PUBLIC SERVICE COMMISSION STATE OF NORTH DAKOTA

NEWS RELEASE Wednesday, July 30, 2008 Commissioners Wefald and Cramer **For Immediate Release** Phone 701-328-2400

Xcel Energy to Suspend Rebilling of customers with Malfunctioning Gas Meters

The North Dakota Public Service Commission announced today that Xcel Energy will suspend its rebilling of North Dakota natural gas customers whose meters were retrofitted with a malfunctioning natural gas meter. Commission staff made the request to Xcel Energy on July 29th to suspend its rebilling of these customers.

"This is important news for Xcel customers who had faulty natural gas meters," commented Commissioner Susan Wefald. "It is also important to note that customers who had faulty meters who have already been billed for estimated usage can delay payment for 60 days with no penalty. I suggest that customers call Xcel to confirm what portion of your gas bill does not have to be paid for a minimum of 60 days."

The Commission encourages any Xcel Energy gas customer who has concerns about a faulty meter or billing problems as a result of a faulty meter to contact the Commission.

Xcel Energy has reported to the Commission that approximately 4,400 customers' natural gas meters did not function correctly for a portion of the past winter. These meters showed no or very low natural gas consumption. Xcel determined that these natural gas meters would need to be replaced. In March, Xcel reported to the Commission that nearly all of the faulty meters had been replaced. However, the Commission continued to receive customer complaints on this matter.

"Customers indicated that they were not happy that Xcel was estimating their bills and that bills they were receiving did not make sense," stated Commissioner Kevin Cramer. "For example, customers were receiving two bills on the same day that showed different amounts due. Some bills included mathematical errors," he added.

On July 2, 2008 the Commission sent a letter to Xcel Energy asking very specific questions about meter reading practices, billing practices, costs for the new meters, errors on bills, and the Xcel computer billing system. "Xcel has not yet responded to the questions," stated Commissioner Susan Wefald.

On July 29, Commission staff requested that Xcel Energy suspend its rebilling of North Dakota natural gas customers whose meters were retrofitted with a malfunctioning natural gas meter. Today, Xcel Energy notified the Commission that it has stopped rebilling natural gas customers for usage related to the periods when the faulty natural gas meters failed and usage was no longer being transmitted to Xcel Energy. Xcel also stated in their letter to the

Commission that they will not recommence efforts to recover unbilled usage without approval to do so from the Commission.

Xcel Energy also stated in the letter that they are in the process of implementing a 60 day credit hold on all re-billed accounts. Therefore, no credit activity will occur on these accounts during this period.

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