



414 Nicollet Mall
Minneapolis, MN 55401

October 4, 2024

—Via Electronic Filing—

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

RE: REPLY COMMENTS
2023 ANNUAL NATURAL GAS SERVICE QUALITY REPORT
DOCKET NO. G002/M-24-31

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy (Company), submits these Reply Comments in response to the Minnesota Department of Commerce, Division of Energy Resources' (Department) September 16, 2024 Comments.

We appreciate the Department's review of our 2023 Annual Natural Gas Service Quality Report and its recommendation that the Commission accept the Report. Additionally, in its Comments, the Department requests the Company provide a discussion of the steps the Company is taking to improve locating performance and reduce at fault damages, stating:

In 2023, 55% of excavation damages were caused by insufficient excavation practices, which has been the leading root cause of excavation damage for each of the last five years for the Company. The percent of excavation damages caused by insufficient locating practices (at fault damages) was 19.9% in 2023, consistent with the Company's five-year average. The Department asks Xcel to describe in reply comments what efforts the Company is taking to improve locating practices for excavation tickets and reduce at fault damages.¹

As the Department noted in its Comments, the number of excavation tickets has been relatively stable over the last five years. Damages per 1,000 tickets of 1.60 in 2023 is below the five-year average. The level of at fault damages was 20 percent in 2023 which is consistent with the five-year average.

¹ DOC Comments at 13.

Approximately 75 percent of locating work in Minnesota is performed by vendors under contract with the Company, and approximately 98 percent of the insufficient locating practices occur under vendor work. Our improvement efforts therefore primarily focus on vendor performance. Vendors are contractually required to perform locating work in accordance with applicable industry standards and the Company's locating specification. All technicians performing locating duties are trained and qualified, and all excavation damages are investigated and the root cause is determined. Any performance issues identified through this process are addressed. For example, when damage is found to be due to insufficient locating practices, retraining and other corrective actions are taken, and the technician's Operator Qualification is suspended. The technician may not resume locating duties until they are retrained and successfully requalified. In addition to the technician-specific corrective action, lessons learned are shared with other technicians. Xcel Energy reserves the right to remove technicians from Xcel Energy work for recurring performance issues.

Finally, there is financial incentive for vendors to avoid damages due to insufficient locating practices. Any such damages by a vendor are reimbursed by the vendor pursuant to contract terms and conditions, thus protecting customers from costs associated with insufficient locating work performed by vendors.

The Company appreciates the opportunity to provide these Reply Comments to the Commission regarding the Company's 2023 Annual Natural Gas Service Quality Report.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact Nathan Kostiuk at nathan.c.kostiuk@xcelenergy.com at or (612) 215-4629 or contact me at gail.baranko@xcelenergy.com or (612) 330-6935 if you have any questions regarding this filing.

Sincerely,

/s/

GAIL BARANKO
MANAGER, REGULATORY ADMINISTRATION

cc: Service List

CERTIFICATE OF SERVICE

I, Victor Barreiro, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

DOCKET No. G002/M-24-31

Dated this 4th day of October 2024

/s/

Victor Barreiro
Regulatory Administrator

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Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_24-31_M-24-31
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Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_24-31_M-24-31
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Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_24-31_M-24-31
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