



2302 Great Northern Drive
P O Box 2747
Fargo, ND 58108-2747
(701) 241-8632
dave.sederquist@xcelenergy.com

September 2, 2008

Gloria A. Geiger, Interim Director
North Dakota Public Service Commission
State Capitol Building, Dept. 408
600 East Boulevard
Bismarck, ND 58505-0480

SUBJECT: Specific North Dakota Responses to Cellnet Inquiries Made in the Minnesota
Public Utilities Commission Notice (Case No. PU-08-627)

Dear Ms. Geiger:

On August 21, 2008 Northern States Power Company, a Minnesota corporation (“Xcel Energy” or the “Company”) filed with the North Dakota Public Service Commission (the “Commission”) a copy of its response to the Minnesota Public Utilities Commission’s (“MPUC”) *Notice Directing Xcel Energy to Make a Filing and Establishing Comment Periods* in Docket No. G-002/CI-08-871. Attached please find supplementary responses to the Company’s August 21st submission.

The additional 12 responses enclosed with this correspondence provide specific information for the North Dakota jurisdiction for questions in which the Company provided Minnesota jurisdiction-specific information in its prior response. The Commission had previously requested that Xcel Energy provide corresponding North Dakota jurisdiction responses for those same questions.

To assist the Commission in reviewing these supplemental responses, the Company submits both red-line and clean versions of the applicable questions and answers here as Attachment 1 and Attachment 2, respectively. The redline version shows where these supplemental responses differ from the responses previously filed with the MPUC, and provided as copies to the Commission.

We look forward to meeting with the Commission to discuss this issue further on September 9, 2008. Please do not hesitate to call me if you have any questions. Thank you.

Sincerely,

A handwritten signature in blue ink that reads 'David H. Sederquist'.

David H. Sederquist
Sr. Consultant, Regulation & Finance
Xcel Energy

Cc: Tom Rafferty
Public Outreach Specialist

Specific North Dakota Responses to Cellnet Inquiries Made in the Minnesota Public Utilities Commission Notice

Our answers to this response will require us to discuss the interplay of various operating companies and business areas within Xcel Energy Inc. When we refer to “Xcel Energy” we are referring to enterprise wide operations related to of Xcel Energy Inc. and its subsidiaries. References to the “Company” refer to the Minnesota operations of Northern States Power Company, a Minnesota corporation, the operating company regulated by the Minnesota Public Utilities Commission. Likewise, when we are referring to the operations of the Company in all three of its state jurisdictions (Minnesota, North Dakota and South Dakota), we will refer to this as “NSPM” to describe the combined operations. If we are making references to the Xcel Energy Inc. operating company in Wisconsin and Michigan, we will refer to this as “NSPW” to describe these combined operations.

I.C. 2. On how many Minnesota North Dakota Xcel natural gas meters were the new CellNet AMR modules installed? Provide the data by customer class and by area (Saint Cloud area, Fargo area, any other identified areas, by city or zip code).

Approximately ~~64,500~~ 23,500 of the 1074 v.2 model modules were installed in Minnesota North Dakota, as shown on the following table. The 1074 v.2 model module was only installed on natural gas meters serving residential or small commercial customers.

~~See Attachment B to our Response for a list of 1074 v.2 model modules installed by zip code.~~

<u>ND Community</u>	<u>Total Installed</u>
<u>Fargo</u>	<u>12,096</u>
<u>Grand Forks</u>	<u>9,369</u>
<u>West Fargo</u>	<u>1,985</u>
<u>Horace</u>	<u>12</u>
<u>Casselton</u>	<u>10</u>
<u>Mapleton</u>	<u>6</u>
<u>Emerado</u>	<u>3</u>
<u>Buffalo</u>	<u>2</u>

<u>Oriska</u>	<u>1</u>
<u>Thompson</u>	<u>1</u>
<u>Wheatland</u>	<u>1</u>
<u>Total</u>	<u>23,486</u>

I.C. 8. How many modules have been replaced in Minnesota-North Dakota? Provide the data by month and year, customer class, and area.

As of the end of July 2008, approximately ~~23,100~~ 9,800 of the 1074 v.2 model modules have been replaced. Our efforts to remediate all of the 1074 v. 2 model modules is ongoing, and will likely continue into January 2009.

Because Cellnet does not track the specific reason for its module replacement, some portion of the replacements may have occurred for reasons other than the mechanical failure of the 1074 v.2 model module. Reasons include damage caused by storms, electrical issues, and/or communication problems.

We do not have the information by month and year, or area.

I.D.7. Describe the roles and responsibilities of Xcel and Cellnet in managing the AMR service, including operations, meter readings, and meter maintenance.

While Xcel Energy retains overall responsibility to its customers and the Commission for providing reasonable service to our customers and for complying with relevant regulations, we contract with Cellnet for many of the day-to-day services necessary for the success of our AMR operations. Specifically, Cellnet provides meter reading, maintenance and deployment services for Xcel Energy.

Meter Reading: The core function of the AMR service is to facilitate the reading of meters on a timely basis. Cellnet provides approximately 87% of the total monthly meter reads we use for billing our customers in NSPM. Xcel Energy's AMR data controls verify that the monthly read matches our premise records, ensuring the usage information is attributed to the correct customer. Any data inconsistencies are flagged for a maintenance field visit (see Maintenance below). Cellnet also provides meter reading metrics on a more frequent basis, such as the percentage of meters read each day.

Maintenance: As of ~~July 30, 2007~~, January 28, 2008, Cellnet generally provides maintenance on all residential and most small commercial ~~electric meters~~ and natural gas meter reading modules with Cellnet AMR modules in ~~Minnesota~~ North Dakota. Prior to ~~2007~~, Xcel Energy this date, Company personnel in North Dakota had all module maintenance responsibilities. Currently, should a ~~meter or natural gas~~ module be flagged as potentially problematic, regardless of the Xcel Energy work group that identifies the anomaly, a work order is created for Cellnet to go into the field and investigate the AMR natural gas module. If the AMR natural gas module ~~or electric meter~~ is malfunctioning, Cellnet will repair or replace it in the field. Should Cellnet's investigation of the module show that there is an issue with a natural gas meter, and not the module, Cellnet informs Xcel Energy who then send meter maintenance crews to investigate and repair the malfunctioning meter.

North Dakota Company personnel continue to perform all maintenance on AMR electric meter modules in North Dakota.

Deployment: Cellnet is responsible for deploying all residential and most small commercial new modules into the field as we add more AMR modules into service to expand our AMR program.

Management: We use metrics to monitor Cellnet's performance.

For meter reading, some metrics include the percent of meter reads whose data integrity is sufficient to send to our billing function, and the success of Cellnet in reading every meter every day. Also included in this metric is the Work Management report, which tracks the completion of Cellnet's field investigations of dead register flagged AMR gas meter modules. This flag is created by an evaluation on consumption provided by Cellnet. Please refer to our response to Question I.C.10 for a discussion of the Work Management Report.

For maintenance, we keep track of Cellnet's results in completing its maintenance responsibilities. We monitor Cellnet's performance in meeting agreed upon deployment schedules.

II. I. Affected customers who were on Xcel's budget billing plan would presumably have been billed the budget amount, not the consumption shown through meter readings.

1. How many of the affected customers are on budget billing plans?

~~We estimate that approximately 200 Minnesota~~ Approximately 575 North Dakota customers whose actual usage was not recorded as a result of the 1074 v. 2 model module mechanical failure ~~and who~~ were on the Averaged Monthly Payment Plan (“AMP”) at the time they were rebilled. ~~There are an additional approximately 800 Minnesota customers enrolled in AMP that are potentially affected.~~ These numbers will change after the rebill process establishes who will be rebilled, and confirm those customers that will not be rebilled.

III. A. Have all the affected Minnesota North Dakota customers served out of the Fargo office been rebilled? When was the re-billing started and when was it completed?

We do not track billing by service centers. Generally, we have rebilled Minnesota North Dakota customers affected by the 1074 v.2 model module failure from February through July ~~28,29,~~ 2008, at which time we ceased rebilling at the request of Commission staff.

III. D. What is the average unbilled consumption (in MCFs or therms) and what is the average dollar amount unbilled for residential customers in each area? For commercial customers?

Minnesota North Dakota Unbilled Residential

Estimated Average ~~Therms~~ 226 172

Estimated Billing – ~~\$258~~ \$166

Minnesota North Dakota Unbilled Commercial

Estimated Average Therms – ~~592~~ 316

Estimated Billing – ~~\$648~~ \$341

North Dakota Rebilled Residential

Average Therms– 285

Billing – \$302

North Dakota Rebilled Commercial

Average Therms–1,090

Billing – \$1,197

Please note that the estimated consumption is based on a programmatic effort, and the proposed actual rebillings may differ because they would be done manually on an account-by-account basis. The estimated billing in dollars are estimated by multiplying the estimated usage by the applicable monthly distribution rate, and cost of gas, ~~Conservation Improvement Program (CIP) Rider, State Energy Policy (SEP) Rider and low-income affordability charge~~. To estimate consumption, the program identified the potential period where the module did not transmit actual usage. From there, the program compared it to prior periods to determine an estimation of the customer's usage during this period.

III. E. What are the higher 5 residential unbilled consumption amounts and dollar amounts for residential customers in each area? For commercial customers?

The highest 5 estimated ~~Minnesota North Dakota~~ Residential unbilled consumption and dollar amounts are as follows:

Estimated Consumption (therms)	Estimated Billing
2,761	\$3,060.48
2,172	\$2,436.08
2,079	\$2,436.48
3,001	\$3,383.78
2,106	\$2,411.48
<u>1,588</u>	<u>\$1,765.21</u>
<u>910</u>	<u>\$905.39</u>
<u>578</u>	<u>\$574.89</u>
<u>553</u>	<u>\$519.36</u>
<u>537</u>	<u>\$556.13</u>

The highest estimated ~~Minnesota North Dakota~~ Commercial unbilled consumption amounts and dollar amounts are as follows:

Estimated Consumption (therms)	Estimated Billing
8,532	\$9,091.18

5,487	\$6,115.90
6,600	\$7,499.65
4,821	\$5,553.52
4,611	\$5,216.32
<u>2,465</u>	<u>\$2,821.89</u>
<u>1,350</u>	<u>\$1,472.57</u>
<u>1,288</u>	<u>\$1,339.70</u>
<u>924</u>	<u>\$1,087.37</u>
<u>663</u>	<u>\$701.41</u>

The highest 5 North Dakota Residential rebilled consumption and dollar amounts are as follows:

<u>Consumption (therms)</u>	<u>Billing</u>
<u>2,846</u>	<u>\$2,819.76</u>
<u>1,747</u>	<u>\$1,596.53</u>
<u>1,668</u>	<u>\$1,959.90</u>
<u>1,646</u>	<u>\$1,738.35</u>
<u>1,416</u>	<u>\$1,284.05</u>

The highest North Dakota Commercial rebilled consumption amounts and dollar amounts are as follows:

<u>Consumption (therms)</u>	<u>Billing</u>
<u>17,800</u>	<u>\$18,612.58</u>
<u>10,205</u>	<u>\$10,137.16</u>
<u>9,296</u>	<u>\$10,566.70</u>
<u>8,308</u>	<u>\$8,438.46</u>
<u>8,166</u>	<u>\$9,815.62</u>

Please note that the estimated consumption is based on a programmatic effort, and the proposed actual rebillings may differ because they would be done manually on an account-by-account basis. In this programmatic analysis, the top five residential customers had more days of rebillings than the average unbilled customer, and a higher use per day history. The estimated billing in dollars are estimated by multiplying the estimated usage by the applicable monthly distribution rate, and cost of gas, ~~Conservation Improvement~~

~~Program (CIP) Rider, State Energy Policy (SEP) Rider and low-income affordability charge.~~ To estimate consumption, the program identified the potential period where the module did not transmit actual usage. From there, the program compared it to prior periods to determine an estimation of the customer's usage during this period.

III. I. 2. Has Xcel identified the affected customers who received LIHEAP grants and other assistance in 2006 or 2007? Affected customers who received some level of LIHEAP or other assistance in 2008?

Yes. We ~~identified approximately:~~ have identified:

- ~~720~~ 151 customers that applied for assistance in the 2005-06 heating season.
- ~~650~~ 155 customers that applied for assistance in the 2006-07 heating season.
- ~~600~~ 149 customers that applied for assistance in the 2007-08 heating season.

These numbers will change after the rebill process establishes who will be rebilled, and confirm those customers that will not be rebilled.

III. J. What impact may the incomplete and inaccurate consumption data have on the LIHEAP program, both on an individual customer level and program-wide level, since LIHEAP uses aggregate consumption data to help develop benefit matrices?

~~We are not aware of overall LIHEAP program impacts. On an individual customer level, we have met with the Department of Commerce ("Department") and confirmed a process to approximate usage to be used for the 2008-09 heating season applications. This consumption information will be provided to the Department prior to their usage analysis for this upcoming heating season. identified 149 customers that received energy assistance and were possibly impacted by the module failure. We have since worked with the Department of Human Services to correct all assistance amounts for the 2007/2008 heating season that were originally understated as a result of lower consumption being reported during the affected period.~~

In North Dakota the LIHEAP benefit is not based entirely on the customer's actual usage but also on the size and form of dwelling, heat source, and other factors such as the number of people occupying the home. Based on a state

analysis of all heating fuels, an “Estimated Cost of Heat” table is developed to determine an estimate of the annual cost to heat particular types of dwelling units. Information from this schedule is applied to each energy assistance applicant and their specific household information. Out of this process, an energy assistance percentage is derived for each household. This percentage is applied to the actual monthly heating bills provided by the Company to compute the LIHEAP assistance amount.

III. K. Have any affected customers been taken off budget billing or other Payment plans? Has any affected customer’s service been disconnected for non-payment? Have any affected customer accounts been sent to collections?

AMP:

The Company has identified approximately ~~200 Minnesota~~575 North Dakota customers that were removed from the AMP plan as a result of rebilling activities associated with 1074 v.2 model module failure-: 218 of these customers have been reestablished.

Payment Plans/Arrangements:

The Company identified that 24 customers had their payment ~~plans~~arrangements removed. These ~~plans arrangements~~plans arrangements would have been established prior to the rebill of the account.

Disconnections:

The Company identified 9 17 customers that were disconnected for non-payment that had been rebilled as a result of the 1074 v.2 model module failure. The following is offered as a breakdown:

- 7 13 accounts were rebilled prior to being disconnected:
 - 2 11 accounts have since been restored due to payment;
 - ~~3 remain~~1 remains disconnected; and
 - 2 1 confirmed vacant.
- 2 4 accounts were rebilled after service was disconnected:
 - ~~1 was vacant at the time of disconnect; and~~
 - ~~1 account~~ 4 accounts restored due to payment.

Collection Efforts:

We are not aware of any customers referred to collections.

These numbers may change after the rebill process establishes who will be rebilled, and confirm those customers that will not be rebilled.

IV. D. Does the under collection of gas costs and associated revenues affect Xcel's CIP tracker and cost recovery filing, its monthly PGA, the calculation of the annual PGA true-up for 2007-2008, the calculation of lost and unaccounted for gas, and/or any other rate adjustments? Identify the dockets and any plans Xcel has for supplementing or changing any pending filings that may be affected.

CIP

~~The CIP tracker filed April 1, 2008 includes costs and recoveries for calendar year 2007. The tracker revenue recovery is based on calendar month sales. As a result, the filing for 2007 is missing sales for approximately 632 therms that will be corrected in 2008 if the billings occur before end of the year. Assuming the rebill is completed by the end of 2008 there should not be an impact to the April 1, 2009 filing.~~

PGA We offer a limited number of natural gas demand side management (DSM) programs in North Dakota. However, the program expenses are recovered through base rates. As such, there is no tracker and no annual cost recovery filing for the natural gas DSM programs.

Cost of Gas

The monthly ~~PGA~~Cost of Gas rider is calculated based on forecasted sales and natural gas costs; therefore it is not impacted by any actual unbilled revenue ~~does not impact the PGA.~~

Natural gas true-up/Lost and Unaccounted For (LAUF) gas

The 2007-2008 natural gas true-up ~~will be was~~ filed ~~by~~ September 2, 2008. The true-up reconciles actual natural gas expense with actual natural gas cost revenue from July 2007 to June 2008. The unbilled natural gas cost revenue from customers affected by the 1074 v.2 model module will impact the true-up and lost and unaccounted for gas calculations unless an adjustment is made. The Company ~~is evaluating the possibility of including~~has included an estimate of potential natural gas cost rebillings in the true-up ~~to be~~ filed on September 4 ~~and supplementing 2, 2008 and will update~~ the filing with actual results once this matter is resolved.

Other Rate Adjustments

~~The State Energy Policy (“SEP”) Rider rate was filed on March 3, 2008 in Docket E,G002/M-08-261. The rate calculation is based on a forecast of expenses and sales for the July 2008 – June 2009 time frame, however there is a true-up component with actual revenues through December 2007, and forecasted revenues from January through June 2008. The actual SEP revenues through December 2007 would have been missing revenues from customers affected by the 1074 v.2 model module, but since the SEP rate was only \$0.00007 per therm during this period (or \$0.06 per year for the average residential customer), the missing revenues would not have had a material impact on the proposed SEP rate. Therefore, the Company does not have plans to supplement or change the pending filing. Our March 2009 filing would reflect any rebillings that occur before the end of the year in the true up component.~~

~~The Affordability surcharge became effective February 1, 2008. Since this charge is based on usage, the tracker account balance is less than it would have been otherwise. If our proposed rebillings occur before the end of the year, the tracker balance will reflect the additional dollars.~~

V.A. 2. Explain Xcel’s use of what may be called the “dead register,” *i.e.* the list of meters that show zero usage that staff understands is generated automatically. How many gas meters were on this list on average in 2006 and 2007? How many gas meters were on this list by month from November 2007 through July 2008?

Xcel Energy’s internal dead register report, known as the “Zero Consumption report” (this name better reflects the data analyzed), identifies those meters on our system (total Xcel Energy) that show no consumption for a period of 90 days. This 90-day time period was instituted to attempt to minimize the amount of false positive dead registers that would be identified through the report. We believe this timeframe minimizes the number of usage patterns that may otherwise appear if a shorter time period were used (*i.e.* extended vacation, seasonal use of property, vacancy, etc.), which have nothing to do with a dead register.

Below is a summary of the numbers of natural gas meters on this report for Minnesota North Dakota during the requested time period:

2006 Monthly Average: ~~413~~ 18

2007 Monthly Average: 122 18

Month	Number of Meters
Nov-07	76
Dec-07	144
Jan-08	308
Feb-08	347
Mar-08	453
Apr-08	329
May-08	187
Jun-08	93
Jul-08	72

<u>Nov-07</u>	<u>22</u>
<u>Dec-07</u>	<u>38</u>
<u>Jan-08</u>	<u>92</u>
<u>Feb-08</u>	<u>49</u>
<u>Mar-08</u>	<u>36</u>
<u>Apr-08</u>	<u>65</u>
<u>May-08</u>	<u>28</u>
<u>Jun-08</u>	<u>16</u>
<u>Jul-08</u>	<u>13</u>

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I.C. 2. On how many North Dakota Xcel natural gas meters were the new CellNet AMR modules installed? Provide the data by customer class and by area (Saint Cloud area, Fargo area, any other identified areas, by city or zip code).

Approximately 23,500 of the 1074 v.2 model modules were installed in North Dakota, as shown on the following table. The 1074 v.2 model module was only installed on natural gas meters serving residential or small commercial customers.

ND Community	Total Installed
Fargo	12,096
Grand Forks	9,369
West Fargo	1,985
Horace	12
Casselton	10
Mapleton	6
Emerado	3
Buffalo	2
Oriska	1
Thompson	1

Wheatland	1
Total	23,486

**I.C. 8. How many modules have been replaced in North Dakota?
Provide the data by month and year, customer class, and area.**

As of the end of July 2008, approximately 9,800 of the 1074 v.2 model modules have been replaced. Our efforts to remediate all of the 1074 v. 2 model modules is ongoing, and will likely continue into January 2009.

Because Cellnet does not track the specific reason for its module replacement, some portion of the replacements may have occurred for reasons other than the mechanical failure of the 1074 v.2 model module. Reasons include damage caused by storms, electrical issues, and/or communication problems.

We do not have the information by month and year, or area.

I.D.7. Describe the roles and responsibilities of Xcel and Cellnet in managing the AMR service, including operations, meter readings, and meter maintenance.

While Xcel Energy retains overall responsibility to its customers and the Commission for providing reasonable service to our customers and for complying with relevant regulations, we contract with Cellnet for many of the day-to-day services necessary for the success of our AMR operations. Specifically, Cellnet provides meter reading, maintenance and deployment services for Xcel Energy.

Meter Reading: The core function of the AMR service is to facilitate the reading of meters on a timely basis. Cellnet provides approximately 87% of the total monthly meter reads we use for billing our customers in NSPM. Xcel Energy's AMR data controls verify that the monthly read matches our premise records, ensuring the usage information is attributed to the correct customer. Any data inconsistencies are flagged for a maintenance field visit (see Maintenance below). Cellnet also provides meter reading metrics on a more frequent basis, such as the percentage of meters read each day.

Maintenance: As of January 28, 2008, Cellnet generally provides maintenance on all residential and most small commercial natural gas meter reading modules with Cellnet AMR modules in North Dakota. Prior to this date, Company personnel in North Dakota had all module maintenance responsibilities. Currently, should a natural gas module be flagged as potentially problematic, regardless of the Xcel Energy work group that identifies the anomaly, a work order is created for Cellnet to go into the field and investigate the AMR natural gas module. If the AMR natural gas module is malfunctioning, Cellnet will repair or replace it in the field. Should Cellnet's investigation of the module show that there is an issue with a natural gas meter, and not the module, Cellnet informs Xcel Energy who then send meter maintenance crews to investigate and repair the malfunctioning meter.

North Dakota Company personnel continue to perform all maintenance on AMR electric meter modules in North Dakota.

Deployment: Cellnet is responsible for deploying all residential and most small commercial new modules into the field as we add more AMR modules into service to expand our AMR program.

Management: We use metrics to monitor Cellnet's performance.

For meter reading, some metrics include the percent of meter reads whose data integrity is sufficient to send to our billing function, and the success of Cellnet in reading every meter every day. Also included in this metric is the Work Management report, which tracks the completion of Cellnet's field investigations of dead register flagged AMR gas meter modules. This flag is created by an evaluation on consumption provided by Cellnet. Please refer to our response to Question I.C.10 for a discussion of the Work Management Report.

For maintenance, we keep track of Cellnet's results in completing its maintenance responsibilities. We monitor Cellnet's performance in meeting agreed upon deployment schedules.

II. I. Affected customers who were on Xcel's budget billing plan would presumably have been billed the budget amount, not the consumption shown through meter readings.

1. How many of the affected customers are on budget billing plans?

Approximately 575 North Dakota customers whose actual usage was not recorded as a result of the 1074 v. 2 model module mechanical failure were on the Averaged Monthly Payment Plan (“AMP”) at the time they were rebilled. These numbers will change after the rebill process establishes who will be rebilled, and confirm those customers that will not be rebilled.

III. A. Have all the affected North Dakota customers served out of the Fargo office been rebilled? When was the re-billing started and when was it completed?

We do not track billing by service centers. Generally, we have rebilled North Dakota customers affected by the 1074 v.2 model module failure from February through July 29, 2008, at which time we ceased rebilling at the request of Commission staff.

III. D. What is the average unbilled consumption (in MCFs or therms) and what is the average dollar amount unbilled for residential customers in each area? For commercial customers?

North Dakota Unbilled Residential

Estimated Average Therms – 172

Estimated Billing – \$166

North Dakota Unbilled Commercial

Estimated Average Therms – 316

Estimated Billing – \$341

North Dakota Rebilled Residential

Average Therms– 285

Billing – \$302

North Dakota Rebilled Commercial

Average Therms–1,090

Billing – \$1,197

Please note that the estimated consumption is based on a programmatic effort, and the proposed actual rebillings may differ because they would be done manually on an account-by-account basis. The estimated billing in dollars are estimated by multiplying the estimated usage by the applicable monthly distribution rate, and cost of gas. To estimate consumption, the program

identified the potential period where the module did not transmit actual usage. From there, the program compared it to prior periods to determine an estimation of the customer's usage during this period.

III. E. What are the higher 5 residential unbilled consumption amounts and dollar amounts for residential customers in each area? For commercial customers?

The highest 5 estimated North Dakota Residential unbilled consumption and dollar amounts are as follows:

Estimated Consumption (therms)	Estimated Billing
1,588	\$1,765.21
910	\$905.39
578	\$574.89
553	\$519.36
537	\$556.13

The highest estimated North Dakota Commercial unbilled consumption amounts and dollar amounts are as follows:

Estimated Consumption (therms)	Estimated Billing
2,465	\$2,821.89
1,350	\$1,472.57
1,288	\$1,339.70
924	\$1,087.37
663	\$701.41

The highest 5 North Dakota Residential rebilled consumption and dollar amounts are as follows:

Consumption (therms)	Billing
2,846	\$2,819.76
1,747	\$1,596.53
1,668	\$1,959.90

1,646	\$1,738.35
1,416	\$1,284.05

The highest North Dakota Commercial rebilled consumption amounts and dollar amounts are as follows:

Consumption (therms)	Billing
17,800	\$18,612.58
10,205	\$10,137.16
9,296	\$10,566.70
8,308	\$8,438.46
8,166	\$9,815.62

Please note that the estimated consumption is based on a programmatic effort, and the proposed actual rebillings may differ because they would be done manually on an account-by-account basis. In this programmatic analysis, the top five residential customers had more days of rebillings than the average unbilled customer, and a higher use per day history. The estimated billing in dollars are estimated by multiplying the estimated usage by the applicable monthly distribution rate, and cost of gas. To estimate consumption, the program identified the potential period where the module did not transmit actual usage. From there, the program compared it to prior periods to determine an estimation of the customer's usage during this period.

III. I. 2. Has Xcel identified the affected customers who received LIHEAP grants and other assistance in 2006 or 2007? Affected customers who received some level of LIHEAP or other assistance in 2008?

Yes. We have identified:

- 151 customers that applied for assistance in the 2005-06 heating season.
- 155 customers that applied for assistance in the 2006-07 heating season.
- 149 customers that applied for assistance in the 2007-08 heating season.

These numbers will change after the rebill process establishes who will be rebilled, and confirm those customers that will not be rebilled.

III. J. What impact may the incomplete and inaccurate consumption data have on the LIHEAP program, both on an individual customer level

and program-wide level, since LIHEAP uses aggregate consumption data to help develop benefit matrices?

We identified 149 customers that received energy assistance and were possibly impacted by the module failure. We have since worked with the Department of Human Services to correct all assistance amounts for the 2007/2008 heating season that were originally understated as a result of lower consumption being reported during the affected period.

In North Dakota the LIHEAP benefit is not based entirely on the customer's actual usage but also on the size and form of dwelling, heat source, and other factors such as the number of people occupying the home. Based on a state analysis of all heating fuels, an "Estimated Cost of Heat" table is developed to determine an estimate of the annual cost to heat particular types of dwelling units. Information from this schedule is applied to each energy assistance applicant and their specific household information. Out of this process, an energy assistance percentage is derived for each household. This percentage is applied to the actual monthly heating bills provided by the Company to compute the LIHEAP assistance amount.

III. K. Have any affected customers been taken off budget billing or other Payment plans? Has any affected customer's service been disconnected for non-payment? Have any affected customer accounts been sent to collections?

AMP:

The Company has identified approximately 575 North Dakota customers that were removed from the AMP plan as a result of rebilling activities associated with 1074 v.2 model module failure; 218 of these customers have been reestablished.

Payment Arrangements:

The Company identified that 4 customers had their payment arrangements removed. These arrangements would have been established prior to the rebill of the account.

Disconnections:

The Company identified 17 customers that were disconnected for non-payment that had been rebilled as a result of the 1074 v.2 model module failure. The following is offered as a breakdown:

- 13 accounts were rebilled prior to being disconnected:
 - 11 accounts have since been restored due to payment;
 - 1 remains disconnected; and
 - 1 confirmed vacant.

- 4 accounts were rebilled after service was disconnected:
 - 4 accounts restored due to payment.

Collection Efforts:

We are not aware of any customers referred to collections.

These numbers may change after the rebill process establishes who will be rebilled, and confirm those customers that will not be rebilled.

IV. D. Does the under collection of gas costs and associated revenues affect Xcel's CIP tracker and cost recovery filing, its monthly PGA, the calculation of the annual PGA true-up for 2007-2008, the calculation of lost and unaccounted for gas, and/or any other rate adjustments? Identify the dockets and any plans Xcel has for supplementing or changing any pending filings that may be affected.

CIP

We offer a limited number of natural gas demand side management (DSM) programs in North Dakota. However, the program expenses are recovered through base rates. As such, there is no tracker and no annual cost recovery filing for the natural gas DSM programs.

Cost of Gas

The monthly Cost of Gas rider is calculated based on forecasted sales and natural gas costs; therefore it is not impacted by any actual unbilled revenue.

Natural gas true-up/Lost and Unaccounted For (LAUF) gas

The 2007-2008 natural gas true-up was filed September 2, 2008. The true-up reconciles actual natural gas expense with actual natural gas cost revenue from July 2007 to June 2008. The unbilled natural gas cost revenue from customers affected by the 1074 v.2 model module will impact the true-up and lost and unaccounted for gas calculations unless an adjustment is made. The Company has included an estimate of potential natural gas cost rebillings in the true-up

filed on September 2, 2008 and will update the filing with actual results once this matter is resolved.

V.A. 2. Explain Xcel’s use of what may be called the “dead register,” *i.e.* the list of meters that show zero usage that staff understands is generated automatically. How many gas meters were on this list on average in 2006 and 2007? How many gas meters were on this list by month from November 2007 through July 2008?

Xcel Energy’s internal dead register report, known as the “Zero Consumption report” (this name better reflects the data analyzed), identifies those meters on our system (total Xcel Energy) that show no consumption for a period of 90 days. This 90-day time period was instituted to attempt to minimize the amount of false positive dead registers that would be identified through the report. We believe this timeframe minimizes the number of usage patterns that may otherwise appear if a shorter time period were used (*i.e.* extended vacation, seasonal use of property, vacancy, etc.), which have nothing to do with a dead register.

Below is a summary of the numbers of natural gas meters on this report for North Dakota during the requested time period:

2006 Monthly Average: 18

2007 Monthly Average: 18

Month	Number of Meters
Nov-07	22
Dec-07	38
Jan-08	92
Feb-08	49
Mar-08	36
Apr-08	65
May-08	28
Jun-08	16
Jul-08	13