

July 22, 2025

Mike Bull Acting Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 250 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 (E,G-002/M-12-383)

Mr. Bull,

Enclosed, please find the comments of the Energy CENTS Coalition in the above-referenced matters. An affidavit of service is also enclosed. If you have any questions, I can be reached at george@energycents.org.

Thank you for your consideration.

George Shardlow

**Executive Director** 

**Energy CENTS Coalition** 

823 East 7th Street

Saint Paul, MN 55106

Re: In the Matter of an Investigation and Audit of Service Quality Reporting –

Fraudwise Report

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/CI-02-2034

Docket No. E,G-002/M-12-383

### **AFFIDAVIT OF SERVICE**

George Shardlow certifies that, on July 22, 2025, he submitted, by electronic filing, a true and correct copy of the Comments of the Energy CENTS Coalition in the above-referenced matter, to the individuals on the attached service list.

**George Shardlow** 

Kristen Syverud

Subscribed and sworn to me this 22nd day of July, 2025.

**Notary Public** 



## STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben Chair

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In the Matter of an Investigation and Audit of Service Quality Reporting – Fraudwise Report

Docket No. E,G-002/CI-02-2034 Docket No. E,G-002/M-12-383

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

## **Initial Comments of the Energy CENTS Coalition**

The Energy CENTS Coalition (ECC) respectfully submits these comments in response to the Commission's June 6, 2025 Notice of Comment Period regarding Xcel Energy's ("Xcel," or "the Company") 2024 Annual Quality of Service Plan (QSP) Report and associated tariff proposals. ECC supports accountability mechanisms that incentivize high-quality customer service, transparent utility performance, and protections for low-income ratepayers. With over 1,400 complaints reported in the 2024 QSP and a failure to meet basic responsiveness standards, the QSP framework clearly remains a critical oversight tool. Our comments address the underperformance penalties triggered by Xcel's missed benchmarks and offer recommendations to ensure tariff amendments and redistributed penalty funds benefit the customers most impacted by affordability challenges and disconnection risk.

# I. The Commission should not approve Xcel's proposed increase to the customer complaint threshold or narrowed definition of "complaint."

Xcel has proposed to increase the customer complaint threshold from 0.2059 to 0.649 complaints per 1,000 customers and to redefine qualifying complaints to exclude those not first raised directly with the utility. ECC opposes both measures.

While Xcel cites post-pandemic arrearages and AMI-driven operational changes as factors driving elevated complaint levels, these circumstances should prompt a utility response rooted in stronger support—not diminished accountability. Xcel proposes raising the customer complaint threshold from 0.2059 to 0.649 complaints per 1,000 customers—a 215% increase from the current standard, established by the Commission in its August 12, 2013 Order in Docket No. 12-383. For Xcel's Minnesota customer base of approximately 2.85 million, this change would increase the allowable complaints before penalty from

around 587 to over 1,850 annually—effectively tripling the tolerance for poor customer service. Such a revision would materially weaken the existing performance standard and risks codifying underperformance in the wake of multiple years of elevated customer complaints, arrears, and disconnection volumes.

Likewise, narrowing the definition of a "complaint" risks penalizing customers for not navigating Xcel's internal processes before seeking help—despite many customers being unaware of those procedures or lacking capacity to navigate them, especially during crises. Limiting the definition of 'complaint' to only those processed through Xcel's internal systems risks obscuring real customer harm. ECC encounters numerous anecdotal cases in which customers reached out to third parties—such as the Commission's Consumer Affairs Office or community-based advocates—due to confusion, language barriers, or poor customer service experiences with Xcel. A redefinition would artificially lower complaint counts without improving service quality.

If Xcel believes current thresholds do not reflect meaningful benchmarks, the appropriate response is a stakeholder-informed process to evaluate complaint types and trends—not a unilateral redefinition to reduce the likelihood of incurring penalties.

## II. ECC supports applying penalty funds to arrearage forgiveness.

In its filing, Xcel's proposes to use 50% of its customer complaint penalty (\$500,000) to issue bill credits for past-due customers, in alignment with the Commission's October 9, 2024 Order. ECC instead believes that the entirety of the penalty should once again be applied to arrearage forgiveness. Directing penalty funds to those facing hardship better serves the QSP's intended purpose: protecting customers from avoidable service failures and supporting systemwide equity. In light of the Company's difficult experience attempting to administer the geotargeted relief ordered in the 2023 underperformance penalty, ECC supports the removal of geographic criterion.

# III. ECC does not support applying the underperformance penalty to funding the Live Chat platform.

In its filing, the Company proposes to apply 50% of the telephone response time penalty (\$500,000) to fund the development of its Live Chat platform. While ECC understands that the Company faces staffing concerns, we do not believe that the underperformance penalty is the appropriate source of funding, particularly when those funds could be better applied to providing relief to customers facing significant arrears.

# IV. The Commission should initiate a stakeholder process to evaluate inflation adjustments to underperformance penalties and other relevant metrics.

ECC supports updating the static QSP penalty to reflect inflation and changes in utility scale. The Commission should consider tying penalties to the Consumer Price Index (CPI), to

preserve deterrence value over time. ECC also supports expanding the QSP metrics subject to penalty to include:

- Disconnection rates and reconnection timeframes.
- Failure to adequately publicize and promote access to affordability programs.
- Complaint resolution speed and accuracy.

We would welcome a Commission-led stakeholder process to evaluate these reforms, ensuring that the QSP remains responsive to shifting technology and customer expectations.

### Conclusion

ECC appreciates the opportunity to comment and continues to view the QSP framework as a vital accountability tool that connects utility service quality to customer experience. Energy CENTS Coalition believes that the QSP framework should remain a living mechanism for safeguarding customer interests, especially for those facing the highest energy burdens.

We respectfully urge the Commission to:

- I. Reject Xcel's proposals to raise the complaint threshold or narrow the definition of complaint.
- II. Approve the targeted disbursement of penalty funds, with improved criteria to focus on disconnection prevention.
- III. Deny the Company's request to apply \$500,000 to investing in the Live Chat function.
- IV. Launch a stakeholder process to modernize QSP penalties and expand metrics to reflect today's affordability and service challenges.

Respectfully submitted,

July 22, 2025

s/ Marta Monti
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s/ George Shardlow
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