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PUBLIC SERVICE COMMISSION

August 14, 2009

—VIA ELECTRONIC FILING—

Burl W. Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, Minnesota 55101

RE: REPLY COMMENTS  
INACCURATE GAS METERS, RECALCULATION OF BILLS, AND RELATED ISSUES  
DOCKET NO. G-002/CI-08-871

Dear Dr. Haar:

Northern States Power Company, a Minnesota corporation ("Xcel Energy" or the "Company") submits this Reply to Comments from the Minnesota Office of Energy Security ("OES") dated August 7, 2009 in the above-referenced Docket.

We have served a copy on the Minnesota Attorney General's Office- Residential Utilities Division and all parties on the attached service lists.

Please contact me at (612) 330-6064 if you require any additional information.

Sincerely,

/s/

BRIA SHEA  
CASE SPECIALIST

Enclosures

c: Service List

50 PU-08-627 Filed: 8/21/2009 Pages: 7  
MN PUC Docket G-002-CI-08-871 NSP Reply to MN  
OES 8-7-09 Comments

Northern States Power Company

Bria Shea, Case Specialist

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

David Boyd	Chair
J. Dennis O'Brien	Commissioner
Thomas Pugh	Commissioner
Phyllis Reha	Commissioner
Betsy Wergin	Commissioner

IN THE MATTER OF AN INVESTIGATION  
INTO NORTHERN STATES POWER  
COMPANY, A MINNESOTA CORPORATION,  
INACCURATE GAS METERS,  
RECALCULATION OF BILLS, AND RELATED  
ISSUES

DOCKET NO. G-002/CI-08-871

**REPLY COMMENTS**

**INTRODUCTION**

Northern States Power Company, a Minnesota corporation ("Xcel Energy" or the "Company") submits to the Minnesota Public Utilities Commission (the "Commission") this Reply to the August 7, 2009 Comments of the Minnesota Office of Energy Security ("OES") in the above-referenced Docket.

**REPLY**

We appreciate the Comments from the OES and their recommendation that the Commission approve our request, with minor modifications and further clarification. We provide below our Reply Comments that respond to the modifications and clarifications requested by the OES.

**A. Affected Customers**

The OES suggests that as we review the accounts of customers who were rebilled from February through July 2008, we err in favor of the customer by providing a refund if there is any question as to whether the customer was rebilled due to the 1074 v.2 issue. We clarify that before suspending our rebill efforts at the end of July 2008, we had rebilled 1,361 Minnesota customers, and intend to refund all of these customers.

## **B. Rebilling Queue**

The OES requests that we clarify whether we intend to rebill customers in the rebilling queue, if we determine that they were not affected by the 1074 v.2 module issue.

We first established the rebilling queue in response to Commission Staff's request to cease rebilling of customers affected by the 1074 v.2 module issue at the end of July 2008. The purpose of the queue was to protect customers potentially affected by the module failure issue until this Docket was resolved. We note that although all 1074 v.2 model modules were effectively remediated by December 31, 2008,<sup>1</sup> out of an abundance of caution, we have also held rebilling of non-1074 v.2 module natural gas customers until this issue was resolved.<sup>2</sup>

While we agree that the customers in the rebilling queue have all experienced some level of lag in rebilling, at some point, we need to resume rebilling related to our normal business operations, and we believe that it is appropriate to rely on our tariffs and the Commission's rules; clearly, those customers placed in the rebilling queue following the completed remediation of the 1074 v.2 issue have experienced less lag. We will work with parties to determine an appropriate cut-off date or other resolution that addresses the customers in the rebilling queue.

## **C. Dispute Resolution Proceeds**

We agree with the OES recommendation that we file a report with the Commission summarizing the results of the Cellnet dispute resolution process, and detail our proposed disposition of any resulting proceeds. In our April 17, 2009 Reply Comments, we proposed to do this within 60 days of any final resolution or disposition of the ongoing dispute resolution process.

## **D. Refund Reporting**

In addition to our proposed refund reporting, the OES would like us to indicate whether the rebilling/refund actions affected customers' enrollment in Automatic Pay Plan, Averaged Monthly Payment Plan, and E-Bill.

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<sup>1</sup> As of December 31, 2008, a few 1074 v.2 modules remained in the field due to customer access issues, but were fully remediated as of February 28, 2009.

<sup>2</sup> As stated in our March 6, 2009 Amended Petition in this Docket, because we would normally determine the specific module type at the time we analyze the account information and field order for rebilling, we have not initiated rebilling for *any* natural gas customer with a Cellnet AMR meter resulting from module- or meter-related issues during the rebilling hold period. We continue to hold all rebilling resulting from module- or meter-related issues for all natural gas customers with Cellnet-automated AMR modules until we receive a Commission decision in this Docket.

We will provide a count of customers enrolled in each of the above-referenced Programs at the time of the initiation of the refund process, and a count at the point at which we are reporting the results of the refund process. But, we note that we do not expect any impact to Program participant customers as a result of this refund – and that a change in Program participation may not be indicative of the effectiveness of our communications about the refund. As such, in our interaction with Program participant customers, we will document any customers requesting to be removed from a Program(s), and additionally provide that information in our post-Refund report.

#### **E. Customer Communication**

We appreciate the edits the OES provided on our customer communications, and confirm that we will work with the Consumer Affairs Office of the Commission on our customer communications in advance of our implementation, pending Commission approval.

#### **CONCLUSION**

The Company appreciates the comments of the OES. We offer these Reply Comments, and respectfully request the Commission approve our Request to Withdraw, as supplemented in this filing.

Dated: August 14, 2009

Northern States Power Company,  
a Minnesota corporation

RESPECTFULLY SUBMITTED,

/s/  
BY: \_\_\_\_\_  
ALLEN KRUG  
MANAGING DIRECTOR  
GOVERNMENT AND REGULATORY AFFAIRS

**CERTIFICATE OF SERVICE**

I, Carole A. Wallace, hereby certify that I have this day served copies of the foregoing document on the attached list of persons by delivery by hand or by causing to be placed in the U.S. mail at Minneapolis, Minnesota.

**DOCKET NO. G-002/CI-08-871**

Dated this 14th day of August 2009

/s/

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Carole A. Wallace

Investigation into Northern States Power for  
Inaccurate Gas Meters, Recalculation of Bills  
and Related Issues.

G002/CI-08-871  
8-11-2009

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