

Rafferty, Tom D.

From: Rafferty, Tom D.
Sent: Monday, May 21, 2007 3:38 PM
To: -Grp-PSC Commissioners
Subject: NSP Rate Case 06-525 Xcel Energy

FYI

Mr. Sturm wanted to make sure that the commissioners were aware of his complaint regarding Xcel's proposed rate increase. He was really cordial and just wanted to express his opinion.

Tom Rafferty
Consumer Affairs/Public Outreach Specialist North Dakota Public Service Commission 12th
Floor, Dept. 408, 600 E. Boulevard Ave.
Bismarck, ND 58505-0480
Phone: 701-328-4078

The following contact was recorded into the Public Contact System:

Al Sturm
1338-16th St. S.
 Fargo ND 58103 Phone: 701-235-8674

The issue is as follows: He does not want Xcel Energy to be allowed to increase rates. He said they are high enough and it is already difficult to afford the cost on a fixed income. He also doesn't like that he pays more each month on the delivery charges than he does for the actual gas he uses.

The resolution so far is as follows: I told him we will include his comments in the public input file.

Rafferty, Tom D.

From: Clark, Tony T.
Sent: Thursday, May 03, 2007 11:19 AM
To: Rafferty, Tom D.
Subject: FW:

Tom-
Please docket also, thanks.
TC

From: rheault [mailto:rheault@ideaone.net]
Sent: Tue 5/1/2007 7:58 PM
To: Clark, Tony T.
Subject:

Dear Mr. Clark,

Now Xcel Energy wants another \$3.00 per month for gas delivery to ND homes!?! We have electric and natural gas heat in our home. Because we only use natural gas for 5 months in the winter during the off peak demand we stopped our delivery service on April 1, planning to hook up again on November 1. Today we received a bill for \$18.67 for delivery service charges (\$2.44 for interim rate adjustment??) for the month of April. We called Xcel Energy and inquired why there was a charge when we had shut off our gas. The reverse side of the bill quotes "customer pays for all costs related to gas delivery, metering, billing and customer service" under the heading Delivery Service Charges. So if we don't have a gas delivery, there would be no metering, billing or customer service during the months we shut off the service. The "specialist" I spoke to said the fee is for "meter maintenance". We wouldn't need this if the meter is shut off. She then said with a rude voice "well you can take your meter out then." When this bill was being considered to be put into law by our public utilities commission, I contacted three of the commissioners, with only you responding to me that they didn't want the law passed. I need this explained to me. So I will pay approximately \$220.00 a year with a \$40.00 hook up in November for absolutely nothing. We plan on paying the electric company this money (not Xcel Energy) when we switch our furnace to the normal rate instead of paying for nothing. I ask that you consider the "little guy" in North Dakota when it comes to the big companies and their greed in this matter. I appreciate your time in this matter.

Thank you

Ron & Ronda Rheault - 1622 Maple Place - West Fargo ND

Rafferty, Tom D.

From: Clark, Tony T.
Sent: Thursday, May 03, 2007 11:19 AM
To: rheault
Cc: Rafferty, Tom D.
Subject: RE:

Ron and Ronda-

Thanks for the note and your input. A hearing for this proposal has not yet been held, but one is scheduled. It is also my understanding that a proposed settlement between Xcel and PSC advocacy staff has been filed for the commission to consider. I have not yet had a chance to look at this in detail, though we do have an upcoming informal hearing on the settlement. I am currently out of the office, so I have copied Tom Rafferty, a consumer outreach specialist with the commission to assist in getting you helpful information.

Tony Clark

PS - I still agree with you on the interim rate law - I don't think it is a good one, but it did pass the legislature a few years ago, so the Commission's hands are pretty tied on that one. I should note however, that if the final disposition of the case sets a lower rate than the interim one, customers will receive the difference, with interest.

From: rheault [mailto:rheault@ideaone.net]
Sent: Tue 5/1/2007 7:58 PM
To: Clark, Tony T.
Subject:

Dear Mr. Clark,

Now Xcel Energy wants another \$3.00 per month for gas delivery to ND homes!?! We have electric and natural gas heat in our home. Because we only use natural gas for 5 months in the winter during the off peak demand we stopped our delivery service on April 1, planning to hook up again on November 1. Today we received a bill for \$18.67 for delivery service charges (\$2.44 for interim rate adjustment??) for the month of April. We called Xcel Energy and inquired why there was a charge when we had shut off our gas. The reverse side of the bill quotes "customer pays for all costs related to gas delivery, metering, billing and customer service" under the heading Delivery Service Charges. So if we don't have a gas delivery, there would be no metering, billing or customer service during the months we shut off the service. The "specialist" I spoke to said the fee is for "meter maintenance". We wouldn't need this if the meter is shut off. She then said with a rude voice "well you can take your meter out then." When this bill was being considered to be put into law by our public utilities commission, I contacted three of the commissioners, with only you responding to me that they didn't want the law passed. I need this explained to me. So I will pay approximately \$220.00 a year with a \$40.00 hook up in November for absolutely nothing. We plan on paying the electric company this money (not Xcel Energy) when we switch our furnace to the normal rate instead of paying for nothing. I ask that you consider the "little guy" in North Dakota when it comes to the big companies and their greed in this matter. I appreciate your time in this matter.

Thank you

Ron & Ronda Rheault - 1622 Maple Place - West Fargo ND

5/3/2007

Rafferty, Tom D.

From: Rafferty, Tom D.
Sent: Thursday, May 03, 2007 12:37 PM
To: 'rheault@ideaone.net'
Subject: RE: Question
Attachments: XcelTariff.pdf

Dear Ron and Rhonda,

Thank you for contacting me about your natural gas delivery charges. I've attached Xcel Energy's tariff, which is a document approved by the Public Service Commission that explains conditions of service.

I believe Section 1.2 of the tariff applies to your situation. It reads, in part:

"If a customer requests reestablishment of service at a location where the same customer discontinued the same service within the preceding 12 month period, an additional reconnection fee will be assessed equal to the sum of the monthly minimum charges applicable during the period service was not taken."

The delivery charge is your monthly minimum charge, so that's what you would have to pay even though you are not using gas.

Feel free to contact me if you have more questions.

Sincerely,

Tom Rafferty
Consumer Affairs/Public Outreach Specialist
North Dakota Public Service Commission
12th Floor, Dept. 408, 600 E. Boulevard Ave.
Bismarck, ND 58505-0480
Phone: 701-328-4078
Fax: 701-328-2410

From: Bauske, Shelly A.
Sent: Tuesday, May 01, 2007 10:44 AM
To: Rafferty, Tom D.
Subject: FW: Question

From: rheault [mailto:rheault@ideaone.net]
Sent: Monday, April 30, 2007 6:11 PM
To: -Info-Public Service Commission
Subject: Question

Dear NDPSC,
On April 1, 2007, we had our natural gas delivery stopped at our home because we only use this with Xcel Energy during the winter months when our electric usage is on off-peak. We received a bill today for a delivery charge of approximately \$19.00. We called Xcel Energy and asked why we were being billed with no gas delivery. On the

5/3/2007

back of our bill, the charge states it is for gas delivery, metering, billing and customer service which we would not use when the gas is shut off. The "specialist" I talked to said it is a charge to maintain the meter?? There should be no maintaining if we can't even use gas?? I was appalled when she said "well we can remove the meter." I cannot believe this fee is being charged to us. Can you help us with the question? Thank you for your time in this matter.

Ron & Ronda Rheault
1622 Maple Pl
West Fargo ND 58078

Rafferty, Tom D.

From: Wefald, Susan E.
Sent: Monday, April 02, 2007 2:24 PM
To: -Grp-PSC Commissioners; -Grp-PSC Public Utilities; -Grp-PSC Legal
Cc: Rafferty, Tom D.
Subject: FW: Northern States Power Gas Rate Increase comments

See below a message from Mr. Mckenzie on the NSP gas increase and my response. Tom, please see that this is put into a public comment file on this case. Thank you.

From: Wefald, Susan E.
Sent: Monday, April 02, 2007 2:20 PM
To: 'gkmckenzie'
Subject: RE: Northern States Power Gas Rate Increase Application

Dear Mr. Mckenzie,

Thank you so much for sending me your comments on the Northern States Power Company Gas Rate Increase Application. I will send your comments to the full Commission and also a copy of them will be placed in the public comment file for this case. The technical hearing on this case will take place on May 24 and 25. The Commission advocacy staff is preparing a case to represent rate payer interests so that the Commission has a complete record to make a decision in this matter. You may want to look at the testimony already filed by Northern States Power Company on our website at <http://www.psc.state.nd.us> and testimony from advocacy staff will also be found at this site when it is filed in the case later this spring. If you have further comments or questions, please feel free to contact us.

Sincerely,
Commissioner Susan Wefald
President, North Dakota Public Service Commission

From: gkmckenzie [mailto:gkmckenzie@netzero.net]
Sent: Friday, March 30, 2007 5:14 PM
To: Wefald, Susan E.
Subject: Xcel rate increase

Dear Ms,Wefald,

I ask that you reject Xcel Energy's latest rate increase request. The prior increase in 2004 was excessive and more than doubled their delivery service charges to the average household. These charges are paid every month even when no gas goes thru the meter. These increases and the addition of city and state taxes and fees have put a financial strain on many households in the state. Their brochure tries to pawn this off as a 4.3 % increase While it is actually an increase of over 20 % in their delivery fees, they talk of conservation programs for the user. They are the ones that need to conserve to hold the delivery cost down.

Gary Mckenzie
502 Langer Ave S
Casselton ND 58012 (701 347 5384)

Anderson, Lori D.

From: Cramer, Kevin
Sent: Saturday, March 31, 2007 9:04 AM
To: gkmckenzie
Cc: Anderson, Lori D.
Subject: RE: xcel rate increase

Thank you for your input Gary. Your comments will be placed in the comment file.

Kevin Cramer, Commissioner
ND Public Service Commission
(701) 328-4279
<http://www.psc.state.nd.us/commission/cramer.html>

From: gkmckenzie [mailto:gkmckenzie@netzero.net]
Sent: Friday, March 30, 2007 5:17 PM
To: Cramer, Kevin
Subject: xcel rate increase

Dear Mr,Cramer,

I ask that you reject Xcel Energy's latest rate increase request. The prior increase in 2004 was excessive and more than doubled their delivery service charges to the average household. These charges are paid every month even when no gas goes thru the meter. These increases and the addition of city and state taxes and fees have put a financial strain on many households in the state. There brochure tries to pawn this of as a 4.3 % increase While it is actually an increase of over 20 % in their delivery fees, they talk of conservation programs for the user. They are the ones that need to conserve to hold the delivery cost down.

Gary Mckenzie
502 Langer Ave S
Casselton ND 58012 (701 347 5384)

Anderson, Lori D.

From: Diller, Michael R.
Sent: Thursday, March 22, 2007 3:07 PM
To: -Grp-PSC Commissioners; -Grp-PSC Public Utilities
Cc: dave.sederquist@xcelenergy.com
Subject: Concerned Citizen

Scott Moltzan from S. Fargo called to give his opinion on the Xcel Energy rate increase application. He was not able to attend the public input session but still wanted to voice his opinion.

Scott is permanently disabled and finds it very difficult to make ends meet. He feels bad about complaining about a \$4 increase but when your monthly social security went up \$20 last year it is difficult to make ends meet.

I talked to him about fuel assistance but he said since he is able to work some, he and his wife make \$30k a year and no longer qualifies. He would like the commission to consider a special rate for people living on social security. Mike



Public Service Commission

State of North Dakota

COMMISSIONERS

Tony Clark, President
Susan E. Wefald
Kevin Cramer

Executive Secretary
Illona A. Jeffcoat-Sacco

600 E. Boulevard Ave. Dept 408
Bismarck, North Dakota 58505-0480
web: www.psc.state.nd.us
e-mail: ndpsc@nd.gov
TDD 800-366-6888
Fax 701-328-2410
Phone 701-328-2400

Date

Name of Citizen
Street Address
City, State

Re: NSP proposed natural gas rate increase (Case No. PU-06-525)

Dear Citizen,

Thank you for submitting comments to the Public Service Commission regarding the application from Northern States Power to increase natural gas rates in North Dakota. We appreciate your interest in this case and we will place your comments in the public input file.

I have included a copy of the Commission's Notice of Public Input Session and Notice of Hearing with this letter. You are welcome to attend any or all of these sessions. In addition, you can find information about this case, including the company's application and any testimony that has been filed, on the commission's website.

It is important to note that because this is a formal case before the Commission, both written and verbal comments submitted to the Commission, including comments made at public input sessions, are not part of the formal evidentiary record on which the decision must be based. However, the comments that are not part of the formal record may form the basis for investigation and testimony that becomes part of the formal record. Comments become part of the formal record when they are made or submitted at a formal or technical hearing, where they must be made under oath and subject to cross-examination

A more complete explanation of formal and informal comments is explained in the brochure that is included in this letter, as well as list of meeting times and locations in this case. If you need more information or are interested in intervening in a case, please contact our office or visit our Web site, www.psc.state.nd.us for more information.

Sincerely,

Tom Rafferty, Consumer Affairs and Public Outreach Specialist
328-4078

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Northern States Power Company
Natural Gas Rate Increase
Application**

Case No. PU-06-525

NOTICE OF PUBLIC INPUT SESSION AND NOTICE OF HEARING

January 10, 2007

On December 15, 2006 Northern States Power (NSP) filed a Notice for Change in Rates for Natural Gas Service under North Dakota Century Code Section 49-05-05 and North Dakota Administrative Code Section 69-09-01-26. The company proposes a \$2.801 million or 3.0 percent overall increase in its annual North Dakota natural gas revenues. The proposed rates would affect the Company's service to all of its approximately 43,600 retail natural gas customers in the State of North Dakota.

A **public hearing** on this matter will be held beginning **May 24, 2007 at 9:00 a.m. CST** in the Commission hearing room, State Capitol, 12th Floor, Bismarck, North Dakota 58505. You can listen to a broadcast of the hearing on the Commission's website at <http://www.psc.state.nd.us/psc/media/comm-live.html>.

Issues to be considered in this matter include:

1. What is the value of NSP's property, used and useful, for the service and convenience of the public in North Dakota?
2. What is NSP's rate of return on its property, used and useful, for the service and convenience of the public in North Dakota?
3. What is a just and reasonable rate of return on NSP's property, used and useful, for the service and convenience of the public in North Dakota?
4. What rates and charges are necessary to provide a just and reasonable rate of return on NSP's property, used and useful, for the service and convenience of the public in North Dakota?
5. Are NSP's rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without discrimination?
6. Other relevant information or proposals concerning the proceeding.

A Public Input Session will be held via interactive television on **February 8, 2007, at 7 p.m. CST** at locations set forth below. Members of the public are invited to

appear and participate in the informal discussion. The session is not considered part of the technical hearing and the discussion at the session will not become part of the evidence reviewed by the Commission in making its decision. The discussion will, however, aid the Commission and its staff in identifying areas of concern to the members of the public and help customers better understand NSP's request.

<p>Bismarck State Capitol 600 E. Boulevard Ave Conference Room D, 3rd Floor Judicial Wing Bismarck, ND</p>	<p>Fargo North Dakota State University Industrial Agricultural Communication Center Room 422 1320 Albrecht Boulevard Fargo, ND</p>
<p>Grand Forks University of North Dakota Abbott Room 119 151 Cornell St. Grand Forks, ND</p>	

Public Input Session Locations

The public will also be able to hear the input session by connecting to the Commission's web site www.psc.state.nd.us and clicking on "Highlighted Issues" and then clicking on the "Broadcast of Public Input Sessions" link. The Commission will receive e-mail questions during the session at ndpsc@state.nd.us.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify, Illona Jeffcoat-Sacco, Executive Secretary, at least 24 hours in advance.

PUBLIC SERVICE COMMISSION

Tony Clark
Commissioner

Susan E. Wefald
President

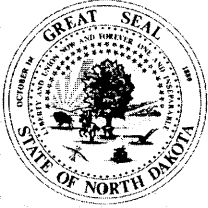
Kevin Cramer
Commissioner

You should know...



North Dakota Public Service Commission

Issue PUD-2, July 2002



Participation and Process in Major Utility Cases

Rate Case? Merger? Alternative Regulation Plan? Buy/Sell?

North Dakota Public
Service Commission

Commissioners:
Tony Clark
Susan E. Wefald
Kevin Cramer

600 E Boulevard Ave.
Department 408
Bismarck ND
58505-0480

Telephone:
701-328-2400

Facsimile:
701-328-2410

TDD/TTY:
800-366-6888

E-mail:
ndpsc@state.nd.us

Website:
www.psc.state.nd.us

GETTING INVOLVED

- The general public can get involved in any matter pending before the Commission by calling, writing, e-mailing, attending a public input session or attending a formal hearing. Anyone may testify or comment at any Commission hearing.
- Letters, questions and comments may be sent to Illona Jeffcoat-Sacco, Executive Secretary, Public Service Commission, State Capitol, 600 East Boulevard Avenue, Bismarck, ND 58505-0480. Comments can also be sent via e-mail to the Executive Secretary at jhm@oracle.psc.state.nd.us. The Commission's phone number is 701-328-2400; fax number 701-328-2410; and Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Executive Secretary.

DECIDING ON PARTICIPATION

Comments made at Public Input Sessions are not made under oath and are not subject to cross-examination. They will not become part of the formal record on which the decision will be based, but may form the basis for investigation and testimony that becomes part of the formal record. Testimony and comments made at a formal or technical hearing must be made under oath and will be subject to cross-examination.

- Interested parties may not cross-examine witnesses or conduct discovery unless they are granted *Intervenor* status. Once a party becomes an intervenor, that party may cross-examine other witnesses and conduct discovery. Contact the Commission about how to intervene in any case.
- Applicants, complainants, respondents and intervenors will be served with all pleadings, filings and decisions in the case. Others who want to receive copies of any of these documents should make a request at the address above, or search the Commission's website for the information.

FILING

When a major utility case is filed, staff reviews the information and outlines the issues for Commission consideration. The Commission sets up a procedural time frame for investigating, receiving public input and holding a technical hearing. The Commission also appoints some staff members as advocates in the case and other staff members as Commission advisors.

INVESTIGATION

The investigation is conducted primarily by the staff advocates. These persons review the materials filed by the applicants and request other necessary information in order to better analyze the issues. The staff advocates may request that the Commission retain outside professionals to help with the investigation. Sometimes other parties intervene and in that case, often the intervenor conducts its own investigation. Also, sometimes the applicant

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Participation and Process in Major Utility Cases

Rate Case? Merger? Alternative Regulation Plan? Buy/Sell?
(cont.)

conducts an investigation of the staff or intervenor's case.

PUBLIC NOTICE

Early in the process the Commission schedules public hearings on the case and issues a notice. The notice contains the questions the Commission will examine and specific information on the hearings. It is published in the daily newspapers in the affected areas, and mailed to those who have asked to be on the mailing list. Notices may be issued separately for the technical hearings and the public input sessions, or one notice may be issued for both.

PUBLIC INPUT SESSIONS

Public input sessions are intended to be held early enough in the process to allow the staff time to investigate the issues that are raised by the public at the session. Usually these are held in the affected area of the state, or via interactive television in several affected areas simultaneously. Public input sessions are informal, no sworn testimony is taken and no one is cross-examined. Interested persons are encouraged to comment or ask questions at these sessions. Interested persons may also write to, e-mail, or call the Commission concerning the case.

TECHNICAL OR FORMAL HEARINGS

Later in the process the Commission will hold a technical or formal hearing, where the applicants, staff and intervenors will present technical testimony on the issues. The public is welcome at the technical

hearing, but the main purpose of the technical hearing is to produce a record of evidence about the issues, which the Commission will then use to make its decision. Witnesses at the technical hearing are sworn and are subject to cross-examination. Usually these are held in Bismarck, but may be held in other affected areas in the state.

DELIBERATIONS AND WORKING SESSIONS

After the hearings, the Commission will take the matter under advisement. The Commission will then hold an open working session in which it will sit down with its advisory staff and discuss the case. These sessions are open to the public, but participation is usually limited to Commissioners and staff. After one or more working sessions, the Commission will direct its advisory staff to draft an order that reflects the discussion from the working sessions. Once the order is prepared, the matter is put on the Commission's formal meeting agenda for a final decision.

TRADE SECRET REQUESTS

Sometimes parties in the case will have information which for competitive reasons they do not want to disclose publicly, but which can be disclosed to those who have a need to know and who sign a nondisclosure agreement concerning the information. When such requests are made, the staff responds with a recommendation concerning the request and the Commission determines whether or not to grant the request. The decision must be based on the trade secret protections found in the North Dakota Rules of Evidence.



Public Service Commission

State of North Dakota

COMMISSIONERS

Tony Clark, President
Susan E. Wefald
Kevin Cramer

Executive Secretary
Illona A. Jeffcoat-Sacco

600 E. Boulevard Ave. Dept 408
Bismarck, North Dakota 58505-0480
web: www.psc.state.nd.us
e-mail: ndpsc@nd.gov
TDD 800-366-6888
Fax 701-328-2410
Phone 701-328-2400

February 2, 2007

Dudley Benson
1609-2nd Ave. N.
Grand Forks, ND 58203

Re: NSP proposed natural gas rate increase (Case No. PU-06-525)

Dear Dudley,

Thank you for submitting comments to the Public Service Commission regarding the application from Northern States Power to increase natural gas rates in North Dakota. We appreciate your interest in this case and we will place your comments in the public input file.

I have included a copy of the Commission's Notice of Public Input Session and Notice of Hearing with this letter. You are welcome to attend any or all of these sessions. In addition, you can find information about this case, including the company's application and any testimony that has been filed, on the commission's website.

It is important to note that because this is a formal case before the Commission, both written and verbal comments submitted to the Commission, including comments made at public input sessions, are not part of the formal evidentiary record on which the decision must be based. However, the comments that are not part of the formal record may form the basis for investigation and testimony that becomes part of the formal record. Comments become part of the formal record when they are made or submitted at a formal or technical hearing, where they must be made under oath and subject to cross-examination

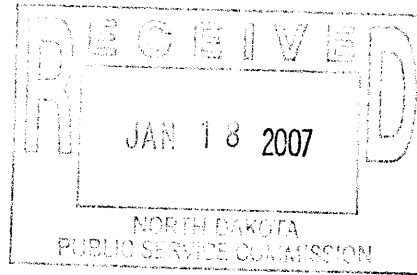
A more complete explanation of formal and informal comments is explained in the brochure that is included in this letter, as well as list of meeting times and locations in this case. If you need more information or are interested in intervening in a case, please contact our office or visit our Web site, www.psc.state.nd.us for more information.

Sincerely,

A handwritten signature in black ink that reads "Tom Rafferty". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Tom Rafferty, Consumer Affairs and Public Outreach Specialist
328-4078

Public Service Commission
600 E Boulevard, Dept.408
Bismarck, ND 58505-0480



Board Members:

I wish to encourage the PSC board to vote no in reference to a rate increase on natural gas on case #PU-06-525.

Several days prior to this article in our local newspaper, it was reported on WDAZ-TV evening news that Xcel Energy was proposing a decrease in natural gas rates due to reduced usage.

My wife and I are living off my fixed income as a senior member and wish to state that the energy charges by Xcel Energy is in the last several years enormous.

I believe that Xcel Energy is more concerned about their stock holders than their customers.

With crude oil prices declining natural gas prices should follow.

Xcel Energy rather should make an effort to reduce their expenses for advertising, lobbyists and other unnecessary expenses that add to our energy bill each month.

Again, I'm strongly requesting that the PSC Board deny this rate increase by Xcel Energy.

Please refer to enclosed copy of various articles that have appeared regarding Xcel Energy in the Grand Forks Herald.

Would it be possible that Xcel Energy bought up gas futures earlier in the year and now is trying to recoup their loss at the expense of the consumer?

Thank you.

Dudley Benson
1609 2nd ave no
Grand Forks, ND 58203

10-05-06

Natural gas likely will mean lower heating bills

By Madlen Read
Associated Press

Q. I'm hoping my heating bill this year is lower than last year's — will it matter what type of heating fuel my home uses?

A. Yes. While the energy markets and the weather are unpredictable, you'll probably see lower heating costs this year if your house uses natural gas.

If your home uses electricity or heating oil, though, you may not see much change at all.

The three most commonly used home heating fuels are, in descending order, natural gas, electricity and distillate fuel oil (what's commonly called heating oil), according to the Energy Information Administration. Natural gas prices are currently 60 percent lower than last winter's

prices. So, unless this winter is much colder than last, you should expect this year's heating bill to be lower.

Natural gas use has been steadily increasing over the past several decades, from 26 percent of U.S. households in 1950 to 52 percent in 2003, the EIA says. Now, more than 55 million homes are heated with natural gas.

If you're one of them, you should see a lower heating bill by about 20 to 30 percent — that's if your provider is paying today's natural gas prices, which are about 60 percent below last year's. According to the American Gas Association, the actual cost of natural gas accounts for about 30 percent to 50 percent of consumers' gas bills, and the rest is comprised of costs related to gas processing, pipeline transportation, local distribution and customer services.

If you use distillate fuel, however, your heating costs depend on crude-oil prices, which are trading at about \$61 a barrel on the New York Mercantile Exchange. They've fallen more than 20 percent since mid-July, but now they're around where they were last winter. So, per unit costs should be about the same.

If you use electricity, there may not be much change either, even though many utility companies use natural gas to produce electricity. Utilities often lock into long-term fuel contracts, and may not have benefited from the recent price plunge.

It's also important to remember that energy markets — especially the natural gas markets — are incredibly volatile and can shift direction on a dime.

"It's the province of the angry manifestation of crowd behavior,"

said Tom Kloza, director of the Oil Price Information Service. "The (commodities market) is crazy enough, and the natural gas market's like a European soccer match."

But excepting last year, when hurricanes Katrina and Rita hit the Gulf Coast and wreaked havoc on energy prices, natural gas is typically a cheaper heating fuel for consumers than heating oil.

According to the EIA: ■ In 1950, distillate fuel oil in 1950 was used by 22 percent of homes. Now it only accounts for about 9 percent of homes, or about 9 million homes, more than 80 percent of which are located in the Northeast.

■ Electricity as a heating source has surged from less than 1 percent of homes in 1950 to more than 30 percent in recent years. Now more than 32 million homes are heated with electricity.

BIZ BUZZ

Xcel energy rates increase Monday

Xcel Energy's electric customers will be absorbing their second rate increase in two years Monday, a 1.6 percent rise that will cost an average residential customer another \$24 annually.

The North Dakota Public Service Commission approved the increase Thursday under an electric rate plan, used by Xcel and Otter Tail Power Co., that allows rate adjustments if either utility falls short of its expected earnings.

The plan, called "performance-based ratemaking," keeps track of whether each utility meets criteria for customer approval, employee safety and service reliability.

It also compares the two utilities' electricity prices with those of 29 other utilities in South Dakota, Minnesota, Montana, Wyoming, Wisconsin and Iowa.

Last year, Xcel Energy either met or exceeded its performance benchmarks, Commissioner Susan Wefald said. A PSC analysis said Xcel's return on equity was 10.9 percent, short of the 11 percent minimum it was allowed to earn. That helped justify the rate increase, Wefald said.

Wefald said the higher rates will affect both residential and commercial customers, across the board. In addition, she said, Xcel will get a one-time revenue increase of \$954,000. The Public Service Commission will decide later whether the charge will be put on one month's electric bill, or spread over four months.

Company spokeswoman Bonnie Lund said for a residential customer using 850 kilowatt-hours per month, the electric cost will rise about \$2 monthly.

asks PSC as rate hike

Energy Co. is asking the Public Service Commission permission to increase natural gas distribution

Minnesota-based utility, as about 44,000 gas customers in eastern North Dakota the rate hike would increase annual revenues 2 percent, or \$2.8 million, rising costs.

It would cost a typical residential customer \$3.51 per month, Xcel said. The impact of the bills for commercial and industrial users would depend on the type of service and amount of gas used. The proposed rate increase would raise charges only for the distillate natural gas, which is 60 percent of an average

bill. It has not filed for a natural gas rate increase since November 2004, and that proposal proposed new natural gas rate increase programs to customers lower their

the Net
xcelenergy.com

12-16-06



Public Service Commission

State of North Dakota

COMMISSIONERS

Tony Clark, President
Susan E. Wefald
Kevin Cramer

Executive Secretary
Illona A. Jeffcoat-Sacco

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Fax 701-328-2410
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February 2, 2007

Arlene Storbakken
1292-8th Ave. NE
Thompson, ND 58278

Re: NSP proposed natural gas rate increase (Case No. PU-06-525)

Dear Arlene,

Thank you for submitting comments to the Public Service Commission regarding the application from Northern States Power to increase natural gas rates in North Dakota. We appreciate your interest in this case and we will place your comments in the public input file.

I have included a copy of the Commission's Notice of Public Input Session and Notice of Hearing with this letter. You are welcome to attend any or all of these sessions. In addition, you can find information about this case, including the company's application and any testimony that has been filed, on the commission's website.

It is important to note that because this is a formal case before the Commission, both written and verbal comments submitted to the Commission, including comments made at public input sessions, are not part of the formal evidentiary record on which the decision must be based. However, the comments that are not part of the formal record may form the basis for investigation and testimony that becomes part of the formal record. Comments become part of the formal record when they are made or submitted at a formal or technical hearing, where they must be made under oath and subject to cross-examination

A more complete explanation of formal and informal comments is explained in the brochure that is included in this letter, as well as list of meeting times and locations in this case. If you need more information or are interested in intervening in a case, please contact our office or visit our Web site, www.psc.state.nd.us for more information.

Sincerely,

Tom Rafferty, Consumer Affairs and Public Outreach Specialist
328-4078

Are we now looking
at paying another
CEO a ^{big} ridiculous
way of bonus?
What about all the
retirees living on their
Social Security each
month
Lester Sturbock
1292 7th Ave NE
Thompson ND 58578

How
do you find out
who is in the
this
11/11/11
/11/11/11
/11/11/11

C. Comm
Legal
Pub (5)

Xcel Energy seeks 2.4 percent increase in natural gas rates

MINNEAPOLIS — Xcel Energy said it asked the state Public Utilities Commission on Thursday to authorize an increase in its natural gas distribution rates.

The 2.4 percent hike would raise an annual \$18.5 million while increasing the typical residential customer's monthly bill by \$4, the company said.

Xcel last filed for a natural gas rate increase in September 2004.

"This rate request addresses Xcel Energy's need to recover costs associated with system growth, providing safe and reliable natural gas service for approximately 420,000 customers, and maintaining the company's financial stability," said Dave Sparby, the company's vice president of government and regulatory affairs.

As part of its request, Xcel proposes interim rate hikes of 2 percent effective Jan. 8.

The rates would remain in effect until the PUC makes a final determination on the requested increase, with final natural gas rates put into place in late 2007.

Minnesotan replaces fallen religious leader

EDEN PRAIRIE — The Minnesota pastor who will serve as interim president of the National Association of Evangelicals is known as a calm man and a stable leader.

And the Rev. Leith Ander-

BISMARCK

Xcel asks PSC for gas rate hike

Xcel Energy Co. is asking the state Public Service Commission for permission to increase its natural gas distribution rates.

The Minnesota-based utility, which has about 44,000 gas customers in eastern North Dakota, said the rate hike would increase annual revenues about 3 percent, or \$2.8 million, to cover rising costs.

It would cost a typical residential customer \$3.51 per month, Xcel said. The impact on monthly bills for commercial and industrial users would depend on the type of service and amount of gas used.

The proposed rate increase affects charges only for the delivery of natural gas, which is about 20 percent of an average bill.

Xcel said it has not filed for a natural gas rate increase since November 2004, and that it also is proposing new natural gas conservation programs to help customers lower their bills.

■ On the Net

www.xcelenergy.com

Hoever

www.GrandForksHerald.com

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BUSINESS ROUNDUP

MINNEAPOLIS

Outgoing Xcel CEO to get \$4 million

Xcel Energy Inc. will give outgoing chairman and chief executive Wayne Brunetti a one-time \$4 million payment, according to a regulatory filing.

Brunetti announced Friday that he is stepping down as chief executive, and said he will retire as chairman on Dec. 31. His new compensation package includes \$4,050,000,

plus health-care coverage and financial planning services, according to a filing Friday with the Securities and Exchange Commission.

His former employment contract as chief executive and chairman paid him \$1,065,000 annually, a target bonus of \$1,065,000, and other incentives.

Brunetti will be succeeded as CEO by Richard Kelly, who is currently Xcel's president and chief operating officer. Kelly's pay will increase to \$920,000 from \$700,000, and he will be eligible for a larger bonus.

WASHINGTON

N.D. regulators: Xcel Energy may collect extra money from customers

Associated Press

BISMARCK — Xcel Energy may collect an extra 84 cents from each of its North Dakota residential electric customers to make up an earnings deficit, the state Public Service Commission decided.

At a meeting Friday, the commission endorsed allowing the Minneapolis utility to bill its North Dakota ratepayers for an additional 84 cents every four months beginning

customers' bills. The adjustment is normally used to account for differences in the cost of fuel that is used to generate power.

For the average residential customer, the charge will mean a 21-cent increase on each bill from September through December.

Xcel has about 85,000 North Dakota electric customers, most of whom live in Fargo, West Fargo, Minot and Grand Forks. Commissioner Susan Wefald said the

Dakota electric rates. The plan ended Dec. 31, 2005.

Under the plan, Xcel could raise its rates if its earnings were less than its revenue targets. Xcel's ability to increase rates also depended on incentives that were linked to employee safety and service reliability, and comparisons of its electric power prices to what other regional utilities charged.

The sum Xcel will be collecting in the

RATE CHANGE

We're your energy partner and want to help you understand more about the natural gas services we offer and the rates you'll see on your energy bill.

On July 1, 2005, we implemented a 1.1% overall increase in natural gas rates. The increase, only the second in 20 years, is needed to cover the increasing costs of delivering natural gas, including metering, billing, maintaining and upgrading the local distribution system.

Also, a new natural gas Delivery Services charge replaces both the Basic Service and Distribution charges on your bill. This fixed monthly charge simplifies your bill, reduces monthly fluctuations and more accurately reflects the costs of delivering gas to you.

If you have additional questions, please call us at 1-800-895-4999.

NATURAL GAS CHARGES

The amount of natural gas you use is shown on your bill in *therms*, which are measured units of 100 cubic feet (Ccf) of natural gas adjusted for pressure and heat content. The items relating to natural gas service are listed below and appear on your bill under *Gas Charges*:

Delivery Services Charge	\$15.69
Cost of Gas Charge	varies monthly
Pressure Correction Adjustment	
Heat Content Adjustment	350
City Fees	1.25
Sales Tax	438.

DELIVERY SERVICES CHARGE

The Delivery Services Charge covers costs related to delivering natural gas to your home. Those costs are not dependent on how much natural gas you consume and include metering, billing and maintenance of equipment and your account. Your monthly bill will always include this fixed Delivery Services Charge even if energy use for the month is zero.

COST OF GAS (COG) CHARGE

The COG Charge reflects the wholesale cost of natural gas purchased by Xcel Energy. Xcel Energy does not mark up these costs, but instead passes them to consumers on a dollar-for-dollar basis. Whenever Xcel Energy's natural gas suppliers change their prices either up or down, your COG charge reflects that change. Variations in the price of supplemental propane and liquefied natural gas also impact your COG charge.

PRESSURE CORRECTION ADJUSTMENT

The volume of gas you use, in Ccf, may be adjusted for pressure. When deliveries of gas are made at pressures other than base pressure, the volume of gas is changed. Therefore, a multiplier or adjustment is added to accurately determine your gas consumption. This adjustment is the gas Pressure Correction Adjustment.

HEAT CONTENT ADJUSTMENT

The volume of gas you use, in Ccf, is also adjusted for heat content. This factor is used to adjust for gas with a heat content that may be higher or lower than 1,000 BTUs.

CITY FEES

Xcel Energy collects fees or additional charges as a requirement of our franchise or other agreement with the following cities: Casselton, Fargo and Grand Forks.

SALES TAX

The charges for natural gas and city fees are subject to a 2 percent state sales tax and city sales taxes in Buffalo, Casselton, Fargo and West Fargo. Customers who are exempt from state sales tax are also exempt from city and county sales tax.

SERVICE PROCESSING CHARGE

Xcel Energy will charge \$15 for the initial establishment or reestablishment of any combination of electric or gas service for each customer. If a customer requests a disconnection and then reestablishes service at the same location within a 12-month period, additional fees apply.