

The Commission met on **Thursday, January 25, 2018** with Chair Lange and Commissioners Lipschultz, Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

**E-002/M-15-1089**

**In the Matter of the Petition of Northern States Power Company for Approval of a Credit Mechanism to Return to Customers Department of Energy Settlement Payments**

Commissioner Lange moved that the Commission:

1. Approve the one-time bill credit method for refunding the \$11,206,535 to Minnesota customers, including all interest actually earned net of related bank fees;
2. Approve the Company's proposed class allocation methodology and its Minnesota jurisdiction calculation of \$11,206,535;
3. Require the Company to provide refunds within 90 days of the Commission's order;
4. Require the Company to provide a compliance filing within 30 days after completing the bill credits; and
5. Require the Company to continue to file information and documentation consistent with order point 11 of the Commission's December 16, 2011 order in docket E002/M-11-807 within 30 days of receiving future DOE payments pursuant to the Extended Settlement Agreement.

The motion passed 4-1, with Commissioner Tuma opposing.

**E-002,101/SA-17-852**

**In the Matter of the Joint Request of Connexus Energy and Northern States Power Company, d/b/a Xcel Energy, for Approval of a Service Territory Transfer Agreement Between the Two Utilities**

Commissioner Lipschultz moved that the Commission:

1. Approve the requested service territory transfer from Connexus Energy to Xcel Energy.
2. Request that the Minnesota Geospatial Information office update the Commission's maps to reflect the service area designations as shown on the maps in the Petition.

The motion passed 4-1, with Commissioner Schuerger opposing.

**E-015/M-12-233**

**In the Matter of Minnesota Power's Compliance Filing for Its Temporary Rider for Residential Time-of-Day Rate for Participants in the Smart Grid Advanced Metering Infrastructure Pilot Project**

Commissioner Lipschultz moved that the Commission:

1. Accept Minnesota Power's 6-month compliance report as complete.
2. Require Minnesota Power to file a 12-month compliance report by May 1, 2018, that discusses feedback from customers and lessons learned from the TOD Rate Pilot.
3. Require Minnesota Power to file a compliance report by September 1, 2018, that presents alternative rate designs and TOD periods for its TOD rate.

The motion passed 5-0.

**E-002/M-17-695**

**In the Matter of the Petition of Northern States Power Company for Approval of Revisions to the Renewable\*Connect Pilot Program**

Commissioner Lipschultz moved that the Commission:

1. Approve Xcel's month-to-month and special-event pricing update.
2. Approve Xcel's change to the Renewable\*Connect tariff and service agreement to clarify the term of the Renewable\*Connect pilot program.
3. Approve Xcel's proposal to remove the 10% subscription limit for the first tranche of the Renewable\*Connect pilot program as modified below. Xcel shall insert the following language after Paragraph 2, Section No. 5, Sheet No. 151 of the Renewable\*Connect tariff:
  - 2a. Limited Exception to Subscription Level. Customers who subscribe to the first tranche of resources approved for the Renewable\*Connect Pilot Program may purchase a total Subscription Level from the first tranche without limitation.

The motion passed 5-0.

**E-002/M-17-527**

**In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy, for Approval of a Customer Access Joint Pilot Program**

Commissioner Lipschultz moved to approve the proposed pilot program of Northern States Power Company d/b/a Xcel Energy (Xcel), with some or all of the following modifications and/or requirements:

1. Take no action regarding Xcel's On-Bill presentation and accept Xcel's proposal for the presentation of the Net Bill Credit on customer bills.
2. Find that for purposes of Xcel's Rehabilitation and Efficiency: Neighborhood Energy Works (RENEWs) pilot program for low income customers, as proposed by Xcel in its June 30, 2017 petition, the Company has sufficiently addressed issues related to equal treatment of utility and nonutility community solar garden (CSG) facilities as required by Minn. Stat. § 216B.1641(e)(3).
3. Approve Xcel's proposal to vary the Net Bill Credit over the term of a customer's CSG subscription.
4. Require Xcel to report back to the Commission in its first annual report on the recommendations on this issue by the Connecting Low-Income Communities Through Efficiency & Renewables (CLICERS) workgroup (sponsored by the Minnesota Department Commerce—State Energy Office), once this workgroup issues its first draft action plan.
5. Require Xcel to publish the Solar\*Rewards Community (S\*RC) project number for the Railroad Island project such that there is public visibility into the queue status of the project, and to publish that number within a reasonable time following its availability.
6. Require Xcel, consistent with its petition, to file annual reports, beginning April 1, 2019, on the progress and operation of the pilot. These reports should include the following information:
  - A. total number of subscribers
  - B. total garden production
  - C. total bill credits provided
  - D. rate of subscription uptake
  - E. an evaluation of its outreach strategies, and modifications to ensure CSG access
  - F. the impact of energy efficiency measures installed
  - G. program costs including administrative, outreach, equipment and delivery labor costs
  - H. identification and reporting on non-energy benefits to the neighborhood
  - I. identification of drivers and barriers to low income participation in CSGs

- J. opportunities for energy efficiency improvements or new technologies that could yield more cost-effective energy savings
  - K. estimated annual energy savings for the program (weather normalized) in megawatt-hours (MWh)
  - L. estimated annual energy savings for each subscriber (weather normalized) in kilowatt-hours (kWh)
  - M. actual bill savings benefits that accrued to participants (the difference between what participants would have paid for electricity had they not participated in the CSG and the amount paid under the program)
  - N. all actual project and program costs and any adjustments to the Net Bill Credit
7. Require Xcel based on the data reported in its first annual report to provide recommendations for any program changes and possible expansion of the RENEWS program to other neighborhoods in its service territory. Xcel should also explain how it will continue to meet the statutory requirements of Minn. Stat. § 216B.1641(e)(3).
  8. Accept Xcel’s proposal to submit a final evaluation report within 12 months of the conclusion of the three year pilot. This report will be the last of the three annual reports and, in addition to information required above by the Commission, the report will include market research and analysis performed throughout the pilot and an analysis incorporating all available findings from the pilot.
  9. Where not otherwise specifically required, require Xcel, within 30 days of the order in this matter, to submit compliance filings in the current docket and updated tariff sheets to reflect the Commission’s decisions.
  10. Delegate authority to the Commission’s Executive Secretary to issue a notice adjusting Xcel’s annual reporting requirements as necessary.

Commissioner Schuerger proposed amending the motion at paragraph 6 to require Xcel to include in its annual reports some reliability performance metrics—including the System Average Interruption Duration Index (SAIDI), System Average Interruption Frequency Index (SAIFI), and Customer Average Interruption Duration Index (CAIDI)—calculated for the Railroad Island neighborhood for the prior five years, compared to the comparable metro-wide average reliability results.

Commissioner Lipschultz accepted the amendment.

Commissioner Sieben proposed amending the motion at paragraph 6.D. to require Xcel to include in its annual reports the rate of subscription uptake and drop-off.

Commissioner Lipschultz accepted the amendment.

The amended motion passed 5–0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: May 23, 2018**

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive style with a large, prominent 'D' and 'W'.

---

**Daniel P. Wolf, Executive Secretary**