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June 19, 2025

VIA E-FILING

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of Recent Utility Cold Weather Rule Reports
Docket No. E, G-999/PR-25-2
SUPPLEMENTAL COMMENTS

Dear Mr. Seuffert:

Minnesota Power submits to the Minnesota Public Utilities Commission its Supplemental Comments in the above referenced docket.

Please contact me at (218) 355-3182 or dmencel@mnpower.com with any questions related to this matter.

Yours truly,

Debbie A. Mencel

Regulatory Compliance Specialist

Rushin Menul

DAM:th Attach



STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of Cold Weather Reports (CWR) – Regulated Gas & Electric Companies

Docket No. E, G-999/PR-25-2
MINNESOTA POWER'S
SUPPLEMENTAL COMMENTS

I. INTRODUCTION

Minnesota Power (or the "Company") respectfully submits these Supplemental Comments to Minnesota Public Utilities Commission (the "Commission") in response to the Minnesota Department of Commerce's (the "Department") comments dated May 14, 2025. The Department comments address the Notice of Comment Period ("Notice") issued by the Commission on February 28, 2025 as well as the Joint Comments submitted on January 31, 2025 and April 18, 2025 by the Citizens Utility Board of Minnesota ("CUB") and the Legal Services Advocacy Project ("LSAP") in the above referenced docket.

II. BACKGROUND

On February 28, 2025, the Minnesota Public Utilities Commission ("Commission") filed a Notice of Comment Period with the following two issues open for Comment:

- 1. Should the Commission take any action on the residential customer status data reported in Docket No. E, G-999/PR-25-2, including service disconnections, payment arrangements, and various customer protections and assistance?
- 2. Should utilities be required to develop disconnection and payment arrangement policies and make them public? Once the policies are developed, should there be any other modifications made to them?

The notice also opened the following topics for utilities for comment:

With respect to the Joint Letter filed on January 31, 2025 by the Legal Services Advocacy Project (LSAP) and the Citizens Utility Board (CUB), which is reproduced, in part, below in Appendix A, Utilities are first asked to respond to the following:

 Per Appendix A, Request #1, would your utility submit a compliance filing in the instant docket detailing its current policies and practices on disconnections, service deposits, and payment agreements?

- Per Appendix A, Request #2, would your utility display its disconnection, service deposit, and payment agreement policies and practices on your website, and explain those procedures in clear, easy-to-understand language?
- Per Appendix A, Request #3, would your utility post the mock language from CUB and LSAP on its website?
- As CUB and LSAP have only recommended the actions listed in Appendix A, and these actions have not been Ordered by the Commission, if your utility would not voluntarily comply with the Requests 1-3, please discuss why doing so is unfeasible or inappropriate. * Note, CenterPoint Energy replied to CUB and LSAP's filing on February 10, 2025 explaining the extent to which it could comply with the requested information, including where that information was already being filed in existing dockets.

Additionally, the following topics for Parties were also opened for comment:

With respect to questions the Commission regularly poses in Docket No. E, G-999/PR-YR-2 and those generated from interactions with the Commission's Consumer Affairs Office:

- Considering the data filed in Docket No. E, G-999/PR-25-2, should any trends in the data be highlighted for the Commission?
- What action, if any, should the Commission require utilities to take to continue exemplary performance or remedy unsatisfactory performance?
- What does an analysis of the data reported in this docket reveal about equitable delivery of utility service?
- How do utilities currently communicate information on disconnection and payment arrangement policies to non-English language speakers, especially to people that do not read their native language?
- Considering Staff's information request (IR) for Xcel filed on December 20, 2024 in Docket No. E, G-999/PR-24-22 and Xcel's IR responses on February 7, 2025, 3 are the utilities following the CWR appeal process in Minn. Stat. 216B.096, Subd. 8?
- Are utilities' heat-affected customers, particularly for customers with electricity service necessary to operate gas heating equipment, being provided with appropriate protections during CWR season (October 1-April 30), including site visits before any disconnections for non-payment? How are utilities ensuring that its records of heat-affected customers are accurate?

With respect to the Joint Letter filed by LSAP and CUB on January 31, 2025:

- Are utilities' responses to the above "Topics for Utilities" satisfactory? If not, what additional information or work is needed?
- Are there other issues or concerns related to this matter?

On May 14, 2025, the Company submitted its initial response to the Commission. Subsequently, on May 15, 2025, the Department of Commerce ("Department") requested utilities to provide Supplemental Comments addressing items C.4 and C.6 from the Department's comments. The Company's responses to these items and other Department recommendations are detailed in the section below.

III. RESPONSES TO REQUESTED INFORMATION AND DEPARTMENT RECOMMENDATIONS

In its May 15, 2025 Comments, the Department made several recommendations and asked for further information. For clarity and consistency, the Company uses the Department's numbering logic in this response. Regarding item A.1., Minnesota Power agrees with the Department's recommendation of no action on the current Residential Customer Status Report Data. The Company takes no strong stance on A.2. but is supportive of the rationale advanced by the Department to further develop the record. The Company believes it has addressed item A.3. in its May 14, 2025 Response Comments, where the Company referenced an extensive Regulatory Compliance Assessment Report ("Report") that details Minnesota Power's payment agreements, disconnection, reconnection, and Cold Weather Rule and related service practices for residential customers that was filed under Docket No. E-015/M-18-250 on October 8, 2019. This Report was the product of an extensive independent thirdparty review and assessment under a scope of work that was collaboratively developed with Energy CENTS Coalition ("ECC") and the Office of the Attorney General – Residential Utilities and Antitrust Division ("OAG"). In the Commission's January 14, 2020 Order, this Report was accepted, with support from ECC. Modified tariff language was also ordered regarding payment agreements for past due customers not yet disconnected and payment agreements to disconnected customers

during non-Cold Weather Rule months. Minnesota Power submitted this modified tariff language on February 11, 2020.

Regarding item B.1., Minnesota Power is supportive of the Department's recommendation. Further, based on a thorough review of its practices that was conducted in the above-referenced Report, the Company is confident that it has demonstrated competent management of disconnection and related processes. The Company agrees with and appreciates the Department's reluctance about "extending recommendations developed and agreed to in one docket, with one specific set of circumstances to the remaining regulated utilities." The Department's suggestion regarding further development of the record seems reasonable.

Regarding item C.2. The Company does not believe it's performance or efforts necessitate or warrant financial penalties (disincentives) at this time. Additionally, there is a question whether the Commission could impose such penalties without the utility's agreement. The Company further suggests that any approach incorporating financial disincentives for unsatisfactory performance would be unreasonable unless balanced by a corresponding mechanism to provide incentives for positive performance outcomes. Item C.3. is heavily influenced by a process specific to Xcel in its 2023 Safety, Reliability, and Service Quality ("SRSQ") Report and their interactive service reliability map. The Company appreciates the Department's acknowledgment that the equity-related analysis referenced in this docket was conducted exclusively for Xcel. The Company recognizes the importance of equitable utility service delivery and is committed to ensuring that all customers have access to reliable, affordable and fair utility services. To date, the Company has no known or identified issues related to inequitable service delivery and we believe our existing practices and programs effectively address the needs of our customers. Additionally, we have reservations about applying a methodology or evaluation that was specifically developed for Xcel. The differences in customer demographics, geographic service area, and operational characteristics between our utilities are significant and must be considered when discussing the relevance of such analyses.

Minnesota Power serves a unique customer base, including a higher proportion of industrial and rural customers, spread across a vast geographic area in northern Minnesota. These factors inherently shape the nature of our service delivery and the challenges we face, which differ substantially from those of Xcel Energy.

While we are open to engaging in conversations on this topic and exploring ways to further enhance our delivery service, we do not agree that conducting an equity analysis like Xcel Energy's is currently necessary. The Company is committed to transparency and continuous improvement and are willing to provide comments on the feasibility and challenges of gathering the requested data should the Commission require it.

We appreciate the Department's thoughtful recommendation and look forward to continued collaboration with the Commission and stakeholders to ensure equitable and reliable service for all our customers.

Item C.4. is regarding how utilities currently communicate information on disconnection and payment arrangement policies to non-English language speakers, especially to people that do not read their native language. As discussed in a compliance filing during the COVID-19 pandemic, Minnesota Power shared that, according to Census American Community Survey data, the share of households in the Company's aggregate urban customer base that were identified as "limited English-speaking" was about 0.5%. As such, Minnesota Power concluded that the share of limited English-speaking households for its total residential customer base, both urban and rural, was almost certainly lower than 0.5%. From this review, it was also identified that approximately 2% of urban households served by Minnesota Power speak Spanish as their primary language at home and, of those, only 12% were identified as limited English-speaking.¹ For communications in languages other than English, Minnesota Power offers a language line assistance service for interpretation

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¹ Docket No. E,G-999/CI-20-375, *In the Matter of an Inquiry into Actions by Electric and Natural Gas Utilities in Light of the COVID-19 Pandemic Emergency;* Compliance Filing of Minnesota Power, filed October 15, 2020, at pages 2-4.

and translation through Certified Languages International where over 230 languages are offered. This service can be accessed upon request through the Customer Call Center. In 2019, there were 380 calls for this service, 97% of which requested Spanish. During 2019, the Company received 134,170 calls during business hours, and the calls requesting translation services were less than 0.3% of this total. In 2024, there were 691 calls for this service, over 99% of which requested Spanish. During 2024, the Company received 116,017 calls during business hours, and the calls requesting translation services were just under 0.6% of this total. In addition to language line assistance, Minnesota Power added a feature on its web site that allows for translation of any page to Spanish, Hmong, Chinese, Somali, and Vietnamese. Both options for translation are shared on the "Contact Us" section of the Company's https://www.mnpower.com/CustomerService/ContactUs. Minnesota Power routinely includes on customer informational bill inserts the statement "People who communicate in a language other than English can request translation services by calling Minnesota Power at 800-228-4966. We also offer a translation option at mnpower.com."

Regarding item C.6., the Company shared in its May 14, 2025 Response Comments an overview of outreach efforts inclusive of credit and collections processes and Minnesota Power's Report thoroughly discusses its practices during CWR and non-CWR periods. Though the Company does have rate options for residential customers that heat with electricity, electricity is assumed to be necessary for operating even non-electric heat sources. As such, the Company includes all CWR protections offered and granted as "heat-affected," as evidenced in its monthly Residential Customer Status Report filings. To elaborate further on outreach and practices, please refer to the summary depiction of outreach in advance of disconnections that has been shared in multiple filings, including prior SRSQ filings and related information requests, the most recent of which was information request 12 under Docket No. E015/M-25-29. While this depiction does not encompass all the potential scenarios and is not reflective of the intricacies specific to Cold Weather Rule ("CWR"), it does give a general sense of the customer's experience, particularly those who are residential

customers, and how it may progress if account balances are not paid leading up to and including disconnection of service. These processes are described in the Company's Electric Service Regulations and on its website.

Customer Outreach Process Prior to Disconnection for Nonpayment

Day 54* Day 69* Day 1 Day 30 Day 60 Day 81* Monthly bill Second monthly bill Customer enters Third monthly bill Customer enters Customer's scheduled collections pre-disconnection disconnection is submitted for processing PAYMENT PLAN PAYMENT PLAN PAYMENT PLAN RESETS PROCESS** RESETS PROCESS** RESETS PROCESS** RESETS PROCESS** Disconnection is Interactive Voice Response (IVR) call Interactive Voice Sent to custome Sent to custome able to make contact and collect or coordinate payment Response (IVR) call via their preferred via their preferred via their preferred issued to customer's method(s): method(s): issued to customer's method(s): physical and/or physical mail and/or physical mail and/or electronic mail Field staff goes on site to make final attempt to contact customer 夂 (8) (6) before disconnection Notice of scheduled Past due reminder Customers are encouraged to call Minnesota

disconnection is

sent to customer's

address and service

address (if different)

parties

#

Disconnection of

service is performed and a notice is left

for custome

9

notice is sent to

customer's listed

mailing address

account Cold Weather Rule and the Company complies with all additional Requirements under Minn. Stat. 216B.096.

The outreach detailed above does not take into

Power throughout this process to prevent disconnection.

*Listed days are at a minimum (shortest possible timeline) and dependent on the amount and age of the arrears

A partial payment may stop collections activities depending on the amount and age of the arrears

Outreach begins with billing, followed by past due bill notices, the credit and collections process, and ultimately potential disconnection. This is not a strictly linear process and can last for several bill cycles. Throughout this process, Minnesota Power works with customers to identify payment options that are attainable while also working to keep account balances as current as possible and out of disconnection. For those who contact Minnesota Power's Call Center or work through an agency to do so, each customer call is considered as an individual and unique situation. Payment options, including the potential for payment plans, are discussed with the customer and take into consideration pay periods, timing of the next due payment, and affordable dollar amounts for each individual. Additionally, the representative advises the customer on additional resources that may assist them, along with applicable contact numbers, including:

- Energy Assistance Program
- Customer Affordability of Residential Electricity ("CARE") Program
- Salvation Army HeatShare
- Local organizations and churches
- County programs
- Energy efficiency and conservation

The Company follows applicable laws and rules, as reflected in the above-referenced Report. Minn. R. 7820.2400 are very explicit in terms of the notice requirements before disconnection can occur, as is Minn. Stat. § 216B.096 regarding disconnections when CWR protections are in effect. According to these requirements, "notices shall contain the date on or after which disconnection will occur, reason for disconnection, and methods of avoiding disconnection in normal, easy-to-understand language." Notices must also be mailed by first class mail or delivered by a representative of the utility. Disconnection, according to Minn. R. 7820.2500, must be "in conjunction with a personal visit by a representative of the utility" and "the representative of the utility shall at all times be capable of receiving payment, if nonpayment is the cause of the disconnection of service." Similar requirements exist under the CWR in terms of disconnection notices. Additionally, the Company would offer the customer the CWR protection and reconnect the customer if a payment agreement is established and will not disconnect a customer protected by CWR as long as the customer makes "reasonably timely payments."

Specific provisions during CWR include an annual summary of rights and responsibilities that must be provided to customers each year before the start of CWR. This summary contains important information about CWR protections, avoiding disconnection, reconnection, payment plans, and the right to appeal to the Minnesota Public Utilities Commission's Consumer Affairs Office ("CAO"). This summary is reviewed with the CAO annually before sending. Minnesota Power provides this as a bill insert and posts it on the Company's website along with a link to the Commission's Minnesota Cold Weather Rule Protections page. The summary is also provided when field personnel make personal visits in advance of a disconnection to investigate whether the dwelling is occupied. During CWR, there are two visits required in

advance of disconnecting service – one during normal working hours and another during nonbusiness hours.

Specifically, CWR Statute Subd.7(d) indicates "a utility may not discontinue service until the utility investigates whether the dwelling is actually occupied. At a minimum, the investigation must include one visit by the utility to the dwelling during normal working hours. If no contact is made and there is reason to believe that the dwelling is occupied, the utility must attempt a second contact during nonbusiness hours. If personal contact is made, the utility representative must provide notice required under subdivision 4 and, if the utility representative is not authorized to enter into a payment agreement, the telephone number the customer can call to establish a payment agreement." During these two contact attempts, a disconnection notice, as well as Rights & Responsibilities brochure is either provided directly to the customer or left as a door hanger.

Minnesota Power understands that each customer has a unique set of circumstances they may be facing. The Company is committed to working with customers in the event that they have trouble paying their bill. Disconnection of service is not an action that the Company takes lightly. It is a final step and last resort after significant attempts are made at various stages to reach the customer and make a custom payment plan preceding the action.

IV. CONCLUSION

Minnesota Power appreciates the opportunity to clarify and respond to the Department's May 15, 2025 Comments and recommendations. The Company appreciates the Department's thorough review and thoughtful analysis regarding recommended actions. In these Response Comments, Minnesota Power addresses items A.1.- A.3., B.1., C.2. -C.4. and C.6. As previously stated, Minnesota Power maintains a strong customer focus and commitment to providing affordable, reliable and increasingly clean energy. Disconnection has been and remains the Company's last resort in obtaining payment from its customers for services provided. While Minnesota Power shares concerns regarding increased disconnections and the recent uncertainty around energy assistance, the Company is also mindful that calendar year 2024 represented only the second full year of standard collections processes since protections were put in place in 2020 as part of necessary and appropriate grace during an unprecedented time. Arrears remain high and spanning multiple Cold Weather Rule seasons has been challenging as utilities work with customers to honor inherent residential consumer protections provided within the regulatory framework and find payment agreements that best fit their unique financial Minnesota circumstances. Power provides state-leading energy affordability, conservation, and rate discount offerings and will remain steadfast in its commitment to work with customers. If you have any questions regarding this filing, please contact me at 218-355-3182 or dmencel@mnpower.com.

Dated: June 19, 2025 Sincerely,

Debbie Mencel Regulatory Compliance Specialist Minnesota Power

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STATE OF MINNESOTA))ss	AFFIDAVIT OF SERVICE VIA ELECTRONIC FILING
COUNTY OF ST. LOUIS)	

I, Tiana C. Heger of the City of Duluth, County of St. Louis, State of Minnesota, hereby certify that on the 19th day of June, 2025, I electronically filed a true and correct copy of Minnesota Power's Supplemental Comments in **Docket No. E, G-999/PR-25-2** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on eDocket's Official Service List for this Docket were served as requested.

Tiana Heger