

## Request for Committee Action

**To:** Transportation & Public Works  
**Date:** 2/2/2016  
**From:** Public Works Department  
**Prepared by:** Jon Wertjes, Director of Traffic & Parking Services  
**Presented by:** Jon Wertjes  
**File type:** Receive & File  
**Subcategory:** Update

---

**Subject:**

Northern States Power Company, d/b/a Xcel Energy, Authority to Increase Rates for Electric Service in the State of Minnesota [MPUC Docket No. E-002/GR-15-826]

**Description:**

Receiving and filing status update regarding the City's Petition to Intervene.

**Previous Actions:**

none

---

**Ward/Neighborhood/Address:**

All Wards

**Background/Analysis:**

In the last quarter of 2015, Xcel Energy submitted to the Minnesota Public Utilities Commission (PUC) a request to increase a number of their electric service rate tariffs over three years. Based on Xcel Energy information, the proposed annual increases by class cost for each year from 2016 to 2018 are in the ranges as follows:

|             |                           |
|-------------|---------------------------|
| Residential | 8.40% -- 12.59% annually  |
| Non-Demand  | 4.09% -- 7.68% annually   |
| C&I Demand  | 5.31% -- 8.16% annually   |
| Lighting    | 10.00% -- 15.59% annually |

These rate increases are higher when compared to previous rate increases. These rate increases may have significant implications to municipal operations and budgets. City staff will continue to explore potential implications. The rate case process also includes consideration of appropriate costs and methods of operation that create those costs.

Due to the PUC timeline for this rate case as established in an Order issued on December 22, 2015, the Director of Public Works requested that the City Attorney's office immediately file a Petition to Intervene and Notice of Appearance in Xcel's rate case in order to preserve City rights to participate with full party status. Pursuant to the request from the Director of Public Works, the City Attorney's Office filed a Notice of Appearance and Petition to Intervene in order to unquestionably comply with Section V.B and C of the PUC's "Notice Of And Order For Hearing" issued December 22, 2015. On January 22, 2016, the Administrative Law Judge granted the Petitions to Intervene of the City of Minneapolis along with the Suburban Rate Authority and the Commercial Group. The City's Petition to Intervene and some related documents are attached and can along with other filings be located through the Minnesota Public Utilities Commission website and the "e-dockets" link maintained by the Minnesota Department of Commerce by searching using the docket number (15-826).

<https://www.edockets.state.mn.us/Efiling/edockets/searchDocuments.do?method=eDocketsResult&userType=public#{4F13C5BD-DE25-450E-B685-FFCE7CD21082}>

The City's Intervention will allow the City to fully participate as a party, including the right to engage in pre-hearing discovery, present witnesses, cross-examine witnesses and appeal any adverse rulings. Full party status allows the City to fully advocate for our interests in affordable, reliable and environmentally sound power.

Future City staff efforts include increasing our knowledge about these rate increases, communicating with the Suburban Rate Authority, and hiring any experts that it is determined are necessary to effectively advocate for our interests.

**Financial Review:**

**No additional appropriation required, amount included in current budget.**

**Attachments:**

1. Petition to Intervene
2. Order Denying Intervention