



414 Nicollet Mall
Minneapolis, MN 55401

September 28, 2020

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
2020 GAS UTILITY INFRASTRUCTURE COST RIDER
DOCKET NO. G002/M-19-664

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission the enclosed Reply to the September 16, 2020 Comments of the Department of Commerce, Division of Energy Resources regarding our 2020 Gas Utility Infrastructure Cost Rider Petition in the above-noted docket.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list.

If you have any questions regarding this filing, please contact Brandon Kirschner at (612) 215-5361 or brandon.m.kirschner@xcelenergy.com or Mary Martinka at (612) 330-6737 or mary.a.martinka@xcelenergy.com.

SINCERELY,

/s/

LISA R. PETERSON
MANAGER, REGULATORY ANALYSIS

Enclosures
c: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John Tuma	Commissioner

IN THE MATTER OF THE PETITION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF A GAS UTILITY
INFRASTRUCTURE COST RIDER
TRUE-UP REPORT FOR 2019,
REVENUE REQUIREMENTS FOR 2020,
AND REVISED ADJUSTMENT FACTORS

DOCKET NO. G002/M-19-664

REPLY COMMENTS

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission these Reply Comments in response to the September 16, 2020 Comments from the Department of Commerce, Division of Energy Resources (Department). We appreciate the Department's thorough review of our 2020 Gas Utility Infrastructure Cost (GUIC) Rider Petition (Petition).

In this Reply, we will provide a brief response to the issues raised by the Department. Those issues include:

- Use of sales forecast versus actual sales to set adjustment factors;
- Rate of return authorized for Transmission Integrity Management Programs (TIMP) Programmatic Replacement and Maximum Allowable Operating Pressure (MAOP) Remediation;
- Inclusion of overhead, other, and transportation costs in the GUIC Rider; and
- Development of risk assessments and Performance Metrics for GUIC expenditures.

In response to the Department's request in their Comments, we provide an update to the Compliance Matrix,¹ along with updated sales figures and rate factors.

¹ Original version included as Attachment A with our Petition in this docket.

We also confirm our agreement to provide a compliance filing within 10 days of a Commission Order with a preliminary calculation of our GUIC Rider rate factors, along with a final rate compliance filing after all 2020 actual data is known.

In addition to responding to comments from the Department, we also provide an update to our requested revenue requirement to reflect actual GUIC-related retirements through the end of 2019 and an updated estimate of retirements in 2020, along with our acceptance of the Department’s recommendation to limit the recovery on our programmatic replacement and MAOP remediation project. With these updates, the Company requests recovery of approximately \$20.67 million in projected transmission and distribution natural gas infrastructure investments and associated operation and maintenance (O&M) costs for 2019. A summary of the changes in our 2020 GUIC Rider revenue requirement presented in this Reply is provided in Table 1 below.

Table 1
2020 GUIC Rider Revenue Requirements Summary (\$ Millions)

2020 Revenue Requirement in Petition	\$21.28
Adjustment of GUIC-related retirement revenue impact ²	0.07
Adjustment to Programmatic Replacement and MAOP Remediation Return	<u>(0.68)</u>
Updated 2020 Revenue Requirement	\$20.67

REPLY

A. Sales Forecast

We believe that the use of our sales forecast is reasonable for setting rates—especially in initial Rider filings to match expected sales with the cost test year—however, for purposes of this filing we agree to use actual sales for calculating GUIC Rider rate factors this year. We reiterate, however, it is our belief the use of forecasted sales is the most appropriate method for setting rate factors, and we anticipate relying on forecasted sales for ratemaking purposes in the future.

The Department has asked for several pieces of information, including an updated version of our Compliance Matrix to reflect the new rate factor calculation methodology, updated sales information, and recalculated GUIC Rider adjustment factors. We include an updated Compliance Matrix as Attachment A to this Reply. For this update, we include the order points from the Commission’s January 9, 2020 ORDER AUTHORIZING RIDER RECOVERY WITH MODIFICATIONS,³ which postdated our October 25, 2019 Petition.

² Incorporates actual retirement data through the end of 2019 and update to 2020 forecasted retirements.

³ Docket No. G002/M-18-692.

We also include updated sales data reflecting the most recent 12 months of actual weather-normalized sales as Attachment B to this Reply. Table 2 below shows our recalculated GUIC Rider adjustment factors based on this actual sales data and our modified revenue requirement discussed in Table 1 above.

Table 2
Proposed 2020 GUIC Rider Adjustment Factors

	Original 2020 Proposed Factors	Revised 2020 Proposed Factors
Residential	\$0.037138	\$0.036095
Commercial Firm	\$0.019301	\$0.019599
Commercial Demand Billed	\$0.014657	\$0.014742
Interruptible	\$0.011864	\$0.010864
Transportation	\$0.003425	\$0.001549

B. TIMP Programmatic Replacement and MAOP Remediation

The Department recommended that the Commission limit the return on our Programmatic Replacement and MAOP Remediation to our weighted debt cost rate. We disagree with this recommendation, because this work is critical to meeting the requirements put into place since 1970 by the Pipeline Hazardous Materials Safety Administration. It is funded with more than just debt and is the type of work specifically considered in the GUIC Rider Statute. However, as the Commission has previously ruled that the return on this work should be limited, we accept the Department’s recommendation in this docket. The impact of this recommendation is a reduction of \$0.68 million in our 2020 GUIC Rider revenue requirement.

C. Overhead, Other, and Transportation Costs

The Department recommends that the Commission deny recovery of costs associated with overhead, other and transportation in the GUIC Rider. We disagree with this recommendation, because these costs are reasonable and properly recoverable through the GUIC Rider mechanism. These costs are properly assigned to our GUIC projects based on our overhead pool allocation process.

As we discussed in our Petition in this docket,⁴ the amount of overhead costs in our current gas utility base rates covers only a portion of the overhead costs applied to current non-GUIC work, and any overheads applied to GUIC projects are incremental to those costs being recovered in base rates. Actual overhead costs have grown steadily since our last rate case, from about \$8 million to \$17 million in 2018. Of the 2018 amount, only \$8 million was applied to our GUIC Rider projects.

⁴ Pages 27 and 28.

D. Risk Assessment and Performance Metrics

The Commission ordered the Company to develop metrics to measure the appropriateness of GUIC expenditures in our 2016 GUIC Rider filing.⁵ The Company has collaborated with stakeholders including the Department over the last few years on this initiative.

In their September 16, 2020 Comments, the Department stated that, given our continued efforts to address their concerns, they are reassured that we will continue to refine our metrics reporting and are no longer opposed to the metrics we are proposing. We appreciate this assessment, and we agree that we have developed a workable set of proposed metrics consistent with the Commission’s Order, and that we will continue to refine these as appropriate over time.⁶

Table 3 below shows our currently recommended performance metrics. In response to a Department recommendation, the list includes a cost and effectiveness metric for our completed Sewer and Gas Line Conflict Remediation project that was not included in the proposal in our Petition in this docket.

Table 3
Recommended Performance Metrics

Program	Project	Cost Performance Metric	Effectiveness Performance Metric
TIMP	Transmission Pipeline Integrity Assessments	Estimated versus actual costs per project	Anomalies repaired by type
	ASVs and RCVs	Estimated versus actual costs per project	Reduction in response time per project
	Programmatic Replacement and MAOP Remediation	Estimated versus actual costs per project	Percentage of high/medium risk projects system-wide
DIMP	Poor Performing Main Replacement	Poor performing main replacement unit cost (per foot)	Leak rate by vintage
	Poor Performing Service Replacement	Poor performing main replacement unit cost (per service)	Leak rate by vintage
	Distribution Pipeline Integrity Assessment	Estimated versus actual cost per project	Anomalies repaired by type
	Sewer and Gas Line Conflict Remediation	Inspection Unit Cost	Percentage of Total Premises Inspected

⁵ ORDER REQUIRING UPDATED REPORT, APPROVING RIDER RECOVERY, AND REQUIRING METRICS TO EVALUATE GUIC EXPENDITURES, Docket No. G002/M-15-808.

⁶ See ORDER AUTHORIZING RIDER RECOVERY WITH MODIFICATIONS, Order Point 18, Docket No. G002/M-18-692 (January 9, 2020).

CONCLUSION

We respectfully request that the Commission, consistent with its previous Orders, grant recovery of the Company's gas utility infrastructure costs through a GUIC Rider and approve our revised proposed 2020 GUIC Rider factors.

Dated: September 28, 2020

Northern States Power Company

Compliance Matrix

Petition Requirements	Reference
Minnesota Statute § 216B.1635	
<p>Subd. 2. Gas infrastructure filing. A public utility submitting a petition to recover gas infrastructure costs under this section must submit to the commission, the department, and interested parties a gas infrastructure project plan report and a petition for rate recovery of only incremental costs associated with projects under subdivision 1, paragraph (c). The report and petition must be made at least 150 days in advance of implementation of the rate schedule, provided that the rate schedule will not be implemented until the petition is approved by the commission pursuant to subdivision 5. The report must be for a forecast period of one year.</p>	<p>Filing Date October 25, 2019</p> <p>Proposed Implementation Date (Petition, Section II.C.) March 1, 2021</p> <p>Number of Days in Advance 493</p> <p>Forecast Period January 1, 2020 – December 2020</p>
<p>Subd. 3. Gas infrastructure project plan report. The gas infrastructure project plan report required to be filed under subdivision 2 shall include all pertinent information and supporting data on each proposed project including, but not limited to, project description and scope, estimated project costs, and project in-service date.</p>	<p>TIMP – Attachments C,C1 DIMP – Attachments D,D1</p>
<p>Subd. 4. Cost recovery petition for utility's facilities. Notwithstanding any other provision of this chapter, the commission may approve a rate schedule for the automatic annual adjustment of charges for gas utility infrastructure costs net of revenues under this section, including a rate of return, income taxes on the rate of return, incremental property taxes, incremental depreciation expense, and any incremental operation and maintenance costs. A gas utility's petition for approval of a rate schedule to recover gas utility infrastructure costs outside of a general rate case under section 216B.16 is subject to the following:</p> <p>(1) a gas utility may submit a filing under this section no more than once per year; and</p> <p>(2) a gas utility must file sufficient information to satisfy the commission regarding the proposed GUIC. The information includes, but is not limited to:</p>	<p>Filing Date October 25, 2019</p> <p>Previous Filing Date November 1, 2018</p>

Compliance Matrix

Petition Requirements	Reference
(i) the information required to be included in the gas infrastructure project plan report under subdivision 3;	TIMP – Attachments C,C1 DIMP – Attachments D,D1
(ii) the government entity ordering or requiring the gas utility project and the purpose for which the project is undertaken;	TIMP – Attachment C1 DIMP – Attachment D1
(iii) a description of the estimated costs and salvage value, if any, associated with the existing infrastructure replaced or modified as a result of the project;	Section V.C.1 Section VI.F Attachment I
(iv) a comparison of the utility's estimated costs included in the gas infrastructure project plan and the actual costs incurred, including a description of the utility's efforts to ensure the costs of the facilities are reasonable and prudently incurred;	TIMP – Attachment C DIMP – Attachment D
(v) calculations to establish that the rate adjustment is consistent with the terms of the rate schedule, including the proposed rate design and an explanation of why the proposed rate design is in the public interest;	Section VI.A Section VII.A Attachments F,G,H,J,N,O,P,Q
(vi) the magnitude and timing of any known future gas utility projects that the utility may seek to recover under this section;	TIMP – Attachment C1(a) and Attachment F DIMP – Attachment D1(a) and Attachment F
(vii) the magnitude of GUIC in relation to the gas utility's base revenue as approved by the commission in the gas utility's most recent general rate case, exclusive of gas purchase costs and transportation charges;	Section VI.H Attachment L
(viii) the magnitude of GUIC in relation to the gas utility's capital expenditures since its most recent general rate case; and	Section VI.H Attachment L
(ix) the amount of time since the utility last filed a general rate case and the utility's reasons for seeking recovery outside of a general rate case.	Introduction Section III Sections VI.A,C,L Sections VII.A.,B Conclusion

Compliance Matrix

Petition Requirements	Reference
Subd. 6. Rate of return. The return on investment for the rate adjustment shall be at the level approved by the commission in the public utility’s last general rate case, unless the commission determines that a different rate of return is in the public interest.	Section III.A Section VIII
<p>In the Matter of the Petition of Northern States Power Company for Deferred Accounting Treatment of Costs Relating to Identifying and Eliminating Sewer/Natural Gas Line Conflicts</p> <p>Minnesota Public Utilities Commission ORDER GRANTING DEFERRED ACCOUNTING TREATMENT SUBJECT TO CONDITIONS AND REPORTING REQUIREMENTS January 12, 2011 Docket No. G002/M-10-422</p>	
6. In any future filing seeking rate recovery of costs deferred under this order, the Company shall include the following:	_____
A. Justification for the outsourcing of any tasks required to implement the inspection and remediation plan.	Section VI.B.4
B. Details of the final resolution of the Notice of Probable Violation and the status of any proposed penalties. C. Discussion and explanation of any legal actions or settlements regarding the natural gas explosion that led to the Notice of Probable Violation. D. Discussion and analysis regarding any potential third-party recovery for the costs of the plan.	<p><i>See In the Matter of the Petition of Northern States Power Company for Approval of a Gas Utility Infrastructure Cost Rider</i></p> <p>Petition Submitted August 1, 2014 Docket No. G002/M-14-336 Sections IV.H.,I.</p> <p>Petition Submitted in Docket No. G002/M-15-808 Section IV.I.</p> <p>Petition Submitted in Docket No. G002/M-16-891 Section IV.I.</p> <p>Current Petition No updates from our 2017 GUIC Rider Filing, See Section V.C</p>

Compliance Matrix

Petition Requirements	Reference
E. Discussion, analysis, and documentation demonstrating that plan costs were prudent.	Sections VI.B
F. Analysis of what it would have cost to conduct the plan over a ten-year period beginning in 2003.	Not addressed as deferral ends in 2019
<p>In the Matter of the Petition of Northern States Power Company for Approval of Deferred Accounting for Costs to Comply with Gas Pipeline Safety Programs</p> <p>Minnesota Public Utilities Commission ORDER January 28, 2013 Docket No. G002/M-12-248</p>	
1.g. Xcel shall include in the initial filing in its next natural gas rate case, justification and supporting testimony regarding all deferred TIMP and DIMP costs for which it seeks rate recovery.	Section VI.E No gas general rate case since Order was issued
<p>In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy, for Approval of a Gas Utility Infrastructure Cost Rider (GUIC) True-up Report for 2015, Forecasted 2016 GUIC Revenue Requirement, and Revised GUIC Adjustment Factors</p> <p>Minnesota Public Utilities Commission ORDER REQUIRING UPDATED REPORT, APPROVING RIDER RECOVERY, AND REQUIRING METRICS TO EVALUATE GUIC EXPENDITURES</p> <p>August 18, 2016 Docket No. G002/M-15-808</p>	

Compliance Matrix

Petition Requirements	Reference
<p>2. Xcel shall develop metrics to measure the appropriateness of GUIC expenditures, to be included in future GUIC Rider filings, and provide stakeholders the opportunity for meaningful involvement. Each metric should include reconciliation to the pertinent TIMP/DIMP rules, and/or if not tied to TIMP/DIMP requirement, the Company must identify what goal, benefit, and/or requirement it addresses.</p>	<p>Petition Submitted in Docket No. G002/M-16-891 Section VII. Attachments B2,C2(a),C2(b)</p> <p>Supplement to Petition in Docket No. G002/M-16-891 Submitted January 17, 2017</p> <p>Current Petition Section IX</p>
<p>8. Xcel shall modify the proposed customer notice to read: This month's Resource Adjustment includes the addition of the <u>an updated</u> Gas Utility Infrastructure Cost Adjustment (GUIC), which recovers the costs of assessments, modifications and replacement of natural gas facilities as required by state and federal safety programs. The GUIC portion of the Resource Adjustment is \$x.xxxx per therm for Residential customers; \$x.xxxx per therm for Commercial Firm customers; \$x.xxxx per therm for Commercial Demand Billed customers; and \$x.xxxx per therm for Interruptible customers. Questions? Contact us at 1-800-895-4999.</p>	<p>Compliance Submitted August 29, 2016 Docket No. G002/M-15-808</p> <p>Current Petition Section VII.D.2</p>
<p>In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy, for Approval of a Gas Utility Infrastructure Cost Rider (GUIC) True-up Report for 2016, Forecasted 2017 GUIC Revenue Requirement, and Revised GUIC Adjustment Factors</p> <p>Minnesota Public Utilities Commission ORDER APPROVING RIDER RECOVERY WITH MODIFICATIONS</p> <p>February 8, 2018 Docket No. G002/M-16-891</p>	
<p>5. Xcel shall continue to discuss with other parties, including the Department and the OAG, proposed performance metrics and ongoing evaluation of reporting requirements in future GIUC proceedings.</p>	<p>Meeting with Stakeholders hosted by Department of Commerce on September 26, 2018 Section IX</p>

Compliance Matrix

Petition Requirements	Reference
6. Xcel shall continue to provide, in future GUIC filings, specific information about each individual project in the GUIC rider that sufficiently (1) describes what the project is, (2) explains why the project is necessary, (3) discusses what benefits ratepayers will receive from the project, and (4) identifies the agency, regulation, or order that requires the project.	Current Petition Introduction Sections IV, V Attachments C,C1,D,D1
8. The Commission approves a revised sales forecast based on the Company’s regression model results before monthly sales and demand-side management (DSM) adjustments as set forth by the Company in Attachment F of its reply comments for the 2017 GUIC rider.	Superseded by Order Point 5 in Commission’s Order in Docket No. G002/M-18-692 (See Below)
10. Xcel shall provide a cost/benefit analysis in its initial petition in future GUIC rider filings if the Company wishes to receive accelerated recovery of sewer lines costs on a going forward basis.	Section VI.E
<p>In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy, for Approval of a Gas Utility Infrastructure Cost Rider True-up Report for 2017, the Forecasted 2018 Revenue Requirements, and Revised Adjustment Factors</p> <p>Minnesota Public Utilities Commission ORDER APPROVING RIDER RECOVERY WITH MODIFICATIONS</p> <p>August 12, 2019 Docket No. G002/M-17-787</p>	
15. The Commission directs Xcel, the Department, and the OAG to continue discussion on the establishment of performance metrics in future GUIC proceedings.	Company met with Department and other parties on August 27, 2019 Section IX
16. In all future GUIC rider petitions, Xcel must include the reporting required by Minn. Stat. § 216B.1635, subd. 4(2)(iii).	Section V.C.1 Section VI.F Attachment I
17. In all future GUIC rider petitions, Xcel must include only incremental rate base amounts in its GUIC rider rate base.	Section VI.C

Compliance Matrix

Petition Requirements	Reference
18. Xcel must include, prior to applying its calculated property tax rate, only the incremental property tax expense amount for all GUIC years by adjusting the original cost of GUIC projects by the original cost of plant assets replaced by (or retired through) the GUIC projects in each year.	Section VI.C.1 Attachment I
22. In all future GUIC filings, Xcel must include historical and projected GUIC revenue requirements, rates, and recoveries within a single tracker for each year.	Attachments Q
<p>In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy, for Approval of a Gas Utility Infrastructure Cost Rider True-Up Report for 2018, the Forecasted 2019 Revenue Requirements, and Revised Adjustment Factors</p> <p>Minnesota Public Utilities Commission</p> <p>ORDER AUTHORIZING RIDER RECOVERY WITH MODIFICATIONS</p> <p>January 9, 2020 Docket No. G002/M-18-692</p>	
3. Xcel shall not apply prorated accumulated deferred income tax (ADIT) to rate base when it is not required by the Internal Revenue Service for normalization purposes.	As our requested recovery period begins after the end of our requested test year, there is no need to prorate ADIT. This issue is discussed in Petition, Section VII.B.

Compliance Matrix

Petition Requirements	Reference
5. Xcel shall use the most recent 12 months of actual natural gas sales to calculate the final GUIC rate.	<p>Initial request used forecast that aligned with the requested revenue recovery time period in order to match requested revenues with expected sales. This was discussed in Petition, Section VII.A.3 and sales forecast was shown in Attachment Q.</p> <p>However, we accept the Department's recommended change to using the most recent 12 months of actual weather-normalized sales data. Our updated sales forecast is shown in Attachment B with these reply comments. Rate factors calculated using this actual sales data are shown in Table 2 of our reply comments.</p>
6. The Commission denies Xcel's request for a carrying charge in the GUIC tracker account.	Request does not include carrying charge.
7. Xcel shall remove and exclude from the GUIC rider costs related to low-risk infrastructure replacement that is not mandated by government regulations or public work requirements.	We removed all known low-risk infrastructure work from the 2018 through 2020 revenue requirements. This issue is discussed in Petition, Introduction.

Compliance Matrix

Petition Requirements	Reference
<p>8. The return on the capital costs incurred to remediate the system’s MAOP data gaps shall be limited to Xcel’s weighted long-term cost of debt.</p>	<p>Our initial filing included the MAOP adjustment to limit the return on capital costs for MAOP to the Company’s weighted long-term cost of debt for the 2018 and 2019 revenue requirements. Adjustment was reflected in the 2018 and 2019 regulatory treatment adjustments in Attachments N and O.</p> <p>We did not include the adjustment in our 2020 revenue requirement request. We will make the MAOP adjustment for 2020 in Reply Comments in Docket No. G002/M-19-664.</p>
<p>9. Xcel shall remove the costs of Overhead, Transportation, and Other, totaling \$8,157,695, from the GUIC rider.</p>	<p>Our initial filing included adjustments to remove \$8.2 million from the revenue requirement calculations for 2018, 2019, and 2020. This reflects the amount of overheads removed from 2018 and 2019 GUIC projects.</p> <p>Adjustment was reflected in the 2018 through 2020 regulatory treatment adjustments in Attachments N and O.</p> <p>We did not remove additional overheads for our 2020 GUIC projects. These are incremental costs that we argue are eligible for GUIC Rider recovery. We discussed this in our Petition, Section VI.C.2.</p>

Compliance Matrix

Petition Requirements	Reference																				
<p>10. The Commission approves the following cost of capital for Xcel’s 2019 GUIC Rider:</p> <table border="1" data-bbox="235 556 922 919"> <thead> <tr> <th></th> <th>Capital Structure</th> <th>Cost</th> <th>Weighted Cost</th> </tr> </thead> <tbody> <tr> <td>Long-Term Debt</td> <td>45.81%</td> <td>4.75%</td> <td>2.18%</td> </tr> <tr> <td>Short-Term Debt</td> <td>1.69%</td> <td>4.31%</td> <td>0.07%</td> </tr> <tr> <td>Common Equity</td> <td>52.50%</td> <td>9.04%</td> <td>4.75%</td> </tr> <tr> <td>Rate of Return</td> <td></td> <td></td> <td>7.00%</td> </tr> </tbody> </table>		Capital Structure	Cost	Weighted Cost	Long-Term Debt	45.81%	4.75%	2.18%	Short-Term Debt	1.69%	4.31%	0.07%	Common Equity	52.50%	9.04%	4.75%	Rate of Return			7.00%	<p>Calculation of revenue requirements for 2019 and 2020 are based on this approved capital structure. Calculation of final revenue requirements for 2018 were based on capital structure approved in that GUIC filing. Issue is discussed in Introduction, Attachment K.</p>
	Capital Structure	Cost	Weighted Cost																		
Long-Term Debt	45.81%	4.75%	2.18%																		
Short-Term Debt	1.69%	4.31%	0.07%																		
Common Equity	52.50%	9.04%	4.75%																		
Rate of Return			7.00%																		
<p>11. Xcel shall exclude from its 2019 and future GUIC rider revenue requirements all costs related to emergency sewer-conflict work. Accordingly, Xcel shall adjust its 2019 GUIC rider revenue requirement to remove (1) \$50,000 for these costs applicable to 2019, and (2) \$371,364 for costs that were erroneously included in the rider in previous years.</p>	<p>Our initial filing included an adjustment to the 2019 revenue requirement to reflect the removal of emergency sewer-conflict work. Adjustment included in revenue requirement calculations for 2019, reflected in regulatory treatment line of Attachments N and O.</p> <p>No adjustment was necessary for 2020 as no emergency sewer work was included in our 2020 request, and impact of previous work was removed in 2019 revenue requirement.</p>																				
<p>12. Xcel shall remove \$1.97 million from the 2019 GUIC revenue requirement for forecasted TIMP-related costs that were ultimately not incurred.</p>	<p>Initial filing showed 2019 revenue requirement based on 6 months of actual data and forecasted expenditures for remaining six months of the year. 2019 revenue requirement in our final compliance filing for our 2019 GUIC Rider (Docket No. G002/M-18-692) reflected our actual 2019 TIMP-related costs.</p>																				
<p>13. Xcel is permitted to recover \$900,000 in DIMP-related cost overruns.</p>	<p>Costs are reflected in our DIMP revenue requirements.</p>																				

Compliance Matrix

Petition Requirements	Reference
14. Xcel shall continue to improve its risk assessment reporting in future GUIC filings, with the goal of providing better explanations of the Company's assets.	We discuss our continued improvement process for risk assessments in Petition, Section VI.A.3.
15. Xcel shall provide consequence class information for both plastic and steel mains and services in future GUIC filings.	Consequence class information for mains and services was included. Issue is discussed in Petition, Section VI.A.3 and information is shown in Attachments C, C2, D, and D2.
16. Xcel shall develop full risk-assessment profiles for the TIMP Transmission Pipeline Assessment program and the TIMP Programmatic/MAOP Remediation program.	Full risk-assessments profiles were included for the TIMP programs. Issue is discussed in Petition, Section VI.A.3 and information is shown in Attachments C and C2.
18. The Department and Xcel shall continue efforts to reach a consensus on establishing performance metrics in future GUIC petitions.	Our metrics proposal, and efforts to continue working with the Department were discussed in the Petition, Section IX. In their September 16, 2020 Comments, the Department noted that they are no longer opposed to the metrics currently proposed by the Company. We believe we have now reached a consensus.

CERTIFICATE OF SERVICE

I, Lynnette Sweet, 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-19-664

Dated this 28th day of September 2020

/s/

Lynnette Sweet
Regulatory Administrator

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Alison C	Archer	aarcher@misoenergy.org	MISO	2985 Ames Crossing Rd Eagan, MN 55121	Electronic Service	No	OFF_SL_19-664_M-19-664
Gail	Baranko	gail.baranko@xcelenergy.com	Xcel Energy	414 Nicollet Mall7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_19-664_M-19-664
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St, Louis, MO 63119-2044	Electronic Service	No	OFF_SL_19-664_M-19-664
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_19-664_M-19-664
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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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