears to be reasonable to serve firm customers on a peak day. Overall, Xcel's entitlements increased more than demand increased, but as will be discussed below the reserve margin increase is

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<sup>42</sup> Petition Attachment 1, page 5

<sup>43</sup> Supplemental Filing page 1-2.

<sup>44</sup> Petition Attachment 1, Page 5-6.

<sup>45</sup> Petition Attachment 1, page 6.

<sup>46</sup> Supplemental Filing Revised Attachment 1, Schedule 2 and Revised Attachment 2, Schedule 1.

reasonable. The Department recommends the Commission approve the Company's proposed entitlements.

#### *B.2. Proposed Reserve Margin*

Xcel's proposed design-day reserve margin in Minnesota is 6.2% for 2025-2026,<sup>47</sup> which is an increase from the 3.9% figure in 2024-2025.<sup>48</sup> The reserve margin serves to protect against the loss of a firm gas-supply source and the risk of actual consumer demand exceeding the design day. Xcel states that its proposed reserve margin of 48,711 Dth/day, as shown in further detail in Department Attachment 1, is appropriate to meet its design-day needs.<sup>49</sup>

Xcel's reserve margin is within the Commission's generally accepted 5 to 7 percent. Xcel stated that the increase in the reserve margin is necessary due to the acquisition of incremental entitlements to meet the growth in the design day. Xcel states that it believes this is an adequate reserve margin, but that the Company will need to explore obtaining additional resources in coming years if customer and demand growth continue.<sup>50</sup>

The Department supports the Company's proposed 6.2 percent reserve margin as it is within the margin the Commission generally finds to be reasonable. The Department understands that in general purchases of entitlements come in chunks, with small incremental increases often not being available, as opposed to larger purchases. It is likely that after the increases this year in the reserve ratio, declines will follow in the near future. The Department provided an in-depth review of reserve margins in supplemental comments to Xcel's 2018 demand entitlement filing, at which time the Department reviewed the rate of non-compliant interruptible customers, including the impacts of the 2019 polar vortex.<sup>51</sup> In that discussion the Department noted that at the time Xcel had a design day of 840,709 Dth, and a Capacity of 891,171 Dth, while demand at the Company's new peak on January 29, 2019 only reached 775,257 Dth. At this point the Company still had approximately 15% of its capacity available. Issues that resulted in the price spike were related to the ability to deliver the gas available, not the Company's reserve margin.<sup>52</sup> Based on this data point, it is clear that the Company's design day generally is higher than the Company's peak demand has been historically, and the extra reserve margin on top of that protects against any extreme events. Based on that review the Department notes that the Company's proposed reserve margin would be sufficient to account for recent trends for the Company. The Department will continue to monitor the reserve margin in future demand entitlement filings. Therefore, the Department recommends that the Commission approve Xcel's proposed 6.2 percent reserve margin.

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<sup>47</sup> Petition Attachment 1, page 14-15.

<sup>48</sup> This reserve margin is inclusive of the Company's peaking plants. See Xcel's *Petition* at Attachment 1, pages 14-15 and Attachment 2 Schedule 1.

<sup>49</sup> Department Attachment 1

<sup>50</sup> Petition Attachment 1, page 14-15.

<sup>51</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Department, Supplemental Comments, August 1, 2019, Docket No. G-002/M-18-528, (eDockets) [20198-154885-01](#).

<sup>52</sup> *Id.* at 9.

### *B.3. Supplier Reservation Fees*

Xcel states that its Supplier Reservation fees have changed. The resulting net change is an increase of \$387,491 annually based on the proposed increase of 4000 Dth/day year-over-year due to increased rates. Each of the supplier contracts is listed in the Trade Secret version of the Company's Petition.<sup>53</sup>

The Department will not comment on each individual contract but has reviewed the filings and can confirm that Xcel's proposal is not unreasonable.<sup>54</sup>

### *B.4. Xcel's PGA Cost Recovery Proposal*

Xcel proposes to reflect the costs associated with the demand entitlements identified in the Petition in the PGA effective November 1, 2025. The demand entitlements in Xcel's Attachment 2, Schedule 2,<sup>55</sup> and Xcel's November 1, 2025 Revised Attachment 2, Schedule 2<sup>56</sup> represent the demand entitlements for which the Company's firm customers will pay.

Xcel's Revised Attachment 2 Schedule 2 of the Supplemental Filing compares the October 2025 PGA costs to the currently proposed November 2025 PGA costs for several customer classes. The resulting per-Dth cost changes related strictly to changes in demand costs have the following annual rate effects.

- Annual demand costs increase by \$0.1004/Dth, or approximately \$8.84 more annually, for the average Residential customer consuming 88 Dth annually;
- Annual demand costs increase by \$0.1025/Dth, or approximately \$24.40 more annually, for the average Small Commercial customer consuming 238 Dth annually;
- Annual demand costs increase of \$0.0979/Dth, or approximately \$157.91 more annually, for the average Large Commercial customer consuming 1,613 Dth annually; and
- No Change in annual demand costs for the average Small Interruptible, Medium Interruptible, and Large Interruptible customers. These customer classes are not allocated demand costs under the current cost allocation plan.

The bill impacts described above relate solely to changes in demand cost and are based on the demand data provided by the Company. Based on its review, the Department concludes that the Company's proposal appears to be reasonable and recommends Commission Approval.

### *B.5. Xcel's Information on its Storage Contracts*

In the Department's February 21, 2024, Comments in Docket No. G002/M-24-80 in Xcel's Petition for Approval of a three-year variance to the PGA to allow recovery of storage-related *ad valorem* taxes through the PGA, the Department recommended that Xcel provide an updated analysis in its future

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<sup>53</sup> Supplemental Filing Revised Attachment 1, Schedule 2, page 1

<sup>54</sup> *Id.*

<sup>55</sup> Petition Attachment 2, Schedule 2, at 1.

<sup>56</sup> Supplemental Filing Revised Attachment 2, Schedule 2.

demand entitlement filings regarding the discussion and analysis of storage alternatives.<sup>57</sup> The Company provided its discussion and analysis in its Petition as requested by the Department.<sup>58</sup>

Xcel does not have any NNG storage contracts up for renewal until May 2026 and is under a twelve-month notification provision for its renewal. This contract covers approximately 52% of Xcel's storage capacity.<sup>59</sup> As such the Company provides an analysis of its options regarding storage capacity. Xcel found that storage near the Company's service territory is fully subscribed and has no other capacity available. Due to this high level of demand the Company is unable to obtain any discounts or other commercial arrangements from NNG regarding its Kansas storage contract entitlements, and NNG could simply sell Xcel's current capacity to another buyer at its maximum rates. Xcel found that while more distant storage capacity may be available, it is not available in the quantity of Xcel's expiring storage contract and pipeline transportation capacity is not available or would be prohibitively expensive. The Company provided a cost comparison between its various options and concluded that renewing its NNG storage entitlement contract would be the most cost-effective option.<sup>60</sup>

The Department reviewed the Company's discussion and analysis regarding the storage alternatives and concludes that the Company's proposal to renew its NNG storage contracts appears to be reasonable and the most cost-effective option.

*B.6. Compliance with the Commission's February 17, 2023 Order in Docket No. G999/CI-21-135*

The Commission in its February 17, 2023 Order paragraph 9 stated the following:<sup>61</sup>

In future contract demand entitlement filings, the gas utilities in this docket shall discuss how changes to their pipeline capacity affect their supply diversity and, if pipeline capacity comes at a cost premium but increases supply diversity, provide a meaningful cost/benefit discussion of the tradeoff, including a comparison with the least-cost capacity option.

The Company provides a lengthy discussion in its Petition regarding the steps it undertakes to evaluate and build its gas transportation, storage and supply and interstate pipeline sources.<sup>62</sup> The Company

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<sup>57</sup> *In the Matter of the Petition of Northern States Power Company for Approval of a Rule Variance to Include the 2025-2027 State of Kansas Storage Tax in the Purchased Gas Adjustment*, Department, Comments, February 21, 2024, Docket No. G-002/M-24-80, (eDockets) [20242-203679-01](#).

<sup>58</sup> Petition Attachment 1, page 7.

<sup>59</sup> *Id.*

<sup>60</sup> *Id.* at 7-9.

<sup>61</sup> *In the Matter of a Commission Investigation into the Impact of Severe Weather in February 2021 on Impacted Minnesota Natural Gas Utilities and Customers, Order Requiring Actions to Mitigate Impacts From Future Natural Gas Price Spikes, Setting Filing Requirements, and Initiating A Proceeding to Establish Gas Resource Planning Requirements*, February 17, 2023, Docket Nos. G999/CI-21-135, G008/CI-21-138, G002/CI-21-610, G004/CI-21-235 and G011/CI-21-611, (eDockets) 20232-193249-05.

<sup>62</sup> Petition Attachment 1, at 9-12.

discusses how it transports natural gas supply and provides an illustration showing its main supply and pipeline sources with a table showing its various receipt points.<sup>63</sup>

The Company has entitlements with all interstate pipelines directly connected to the Company's distribution system. The Company explained how it has a geographically diverse access to supply with storage accounting for approximately 33.0%, NNG Ventura at 18.9%, Emerson at 16.3%, Chicago at 12.2%, and the remainder at various other locations such as NNG Demarc, GLGT/NNG Carlton, *et cetera*.<sup>64</sup>

The Department appreciates the Company's discussion and concludes that Xcel Petition complies with Ordering paragraph 9 of the Commission's Order in Docket 21-135 et al.

#### *B.7. Rate Cases at FERC*

##### *B.7.1. ANR Pipeline*

ANR Pipeline filed a rate case at FERC in Docket RP25-858 on April 30, 2025 and proposed a 59 percent increase in its rates.<sup>65</sup> Xcel filed a protest requesting that the proposed rates be suspended for the maximum 5 months while the case is ongoing. Rates went into effect on November 1, 2025, although the case is ongoing and subject to refunds if a different rate increase than ANR Pipeline proposed is approved. This increase was the primary contributor to the above discussed increase of the ANR demand rate of \$5,504,905.85.

##### *B.7.2. GLGT*

GLGT filed a rate case at FERC in Docket RP25-855 on April 30, 2025 and proposed a 22 percent increase in its rates.<sup>66</sup> Xcel filed a protest requesting that the proposed rates be suspended for the maximum 5 months while the case is ongoing. Rates went into effect on November 1, 2025, although the case is ongoing and subject to refunds if a different rate increase than GLGT proposed is approved. This increase was the primary contributor to the above discussed increase of the ANR demand rate of \$94,887.00.

##### *B.7.3. NNG*

NNG filed a rate case at FERC in Docket RP25-989 on July 1, 2025 and proposed an 85 percent increase in its rates.<sup>67</sup> Xcel expects that FERC will suspend the new rates for the maximum 5 months while the case is ongoing with rates likely going into effect January 1, 2026. The case is ongoing and subject to refunds if a different rate increase than NNG proposed is approved. Xcel has a large number of NNG contracts that include significant discounts which will limit the overall impact of the proposed rate

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<sup>63</sup> *Id.*

<sup>64</sup> *Id.* at 12

<sup>65</sup> *Id.* at 13

<sup>66</sup> *Id.* at 13

<sup>67</sup> *Id.* at 13

increase. This increase is the cause of the above discussed increase of the NNG demand rate of \$10,374,714.62 effective January 1, 2026.

#### *B.7.4. Conclusion*

The Department appreciates the Company's provision of the information related to the above interstate pipelines rate cases at FERC, and the Company's participation to reduce the cost increases for its Minnesota customers.

#### *B.8. Peaking Plants*

In the Company's 2024 supplemental filing Xcel provided a discussion of the state of its Maplewood Propane Air peak shaving plant.<sup>68</sup> The Company stated that the Company began an upgrade of the facility in spring of 2024, consisting of the replacement of all tank bank gas piping, valves, electrical systems, fire and gas detection and suppression systems, and instrumentation and measurement devices for each of the 37 propane tanks at the facility. As part of this upgrade, the facility needed to be de-inventoried, and thus due to project delays, the plant was not available to start the 2024 heating season. The Company initially projected the plant to begin to be operated in a limited capacity by late December.<sup>69</sup>

However, the Company's November 26 Supplemental Letter Xcel indicated that the project was further delayed due to material quality issues, and the Company now expected to begin being able to build inventory in late January.<sup>70</sup> The Company provided regular monthly updates on the state of the facility. Ultimately the Maplewood plant was not available for the entire 2024-2025 heating season.

The Company provided an update regarding the Maplewood Propane Air peak shaving plant in its 2025 Supplemental Filing stating that Xcel expects that facility to become available in late December.<sup>71</sup> The Department notes that the Company's November 3, 2025 update letter provides more detail on the state of the Maplewood facility, which indicates that final commissioning of the propane pumps was completed in October and that the plant began uploading and was 48% full. The Company indicated that the plant was on pace to be available in December.<sup>72</sup> The Company states that it is extremely unlikely that a design day event would occur in November or December, so its is likely the facility will be available for any potential events. The Company presented several scenarios indicating that it could

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<sup>68</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Supplemental Filing, November 1, 2024, Docket No. G-002/M-24-271, (eDockets) [202411-211510-01](#) (hereinafter "2024 Supplemental Filing").

<sup>69</sup> 2024 Supplemental Filing, pages 1-4.

<sup>70</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Updates on Maplewood Plant, November 26, 2024, Docket No. G-002/M-24-271, (eDockets) [202411-212421-01](#), Page 1.

<sup>71</sup> Supplemental Filing at 2.

<sup>72</sup> *In the Matter of the Petition of Northern States Power Company for Approval of Changes in Contract Demand Entitlements*, Xcel Energy, Updates on Maplewood Plant, November 3, 2025, Docket No. G-002/M-24-271, (eDockets) [202511-224622-01](#), Page 1.

likely meet design day needs through a combination of curtailment of interruptible customers, NNG interruptible service, and capacity sharing agreements.<sup>73</sup>

The Department appreciates the Company's regular updates and reviewed the Company's scenarios related to meeting the demand of a potential design day and concludes that the Company appears to have sufficient resources available.

#### *B.8.1. Sibley Peaking Facility*

The Department has an additional concern regarding the Company's peaking facilities. In its Supplemental Filing the Company indicated that it also began projects at the Sibley Propane-air plant in 2024, and that the Sibley facility was likely to be back on-line at a later date than the Maplewood facility. This indication is the first mention of the Sibley facility being out of service that the Department is aware of in a demand entitlement filing. The Department reviewed all previous Maplewood update letters, and the initial and supplemental filings for the last few years, with no outage of the Sibley facility being mentioned prior to the November 1, 2025 Supplemental Filing in the instant docket. The Department confirmed that previous filings by the Company did not lump the capacity need from an outage at the Sibley facility into the Maplewood facility, with a lower capacity need listed in all filings prior to the Supplemental Filing, and that previous filings indicated a different number of propane tanks were under maintenance (37 compared to 74 in the Supplemental Filing).

In response to a Department information request the Company provided additional detail relating to the Sibley outage.<sup>74</sup> The Company indicated that the work on the Sibley facility began in the summer of 2024, but the facility was available during the 2024-2025 heating season, and removed from service only in April of 2025. The Company further clarified that the facility is expected to return to service by the end of December 2025. The Company explained that the outage was mentioned in the Company's 2023 and 2025 gas rate cases, but as the facility was expected to return to service for the 2025-2026 heating season, it was not mentioned in this docket prior to the Supplemental Filing. The Department has concerns related to the in-service projection provided by the Company due to the extended outage recently observed for the Company's Maplewood facility, which was originally projected to be online for the 2024-2025 heating season but is only entering the final steps of returning to service. The Department recommends that the Commission require that for future maintenance outages for the Company's peaking facilities be discussed in the Company's demand entitlement filings. This requirement would ensure that parties participating in the instant docket are aware of potential risks to the Company's projections without needing to review other Company filings. Additionally, similar to the updates the Company has been regularly filing with regards to the Maplewood facility, the Department recommends the Commission require Xcel to provide monthly updates on the state of the Sibley facility until such time as it returns to service at its full capacity.

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<sup>73</sup> Supplemental Filing at 4.

<sup>74</sup> Department Attachment 2

The Company's scenarios presented in the supplemental filing indicate that it could meet its design day needs without either facility through the above discussed methods, although implementing those scenarios would likely come at a significant expense. As such the Department will monitor the situation but does not have concerns with the Company's ability to meet its gas demand for November and December.

#### **IV. DEPARTMENT RECOMMENDATIONS**

Based on the Department's analysis of the Company's Petition and Supplemental Filing, the Department recommends that the Commission approve Xcel's Petition including its proposed design day forecast, jurisdictional allocations, entitlements and rate recovery though the PGA effective November 1, 2025.

Additionally, the Department requests that in reply comments the Company provide a detailed account of when the Sibley Facility began upgrades, for what period or periods was it out of service, if it was available during the 2024-2025 heating season, a discussion of any docket or filings where the Company discussed this outage, and explanation regarding why this is the first mention of an outage at this facility despite the Company's Supplemental Filing indicating that it began its upgrade in 2024. The Department also requests the Company provide a more detailed breakdown on its expected return to service date.

The Department provides a breakdown of its specific recommendations by section below.

##### **A. DESIGN-DAY FORECAST AND REQUIREMENTS**

- A.3. The Department concludes that Xcel's forecasting of design-day levels was performed appropriately and recommends Commission Approval.
- A.4. The Department concludes that Xcel's proposed jurisdictional allocation change is reasonable and recommends Commission Approval.

##### **B. CHANGES TO ENTITLEMENTS**

- B.1.7. The Department recommends the Commission approve the Company's proposed entitlements.
- B.2. The Department recommends that the Commission approve Xcel's proposed 6.2 percent reserve margin.
- B.4. The Department recommends that the Commission approve the Company's proposed PGA cost recovery proposal.
- B.8.1.1 The Department recommends that the Commission require that for future maintenance outages for the Company's peaking facilities be discussed in the Company's demand entitlement filings.
- B.8.1.2 Similar to the updates the Company has been regularly filing with regards to the Maplewood facility, the Department recommends the Commission require Xcel to provide monthly updates on the state of the Sibley facility until such time as it returns to service at its full capacity.



**Department Attachment 1**  
**Docket No. G002/M-25-67**  
**Demand Entitlement Analysis\***

	Number of Firm Customers			Design-Day Requirement			Total Entitlement Plus Peak Shaving			Reserve Margin	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Heating Season	Number of Customers	Change from Previous Year	% Change From Previous Year	Design Day (Dth)	Change from Previous Year	% Change From Previous Year	Total Design-Day Capacity (Dth)	Change from Previous Year	% Change From Previous Year	Reserve Margin	% of Reserve Margin [(7)-(4)]/(4)
2025-2026**	496,663	3,296	0.67%	786,332	1,950	0.25%	835,043	9,308	1.13%	48,711	6.19%
2024-2025**	493,367	5,288	1.08%	784,382	5,776	0.74%	825,735	3,047	0.37%	41,353	5.27%
2023-2024**	488,079	5,627	1.17%	778,606	4,158	0.54%	822,688	4,698	0.57%	44,082	5.66%
2022-2023**	482,452	5,136	1.08%	774,448	9,804	1.28%	817,990	1,297	0.16%	43,542	5.62%
2021-2022**	477,316	7,960	1.70%	764,644	13,670	1.82%	816,693	24,245	3.06%	52,049	6.81%
2020-2021**	469,356	3,974	0.85%	750,974	7,278	0.98%	792,448	(385)	-0.05%	41,474	5.52%
2019-2020**	465,382	4,304	0.93%	743,696	7,955	1.08%	792,833	12,969	1.66%	49,137	6.61%
2018-2019**	461,078	3,309	0.72%	735,741	5,594	0.77%	779,864	3,566	0.46%	44,123	6.00%
2017-2018**	457,769	3,373	0.74%	730,147	4,922	0.68%	776,298	10,764	1.41%	46,151	6.32%
2016-2017**	454,396	3,766	0.84%	725,225	7,747	1.08%	765,534	3,382	0.44%	40,309	5.56%
2015-2016**	450,630	4,221	0.95%	717,478	1,533	0.21%	762,152	798	0.10%	44,674	6.23%
2014-2015**	446,409	4,836	1.10%	715,945	9,010	1.27%	761,354	12,029	1.61%	45,409	6.34%
2013-2014**	441,573	2,363	0.54%	706,935	4,776	0.68%	749,325	4,078	0.55%	42,390	6.00%
2012-2013**	439,210	155	0.04%	702,159	(135)	-0.02%	745,247	153	0.02%	43,088	6.14%
2011-2012**	439,055	2,461	0.56%	702,294	2,683	0.38%	745,094	1,313	0.18%	42,800	6.09%
2010-2011**	436,594	2,896	0.67%	699,611	5,124	0.74%	743,781	(4,486)	-0.60%	44,170	6.31%
2009-2010**	433,698	4,846	1.13%	694,487	9,482	1.38%	748,267	15,976	2.18%	53,780	7.74%
2008-2009**	428,852	(2,651)	-0.61%	685,005	1,288	0.19%	732,291	10,785	1.49%	47,286	6.90%
2007-2008**	431,503	7,088	1.67%	683,717	5,984	0.88%	721,506	25,249	3.63%	37,789	5.53%
2006-2007	424,415	2,845	0.67%	677,733	6,887	1.03%	696,257	4,568	0.66%	18,524	2.73%
2005-2006	421,570	10,584	2.58%	670,846	21,191	3.26%	691,689	16,569	2.45%	20,843	3.11%
2004-2005	410,986	9,353	2.33%	649,655	46,187	7.65%	675,120	31,805	4.94%	25,465	3.92%
2003-2004	401,633	5,826	1.47%	603,468	(4,388)	-0.72%	643,315	1,040	0.16%	39,847	6.60%
2002-2003	395,807			607,856			642,275			34,419	5.66%
<b>Average:</b>			0.99%			1.14%			1.16%		5.79%

	Firm Peak-Day Sendout			Per Customer Metrics			
	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Heating Season	Firm Peak-Day Sendout (Dth)	Change from Previous Year	% Change From Previous Year	Excess per Customer [(7) - (4)]/(1)	Design Day per Customer (4)/(1)	Entitlement per Customer (7)/(1)	Peak-Day Send per Customer (12)/(1)
2025-2026**	NA			0.0981	1.5832	1.6813	NA
2024-2025**	635,749	16,736	2.70%	0.0838	1.5899	1.6737	1.2886
2023-2024**	619,013	(145,730)	-19.06%	0.0903	1.5952	1.6856	1.2683
2022-2023**	764,743	79,858	11.66%	0.0903	1.6052	1.6955	1.5851
2021-2022**	684,885	(58,882)	-7.92%	0.1090	1.6020	1.7110	1.4349
2020-2021**	743,767	5,557	0.75%	0.0884	1.6000	1.6884	1.5847
2019-2020**	738,210	2,388	0.32%	0.1056	1.5980	1.7036	1.5862
2018-2019**	735,822	(9,309)	-1.25%	0.0957	1.5957	1.6914	1.5959
2017-2018**	745,131	11,420	1.56%	0.1008	1.5950	1.6958	1.6277
2016-2017**	733,711	14,382	2.00%	0.0887	1.5960	1.6847	1.6147
2015-2016**	719,329	31,828	4.63%	0.0991	1.5922	1.6913	1.5963
2014-2015**	687,501	(2,489)	-0.36%	0.1017	1.6038	1.7055	1.5401
2013-2014**	689,990	243	0.04%	0.0960	1.6009	1.6969	1.5626
2012-2013**	689,747	30,484	4.62%	0.0981	1.5987	1.6968	1.5704
2011-2012**	659,263	(16,404)	-2.43%	0.0975	1.5996	1.6970	1.5015
2010-2011	675,667	84,736	14.34%	0.1012	1.6024	1.7036	1.5476
2009-2010	590,931	(10,494)	-1.74%	0.1240	1.6013	1.7253	1.3625
2008-2009	601,425	15,551	2.65%	0.1103	1.5973	1.7076	1.4024
2007-2008	585,874	16,911	2.97%	0.0876	1.5845	1.6721	1.3578
2006-2007	568,963	31,303	5.82%	0.0436	1.5969	1.6405	1.3406
2005-2006	537,660	286	0.05%	0.0494	1.5913	1.6407	1.2754
2004-2005	537,374	(23,876)	-4.25%	0.0620	1.5807	1.6427	1.3075
2003-2004	561,250	26,865	5.03%	0.0992	1.5025	1.6017	1.3974
2002-2003	534,385			0.0870	1.5357	1.6227	1.3501
<b>Average:</b>			1.01%	0.0920	1.5895	1.6815	1.4651

\*Some numbers may differ from Xcel Attachments due to rounding

\*\*-Reflects the UPC DD method.

**Not-Public Document – Not For Public Disclosure**  
 **Public Document – Not-Public Data Has Been Excised**  
 **Public Document**

Xcel Energy	Information Request No.	2
Docket No.:	E002/M-25-67	
Response To:	Minnesota Department of Commerce	
Requestor:	Michael Zajicek	
Date Received:	November 10, 2025	

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**Question:**

Topic: Sibley Propane Air Plant  
Reference(s): October 31, 2025 Supplemental Filing

In the Company's Supplemental Filing the Company indicated that it began upgrades to its Sibley propane-air plant in 2024. The Department was unable to find any reference or discussion of this upgrade in past demand entitlement filings nor any of the Company's update letters on its similar upgrade (and facility outage) at its Maplewood propane-air facility which also began in 2024. Please provide discussions replying to the following questions:

- When did the project at the Sibley Facility begin?
- For what period or periods was the Sibley Facility out of service?
- Was the Sibley Facility available for service during the 2024-2025 heating season?
- Was the Sibley Facility outage discussed in any other dockets or filings? If yes, please identify them.
- Why was the first mention of an outage at the Sibley facility was in the Company's 2025 Supplemental Filing despite the Company's Supplemental Filing indicating that it began its upgrade in 2024?
- At what date does the Company expect the Sibley facility to be available for service?

Finally, please confirm that the Company's analysis in its October 31, 2025 Supplemental Filing indicates that the Company has the ability to meet its design day needs without either of the Maplewood or Sibley Facilities being in service.

**Response:**

Initial work on the Sibley project began in the summer 2024 heating season, emptying two of the five tank banks. However, the plant was in service, available, and dispatched for vaporization into the system several times during the 2024-2025 heating season. The plant was unavailable for service beginning in April 2025 in order

to complete the project. The project (Sibley fire protection/suppression) was mentioned in witness testimony in both the Company's 2023 Gas Rate Case (Docket No. 23-413)<sup>1</sup> and its current 2025 Gas Rate Case (Docket No. 25-356)<sup>2</sup>. As the plant was available for dispatch throughout the 2024-2025 heating season and anticipated to be in-service for the start of 2025-2026 heating season, the project was not mentioned prior to the Supplemental Filing in this docket. The Company is currently targeting the end of December for the Sibley facility to be available for dispatch.

Finally, as the Company laid out in our Supplemental filing, we have a plan to meet our design day should one occur before Maplewood and/or Sibley have returned to service. The plan includes utilization of our reserve margin, securing interruptible transport service on Northern Natural Gas if available, and sharing capacity with Generation. The propane pumps at Maplewood have been commissioned, and the Company expects the plant to be fully available in mid-December. With the return of Maplewood, the Company can meet projected design day without Sibley with its pipeline reserve margin.

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Preparer: Justin Holstein  
Title: Manager  
Department: Gas Planning  
Telephone: 303-285-6463  
Date: November 17, 2025

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<sup>1</sup> *In the Matter of, Northern States Power Company, d/b/a Xcel Energy's Petition for Authority to Increase Rates for Natural Gas Service in Minnesota*, Docket No. E002/GR-23-413 (November 1, 2023), Exhibit\_\_\_\_(AEB-1), Berger Direct Testimony at 60.

<sup>2</sup> *In the Matter of, Northern States Power Company, d/b/a Xcel Energy's Petition for Authority to Increase Rates for Natural Gas Service in Minnesota*, Docket No. E002/GR-25-356 (October 31, 2025), Exhibit\_\_\_\_(RAC-1), Capra Direct Testimony at 7.

## **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. G002/M-25-67**

Dated this **19<sup>th</sup>** day of **November 2025**

**/s/Sharon Ferguson**

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Lane PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-67
2	Katherine	Arnold	katherine.arnold@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
3	Mara	Ascheman	mara.k.ascheman@xcelenergy.com	Xcel Energy		414 Nicollet Mall Fl 5 Minneapolis MN, 55401 United States	Electronic Service		No	M-25-67
4	Gail	Baranko	gail.baranko@xcelenergy.com	Xcel Energy		414 Nicollet Mall 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	M-25-67
5	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission		Electronic Service		Yes	M-25-67
6	Elizabeth	Brama	ebrama@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 South 8th Street Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
7	Matthew	Brodin	mbrodin@allete.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	M-25-67
8	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-67
9	Robert S.	Carney, Jr.				4232 Colfax Ave. S. Minneapolis MN, 55409 United States	Paper Service		No	M-25-67
10	Olivia	Carroll	oliviac@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St W1360 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
11	Joey	Cherney	joey.cherney@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	445 Minnesota Street STE 1800 Saint Paul MN, 55101 United States	Electronic Service		No	M-25-67
12	John	Coffman	john@johncoffman.net	AARP		871 Tuxedo Blvd. St. Louis MO, 63119-2044 United States	Electronic Service		No	M-25-67
13	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-67

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
14	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-25-67
15	Brandon	Crawford	brandonc@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St Ste W1360 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
16	George	Crocker	gwillc@nawo.org	North American Water Office		5093 Keats Avenue Lake Elmo MN, 55042 United States	Electronic Service		No	M-25-67
17	Brian	Edstrom	briane@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St Ste W1360 Saint Paul MN, 55101 United States	Electronic Service		No	M-25-67
18	Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy		414 Nicollet Mall - 401 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	M-25-67
19	Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce		85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-25-67
20	Edward	Garvey	garveyed@aol.com	Residence		32 Lawton St Saint Paul MN, 55102 United States	Electronic Service		No	M-25-67
21	Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP		Suite 1750 220 South Sixth Street Minneapolis MN, 55402-1425 United States	Electronic Service		No	M-25-67
22	Matthew B	Harris	matt.b.harris@xcelenergy.com	XCEL ENERGY		401 Nicollet Mall FL 8 Minneapolis MN, 55401 United States	Electronic Service		No	M-25-67
23	Annette	Henkel	mui@mutilityinvestors.org	Minnesota Utility Investors		413 Wacouta Street #230 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
24	Valerie	Herring	vherring@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 S. Eighth Street Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
25	Katherine	Hinderlie	katherine.hinderlie@ag.state.mn.us	Office of the Attorney General - Residential Utilities Division		445 Minnesota St Suite 1400 St. Paul MN, 55101-2134 United States	Electronic Service		No	M-25-67
26	Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.		445 Etna Street Ste. 61 St. Paul MN,	Electronic Service		No	M-25-67

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
						55106 United States				
27	Richard	Johnson	rick.johnson@lawmoss.com	Moss & Barnett		150 S. 5th Street Suite 1200 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
28	Sarah	Johnson Phillips	sjphillips@stoel.com	Stoel Rives LLP		33 South Sixth Street Suite 4200 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
29	Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-67
30	Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.		8300 Norman Center Drive Suite 1000 Bloomington MN, 55437 United States	Electronic Service		No	M-25-67
31	Annie	Levenson Falk	anniefl@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota Street, Suite W1360 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
32	Eric	Lipman	eric.lipman@state.mn.us	Office of Administrative Hearings	PO Box 64620 St. Paul MN, 55164-0620 United States	Electronic Service			No	M-25-67
33	Christine	Marquis	regulatory.records@xcelenergy.com	Xcel Energy		414 Nicollet Mall MN1180-07-MCA Minneapolis MN, 55401 United States	Electronic Service		Yes	M-25-67
34	Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc		414 Nicollet Mall 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	M-25-67
35	Stephen	Melchionne	stephen.melchionne@ag.state.mn.us	Office of the Attorney General - Department of Commerce		445 Minnesota Street, Ste. 1400 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
36	Greg	Merz	greg.merz@ag.state.mn.us	Office of the Attorney General - Department of Commerce		445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	M-25-67
37	Joseph	Meyer	joseph.meyer@ag.state.mn.us	Office of the Attorney General - Residential Utilities Division		Bremer Tower, Suite 1400 445 Minnesota Street St Paul MN, 55101-2131 United States	Electronic Service		No	M-25-67

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
38	Kimberly	Middendorf	kimberly.middendorf@state.mn.us		Office of Administrative Hearings	PO Box 64620 600 Robert St N Saint Paul MN, 55164-0620 United States	Electronic Service		No	M-25-67
39	David	Moeller	dmoeller@allete.com	Minnesota Power			Electronic Service		No	M-25-67
40	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
41	Travis	Murray	travis.murray@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	445 Minnesota St Ste 1400 Saint Paul MN, 55101 United States	Electronic Service		No	M-25-67
42	David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency		220 South Sixth Street Suite 1300 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
43	Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company		200 1st Street SE PO Box 351 Cedar Rapids IA, 52406-0351 United States	Electronic Service		No	M-25-67
44	Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-67
45	Kevin	Pranis	kpranis@liunagroc.com	Laborers' District Council of MN and ND		81 E Little Canada Road St. Paul MN, 55117 United States	Electronic Service		No	M-25-67
46	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-25-67
47	Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
48	Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.		225 South Sixth Street Suite 3500 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67
49	Peter	Scholtz	peter.scholtz@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Suite 1400 445 Minnesota Street St. Paul MN, 55101-2131 United States	Electronic Service		No	M-25-67
50	Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates		7400 Lyndale Ave S Ste 190 Richfield MN, 55423 United States	Electronic Service		No	M-25-67

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
51	Suzanne	Todnem	suzanne.todnem@state.mn.us		Office of Administrative Hearings	600 Robert St N PO Box 64620 St. Paul MN, 55164 United States	Electronic Service		No	M-25-67
52	Amelia	Vohs	avohs@mncenter.org		Minnesota Center for Environmental Advocacy	1919 University Avenue West Suite 515 St. Paul MN, 55104 United States	Electronic Service		No	M-25-67
53	Joseph	Windler	jwindler@winthrop.com		Winthrop & Weinstine	225 South Sixth Street, Suite 3500 Minneapolis MN, 55402 United States	Electronic Service		No	M-25-67