



414 Nicollet Mall
Minneapolis, MN 55401

March 10, 2026

—Via Electronic Filing—

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

RE: COMMENTS
NORTHERN STATES POWER COMPANY – ELECTRIC RATE CASE
DOCKET NOS. E002/GR-21-630 AND G002/GR-23-413

Dear Ms. Bergman:

Northern States Power Company, doing business as Xcel Energy, submits the enclosed Initial Comments in response to the Minnesota Public Utilities Commission's December 23, 2025 Notice of Comment Period on Prepaid Pension Asset (Notice) issued in the above-referenced dockets.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service lists. Please contact Amber Hedlund at amber.r.hedlund@xcelenergy.com or me at ian.m.dobson@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

IAN M. DOBSON
LEAD ASSISTANT GENERAL COUNSEL

Enclosure
cc: Service Lists

**STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Katie Sieben
Hwikwon Ham
Audrey Partridge
Joe Sullivan
John Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Application of Northern
States Power Company d/b/a Xcel Energy for
Authority to Increase Rates for Electric
Service in the State of Minnesota/Gas Service
in the State of Minnesota

Docket Nos. E002/GR-21-630 &
G002/GR-23-413

COMMENTS

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy (Xcel Energy, NSPM, or Company), submits these initial Comments in response to the Minnesota Public Utilities Commission's (Commission) December 23, 2025, Notice of Comment Period on Prepaid Pension Asset (Notice) issued in the above-referenced dockets. The Notice seeks comments on the following topics:

1. Should the prepaid pension asset be recoverable through rate base or some other method?
2. What methodology should be used to identify how much of the prepaid pension asset should be recovered through rate base?
3. What amount of prepaid pension asset should be recovered through rate base for electric (PUC Docket 21-630) and gas (PUC Docket 23-413)?
4. Are there other issues or concerns related to this matter?

Xcel Energy submits these initial Comments to address the aforementioned topics, and includes with its Comments a white paper entitled *Treatment of Prepaid Pension Asset*,¹ prepared by Dr. Bente Villadsen, Principal at The Brattle Group. This Brattle Attachment A is specific to

¹ Hereinafter, "Brattle Attachment A."

Xcel Energy’s prepaid pension asset and the topics in the Commission’s Notice, and further supports the Company’s approach to the prepaid pension asset and its requests in these proceedings.

Before turning to the individual topics in the Commission’s Notice, the Company seeks to address a potential misperception that may be indicated by the noticed topics. Specifically, it is important to clarify that the Company is not seeking, and did not seek in either the underlying 2021 Electric Rate Case² or the 2023 Gas Rate Case,³ “recovery *of*” the value of the prepaid pension asset, which is defined as cumulative investor contributions to the pension fund that exceed cumulative pension expense. Just as with depreciation expense for physical assets, the Company recovers annual pension *expense* through rates and is not seeking additional expense recovery. Rather, as set forth in more detail below, Xcel Energy seeks to include the prepaid pension asset in rate base in order to recover its authorized rate of return *on* the balance of the relevant (Electric or Gas) Minnesota jurisdictional prepaid pension asset, net of accumulated deferred income taxes (ADIT) and accrued liabilities related to retiree medical and other post-employment benefits (which reduce rate base), at the Company’s authorized weighted average cost of capital (WACC). This is consistent with recent decisions by the Minnesota Court of Appeals, including in the Company’s 2021 Electric Rate Case, which found that contributions to pension plans are expenses of a capital nature and should be considered for inclusion in rate base to the extent the prepaid pension asset is attributable to investor (shareholder) contributions.⁴ Thus, the only post-appeal

² *In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in the State of Minnesota (2021 Electric Rate Case)*, Docket No. E002/GR-21-630.

³ *In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Gas Service in the State of Minnesota (2023 Gas Rate Case)*, Docket No. G002/GR-23-413.

⁴ *In the Matter of the Application by Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in the State of Minnesota (Northern States Power Company)*, No. A23-1672, 2025 WL 249995, at *9 (Minn. Ct. App. Jan. 21, 2025); *In the Matter of the Application by Minnesota Power for Authority to Increase Rates for Electric Service in Minnesota (Minnesota Power)*, 12 N.W.3d 477, 493 (Minn. Ct. App. Sept. 9,

open question in the 2021 Electric Rate Case, and thus the 2023 Gas Rate Case, that affects whether the Company is entitled to a WACC return on the prepaid pension asset is whether the prepaid pension asset is an investor-funded asset. As explained further below, the Company's prepaid pension asset is entirely funded by Company investors and therefore should be included in rate base and earn a WACC return. In addition, because these contributions in excess of annual expense prefund pension benefits for employees, and in doing so create a utility service-producing asset of a capital nature, and furthermore reduce annual pension expense for customers as described in these Comments, the asset is entitled to a return under fundamental ratemaking principles.

Consequently, while the total contributions in excess of cumulative expense, net of ADIT and allocated to the Minnesota electric jurisdiction in the 2021 Electric Rate Case, were \$120.4 million in the 2022 test year, and \$124.4 million and \$137.3 million in the 2023 and 2024 plan years, respectively,⁵ the Company is not seeking to recover these amounts. Rather, in the 2021 Electric Rate Case, the Company is seeking to recover the value of the WACC applied to net balances after also netting out the previously mentioned accrued liabilities, or an approximate incremental revenue requirement of \$8.4 million for the 2022 test year, and \$9.1 million and \$10.4 million for the 2023 and 2024 plan years, respectively.⁶ Similarly, while the total contributions in excess of cumulative expense and net of ADIT totaled \$10.5 million in the 2023 Gas Rate Case,⁷

2024). "Investors" and "shareholders" refer to the same group, and "investor contributions" are the same as "shareholder contributions." The terms are used interchangeably throughout these Comments and Attachment A.

⁵ See Prepaid Pension Revenue Requirement, Attachment B; *see also 2021 Electric Rate Case*, Schrubbe Direct at Schedule 13.

⁶ See Prepaid Pension Revenue Requirement, Attachment B. Note that the amounts in Attachment B differ somewhat from those reflected during the pendency of the case due to updates to other aspects of the case, such as the WACC authorized in the proceeding.

⁷ See Prepaid Pension Revenue Requirement, Attachment B; *see also 2023 Gas Rate Case*, Schrubbe Direct at 59.

the Company is asking to recover an approximate \$800,000 revenue requirement to reflect a WACC on the prepaid pension asset net of ADIT and the previously mentioned accrued liabilities.⁸

BACKGROUND

In Xcel Energy's 2021 Electric Rate Case, the Company sought recovery of a return on its prepaid pension asset, calculated as the Company's cumulative contributions to the pension fund that exceed cumulative pension expense,⁹ net of ADIT. While there was much dispute about whether the Company should be allowed to recover a return on its prepaid pension asset, there was no dispute about this fundamental formula used to calculate the prepaid pension asset.¹⁰ Because the prepaid pension asset is, by definition, *only* cumulative investor contributions that exceed cumulative recognized pension expense, nothing other than investor contributions that exceed cumulative expense would receive a return.

Importantly, the Company has never sought, and does not now seek, to recover the *amount* of its cumulative contributions to the pension fund that exceed cumulative pension expense (i.e., its prepaid pension asset, which is deployed to fund employee retirement benefits and ultimately serve customers); rather, the Company seeks to recover a *return on* the cumulative contributions in excess of cumulative expense during the period an asset exists. But for this return on the prepaid pension asset, the Company's investors receive no financial compensation for having contributed capital to a pension fund that is benefiting employees and customers.¹¹

⁸ See Prepaid Pension Revenue Requirement, Attachment B. For the 2023 Gas Rate Case, which had a single test year rather than a multi-year rate plan as in the 2021 Electric Rate Case, the test year net revenue requirement would be in effect for both 2024 and 2025 (i.e., until interim rates went into effect in Docket No. G002/GR-25-356).

⁹ 2021 Electric Rate Case, Schrubbe Direct at 60, 63; 2023 Gas Rate Case, Schrubbe Direct at 48-49, 57-58.

¹⁰ 2021 Electric Rate Case, FINDINGS OF FACT, CONCLUSIONS, AND ORDER, 23 (July 17, 2023) and Schrubbe Direct at 60; 2023 Gas Rate Case, Schrubbe Direct at 48-49. As described later in these comments, the prepaid pension asset is not the same as the entire pension fund, which can include other components – such as market returns on fund contributions – that increase the balance of the fund and thereby reduce customers' pension expense. 2021 Electric Rate Case, Schrubbe Direct at 68; 2023 Gas Rate Case, Schrubbe Direct at 62-63; see also Brattle Attachment A at 5.

¹¹ 2021 Electric Rate Case, Schrubbe Direct at 78-81; 2023 Gas Rate Case, Schrubbe Direct at 81-82.

Prior to the 2021 Electric Rate Case, the Company's prepaid pension asset was regularly included in rate base for many years, subject to an ADIT offset, and therefore earned a return at the Company's authorized WACC on the net value. The Commission most explicitly authorized this inclusion in the Company's 2013 Electric Rate Case, where it was explicitly explained – as a disputed issue in the case – that “[f]or rate-base purposes, the Commission will require that the pension asset reflect the cumulative difference between actual cash deposits made by the Company reduced by the recognized qualified pension cost....”¹² Both the Administrative Law Judge and Commission also concluded that customers, and not investors/shareholders, receive the financial benefit of market gains on the prepaid pension asset through reduced pension expense, with the Commission explicitly finding that “[t]he pension fund does not pay out the gains to shareholders. Instead, the gains help to reduce rate increases by limiting the future pension expense.”¹³

While the nature of the Company's prepaid pension asset was fundamentally the same in the 2021 Electric Rate Case as in past rate cases, in July of 2023, the Commission concluded for the first time that Xcel Energy's prepaid pension asset, as offset by ADIT, should be excluded from rate base.¹⁴ That outcome, which had previously been applied to other utilities but not to Xcel Energy, was not previously tested in Minnesota appellate courts.

On November 1, 2023, Xcel Energy filed its 2023 Gas Rate Case. As in the 2021 Electric Rate Case, in the 2023 Gas Rate Case, the Company sought, among other things, a return on the Minnesota gas jurisdictional share of the prepaid pension asset at the WACC return authorized in that proceeding, subject to an ADIT offset.¹⁵

¹² *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota*, Docket No. E002/GR-13-868 (2013 Electric Rate Case), FINDINGS OF FACT, CONCLUSIONS, AND ORDER, 20 (May 8, 2015).

¹³ *Id.* at 19.

¹⁴ 2021 Electric Rate Case, FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 26-27.

¹⁵ 2023 Gas Rate Case, Schrubbe Direct at 57-58.

On November 3, 2023, relevant to these Comments, Xcel Energy filed an appeal of the Commission’s decision in the 2021 Electric Rate Case excluding the prepaid pension asset from rate base. The Company requested that the Minnesota Court of Appeals reverse the denial of a return on the prepaid pension asset, identifying a number of concerns with disallowing a return on the prepaid pension asset as an expense of a capital nature entitled to a return under Minnesota statutory law and the regulatory compact.¹⁶ Other parties opposed this outcome on multiple grounds, including (despite the formula for calculating the prepaid pension asset described above) by questioning the extent to which the calculation of the Company’s prepaid pension asset included and was comprised of investor contributions as opposed to market returns or negative pension expense.¹⁷

On June 27, 2024, the Company and all parties to the 2023 Gas Rate Case proceeding entered into a comprehensive, unanimous settlement of that case. In that settlement, the prepaid pension asset was removed from the test year “subject to the outcome of Xcel Energy’s above-referenced appeal of the 2021 electric rate case, which is pending at the time of this filing. The Settling Parties agree that should that appeal result in a reversal or modification of the Commission’s 2021 electric rate case order with regard to the prepaid pension asset, the Company shall be permitted to include the prepaid pension asset, net of ADIT, in the final revenue requirement and recover the net amount through rates accordingly.”¹⁸ On October 24, 2024, the Administrative Law Judge recommended approval of the settlement.¹⁹

¹⁶ *Northern States Power Company*, 2025 WL 249995 at *8-10.

¹⁷ *Id.* at *9.

¹⁸ *2023 Gas Rate Case*, FINDINGS OF FACT, CONCLUSIONS OF LAW, AND RECOMMENDATION TO APPROVE SETTLEMENT at Appendix A at 6 (Oct. 24, 2024).

¹⁹ *Id.* at 22.

On January 21, 2025, the Minnesota Court of Appeals reversed and remanded the Commission’s July 17, 2023, decision in the Company’s 2021 Electric Rate Case to exclude the prepaid pension asset from rate base.²⁰ The Court of Appeals based its decision on another recent case, *In the Matter of the Application by Minnesota Power for Authority to Increase Rates for Electric Service in Minnesota (Minnesota Power)*, in which the Court of Appeals held that “a utility’s mandatory contributions to pension plans are an ‘expense[] of a capital nature’ to which the [C]ommission must give ‘due consideration’ in determining the utility’s rate base under Minn. Stat. § 216B.16, subd. 6.”²¹ In *Minnesota Power*, the Court of Appeals rejected the concept that the prepaid pension asset is materially different from capital expenditures and other allowed rate-base categories (such as that it purportedly is “temporary” or “fluctuates in value”).²² The Court of Appeals also remanded back to the Commission for a determination on “whether [Minnesota Power’s] prepaid pension asset is completely shareholder funded.”²³ In particular, the Court of Appeals charged the Commission with resolving the parties’ dispute about the extent to which the prepaid pension asset was attributable to investor contributions as opposed to market returns or negative pension expense.²⁴

As pertinent here, in Xcel Energy’s 2021 Electric Rate Case appeal, the Minnesota Court of Appeals found that the issue regarding inclusion of the Company’s prepaid pension asset in rate base was the same issue addressed in *Minnesota Power*.²⁵ The Court of Appeals therefore reversed the Commission’s decision to exclude the prepaid pension asset from rate base, and remanded for

²⁰ *Northern States Power Company*, 2025 WL 249995 at *8-10.

²¹ *Id.* at *9; *Minnesota Power*, 12 N.W.3d at 493.

²² *Minnesota Power*, 12 N.W.3d at 492-93.

²³ *Id.* at 494.

²⁴ *Id.*

²⁵ *Northern States Power Company*, 2025 WL 249995 at *9-10.

a further determination as to whether the prepaid pension asset consists of investor (rather than customer) supplied funds.²⁶

On March 5, 2025, the Commission issued its Order Accepting and Adopting Agreement Setting Rates (Order) in the Company's 2023 Gas Rate Case, thereby accepting the 2023 Gas Rate Case settlement.²⁷ The Order did not modify the terms of the settlement but also did not comment on the treatment of the prepaid pension asset. As such, that issue remained open pending further Commission proceedings.

On July 23, 2025, the Commission issued an Order Authorizing Notice and Comment Period After Remand reopening the record on the prepaid pension asset through notice and comment in both the Company's 2021 Electric Rate Case and its 2023 Gas Rate Case.²⁸ The Notice giving rise to these Comments was issued on December 23, 2025.²⁹ Given that the same issue applies in both cases, with the 2023 Gas Rate Case determination of the prepaid pension asset treatment to follow the resolution of the 2021 Electric Rate Case appeal, the Company's Comments here apply to both cases unless otherwise indicated.

COMMENTS

- A. The Company should earn its authorized rate of return (WACC) on the prepaid pension asset by (Notice Issue #1) including it as a prepayment in rate base, with the prepaid pension asset measured by (Notice Issue #2) each Minnesota utility's allocated share of investors' cumulative contributions to the pension fund that exceed the cumulative pension expense, net of ADIT and accrued liabilities. The total adjustment to the revenue requirement reflects the application of a WACC to this net asset.**

- 1. The Company is Solely Seeking a Return on Investor Contributions in Excess of Pension Expense.*

²⁶ *Id.* at *8-10.

²⁷ 2023 Gas Rate Case, ORDER ACCEPTING AND ADOPTING AGREEMENT SETTING RATES (Mar. 5, 2025).

²⁸ 2021 Electric Rate Case, ORDER AUTHORIZING NOTICE AND COMMENT PERIOD AFTER REMAND (July 23, 2025).

²⁹ 2021 Electric Rate Case, NOTICE OF COMMENT PERIOD ON PREPAID PENSION ASSET (Dec. 23, 2025).

As noted at the outset of these Comments, Xcel Energy is seeking to earn a return on the test year or plan year balance of the prepaid pension asset net of ADIT and accrued liabilities, at the Company's WACC,³⁰ and is not seeking to recover either the value of the prepaid pension asset itself nor the total dollar amount of the investor contributions to the pension trust. Rather, as previously noted, the prepaid pension asset consists only of cumulative investor contributions to the pension fund that exceed cumulative pension expense.³¹ Accordingly, a return on the prepaid pension asset will allow the Company's investors – both debt and equity – to earn an appropriate return on the capital they have contributed to the pension fund that exceeds cumulative pension expense.³²

An analogy may be helpful to illustrate why the Company is seeking a return on the prepaid pension asset. When the Company constructs a transmission line or gas pipeline, it eventually recovers the cost of the facility through depreciation expense on the income statement. But that recovery can take years or even decades for an asset the Company's investors financed to place in service. As a result, the Company is also entitled to recover compensation for its investors' contribution of capital to finance that transmission line or gas pipeline to the extent the cost of the asset has not yet been recovered in depreciation expense. This is accomplished by including that facility in rate base (the balance sheet) so that the Company may recover its authorized rate of return on its investment in the facility. Further, the asset is included in rate base even though the value of the Company's interest in the asset may be zero – or even result in more costs to remove the asset than its remaining book value. Indeed, Minn. Stat. § 216B.16, subd. 6, entitles a utility

³⁰ *2021 Electric Rate Case*, Schrubbe Direct at 63; *2023 Gas Rate Case*, Schrubbe Direct at 57-58.

³¹ *2021 Electric Rate Case*, Schrubbe Direct at 60; *2023 Gas Rate Case*, Schrubbe Direct at 48-49.

³² See Brattle Attachment A at 4.

(and its investors) to recover both the O&M expenses associated with, *and* a return on, its capital investment.

The Company's recovery of pension expense, which is not at issue here, is analogous to recovering the cost of a transmission line or gas pipeline through depreciation expense, or a prepayment like ADIT through amortization. At issue here, however, is investor compensation (a return) for the time value of their cumulative capital contributions to the pension trust in excess of cumulative pension expense, which is analogous to compensation for investors' rate of return for contribution of capital to finance the transmission line or gas pipeline. Here, the Company is simply seeking to earn a return on the net prepaid pension asset, as it does with other investments that exceed the total amount of expense already recovered on that asset. And just like the net book values of plant facilities in rate base change over time as capital improvements are made or depreciation is applied, the Company is only seeking to earn a return on the test year or plan year net book value of its prepaid pension asset in rate base net of ADIT and accrued liabilities.³³ Again, including the prepaid pension asset funded by investors/shareholders in rate base and allowing it to earn a return is consistent with the Minnesota Court of Appeals' decisions.

2. *The Prepaid Pension Asset Consists Solely of Investor-Supplied Funds.*

As explained by the Company, the prepaid pension asset represents the difference between cumulative contributions by investors and cumulative recognized pension expense.³⁴ Customers pay only pension costs in the form of annual pension expense, which is by definition subtracted out of the calculation of the prepaid pension asset.³⁵ Further, Xcel Energy has never had negative pension expense for the NSPM plan at issue due to its use of the Aggregate Cost Method, which

³³ See *id.* at 4-5.

³⁴ 2021 *Electric Rate Case*, Schrubbe Direct at 80-81; 2023 *Gas Rate Case*, Schrubbe Direct at 82.

³⁵ 2021 *Electric Rate Case*, Schrubbe Direct at 80-81; 2023 *Gas Rate Case*, Schrubbe Direct at 82.

has a minimum expense provision of zero and therefore cannot go negative.³⁶ In other words, there has never been a time when the NSPM pension costs paid by customers have exceeded the costs of the pension plan, and therefore there has been no prepayment of pension costs by customers, which would be included in the calculation of the prepaid pension asset.³⁷ Accordingly, there is no source for the existence of the prepaid pension asset except investor contributions, and the Company is therefore not seeking to earn a return on customer-supplied funds.

Nonetheless, historically the Minnesota Department of Commerce (Department) has argued that there is doubt as to whether market returns on pension investments could affect the balance of the prepaid pension asset. The short answer is they cannot. First, by the definition above, the prepaid pension asset consists only of cumulative investor contributions minus cumulative pension expense. Consequently, market returns – either estimated or actual – are fundamentally separate from the prepaid pension asset calculation.

Second, it is important to understand the difference between the prepaid pension asset and the pension trust fund to underscore why market returns cannot and do not affect the prepaid pension asset. Whereas the prepaid pension asset is simply cumulative contributions minus cumulative expenses and therefore by definition excludes market returns, the pension fund consists of *all* dollars in the pension trust held to finance pension retirement benefits, including prior years' market returns.³⁸ Both contributions to the pension fund and market returns increase the pension *fund's* total value and in turn decrease the amount of pension expense customers pay through rates for the sole financial benefit of customers, but only investor contributions increase the value of the

³⁶ 2021 *Electric Rate Case*, Schrubbe Rebuttal at 28-29; 2023 *Gas Rate Case*, Schrubbe Direct at Schedule 11.

³⁷ See 2021 *Electric Rate Case*, Schrubbe Rebuttal at 28-29; 2023 *Gas Rate Case*, Schrubbe Direct at Schedule 11.

³⁸ See Brattle Attachment A at 5.

prepaid pension *asset*.³⁹ This was precisely the determination made by the Commission in the Company's 2013 Electric Rate Case, described above.⁴⁰

Despite this evidence, in the 2021 Electric Rate Case, the Administrative Law Judge stated that while “[a] prepaid pension asset may be recoverable to the extent that a utility can demonstrate that the amounts to be included in rate base are not supplied by ratepayers or market returns on plan assets,”⁴¹ “[t]he Department has...demonstrated that because the value of the asset is determined in part by market gains and losses, there is doubt with respect to the source of the asset's value[, and] [d]oubt must be resolved in favor of ratepayers.”⁴² The Minnesota Court of Appeals determined that this finding lacked sufficient explanation and that the Commission did not address it when describing its reasons for excluding the prepaid pension asset.⁴³ In contrast, the Company presented uncontroverted evidence that market gains and losses are not factored into the calculation of the prepaid pension asset.⁴⁴ Further, any “doubts” to be resolved in the favor of the consumer must still be based on substantial evidence in the record and logical conclusions.⁴⁵ It is not reasonable to conclude that there is a “doubt” about market gains and losses when the very definition of the prepaid pension asset means its value is not affected by market gains and losses.

³⁹ *2021 Electric Rate Case*, Schrubbe Direct at 68-73; *2023 Gas Rate Case*, Schrubbe Direct at 63-67. The accounting standards governing pension costs require the application of an Expected Return on Assets (EROA) – the market returns referenced herein – to the value of the assets in the pension trust (including any prepaid pension asset), which is then subtracted from the annual pension cost borne by customers. Specifically, the annual pension cost determined under the accounting methods used by the Company include an EROA. The EROA is multiplied by the value of the assets in the pension trust, and the product of this calculation is subtracted from the annual pension cost. Therefore, the return on the prepaid pension asset reduces the annual qualified pension cost charged to customers on a dollar-for-dollar basis. *2021 Electric Rate Case*, Schrubbe Direct at 68; *2023 Gas Rate Case*, Schrubbe Direct at 63; *see also* Brattle Attachment A at 3.

⁴⁰ *2013 Electric Rate Case*, FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 18-19 (“The pension fund does not pay out the gains to shareholders. Instead, the gains help to reduce rate increases by limiting the future pension expense.”).

⁴¹ *2021 Electric Rate Case*, FINDINGS OF FACT, CONCLUSIONS, AND RECOMMENDATIONS at 54.

⁴² *Id.*

⁴³ *Northern States Power Company*, 2025 WL 249995 at *10.

⁴⁴ *2021 Electric Rate Case*, Schrubbe Direct at 80-81 and Schrubbe Rebuttal at 4; *2023 Gas Rate Case*, Schrubbe Direct at 82 and Schrubbe Rebuttal at 6.

⁴⁵ Minn. Stat. § 14.69.

Because the prepaid pension asset consists of cumulative contributions that exceed cumulative recognized pension expense, it necessarily consists of investor-supplied funds and should be included in rate base.

3. *Xcel Energy's Investors Are Entitled to a Return on Funds Provided to Help Finance an Asset Benefiting Employees and Customers.*

Finally, allowing Xcel Energy to include the prepaid pension asset in rate base and to earn a return on it at the Company's WACC is required for several reasons. First, investors are entitled to be compensated for the use of their money to fund employee pensions. Specifically, under Minn. Stat. § 216B.16, subd. 6, a utility (and its investors) is entitled to recover both the O&M expenses associated with, *and* a return on, its capital investment. As previously discussed, the Company recovers annual pension expense through rates, but this annual pension expense is an O&M expense, whereas the contributions to the pension trust are capital costs on which the Company is entitled to a return.⁴⁶

Second, the *Hope* and *Bluefield* decisions dictate that a utility is entitled to a reasonable opportunity to earn its authorized rate of return on assets deployed to serve customers.⁴⁷ For this reason, multiple other states and the Federal Energy Regulatory Commission have all concluded that a prepaid pension asset belongs in rate base.⁴⁸

Similarly, it is a well-established regulatory principle that prepayments, such as the contributions that have created the prepaid pension asset, should be included in rate base and earn

⁴⁶ 2021 *Electric Rate Case*, Schrubbe Direct at 78; 2023 *Gas Rate Case*, Schrubbe Direct at 81.

⁴⁷ *Fed. Power Comm'n v. Hope Nat. Gas Co.*, 320 U.S. 591, 603 (1944); *Bluefield Water Works & Improvement Co. v. Pub. Serv. Comm'n*, 262 U.S. 679, 692 (1923).

⁴⁸ See, e.g., *Pub. Serv. Co. of Colo. v. Pub. Utils. Comm'n*, Case No. 19CV31427, ORDER, 18 (Denver Cty. Dist. Ct. Mar. 12, 2020); *Application of Southwestern Public Service Company for Authority to Change Rates*, Control No. 43695, Order on Rehearing, 23 (PUCT Feb. 23, 2016); *N.M. Attorney Gen. v. N.M. Pub. Regul. Comm'n*, 359 P.3d 133, 140 (N.M. 2015); *Entergy Gulf States Louisiana, L.L.C.*, 170 FERC ¶ 61,019, at P 12 (2020); *Delmarva Power & Light Company*, 169 FERC ¶ 61,171, at PP 13, 48 (2019); *Potomac Electric Power Company*, 169 FERC ¶ 61,172, at P 53 (2019); see also Brattle Attachment A at 10-12.

a return.⁴⁹ This is because the prepayment reflects a timing difference between when the Company pays an amount for an item and when customers contribute to the cost of the item, and a return on the asset or liability compensates the prepaying party for providing the funds.⁵⁰ With respect to the Company's prepaid pension asset, once contributions are made to the pension trust, investors no longer have access to the funds.⁵¹ If not for funding the pension trust, these funds could be retained by investors, invested elsewhere, or allocated to other assets that earn a return.⁵² Therefore, investors are entitled to be compensated for the loss of these alternative options for utilizing funds in a productive manner.

Third, the prepaid pension asset benefits both Xcel Energy and customers because the pension benefit that gives rise to the prepaid pension asset helps the Company attract and retain employees needed to provide safe and reliable service to customers.⁵³ The Company explained in both the 2021 Electric Rate Case and the 2023 Gas Rate Case that for over 50 years, Xcel Energy's pension plan has provided a market-competitive benefit that has allowed the Company to attract and retain employees who have helped build, operate, and maintain the system that continues to provide safe and reliable service.⁵⁴ The Company also explained that Xcel Energy's pension plan helps the Company manage an orderly transition of employees into retirement, which provides an opportunity for the Company to effectively manage its workforce at the end of employees' careers, appropriately prepare for knowledge transfer, and manage training and succession planning,⁵⁵ and is critical to ensuring the provision of safe and reliable service.

⁴⁹ *2021 Electric Rate Case*, Schrubbe Direct at 67; *2023 Gas Rate Case*, Schrubbe Direct at 62.

⁵⁰ See Brattle Attachment A at 4.

⁵¹ *2021 Electric Rate Case*, Schrubbe Direct at 63; *2023 Gas Rate Case*, Schrubbe Direct at 51.

⁵² See Brattle Attachment A at 5-7.

⁵³ *2021 Electric Rate Case*, Schrubbe Direct at 68; *2023 Gas Rate Case*, Schrubbe Direct at 62.

⁵⁴ *2021 Electric Rate Case*, Schrubbe Direct at 25; *2023 Gas Rate Case*, Schrubbe Direct at 19.

⁵⁵ *2021 Electric Rate Case*, Lowenthal Direct at 65; *2023 Gas Rate Case*, Deselich Direct at 68.

Fourth, the Company's prepaid pension asset not only helps finance retirement benefits to employees who provide utility service to customers; it provides significant direct financial benefits to customers. Customers benefit, and have benefited, from the Company's prepaid pension asset through the reduction in pension expense charged to customers.⁵⁶ Importantly, the gains on the prepaid pension asset from investing the pension funds in the marketplace enable the Company to provide the pension benefit at a lower cost than would have been possible without these gains, and in turn reduce the annual pension expense paid by customers.⁵⁷ Customers also receive the benefit of earnings on the *entire* amount of the assets in the pension trust, not just the amount that is recognized in annual pension cost.⁵⁸ This is not only an advantage to customers that does not apply to most other service-producing assets, but also means that the pension plan amount on which customers earn a market return is much larger than the prepaid pension asset amount on which the Company is proposing they pay a return.⁵⁹ This is because the net balance included in rate base reflects the prepaid pension asset net of ADIT and the accrued liabilities.⁶⁰ Further, the prepaid pension asset also allows the Company to avoid paying incremental Pension Benefit Guaranty Corporation premiums that would otherwise be added to the pension expense charged to customers but for the prepaid pension asset.⁶¹

For all of these reasons, the prepaid pension asset, which represents the cumulative contributions in excess of cumulative recognized pension expense, should be included in rate base and earn a return at the Company's WACC.

⁵⁶ 2021 *Electric Rate Case*, Schrubbe Direct at 68-73; 2023 *Gas Rate Case*, Schrubbe Direct at 63-67.

⁵⁷ 2021 *Electric Rate Case*, Schrubbe Direct at 25; 2023 *Gas Rate Case*, Schrubbe Direct at 19.

⁵⁸ 2021 *Electric Rate Case*, Schrubbe Direct at 69; 2023 *Gas Rate Case*, Schrubbe Direct at 63.

⁵⁹ 2021 *Electric Rate Case*, Schrubbe Direct at 71-73; 2023 *Gas Rate Case*, Schrubbe Direct at 65-67.

⁶⁰ 2021 *Electric Rate Case*, Schrubbe Direct at 71; 2023 *Gas Rate Case*, Schrubbe Direct at 65-66.

⁶¹ 2021 *Electric Rate Case*, Schrubbe Direct at 73-74; 2023 *Gas Rate Case*, Schrubbe Direct at 67.

B. The amounts to be recovered are the incremental revenue requirement associated with applying the authorized WACC to the balance of the relevant (Electric or Gas) Minnesota jurisdictional prepaid pension asset, net of ADIT and accrued liabilities.

As mentioned above, the amount that the Company proposes to include in rate base is the *return on* the balance of the relevant (Electric or Gas) Minnesota jurisdictional prepaid pension asset, net of ADIT and accrued liabilities related to retiree medical and self-insured long-term disability (which reduce rate base).⁶² While the 2021 Electric Rate Case net rate base balances of \$120.4 million in the 2022 test year, and \$124.4 million and \$137.3 million in the 2023 and 2024 plan years, respectively, reflect the significant investments Company shareholders have made in excess of cumulative pension expense, net of ADIT, the Company is seeking to recover the revenue requirement calculated by applying the authorized WACC to the prepaid pension asset net of ADIT and other accrued liabilities, which is approximately \$8.4 million for the 2022 test year, and \$9.1 million and \$10.4 million for the 2023 and 2024 plan years, respectively.⁶³ For the 2023 Gas Rate Case, whereas the net rate base balance is approximately \$10.5 million, the Company is seeking to recover the approximately \$800,000 revenue requirement associated with applying the authorized WACC to the prepaid pension asset.⁶⁴

C. Are there other issues or concerns related to this matter?

There are no other issues that the Commission needs to address related to the prepaid pension asset.

CONCLUSION

The Company appreciates the opportunity to provide these comments. As discussed above, the prepaid pension asset is an investor-funded service-producing asset that benefits customers and

⁶² 2021 Electric Rate Case, Schrubbe Direct at 63; 2023 Gas Rate Case, Schrubbe Direct at 57-58.

⁶³ See Prepaid Pension Revenue Requirement, Attachment B.

⁶⁴ See *id.*

employees. Thus, the Company should be allowed to include the prepaid pension asset, which represents the difference between cumulative contributions by investors and cumulative recognized pension expense, in rate base in order to earn a return on it at the Company's WACC.

Dated: March 10, 2026

Northern States Power Company

Treatment of Prepaid Pension Asset

PREPARED BY

Bente Villadsen

PREPARED FOR

Xcel Energy

MARCH 10, 2026

I. Introduction and Purpose

1. My name is Bente Villadsen and I am a Principal of The Brattle Group, whose business address is One Beacon Street, Suite 2600, Boston, Massachusetts, 02108.
2. I have 25 years of experience working with regulated utilities on cost of capital and related matters. My practice focuses on cost of capital, regulatory finance, and accounting issues. I am the co-author of the text, "Risk and Return for Regulated Industries"¹ and a frequent speaker on regulatory finance at conferences and webinars. I have testified or filed expert reports on regulatory accounting issues in Alaska, Michigan, Ohio, Texas and before the Federal Energy Regulatory Commission (FERC). I have filed testimony or expert reports on cost of capital in more than a dozen state jurisdictions as well as before the FERC, the Surface Transportation Board, and multiple overseas jurisdictions.
3. I have testified on accounting matters in regulatory proceedings, international arbitrations and before U.S. courts. I hold a Ph.D. from Yale University and a BS/MS from University of Aarhus, Denmark. Prior to joining The Brattle Group, I was a business school faculty member at Washington University in St. Louis, University of Michigan, and University of Iowa. My CV,

¹ Bente Villadsen, Michael J. Vilbert, Dan Harris, A. Lawrence Kolbe, "Risk and Return for Regulated Industries," Academic Press, 2017.

which contains more information on my professional qualifications as well as a list of my prior testimonies and publications, is attached to this report.²

4. Xcel Energy has requested that I prepare a white paper addressing the following questions:³
 - Should the prepaid pension asset be recoverable through rate base or some other method?
 - What methodology should be used to identify how much of the prepaid pension asset should be recovered through rate base?
 - What amount of prepaid pension asset should be recovered through rate base for electric (PUC Docket 21-630) and gas (PUC Docket 23-413)?
 - Any other relevant issues?
5. The company proposes to earn a return on their prepaid pension assets through their inclusion in the rate base and earn the authorized return only on that balance.

II. Summary of Conclusions

6. Preliminarily, the Company's request is consistent with established cost-of-service ratemaking principles. The Company is already recovering pension expense through rates as part of the cost of providing service, and is not seeking to change that outcome. Rather, the Company seeks to include the prepaid pension asset in rate base, which consists of cumulative investor contributions to the pension trust that exceed cumulative expenses, and earn the authorized return solely on that balance.
7. The Company is not requesting a return on the pension trust nor is it seeking to recover separately the prepaid pension asset as an expense. The treatment the Company seeks is consistent with that granted other assets, where an authorized rate of return is applied to shareholder-provided net assets, while the capital used to fund the assets are recovered over time through depreciation expense. It is standard to allow investor-supplied capital committed to serve customers to earn a return, and the prepaid pension asset should be treated no differently.

² A prior white paper was submitted to the Minnesota Public Utilities Commission in Docket No. E002/GR-24-320; Schedule 1 to Schrubbe Rebuttal.

³ Minnesota Public Utilities Commission, "Notice of Comment Period on Prepaid Pension Asset," December 23, 2025, p. 1.

8. Based on my review of documents and analyses I conclude as follows:

- The prepaid pension asset represents investor-supplied capital advanced in excess of cumulative pension expense and net of tax.
- Investors have opportunity costs when providing capital to fund pensions and therefore funds provided in excess of those recovered in rates merit a return. It is therefore consistent with standard ratemaking principles to include such funds in rate base.
- The prepaid pension asset is determined as the contributions to the pension fund minus pension expenses. The net prepaid pension asset is the accumulated contributions to the pension fund net of tax benefits from the contribution minus the accumulated pension expenses.⁴
- Pre-funding reduces pension risk, strengthens benefit security for employees, mitigates the likelihood of severe underfunding, and increases the trust's ability to earn market returns that reduces future customer-funded pension expense.
- Customers benefit from cost smoothing, rate stability, intergenerational equity, and a reduced risk of future rate shock.
- FERC and multiple state commissions have recognized that prepaid pension assets funded by shareholders are appropriately included in rate base and earn a return. Thus, supporting the regulatory practice of including the net prepaid pension asset in rate base.

9. In the next sections, I provide additional explanation to support my conclusions.

III. What is the Company asking for?

10. At the outset, it is important to clarify what the Company is—and is not—requesting.
11. The Company is requesting a return on the net prepaid pension asset—that is, the portion of pension contributions funded by shareholders in excess of cumulative pension expense.
12. The Company is not requesting:

⁴ A numerical calculation is provided in Schedule 10 of Direct Testimony and Schedules of Richard R. Schrubbe in Docket No G002/GR-23-413 and Schedule 13 of Direct Testimony and Schedules of Richrd R. Schrubbe in Docket No. E002/GR-21-630. See also Rebuttal Testimony and Schedules of Michael Farrell in Docket No. E015/GR-21-335, pp. 3:29 to 4:13.

- a. A return on the pension trust assets themselves;
 - b. Recovery of the prepaid pension principal separate from normal pension expense;
 - c. A guarantee of the pension fund's investment performance.
13. Thus, the request is limited and methodologically straightforward: include the net prepaid pension asset in rate base and allow the authorized return on that balance, consistent with standard cost-of-service ratemaking principles.

A. The Ratemaking Framework

14. The appropriate analytical framework for evaluating the prepaid pension asset is the traditional cost-of-service ratemaking model. Under this framework, rate base represents capital invested by shareholders to provide utility service. Investors are permitted to earn a return on that rate base as compensation for the opportunity cost of their capital, and depreciation expense allows recovery of the invested capital over time.
15. The prepaid pension asset fits squarely within this established structure. When shareholders contribute funds to the pension trust in excess of cumulative pension expense, those funds constitute investor-supplied capital committed to utility service.
16. Similarly, pension expense functions like depreciation. Just as depreciation gradually returns invested capital to shareholders through the revenue requirement, pension expense reflects periodic amount recognized (under GAAP) as service cost, interest cost, and amortization of prior service costs and actuarial gains/losses.⁵ The Company's request to earn its authorized return on the prepaid pension asset is therefore no different than earning a return on other components of rate base. It reflects standard cost-of-service principles: investors are compensated for capital committed to serve customers until that capital is recovered.
17. When shareholders fund pension contributions in excess of pension expenses recovered from customers, they have advanced capital for the benefit of the utility system, its employees and customers. That capital remains committed until it is gradually recognized through future pension expense. During that period, it functions economically like any other invested capital supporting utility operations.
18. Just as investors earn a return on plant in service and working capital because their funds are tied up and unavailable for alternative use, shareholders are entitled to earn a return on

⁵ Accounting Standards Codification (ASC) 715 provides the accounting guidelines for pensions under GAAP.

prepaid pension contributions that are likewise committed and unavailable for alternative deployment.

19. Finally, just like accumulated deferred income taxes commonly is deducted from rate base as it is a tax-free loan from the tax authorities, the tax benefits of the pension contributions are deducted from the amount included in rate base.

B. Why This Is Not a Return on the Pension Fund

20. Arguments opposed to including prepaid pension assets into the rate base sometimes conflate two distinct concepts: the assets held within the pension trust and the prepaid pension asset recorded on the Company's books. The pension trust assets consist of all forms of capital contained in the pension trust, are invested in financial markets, and earn returns based on the trust's investment strategy and market performance. By contrast, the prepaid pension asset is limited to shareholder funds that have been contributed to the trust *in excess of* cumulative pension expense.
21. The Company is not requesting the opportunity to earn the pension trust's market return. The trust will earn whatever return results from its investment decisions and prevailing market conditions. Rather, the Company seeks to earn the authorized regulatory return on the capital shareholders advanced to create the prepaid pension asset. This distinction is critical. The regulatory return compensates investors for the opportunity cost of capital committed to utility purposes—precisely the same principle that applies to any other component of rate base.
22. While the pension fund's performance may influence future contribution requirements, it does not change the economic reality that shareholders have already *irrevocably* committed capital.⁶ That capital remains tied up for the benefit of employees and customers, and it is that commitment that gives rise to the opportunity cost that justifies a return on investor-supplied capital.

⁶ 29 U.S.C. § 1103 – Establishment of Trust, <https://www.law.cornell.edu/uscode/text/29/1103>, (“All assets of an employee benefit plan shall be held in trust by one or more trustees ... the assets of a plan shall never inure to the benefit of any employer and shall be held for the exclusive purposes of providing benefits to participants in the plan and their beneficiaries and defraying reasonable expenses of administering the plan”).

IV. Opportunity Cost Is the Governing Principle

23. The rationale for allowing a return on rate base is well established in regulatory finance. Investors supply capital to the utility that could otherwise be invested in alternative opportunities of comparable risk. Because that capital is committed to serving customers, investors are entitled to compensation equal to the utility's authorized cost of capital. This return ensures that the utility can attract and retain the financial resources necessary to provide safe and reliable service.
24. The same principle applies to prepaid pension contributions. When the Company sets aside funds for pension contributions, it must use cash that could have been allocated to other corporate purposes—such as reinvestment in operations, improvements to regulated assets, debt reduction, etc. Specifically, contributions over and above what is recovered as a periodic cost necessarily come from shareholders as the residual claimants of the Company's resources. Conversely, expense that exceeds contributions would result in a liability to customers, as all expense is paid by customers.⁷
25. When shareholders contribute funds to the pension trust *in excess of* amounts recovered through current rates, those funds are no longer available for other corporate purposes. They cannot be distributed as dividends, reinvested in infrastructure or other projects, used to reduce outstanding debt, or deployed into alternative investments.
26. Once contributed to the pension trust, pension contributions are *legally irrevocable*.⁸ This fact underscores why pension funds net of periodic cost merit a return. Once committed, pension contributions cannot be removed from the pension trust and be deployed elsewhere in response to changing corporate needs or priorities.
27. From a financial economics standpoint, the irrevocability of contributions does not eliminate the cost of tying up resources. Economic cost is about foregone alternative opportunities, not legal ability to recapture the same funds. Whether or not the Company can “get the money back” is irrelevant to whether the contribution required sacrificing opportunities to deploy capital productively elsewhere.

⁷ ASC 715-30.

⁸ *Ibid.*

28. Shareholders face opportunity costs of funds (including funds contributed to a prepaid pension asset), which is simply return shareholders forego by contributing to the pension plan rather than investing in alternatives.⁹ Simply put, shareholders are foregoing investment opportunities when contributing funds to the pension plan over and above the amount of cumulative pension expense and such funds carry an opportunity cost and therefore merit a return.
29. This loss of alternative use is the essence of opportunity cost. The fact that the contributions support employee pension obligations does not eliminate their economic cost. Capital retains its cost regardless of whether it finances plant in service, working capital, or prefunding of pension obligations. In each case, investor-supplied funds are tied up for the benefit of customers.
30. In regulatory finance, costs recognized in rates should reflect the true economic burden of financing the utility's operations that is borne by investors.¹⁰ While periodic pension expenses are part of the revenue requirement, prepaid pension contributions are not. Therefore, treating prepaid pension contributions as costless ignores the fact that they substitute for other uses of capital. The opportunity cost of capital ensures parity: shareholders are compensated for tying up funds in ways that support employee obligations and reduces future customer contributions, as discussed in greater detail below. Indeed, the Company is not asking for recovery of the capital investment – but rather for the return on or the cost of funding the asset, until which time it is recovered through the net periodic pension cost / pension expense.

A. The Prepaid Pension Asset Consists of Shareholder Provided Funds

31. An issue raised in the Court of Appeals' remand order was whether the prepaid pension asset was "attributable to shareholders."¹¹

⁹ See, for example, Brealey, Myers and Allen, *Principles of Corporate Finance*, 11th edition, 2014, p. 219.

¹⁰ Alfred E. Kahn, 1978, "Can an Economist Find Happiness Setting Public Utility Rates?" *Public Utilities Fortnightly*, 101(1).

¹¹ State of Minnesota, Court of Appeals, A23-1672 In the Matter of the Application by Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in the State of Minnesota, Opinion issued January 21, 2025 (Remand Opinion), p. 19.

See also, Before the Minnesota Public Utilities Commission, Docket No. E-002/GR-21-630, In the Matter of the Application of Northern States Power Company, dba Xcel Energy, for Authority to Increase Rates for Electric Service in the State of Minnesota, Order issued July 17, 2023, p. 26.

32. To address that question, it is important to distinguish between (i) pension expense recovered in rates and (ii) the Company's actual cash contributions to the pension trust. The amount recovered from customers through rates reflects annual pension expense as calculated for ratemaking purposes.¹² That expense is determined pursuant to regulatory accounting principles and is designed to reflect the normalized annual cost of pension benefits attributed to service during the test year, along with certain amortized amounts. It does not necessarily equal the Company's actual cash funding of the pension plan in any given year.
33. By contrast, the prepaid pension asset represents the cumulative excess of the Company's actual cash contributions to the pension trust over the cumulative pension expense. Stated differently, to the extent the Company contributed more cash to the pension fund than cumulative pension expense, that excess contribution created a prepaid pension asset.
34. To determine the net prepaid pension asset attributable to shareholders, additional adjustments are made as the tax benefits associated with pension contributions are deducted. Because pension contributions are tax-deductible, they generate deferred tax effects; removing those tax effects ensures that neither the tax authorities nor customers are deemed to have funded any portion of the prepaid amount through tax-related mechanisms embedded in rates.
35. After these adjustments, the remaining balance reflects only the portion of pension contributions funded by shareholders. Simply put, cash contributions that do not originate from customers or government entities must have been funded by shareholders.¹³
36. The source of those funds can only be shareholder-provided capital. When the Company contributes cash to the pension trust in excess of amounts cumulatively recovered in rates, it must finance that contribution through retained earnings, equity issuances, or other shareholder-supplied capital. Customers do not provide advance funding beyond the pension expense embedded in rates, nor do they supply equity capital to the Company. As a result, any excess funding necessarily represents capital supplied by shareholders.

¹² See: Direct Testimony and Schedule of Richard R. Schrubbe, Docket No. G002/GR-23-413, November 1, 2023, Table 1; and Direct Testimony and Schedule of Richard R. Schrubbe, Docket No. E002/GR-21-630, October 25, 2021, Table 2.

¹³ Taking out a loan to finance pension contributions does not change that conclusion in that the loan has to be repaid from either retained earnings or shareholders equity contributions.

37. Moreover, the regulatory construct reinforces this conclusion. Customers pay for expenses (including depreciation), which smooths the cash flows that occurs through operating activities, and not for cash outflows.
38. In short, once cumulative pension expense recovered in rates and associated tax effects are removed, there is no remaining source of funds other than shareholder-provided capital. The prepaid pension asset therefore represents shareholder-supplied funds that have been advanced to the pension trust but not recovered from customers.

B. Alignment with Cost-of-Service Principles

39. Cost-of-service regulation rests on two fundamental propositions. First, costs must be prudently incurred to be included in rates.¹⁴ Second, investors should have a reasonable opportunity to earn a fair return on capital devoted to public service.¹⁵ These complementary principles ensure both customer protection and continued access to capital for utility operations.
40. Prepaid pension contributions satisfy both conditions. The contributions are prudently incurred to meet legally required pension obligations and to ensure that promised benefits to employees are secure. By prefunding pension obligations, the Company reduces future funding volatility and helps stabilize pension-related costs over time, which benefits customers. At the same time, these contributions represent investor-supplied capital that has been committed for the benefit of the utility system and its customers.
41. Allowing a return on the prepaid pension asset maintains symmetry in ratemaking. Customers pay pension expense as it is recognized in the revenue requirement over time, while shareholders earn a return on the capital that shareholders have advanced until that capital is recovered through pension expense. This treatment mirrors the established approach for plant investment and depreciation and preserves the internal consistency of the cost-of-service model.

¹⁴ Peter Cappers, “Basics of Cost of Service Ratemaking,” U.S. Department of Energy’s Clean Energy Innovator Fellows Training, September 12, 2024, p. 2, https://eta-publications.lbl.gov/sites/default/files/2024-09/basics_of_ratemaking.pdf.

¹⁵ Bluefield Water Works & Improvement Co. v. Public Service Com’n of West Virginia, 262 U.S. 679 (1923), and Federal Power Com’n v. Hope Natural Gas Co., 320 U.S. 591 (1944).

V. Customers & Employees Benefit

42. Pre-funding utility pension obligations provides meaningful and measurable benefits to both employees and customers by materially reducing pension risk and strengthening long-term financial stability. Defined benefit pension plans promise fixed retirement income to employees, and those promises are only as secure as the funding discipline behind them. While the Pension Benefit Guaranty Corporation (“PBGC”), established under ERISA,¹⁶ provides a federal backstop in the event of plan termination, PBGC coverage is limited by statutory caps and does not fully replace lost benefits—particularly for long-tenured, highly compensated, or collectively bargained employees. As a result, underfunding creates real exposure for workers.
43. Recent history demonstrates these risks. The 2005 bankruptcy of United Airlines resulted in the largest pension default in U.S. history at the time, with the termination of multiple underfunded plans and significant reductions in promised benefits for thousands of employees.¹⁷ Similarly, Delta Airlines’ 2005 bankruptcy led to termination of its pilots’ underfunded defined benefit plan, causing substantial pension reductions for affected workers.¹⁸ In both cases, employees bore the consequences of insufficient funding when corporate financial distress materialized.
44. Utilities are not immune to financial pressures, particularly given capital-intensive infrastructure requirements, evolving regulatory environments, and changing market conditions. Pre-funding pension obligations mitigates these risks by ensuring that pension promises are supported by dedicated, segregated assets rather than future cash flows that may be subject to uncertainty. When utilities make contributions in advance—rather than deferring funding until minimum statutory requirements compel action—they reduce the likelihood that future adverse events (e.g., market downturns, interest rate shifts, or earnings pressure) will create funding deficits that threaten benefit security.

¹⁶ The Employee Retirement and Income Security Act (“ERISA”) govern the funding, administration and legal protection of pension plans. See, for example, Congressional Research Service Report, “ERISA: Legal Framework and Recent Supreme Court Litigation,” March 21, 2025, https://www.congress.gov/crs_external_products/R/PDF/R48470/R48470.1.pdf.

¹⁷ Micheline Maynard, “United Air Wins Right to Default on Its Employee Pension Plans,” May 11, 2005, *New York Times*, <https://www.nytimes.com/2005/05/11/business/united-air-wins-right-to-default-on-its-employee-pension-plans.html>.

¹⁸ Associated Press, “Delta gets OK to end pilots pension plan,” September 6, 2006, *Deseret News*, <https://www.deseret.com/2006/9/6/19972458/delta-gets-ok-to-end-pilots-pension-plan>.

45. Moreover, stronger funding improves plan resilience during economic cycles. Pension liabilities are sensitive to discount rates and market performance. A well-funded plan entering a market downturn is far less likely to become severely underfunded than a plan already near minimum funding thresholds. By building funded status during stable periods, utilities create a buffer that protects employees' retirement benefits from volatility and reduces the probability of extraordinary corrective measures later.
46. Pre-funding also delivers clear and substantial benefits to customers by promoting cost stability, rate predictability, and intergenerational fairness. Pension costs are ultimately borne by ratepayers in regulated utility models. When funding is deferred and pension deficits accumulate, customers may later be required to absorb large, concentrated funding requirements to restore plan solvency. Such "catch-up" contributions can translate into sharp rate increases or sudden revenue requirements that create bill volatility and affordability concerns.
47. In contrast, planned and incremental contributions made in advance can be incorporated into rates gradually and transparently. This approach smooths pension expense over time, aligning costs with the periods in which employees provide service and customers receive utility benefits. By avoiding large lump-sum recoveries, pre-funding reduces the likelihood of rate shocks and enhances long-term rate stability.
48. Additionally, stronger pension funding enhances overall financial discipline and credit quality. Well-funded pension plans reduce balance sheet volatility and the risk of future mandatory funding spikes, which in turn can support improved credit metrics and lower financing costs. Lower capital costs ultimately benefit customers through reduced revenue requirements. In this way, pre-funding not only stabilizes pension expense but also contributes to broader financial resilience that supports reliable service at reasonable rates.
49. In sum, pre-funding pension obligations protects employees by strengthening benefit security and reduces risk for customers by smoothing costs, enhancing predictability, promoting intergenerational fairness, and supporting long-term financial stability. Both constituencies benefit from a disciplined, forward-looking funding approach that reduces uncertainty and avoids avoidable future disruption.

VI. Regulatory Guidance

50. There are many examples of both FERC and state cases where costs associated with prepaid pension assets have been approved to be included in the rate base.

A. FERC Precedence

51. In 2019, in Delmarva Power & Light Co., FERC accepted inclusion of prepaid pension assets in Delmarva's transmission rate base.¹⁹ FERC found it reasonable for Delmarva to include the \$196.9M prepaid pension balance in its rate base.²⁰
52. In 2019, in Potomac Electric Power Company (Pepco), FERC approved Pepco's inclusion of prepaid pension assets recorded in Account 186 in rate base, finding it reasonable for Pepco to include the \$325.6M balance in the 2018 annual update.²¹
53. In 2020, in Entergy Operating Companies, FERC reaffirmed that, as a general matter, it is just and reasonable to include prepaid pension costs in rate base when funded by the utility.²²
54. This treatment by the FERC makes sense as the presence of a prepaid pension asset (1) lowers future payments to the pension fund and (2) ensures funds are available for employees when they retire. Both features benefit not only employees but also customers, who will see lower

¹⁹ Docket No. ER09-1158-000, Order Denying Formal Challenge, December 3, 2019, ¶13 (*"The Commission stated that 'the formula rate has always contained a provision that explicitly allows these Prepaid Pension Assets as an adjustment to rate base.'"*), <https://www.ferc.gov/sites/default/files/2020-06/20191203121248-ER09-1158-000.pdf>.

²⁰ Docket No. ER09-1158-000, Order Denying Formal Challenge, December 3, 2019, ¶ 48 (*"We find that Delmarva's Cash Contributions reflect necessary costs, and that it was reasonable for Delmarva to include a portion of the \$196.6 million Prepaid Pension Assets amount in rate base in the 2018 Annual Update."*), <https://www.ferc.gov/sites/default/files/2020-06/20191203121248-ER09-1158-000.pdf>.

²¹ Docket No. ER09-1159-000, Order Denying Formal Challenge, December 3, 2019, ¶ 53, (*"The Prepaid Pension Assets amount of \$325.6 million in the 2018 Annual Update thus reflects payments Pepco has made over the years to fulfill its ongoing pension obligations. We find that Pepco's Cash Contributions reflect necessary costs, and that it was reasonable for Pepco to include a portion of the \$325.6 million Prepaid Pension Assets amount in rate base in the 2018 Annual Update."*), <https://www.ferc.gov/sites/default/files/2020-06/20191203114232-ER09-1159-000.pdf>

²² Docket No. ER15-1436-001, Order On Initial Decision, January 23, 2020, ¶12, (*"As a general matter, it is appropriate to include prepayments in rate base when they represent amounts that a utility has paid for costs that are allowed to be collected in rates in the future . . . This is because the utility is out-of-pocket for such costs until they are recovered from ratepayers and is therefore entitled to recover its cost of financing such prepaid expenses."*), <https://www.ferc.gov/sites/default/files/2020-08/01-23-2020-E-28.pdf>

payments going forward because of the prepaid pension asset. Further, these FERC cases establish clear precedent: prepaid pension assets can be, and often are, included in rate base.

B. State Regulatory Precedence

55. There are several rate cases across state jurisdictions that considered inclusion of certain costs related to prepaid pension assets in the rate base. For example, in its 2020 order in the application of DTE Electric Company before the Michigan Public Service Commission,²³ the Commission agreed that the prepaid pension asset stemmed from investor funding and that rate base inclusion was warranted. The Commission stated the inclusion was prospective and consistent with prior guidance.
56. Indeed, in every other jurisdiction where Xcel has a prepaid pension asset, it has been included in the rate base. In 2015, the New Mexico Public Regulation Commission allowed prepaid pension assets to be included in the rate base because “...mandatory contributions to pension funds are useful. Such contributions may benefit customers by generating an income-earning prepaid pension asset to reduce pension expenses...and also fund the pension programs that make it possible for the utility to attract and retain highly-skilled workers.”²⁴ The Supreme Court of New Mexico agreed with the New Mexico Public Regulation Commission.²⁵ Similarly, a District Court in Colorado in 2020 ruled that prepaid pension assets belonged in the rate base.²⁶ Subsequently, in 2021, the Colorado Public Utilities Commission also allowed inclusion of the prepaid pension asset in rate base to earn a return because “because that level of return was the standard treatment of prepayments” and “ratepayers benefit from the prepaid pension asset.”²⁷
57. Other state regulators that have considered the issue include the Indiana Utility Regulatory Commission, which in 2014 also allowed the inclusion of prepaid pension asset in rate base because “the prepayment benefits ratepayers by reducing total pension costs in the Company's revenue requirement. Therefore, we find that the prepaid pension asset should

²³ No. U-20561, Before the Michigan Public Service Commission, DTE Electric Company, May 8, 2020.

²⁴ N.M. Attorney General v. N.M. Public Regulation Commission, Docket No. S-1-SC-34768, Sept. 28, 2015, p. 20.

²⁵ N.M. Attorney General v. N.M. Public Regulation Commission, Docket No. S-1-SC-34768, Sept. 28, 2015, ¶120, 23.

²⁶ Public Service Company of Colorado v. The Public Utilities Commission of the State of Colorado, Case No. 19CV31427, March 12, 2020, p. 16.

²⁷ In the Matter of Advice No. 912-Gas, Proceeding No. 17AL-0363G, Decision No. C21-0406, July 12, 2021, p. 5.

be included in Petitioner's rate base."²⁸ Similarly, in 2014 the Wyoming Public Service Commission allowed inclusion of the prepaid pension asset in the rate base.²⁹

58. In short, there is plenty of regulatory precedence for including the prepaid pension asset in rate base. Regulatory commissions have commonly found that prepayment of pension obligations benefits both customers and employees. By prefunding pensions, the utility lowers future required contributions and ensures that funds are available when employees retire. Customers benefit because the presence of a prepaid asset reduces future funding needs, thereby stabilizing rates. At the same time, such funds necessarily are contributed to pension plans instead of alternative investments.

VII. Conclusion

59. In short, I conclude as follows in response to questions raised:

- 1) Should the prepaid pension asset be recoverable through rate base or some other method?

The net prepaid pension asset should be included in rate base and receive a return. The company is not seeking to recover the balance of the asset itself.

- 2) What methodology should be used to identify how much of the prepaid pension asset should be recovered through rate base?

The net prepaid pension asset should be calculated as the present balance of the accumulated cash contribution to the pension plan minus the accumulated pension expense, net of tax benefits.

- 3) What amount of prepaid pension asset should be recovered through rate base for electric (PUC Docket 21-630) and gas (PUC Docket 23-413)?

I refer to the calculations done by the company using the principle set forth in 2) above.

²⁸ Indiana Office of Utility Consumer Counselor v. Indiana Michigan Power Co., No. 93A02-1303-EX-233, March 11, 2014, p. 28.

²⁹ In The Matter of The Application Of Rocky Mountain Power For Approval Of A General Rate Increase In Its Retail Electric Utility Service Rates In Wyoming Of \$ 36.1 Million Per Year Or 5.3 Percent, Docket No. 20000-446-ER-14, December 30, 2014.

4) Other Relevant Issues

The net prepaid pension asset is contributions from shareholders. Prepayment of pension funding carry benefits for employees and customers.

There is regulatory precedence in multiple states and at FERC for the inclusion of the net prepaid pension asset in rate base.

Attachment B - Prepaid Pension Revenue Requirement
Northern States Power Company

	MN Electric (Docket No. E002/GR-21-630)			MN Gas (Docket No. G002/GR-23-413)	
	2022	2023	2024	2024	2025
Non-Plant Rate Base Asset/ (Liability)					
Prepaid Pension Asset	167,257,722	172,802,494	190,683,064	14,608,157	14,608,157
Retiree Medical - FAS 106	(25,532,351)	(22,132,077)	(20,035,631)	(1,904,088)	(1,904,088)
Post-Employment Benefits - FAS 112	(9,315,299)	(8,700,768)	(8,121,421)	(618,498)	(618,498)
Total Non-Plant Rate Base Asset/ (Liability)	132,410,072	141,969,649	162,526,012	12,085,572	12,085,572 [A]
Associated Accumulated Deferred Tax Asset/(Liability)					
Prepaid Pension Asset	(46,834,002)	(48,386,599)	(53,393,355)	(4,086,164)	(4,086,164)
Retiree Medical - FAS 106	7,149,339	6,197,225	5,610,197	532,608	532,608
Post-Employment Benefits - FAS 112	2,608,386	2,436,311	2,274,087	173,005	173,005
Total Associated Accumulated Deferred Tax Asset/(Liability)	(37,076,277)	(39,753,063)	(45,509,071)	(3,380,552)	(3,380,552) [B]
Net Rate Base Impact Asset/(Liability)					
Prepaid Pension Asset	120,423,720	124,415,895	137,289,709	10,521,993	10,521,993
Retiree Medical - FAS 106	(18,383,012)	(15,934,852)	(14,425,434)	(1,371,480)	(1,371,480)
Post-Employment Benefits - FAS 112	(6,706,913)	(6,264,457)	(5,847,334)	(445,493)	(445,493)
Total Net Rate Base Impact Asset/(Liability)	95,333,795	102,216,586	117,016,941	8,705,020	8,705,020 [C] = [A] + [B]
Xcel Requested WAAC	8.80%	8.87%	8.91%	9.19%	9.19% [D]
Revenue Requirement	8,389,647	9,066,904	10,426,545	800,243	800,243 [E] = [C] X [D]

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 NOS. E002/GR-21-630
G002/GR-23-413

Dated this 10th day of March 2026

/s/

Victor Barreiro
Regulatory Administrator

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Kevin	Adams	kadams@caprw.org	Community Action Partnership of Ramsey & Washington Counties		450 Syndicate St N Ste 35 Saint Paul MN, 55104 United States	Electronic Service		No	21-630Official
2	Mara	Ascheman	mara.k.ascheman@xcelenergy.com	Xcel Energy		414 Nicollet Mall Fl 5 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
3	Gail	Baranko	gail.baranko@xcelenergy.com	Xcel Energy		414 Nicollet Mall 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
4	Jessica L	Bayles	jessica.bayles@stoel.com	Stoel Rives LLP		1150 18th St NW Ste 325 Washington DC, 20036 United States	Electronic Service		No	21-630Official
5	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission	121 7th Pl E Ste 350 St. Paul MN, 55101 United States	Electronic Service		Yes	21-630Official
6	Elizabeth	Brama	ebrama@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 South 8th Street Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
7	Matthew	Brodin	mbrodin@allete.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	21-630Official
8	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	21-630Official
9	James	Canaday	james.canaday@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Suite 1400 445 Minnesota St. St. Paul MN, 55101 United States	Electronic Service		No	21-630Official
10	John	Coffman	john@johncoffman.net	AARP		871 Tuxedo Blvd. St, Louis MO, 63119-2044 United States	Electronic Service		No	21-630Official
11	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	21-630Official
12	George	Crocker	gwillc@nawo.org	North American Water Office		5093 Keats Avenue Lake Elmo MN, 55042 United States	Electronic Service		No	21-630Official
13	James	Denniston	james.r.denniston@xcelenergy.com	Xcel Energy Services, Inc.		414 Nicollet Mall, 401-8 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
14	Ian M.	Dobson	ian.m.dobson@xcelenergy.com	Xcel Energy		414 Nicollet Mall, 401-8 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
15	Richard	Dornfeld	richard.dornfeld@ag.state.mn.us		Office of the Attorney General - Department of Commerce	Minnesota Attorney General's Office 445 Minnesota Street, Suite 1800 Saint Paul MN, 55101 United States	Electronic Service		No	21-630Official
16	Brian	Edstrom	briane@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St Ste W1360 Saint Paul MN, 55101 United States	Electronic Service		No	21-630Official
17	Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy		414 Nicollet Mall - 401 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
18	John	Farrell	jfarrell@ilsr.org	Institute for Local Self-Reliance		2720 E. 22nd St Institute for Local Self-Reliance Minneapolis MN, 55406 United States	Electronic Service		No	21-630Official
19	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	21-630Official
20	Lucas	Franco	lfranco@liunagroc.com	LIUNA		81 Little Canada Rd E Little Canada MN, 55117 United States	Electronic Service		No	21-630Official
21	Edward	Garvey	garveyed@aol.com	Residence		32 Lawton St Saint Paul MN, 55102 United States	Electronic Service		No	21-630Official
22	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	21-630Official
23	Matthew B	Harris	matt.b.harris@xcelenergy.com	XCEL ENERGY		401 Nicollet Mall FL 8 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
24	Shubha	Harris	shubha.m.harris@xcelenergy.com	Xcel Energy		414 Nicollet Mall, 401 - FL 8 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
25	Amber	Hedlund	amber.r.hedlund@xcelenergy.com	Northern States Power Company dba Xcel Energy-Elec		414 Nicollet Mall, 401-7 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
26	Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	21-630Official
27	Katherine	Hinderlie	katherine.hinderlie@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	445 Minnesota St Suite 1400 St. Paul MN, 55101-2134 United States	Electronic Service		No	21-630Official
28	Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.		445 Etna Street Ste. 61 St. Paul MN, 55106 United States	Electronic Service		No	21-630Official
29	Frank	Hornstein	frank.hornstein@minneapolismn.gov	City of Minneapolis		350 South 5th Street Minneapolis MN, 55415 United States	Electronic Service		No	21-630Official
30	Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law		2950 Yellowtail Ave. Marathon FL, 33050 United States	Electronic Service		No	21-630Official
31	Richard	Johnson	rickjohnson@cozen.com	Cozen O'Connor		150 S. 5th Street Suite 1200 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
32	Sarah	Johnson Phillips	sjphillips@stoel.com	Stoel Rives LLP		33 South Sixth Street Suite 4200 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
33	Michael	Krikava	mkrikava@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 S 8th St Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
34	Carmel	Laney	carmel.laney@stoel.com	Stoel Rives LLP		33 South Sixth Street Suite 4200 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
35	Annie	Levenson Falk	annielf@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota Street, Suite W1360 St. Paul MN, 55101 United States	Electronic Service		No	21-630Official
36	Ryan	Long	ryan.j.long@xcelenergy.com			414 Nicollet Mall 401 8th Floor Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
37	Alice	Madden	alice@communitypowermn.org	Community Power		2720 E 22nd St Minneapolis MN, 55406 United States	Electronic Service		No	21-630Official
38	Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting, LLC		961 N Lost Woods Rd Oconomowoc WI, 53066 United States	Electronic Service		No	21-630Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
39	Christine	Marquis	regulatory.records@xcelenergy.com	Xcel Energy		414 Nicollet Mall MN1180-07-MCA Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
40	Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc		414 Nicollet Mall 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official
41	Erica	McConnell	emcconnell@elpc.org	Environmental Law & Policy Center		35 E. Wacker Drive, Suite 1600 Chicago IL, 60601 United States	Electronic Service		No	21-630Official
42	Greg	Merz	greg.merz@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		No	21-630Official
43	Joseph	Meyer	joseph.meyer@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Bremer Tower, Suite 1400 445 Minnesota Street St Paul MN, 55101-2131 United States	Electronic Service		No	21-630Official
44	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
45	Christa	Moseng	christa.moseng@state.mn.us		Office of Administrative Hearings	P.O. Box 64620 Saint Paul MN, 55164-0620 United States	Electronic Service		No	21-630Official
46	David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency		220 South Sixth Street Suite 1300 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
47	Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office		1110 West Avenue Red Wing MN, 55066 United States	Electronic Service		No	21-630Official
48	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	21-630Official
49	Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy		26 E Exchange St, Ste 206 St. Paul MN, 55101-1667 United States	Electronic Service		No	21-630Official
50	Amanda	Rome	amanda.rome@xcelenergy.com	Xcel Energy		414 Nicollet Mall FL 5 Minneapolis MN, 55401 United States	Electronic Service		No	21-630Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
51	Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
52	Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.		225 South Sixth Street Suite 3500 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
53	Peter	Scholtz	peter.scholtz@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Suite 1400 445 Minnesota Street St. Paul MN, 55101-2131 United States	Electronic Service		No	21-630Official
54	Janet	Shaddix Eling	jshaddix@janetshaddix.com	Shaddix And Associates		7400 Lyndale Ave S Ste 190 Richfield MN, 55423 United States	Electronic Service		No	21-630Official
55	Joshua	Smith	joshua.smith@sierraclub.org			85 Second St FL 2 San Francisco CA, 94105 United States	Electronic Service		No	21-630Official
56	Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.		76 W Kellogg Blvd St. Paul MN, 55102 United States	Electronic Service		No	21-630Official
57	Beth	Soholt	bsoholt@cleangridalliance.org	Clean Grid Alliance		570 Asbury Street Suite 201 St. Paul MN, 55104 United States	Electronic Service		No	21-630Official
58	Byron E.	Starns	byron.starns@stinson.com	STINSON LLP		50 S 6th St Ste 2600 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
59	Scott	Strand	sstrand@elpc.org	Environmental Law & Policy Center		60 S 6th Street Suite 2800 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
60	Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine		225 South Sixth Street, Suite 3500 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official
61	Kurt	Zimmerman	kwz@ibew160.org	Local Union #160, IBEW		2909 Anthony Ln St Anthony Village MN, 55418-3238 United States	Electronic Service		No	21-630Official
62	Patrick	Zomer	pzomer@cozen.com	Cozen O'Connor		150 S. 5th Street, #1200 Minneapolis MN, 55402 United States	Electronic Service		No	21-630Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
13	Brandon	Crawford	brandonc@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St Ste W1360 St. Paul MN, 55101 United States	Electronic Service		No	23-413Official
14	George	Crocker	gwillc@nawo.org	North American Water Office		5093 Keats Avenue Lake Elmo MN, 55042 United States	Electronic Service		No	23-413Official
15	Richard	Dornfeld	richard.dornfeld@ag.state.mn.us		Office of the Attorney General - Department of Commerce	Minnesota Attorney General's Office 445 Minnesota Street, Suite 1800 Saint Paul MN, 55101 United States	Electronic Service		No	23-413Official
16	Brian	Edstrom	briane@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota St Ste W1360 Saint Paul MN, 55101 United States	Electronic Service		No	23-413Official
17	Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy		414 Nicollet Mall - 401 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	23-413Official
18	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	23-413Official
19	Edward	Garvey	garveyed@aol.com	Residence		32 Lawton St Saint Paul MN, 55102 United States	Electronic Service		No	23-413Official
20	Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP		Suite 1750 220 South Sixth Street Minneapolis MN, 55402-1425 United States	Electronic Service		No	23-413Official
21	Matthew B	Harris	matt.b.harris@xcelenergy.com	XCEL ENERGY		401 Nicollet Mall FL 8 Minneapolis MN, 55401 United States	Electronic Service		No	23-413Official
22	Annete	Henkel	mui@mnuutilityinvestors.org	Minnesota Utility Investors		413 Wacouta Street #230 St.Paul MN, 55101 United States	Electronic Service		No	23-413Official
23	Valerie	Herring	vherring@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 S. Eighth Street Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
24	Katherine	Hinderlie	katherine.hinderlie@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	445 Minnesota St Suite 1400 St. Paul MN, 55101-2134 United States	Electronic Service		No	23-413Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
25	Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.		445 Etna Street Ste. 61 St. Paul MN, 55106 United States	Electronic Service		No	23-413Official
26	Richard	Johnson	rickjohnson@cozen.com	Cozen O'Connor		150 S. 5th Street Suite 1200 Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
27	Sarah	Johnson Phillips	sjphillips@stoel.com	Stoel Rives LLP		33 South Sixth Street Suite 4200 Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
28	Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	23-413Official
29	Annie	Levenson Falk	annielf@cubminnesota.org	Citizens Utility Board of Minnesota		332 Minnesota Street, Suite W1360 St. Paul MN, 55101 United States	Electronic Service		No	23-413Official
30	Eric	Lipman	eric.lipman@state.mn.us		Office of Administrative Hearings	PO Box 64620 St. Paul MN, 55164-0620 United States	Electronic Service		No	23-413Official
31	Christine	Marquis	regulatory.records@xcelenergy.com	Xcel Energy		414 Nicollet Mall MN1180-07-MCA Minneapolis MN, 55401 United States	Electronic Service		No	23-413Official
32	Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc		414 Nicollet Mall 7th Floor Minneapolis MN, 55401 United States	Electronic Service		No	23-413Official
33	Stephen	Melchionne	stephen.melchionne@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street, Ste. 1400 St. Paul MN, 55101 United States	Electronic Service		No	23-413Official
34	Kimberly	Middendorf	kimberly.middendorf@state.mn.us		Office of Administrative Hearings	PO Box 64620 600 Robert St N Saint Paul MN, 55164-0620 United States	Electronic Service		No	23-413Official
35	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
36	Travis	Murray	travis.murray@ag.state.mn.us		Office of the Attorney General - Residential	445 Minnesota St Ste 1400 Saint Paul	Electronic Service		No	23-413Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
					Utilities Division	MN, 55101 United States				
37	David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency		220 South Sixth Street Suite 1300 Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
38	Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company		200 1st Street SE PO Box 351 Cedar Rapids IA, 52406-0351 United States	Electronic Service		No	23-413Official
39	Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	23-413Official
40	Kevin	Pranis	kpranis@liunagroc.com	Laborers' District Council of MN and ND		81 E Little Canada Road St. Paul MN, 55117 United States	Electronic Service		No	23-413Official
41	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	23-413Official
42	Joseph L	Sathe	jsathe@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
43	Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.		225 South Sixth Street Suite 3500 Minneapolis MN, 55402 United States	Electronic Service		No	23-413Official
44	Peter	Scholtz	peter.scholtz@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	Suite 1400 445 Minnesota Street St. Paul MN, 55101-2131 United States	Electronic Service		No	23-413Official
45	Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates		7400 Lyndale Ave S Ste 190 Richfield MN, 55423 United States	Electronic Service		No	23-413Official
46	Suzanne	Todnem	suzanne.todnem@state.mn.us		Office of Administrative Hearings	600 Robert St N PO Box 64620 St. Paul MN, 55164 United States	Electronic Service		Yes	23-413Official
47	Amelia	Vohs	avohs@mncenter.org	Minnesota Center for Environmental Advocacy		1919 University Avenue West Suite 515 St. Paul MN, 55104 United States	Electronic Service		No	23-413Official
48	Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine		225 South Sixth Street, Suite 3500	Electronic Service		No	23-413Official

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
						Minneapolis MN, 55402 United States				