



January 20, 2023

VIA ELECTRONIC FILING

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

Re: Reply Comments of Environmental Law & Policy Center and Vote Solar *In the Matter of a Commission Investigation to Identify and Develop Performance Metrics and, Potentially, Incentives for Xcel Energy's Electric Utility Operations* (Docket No. E002/CI-17-401); and *In the Matter of Xcel Energy's Annual Report on Safety, Reliability, and Service Quality and Petition for Approval of Electric Reliability Standards* (Docket No. E002/M-20-406)

Dear Mr. Seuffert:

Please find enclosed the *Reply Comments of the Environmental Law & Policy Center and Vote Solar*. These documents have been electronically filed and served through the eFiling system.

Please feel free to contact me with any questions you may have regarding this filing.

Respectfully Submitted,

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Joseph Sullivan	Vice Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

January 20, 2023

In the Matter of a Commission)	
Investigation to Identify and Develop)	
Performance Metrics and, Potentially,)	Docket No. E002/CI-17-401
Incentives for Xcel Energy's Electric)	
Utility Operations)	
)	
In the Matter of Xcel Energy's Annual)	
Report on Safety, Reliability, and Service)	Docket No. E002/M-20-406
Quality and Petition for Approval of)	
Electric Reliability Standards)	

**REPLY COMMENTS OF THE ENVIRONMENTAL LAW & POLICY
CENTER AND VOTE SOLAR ON LOCATIONAL RELIABILITY,
EQUITY – SERVICE QUALITY AND EQUITY – RELIABILITY
METRICS AND XCEL ENERGY'S ASSOCIATED MAP**

I. Introduction and Summary

The Environmental Law & Policy Center (ELPC) and Vote Solar (jointly, ELPC/VS) respectfully submit these Reply Comments in response to initial comments filed by Xcel Energy (Xcel or the Company) in the above-referenced dockets on January 16, 2023.

ELPC/VS appreciates the opportunity to clarify further our recommended next steps for advancing the important work that the Commission and the Company have already begun to ensure equitable reliability and grid access outcomes for all customers. As we stated in our Initial Comments¹ and other related dockets, it is essential that equity considerations inform the

¹ Comments of the Environmental Law & Policy Center and Vote Solar on Locational Reliability, Equity – Service Quality And Equity – Reliability Metrics And Xcel Energy's Associated Map, *In the Matter of a Commission Investigation to Identify and Develop Performance Metrics and, Potentially, Incentives for Xcel Energy's Electric Utility Operations In the Matter of Xcel Energy's Annual Report on Safety, Reliability, and Service Quality and Petition for Approval of Electric Reliability Standards*, Docket Nos. E002/CI-17-401 and E002/M-20-406, January 6, 2023.

Company's investment and spending decisions as well as the Commission's evaluation of whether the Company's proposals are "just and reasonable."²

Our comments here focus on the locational reliability and equity/reliability metrics, although the customer service/equity metrics are equally important. Our focus on the reliability metrics relates directly to issues that ELPC/VS have addressed in related dockets (such as the most recent distribution system plans and the electric rate case). In addition, many of the same points about the need to develop metrics and a calculation methodology for the equity/reliability metrics pertain to the customer service/equity and locational reliability metrics.

The initiative to establish locational reliability/equity metrics fits into broader efforts to measure equity and energy justice in utility performance and to create regulatory mechanisms that hold the utility accountable for achieving equitable outcomes for all dimensions of utility performance. In the case of the Performance Based Ratemaking Docket (PBR docket),³ this takes the form of establishing performance metrics and, potentially, incentives for the utility; however, we also believe that the Commission should require Xcel to use the metrics and tools under development in this initiative to inform Xcel's prioritization of investment and spending decisions where it counts – in planning processes and, especially, in rate cases. As discussed below, the Company acknowledges as much in its Comments: the Commission should now take steps to formally incorporate these metrics of utility performance into its regulatory framework in a manner that reflects its commitment to the principles of energy justice.

II. Xcel's Comments

A. Need for Clarification of Terms

In responding to the first question posed in the Notice of Comment Period, Xcel indicated that it believed the five metrics currently included in the map "provide a sound basis for evaluating reliability, disconnections, and low-income energy efficiency and energy bill assistance program participation in relation to equity."⁴ However, the Company proposes to clarify the metrics and/or the terminologies related to "new" and "existing" metrics as the terms are used in the performance metrics and Safety, Reliability & Service Quality (SRSQ) dockets.

We concur with Xcel's assertion that the five measures currently displayed in the map are useful for the purposes of visualization for customers. In addition, we also concur that further definition and clarification of the terms and the "home" for data reporting and calculation should be clarified and aligned. However, as discussed below and extensively in our Initial Comments, we

² Initial Brief of the Just Solar Coalition, *In the Matter of the Application of Northern States Power Company, d/b/a Xcel, for Authority to Increase Rates for Electric Service in the State of Minnesota*, Docket No. E-002/GR-21-630, January 11, 2023, pp. 5-14.

³ *In the Matter of a Commission Investigation to Identify and Develop Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Utility Operations*, Docket No: E002/CI-17-401.

⁴ Xcel Energy, *Comments Commission Investigation To Identify And Develop Performance Metrics And, Potentially, Incentives For Xcel Energy's Electric Utility Operations And Annual Report On Safety, Reliability, And Service Quality And Petition For Approval Of Electric Reliability Standards*, Docket Nos. E002/ CI-17-401 and E002/ M-20-406, January 16, 2023, pg. 2.

recommend that additional data is needed to calculate metrics that would be used for planning and investment decision-making dockets and in the PBR docket.

As noted by Xcel, in the September 18, 2019, Order in the Performance Based Ratemaking (PBR) docket, the Commission adopted six initial reliability metrics:

1. System Average Interruption Duration Index (SAIDI);
2. System Average Interruption Frequency Index (SAIFI);
3. Customer Average Interruption Duration Index (CAIDI);
4. Customers Experiencing Long Interruption Duration (CELID);
5. Customers Experiencing Multiple Interruptions (CEMI); and
6. Average Service Availability Index (ASAI).

Likewise, there are currently five “metrics” displayed in the map:

1. CELI-12;
2. CEMI-6;
3. percent of customers experiencing one or more involuntary disconnections in a year;
4. low-income energy efficiency program participation; and
5. energy bill assistance program participation.

Those five metrics were the result of stakeholder discussions and general agreement, subsequent to the Commission’s September 2019 Order.

ELPC/VS continue to believe that the five metrics on the map are not metrics in the sense that the term is used in the PBR framework. Rather, they are “measures” or “dimensions” that can be used to develop metrics that can be used to evaluate utility performance. We propose that the Commission align the terms across the dockets and offer our understanding of various terms in use here and across various dockets:

- A measure is a quantitative representation of a certain dimension of utility performance. System-wide SAIDI, census block group SAIDI, and census block group bill assistance program participation are examples of measures. The maps track and report system measures.
- A metric can be composed of a measure or a combination of measures that compare measures in a meaningful way either against other units of measure (i.e., is the reliability in census block group “x” the same as census block group “y”?) or temporally (has system wide reliability improved or degraded year over year?).
- Performance metrics (as used in 17-401) are metrics with a target.
- Performance incentive mechanisms (PIMs) are incentives or penalties associated with Performance Metrics.

Finally, we propose that the Commission align terminology related to measures and metrics across dockets and clarify its intention that equity and energy justice are pertinent to all dockets.

B. Xcel Use of Equity Data to Inform Equity-Driven Actions

In Xcel’s Initial Comments, it avers that the five metrics included in the map published in its 2022 Electric Service Quality Annual Report “provide a useful basis for assessing equity in

reliability, disconnections, and energy efficiency and energy assistance program participation in relation to income and race.”⁵

While we agree that the maps provide a useful basis for visualizing these important equity dimensions, the map in and of itself does not provide any basis for a metric to measure performance. A map is not a metric. A map is a visualization of data: a metric is quantitative measure that compares one thing against another, whether it is a comparison of one thing versus another, or one thing versus a standard.

Two of the five measures or dimensions included in Xcel’s current map relate to reliability: CELI-12 and CEMI-6. As described in our initial comments, while the dimensions on the map are relatable for customers seeking to understand their reliability, the traditional metrics of SAIDI and SAIFI provide additional information that should be included for establishing metrics.

With respect to setting the metric, the Company asks the right question:

“For example, do census block groups with lower income and/or higher proportions of people of color systematically have higher levels of CELI 12 or CEMI 6?”⁶

This question is precisely what the equity/reliability metric that we proposed in our initial comments seeks to answer. The Reliability and Resiliency in Vulnerable Communities metric proposed in Illinois in the Commonwealth Edison Company Performance Metrics Docket cited in our Initial Comments provides a calculation that compares performance in vulnerable communities to communities in the rest of the utility system.⁷

Importantly, in the following paragraphs of its comment, the Company identifies several ways that it can use the map to “inform equity driven actions.” The actions that Xcel identifies related to reliability and equity in subsection 2.b.ii on “Reliability and Equity” are what we propose the Company formally do in their investment and spending processes. Likewise, that approach should be reflected in the Commission’s evaluation of Company plans and spending proposals. The establishment of tools and methodologies in this SRSQ docket and the performance metrics docket provide an analytical framework and standard for utility performance in that evaluation. Indeed, the Company acknowledges the value of this approach in committing to use the equity information derived in the process to “inform our asset health and reliability program targeting in a manner that limits any contribution to systemic equity issues.”⁸

The Company also addresses how it will use the equity information from the maps to target Low Income Conservation Improvement Program participation and Low-Income Energy Assistance participation. We commend the Company for taking these measures as well.

⁵ Xcel Initial Comments, pg. 3.

⁶ Xcel Initial Comments, pg. 3.

⁷ ELPC/Vote Solar Initial Comments, pp. 6-8.

⁸ Xcel Initial Comments, pg. 5.

III. Conclusion

In conclusion, ELPC/VS commend the Company and the Commission for the important work being done on the topic of ensuring equitable outcomes for all customers. We continue to believe that the Commission must press forward with establishing metrics to evaluate Xcel's performance in incorporating equity into its core investments and spending decisions. As discussed in our Initial Comments, Minnesota is among the leaders regionally and nationally in addressing this topic. We urge the Commission to adopt our recommendations to move forward expeditiously to set quantifiable metrics and a methodology for setting targets in the PBR docket. Likewise, we urge the Company to use the tools developed in the course of this effort to improve the prioritization of equity in its spending and investment business processes and for the Commission to require the Company to explain such processes.

Thank you for your consideration of our view. We look forward to working with the Commission, the Company, and other stakeholders on this important issue.

Respectfully Submitted,

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