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Xcel Energy Information Request No. 1-1
Docket No.: EL20-015
Response To: South Dakota Public Utilities Commission
Requestor: South Dakota Public Utilities Commission Staff
Date Received: September 9, 2020

Question:

Please provide updated tracker tables for the 2020 Forecast and 2021 Forecast that reflect the 2020 actual DSM expenses and DSM recoveries known to date in order to support the proposed rate of \$0.000529/kWh for 2021 as noted in the filing on page 1.

Response:

We have updated the 2020 and 2021 tracker table with actual expenditures for April through August. Based on this update our proposed rate increased from \$0.000477/kWh in 2020 to \$0.000529/kWh for 2021. This is an increase from our original 2019 Annual Report filing of \$0.000002.

As part of this response we have updated Attachment E1-E4, including the updated trackers for 2019 and 2020, as a result of change.

The updated calculation is as follows:

[CONFIDENTIAL DATA BEGINS HERE]

[CONFIDENTIAL DATA ENDS HERE]

This calculation results in a rate that would recover the sum of the beginning balance, approved expenditures and estimated incentives over the January 1, 2020 – December 31, 2021 period. This rate of **[CONFIDENTIAL DATA BEGINS HERE]**

CONFIDENTIAL DATA ENDS HERE] would result in a negative balance because it does not consider carrying charges, which are negative for several months during 2021. To get as close to a possible \$0 balance by December 31, 2021, the rate was incrementally decreased to reflect future inclusion of carrying charges, until the balance approached \$0 without going negative. The resulting rate is **\$0.000529 per customer kWh**.

REVISED:

We have updated the 2020 and 2021 tracker table with actual expenditures for April through August. Based on this update our proposed rate increased from \$0.000477/kWh in 2020 to \$0.000528/kWh for 2021. This is an increase from our original 2019 Annual Report filing of \$0.000001.

As part of this response we have updated Attachment E1-E4, including the updated trackers for 2019 and 2020, as a result of change.

The updated calculation is as follows:

[CONFIDENTIAL DATA BEGINS HERE

CONFIDENTIAL DATA ENDS HERE]

This calculation results in a rate that would recover the sum of the beginning balance, approved expenditures and estimated incentives over the January 1, 2020 – December 31, 2021 period. This rate of **[CONFIDENTIAL DATA BEGINS HERE**

CONFIDENTIAL DATA ENDS HERE] would result in a negative balance because it does not consider carrying charges, which are negative for several months during 2021. To get as close to a possible \$0 balance by December 31, 2021, the rate was incrementally decreased to reflect future inclusion of carrying charges, until the balance approached \$0 without going negative. The resulting rate is **\$0.000528 per customer kWh**.

In compliance with South Dakota Admin. R. 20:10:01:40, we have clearly marked each page of the confidential version with the term “CONFIDENTIAL”. A public non-confidential version is also being filed simultaneously.

Pursuant to South Dakota Admin. R. 20:10:01:41, the Company submits the following justification for confidential treatment of Information Request No. 1 and Attachment E2.

(1) An identification of the document and the general subject matter of the materials or the portions of the document for which confidentiality is being requested;

We request confidential treatment on the grounds that the material is proprietary and contains trade secret information, the disclosure of which would result in material damage to the Company’s financial or competitive position. The petition contains financial information that is not available to the general public.

(2) The length of time for which confidentiality is being requested and a request for handling at the end of that time. This does not preclude a later request to extend the period of confidential treatment;

The Company requests that the petition be recognized as confidential in perpetuity.

(3) The name, address, and phone number of a person to be contacted regarding the confidentiality request;

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(4) The statutory or common law grounds and any administrative rules under which confidentiality is requested. Failure to include all possible grounds for confidential treatment does not preclude the party from raising additional grounds in the future;

The Company requests confidential treatment because the information is both trade secret and proprietary. The claim for confidential treatment is based on South Dakota Admin. R. 20:10:01:39 (4) and S.D. Codified Laws Chapter 1-27-30. The information

contained within the referenced documents meets the definition of “trade secret” under S.D. Codified Laws Chapter 37-29-1(4)(1), the South Dakota Uniform Trade Secrets Act, which is defined as information that “[d]erives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and... is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.” The information also meets the definition of “proprietary information” under S.D. Codified Laws Chapter 1-27-28, which is defined as “information on pricing, costs, revenue, taxes, market share, customers, and personnel held by private entities and used for that private entity's business purposes.”

(5) The factual basis that qualifies the information for confidentiality under the authority cited.

Consistent with the terms of the Settlement Stipulation approved by the Commission in the Company’s 2012 electric rate case (Docket EL12-046), the rate of return on equity is confidential.

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Date: September 28, 2020, Revised November 2, 2020