

August 2, 2021

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

RE: **Comments of the Minnesota Commerce Department, Division of Energy Resources**
Docket No. E002/M-18-643

Dear Mr. Seuffert:

Attached are the Comments of the Minnesota Commerce Department, Division of Energy Resources (Department), in the following matter:

In the Matter of Petition for Approval of Electric Vehicle Pilot Program

The Petition was filed on July 2, 2021 by:

Holly Hinman
Regulatory Manager
Xcel Energy
414 Nicollet Mall
Minneapolis, MN 55101

The Department recommends that the Minnesota Public Utilities Commission (Commission) **approve Xcel Energy's Petition**. The Department is available to answer any questions that the Commission may have in this matter.

Sincerely,

/s/ CHRISTOPHER T. DAVIS
Analyst Coordinator

CTD/ar
Attachment

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Before the Minnesota Public Utilities Commission

Comments of the Minnesota Commerce Department Division of Energy Resources

Docket No. E002/M-18-643

I. INTRODUCTION

On July 17, 2019, the Minnesota Public Utilities Commission (Commission) issued its *Order Approving Pilots with Modifications, Authorizing Deferred Accounting, And Setting Reporting Requirements* in Docket No. E002/M-17-879.¹ As part of its Order, the Commission approved Northern States Power Company, d/b/a Xcel Energy's (Xcel, the Company) proposal for implementing a Public Charging Pilot and the associated tariff, as modified. In addition, the Commission approved Xcel's proposed Fleet EV Service Pilot and associated tariff, as modified.

On July 2, 2021, Xcel submitted a letter seeking Commission approval of four customer agreements for the Company's Fleet and Public Charging Electric Vehicle (EV) Pilot programs pursuant to Minn. Stat. 216B.05, Subd. 2a. The accompanying attachments included two agreements designed to enable the City of Saint Paul and the City of Minneapolis (Cities) to begin participation in the Company's Public Charging Pilot. In addition, Xcel filed two agreements written to enable participation in the Fleet EV Service Pilot with the Minnesota Department of Administration and the City of Minneapolis.

The attachments accompanying the letter included the following:

- Attachment A Minneapolis Community Hub Public Charging Contract - Clean
- Attachment B Minneapolis Community Hub Public Charging Contract - Redlined
- Attachment C St. Paul Community Hub Public Charging Contract - Clean
- Attachment D St. Paul Community Hub Public Charging Contract - Redlined
- Attachment E Minnesota Department of Administration Fleet Charging Contract - Clean
- Attachment F Minnesota Department of Administration Fleet Charging Contract - Redlined
- Attachment G Minneapolis Fleet Charging Contract - Clean
- Attachment H Minneapolis Fleet Charging Contract – Redlined

II. XCEL'S PROPOSED AGREEMENTS

A. PUBLIC CHARGING PILOT CUSTOMER SERVICE AGREEMENT (CSA) NEGOTIATIONS

Xcel stated that during negotiations, the Company learned that the Cities needed certain refinements to sign the approved CSAs. The largest proposed refinement is the buyout provisions for the program.

¹ In the Matter of Xcel Energy's Petition for Approval of Electric Vehicle Pilot Programs.

Xcel now agrees to a buyout amount that is well defined and based upon a ten-year straight-line depreciation from the in-service date.

In addition, the Cities' agreements were modified to apply to service at multiple locations since both Minneapolis and St. Paul intend to operate multiple charging locations as part of the program.

Another significant modification to the approved CSA was to include indemnification clauses similar to those included in the franchise agreements between Xcel and the Cities. In addition, the CSAs were modified so that the cities may require the Company to move utility equipment located in city rights-of-way at the Company's expense.

In addition to the Attachments specified above, Xcel summarized substantive modifications to the Public Charging Pilot on pages 2-3 of its letter.

B. FLEET EV SERVICE PILOT CSA NEGOTIATIONS

Xcel stated that its negotiations with the Minnesota Department of Administration and the City of Minneapolis revealed the need for further refinements to the standard CSA for the Fleet EV Service Pilots. As with the Public Charging Pilot, Xcel agreed to a buyout amount that is well-defined and based upon a ten-year straight-line depreciation from the in-service date. In addition, for the Department of Administration, the CSA was modified to include new language that discusses the requirements of Minnesota's prevailing wage laws (Minnesota Statutes Sections 177.41 through 177.44).

In addition to the Attachments specified above, Xcel provided a summary of the substantive Fleet EV Service CSAs on page 4 of its letter.

C. FUTURE CHANGES TO CSAS

Xcel requested that the Commission implement a streamlined process to approve its negotiated CSAs. Specifically, Xcel proposed that if no parties object to the agreements within 30 days of filing, the agreements are deemed approved.

Xcel stated that its proposal is consistent with the Commission's direction when it approved the Company's pilot programs in this docket. Specifically, Order points 2 and 4 of the Commission's July 17, 2019 Order stated:

- Within 10 days, Xcel must file its Fleet EV Service Pilot service agreement for Commission approval. The Commission hereby delegates authority to the Executive Secretary to approve, via notice, the contract if no interested parties or Commission staff object or file an intent to object within 30 days of the filing. [...]

- Within 10 days, Xcel must file its Public Charging Pilot service agreement for Commission approval. The Commission hereby delegates authority to the Executive Secretary to approve, via notice, the contract if no interested parties or Commission staff object or file an intent to object within 30 days of the filing.

III. DEPARTMENT ANALYSIS AND RECOMMENDATIONS

The Department appreciates the negotiations that Xcel engaged in with the Cities and the Minnesota Department of Administration and agree with Xcel that the negotiations have provide (and will continue to provide) valuable learnings regarding customer needs for participation in the Company's pilots.

The Department has reviewed the negotiated modifications to the Cities and Minnesota Department of Administration and conclude they are reasonable. The Department recommends that the Commission approve the following negotiated CSAs:

- Attachment A Minneapolis Community Hub Public Charging Contract – Clean
- Attachment C St. Paul Community Hub Public Charging Contract – Clean
- Attachment E Minnesota Department of Administration Fleet Charging Contract – Clean
- Attachment G Minneapolis Fleet Charging Contract - Clean

In addition, the Department recommends that the Commission approve Xcel's proposal to streamline approval of future CSAs, specifically that the Commission delegate authority to the Executive Secretary to approve, via notice, the contract if no interested parties or Commission staff object or file an intent to object within 30 days of the filing.²

/ar

² The Department notes that on May 7, 2021, the Commission approved a similar streamlined process for Xcel in Docket No. E002/M-20-842. In that Docket, the Commission:

Allowed Xcel Energy in the future to modify its Online Terms of Use by making a miscellaneous filing pursuant to Minn. R. 7829.1400. If no timely opposition is filed, the proposal shall be allowed to go onto the Commission's consent calendar for the Commission's consideration.