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Xcel Energy Data Request No. 3-2  
Docket No.: EL19-019  
Response To: South Dakota Public Utilities Commission  
Requestor: Eric Paulson  
Date Received: October 25, 2019

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Question:

Provide an updated DSM filing, including updating all tables and charts in the original filing, using the most recent 2019 IRP numbers as well as updating the heat pump water heater rebate to \$300.

Response:

Adjusting the rebate levels for the Water Heater Program impacts our Proposed 2020 Proposed Plan. The budget for the program is reduced by \$2,100 and increases the portfolio TRC ratio to 1.61. We have included updated documents showing these adjustments.

- Table 5 – Executive Summary Table of 2020 Forecast
- Attachment E – Executive Summary Table 2020 & Cost Benefit Analyses<sup>1</sup>

In addition, the small budget impact has adjusted our DSM Rider request. Based on this update our proposed rate has decreased from \$0.000479 to \$0.000477.

As part of this response we have also updated Attachment D<sup>2</sup>, including the updated trackers for 2019 and 2020, as a result of this change.

The updated calculation is as follows:

**[CONFIDENTIAL DATA BEGINS HERE]**

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<sup>1</sup> We have provided updates to the Cost Benefit Analysis for Water Heater Rebates, the Residential Portfolio, and Full DSM Portfolio.

<sup>2</sup> Per Commission Staff request, we have broken out Attachment D into Attachments D1-D4.

**CONFIDENTIAL DATA END HERE]**

This calculation results in the rate that would recover the sum of the beginning balance, approved expenditures, and estimated incentives over the Jan 1, 2020 - Dec 31, 2020 period. This rate of **[CONFIDENTIAL BEGINS HERE CONFIDENTIAL ENDS HERE]** would result in a negative balance because it does not consider carrying charges, which are negative for several months. To get as close as possible to a \$0 balance by Dec 31, 2020, the rate was incrementally decreased to reflect future inclusion of carrying charges, until the balance approached \$0 without going negative. This results in a rate of \$0.477 MWh or \$0.000477 per kWh.

In accordance with South Dakota Admin. R. 20:10:01:39 through 42, Xcel Energy respectfully requests confidential treatment of certain information contained in this Information Request as well as the trackers in Attachment A. In compliance with South Dakota Admin. R. 20:10:01:41, we have clearly marked Attachment A with the term “CONFIDENTIAL”. A public non-confidential version will be filed simultaneously.

Pursuant to S.D. Codified Laws Chapter 20:10:01:41, the Company submits the following justification for confidential treatment of this data request.

**(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 trade secret information, the disclosure of which would result in material damage to the Company’s financial or competitive position. The data request 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, which is an input in deriving the weighted average cost of capital, is confidential.

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Date: November 5, 2019