

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott	Chair
Edward A. Garvey	Commissioner
Marshall Johnson	Commissioner
LeRoy Koppendrayner	Commissioner
Phyllis A. Reha	Commissioner

In the Matter of an Investigation into Informing  
Customers of the Costs of Generation and  
Delivery of Electricity

ISSUE DATE: March 22, 2002

DOCKET NO. E-999/CI-01-1127

ORDER REQUIRING DISCLOSURE OF  
COST INFORMATION AND  
ESTABLISHING COMMENT PERIOD

**PROCEDURAL HISTORY**

On February 1, 2001, Northern States Power Company (NSP) d/b/a Xcel Energy (Xcel) petitioned for authorization to display the cost of its electric transmission and distribution on customer bills (Docket No. E-002/M-01-166).

On February 16, 2001, Otter Tail Power (OTP) petitioned for authorization to display the cost of its electric generation, transmission and distribution on electric service bills (Docket No. E-017/M-01-234).

On August 8, 2001, the Commission issued an ORDER DENYING PETITIONS AND INITIATING INVESTIGATION. The Order denied OTP's and Xcel's petitions without prejudice and directed OTP and Xcel to meet with other parties to design a Minnesota-wide uniform approach to reasonably inform their customers of the cost of electric generation and delivery.

On December 16, 2001, the Minnesota Department of Commerce (the Department) filed a Work Group Progress Report and Proposal with the Commission.

The Commission met on February 28, 2002 to consider this matter.

## FINDINGS AND CONCLUSIONS

### **I. THE DEPARTMENT'S WORK GROUP PROGRESS REPORT AND PROPOSAL**

The Department reported that several parties<sup>1</sup> met on November 9, 2001 to design a Minnesota-wide uniform approach to disclosing energy generation and delivery costs. See the Department's Report for more details.

The parties recommended that the Commission require each utility to submit compliance filings showing how it developed the relative cost proportions they intend to report on customer billings and adopt the following procedure:

1. First, individual utilities would file proposals to implement rate unbundling as discussed above 90 days after the Commission issues an Order in the instant docket.
2. Second, interested parties would provide comments (and potentially reply comments) on the methods proposed by the utilities.
3. Third, the Commission would consider the filings proposed by each utility.
4. Finally, utilities would make compliance filings to implement the Commission's Order in their docket.

### **II. COMMISSION ACTION**

The Commission has reviewed the recommendations of the Work Group and finds them appropriate. The Commission will adopt them and, as the first step, require the individual utilities to file, within 90 days of this Order, proposals to disclose energy generation and delivery costs. Interested parties will be given 30 days (120 days from the date of this Order) to file comments. Thereafter, the Commission will meet to consider the utilities' proposals.

## ORDER

1. Within 90 days of this Order, individual utilities shall file proposals to disclose energy generation and delivery costs.
2. Within 120 days of this Order, interested parties may file comments.

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<sup>1</sup> The Minnesota Chamber of Commerce, Minnesota Energy Consumers, Minnesota Power, the Residential and Small Business Utility Division of the Attorney General's Office, Otter Tail Power Company, Xcel Energy, and the Minnesota Department of Commerce.

3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

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