

From: Annette Velazquez [REDACTED]
Sent: Tuesday, February 17, 2026 11:51 AM
To: PUC-PUC <PUC@state.sd.us>
Subject: [EXT] Public Comment - Docket EL25-024 (Xcel Energy Rate Request) - Annette Velazquez

Docket Number: EL25-024

Company: Xcel Energy

Commenter's Full Name: Annette Velazquez

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To the Commissioners and Staff of the South Dakota Public Utilities Commission,

I am submitting this comment regarding Xcel Energy's pending rate case in Docket EL25-024 and, more broadly, to request the Commission's review of current disclosure practices for material billing events.

As documented in my recent correspondence with Consumer Affairs Manager Deb Gregg, my January 2026 bill from Xcel Energy included two significant and unprecedented increases: the Fuel Cost Charge rate increased nearly sixfold from the previous month, and the Interim Rate Adjustment increased from \$2.98 to \$97.20. For a customer with an electric-heated home, using significantly more than the "typical" 750 kWh per month, these combined charges resulted in a bill increase of several hundred dollars.

My concern, which I feel has not been fully addressed, is not with the legality of these adjustments but with the proportionality and clarity of the disclosure to customers who are disproportionately affected.

1. Disproportionate Impact: The public notice provided by Xcel, which focuses on a "typical residential customer" using 756 kWh, is misleading for a significant portion of its customer base. Electric heat customers using 2,000-3,000+ kWh in the winter months experience a financial impact that is two to three times greater than the "average" cited in the notice. The Commission's own rules acknowledge different rate classes, yet the public messaging does not adequately convey the real-world impact on these identifiable sub-groups.

2. Material Change Disclosure: While Ms. Gregg correctly states that no law or rule requires additional notice for fuel cost changes based on a threshold, the absence of a requirement does not mean current practices are in the public interest. A nearly 600% increase in a single rate component in one month constitutes a material billing event. The current bill format buries this change among minor riders, providing no context, no explanation of the cause, and no indication of its expected duration. This lack of clear communication undermines customer trust and the ability to manage household budgets.

3. Customer Service Gaps: My initial attempts to get an explanation from Xcel Energy were met with confusion and references to minor line items, not the major drivers of the increase. This indicates that even customer service representatives may not be equipped to clearly explain these complex rate adjustments, further highlighting the need for clearer, upfront bill design.

I appreciate Ms. Gregg's detailed explanations of the various charges and the confirmation that my correspondence would be shared with Xcel for training purposes. However, my request is for the Commission itself to consider whether its mandate "to regulate utilities in the public interest" is being fully served by the current disclosure rules.

I respectfully request that the Commissioners review whether enhanced disclosure standards are warranted when interim rate adjustments or fuel cost charges result in bill increases that are disproportionately higher for specific customer classes, such as those with electric heat. Clearer, more targeted communication on the bill itself—rather than a generic notice—would better serve the public and ensure customers understand the significant changes driving their energy costs.

Thank you for your time and consideration of this matter. I request that this comment, along with the full history of my correspondence with Ms. Gregg, be entered into the docket record for EL25-024.

Sincerely,

Annette Velazquez

Sioux Falls, SD

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