

HELP WITH PAYING YOUR BILL

If you are having trouble making regular payments on your Xcel Energy account, contact us as soon as possible. We'll work with you to arrange a payment plan and connect you to other resources that can help.

WHAT IS THE PROCESS FOR REVIEWING XCEL ENERGY'S REQUEST?

The MPUC, the Minnesota Department of Commerce - Division of Energy Resources, the Office of the Attorney General - Residential Utilities Division, public interest groups, and large commercial and industrial customer groups will investigate our proposal.

The MPUC will hold public hearings and accept written comments about our rate increase request. Customers and others will be able to comment on our rate increase request at the public hearings. You may add verbal comments, written comments, or both into the record. Notice of the public hearing dates and locations will be published in local newspapers, included in monthly bills, and at:

https://www.xcelenergy.com/company/rates_and_regulations/filings/minnesota_natural_gas_rate_proposal. (Make sure "Minnesota" is selected in the top left-hand corner.)

MORE INFORMATION

Xcel Energy's current and proposed rate schedules are available at:

Xcel Energy

Web: <https://www.xcelenergy.com/MNGasRates>

Phone: 800-895-4999

414 Nicollet Mall

Minneapolis, MN 55401

Minnesota Department of Commerce

Web: <https://www.edockets.state.mn.us/EFiling/search.jsp>. Select 23 in the year field, enter 413 in the number field, click on Search, and the list of documents will appear on the next page.

U.S. Mail: 85 7th Place East, Suite 280,
St. Paul, MN 55101

Phone: 651-539-1500 or 800-657-3602

Citizens with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.

SUBMIT COMMENTS

The Minnesota Public Utilities Commission is asking customers to comment on Xcel Energy's request for a rate increase. Send comments to, or contact the MPUC's Consumer Affairs Office for assistance with submitting comments:

Minnesota Public Utilities Commission

Online: <https://mn.gov/puc/get-involved/public-comments/>

Be sure to reference docket number 23-413.

U.S. Mail: 121 7th Place East, Suite 350,
St. Paul, MN 55101

Phone: 651-296-0406 or 800-657-3782

IMPORTANT

Comments will be made available to the public on the MPUC's website, except in limited circumstances consistent with the Minnesota Government Data Practices Act. The MPUC does not edit or delete personally identifying information from submissions.



XCEL ENERGY MINNESOTA NATURAL GAS RATES

**Interim Change in Natural Gas Rates
Starting January 1, 2024**

XCEL ENERGY'S RATE INCREASE REQUEST

Xcel Energy has asked the Minnesota Public Utilities Commission (MPUC) for permission to increase its natural gas rates by approximately 9.6% or \$59.03 million. Xcel Energy's last request for an increase to natural gas rates was in 2021.

State law allows Xcel Energy to collect higher rates on an interim (temporary) basis while the MPUC reviews Xcel Energy's request. The interim rate increase for 2024 is 8.5% or \$51.2 million, over current rates. Because this increase only applies to the base rate portion of customers' bills exclusive of fuel costs and certain rate riders, the interim rate request is uniformly billed as a 20.89% increase of that portion of the bill, or \$6.06 per month for an average residential customer. This increase appears on your bill as an interim rate adjustment.

Typically, final rates become effective within 10 months of the date of the Application, unless the review period is extended by the MPUC. If final rates are lower than interim rates, Xcel Energy will refund customers the difference with interest. If final rates are higher than interim rates, Xcel Energy will not charge customers the difference.



WHY IS XCEL ENERGY ASKING FOR AN INCREASE?

A number of factors are driving the need for this case. The Company has continued to make capital investments in its natural gas system since its last rate case and continues to incur costs to serve its customers. Recovering these costs is critical to the Company's ability to continue to provide safe, reliable, and affordable natural gas service to its customers long into the future. At the same time, unprecedented inflation has affected the cost of our operations, from materials and supplies to paying our employees and contractors. In addition, labor shortages, coupled with wage increases and supply chain shortages and delays across industries, have impacted how the Company must manage its operations and labor.

WHAT IS XCEL ENERGY DOING TO CONTROL COSTS?

Xcel Energy's average residential natural gas rates are among the lowest in the nation, and residential natural gas rates will remain among the lowest if this proposal is approved. We are committed to doing all we can to keep costs low for our customers while delivering the safe, reliable energy they depend on. To do so, we are:

- Reviewing and monitoring our business to minimize operating and maintenance cost increases.
- Leading the nation with our energy conservation programs that help customers manage their energy use and save money on their bills.
- Working with local and state agencies that provide energy assistance to low-income customers.

HOW WILL THE RATE CHANGE AFFECT MONTHLY BILLS?

The proposed rate increase will affect individual monthly bills differently, depending on natural gas use and customer type. The proposed rate increase affects only those charges that recover the cost of providing service to our customers – approximately 45% of your total bill. This rate increase does not affect the wholesale cost of the gas, which is passed on to you directly without markup. Your monthly bills will continue to vary due to changes in the wholesale cost of natural gas and individual natural gas use.

The typical residential gas customer uses 73 therms per month. On average, the proposed \$59.03 million rate change would increase the bill for a typical residential natural gas customer by \$6.93 per month or \$83.16 annually.

PROPOSED CHANGES FOR MONTHLY NATURAL GAS BASE RATES

The following chart shows the current and proposed customer charge and distribution charge for each customer class with average natural gas usage.

PROPOSED CHANGES FOR MONTHLY NATURAL GAS BASE RATES				
Customer Class	Present Monthly Customer Charge	Proposed Monthly Customer Charge	Present Distribution Charge (per therm)	Proposed Distribution Charge per Ccf (or therm)
Residential	\$9.00	\$11.00	\$0.274927	\$0.376599
Small Commercial	\$20.00	\$30.00	\$0.219738	\$0.278538
Large Commercial	\$50.00	\$50.00	\$0.184101	\$0.265771
Small Demand - Commodity	\$175.00	\$175.00	\$0.084775	\$0.145368
Small Demand - Demand			\$0.882000	\$0.932000
Large Demand - Commodity	\$275.00	\$275.00	\$0.084775	\$0.145368
Large Demand - Demand			\$0.882000	\$0.932000
Small Interruptible Tier I	\$150.00	\$170.00	\$0.148846	\$0.205463
Small Interruptible Tier II	\$150.00	\$170.00	\$0.148846	\$0.184917
Medium Interruptible Tier I	\$300.00	\$300.00	\$0.084775	\$0.145368
Medium Interruptible Tier II	\$300.00	\$300.00	\$0.084775	\$0.130831
Large Interruptible Tier I	\$450.00	\$450.00	\$0.079765	\$0.130725
Large Interruptible Tier II	\$450.00	\$450.00	\$0.079765	\$0.117653
Large Firm Transport	\$300.00	\$300.00	\$0.084775	\$0.145368
Large Firm Transport - Dmd			\$0.882000	\$0.932000
Small Interruptible Transport	\$175.00	\$195.00	\$0.148846	\$0.205463
Medium Interruptible Transport	\$325.00	\$325.00	\$0.084775	\$0.145368
Large Interruptible Transport	\$475.00	\$475.00	\$0.079765	\$0.130725
Large Interruptible Transport combined with Negotiated	\$300.00	\$300.00	\$0.031725	\$0.031725

The chart below shows the effect of the interim and proposed rate change on monthly bills for customers with average natural gas usage.

AVERAGE MONTHLY BILLS				
Customer Class	Average Monthly Usage in Ccf (or therms)	Average Monthly Bill – Current Rates	Average Monthly Bill – Interim Rates	Average Monthly Bill – Proposed Rates
Residential	73	\$67	\$73	\$74
Small Commercial	186	\$157	\$169	\$173
Large Commercial	1,311	\$968	\$1,029	\$1,059
Small Demand	7,765	\$5,403	\$5,763	\$5,825
Large Demand	17,821	\$11,861	\$12,615	\$12,818
Small Interruptible	6,639	\$3,620	\$3,858	\$3,932
Medium Interruptible	46,065	\$20,958	\$21,836	\$23,163
Large Interruptible	713,546	\$313,983	\$325,968	\$341,268
Large Firm Transport**	133,497	\$18,990	\$22,602	\$25,702
Small Interruptible Transport**	6,639	\$1,248	\$1,491	\$1,559
Medium Interruptible Transport**	195,706	\$19,406	\$22,940	\$28,774
Large Interruptible Transport**	2,098,693	\$71,065	\$85,037	\$93,580

**Transportation classes bill estimates do not include the cost of gas