



414 Nicollet Mall
Minneapolis, MN 55401

November 15, 2021

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

—Via Electronic Filing—

Re: REPLY COMMENTS
NORTHERN STATES POWER COMPANY
APPROVAL OF DEFERRALS RELATED TO DEPRECIATION,
DISTRIBUTION O&M, AND PROPERTY TAX FOR 2022
DOCKET NO. G002/M-21-750

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission the attached Reply Comments pursuant to the Commission's November 3, 2021 NOTICE OF SHORTENED COMMENT PERIOD and in response to parties' Comments received November 10, 2021 in the above-noted docket.

We have electronically filed this document, and copies have been served on the parties on the attached service lists. Please contact me at (612) 337-2158 or greg.p.chamberlain@xcelenergy.com or Gail Baranko at (612) 330-6935 or gail.baranko@xcelenergy.com if you have any questions regarding his filing.

Sincerely,

/s/

GREG P. CHAMBERLAIN
REGIONAL V.P., REGULATORY AND GOVERNMENT AFFAIRS
NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION

Enclosure
c: Service Lists

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie J. Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF DEFERRALS RELATED
TO DEPRECIATION, DISTRIBUTION O&M,
AND PROPERTY TAX FOR 2022

DOCKET NO. G002/M-21-750

REPLY COMMENTS

REPLY COMMENTS

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission (Commission) this Reply pursuant to the Commission's November 3, 2021 NOTICE OF SHORTENED COMMENT PERIOD (Notice) and in response to parties' Comments received November 10, 2021 in the above-noted docket. As the Commission is aware, the Company submitted its Application for Authority to Increase Rates for Natural Gas Service in Minnesota (and the companion Base Cost of Gas application¹) on November 1, 2021 in Docket Nos. G002/GR-21-678 and G002/M-21-749. In the present docket, we requested approval of a deferral of depreciation expense, distribution O&M expenses, and property tax expenses for calendar year 2022 as an alternative to litigating the rate case proceeding (Stay-Out Proposal). This would allow us to avoid a base rate increase for our natural gas customers and free up resources for state agencies and stakeholders to engage in other important matters of state policy. In the event the Stay-Out Proposal in the present docket is not approved, the Company filed its request for authority to increase rates for natural gas service for 2022.

The Commission's Notice asked parties to comment on whether each deferral component of the Stay-Out Proposal should be approved, and if approved, what reporting requirements should be established. On November 10, 2021, the Minnesota

¹ Docket No. G002/MR-21-679.

Department of Commerce, Division of Energy Resources (Department), Minnesota Office of the Attorney General, Residential Utilities Division (OAG), Citizens Utility Board (CUB), Energy CENTS Coalition (ECC), and Suburban Rate Authority (SRA) filed Comments in response to the Notice.

We first note our appreciation for the comments CUB, ECC, and SRA provided in support of the Stay-Out Proposal. In its comments, CUB noted it would be helpful for the Commission to confirm that approval of the proposed deferrals “will confer no presumption of the prudence or recoverability of the Company’s deferred expenses.” As we stated in our Petition, we acknowledge that “granting a deferral does not guarantee cost recovery, but instead gives the Company the opportunity to demonstrate in a future general rate case that the expenses were actually incurred and prudently benefited customers.” We also note that, as in all rate proceedings, under Minn. Stat. § 216B.16, subd. 4, we would bear the burden of proving the rate change in our next rate case—including such expenses—is just and reasonable.

We also note that the Department raised some concerns with the Stay-Out Proposal, and the OAG stated it needed more time and information before it could substantively weigh in on the Proposal. We appreciate these positions and have reached out to both the Department and OAG to discuss the Proposal and provide them any additional information they may need. We are committed to working with these agencies, and we will supplement these Comments if, after meeting with parties, we believe it would be helpful to clarify our positions.

We continue to believe avoiding a general rate case is in the best interest of our customers and interested stakeholders and that the Stay-Out Proposal is an appropriate path forward to do so. That said, should the Commission not approve it, we are prepared to move forward with the general rate case filed on November 1.

CONCLUSION

We respectfully request that the Commission approve the Stay-Out Proposal, including deferral of depreciation expense, distribution O&M expenses, and property tax expenses for 2022 so that we may withdraw our pending natural gas rate case.

Dated: November 15, 2021

Northern States Power Company

CERTIFICATE OF SERVICE

I, Crystal Syvertsen, hereby certify that I have this day served copies or summaries of the foregoing documents on the attached list(s) 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-21-750

Docket No. G002/GR-21-678

Dated this 15th day of November 2021

/s/

Crystal Syvertsen
Regulatory Administrator

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street Bismarck, ND 585014092	Electronic Service	No	OFF_SL_21-750_21-750
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Lane PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-750_21-750
Gail	Baranko	gail.baranko@xcelenergy.com	Xcel Energy	414 Nicollet Mall 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-750_21-750
Robert S.	Carney, Jr.			4232 Colfax Ave. S. Minneapolis, MN 55409	Paper Service	No	OFF_SL_21-750_21-750
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St. Louis, MO 63119-2044	Electronic Service	No	OFF_SL_21-750_21-750
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_21-750_21-750
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_21-750_21-750
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174 Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_21-750_21-750
Brian	Edstrom	briane@cubminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota St Ste W1360 Saint Paul, MN 55101	Electronic Service	No	OFF_SL_21-750_21-750
Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy	414 Nicollet Mall - 401 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-750_21-750

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-750_21-750
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_21-750_21-750
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St Saint Paul, MN 55102-2617	Electronic Service	No	OFF_SL_21-750_21-750
Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP	Suite 1750 220 South Sixth Street Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_21-750_21-750
Matthew B	Harris	matt.b.harris@xcelenergy.com	XCEL ENERGY	401 Nicollet Mall FL 8 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-750_21-750
Annete	Henkel	mui@mutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-750_21-750
Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.	445 Etna Street Ste. 61 St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-750_21-750
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-750_21-750
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-750_21-750
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-750_21-750

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	OFF_SL_21-750_21-750
Annie	Levenson Falk	annief@cupminnesota.org	Citizens Utility Board of Minnesota	332 Minnesota Street, Suite W1360 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-750_21-750
Sara	Lopez	sara@energycents.org	Energy CENTS Coalition	823 East 7th St Saint Paul, MN 55106	Electronic Service	No	OFF_SL_21-750_21-750
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-750_21-750
Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc	414 Nicollet Mall 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-750_21-750
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_21-750_21-750
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-750_21-750
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_21-750_21-750
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_21-750_21-750

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-750_21-750
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_21-750_21-750
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-750_21-750
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_21-750_21-750
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-750_21-750
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_21-750_21-750
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	OFF_SL_21-750_21-750

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street Bismarck, ND 585014092	Electronic Service	No	OFF_SL_21-678_21-678
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Lane PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-678_21-678
Mara	Ascheman	mara.k.ascheman@xcenergy.com	Xcel Energy	414 Nicollet Mall Fl 5 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-678_21-678
Gail	Baranko	gail.baranko@xcenergy.com	Xcel Energy	414 Nicollet Mall 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-678_21-678
Elizabeth	Brama	ebrama@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-678_21-678
Robert S.	Carney, Jr.			4232 Colfax Ave. S. Minneapolis, MN 55409	Paper Service	No	OFF_SL_21-678_21-678
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St. Louis, MO 63119-2044	Electronic Service	No	OFF_SL_21-678_21-678
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_21-678_21-678
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_21-678_21-678
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174 Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_21-678_21-678

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy	414 Nicollet Mall - 401 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-678_21-678
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-678_21-678
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St Saint Paul, MN 55102-2617	Electronic Service	No	OFF_SL_21-678_21-678
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_21-678_21-678
Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP	Suite 1750 220 South Sixth Street Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_21-678_21-678
Matthew B	Harris	matt.b.harris@xcelenergy.com	XCEL ENERGY	401 Nicollet Mall FL 8 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-678_21-678
Annete	Henkel	mui@mutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-678_21-678
Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.	445 Etna Street Ste. 61 St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-678_21-678
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-678_21-678
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-678_21-678

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-678_21-678
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	OFF_SL_21-678_21-678
Eric	Lipman	eric.lipman@state.mn.us	Office of Administrative Hearings	PO Box 64620 St. Paul, MN 551640620	Electronic Service	Yes	OFF_SL_21-678_21-678
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_21-678_21-678
Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc	414 Nicollet Mall 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-678_21-678
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_21-678_21-678
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-678_21-678
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_21-678_21-678
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_21-678_21-678
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	OFF_SL_21-678_21-678

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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_21-678_21-678
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	OFF_SL_21-678_21-678
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-678_21-678
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_21-678_21-678
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_21-678_21-678
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	OFF_SL_21-678_21-678