ENERGY
CENTS
COALITION

Commit Energy Now To Survive

August 15, 2025

Mike Bull, Acting Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Via e-filing

RE: In the Matter of an Investigation and Audit of Service Quality Reporting – Fraudwise Report (Docket No. E, G-002/CI-02-2034)

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

Mr. Bull,

The Energy CENTS Coalition (ECC) thanks the Commission for the opportunity to submit the following reply comments in the above-referenced matters. We additionally thank the Commission for the Reply Extension, which allowed additional deliberations among parties.

Minnesota Statute requires utilities to provide safe, adequate, efficient and reasonable service.[1] In furtherance of holding utilities accountable for this requirement, Minnesota Rules Chapter 7826 establishes a requirement that utilities file an annual Safety, Reliability, and Service Quality ("SRSQ") report detailing the Company's performance along a variety of metrics. Currently, Xcel Energy ("Xcel" or "the Company") is the only utility in the State

---

[1] M.S. 216B.04

that faces a financial penalty if it does not meet performance standards, although it should be noted that Minnesota Power has agreed to $250,000 underperformance penalties as a stipulation of its settlement agreement with the Department of Commerce for its own acquisition proceeding, pending Commission approval.[2]

On May 15, 2025, Xcel filed its 2024 Annual Report pursuant to its Quality-of-Service Plan tariff. The report showed that the Company met its standards for five of its assigned service metrics but exceeded the complaint threshold in two categories: telephone response time and customer complaints and is therefore subject to $1 million penalties for each.[3] The company then offers justifications for each violation.

Regarding the telephone response time metric, the Company cites staffing shortages of its customer service team that impacted its ability to respond to calls in a timely manner.[4] For that reason, Xcel proposes to apply $500,000 of the telephone response time penalty to deployment of the virtual chat feature that the Company argues will reduce call volume and consequently improve response time. The costs to which Xcel proposes to apply the penalty are ongoing and could more appropriately be recovered through the Company's rate case. For that reason, ECC reaffirms the recommendation in our initial comments to apply the entire $1 million associated with this penalty to arrearage forgiveness.

The Company offers several explanations of the increase in customer complaints that range from systemic factors such as the frequency of wildfires and macroeconomic trends to specific programmatic requirements resulting from recent Commission orders on downpayment plans and reconnections during air quality and extreme heat events.[5] We are grateful for the Company's partnership on those reforms and are sympathetic to the complex landscape in which it operates. However, the hearing for the down payment agreement that the Company references was not held until November 7, 2024 and the formal Order was not issued until January 13, 2025.[6] The hearing ruling on air quality and heating events did not come until July 2025.[7] For that reason, ECC respectfully submits that those are prospective concerns and do not offer significant retrospective explanatory value.

---

[2] Settlement Stipulation of DOC, ALLETE, GIP, CPPIB. (July 11, 2025). *In the Matter of the Petition of Minnesota Power for Acquisition of ALLETE by Canada Pension Plan Investment Board and Global Infrastructure Partners*. Docket No. 24-198.
[3] Report at 1.
[4] Report at 5.
[5] Report at 14.
[6] *See* Docket No. 24-27.
[7] *See* Docket No. 25-27

Xcel states in the Report that "a large majority of the 2024 Customer Complaints were in the Billing & Credit category, and many of those were related to disconnection, disconnection warnings, and payment plans."[8] For that reason, the trend line in customer complaints appears to relate to – or at minimum correlate with – deployment of Advanced Metering Infrastructure (AMI) and a consequent increase in the efficiency and number of disconnections that remote disconnections offer as a technical function of AMI. In its 2023 Service Quality Report, the Company stated that:

> "The deployment of AMI technology allows more eligible customers to be disconnected and reconnected where previously, resources limited our ability to perform them. Disconnecting a larger eligible group of customers that may otherwise not have been disconnected before provides the opportunity to interact with them and offer energy assistance options they may be wholly unaware of. Additionally, AMI technology can reconnect customers who have made a payment arrangement in as little as 15 minutes."[9]

This premise relies entirely on high quality customer engagement. ECC is proud to partner with the Company and play a role in its customer service ecosystem, as a third-party administrator of the PowerON, Gas Affordability, and Medical Affordability programs. However, our daily interactions with low-income customers in crisis have convinced us that if AMI is not implemented thoughtfully, it risks greatly elevated disconnection rates. As such, it begs for greater scrutiny not less. Using an average of the elevated complaints regarding these trends to produce a more lenient threshold risks an unintended consequence in which diminished performance by the Company results in more lenient standards. The current standard is a valuable tool for holding ourselves accountable to ensure that customers facing disconnection are well served by affordability and disconnection prevention programs.

ECC acknowledges Xcel's point that thresholds should be responsive to both customer count and programmatic complexity.[10] Unfortunately, we do not believe that the 2024 Quality of Service Plan filing adequately links complaint trends to programmatic changes. For that reason, we do not support changes to the threshold currently. In future years, ECC is open to ongoing conversations about a fair standard that incorporates consideration of program complexity, but the linkages should be clear and direct. Moreover, if the desire is to acknowledge changing circumstances, it seems only right that threshold increases

---

[8] Report at 8.
[9] 2023 Service Quality Report at 8. Docket No. 24-27.
[10] Report at 14.

should be paired with inflation adjustments to the penalty amount to acknowledge changes in the time value of money.

For that reason, ECC recommends:

- Deny Xcel's request to direct $500,000 underperformance penalty for telephone responses time to the live chat function;
- Direct the entirety of the $2 million underperformance penalty to arrearage forgiveness without geographic restrictions;
- Deny Xcel's request to raise the customer complaint threshold.

Thank you for your consideration.

s/ George Shardlow
Executive Director
Energy CENTS Coalition
823 East 7th Street
Saint Paul, MN 55106
george@energycents.org

s/Marta Monti
Director of Policy Operations
Energy CENTS Coalition
823 East 7th Street
Saint Paul, MN 55106
marta@energycents.org

Re: In the Matter of an Investigation and Audit of Service Quality Reporting – Fraudwise Report	Docket No. E,G-002/CI-02-2034
Re: In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of Amendments to its Natural Gas and Electric Service Quality Tariffs	Docket No. E,G-002/M-12-383

AFFIDAVIT OF SERVICE

George Shardlow certifies that, on August 15, 2025, he submitted, by electronic filing, a true and correct copy of the Reply Comments of the Energy CENTS Coalition in the above-referenced matter, to the individuals on the attached service list.

____

George Shardlow

____

Fredi Pierce

Subscribed and sworn to me this 15th day of August, 2025.

Notary Public

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Michael	Allen	michael.allen@allenergysolar.com	All Energy Solar		721 W 26th st Suite 211 Minneapolis MN, 55405 United States	Electronic Service		No	12-383Official
2	Laura	Beaton	beaton@smwlaw.com	Shute, Mihaly & Weinberger LLP		396 Hayes Street San Francisco CA, 94102 United States	Electronic Service		No	12-383Official
3	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	12-383Official
4	Olivia	Carroll	oliviac@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St W1360 St. Paul MN, 55101 United States	Electronic Service		No	12-383Official
5	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	12-383Official
6	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	12-383Official
7	Allen	Gleckner	agleckner@elpc.org	Environmental Law & Policy Center		35 E. Wacker Drive, Suite 1600 Suite 1600 Chicago IL, 60601 United States	Electronic Service		No	12-383Official
8	Kim	Havey	kim.havey@minneapolismn.gov	City of Minneapolis		350 South 5th Street, Suite 315M Minneapolis MN, 55415 United States	Electronic Service		No	12-383Official
9	Craig	Johnson	cjohnson@lmc.org	League of Minnesota Cities		145 University Ave. W. Saint Paul MN, 55103-2044 United States	Electronic Service		No	12-383Official
10	Cliff	Kaehler	cliff.kaehler@novelenergy.biz	Novel Energy Solutions LLC		4710 Blaylock Way Inver Grove Heights MN, 55076 United States	Electronic Service		No	12-383Official
11	William	Kenworthy	will@votesolar.org			1 South Dearborn St Ste 2000 Chicago IL, 60603 United States	Electronic Service		No	12-383Official
12	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	12-383Official
13	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential	1400 BRM Tower 445 Minnesota St	Electronic Service		Yes	12-383Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
					Utilities Division	St. Paul MN, 55101-2131 United States				
14	Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	12-383Official
15	Christine	Schwartz	regulatory.records@xcelenergy.com	Xcel Energy		414 Nicollet Mall, MN1180-07-MCA Minneapolis MN, 55401-1993 United States	Electronic Service		No	12-383Official
16	Bria	Shea	bria.e.shea@xcelenergy.com	Xcel Energy		414 Nicollet Mall Minneapolis MN, 55401 United States	Electronic Service		No	12-383Official
17	James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	12-383Official