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Minnesota Public Utilities Commission
121 7th Place E, Suite 350
Saint Paul, MN 55101

Re: Comments on Racial Disparities in Xcel Energy's Shutoff Rates and Service Reliability

Dear Commissioners,

On behalf of the Sierra Club North Star Chapter, I am writing to express deep concern regarding the racial disparities in Xcel Energy's shutoff rates and service reliability, as outlined in the University of Minnesota study conducted by Drs. Bhavin Pradhan and Gabe Chan. Their findings, showing that customers in communities of color are over three times more likely to experience outages and shutoffs than those in predominantly white neighborhoods, even after controlling for income, homeownership, and housing age, are alarming and require immediate attention.

This disparity, unfortunately, reflects broader racial inequities present in Minnesota, such as in education, housing, and criminal justice. However, while the disparities in education, housing and the criminal justice system are due to myriad socioeconomic factors, Drs. Chan and Pradhan's study provides evidence that race is a statistically significant predictor of experiencing a longer outage or being shutoff from service even after controlling for multiple socioeconomic factors. These systemic disparities demand a careful and thoughtful response, not just from Xcel Energy but also from the Commission.

We fully support Fresh Energy's call for a third-party expert to conduct a thorough examination of Xcel Energy's capital investment planning, outage restoration process, and shutoff policies to determine the root causes of these disparities. This approach will help ensure that any actions taken are informed by a deep understanding of the issues.

In the interim, Sierra Club supports the following short-term measures:

- A territory-wide moratorium on disconnections, or at minimum, a targeted moratorium in communities with high concentrations of people of color.

- The creation of a rapid response team dedicated to restoring service during outages in these communities to mitigate the impacts of service disruptions on vulnerable populations.

Additionally, we agree with the concerns raised by Fresh Energy, the Office of the Attorney General, and the GEC regarding the limitations of Xcel Energy's existing outreach efforts. Given that racial disparities are central to this issue, outreach conducted primarily by Xcel's largely white staff may not be the most effective approach. We urge Xcel and the Commission to prioritize outreach efforts led by people of color to communities of color to build trust and ensure culturally relevant communication and engagement.

We hope the Commission will act swiftly and equitably to address these disparities, ensuring that all Minnesotans, regardless of race or background, have access to reliable and affordable energy.

Thank you for your attention to this critical matter.

Sincerely,
Patty O'Keefe
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Sierra Club North Star Chapter