

**STATE OF SOUTH DAKOTA
BEFORE THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION OF
NORTHERN STATES POWER COMPANY
FOR APPROVAL OF APPROVAL OF
ADVANCED METERING INFRASTRUCTURE
METER-RELATED TARIFF CHANGE

DOCKET NO. EL24-____

**PETITION TO MODIFY ADVANCED
METER RELATED TARIFFS**

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits to the South Dakota Public Utilities Commission this Petition requesting modifications to South Dakota Electric Rate Book Section 6, Sheets 14 and 15. This request will align with how Advanced Metering Infrastructure (AMI) meters are read in comparison to legacy meters, as the tariffs we seek to modify specifically address the Company's obligations related to allowing customers to self-read their meters.

The new AMI meters that we are in the process of deploying (rollout expected to be complete by the end of 2025) do not permit customers to self-read like legacy meters did, because of the way they collect, maintain, and display usage data. For this reason, we are proposing modifications to the related Tariffs.

We specifically request that the Commission approve the following:

- A modification to South Dakota Electric Rate Book Section 6, Sheet 14.
- A modification to South Dakota Electric Rate Book Section 6, Sheet 15.

Attachment A is included with this Petition in redline and clean format:

REQUIRED INFORMATION

We provide the following information in accordance with South Dakota Administration Rule 20:10:13:26, the tariff schedule change notification requirements.

(1) Name and Address of the Public Utility

Northern States Power Company
500 West Russell Street
Sioux Falls, SD 57104
(605) 339-8350

(2) Section and Sheet Number of Tariff Schedule

We provide our proposed tariff updates as Attachment A to this filing in both redlined and clean formats, as follows:

Section 6, Sheet 14, revision 3 – Monthly Billing
Section 6, Sheet 15, revision 2 – Estimated Bills

(3) Description of the Tariff Change

The Company proposes to revise language related to customer self-reading of meters in South Dakota Electric Rate Book Section 6, Sheets 14 and 15, to align with the changing technology, to update bill pay options, and for clarity. The Company proposes the modifications set forth below from our Tariff: red underline for additions, strikethroughs for removals:

3.3 MONTHLY BILLING

Bills will normally be rendered monthly and may be paid by mail, or electronic or phone options ~~or at the office of the Company~~, or to the Company's ~~its~~ duly authorized agents during regular business hours. A “month”, as used for billing purposes, does not mean a calendar month, but means the interval between two consecutive periodic meter reading dates which are, as nearly as practicable, at 30 day intervals. The Company may read certain meters less frequently than once each billing month ~~for customers under the Company's self meter reading procedure, or when the Company and customers otherwise mutually agree~~, except that a the Company ~~representative~~ will read the meter at least once every each 12 months. If the billing period is longer or shorter than the normal billing period by more than four days, the bill shall be prorated on a daily basis except for the November, December, January, and February billing periods whereby the bill shall be prorated on a daily basis whenever the billing period is less than 25 days or more than 40 days.

3.7 ESTIMATED BILLS

An estimated bill will be rendered if impractical for the Company to read the meter ~~or customer fails to supply a meter reading form~~ in time for the billing operation or in cases of emergency. An adjustment, if any, will be made in the bill based on the next meter reading.

It is appropriate to request these modifications as, due to the way AMI meters collect, store, and display data, customers will no longer be able to self-read meters. Finally, we have updated our monthly billing section to reflect our current practices of how customers pay for bills. We will submit a compliance filing with the final tariffs within 10 days of the Commission Order.

(4) Reason for the Requested Change

The Company is in the process of replacing our legacy Automated Meter Reading (AMR) meters with AMI meters, and we expect to complete the rollout by the end of 2025. AMI meters register and display energy consumption differently than legacy AMR meters. The AMR meters counted and recorded consumption from the installation date of the meter, and usage for billing purposes was calculated by subtracting the previous meter “register” reading from the current register reading. This is a common historical energy billing practice for utilities to bill customers on kilowatt-hour (kWh) consumption only (non-demand) type rates. It relies on rudimentary meter functionality that registers and accumulates usage of each kilowatt hour (kWh) used over time. Readings for these types of meters generally occur once each month, and result in customers being billed for the number of kWh used over the course of that billing period. The billed usage is derived by the utility’s billing system subtracting the previous month’s cumulative kWh from the latest month’s cumulative kWh. This cumulative usage value was viewable to customers on the face of the meter. This means that customers with AMR meters were able to self-read their usage by simply reporting the latest reading to the utility, and we were able to use the cumulative kWh consumption they reported for that billing period to determine the bill.

In contrast to the legacy AMR meters, the AMI meters the Company is deploying, record usage differently and as a result, facilitate enhanced information for customers, and advanced rate and billing options that we noted in our cost recovery request for AMI. For example, advanced meters record electricity consumption for defined time periods, typically in 5-, 15-, 30-, or 60-minute increments, known as intervals. This change to interval billing as part of our AMI deployment for non-demand customers aligns the billing basis for all customers. Today’s advanced meters measure and store the consecutive interval information and – with communication capabilities afforded by systems such as the Company’s Field Area Network (FAN) that is being deployed concurrent with AMI meters – transmit the information to the Company’s systems to calculate customer bills using the interval usage data. Interval billing provides customers with significantly more granular information about how they use electricity and ultimately facilitates broad advanced rate offerings.

As soon as a customer receives their AMI meter, the basis of their bill transitions to energy usage “intervals” recorded by the AMI meters. This means that, as soon as their new meter is installed, our bills to customers with AMI meters are no longer based on the register subtractive method used for AMR meters, and, for two reasons,

customers who have received their AMI meter can no longer self-read. First, and most importantly, only the latest interval is displayed on the face of the AMI meter and visible to the customer. As a result, there is no way for an individual customer to view and report their energy consumption for an entire billing period without Company assistance, and self-reading of AMI meters is therefore not possible. Second, even if the meter still displayed the “register” read, it could not be used for billing because it would not match their billing basis.

With legacy AMR meters, it was very uncommon for a customer to request to self-read their meter. In 2023, zero South Dakota customers requested to manually read their AMR meter, so this change will have little impact on our customers. There may be occasional, limited duration incidents where the Company is unable to obtain a read from an AMI meter. In these cases, there will be no option for customers to self-read, and a Company technician will need to access the meter to gather the customer’s usage information using specialized equipment.

There is no statutory requirement or state rule that requires the Company to provide customers with a self-read option.¹ As a result, the Company believes that we do not need to request a permanent variance and have not included a request for variance with this filing. The Company simply seeks to modify its tariffs to accurately align with the meter reading capabilities of AMI meters.

(5) Present Rate

Not applicable.

(6) Proposed Rate

Not applicable.

(7) Proposed Effective Date of Modified Rate

The Company proposes that the revised tariffs be effective as soon as the Commission approves them. Customers would be able to self-read until they receive their new AMI meter.

¹ South Dakota Rule 20:10:17:02 states that a “utility *may* permit the customer to supply the meter reading on a form provided by the utility.”

(8) Approximation of Annual Increase in Revenue

Not applicable.

(9) Points Affected

All areas served by Xcel Energy in South Dakota.

(10) Estimation of the Number of Customers whose Cost of Service will be Affected and Annual Amounts of either Increases or Decreases, or both, in Cost of Service to those Customers

Not applicable.

(11) Statement of Facts, Expert Opinions, Documents, and Exhibits to Support the Proposed Changes

Please see the Company's response to Section 4, Reason for the Requested Change.

COMMUNICATIONS REGARDING FILING

Utility Employee Responsible for Filing

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500 W. RUSSELL STREET
SIOUX FALLS, SD 57104
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(605) 339-8350

We request that all communications regarding this proceeding, including data requests, also be directed to:

Christine Schwartz
Regulatory Administrator
Xcel Energy
414 Nicollet Mall – 401, 7th Floor
Minneapolis, MN 55401
Regulatory.Records@xcelenergy.com

CONCLUSION

Because customer self-reading of meters will no longer be possible due to the configuration and capabilities of the new AMI meters, we respectfully request that the Commission approve the following:

- A modification to South Dakota Electric Rate Book Section 6, Sheet 14.
- A modification to South Dakota Electric Rate Book Section 6, Sheet 15.

Dated: May 3, 2024

Northern States Power Company