

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger  
David C. Boyd  
J. Dennis O'Brien  
Phyllis A. Reha  
Betsy Wergin

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of the Annual Review of Northern States Power Company d/b/a Xcel Energy's 2011 Annual Safety, Reliability, Service Quality Report and Proposed Annual Reliability Standards

ISSUE DATE: December 20, 2012

DOCKET NO. E-002/M-12-313

ORDER APPROVING REPORTS,  
SETTING 2012 RELIABILITY  
STANDARDS, AND SETTING FILING  
REQUIREMENTS

**PROCEDURAL HISTORY**

On January 12, 2012, the Commission established Northern States Power Company d/b/a Xcel Energy's (Xcel or the Company) 2011 reliability standards in Docket No. E-002/M-11-293. The Commission also established additional reporting requirements for Xcel's next annual filing.

On March 30, 2012, the Company filed its 2011 safety, reliability, and service quality reports as required by Minnesota Rules Chapter 7826, and proposed 2012 reliability standards.

On June 21, 2012, the Minnesota Department of Commerce Division of Energy Resources (the Department) filed comments recommending that the Commission accept the reports, set the Company's 2012 standards as proposed by the Company, and require additional detail concerning Xcel's call center response time statistics in future reports.

On November 19, 2012, the matter came before the Commission.

**FINDINGS AND CONCLUSIONS**

All investor-owned utilities that distribute electricity to retail customers must file annual safety, reliability, and service quality reports.<sup>1</sup> The Commission, in turn, annually sets reliability performance standards for (1) the system average interruption frequency index (SAIFI), (2) the system average interruption duration index (SAIDI), and (3) the customer average interruption

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<sup>1</sup> Minn. Stat. 216B.029; *see also* Minn. R. 7826.0400, .0500, and .1300.

duration index (CAIDI) for each of the utility's work centers.<sup>2</sup> The reliability standards are intended to encourage utilities to maintain or improve reliability, taking into account the unique circumstances of each utility's system.

The Commission concurs with the Company and the Department that the Company's filing meets the requirements of Minnesota Rules Chapter 7826 and the Commission's prior orders. The Commission will therefore approve the filing.

The Commission will adopt the Company's proposed 2012 reliability goals as recommended by the Department. The Commission agrees that for 2012 the five-year average best achieves the goal of providing an incentive to the Company to maintain or improve on its past performance. The Commission will therefore establish Xcel's 2012 reliability standards based on an average of the most recent five-years of actual reliability performance.

The Commission will also continue to require that the Company's annual safety, reliability, and service quality filings include the additional information detailed in the ordering paragraphs below.

### **ORDER**

1. Xcel's March 30, 2012 safety, reliability, and service quality reports comply with Minn. R. Ch. 7826 and relevant Commission orders, and are therefore approved.
2. Xcel's 2012 reliability standards are:

<b>Work Center</b>	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>
Metro East	84.99	0.97	87.27
Metro West	99.98	1.02	98.29
Northwest	101.53	0.91	111.97
Southeast	86.62	0.81	107.31

3. The Company shall include the following in its next annual safety, reliability, and service quality reports:
  - a. a description of the policies, procedures, and actions that it has implemented, and plans to implement, to assure reliability, including information demonstrating proactive management of the system as a whole, increased reliability, and active contingency planning.
  - b. a summary table (or summary information in some other format) that allows the reader to more easily assess the overall reliability of the system and identify the main factors that affect reliability.

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<sup>2</sup> Minn. R. 7826.0600, subpt. 2.

- c. a report on the major causes of outages for major event days.
4. Xcel shall consider other factors, in addition to historical data, on which to base its reliability indices for 2013 in an effort to demonstrate its commitment toward improving reliability performance.
5. Xcel shall continue its efforts in the reporting of major service interruptions to the Commission's Consumer Affairs Office.
6. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary



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