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May 14, 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 Response Comments

Dear Mr. Seuffert:

Minnesota Power submits to the Minnesota Public Utilities Commission its Response 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,

Rubbin Menul

Debbie A. Mencel Regulatory Compliance Specialist

DAM:sr 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
RESPONSE COMMENTS

INTRODUCTION

Minnesota Power (or the "Company") respectfully submits the following Response Comments regarding the Cold Weather Reports (CWR) – Regulated Gas & Electric Companies in the above referenced docket. These Response Comments address a Notice of Comment Period ("Notice") issued by the Minnesota Public Utilities Commission ("Commission") on February 28, 2025, with an extended comment deadline of May 14, 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").

BACKGROUND

On February 28, 2025, the Minnesota Public Utilities Commission ("Commission") filed a Notice of Comment Period with the following 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?

Additionally, the following topics for utilities were open 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.

RESPONSES TO REQUESTED INFORMATION

<u>The Citizens Utility Board of Minnesota and Legal Services Advocacy Project</u> Recommendations

On January 31, 2025 the Citizens Utility Board of Minnesota ("CUB") and Legal Services Advocacy Project ("LSAP") submitted their Comments in the above-referenced Docket. On April 18, 2025 CUB and LSAP submitted their Reply Comments in the above-referenced Docket, slightly modifying their original recommendations. CUB and LSAP recommend:

- 1. Require regulated utilities to submit a compliance filing in the instant docket detailing their current policies and practices on disconnections, service deposits, and payment agreements. Require regulated utilities to submit additional filings in Docket No. E,G-999/PR-YR-02 whenever there are changes to their disconnection, service deposit, and payment agreement policies and practices. For those companies requiring down payments or service deposits, these reports must include an explanation of how those amounts are determined.
- 2. Require regulated utilities to display their disconnection, service deposit, and payment agreement policies and practices on their respective websites, and explain those procedures in clear, easy-to-understand language.

- 3. Require regulated utilities to post the following language on their respective websites in a conspicuous place:
 - a. Under Minnesota law, [UTILITY NAME] customers are entitled to a payment agreement for the payment of overdue bills. This payment agreement must consider a customer's financial circumstances and any extenuating circumstances of the household.
 - b. If the payment agreement terms offered are not affordable to you, or if your household is facing financial or extenuating circumstances, you should contact a(n) [UTILITY NAME] customer account representative at [PHONE NUMBER and/or EMAIL ADDRESS].
 - c. If you are unable to reach a mutually agreeable arrangement with a customer account representative, you may appeal the decision with the Minnesota Public Utilities Commission's Consumer Affairs Office. The Consumer Affairs Office can be contacted at 651-296-0406 or 800-657-3782, or by email at consumer.puc@state.mn.us.
- 4. Require regulated utilities to detail in their next annual safety, reliability and service quality reports Residential Customer Status Reports the average down-payment amount received from customers—both as a percentage of arrears and as a total dollar value—during CWR and non-CWR months. Regulated utilities must also explain how they have implemented the statutorily required consideration of both financial and extenuating circumstances for payment agreements during CWR and non-CWR months.
- 5. Require regulated utilities to provide a discussion in their next safety, reliability, and service quality reports about how they manage disconnections due to a landlord's failure to pay, consistent with the requirements of Minn. R. 7820.1400. Regulated utilities must also explain how they have implemented the statutorily

required consideration of both financial and extenuating circumstances for payment agreements during CWR and non-CWR months.

6. Require regulated utilities to include in their next annual affordability program reports a description of their current outreach activities to low-income customers about free and lowcost ECO programs. Require utilities to propose methods for improving ECO outreach to affordability program participants.

Company Response to Topics for Utilities

Minnesota Power's responses to the "Topics for Utilities" in the Notice are as follows:

1. 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?

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 was filed under Docket No. E-015/M-18-250 on October 8, 2019. This Report was the product of an extensive independent third-party 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. As neither CUB nor LSAP were directly involved in the scoping or reviewing of the Report, it is possible that neither are aware of it. The Company believes this Report addresses the intent of the recommendation for a summary made by CUB and LSAP, and includes detail well beyond that contemplated in their request. That said, Minnesota Power is amenable to providing an abbreviated summary similar to that provided by Xcel Energy under Docket Nos. E-002/M-24-27 and

E,G002/PR-24-02, as this summary appears to be more specifically intended for customers.

Policies and practices remain consistent with those detailed in the Report with two exceptions. The first is the protections and grace provided during the COVID-19 pandemic, which have since ended.¹ The second is that the Company received approval of its Remote Reconnect Pilot,² which impacts policies and practices more specifically for reconnections and related reconnection fees. Details about the Remote Reconnect Pilot are shared annually in the Safety, Reliability, and Service Quality Report ("SRSQ") filing.

Regarding deposits, Minnesota Power refunded all deposits in 2014. Collection of deposits is generally not conducted but may be reconsidered in the future or as part of a specific electric service agreement provision for a commercial or industrial customer. As the focus of this docket and related recommendations is on residential customers, it is the Company's understanding that this would be out of scope.

In general, the Company suggests that details regarding current policies and practices on disconnections, service deposits, and payment agreements are most appropriately shared as part of the annual SRSQ filing and related comment periods, as that filing is more comprehensive and contextual. While this periodic reporting docket provides helpful summary information required under with public utility reporting requirements defined in MN Statutes §§ 216B.096 and 216B.091 for regular reporting that includes the Cold Weather Rule period, October 1 –April 30, it is templated information with inherent and appropriate limitations. Significant collaborative efforts were made to expand and enhance the template based on feedback stemming from COVID-19

¹ MPUC 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.

² MPUC Docket No. E-015/M-19-766, December 9, 2020, Order Approving Minnesota Power's Reconnect Pilot Program.

reporting, but it is the Company's understanding that the basic intent remains the same for Docket No. E,G-999/PR-YR-2.

2. 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?

The Company currently posts these policies and practices on its website, both within an electronic link to current service regulations and in other areas dedicated to providing information about affordability and available resources such as payment plans, Minnesota's Energy Assistance Program, Cold Weather Rule protections, affordability programs and other potential resources, budget billing, rate discounts, and Energy Conservation and Optimization ("ECO") programs. Minnesota Power also posts required notices and reference to the Commission's Consumer Affairs Office ("CAO") and related appeals processes on its site.

As indicated above, Minnesota Power is amenable to a summary and other recommendations regarding easy-to-understand language, if stakeholders and the Commission find that necessary and useful. It is unclear from the comments by CUB and LSAP if these recommendations have already been shared and reviewed with the CAO. As the CAO is routinely involved in reviewing customer communications, particularly required "Rights and Responsibilities" notices that are shared annually with customers and as part of ongoing outreach inclusive of credit and collections processes, and the CAO is directly involved in the right to appeal process, the Company believes their engagement on proposed communications is crucial to ensure overall alignment and consistency of expectations.

3. Per Appendix A, Request #3, would your utility post the mock language from CUB and LSAP on its website?

As indicated above, Minnesota Power is amenable to proposed language, if stakeholders and the Commission find that necessary and useful. The Company does

suggest that, if the CAO has not yet been involved in reviewing the proposed language, that this should happen prior to broad adoption, recognizing that Xcel Energy has already moved forward with posting under a separate order. While some degree of consistency is likely achievable, each utility site is unique, as are available offerings. As such, some degree of flexibility should be retained for complying with such a request.

Company Response to Citizens Utility Board of Minnesota and Legal Services Advocacy Project Other Recommendations

CUB and LSAP proposed three other recommendations in their January 31, 2025 Comments and subsequent April 18, 2025 Comments. Recommendations 4, 5, and 6 were slightly amended in the latter Comments.

Minnesota Power does not require down payments, so item number 4 is not applicable and the Company is neutral on the recommendation. The Company is open to recommendation number 5 regarding a discussion in its next SRSQ about landlord's failure to pay and managing disconnections consistent with the requirements of Minn. R. 7820.1400. The second part of recommendation number 5 regarding consideration of financial and extenuating circumstances for payment agreements during CWR and non-CWR months has been included as part of the third-party review Report the Company referenced earlier in these comments. For item number 6, the Company has reported extensively on outreach activities to low-income customers about cross-program promotion, including free and low-cost ECO programs, as part of its annual Customer Affordability of Residential Electricity ("CARE") filing under Docket No. E015/M-11-409. That said, in Reply Comments filed on the CARE annual report on April 30, 2025, the Company has expressed receptivity to convening a stakeholder process inclusive of considering improvements to communications and outreach strategies to inform customers of potential programmatic revisions and raise awareness of assistance resources as well as considering what, if any, changes to reporting are warranted. It is also the Company's understanding that there will be an ECO Income-Eligible Programs Work Group starting that will likely inform opportunities for improved outreach and engagement.

CONCLUSION

Minnesota Power appreciates the opportunity to clarify and respond to the Commission's Notice of Comment Period and recommendations from CUB and LSAP regarding Cold Weather Rule Reports for Regulated Gas & Electric Companies. 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, as described by CUB and LSAP, 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 circumstances. Minnesota 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: May 14, 2025 Sincerely,

Debbie Mencel

Regulatory Compliance Specialist

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

Susan Romans of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 14th day of April, 2025, she served Minnesota Power's Reply 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 E-Docket's Official Service List for this Docket were served as requested.

Susan Romans