

Electric Rate Savings

Minnesota and North Dakota control period guidelines

Peak-Controlled Tier 2 Rate

Control Periods

We offer the peak-controlled tier 2 rate discount to customers who agree to control their demand at our request. The discount is available through our Electric Rate Savings program. Control periods for peak-controlled tier 2 service customers historically have occurred during the summer months, June 1 through September 30. However, control periods may be called at any time of the year. Unforeseeable weather and energy demand that occurs may impact actual control period times. Control period history is a good indicator of future interruptions but it is not a guarantee.

Peak-controlled rate customers are divided into odd-day and even-day and are each assigned to a subgroup 1, 2, or 3 to manage control day needs and minimize back-to-back control periods. If only one group is required for the control period, then only one group is called. As shown with past interruptions, there may still be times when we will require more than one if not all control groups to control their electric demand.

Consistently hot, humid weather may require that more than one if not all control groups be called for a control period, usually when the Xcel Energy system is operating at peak demand. In general, control days are called when the daily temperature and/or heat index cause customers to use more energy than normal, or when system conditions warrant.

Notification of a Control Period

Xcel Energy will notify customers of a control period as early as possible. We use a flexible, completely automated notification system that allows each customer to designate up to three unique contacts. Each contact may have up to four different methods or types of communication including phone, cell phone, e-mail, numeric pager, text message/page or fax. Our notification system allows faster notification in formats that match your need for information even if you're not able to answer your phone.

Our notification system also can dial extension numbers, allowing us to reach you automatically even if you don't have a direct-dial phone number. The end result for you is notification

**FOR UP-TO-DATE
CONTROL PERIOD INFORMATION CALL:**

Odd-day Group 1, 2, 3 1-800-824-8429 (MN)

Even-day Group 1, 2, 3 1-800-545-3970 (MN & ND)

within minutes of when we declare a control period. This faster notification will give you more time to plan and respond to curtailments.

How will we notify you?

Each customer will be asked to provide:

- A work phone number (including extension, if applicable)
- A home phone number
- And then choose two other methods of contact (either cell phone, email, numeric page, text message/page or fax).

Xcel Energy will immediately send an e-mail, numeric page and text page to all contacts when a control event is called. Numeric pagers will be sent a toll-free hotline number to call and hear details about the control period. Xcel Energy will attempt to reach all of the numbers provided at predefined five-minute intervals. Attempts to reach a particular number will stop if a message is played to a voice or answering system or after five minutes of trying to reach the same number (at least three attempts will be made during this five-minute period).

All attempts to reach a customer will stop when a positive acknowledgement is received or after all attempts to reach the customer at all numbers provided are exhausted. Because the system plays a recorded message with instructions, a person (not a recording or voice mail) must answer the phone and respond to the instructions. If all attempts to reach a customer fail, and a subsequent control period violation occurs, penalties will be enforced.

Periodic test calls will be performed to verify customer contact phone numbers. These notification test calls generally occur in the spring.

Since control periods may occur on any day throughout the year or during off peak hours, please be certain the contact phone numbers you provide to Xcel Energy contain off-hour contacts, including weekends and holidays.

Penalty for Not Reaching Your PDL

The penalty charge for not reaching your predetermined demand level (PDL) is \$8 per kW in excess of your PDL for each specified control period. The penalty is calculated by multiplying the \$8 penalty charge by the maximum kW in excess of your PDL for each control period.

In addition, you do not receive the peak-controlled tier 2 rate discount on the maximum kW in excess of your PDL for that billing cycle.

For example:				
Date	PDL	Peak Demand	Excess Demand	Penalty Charge
8/26	50	60 kW	10 kW	\$8 x 10 = \$80
8/28	50	70 kW	20 kW	\$8 x 20 = \$160
Total monthly penalty charges — \$240				

Plus, in this example, the penalty also will include paying full price for demand charge for 70 kW.

Therefore, the total penalty in the example is about \$240 plus the full price for the additional demand charge of 20kW.

Note: If multiple control periods occurred in one billing cycle, the customer could incur multiple penalties. Higher demands will yield a significantly higher penalty.

Control Period Scenarios

Xcel Energy determines control probability each morning using the daily peak load forecast. Control period notification typically occurs in the morning, however control periods can be initiated at any time if system conditions warrant. Below are four scenarios that may occur:

1. No control periods are needed for that day.
2. On a **normal peak day**, only the scheduled odd or even control group and subgroups will be called, and the control period will last approximately 4 to 8 hours but may vary depending on system conditions.

3. On a **borderline system peak day**, the scheduled odd or even group and subgroups are called to begin controlling. If it appears that those groups called first are not enough to meet system requirements, the unscheduled group and subgroups will be called. The second control period generally would begin in the afternoon.
4. On a **system peak day**, all control groups will be called, typically in the morning and all generally will control demand for approximately 4 to 8 hours but may vary depending on system conditions. System reliability issues can occur at any time, and system peak days can occur during any season.

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