

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendraye	Chair
Marshall Johnson	Commissioner
Ken Nickolai	Commissioner
Phyllis A. Reha	Commissioner
Gregory Scott	Commissioner

In the Matter of Xcel Energy Proposed  
Reliability Performance Standards for 2003

ISSUE DATE: April 8, 2004

DOCKET NO. E-002/M-03-520

ORDER ACCEPTING REVISED SERVICE  
QUALITY PERFORMANCE REPORT AND  
APPROVING REVISED SERVICE QUALITY  
GOALS FOR 2003

**PROCEDURAL HISTORY**

On or about April 1, 2003 each rate-regulated utility<sup>1</sup> filed historical reliability data (outages) as required by Minn. Rules, Part 7826.0600 for their service territory, as well as by work center. In addition, Dakota Electric Association (Dakota) voluntarily filed this information about its service. The companies filed in the following order:

Minnesota Power Company (MP): March 20, 2003  
Otter Tail Power Company (OTP): March 28, 2003  
Dakota Electric Association (Dakota): March 28, 2003  
Interstate Power & Light Company (Interstate): April 1, 2003  
Xcel Energy (Xcel): April 1, 2003

On June 2, 2003, the Minnesota Department of Commerce (the Department) filed comments regarding Xcel's April 1, 2003 filing in the current docket.

On June 12, 2003, Xcel filed comments accepting the Department's recommendations.

On June 19, 2003, the Company filed revised proposed reliability standards for 2003 for each of its work centers.

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<sup>1</sup> Cooperative and Municipal utilities are not required to file reliability or service quality data with the Commission under Minnesota Rules 7826.0600, Subpart 1. Dakota Electric Association voluntarily filed under the rule.

On November 21, 2003, the Commission issued its ORDER ACCEPTING SERVICE QUALITY PERFORMANCE REPORTS AND APPROVING SERVICE QUALITY GOALS FOR 2003 with respect to each of the above-listed companies except Xcel.

The Commission met to consider this matter on March 23, 2004.

## FINDINGS AND CONCLUSIONS

### I. XCEL'S INITIAL FILING

Xcel provided historical, storm-normalized SAIDI<sup>2</sup>, SAIFI<sup>3</sup>, and CAIDI<sup>4</sup> figures for each of its four work centers and for its Minnesota territory as a whole.<sup>5</sup> Xcel's historical reliability data reflected transmission, substation, and distribution levels of its system for three years of data and included momentary outages.

Xcel proposed the following goals for its four work centers:

Work Center	SAIDI	SAIFI	CAIDI
Metro East	103.36	0.94	115.34
Metro West	115.44	1.03	118.13
Northwest	154.49	1.27	129.51
Southeast	108.97	0.96	116.57

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<sup>2</sup> **System average interruption duration index or SAIDI:** system average interruption duration index or "SAIDI" means the average customer-minutes of interruption per customer. It is determined by dividing the annual sum of customer-minutes of interruption by the average number of customers served during the year, using storm-normalized data.

<sup>3</sup> **System average interruption frequency index or SAIFI.** System average interruption frequency index or "SAIFI" means the average number of interruptions per customer per year. It is determined by dividing the total annual number of customer interruptions by the average number of customers served during the year, using storm-normalized data.

<sup>4</sup> **Customer average interruption duration index or CAIDI.** Customer average interruption duration index or "CAIDI" means the average customer-minutes of interruption per customer interruption. It approximates the average length of time required to complete service restoration. It is determined by dividing the annual sum of all customer-minutes of interruption durations by the annual number of customer interruptions, using storm-normalized data.

<sup>5</sup> By definition, SAIDI divided by SAIFI equals CAIDI.

## II. THE DEPARTMENT'S RECOMMENDATION

The Department stated that it learned through an Information Request that the Company has an internal storm-normalization process that uses a 5-year outage history and does not use momentary outages, consistent with Minn. Rules, Part 7826.0200, subpt. 5 which defines interruption as an outage lasting longer than 5 minutes. The Department recommended that Xcel use its internal storm-normalization process, amended to eliminate the removal of extreme outlying days, when normalizing the data used in relevant future reports required under Minn. Rules, Chapter 7826.

The Department also recommended that Xcel be required to discuss, in its April 1, 2004 Reliability Report, the effects of this process change, as well as any other changes that have the potential to affect the comparability of future data with the historical data already provided.

In addition, the Department recommended that the Commission accept the Company's filing and set appropriate reliability goals for 2003 consistent with its comments.

## III. XCEL'S RESPONSE

Xcel accepted the Department's recommendation that the Company base its 2003 reliability standards on its most recent five-year historical data and use a modified version of its current internal storm-normalization process in calculating its reliability statistics. Accordingly, it submitted revised storm-normalized reliability performance data for 1998-2002 for each of its four work centers and proposed revised reliability standards for 2003 for each work center.

## IV. COMMISSION ANALYSIS AND ACTION

The Commission finds that the Department's recommendations are well founded and reasonable and that the Company's revised filing submitted June 19, 2004 are consistent with those recommendations. The Commission will therefore accept Xcel's revised annual Service Quality and Reliability Report and approve the service quality goals as recalculated by the Company.

### ORDER

1. The Commission hereby accepts Xcel's revised annual Service Quality and Reliability Report and approves the following service quality goals for 2003 as recalculated by the Company filed June 19, 2003:

#### **Xcel's 2003 Reliability Goals**

<b>Work Center</b>	<b>SAIFI</b>	<b>CAIDI</b>	<b>SAIDI</b>
Metro East	1.31	152.44	200.20
Metro West	1.26	138.67	173.02
Northwest	1.16	125.59	144.68
Southeast	0.96	135.98	135.85

2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

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