



Tea Area School District No. 41-5

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January 9, 2023

Public Utilities Commission
500 E. Capitol Avenue
Pierre, SD 57501

RECEIVED

FEB 17 2023

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

RE: Xcel Energy Rate Increase Docket EL22-017

Public Utility Commissioners:

The Tea Area School District would like to go on record as opposing the proposed rate increase by Xcel Energy docket number EL22-017. The proposed rate increase of 55.8% on our usage and demand billing resulting in a 17.9% increase in our total billing seems excessive. While we understand that everyone's expenses are going up due to various economic factors, as a school district we cannot afford to see rates increase that extreme.

Our general fund budget is comprised of 82% for salaries and benefits and 18% for operational expenses. Of that 18% for operations over 15% is electrical expenses from Xcel Energy. If the 17.9% increase is approved, the Xcel energy share of our operations budget will climb to over 18% or an additional \$70,000+ per year. The governor has proposed a 5% increase to schools for education in her 2023-24 budget address. Xcel Energy's rate increase would take up approximately 50% of the increase in our operations budget leaving the other half of the budget increase to be divided between supplies, repairs, fuel and other utility bills. All of these other expenses are also increasing at or above the rate of inflation.

Public school districts in the state are essentially on a fixed income dictated by the state legislature. The Tea Area School District cannot absorb that kind of a rate increase from Xcel Energy without making significant cuts to other areas of the budget including personnel. We ask that the Commission greatly reduce the amount of the rate increase requested.

Thank you for your consideration in this matter.

Sincerely,

Kristen Daggett - Tea Area School Board, President

Conrad Pick, Jason Bennett, Tara Johanneson, Chad Meyer - Tea Area School Board

Jennifer Lowery – Superintendent, Chris Esping – Business Manager, Wayne Larsen – Operations Director

"To Educate and Empower each student for success in a global society."