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October 13, 2025

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

Re: Public Comment on Xcel electric rate case (Docket PU-24-376)

Commissioners:

On behalf of its members in the Xcel Energy electric service territory, AARP has the following comments on the electric rate case. We are concerned about the size of the utility's proposal to raise electricity rates. Here are our comments on the utility's proposal:

The customer charge should not be increased from \$15.00 per month to \$21.50 per month

AARP urges the PSC to reject the proposal to increase the monthly customer charge from \$15.00 to a significantly higher \$21.50 per month – among the highest requests AARP has seen nationwide. The current charge is already too high.

High fixed charges make it more difficult to control your energy bill. We disagree with utility accounting methods that put more costs for recovery into the fixed customer charge.

The overall rate increase of 19.34% is too high and should be reduced

The overall rate increase that Xcel has proposed for residential customers is too high and unfairly burdensome and needs further auditing and scrutiny. Xcel claims the average residential increase should be 19.34%, which is nearly 86% of all North Dakota energy users, in comparison to industrial or commercial businesses. Concurrently, we would oppose Walmart's suggestion to shift more of the increase to residential customers.

The requested rate of return is also too high

The utility's allowed rate of return is essentially the utility's profit. The ROE of 10.30% is too high. The national average is 9.6%. The overall increase requested would raise Xcel Energy's revenue by \$44.5 million, while adding \$270 to the yearly costs for the average ND customer.

Costs associated with Minnesota policies

ND ratepayers should not have to pay costs associated with compliance with MN policy (Sherco and King unit retirements, new battery plant, etc.). ND does not have policies supporting these actions. They should be recovered from customers in states that are driving this. Retiring power plants prematurely and replacing them with new plants appears to be a driver of the large increase.

The public comment process

Finally, we applaud the Public Service Commission for offering multiple options for public comment, including in-person locations in Bismarck, Fargo, Grand Forks and Minot, along with phone and email options. AARP supports a public comment process that makes it easier for public comments to become part of the official record of a utility rate case. Most consumers don't have excess time in their day, so offering two time slots and additional ways to participate indicates to us that the PSC acknowledging their voices and time should be prioritized and respected.

In summary, this proposal contains several elements that AARP opposes on behalf of our members and ratepayers more generally. We appreciate this opportunity to comment.

Thank you for your time-

A handwritten signature in blue ink, appearing to read 'Josh Askvig', with a stylized flourish at the end.

Josh Askvig
State Director