

Direct Testimony and Schedules  
W. Kile Husen

Before the Minnesota Public Utilities Commission  
State of Minnesota

In the Matter of the Application of Northern States Power Company  
for Authority to Increase Rates for Gas Service in Minnesota

Docket No. G002/GR-21-678  
Exhibit\_\_\_(WKH-1)

**Employee Expenses**

November 1, 2021

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I. INTRODUCTION

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- Q. PLEASE STATE YOUR NAME AND OCCUPATION.
- A. My name is William Kile Husen. I go by “Kile.” I am Director of Process Government and Performance within the Supply Chain business area for Xcel Energy Services Inc. (XES or the Service Company), which provides services to Northern States Power Company (Xcel Energy, NSPM, or the Company).
- Q. PLEASE SUMMARIZE YOUR QUALIFICATIONS AND EXPERIENCE.
- A. I have nearly 20 years of experience with Xcel Energy in the supply chain management area and previous experience at other companies leading financial and financial systems areas. In my current role, I direct the team that leads the system implementations and process oversight function for Xcel Energy’s Supply Chain organization, including the Company’s credit card program, the SumTotal expense reporting system, the supply chain portions of SAP, and the fleet management systems. I also have budgetary responsibilities for the Supply Chain organization. My resume is provided as Exhibit\_\_\_(WKH-1), Schedule 1.
- Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?
- A. I provide support for the amount of employee expenses requested for recovery in this rate case as well as the Employee Expense Report (EER) Schedules filed by the Company in compliance with Minnesota law and the commitments made in our prior electric rate cases, which are all new requirements and commitments since our last Minnesota natural gas rate case was filed in 2009 (Docket No. G-002/GR-09-1153). In the 2011 test year electric rate case (Docket No.

1 E002/GR-10-971),<sup>1</sup> the Company made several commitments to improve the  
2 review, tracking, and documentation of employee expenses. My testimony, the  
3 EER Schedules, and data we are providing in this gas rate case comply with the  
4 commitments made in the test year 2011 electric rate case and subsequent  
5 electric rate cases, Orders of the Minnesota Public Utilities Commission  
6 (Commission), and Minnesota Statutes § 216B.16, subd. 17 (Employee Expense  
7 Statute). These commitments are similarly applicable to the State of Minnesota  
8 Gas Jurisdiction and this is the first time that we apply these commitments to  
9 the gas jurisdiction in a rate case. The EER Schedules are provided in **Volume**  
10 **3 Required Information, Section IV Other Required Information, Tab 2.**

11  
12 Additionally, my testimony provides support for the Supply Chain business  
13 area's fleet capital investments for 2022. The budgeted capital additions for fleet  
14 functions are \$4.5 million in 2022 for the State of Minnesota Gas Jurisdiction.

15  
16 Q. WHAT IS THE EMPLOYEE EXPENSE AMOUNT FOR THE 2022 TEST YEAR?

17 A. The Employee Expense Amount for the test year 2022 is approximately \$1.3  
18 million for the State of Minnesota Gas Jurisdiction. This amount is based on  
19 the Company's budgeting process, which is a forward-looking projection of  
20 future projects, costs, and operating needs. Employee expenses are part of the  
21 overall O&M budgets of our various business areas and the Company does not  
22 prepare a separate budget for employee expenses. The Employee Expense  
23 Amount of \$1.3 million is the combined amount of employee expenses included  
24 in 2022 business area budgets.

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<sup>1</sup> Docket No. E-002/GR-10-971, *In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in the State of Minnesota.*

1 Q. DOES THE COMPANY PROPOSE AN ADJUSTMENT TO THIS AMOUNT?

2 A. Yes, as I discuss in more detail in Section IV, consistent with past electric rate  
3 cases we propose an Employee Expense Adjustment of approximately \$0.2  
4 million. As a result of subtracting this adjustment from the Employee Expense  
5 Amount, we are requesting recovery for approximately \$1.1 million for  
6 employee expenses for the test year 2022. The Employee Expense Adjustment  
7 compensates for transactions that are likely to be non-recoverable and is  
8 considered to be representative of such transactions that could occur in 2022.  
9 Company witness Mr. Benjamin Halama reflects this \$0.2 million adjustment in  
10 his Direct Testimony.

11

12 Q. IS THE METHODOLOGY TO DEVELOP THE 2022 TEST YEAR EMPLOYEE EXPENSE  
13 AMOUNT AND EMPLOYEE EXPENSE ADJUSTMENT CONSISTENT WITH PAST  
14 PRACTICE?

15 A. Yes, for the most part. We have used the process of adjusting the Employee  
16 Expense Amount by subtracting an Employee Expense Adjustment – which  
17 was largely developed through work with the Office of the Minnesota Attorney  
18 General (OAG) – in each of the Company’s electric rate cases since 2010. This  
19 methodology is also consistent with the Employee Expense Statute that became  
20 effective in May 2010 and its requirement to compile EER Schedules based on  
21 the most recently completed fiscal year. However, due to the unprecedented  
22 impact of the COVID-19 pandemic on the actual 2020 employee expenses, we  
23 have modified the method to develop the Employee Expense Adjustment for  
24 the 2022 test year. For this case, the Company proposes to apply a -13.7 percent  
25 adjustment factor to its budgeted 2022 employee expenses to establish the  
26 Employee Expense Adjustment. I explain in detail below in Section IV how

1 the Company derived this proposed adjustment factor and why it is reasonable  
2 to use in this case.

3  
4 Q. HOW HAVE YOU ORGANIZED THE REMAINDER OF YOUR TESTIMONY?

5 A. My testimony is organized in the following sections:

- 6 • Section II: *Definition and Governance of Employee Expenses*. Discusses the  
7 definition of employee expenses; reporting requirements under the  
8 Employee Expense Statute; the Company's Travel and Employee  
9 Expense Reimbursement Policy 10.2 (Employee Expense Policy); and  
10 commitments made in our past electric rate cases.
- 11 • Section III: *Employee Expense Reporting*. Describes the Company's  
12 employee expense reporting and provides details of SumTotal, other  
13 systems, and internal controls.
- 14 • Section IV: *Employee Expense Amount, Employee Expense Adjustment, and*  
15 *EER Schedules*. Explains the statutorily required EER Schedules, the  
16 Employee Expense Amount based on business area budgets, and the  
17 Employee Expense Adjustment that removes likely unrecoverable  
18 expenses from the test year.
- 19 • Section V: *Employee Expense Review and Development of EER Schedules*.  
20 Explains in detail how the actual 2020 employee expense transactions  
21 were reviewed to remove items that are likely not recoverable, including  
22 key word search and identification of vague business purposes,  
23 transactions inconsistent with the Employee Expense Policy, and  
24 transactions not generally needed for the provision of utility service.
- 25 • Section VI: *Fleet Capital Investments*. Supports the Company's budget for  
26 fleet capital additions under Supply Chain's Fleet organization.

- 1           • Section VII: *Compliance Item on Lobbying Compensation*. Describes the
- 2           Company's compensation for employees engaged in lobbying and
- 3           explains the costs included and excluded in the rate request.
- 4           • Section VIII: *Conclusion*.

5

6       **II. DEFINITION AND GOVERNANCE OF EMPLOYEE EXPENSES**

7

8       Q. HOW DOES THE COMPANY DEFINE EMPLOYEE EXPENSES?

9       A. Employee expenses are those operation and maintenance (O&M) expenditures

10       that are:

- 11           (1) tracked in our employee expense reporting system;
- 12           (2) subject to the guidelines in the Company's Employee Expense Policy;
- 13           and
- 14           (3) consistent with the categories set forth in the Employee Expense Statute.

15

16       Examples of employee expenses are airfare, hotel stays, car rental, mileage on

17       personal vehicles used for work purposes, parking, meals for business purposes,

18       and recognition for the work performed by Company employees to provide safe

19       and reliable service to customers.

20

21       Q. IN GENERAL, ARE THE COMPANY'S EMPLOYEE EXPENSES NEEDED FOR THE

22       PROVISION OF UTILITY SERVICE?

23       A. Yes. At times, Company business requires that our employees work at locations

24       other than their offices or primary work locations, attend training, or meet with

25       our customers and stakeholders. For example, employees incur expenses when

26       they work in the field to ensure the reliability of the Company's facilities and

27       equipment, manage workers across our eight-state service territory, or travel to

1 attend conferences or training to maintain their knowledge base. For these  
2 types of activities, Company employees incur expenses as guided by the  
3 Employee Expense Policy.

4  
5 Q. WHAT ARE THE STATUTORY REPORTING REQUIREMENTS REGARDING  
6 EMPLOYEE EXPENSES?

7 A. The Employee Expense Statute establishes the primary regulatory reporting  
8 requirements for employee expenses. The statute requires the Company to  
9 provide, when filing a general rate case, schedules separately itemizing:

- 10 (1) travel and lodging expenses;  
11 (2) food and beverage expenses;  
12 (3) recreational and entertainment expenses;  
13 (4) expenses (and compensation) for board of directors;  
14 (5) expenses (and compensation) for the ten highest paid officers and  
15 employees;  
16 (6) dues and expenses for memberships in organizations or clubs;  
17 (7) gift expenses;  
18 (8) expenses related to owned, leased, or chartered aircraft; and  
19 (9) lobbying expenses.

20  
21 For items (1) and (2), the Company is required to separately provide data for  
22 employees who are at the vice president-level and above. Employee expense  
23 transaction data must be from the most recently completed fiscal year and  
24 include the date, amount, business purpose, and vendor for the expense.

1 Q. PLEASE DESCRIBE THE COMPANY’S EMPLOYEE EXPENSE POLICY?

2 A. The Travel and Employee Expense Reimbursement Policy (Corporate Policy  
3 10.2) (Employee Expense Policy) provides the guidelines applicable to all non-  
4 bargaining-unit and bargaining-unit employees who incur travel or other  
5 business-related expenses. The current version of the Employee Expense  
6 Policy is provided in Exhibit\_\_\_\_(WKH-1), Schedule 2. We revised the  
7 Employee Expense Policy in January 2020, February 2020, and March 2021.  
8 For the January 2020 revisions, we conducted a complete review of the  
9 Employee Expenses Policy, restructured the content of the policy to match the  
10 Company’s refreshed policy template, and made additional changes to ensure  
11 that the policy is easily understood by all employees. The February 2020 revision  
12 limited tips and gratuities to 25 percent. In March 2021, we modified the  
13 Employee Expense Policy to reflect the implementation of the new Corporate  
14 One Credit Card and made some additional minor changes. A summary of  
15 these changes, along with some earlier changes, is provided in Exhibit  
16 \_\_\_\_ (WKH-1), Schedule 3.

17

18 Q. WHAT COMMITMENTS REGARDING EMPLOYEE EXPENSES DID THE COMPANY  
19 MAKE IN ITS 2011 AND 2013 TEST YEAR ELECTRIC RATE CASES?

20 A. During our test year 2011 electric rate case (Docket No. E002/GR-10-971), we  
21 made a number of commitments to provide more detailed information in the  
22 Direct Testimony and to improve the quality of employee expense data to  
23 facilitate review of employee expenses in our future rate cases. These  
24 commitments are summarized in Exhibit\_\_\_\_(WKH-1), Schedule 4. Also, in  
25 preparing for the test year 2013 electric rate case (Docket No. E002/GR-12-  
26 961), we made some additional commitments in a meeting with the OAG,  
27 which are also included in Schedule 4. As I previously indicated, the Company’s

1 commitments regarding employee expenses are all new since the Company last  
2 filed a natural gas rate case (Docket No. G-002/GR-09-1153).

3  
4 Q. DID THE COMPANY MAKE ANY ADDITIONAL COMMITMENTS REGARDING  
5 EMPLOYEE EXPENSES IN THE SUBSEQUENT TEST YEAR 2014 ELECTRIC RATE  
6 CASE (DOCKET NO. E002/GR-13-868) OR TEST YEAR 2016 ELECTRIC RATE  
7 CASE (DOCKET NO. E002/GR-15-826)?

8 A. No.

9  
10 Q. PLEASE DESCRIBE WHETHER THE COMPANY'S 2013 ELECTRIC AND SUBSEQUENT  
11 ELECTRIC RATE CASES RESULTED IN ADDITIONAL COMMITMENTS OR  
12 REQUIREMENTS RELATING TO EMPLOYEE EXPENSES?

13 A. The Commission's Orders in the 2013 and 2014 test year electric rate cases  
14 required that if the Company seeks recovery for corporate aviation costs in  
15 future rate cases, the Company should provide more information, but did not  
16 otherwise add any new requirements for employee expenses. In the test year  
17 2013 rate case, the Commission ordered us to provide flight log and passenger  
18 information for the most recent 12-month operational period. In the test year  
19 2014 rate case, the Commission ordered us to provide more detailed records of  
20 the actual business purpose for flights that are scheduled, rather than reducing  
21 all flights to a generic "code." These requirements are summarized in  
22 Exhibit\_\_\_(WKH-1), Schedule 4. The Commission's Order in the Company's  
23 test year 2016 electric rate case did not add any new requirements for employee  
24 expenses. And because the Company's 2020 and 2021 test year electric rate  
25 cases were withdrawn, there was no Commission activity in those two cases that  
26 resulted in requirements relating to employee expenses.

1 Q. IS THE COMPANY SEEKING RECOVERY FOR CORPORATE AVIATION EXPENSES IN  
2 THIS CASE?

3 A. No. The Company is not requesting recovery of any corporate aviation  
4 expenses in this rate case, and therefore we have not provided any flight log,  
5 passenger, or business purpose information. To ensure completeness, we are  
6 providing expenses related to corporate aviation in EER Schedule 8, consistent  
7 with the Employee Expense Statute. Our 2022 budgeted corporate aviation  
8 costs for the State of Minnesota Gas Jurisdiction are approximately \$0.1 million.  
9 In order to exclude these amounts from this case, we have made an adjustment  
10 of approximately \$0.1 million for the 2022 test year. This is reflected in Mr.  
11 Halama's Direct Testimony.

12

13 Q. HAS THE COMPANY FULFILLED ALL ITS COMMITMENTS AND COMMISSION  
14 REQUIREMENTS IN DEVELOPING THE EER SCHEDULES AND THE EMPLOYEE  
15 EXPENSE AMOUNT AND ADJUSTMENT?

16 A. Yes. My Direct Testimony, the EER Schedules, and the actions the Company  
17 has taken and continues to take demonstrate our fulfillment of the  
18 commitments and requirements established in the prior electric rate cases.  
19 Exhibit\_\_(WKH-1), Schedule 4 identifies where each commitment or  
20 requirement is addressed in this case. Our employee expense compliance and  
21 methodology to develop the Employee Expense Amount and Adjustment have  
22 evolved for many years in collaboration with the OAG, are compliant with the  
23 Employee Expense Statute, and have resulted in just and reasonable outcomes  
24 in past cases and will also do so in this case.



1 responsible for reviewing that all transactions are appropriate and include  
2 adequate documentation, correct cost type and accounting, and itemized  
3 receipts. Additionally, if information provided in SumTotal is not in compliance  
4 with the Company guidelines, the transaction is flagged for further review by a  
5 group within Supply Chain with oversight authority.

6  
7 In addition, all Company credit card holders are required to reconcile credit card  
8 transactions each month using SumTotal. All transactions are monitored to  
9 ensure they are reconciled and approved. If expenses are not reported through  
10 SumTotal within 60 days, the credit card is suspended until reporting is  
11 completed.

12  
13 Q. DOES THE USE OF SUMTOTAL ALLOW THE COMPANY TO COMPLY WITH THE  
14 REPORTING REQUIREMENTS IN THE EMPLOYEE EXPENSE STATUTE?

15 A. Yes. SumTotal includes all data fields necessary to comply with the Employee  
16 Expense Statute reporting requirements. The transaction date, expense type,  
17 expense category, business purpose, line comment, transaction amount, and  
18 vendor name fields are populated for data review and analysis.

19  
20 Q. HAVE THERE BEEN ANY RECENT CHANGES TO SUMTOTAL?

21 A. Yes. The Company updated to a newer version of SumTotal in November  
22 2019. This change was mostly a technical upgrade and did not materially impact  
23 the preparation of expense reports in the system. Therefore, the users did not  
24 experience significant changes.

1 Q. PLEASE DESCRIBE THE TRAVEL-RELATED CHANGES THAT THE COMPANY  
2 IMPLEMENTED IN 2020.

3 A. In May 2020, the Company contracted with a new designated travel agency,  
4 Executive Travel Inc. (ETI), to improve the service for our employees. ETI  
5 provides new or updated tools and capabilities, including an online self-service  
6 booking tool called Concur Travel (Concur), a mobile phone app version of  
7 Concur, and enhanced reporting tools to monitor employee travel. The  
8 transition to ETI also streamlined booking and reduced the booking cost per  
9 transaction. Employees must use ETI for all travel arrangements (commercial  
10 airfare, rental cars, and hotel reservations) and are expected to use Concur to  
11 book domestic travel reservations. Employees are required to use preferred  
12 providers identified by Concur as well, so that the lowest cost option is selected  
13 whenever possible.

14

15 Q. DID THE COMPANY ALSO CHANGE THE CREDIT CARD PROVIDER IN 2020?

16 A. Yes. The Company shifted the Corporate credit card provider from Bank of  
17 Montreal to US Bank, effective August 1, 2020. The Company already used US  
18 Bank for its Fleet Fuel Credit Card and this change leveraged that existing  
19 relationship with US Bank. This change also improved capabilities for both  
20 credit card programs with new functionality and reporting.

21

22 Q. WHAT TRAINING ON EMPLOYEE EXPENSE REPORTING IS AVAILABLE FOR  
23 COMPANY EMPLOYEES?

24 A. We provide employee training through our online Learning Management  
25 System (LMS). Training modules related to employee expense reporting were  
26 revised in 2020 to reflect changes in the Employee Expense Policy, designated  
27 travel agency, and credit card provider. All existing credit card holders were

1 required to complete the *Travel and Expense Policy: Appropriate Use of Your*  
2 *Corporate One Credit Card* training in fall 2020. This course is also a pre-requisite  
3 for new employees prior to applying for a Company credit card. Also, every  
4 SumTotal user is required to take a periodic refresher training on this course.  
5 These training materials are provided as Exhibit\_\_(WKH-1), Schedule 5A.  
6 Additionally, we offered in 2020 and 2021 training specific to the new travel  
7 program and Concur booking tool.

8  
9 Q. DOES THE COMPANY PROVIDE OTHER RESOURCES FOR SUMTOTAL USERS?

10 A. Yes. We maintain an internal website for travel and employee expenses, which  
11 is a one-stop place for employees to find more information on travel, Company  
12 credit cards, expense reporting requirements and SumTotal. This website was  
13 redesigned in first quarter 2021 to improve content, add new information, and  
14 encourage employee self-service. It contains, among other things, links to  
15 frequently asked questions, forms, job aid manuals, and reference documents.  
16 For example, we have published for employees and their managers detailed job  
17 aid manuals *Creating and Submitting Expense Reports* (attached as  
18 Exhibit\_\_(WKH-1), Schedule 5B) and *Approving an Expense Report* (attached as  
19 Exhibit\_\_(WKH-1), Schedule 5C). We have also attached screenshots from  
20 the main sections of our Travel and Expense website as Exhibit\_\_(WKH-1),  
21 Schedule 5D.

22  
23 Additionally, we use General Notifications, delivered via Outlook email and  
24 SumTotal Inbox, to notify all SumTotal users about potential system  
25 functionality changes, policy updates, and useful tips.

1 Q. WHAT IS THE GOAL OF EMPLOYEE EXPENSE TRAINING AND INFORMATIONAL  
2 MATERIALS?

3 A. The goal is that our employees understand the Company's Employee Expense  
4 Policy and can accurately report their business-related expenses with  
5 appropriate documentation. Overall, the training and educational materials are  
6 designed to teach employees how to use SumTotal's functionality to enter  
7 information into expense reports more efficiently and in conformity with the  
8 Employee Expense Policy. These materials also educate expense report  
9 approvers of the tools available within SumTotal to facilitate their review and  
10 approval.

11

12 Q. WHAT ADDITIONAL TOOLS AND HELP ARE AVAILABLE FOR EMPLOYEES WHO  
13 ARE PREPARING AN EXPENSE REPORT IN SUMTOTAL?

14 A. There is additional help available if employees have questions or problems when  
15 they are preparing an expense report in SumTotal. They can email the Travel  
16 and Expense Reporting team or call the Supply Chain hotline. Hotline  
17 specialists who answer the phones can view the expense report that is being  
18 prepared and give step-by-step directions how to finish it correctly. Employees  
19 can also use SumTotal's help tool Job Aid. When an employee is preparing an  
20 expense report, she or he can point to the Job Aid in SumTotal, which then  
21 gives additional information on the specific field.

22

23 Q. DOES SUMTOTAL ALSO INCLUDE TRANSACTIONS THAT ARE NOT CONSIDERED  
24 EMPLOYEE EXPENSES?

25 A. Yes. Employees are directed to use the Company credit card for minor material  
26 and service purchases, which are not considered employee expenses. In the  
27 normal course of business, these types of items include office supplies, tools,

1 printing services, subscriptions to magazines and information services, and  
2 office furniture. Although these credit card transactions are reconciled through  
3 SumTotal, they are typical cost-of-doing business expenses not covered by the  
4 Employee Expense Statute or the Employee Expense Policy.

5  
6 **B. Other Systems**

7 Q. WHAT OTHER COMPANY SYSTEMS WERE USED IN 2020 TO REPORT EMPLOYEE  
8 EXPENSES?

9 A. Some 2020 employee expense transactions can also be found in the Company's  
10 SAP and TIME applications. These are enterprise-wide systems that perform  
11 multiple functions for our business areas, including processing some non-labor,  
12 employee expenses.

13  
14 Q. PLEASE DESCRIBE SAP.

15 A. SAP is a business software package that can integrate all areas of business for  
16 financials, manufacturing, logistics, distribution, and so on. The Company uses  
17 the SAP software suite for the Company's general ledger as well as work and  
18 asset management. SAP applications are used primarily for purchasing,  
19 contracts, inventory, accounts payable, labor entry, and design work  
20 management. SAP is also the Company's master vendor management reporting  
21 system, containing the Vendor Invoice Management (VIM) application. The  
22 Vendor Invoice Management (VIM) includes some employee expense  
23 transactions.

24  
25 Q. WHAT APPLICATION DID SAP REPLACE?

26 A. SAP replaced the Corporate PassPort application. SAP was implemented  
27 Company-wide by the end of 2017, and no employee expense transactions were

1 reported through the Corporate Passport application in 2020. In total,  
2 approximately 500 State of Minnesota Gas Jurisdiction employee expense  
3 transactions were reported through SAP's VIM in 2020.

4  
5 Q. PLEASE DESCRIBE TIME.

6 A. TIME is the Company's mainframe application used to record time entries for  
7 all employees (both those in bargaining units and those not in bargaining units).  
8 TIME is also used to record costs other than wages incurred by the Company's  
9 bargaining-unit employees across all business areas (TIME Expenses). The  
10 2020 TIME Expenses entries for the State of Minnesota Gas Jurisdiction  
11 consisted of meal allowances (72 percent), site allowance (13 percent), special  
12 responder fees and on-call compensation (9 percent), per diems (4 percent), and  
13 mileage (2 percent). These expenses are processed within the TIME system so  
14 that they are properly reported to the Internal Revenue Service and included in  
15 the appropriate employees' annual W2 statements.

16  
17 Q. HOW DO THE TIME EXPENSES RELATE TO THE EMPLOYEE EXPENSE  
18 AMOUNT?

19 A. Under applicable collective bargaining agreements, we are required to reimburse  
20 bargaining-unit employees for certain expenses those employees incur. The  
21 TIME Expenses – for per diems, meal allowances, safety shoes, and so on – are  
22 for those reimbursements. Because these entries reflect cash payments to  
23 bargaining-unit employees made pursuant to collective bargaining agreements,  
24 they are somewhat different in nature from the kinds of expenses contemplated  
25 in the Company's Employee Expense Policy or the Employee Expense Statute  
26 and defined earlier in my testimony. Nevertheless, they are included in the  
27 Employee Expense Amount, because they are coded as employee expenses in

1 our general ledger system and are recoverable O&M expenses. This is  
2 consistent with the Company's approach in its last several electric rate cases.

3  
4 Q. DID THE COMPANY'S EMPLOYEE EXPENSE REVIEW AND PREPARATION OF EER  
5 SCHEDULES ALSO INCLUDE A REVIEW OF 2020 VIM AND TIME TRANSACTIONS?

6 A. Yes. We conducted a thorough review of VIM and TIME data in order to  
7 remove expenses that were considered non-recoverable. Summary data from  
8 these systems for 2020 are reported separately in EER Schedules 10, and 11.

9  
10 **C. Internal Controls and Monitoring**

11 Q. HOW IS THE COMPANY MONITORING COMPLIANCE WITH THE EMPLOYEE  
12 EXPENSE POLICY AND APPROPRIATE REPORTING OF EMPLOYEE EXPENSES?

13 A. We have established several ways to monitor and track appropriate reporting of  
14 employee expenses: 1) SumTotal Controls; 2) Compliance and Trend  
15 Reporting; and 3) Internal Audits. I will discuss each of these briefly below.

16  
17 Q. DOES SUMTOTAL HAVE SYSTEM-BUILT CONTROLS TO FLAG POTENTIALLY NON-  
18 COMPLIANT EXPENSE REPORTS?

19 A. Yes. SumTotal advises the approving supervisor and a group within Supply  
20 Chain when an expense report may not comply with the Employee Expense  
21 Policy. A Supply Chain Administrator will review each flagged expense report  
22 and reject it unless it can be corrected to be in compliance with the Company  
23 policy and guidelines. A second layer of verification is added by monthly check  
24 and balance reviews, which monitor whether the Supply Chain Administrators  
25 are accurately rejecting or releasing flagged expense reports.

1 Q. PLEASE DESCRIBE THE COMPLIANCE AND TREND REPORTING.

2 A. The Supply Chain organization has developed separate compliance and trend  
3 reporting components for the Company's Employee Expense Policy. The  
4 purpose of the compliance reporting is to collect monthly statistics and provide  
5 more detailed analysis of SumTotal data, such as unclear business purposes or  
6 untimely completion of expense reports. Compliance reporting allows us to  
7 identify reoccurring problem areas, which may indicate that there is a need to  
8 provide more direction and education to our employees. This information also  
9 helps us to modify and improve our training materials.

10

11 Trend reporting was established to collect and analyze SumTotal data to identify  
12 patterns or issues that would merit changes in the Company's Employee  
13 Expense Policy. For example, trend reporting may show that there is a need to  
14 add a new expense category or change spending limits for an existing expense  
15 category. In addition, we monitor average spending for certain expenses, for  
16 example, meals and hotel fees.

17

18 In early 2020, we also implemented a new dashboard tool that allows Company  
19 Business Units to view credit card spend for their respective employees, which  
20 provides greater visibility to monitor and control credit card use.

21

22 Q. WHAT DOES THE COMPANY DO AFTER IT IDENTIFIES A NON-COMPLIANCE  
23 TREND?

24 A. We take the opportunity to better educate our employees, typically in two ways.  
25 First, and most often, Supply Chain sends informational emails to all employee  
26 expense system users. These informational emails offer very specific  
27 instructions on how to correct or clarify issues that were identified as a non-

1 compliance trend. Second, Supply Chain may perform supplemental in-person  
2 group training at the request of a Business Unit manager.

3  
4 Q. IN RECENT YEARS, HAS THE COMPANY AUDITED EMPLOYEE EXPENSE DATA?

5 A. Yes, the Company has undertaken several audits of employee expense data in  
6 recent years. The most recently completed Company audit of employee  
7 expenses reviewed a sample of all employee expense data from 2016 and from  
8 2017 through November 30, 2017. The Audit Report was issued in March 2018  
9 and focused on verifying that expenses were reimbursed in compliance with  
10 Company policy; assessing whether appropriate controls and reporting tools are  
11 in place; analyzing suspicious patterns or anomalies; and finally, verifying that  
12 expense types in SumTotal tie to the appropriate general ledger account.

13  
14 Q. WHAT DID THE 2018 AUDIT REPORT CONCLUDE?

15 A. The 2018 Audit Report concluded that the Company's system of controls over  
16 employee expenses was effective. Although some instances of non-compliance  
17 with the Company policy were identified, the number of such instances was  
18 minimal and the exceptions insignificant. Examples of non-compliance  
19 included splitting transactions, inadequate supporting documentation, and  
20 payment of relocation expenses through the employee expense process instead  
21 of through SAP. The Audit Report recommended ongoing training and  
22 frequent updates to emphasize the approving manager's role in ensuring the  
23 necessity and validity of purchases, such as monthly policy highlights. Audit  
24 Services did not note any potentially fraudulent transactions.

1 Q. WHEN WAS THE NEXT AUDIT RELATING TO EMPLOYEE EXPENSES  
2 UNDERTAKEN?

3 A. The most recent audit relating to employee expenses began in March 2021 and  
4 will cover years 2018-2020. When the drafting of this testimony was completed,  
5 these audit results were not yet available.

6

7 **IV. EMPLOYEE EXPENSE AMOUNT, EMPLOYEE EXPENSE**  
8 **ADJUSTMENT, AND EER SCHEDULES**

9

10 Q. WHAT IS THE EMPLOYEE EXPENSE AMOUNT FOR THE TEST YEAR 2022?

11 A. The Employee Expense Amount for the test year 2022 is approximately \$1.3  
12 million for the State of Minnesota Gas Jurisdiction. The Company does not  
13 prepare a separate budget for employee expenses, but rather derives the  
14 Employee Expense Amount from the O&M budgets of our various business  
15 areas.

16

17 Q. HOW ARE THE BUSINESS AREA BUDGETS PREPARED?

18 A. The Company's budgeting process is a forward-looking projection of projects,  
19 costs, and operational needs. Each business area develops its own budget as  
20 part of the Company's overall budgeting process, which is described in more  
21 detail in the Direct Testimony of Company witness Ms. Melissa L. Ostrom. In  
22 general, business area budgets are organized using "cost elements," and certain  
23 accounts include planned expenditures for the types of expenses that are listed  
24 in the Employee Expense Statute. The sum of the amounts budgeted for these  
25 accounts constitutes the Employee Expense Amount of the test year period.

1 Q. HAS COVID-19 IMPACTED THE AMOUNT OF EMPLOYEE EXPENSES INCURRED  
2 BY THE COMPANY IN 2020 AND 2021?

3 A. Yes. The Company experienced much lower employee expenses in 2020-2021  
4 than in past periods because of the COVID-19 pandemic and related peace-  
5 time emergency government orders. As explained above, airfare, lodging, other  
6 travel-related expenses, and meals have historically made up a significant  
7 portion of the Company's employee expenses. In response to the COVID-19  
8 pandemic, governmental authorities in many jurisdictions across the U.S.  
9 imposed restrictions such as barring non-essential travel, closing restaurants,  
10 and limiting gatherings such as conferences. As a result of these restrictions,  
11 our employees traveled much less and incurred far fewer business meals at  
12 restaurants. Except for our essential critical infrastructure workforce, the  
13 majority of the Company's employees in Minnesota have worked from home  
14 since mid-March 2020. The Company has implemented virtual meeting  
15 technologies (such as Zoom and Microsoft Teams meetings) and other new  
16 technology to address the COVID-19 pandemic restrictions faced throughout  
17 2020 and most of 2021.

18  
19 Q. DO YOU ANTICIPATE THAT COVID-19 WILL AFFECT THE AMOUNT OF  
20 EMPLOYEE EXPENSES INCURRED BY THE COMPANY IN 2022 AND BEYOND?

21 A. Yes. Considering the continuing uncertainty surrounding COVID-19 and its  
22 consequences, it is difficult to predict what will happen in 2022. However,  
23 based on the experience and success of transitioning nearly 7,000 employees to  
24 working from home in 2020, the Company will continue to use remote meeting  
25 and other virtual technologies in 2022 and beyond. When it is safe to move  
26 forward with a large-scale return to the workplace, the Company will also  
27 implement a new Flexible Work Program that allows hybrid work-from-home

1 arrangements. The 2022 business area O&M budgets reflect these anticipated  
2 decreases in employee expenses. Exhibit (WKH-1), Schedule 6 shows the  
3 annual 2022 budgeted employee expenses compared to the pre-pandemic actual  
4 expenses.

5  
6 Q. DOES THE COMPANY PROPOSE TO RECOVER THE ENTIRE EMPLOYEE EXPENSE  
7 AMOUNT IN RATES?

8 A. No, as mentioned above, the Company adjusts the Employee Expense Amount  
9 by subtracting the Employee Expense Adjustment. The remaining amount is  
10 what the Company proposes to recover in rates.

11  
12 Q. WHAT IS THE EMPLOYEE EXPENSE ADJUSTMENT?

13 A. In each of the Company's electric rate cases since 2010, the Employee Expense  
14 Adjustment for the test year was developed by reviewing the actual employee  
15 expense transactions for the most recent full fiscal year. In this review, we  
16 identified transactions that are not generally needed for providing utility service  
17 and are likely non-recoverable based on our experience in prior rate cases, such  
18 as transactions that are inconsistent with our Employee Expense Policy  
19 guidelines, related to entertainment or life event celebrations, or have vague  
20 business purposes. The amount that is included in the Employee Expense  
21 Adjustment is considered to be representative of such transactions that could  
22 occur in the 2022 test year and is therefore subtracted from the Employee  
23 Expense Amount.

24  
25 Since this methodology was developed, the Employee Expense Amount has  
26 been the dollar amount of likely unrecoverable expenses from the most recent  
27 full fiscal year. For example, to identify the Employee Expense Amount for the

1 test year 2016 electric rate case (Docket No. E-002/GR-15-826), we reviewed  
2 the 2014 actual employee expenses, determined the amount, in dollars, of those  
3 2014 actual expenses that was likely unrecoverable, and used that dollar amount  
4 as the Employee Expense Adjustment to adjust the Employee Expense  
5 Amount projected for the 2016 test year.

6  
7 Q. DID THE COMPANY REVIEW ITS 2020 EMPLOYEE EXPENSE TRANSACTIONS TO  
8 PREPARE EER SCHEDULES AND TO IDENTIFY TRANSACTIONS THAT ARE NON-  
9 RECOVERABLE?

10 A. Yes. The Employee Expense Statute requires us to compile EER Schedules  
11 based on the most recently completed fiscal year. We reviewed our 2020  
12 employee expenses, and we have provided all required 2020 EER Schedules in  
13 this test year 2022 rate case filing. We also reviewed the 2020 employee expense  
14 transactions to identify transactions that are not generally needed for providing  
15 utility service and that are likely non-recoverable.

16  
17 Our review of 2020 employee expenses identified approximately \$102,000 of  
18 transactions that should be included in the Employee Expense Adjustment.  
19 Because employee expenses were significantly lower in 2020 compared to  
20 previous years, due to the COVID-19 pandemic, we do not believe this  
21 approximately \$0.1 million adjustment would appropriately account for  
22 employee expense transactions that are likely non-recoverable in the 2022 test  
23 year. So we developed a different method to calculate the 2022 test year  
24 Employee Expense Adjustment for this rate case.

1 Q. PLEASE DESCRIBE THE METHOD THE COMPANY PROPOSES FOR CALCULATING  
 2 THE EMPLOYEE EXPENSE ADJUSTMENT FOR THE 2022 TEST YEAR.

3 A. The 2022 test year adjustment factor is based on the percentage of likely  
 4 unrecoverable employee expenses from 2020, rather than the dollar amount of  
 5 those 2020 unrecoverable expenses. The 2020 adjustment percentage was  
 6 calculated by dividing the 2020 adjustment amount by the actual 2020 State of  
 7 Minnesota Gas Retail jurisdictional amount of Employee Expenses. The result  
 8 of this calculation is an adjustment percentage of -13.7 percent for 2020, as  
 9 shown below in Table 1.

10  
 11 **Table 1: Calculating the Average Adjustment Factor**

Actual Expense Year	Employee Expense Amount	Employee Expense Adjustment (using methodology from previous electric rate cases)	Adjustment Percentage
2020	\$0.749 million	-\$0.102 million	-13.7%
2022 Test Year Adjustment Factor			-13.7%

12  
 13  
 14  
 15  
 16  
 17  
 18  
 19 The adjustment factor of -13.7 percent was multiplied against the 2022  
 20 budgeted Employee Expense Amount of approximately \$1.3 million. The  
 21 resulting Employee Expense Adjustment for the test year 2022 is approximately  
 22 \$0.2 million. Exhibit (WKH-1), Schedule 8 includes more details about the  
 23 method we used.

24  
 25 Q. WHY IS IT REASONABLE TO USE THIS DIFFERENT APPROACH IN THIS RATE CASE?

26 A. Because 2020 was such an unusual year, the approach we have been using in  
 27 past electric rate cases would not work well here – the Employee Expense

1 Adjustment would be disproportionately low as compared to the employee  
2 expenses projected for the 2022 test year. We considered whether other  
3 approaches would work. It should be noted that it takes many months of work  
4 to develop an Employee Expense Adjustment. Because it is so time-intensive  
5 and difficult, that work has only been done for the year immediately preceding  
6 the filing of a rate case. We have not filed a natural gas rate case since 2009.  
7 We believe that by using a percentage based on the actual 2020 data, we have  
8 considered and used the most recent and relevant data.

9  
10 And we believe that our conclusion – the Average Adjustment Factor of -13.7  
11 percent – is a reasonable conclusion to draw from that data. Our proposed  
12 methodology results in a larger Employee Expense Adjustment (and therefore  
13 a lower amount of employee expenses being recovered in rates) than if we had  
14 adhered to the previous methodology.

15  
16 Q. DOES THE COMPANY PROPOSE TO USE THIS METHOD OF CALCULATING THE  
17 EMPLOYEE EXPENSE ADJUSTMENT IN FUTURE RATE CASES?

18 A. Not likely. While we consider it to be reasonable for this rate case, the method  
19 of calculating the test year 2022 Employee Expense Adjustment, based on the  
20 historical 2020 adjustment percentage, is only intended to be a provisional  
21 solution. It was developed and adopted out of necessity because of the  
22 significantly reduced level of employee expenses incurred in 2020 as a result of  
23 the COVID-19 pandemic. In future rate cases, we would expect to determine  
24 and propose a reasonable methodology for calculating the Employee Expense  
25 Adjustment depending on the circumstances at the time. When the travel  
26 restrictions and other disruptions caused by the COVID-19 pandemic are no

1 longer affecting employee expenses, we anticipate that we will likely be returning  
2 to the methodology used in previous electric rate cases.

3  
4 Q. WHAT IS THE AMOUNT OF EMPLOYEE EXPENSES THE COMPANY IS REQUESTING  
5 TO RECOVER FOR THE TEST YEAR 2022?

6 A. After the Company’s proposed Employee Expense Adjustment (approximately  
7 \$0.2 million) is subtracted from the budgeted Employee Expense Amount  
8 (approximately \$1.3 million), we are requesting recovery of approximately \$1.1  
9 million for employee expenses for the State of Minnesota Gas Jurisdiction for  
10 the test year 2022. Table 2 below summarizes the budgeted Employee Expense  
11 Amount, Employee Expense Adjustment, and the resulting test year amount of  
12 employee expenses that the Company is seeking to recover for 2022.

13  
14 **Table 2**  
15 **Employee Expense Amount, Employee Expense Adjustment, and**  
16 **Requested Recovery for 2022**  
17 **(State of Minnesota Gas Jurisdiction)**

18

Year	Employee Expense Amount (\$ 000’s)	Employee Expense Adjustment (\$ 000’s)	Request for Recovery (\$ 000’s)
2022	1,323	(181)	1,141

19  
20  
21

22 Q. PLEASE PROVIDE DATA ON THE BUDGETED EMPLOYEE EXPENSE AMOUNTS AND  
23 THE ACTUAL EMPLOYEE EXPENSES FOR THE PAST FEW YEARS.

24 A. Table 3 below provides data on the employee expense amounts (based on  
25 business area budgets) and respective actual employee expenses for the past few  
26 years for the State of Minnesota Gas Jurisdiction. The actuals exceeded the

1 budgeted amounts in 2017 and 2019, while the actuals came in on budget in  
 2 2018.

3  
 4 Employee expenses are somewhat volatile because of external conditions such  
 5 as weather and variations in airfare and hotel prices, and fluctuate based on  
 6 unpredictable Company needs and commitments, such as mutual aid  
 7 requirements to assist other utilities in national emergencies. In 2020, the actual  
 8 and forecasted employee expenses were significantly lower because of the  
 9 COVID-19 pandemic and related peace-time emergency government orders.  
 10 This is an illustration (albeit extreme) of how actual employee expenses  
 11 expenditures fluctuate from year to year as a result of conditions beyond the  
 12 Company’s control. Exhibit\_\_\_\_(WKH-1), Schedule 6 provides additional data  
 13 by employee expense category.

14  
 15 **Table 3**  
 16 **Employee Expense Amount vs. Actual Employee Expenses,**  
 17 **2017-2020 (State of Minnesota Gas Jurisdiction)<sup>1</sup>**

Year	Budgeted [1] Employee Expense Amount (\$ 000’s)	Actual Employee Expense Amount (\$ 000’s)	Variance Over/(Under) (\$ 000’s)	Variance Over/(Under) %
2017	1,013	1,342	330	32.6%
2018	1,318	1,314	(4)	-0.3%
2019	1,097	1,564	467	42.5%
3-Year Total	3,427	4,220	792	23.1%
2020	1,403	749	(654)	-46.6%

<sup>[1]</sup> Amounts are unadjusted (e.g., without any employee expense adjustment).

1 Q. DOES THE COMPANY’S PROPOSED METHODOLOGY FOR CALCULATING AN  
2 EMPLOYEE EXPENSE ADJUSTMENT RESULT IN A REASONABLE LEVEL OF  
3 EMPLOYEE EXPENSES TO BE RECOVERED IN THE TEST YEAR?

4 A. Yes it does. Rather than use a dollar amount based on 2020 actual data, which  
5 the Company believes would be too low to establish a reasonable Employee  
6 Expenses Adjustment for the test year because of the COVID-19 pandemic,  
7 the Company believes that using the percentage of 2020 employee expense data  
8 would be more reasonable. Use of the dollar amount would be illogical given  
9 the unusual circumstances. Using a percentage ensures that the 2022 Employee  
10 Expense Adjustment can be comparable with other years. The Company  
11 requests that the Commission approve its proposed level of employee expenses  
12 reflected in my testimony as a reasonable amount for the test year.

13

14 **V. EMPLOYEE EXPENSE REVIEW AND DEVELOPMENT OF EER**  
15 **SCHEDULES**

16

17 **A. Employee Expense Review Process**

18 Q. PLEASE DESCRIBE THE EER SCHEDULES.

19 A. The Employee Expense Statute requires that a rate case filed by a public utility  
20 must include a schedule that separately itemizes certain employee expense  
21 categories. This employee expense transaction data must be from the most  
22 recently completed fiscal year and include the date, amount, business purpose,  
23 and vendor for the expense. After we reviewed all actual 2020 employee  
24 expense data and removed items that we believed were not recoverable, the  
25 remaining transactions were arranged into EER Schedules required by the  
26 Employee Expense Statute. A list of the EER Schedules is attached as  
27 Exhibit\_\_\_(WKH-1), Schedule 7. The complete EER Schedules are provided

1 in Volume 3 Required Information, Section IV Other Required Information,  
2 Tab 2.

3  
4 Q. IN GENERAL, HOW DID THE COMPANY REVIEW EMPLOYEE EXPENSES AND  
5 DEVELOP THE EER SCHEDULES?

6 A. We followed the same methodology as was used in our last five electric rate  
7 cases: test year 2013 (Docket No. E002/GR-12-961), test year 2014 (Docket  
8 No. E002/GR-13-868), test year 2016 (Docket No. E002/15-826), test year  
9 2020 (Docket No. E002/19-564), and test year 2021 (Docket No. E002/20-  
10 723). This methodology is just as applicable for the State of Minnesota Gas  
11 Jurisdiction as it is for the Minnesota Electric Jurisdiction.

12  
13 Q. WHAT DATA DID THE COMPANY REVIEW AND USE TO PREPARE THE EER  
14 SCHEDULES?

15 A. The Employee Expense Statute requires that we provide employee expense data  
16 from our last completed fiscal year, which for this case is 2020. We used the  
17 full 12 months of 2020 data from SumTotal and any other applicable Company  
18 systems (e.g., VIM and TIME).

19  
20 Q. WHAT FIELDS DID THE COMPANY EXTRACT FROM SUMTOTAL?

21 A. While SumTotal contains many fields, for this case we extracted fields that were:  
22 (1) necessary to develop EER schedules that comply with our interpretation of  
23 the requirements in the Employee Expense Statute and our commitments in the  
24 prior electric rate cases; and (2) helpful in determining if the expense could be  
25 allocated to the State of Minnesota Gas Jurisdiction. The raw SumTotal data  
26 set includes the corporate credit card transactions and cash reimbursements for  
27 all expenses incurred by NSPM and Service Company employees.

1 Q. PLEASE DESCRIBE THE PROCESS FOR REVIEWING 2020 SUMTOTAL DATA?

2 A. The process to review SumTotal data is largely manual and involves numerous  
3 steps and a line-by-line review of transactions. A detailed explanation of this  
4 process is provided in Exhibit\_\_\_(WKH-1), Schedule 8. After extracting the  
5 data set described above, we first removed transactions that have no cost  
6 assignment or allocation to the State of Minnesota Gas Jurisdiction (restricting  
7 the 2020 data set to approximately 34,000 line items). I note one exception: we  
8 preserved all transaction data for non-unrecoverable below-the-line dues even  
9 if not allocable to the State of Minnesota Gas Jurisdiction. We did so to remain  
10 consistent with the EER Schedules provided in our last electric rate case, which  
11 included below-the-line dues expense transaction data. We have developed a  
12 process that allows us to determine the amount of each transaction’s  
13 jurisdictional allocation.

14

15 From this point, we identified transactions that are not recoverable and are  
16 already accounted for below-the-line or needed to be manually moved below-  
17 the-line. Several Company cost element accounts are below-the-line accounts  
18 and include expenses related to lobbying, non-recoverable recognition,  
19 corporate tickets, and other similar deductions. These non-recoverable, below-  
20 the-line transactions were excluded from a further review.

21

22 Q. WHAT WAS THE NEXT STEP IN THE SUMTOTAL REVIEW PROCESS?

23 A. Next, we searched the remaining transactions (approximately 32,000 line items)  
24 for 124 key words, and we also searched them for vague business purposes and  
25 other criteria, to determine if there were transactions inconsistent with the  
26 Employee Expense Policy or our prior rate case commitments or that were not

1 necessary for the provision of utility service. Specifically, we included in the  
2 adjustment items that were:

- 3 • Identified by our key word search;
- 4 • Considered to have vague business purposes;
- 5 • For meals exceeding \$65 per person;
- 6 • For business meals that included only Company employees;
- 7 • Inconsistent with the guidelines in our Employee Expense Policy; or
- 8 • Identified as generally not being needed for the provision of utility  
9 service.

10  
11 Q. PLEASE DESCRIBE THE KEY WORD SEARCH.

12 A. Based on our experience within our past electric rate cases, we developed a list  
13 of 124 key words that was used to identify transactions that may not be  
14 appropriate for rate recovery. The list was developed specifically to capture  
15 expenditures related to sporting and entertainment events, recreation,  
16 celebrations, recognitions, life events, international travel and lobbying. The  
17 key word list is provided in Table 2 to Exhibit\_\_\_(WKH-1), Schedule 8.  
18 Transactions initially identified through the key word search were manually  
19 reviewed, line-by-line, to determine if the transaction qualified as a recoverable  
20 employee expense. Some expenses identified through the key word search are  
21 “false positives,” which means they are appropriate for recovery although they  
22 contain a key word. For example, expenses incurred for vendors such as  
23 Holiday Inn Express or Holiday Station Store could be recoverable although  
24 matching the search word “holiday.” We identified approximately 6,300  
25 transactions within the 2020 data set through the key word search.  
26 Approximately 70 percent, or 4,300 of these transactions totaling approximately  
27 \$40,000, were considered likely to be unrecoverable.

1 Q. PLEASE DESCRIBE HOW THE COMPANY SEARCHED FOR SUMTOTAL  
2 TRANSACTIONS WITH VAGUE BUSINESS PURPOSES.

3 A. We first manually reviewed each 2020 transaction to assess if the business  
4 purpose field, by itself, provided an adequate description to determine the  
5 business purpose. If the business purpose was vague, such as “dinner,” “travel,”  
6 or “meeting,” we manually reviewed other data fields and examined acronyms  
7 and abbreviations. If the combined documentation was not enough to  
8 determine an adequate business purpose, the transaction was flagged for  
9 removal. A representative (non-exhaustive) list of 229 acronyms that are  
10 commonly used by our employees is provided in Table 3 to Exhibit \_\_\_(WKH-  
11 1), Schedule 8. Within the 2020 data set, we identified approximately \$7,000 for  
12 transactions considered to have a vague business purpose.

13

14 Q. DID THE COMPANY IDENTIFY EVERY SUMTOTAL TRANSACTION WITH A VAGUE  
15 BUSINESS PURPOSE?

16 A. Identifying vague business purposes is somewhat subjective. While we have  
17 made our best effort to identify these transactions, there could be transactions  
18 with business purposes others might consider vague. Our Employee Expense  
19 Policy provides guidelines for the appropriate documentation of employee  
20 expenses, and our employees provide business purposes they believe are  
21 reasonable. While an approving manager may find a business purpose  
22 reasonable based on knowledge of the work being done by an employee, this  
23 business purpose may appear vague to an outside party. We believe that there  
24 is always some judgment and subjectivity involved in assessing the business  
25 purpose, and do not think that perfection is possible, nor should it be the  
26 standard applied. In our review of employee expenses, we conducted a  
27 thorough search for vague business purposes and reviewed acronyms and

1 abbreviations included in business purposes when necessary. We believe our  
2 effort and the resulting identification of likely unrecoverable expenses are  
3 consistent with our commitment in the test year 2011 electric rate case.

4  
5 Q. ARE THERE MEALS GREATER THAN \$65 PER PERSON, PER DAY INCLUDED IN THE  
6 EER SCHEDULES?

7 A. No. We are not seeking recovery for these transactions, and the EER Schedules  
8 do not include meals in excess of \$65 per person per day. Our Employee  
9 Expense Policy guidelines specify that the maximum allowance for an  
10 employee's meal expense is \$65 per person, per day. We have continued to  
11 improve compliance with this guideline, but we still identified instances where  
12 the meal transactions in SumTotal exceeded the allowable amount. We  
13 identified approximately \$500 of these transactions within the 2020 data set.

14  
15 Q. ARE BUSINESS MEALS THAT INCLUDED ONLY COMPANY EMPLOYEES INCLUDED  
16 IN THE EER SCHEDULES?

17 A. No. Although we believe there are instances where business meals among only  
18 employees are necessary, we are not seeking recovery for these transactions and  
19 they are also excluded from the EER Schedules, consistent with past practice.  
20 We identified approximately \$27,000 related to this type of transaction within  
21 the 2020 data set.

22  
23 Q. PLEASE DESCRIBE THE REST OF THE SUMTOTAL TRANSACTIONS INCLUDED IN  
24 THE REVIEW.

25 A. The rest of the amount determined likely to be unrecoverable from the 2020  
26 data set is comprised of SumTotal transactions that are otherwise inconsistent  
27 with our Employee Expense Policy guidelines; do not pertain to the State of

1 Minnesota Gas Jurisdiction; or we believe are not needed to provide utility  
2 service. Based on our experience, we conducted a manual line and field review  
3 to identify these types of expenses, and any transactions identified by the review  
4 were flagged for removal. We identified approximately \$23,000 of these types  
5 of transactions within the 2020 data set.

6  
7 Q. ARE EXPENSES FOR INTERNATIONAL TRAVEL INCLUDED IN THE EER  
8 SCHEDULES?

9 A. Yes, depending on the business purpose. Our Employee Expense Policy  
10 recognizes that international travel is sometimes necessary for conducting  
11 Company business, for example, to attend industry trainings and vendor  
12 supplier meetings; to audit manufacturing processes at vendors' locations; and  
13 to ensure safe operation of our facilities. These types of legitimate and  
14 necessary expenses are included in the EER Schedules.

15  
16 Q. WHAT IS THE TOTAL AMOUNT OF ADJUSTMENT THE COMPANY IDENTIFIED  
17 BASED ON ITS REVIEW OF 2020 SUMTOTAL TRANSACTIONS?

18 A. Based on our review, we identified an adjustment amount of approximately \$0.1  
19 million based on 2020 SumTotal employee expense transactions. A summary  
20 table of these adjustments is included in Exhibit\_\_\_(WKH-1), Schedule 8, p.  
21 11.

22  
23 Q. HOW DID THE COMPANY REVIEW EMPLOYEE EXPENSES RECORDED IN SYSTEMS  
24 OTHER THAN SUMTOTAL?

25 A. As explained in Section III.B above, the VIM and TIME applications include  
26 some 2020 employee expense transactions. In these applications, the  
27 descriptive fields available are less extensive than those provided within

1 SumTotal. We identified employee expenses by looking at accounting codes,  
2 vendor name, description, and other available transactional data fields. For the  
3 identified employee expense transactions, we conducted a line-by-line review to  
4 remove transactions that we believe are non-recoverable, like the SumTotal  
5 review described above. The process to review VIM and TIME expense data  
6 is described in more detail in Exhibit\_\_\_\_(WKH-1), Schedule 8.

7  
8 Q. WHAT ADJUSTMENTS DID THE COMPANY IDENTIFY WITHIN THE VIM AND  
9 TIME TRANSACTIONS?

10 A. Based on our review, we identified approximately \$5,000 of these types of  
11 transactions within the 2020 VIM data set. We did not identify any adjustments  
12 within the 2020 TIME data set.

13  
14 Q. DO YOU BELIEVE YOUR PROCESS OF REVIEWING EMPLOYEE EXPENSES, AS  
15 DESCRIBED ABOVE, WAS REASONABLE?

16 A. Yes. As discussed above, our process to identify employee expense transactions  
17 was rigorous and consistent with the commitments we have made in past rate  
18 cases.

19  
20 Q. ARE TRANSACTIONS THAT WERE CONSIDERED UNRECOVERABLE, AS A RESULT  
21 OF THE REVIEW DESCRIBED ABOVE, INCLUDED IN THE 2020 EER SCHEDULES?

22 A. No. The 2020 EER Schedules do not include any of the transactions that were  
23 identified as being unrecoverable. Once the expenses identified as being  
24 unrecoverable were removed, the remaining data – O&M employee expense  
25 transactions – was sorted to create the 2020 EER Schedules corresponding to  
26 the categories set forth in the Employee Expense Statute.

1        **B.     Details Regarding EER Schedules**

2        Q.    PLEASE DESCRIBE THE INFORMATION REPORTED FOR THE TOP TEN HIGHEST  
3        PAID EMPLOYEES AND OFFICERS AS REQUIRED BY THE EMPLOYEE EXPENSE  
4        STATUTE?

5        A.    EER Schedules 5A-5J comply with the Employee Expense Statute requirement  
6        that we provide itemized employee expense information for the ten highest paid  
7        officers and employees. We have provided reports of those officers' and  
8        employees' expenses for 2020, the most recently completed fiscal year.

9  
10        The Employee Expense Statute also requires that we provide compensation  
11        information for the individuals on the top ten compensated list. EER Schedule  
12        5 includes the State of Minnesota Gas Jurisdiction 2020 actual and the 2022  
13        budgeted compensation information for the top ten highest paid officers and  
14        individuals. The individuals included on EER Schedules 5 and 5A-5J change  
15        from 2020 to 2022 due to retirements or departures. Company witness Ms. Ruth  
16        K. Lowenthal describes in her Direct Testimony how we propose to recover  
17        costs for reasonable and necessary employee compensation.

18  
19        Q.    IS THE COMPANY REQUESTING RECOVERY OF CORPORATE AVIATION  
20        EXPENSES?

21        A.    No. EER Schedule 8 provides the 2020 actual expenses related to corporate  
22        aviation, as required by the statute. I note that EER Schedule 8 also includes  
23        any food, beverage, lodging, and other travel transactions for the corporate  
24        aircraft pilots. The budgeted 2022 Corporate Aviation expenses are excluded  
25        from the 2022 test year amounts.

1 Q. IS THE COMPANY REQUESTING RECOVERY FOR ANY RECREATIONAL AND  
2 ENTERTAINMENT-RELATED EXPENSES?

3 A. No, we do not request recovery of any recreational or entertainment-related  
4 expenses, and these are excluded from the 2022 test year Employee Expense  
5 Amount. Recreational and Entertainment Expenses are recorded to FERC  
6 account 426.5, Other Deductions. Because this FERC account is treated as  
7 below-the-line expense, there are no recreational or entertainment expenses  
8 included in current rates or in our rate request, and transactions involving  
9 recreational or entertainment expenses are not included in EER Schedule 3.

10

11 Q. WHAT HAS THE COMPANY DONE TO ENSURE THAT THERE ARE NO  
12 RECREATIONAL OR ENTERTAINMENT-RELATED EXPENSES IN THE EER  
13 SCHEDULES?

14 A. Recreational and entertainment-related costs, charged to appropriate cost  
15 elements and/or internal order accounts, are recorded as below-the-line  
16 expenses and excluded from the EER Schedules. Our key word search also  
17 included related words (e.g., sport-related team names, golf, concert, ticket,  
18 social, event, celebration, party, etc.) to identify other transactions that might be  
19 related to recreation, or entertainment, and capture them in the Employee  
20 Expense Adjustment. The key word list is provided in Table 2 to  
21 Exhibit\_\_\_(WKH-1), Schedule 8.

22

23 Q. IS THE COMPANY REQUESTING RECOVERY FOR ANY LOBBYING-RELATED  
24 EXPENSES?

25 A. No. For purposes of my testimony, lobbying expenses are defined as those  
26 expenses recorded to FERC account 426.4, Expenditures for Civic, Political,  
27 and Related Activities. Because this FERC account is treated as below-the-line

1 expense, there are no lobbying expenses included in current rates, and lobbying  
2 expenses are excluded from the 2022 test year Employee Expense Amount.  
3 Consistent with the reporting in our past electric rate cases, transactional data is  
4 not included in EER Schedule 9.

5  
6 Q. WHAT HAS THE COMPANY DONE TO ENSURE THAT THERE ARE NO LOBBYING  
7 OR LOBBYING-RELATED EXPENSES IN THE EER SCHEDULES?

8 A. Lobbying-related costs charged to appropriate cost elements and/or internal  
9 order accounts are recorded as below-the-line expenses and excluded from the  
10 EER Schedules. Our key word search also included lobbying-related words  
11 (e.g., lobby, legis, political, election, PAC, senat, and repr) to identify other  
12 transactions that might be related to lobbying and capture them in the  
13 Employee Expense Adjustment. Additionally, for those employees who lobby  
14 from time to time, we reviewed each of their transactions and removed those  
15 that appeared to be for lobbying or lobbying-related activities on behalf of the  
16 Company.

17  
18 Q. ARE ANY OTHER CATEGORIES OF EMPLOYEE EXPENSES EXCLUDED FROM THE  
19 EER SCHEDULES?

20 A. Yes. Spending for life events – such as funerals, weddings, and birthdays – is  
21 excluded from the EER Schedules. Expenses charged to the Life Event  
22 account are reflected in the test year 2022 Employee Expense Adjustment. In  
23 addition, our key word search review of transactions included life event-related  
24 words (e.g., floral, flowers, funeral, bereavement, birthday, wedding, baby, etc.)  
25 to identify other transactions that were not recorded to the Life Event account  
26 so that these transactions could be reflected in the Employee Expense  
27 Adjustment. Similarly, expenses that were determined to be for career event

1 celebrations – such as meals for retirement, promotion, or anniversary parties –  
2 are reflected in the Employee Expense Adjustment.

3  
4 Other expense categories that we are not requesting recovery for are alcohol  
5 and entertainment expenses. Any alcohol portion of a meal expense must be  
6 itemized separately in SumTotal. The key word search also had terms to identify  
7 any other expenses that might be alcohol-related. These were all excluded from  
8 the EER Schedules. EER Schedule 7 lists all gift expenses, and some of these  
9 are typically recovered from rates (e.g., performance-based and safety  
10 recognition) and some are included in the Employee Expense Adjustment (e.g.,  
11 wedding or birth gift, etc.). Finally, mobile device expenses are not subject to  
12 the reporting requirements in the Employee Expense Statute and therefore they  
13 are excluded from the EER Schedules.

14  
15 Q. ARE CERTAIN EMPLOYEE RECOGNITION EXPENSES INCLUDED IN THE EER  
16 SCHEDULES?

17 A. Yes. We use a vendor-based recognition program branded as Xcelebrate to  
18 administer recognition awards, and these expenses are included in the EER  
19 Schedules. The Xcelebrate program is used to recognize excellent work  
20 performance and accomplishments. Awards must be approved by leadership,  
21 and approval levels vary depending on the award value from manager through  
22 Director. Xcelebrate awards are received in points, which can be used for  
23 merchandise or gift cards through an online catalog. The highest level of award  
24 is equivalent to \$100, and this level requires both manager and Director  
25 approval. A nomination wizard within Xcelebrate is available to help determine  
26 the appropriate award level.

1 In addition, the Xcelebrate program is used to recognize years of contribution  
2 at five-year intervals as well as retirement. Eligible employees are invited to  
3 select a gift from the applicable anniversary/retirement catalog. Transactions  
4 administered through the Xcelebrate platform were included in our employee  
5 expense review. We continue to believe that employee recognition and  
6 appreciation help foster a collegial working environment essential to achieving  
7 a high level of productivity.

8  
9 Q. ARE SAFETY-RELATED RECOGNITION EXPENSES INCLUDED IN THE EER  
10 SCHEDULES?

11 A. Yes. Safety-related gifts and other incentives are included in the EER  
12 Schedules, consistent with past practice. For example, a business area may  
13 recognize a group or plant for a specific achievement, such as successful and  
14 safe completion of a large project or reaching a major milestone without an  
15 injury. All safety-related recognition awards, incentives, meals, and gifts must  
16 be approved by a manager and/or a safety committee. Safety recognition  
17 expenses were included in our employee expense review. Safety recognition is  
18 a necessary and reasonable expense to provide utility service – one of the  
19 Company’s fundamental goals is to ensure and enhance the safety of our  
20 employees and customers.

21  
22 Q. EER SCHEDULE 6 INCLUDES A ROW FOR “DUES & MEMBERSHIPS” – ARE THESE  
23 INCLUDED IN THE EMPLOYEE EXPENSE AMOUNT?

24 A. That row in EER Schedule 6 includes three types of dues: Professional  
25 Association Dues, Chamber of Commerce Dues, and Social Services Dues.  
26 Professional Association Dues are incurred by our individual employees for  
27 memberships in professional organizations in their respective fields. The

1 portion of Professional Association dues that is not considered lobbying is  
2 recoverable and included in the test year Employee Expense Amount. Chamber  
3 of Commerce Dues are corporate expenses and they are excluded from the  
4 Employee Expense Amount. We request recovery for the non-lobbying  
5 portion of these dues; a supporting workpaper is provided with Mr. Halama's  
6 Direct Testimony. Social Services Dues are corporate expenses, recorded  
7 below-the-line, and excluded from the 2022 test year.

8  
9 Q. WHAT EMPLOYEE EXPENSE DATA IS INCLUDED IN EER SCHEDULES 10, AND 11?

10 A. These schedules contain summary employee expense data from VIM (EER  
11 Schedule 10), and TIME (EER Schedule 11). Per our commitment in the 2011  
12 electric rate case, we have provided summary data instead of complete  
13 transaction details.

14  
15 Q. ARE THERE ANY LIMITATIONS IN THE PROCESS USED TO DEVELOP THE EER  
16 SCHEDULES OR THE TEST YEAR EMPLOYEE EXPENSE ADJUSTMENT?

17 A. We believe our EER Schedules comply with the requirements in the Employee  
18 Expense Statute. However, I note that the process we use to develop the EER  
19 Schedules and the associated test year Employee Expense Adjustment is almost  
20 entirely manual and requires that our employees analyze and review many  
21 thousands of lines of data. SumTotal does not have the functionality to  
22 automatically generate reports that comply with the Employee Expense Statute  
23 requirements. Therefore, the development of EER Schedules and the  
24 associated test year adjustment continues to be a manual effort that requires  
25 judgment.

1 Q. CAN ONE RECONCILE THE EER SCHEDULES TO THE TEST YEAR 2022 REVENUE  
2 REQUIREMENT FOR EMPLOYEE EXPENSES?

3 A. No. The EER Schedules are based on the actual 2020 employee expense  
4 transactions. The employee expense test year revenue requirement of  
5 approximately \$1.1 million is based on the 2022 budgeted expenses by business  
6 areas. As a result, a direct reconciliation of the 2020 EER Schedules to the 2022  
7 test year amount is not possible because of the different time periods.

8

9 Q. CAN ONE TOTAL THE 2020 EER SCHEDULES SO THAT THEY MATCH THE ACTUAL  
10 2020 EMPLOYEE EXPENSES IN THE COMPANY'S GENERAL LEDGER?

11 A. No, for several reasons. For example, the transactions that provide the basis  
12 (on a percentage basis derived from 2020 data) for the test year 2022 Employee  
13 Expense Adjustment calculation of \$0.2 million are included in the general  
14 ledger but excluded from the EER Schedules. Also, several EER Schedules have  
15 duplicative employee expenses. For instance, transactions in EER Schedule 1A  
16 (Vice President and Above Travel and Meal) are also included in EER Schedule  
17 1 (Travel and Lodging) and EER Schedule 2 (Meal Expenses). Similarly,  
18 employee expense transactions in EER Schedules 5A-5J (Top Ten  
19 Compensated) are also included in the other EER Schedules.

20

## 21 **VI. FLEET CAPITAL INVESTMENTS**

### 22 **A. Overview**

23 Q. WHAT IS THE PURPOSE OF THIS SECTION IN YOUR TESTIMONY?

24 A. I support the Company's capital budget for the Supply Chain business area's  
25 Fleet organization.

1 Q. PLEASE DESCRIBE THE FLEET ORGANIZATION.

2 A. The Fleet organization is responsible for planning, procuring, maintaining, and  
3 retiring the Company's fleet assets. By fleet assets, I mean the fleet of cars,  
4 trucks, trailers, and construction equipment, and related assets such as garages  
5 and fuel depots, that the Company uses to support its provision of safe and  
6 reliable service. Management of the capital budget for fleet investments was  
7 centralized within Supply Chain's Fleet organization in November 2018. Prior  
8 to this centralization, each operational business area was responsible for  
9 budgeting their own fleet capital investments. Following this centralization, the  
10 Fleet organization became responsible for managing the capital fleet budget for  
11 all business areas across Xcel Energy's operational companies, including  
12 replacement, maintenance, and repairs for existing fleet vehicles and equipment.

13

14 Q. WHAT ARE THE BENEFITS THE COMPANY HAS SEEN AS A RESULT OF  
15 CENTRALIZING THE MANAGEMENT AND BUDGETING FOR FLEET UNDER SUPPLY  
16 CHAIN?

17 A. Centralizing the management responsibilities to one unit within Supply Chain  
18 creates efficiencies, harmonizes long-term planning, and optimizes the purchase  
19 and maintenance of the Company's overall fleet. The Fleet organization works  
20 closely with each business area to ensure a strategic approach that provides the  
21 appropriate number of safe and reliable Company vehicles and equipment.

22

23 As a result of this centralization, we have also been able to improve the process  
24 to identify aged fleet vehicles and equipment that need replacement. The Fleet  
25 organization uses the total cost of ownership model to identify those fleet assets  
26 that need to be replaced. Generally speaking, the worst fleet assets based on  
27 age, miles, and hours are replaced first. This means that in any year, the most

1 need may be concentrated to a single business area or operational company, and  
2 as a result, capital budgets for fleet replacements may fluctuate from year-to-  
3 year.

4  
5 Q. PLEASE DESCRIBE THE COMPANY’S FLEET FUNCTIONS IN THE STATE OF  
6 MINNESOTA.

7 A. The Company could not accomplish our core service – providing natural gas to  
8 customers – without reliable fleet assets and equipment. The construction,  
9 maintenance, and repair of the natural gas system necessitates constant travel  
10 across Minnesota that requires the use of cars and trucks. We also rely on a  
11 variety of different types of construction equipment to perform our daily work  
12 to maintain the safety and reliability of our gas distribution system. Further, our  
13 ability to swiftly and safely respond to emergencies hinges on our crews having  
14 reliable fleet vehicles and equipment. To that end, the Company maintains a  
15 fleet of approximately 446 vehicles and equipment for the State of Minnesota  
16 Gas Jurisdiction. We also maintain 14 garages in Minnesota, where we inspect  
17 and repair fleet vehicles and equipment. Additionally, we own and operate 10  
18 fueling depots in Minnesota. These Minnesota garages and depots serve all fleet  
19 assets for both our Electric and Natural Gas businesses. We operate our own  
20 fueling depots to enhance crew efficiencies, to ensure access to diesel fuel for  
21 emergency operations, and to accommodate vehicles that cannot use  
22 commercial retail fueling stations due to size or other restrictions.

23  
24 The costs to operate all of our fleet assets – vehicles, construction equipment,  
25 garages, and depots – are assigned to business unit and jurisdiction, and between  
26 O&M and capital, based on the specific utilization of each item.

1 Q. HOW DOES THE FLEET ORGANIZATION CATEGORIZE CAPITAL INVESTMENTS  
2 FOR FLEET?

3 A. We categorize fleet capital investments into the following groups:

- 4 • *Fleet Asset Replacements*: investments to replace aging and retiring vehicles,  
5 trailers, and construction equipment.
- 6 • *Fleet Asset Additions*: incremental investments in additional fleet units to  
7 meet business area needs for additional crews hired or specific unique  
8 work tasks.
- 9 • *Fleet Repairs*: investments to repair existing fleet assets to extend their  
10 useful life.
- 11 • *Fueling Depots*: investments for replacing infrastructure at Company-  
12 owned fueling stations.
- 13 • *Garage Tools*: investments for tools needed to inspect and repair fleet  
14 assets, such as lifts, jacks, oil distribution systems, exhaust systems, and  
15 other similar mechanical tools.

16

17 Q. WHAT ARE THE BUDGETED CAPITAL ADDITIONS FOR THE FLEET  
18 ORGANIZATION FOR THE 2022 TEST YEAR (STATE OF MINNESOTA GAS  
19 JURISDICTION)?

20 A. Table 4 below shows, by business area, the actual fleet capital additions for  
21 2018-2020; forecasted capital additions for 2021; and budgeted capital additions  
22 for 2022. The budgeted capital additions for the Fleet organization total \$4.5  
23 million in 2022 for the State of Minnesota Gas Jurisdiction. I will discuss the  
24 reasons for the changes in these fleet investments as compared to previous  
25 years' investments, in the next section of my testimony.

**Table 4**  
**Actual and Budgeted Fleet Capital Additions**  
**(State of Minnesota Gas Jurisdiction)**

(in \$ 000's)	2018	2019	2020	2021	2022
	Actual*	Actual	Actual	Forecast	Budget
<b>Distribution</b>	3,514	3,091	6,620	3,918	4,177
<b>Common</b>	209	172	312	678	357
<b>Fleet, materials, outdoor lighting, facilities, etc.</b>					
<b>Total</b>	3,723	3,263	6,932	4,596	4,534

\* The management of the capital budget for fleet investments was centralized within Supply Chain's Fleet organization in November 2018. Actual fleet capital additions for 2018 in Table 4 are for NSPM gas jurisdiction, including Minnesota and North Dakota.

13 Q. PLEASE DESCRIBE THE TREND OF FLEET CAPITAL ADDITIONS FOR THE STATE  
14 OF MINNESOTA GAS JURISDICTION

15 A. In Table 4, above, 2020 actual capital additions are higher than in the years  
16 before or after. This is attributable to a timing issue. A fairly large amount of  
17 fleet assets were acquired in the fourth quarter of 2019 but were accounted for  
18 in the first part of 2020 due to the lag as they were being upfitted, inspected,  
19 registered, and placed in service.

21 Q. PLEASE PROVIDE AN OVERVIEW, BY COST CATEGORY, OF THE MAJOR PLANNED  
22 CAPITAL ADDITIONS FOR THE FLEET ORGANIZATION FOR THE 2022 TEST YEAR.

23 A. As Table 5 below displays, Fleet Asset Replacements are by far the largest  
24 category of capital additions, comprising approximately 97 percent of the annual  
25 budget for 2022 for the State of Minnesota Gas Jurisdiction. As discussed in  
26 greater detail below, we are increasing capital investments to replace aged fleet  
27 assets to decrease maintenance costs and to improve performance. Fueling  
28 Depots are our second largest category of capital additions, followed by Fleet

Repairs and Garage Tools. Exhibit\_\_\_(WKH-1), Schedule 9 provides further details of Fleet capital additions by account for the State of Minnesota Gas Jurisdiction.

**Table 5**  
**Actual and Budgeted Fleet Capital Additions by Cost Category (State of Minnesota Gas Jurisdiction)**

(in \$ 000's)	2018	2019	2020	2021	2022
	Actual*	Actual	Actual	Forecast	Budget
<b>Fleet Asset Replacements and Fleet Asset Additions</b>	3,588	3,246	6,862	4,233	4,391
<b>Fueling Depots</b>	102	0	0	277	37
<b>Fleet Repairs</b>	0	16	11	20	20
<b>Garage Tools</b>	33	0	-	67	86
<b>Total</b>	3,723	3,263	6,932	4,596	4,534

\* The management of the capital budget for fleet investments was centralized within Supply Chain's Fleet organization in November 2018. Actual fleet capital additions for 2018 in Table 5 are for NSPM gas jurisdiction, including Minnesota and North Dakota.

**B. Fleet Capital Additions by Category**

*1. Fleet Asset Replacements and Additions*

Q. WHAT INVESTMENTS ARE PLANNED FOR FLEET ASSET REPLACEMENTS AND FLEET ASSET ADDITIONS CATEGORY FOR THE 2022 TEST YEAR?

A. For 2022, we are not forecasting any incremental Fleet Asset Additions. However, we have budgeted \$4.4 million for Fleet Asset Replacements in 2022 for the State of Minnesota Gas Jurisdiction. These budgeted amounts for 2022 include the replacement of 3 passenger vehicles, 4 light duty vehicles, 16

1 medium duty / heavy duty trucks, 7 trailers, and 3 other items of construction  
2 equipment.

3

4 Q. ARE ANY OF THESE FLEET VEHICLES BEING REPLACED WITH ELECTRIC  
5 VEHICLES (EVS)?

6 A. Yes. All 3 passenger vehicles that will be replaced in 2022 will be replaced with  
7 a battery electric vehicle (BEV) or a plug-in hybrid electric vehicles (PHEV).  
8 Our purchases of EVs are discussed below.

9

10 Q. HOW DOES THE COMPANY DETERMINE WHICH OF ITS FLEET ASSETS NEED TO  
11 BE REPLACED IN A GIVEN YEAR?

12 A. The Fleet organization makes decisions on replacing fleet assets across the  
13 Company's operational companies using the total cost of ownership model,  
14 which takes into account the following inputs: age, the number of miles, total  
15 hours, repair costs, maintenance costs, the costs of repair parts, and labor costs  
16 for repairs of each fleet unit. These inputs track all costs associated with  
17 owning, operating, repairing, and maintaining our fleet vehicles during their  
18 entire life span.

19

20 Q. HOW IS THE TOTAL COST OF OWNERSHIP MODEL USED TO DEVELOP THE  
21 BUDGET FOR FLEET ASSET REPLACEMENTS?

22 A. Each year, the Company examines the total cost of ownership for each of our  
23 existing fleet assets to determine which fleet units need to be replaced in that  
24 year. In particular, a fleet unit is identified for replacement when the costs of  
25 owning, operating, repairing, and maintaining that unit exceed the average cost  
26 of replacing that unit or when customer service is negatively impacted due to  
27 increased instances of breakdowns. This condition-based assessment process

1 means that in one year, the most need for replacing fleet assets may be within  
2 one operational company or within one business area. As a result, the annual  
3 budget for Fleet Asset Replacements for a Company jurisdiction may fluctuate.  
4

5 Q. WHY IS IT IMPORTANT TO REPLACE AGING FLEET ASSETS WHEN THESE CRITERIA  
6 ARE MET?

7 A. Replacing our fleet in accordance with these criteria reduces the total overall  
8 cost to operate and maintain the Company's fleet while maintaining and  
9 maximizing the reliability and safety of our fleet assets.

10  
11 Age is the single biggest driver of maintenance and repair costs for fleet assets.  
12 The cost to repair and maintain older fleet assets is much higher than for newer  
13 assets, as the older assets tend to require more frequent and more extensive  
14 maintenance and repairs. As a result, it is important to track the maintenance  
15 and repair costs of aging fleet assets to make sure that we replace fleet when the  
16 costs of these repairs exceed replacement costs.

17  
18 Older fleet assets are also not as reliable as newer fleet assets and this can impact  
19 customer service since our crews rely on these vehicles and equipment to  
20 perform their work. Further, older fleet assets are not as safe as newer assets  
21 because they are not equipped with the latest safety technology and have a  
22 higher risk of catastrophic component failures. Newer fleet assets also have  
23 improved fuel economy as compared to older vehicles, thus providing fuel  
24 savings. It is difficult to quantify savings from our replacement of fleet assets;  
25 we believe to date such savings are relatively small because we are still in the  
26 first few years of using the total cost of ownership model, but that the savings  
27 will increase as the average age of fleet goes down.

1 Q. WHAT IS DRIVING THE CURRENT LEVEL OF INVESTMENT IN FLEET ASSET  
2 REPLACEMENTS?

3 A. The amounts that we have budgeted for Fleet Asset Replacements for 2022  
4 were developed based on the results of the total cost of ownership model. The  
5 total cost of ownership model determines the optimal financial age to replace  
6 aged fleet assets before they catastrophically fail or cause unnecessary repairs to  
7 a fleet unit that is past its ideal replacement age. Since centralizing the  
8 management and budgeting for Fleet under Supply Chain, we have determined  
9 that we have too many assets that are at or beyond the end of their useful life.  
10 The current average age of all of our fleet is 7.5 years. Based on the total cost  
11 of ownership model and industry benchmarking, we have determined that the  
12 optimum average age of our fleet assets should be 5.7 years. In order to rapidly  
13 replace assets that are beyond their useful life, thus lowering the average age of  
14 our fleet, we are continuing to make investments in fleet asset replacements in  
15 2022.

16

17 2. *Fueling Depots*

18 Q. WHAT INVESTMENTS ARE PLANNED IN THE FUELING DEPOT CATEGORY FOR  
19 THE 2022 TEST YEAR?

20 A. We are upgrading and installing new fuel tanks, fuel card readers, pumps and  
21 upgrading all electrical systems to operate these facilities. The majority of our  
22 investments for 2022 relate to replacement of underground fuel tanks with new  
23 above ground fuel tanks. We began this project in 2018 in the State of  
24 Minnesota and anticipate that this work will be completed in 2022.

1 Q. WHY DOES THE COMPANY NEED TO REPLACE THESE UNDERGROUND FUEL  
2 TANKS?

3 A. The underground fuel storage tanks at our fueling depots are 30-50 years old  
4 and have reached the end of their useful life both mechanically and  
5 environmentally. They are being replaced with above-the-ground storage tanks  
6 that minimize environmental risks.

7

8 Q. HOW WAS THE BUDGET FOR FUELING DEPOTS FOR 2022 DETERMINED?

9 A. As noted above, the majority of our budget for Fueling Depots over this time  
10 period relates to the replacement of our underground fuel tanks, fuel dispensers,  
11 card readers and all associated electrical cost and restoration work with this  
12 project. We developed our budget for this work based on our actual costs to  
13 replace these underground storage tanks from 2018-2020 and then multiplied  
14 that cost by the number of fueling depot replacements planned for the test year.

15

16 3. *Fleet Repairs*

17 Q. WHAT INVESTMENTS ARE PLANNED FOR FLEET REPAIRS FOR THE 2022 TEST  
18 YEAR?

19 A. For the 2022 test year, we have budgeted \$20,000 for Fleet Repairs. Repair costs  
20 are unpredictable and fluctuate annually, based on the number and type of  
21 vehicles and equipment that fail in any given year. Actual repair costs are higher  
22 for larger trucks and more complex work.

23

24 Q. HOW WAS THE BUDGET FOR FLEET REPAIRS FOR 2022 DETERMINED?

25 A. We developed the budget for Fleet Repairs by considering historic actuals and  
26 the current age of our fleet. As I discussed, the average age of our fleet vehicles  
27 is currently on the older side, with an average age of 7.5 years. While we are

1 working to reduce the average age of our fleet vehicles, fleet vehicles that are  
2 beyond their useful life will still require necessary repairs to keep them running  
3 until they can be replaced. Our budget for Fleet Repairs was developed with  
4 these concerns in mind.

5  
6 *4. Garage Tools*

7 Q. WHAT INVESTMENTS ARE PLANNED FOR GARAGE TOOLS FOR THE 2022 TEST  
8 YEAR?

9 A. Our capital investments for Garage Tools will include investments related to  
10 maintaining and replacing garage lifts, jacks, and other tools. Starting in 2021,  
11 we have also budgeted additional amounts related to equipping our garages with  
12 fall restraint equipment to meet requirements of the U.S. Occupational Safety  
13 and Health Administration (OSHA). This new fall restraint equipment, which  
14 includes harnesses, lifts, and related items, is necessary to comply with OSHA  
15 requirements and to keep our fleet technicians safe.

16  
17 Q. WHY IS THE BUDGET FOR GARAGE TOOLS FOR 2022 HIGHER THAN ACTUALS  
18 FOR 2019 AND EARLIER?

19 A. There are two reasons. First, as I discussed, we have budgeted additional capital  
20 in 2022 to add fall restraint equipment and hoist replacements to our garages.  
21 Second, due to the realignment of capital budgets, historical actual expenses do  
22 not capture all of the capital additions for fleet repair, but going forward, actuals  
23 should align with budgeted amounts.

1 Q. WHAT DO YOU CONCLUDE ABOUT THE 2022 CAPITAL INVESTMENT FORECASTS  
2 FOR FLEET?

3 A. I conclude that our capital forecasts for Fleet represent an accurate and  
4 reasonable picture of our investments for the 2022 test year. Therefore, these  
5 forecasts can be relied on to set just and reasonable rates for our customers.  
6

7 **C. Acceleration of Fleet Electrification**

8 Q. PLEASE PROVIDE AN OVERVIEW OF THE COMPANY’S PLAN TO ACCELERATE  
9 FLEET ELECTRIFICATION.

10 A. In its petition in the COVID-19 Relief & Recovery Docket, No. E,G999/CI-  
11 20-492, the Company proposed a portfolio of EV programs that would not only  
12 assist in generating economic activity in Minnesota and boost the economy, but  
13 would also further the adoption of EVs in Minnesota. One of those programs  
14 is the acceleration of the electrification of a small portion of the Company’s  
15 fleet. The Company was originally planning on electrifying a portion of its fleet  
16 over ten years, but proposed to accelerate the sedan class over two years - 2021  
17 and 2022. In the accelerated plan, the Company plans to purchase 40 light-duty  
18 vehicles, 20 in 2021 and 20 in 2022, and install associated charging  
19 infrastructure. This initiative is intended to deliver lower emissions; improve  
20 the Company’s impact on the environment; and lower our maintenance costs.  
21

22 Q. PLEASE EXPLAIN WHY YOU ARE ADDRESSING, AS PART OF THIS RATE CASE, THE  
23 PROPOSAL TO ACCELERATE FLEET ELECTRIFICATION.

24 A. In Docket No. E,G999/CI-20-492, the Commission did not approve the  
25 Company’s proposed portfolio of EV programs to be included in the  
26 Company’s 2021 capital true up; instead, the Commission moved the  
27 consideration of the Company’s EV Programs, including acceleration of fleet

1        electrification, to Docket No. E002/M-20-745. On March 17, 2021, the  
2        Commission issued a notice of comment period in Docket M-20-745 regarding  
3        approval of the Company’s EV programs, including the Company’s proposal to  
4        accelerate Fleet electrification.

5  
6        In comments, the Department, ChargePoint, Inc., and Greenlots all discussed  
7        our acceleration of electrification of our fleet. ChargePoint and Greenlots  
8        expressed support for the proposal. The Department did not express support  
9        or opposition to our proposal, but the Department did ask for us to discuss the  
10       proposal further in a future rate case.

11  
12    Q.    WHAT DID THE DEPARTMENT SPECIFICALLY RECOMMEND?

13    A.    The Department recommended that the Company submit testimony in its next  
14       rate case to support the Company’s proposal to accelerate fleet electrification.  
15       The Department specifically requested that the Company address 1) EV fleet  
16       vehicle capital costs; 2) lower maintenance costs; and 3) the overall net benefits  
17       to our customers. In Reply Comments, the Company committed to address  
18       these issues in its next rate case.

19  
20    Q.    WHAT WAS THE TOTAL BUDGET FOR THE INITIATIVE TO ACCELERATE  
21       ELECTRIFICATION OF THE FLEET?

22    A.    Last year, the Company reported in the COVID-19 Relief & Recovery Docket  
23       that the budget for the purchase of the EV fleet vehicles, and operation and  
24       maintenance of the vehicles, was \$2.2 million over four years. This budget  
25       remains reasonable. The capital expenses contemplated in this budget are  
26       included within the Fleet Capital Additions figures set forth in Table 5, above.

1 Q. ARE THE EVS REPLACING EXISTING INTERNAL COMBUSTION ENGINE (ICE)  
2 VEHICLES THAT ARE AT RETIREMENT AGE?

3 A. In part. Twenty of the forty ICE vehicles to be replaced meet the Company's  
4 total cost of ownership guidelines for replacement. The remaining ICE vehicles  
5 vary in age and in mileage; their replacement cycles vary as well, from a year  
6 away to several years away.

7

8 Q. HOW DOES THE COMPANY SELECT THE EVS THAT IT IS PURCHASING AS PART OF  
9 THIS INITIATIVE?

10 A. We have an established competitive bidding process for fleet vehicle purchases,  
11 and through that process have selected Ford and Chevrolet as our preferred  
12 vehicle suppliers. In our competitive bidding process, dealers go through a  
13 bidding process and we award three-year contracts with options to renew for  
14 years four and five.

15

16 Q. WHAT SPECIFIC MODELS OF EVS IS THE COMPANY BUYING AS PART OF THIS  
17 INITIATIVE?

18 A. The Company is purchasing Ford Escape plug-in hybrid electric vehicles  
19 (PHEVs) and Chevrolet Bolt Electric Utility Vehicles (BEVs). As of the time  
20 when this testimony is being drafted, Bolts are subject to a battery-related recall.  
21 Nevertheless, we remain on track; we have purchased four BEVs and sixteen  
22 PHEVs in 2020, and we anticipate purchasing a total of 20 EVs in 2022 as  
23 proposed.

24

25 Q. HOW MUCH DO THESE EVS COST?

26 A. The Escape PHEVs cost the Company \$32,000 each, plus tax, title, and  
27 licensing, and the Bolts cost the Company \$30,500 each, plus tax, title, and

1       licensing. We have not purchased any ICE cars in the last few years, so we do  
2       not have clear data to use to compare the cost of the Escape PHEVs and Bolts  
3       to functionally equivalent ICE vehicles.

4  
5    Q. IS THE COMPANY INSTALLING CHARGING PORTS FOR THESE EVS?

6    A. Yes. The capital additions for charging ports are included in the Facilities  
7       budget, supported by Company witness Laurie J. Wold.

8    Q. WHAT ARE THE ONGOING COSTS ASSOCIATED WITH THE EVS?

9    A. On the one hand, we anticipate that the EVs will have lower maintenance costs.  
10       On the other hand, purchase of the new EVs results in increased depreciation.  
11       Taking both of these considerations into account, the annual costs for the 40  
12       new EVs is estimated to be \$225,000, which is approximately a 15 percent  
13       increase as compared to the overall annual costs for a similar number of cars in  
14       past years.

15  
16   Q. WHY ARE THE MAINTENANCE COSTS FOR THE EVS EXPECTED TO BE LOWER?

17   A. During the warranty period, major breakdowns with the EVs would be covered  
18       by warranty. In addition, a substantial part of the maintenance costs for ICE  
19       vehicles relates to the engine, transmission, and cooling system. EVs do not  
20       have these components, so they do not need periodic oil changes, coolant refills,  
21       engine repairs, and the like. That said, PHEVs have both a combustion engine  
22       system and an electric system, so the maintenance savings for PHEVs may be  
23       less.

1 Q. PLEASE EXPLAIN HOW ACCELERATING FLEET ELECTRIFICATION IS EXPECTED  
2 TO PROVIDE OVERALL NET BENEFITS TO THE COMPANY’S CUSTOMERS?

3 A. The use of EVs reduces carbon and other pollutant emissions. The EVs the  
4 Company is purchasing on an accelerated basis are replacing ICE vehicles that  
5 use gasoline and therefore contribute to greenhouse gas emissions. Our  
6 investments in EVs provide an opportunity to build on our Company’s utility  
7 decarbonization efforts and reduce carbon emissions across both the electricity  
8 and transportation sectors.

9  
10 Although the number of EVs involved in this accelerated initiative is modest,  
11 each step toward implementing EV usage will improve utilization of renewable  
12 generation resources. In previous filings, the Company cited studies estimating  
13 that each light and medium-duty EV added and charged off-peak can provide  
14 significant customer and societal benefits. By accelerating its investment in EVs  
15 in its fleet, the Company is demonstrating its commitments to increase the  
16 overall adoption and use of EVs.

17  
18 And, as explained above, we believe the maintenance costs for the EVs should  
19 be lower than if the Company was buying ICE vehicles.

20  
21 Q. WHAT STANDARD SHOULD THE COMMISSION USE AS IT CONSIDERS THE  
22 COMPANY’S PROPOSAL REGARDING THE ACCELERATION OF THE  
23 ELECTRIFICATION OF THE COMPANY’S FLEET?

24 A. We request that the Commission consider our fleet electrification proposal in  
25 the same vein as other investments proposed in our initial COVID-19  
26 Economic Recovery proposal. In connection with a number of proposed  
27 investments, the Commission ruled that the proposals had the potential to be

1 consistent with the Commission’s requests for proposals for economic  
2 recovery, and that the acceleration of the projects alone would not be the sole  
3 basis of future recovery disapproval.<sup>2</sup> In its September 20, 2021 Reply  
4 Comments in Docket No. E002/M-20-745, the Department stated that it did  
5 not object to the Commission similarly deciding that the Company’s Fleet  
6 electrification has the potential to be consistent with its request for economic  
7 recovery proposals.<sup>3</sup>

8  
9 **VII. COMPLIANCE ITEM ON LOBBYING COMPENSATION**

10  
11 Q. DO YOU PROVIDE COMPENSATION INFORMATION FOR EMPLOYEES ENGAGED  
12 IN LOBBYING?

13 A. Yes. In Docket No. E002/GR-10-971, the Company agreed to include in its  
14 next rate case a report of the total compensation for employees engaged in  
15 lobbying, with an explanation of the costs included and excluded in the rate  
16 request. This information is provided in Exhibit\_\_\_(WKH-1), Schedule 10.  
17 The scope of the information presented in this schedule and EER Schedule 9  
18 is consistent with the approach taken in our past gas rate cases.

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<sup>2</sup> See *In re Inquiry into Utility’s Investments that May Assist in Minnesota’s Economic Recovery from the COVID-19 Pandemic*, Docket No. E,G-002/CI-20-492, *In re Proposal by Xcel Energy for Authorization to Recover Costs for Investments that May Assist in Minnesota’s Economic Recovery from the COVID-19 Pandemic*, Docket No. E,G-002/M-20-716, Order Determining that Proposals Have the Potential to Be Consistent with COVID-19 Economic Recovery (Mar. 12, 2021).

<sup>3</sup> At the time of preparing this testimony, the Commission had not yet issued an order in Docket No. 20-745. Therefore, the Company reiterates its proposal here, which it believes reflects its agreement with the Department on this issue.

VIII. CONCLUSION

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Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. Our 2020 EER Schedules contain the employee expense information required by the Employee Expense Statute. We have conducted a rigorous review to ensure that employee expense costs included in the test year are consistent with the Employee Expense Statute, the commitments in our prior rate cases, and the guidelines in our Employee Expense Policy.

For employee expenses, we have made a 2022 test year rate case adjustment of \$0.2 million. For corporate aviation, we have made a 2022 test year rate case adjustment of \$0.1 million. These adjustments ensure that reasonable and appropriate costs are included within the 2022 test year.

We are requesting recovery for approximately \$1.1 million for employee expenses for 2022. We have budgeted \$4.5 million in 2022 for Fleet capital additions to maintain reliable, high quality utility trucks and other equipment.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes, it does.

## W. Kile Husen

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<b>XCEL ENERGY, INC.</b> Minneapolis, MN	<u>Director – Supply Chain Process Governance</u> <u>Director -Sourcing &amp; Purchasing</u> <u>Director – A/P and Supply Chain Support</u>	Jan. 2015 - Present May 2008 – Jan. 2015 Feb. 2003 – May 2008
---	---	---

Works with senior leaders across the enterprise to drive integrated process and technology improvements. Accountable for the integrity of business processes, data, and systems within the enterprise supply chain area. Regularly measures process effectiveness, efficiency, and adherence, and approves remedial action plans. Accountable for budgeting, resourcing, and benefits realization for all aligned improvement and enhancement programs.

<b>NRG ENERGY, INC.</b> Minneapolis, MN	<u>Director - Financial Systems and Accounting</u> <u>Manager – Thermal Accounting</u>	Oct. 1997 – Feb. 2003
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Responsible for creating the financial system infrastructure for the company that supported the growth and complex financial needs of this company as it grew from \$1 billion in assets in 1997 to \$13 billion in 2003. Also served as the divisional controller for NRG’s Thermal Group.

<b>LIFETOUCH INC.</b> Bloomington, MN	<u>Manager Financial Reporting</u>	Oct. 1994 – Oct. 1997
--	------------------------------------	-----------------------

Responsible for all corporate financial reporting for this \$500 million employee owned photographic company.

<b>SPACE CENTER COMPANY</b> St. Paul, MN	<u>Assistant Controller</u> <u>Internal Auditor/Special Projects</u>	Nov. 1993 - Oct. 1994 June 1990 - Nov. 1993
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Responsible for the accounting function of four privately owned companies doing business in real estate, public warehousing, radio broadcasting, and petroleum exploration.

<b>ERNST &amp; YOUNG</b> Minneapolis, MN	<u>Auditor</u>	Aug. 1987 - June 1990
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### EDUCATION / CERTIFICATION

Certified Public Accountant (inactive)		Minnesota 1987
St John’s University Collegeville, MN	Major: Accounting (Honors)	1987

# Travel and Expense Policy



## Policy 10.2

### Purpose

This policy sets forth expectations regarding the use of the corporate credit card for approved business-related expenses and the expense statement filing requirements. It also outlines the requirements for business travel, meals, entertainment, recognition and more.

### Applicability

The Travel and Expense Policy ("Policy") applies to all employees of Xcel Energy Inc. and its subsidiaries and affiliates ("Xcel Energy").

Consultant travel and business-related expenses should be managed in accordance with a negotiated contract and the [Contractor Guidelines for Expenses](#). Business related expenses must be reimbursed through Professional Service Agreements established with consultant or consulting firm.

Staff Augmentation Contractor travel and business-related expenses must be invoiced by contracting agency under the terms of its Master Staff Augmentation Services Agreement with Xcel Energy. The agency is responsible to reimburse the agency's workers expenses.

### Index

#### Administrative

- [Corporate Credit Card](#)
- [Expense Statement Filing](#)
- [Receipts and Records](#)

#### Travel, Meals, Entertainment and Recognition

- [Business Meetings and Events](#)
- [Entertainment](#)
- [Meal Expenses](#)
- [Alcohol Expenses](#)
- [Tips and Gratuities](#)
- [Air Travel](#)
- [International Travel](#)
- [Foreign Currency Transactions](#)
- [Combined Business and Personal Travel](#)
- [Spousal Expenses](#)
- [Non-Reimbursable Travel Expenses](#)
- [Hotels/Lodging](#)
- [Vehicles](#)
- [Vehicle Accidents](#)
- [Parking](#)

### Policy Highlights

- Employees should make cost-effective and policy-compliant decisions.
- Leaders should carefully review and approve all expense reports.
- Call the Supply Chain Hotline Support at 303-628-2644 with questions.

## Travel and Expense Policy (10.2) 2

- [Bargaining Unit Per Diems](#)
- [Telephone Charges While Traveling](#)
- [Employee Recognition](#)

### Other Expenses

- [Club or Organization Dues](#)
- [Contributions to Candidates for Office and Elected or Appointed Public Officials](#)
- [Mobile Devices](#)
- [Personal Protective Equipment Allowance](#)

If you have questions regarding this Policy, please contact the Supply Chain Hotline at 303-628-2644.

### Requirements and Responsibilities

#### General Statement Regarding Travel & Expense Reimbursement

Upon leader approval, Xcel Energy will reimburse employees for reasonable travel and business-related expenses that the company normally considers deductible under the Internal Revenue Code and regulations for deductible business expenses. Employees are expected to use sound business judgment and plan travel and other business-related expenses to minimize costs.

#### Corporate Credit Card

Employees who incur travel and other related business expenses will be issued, and are required to use, a company-sponsored corporate credit card ("Corporate One Card"). Use of the Corporate One Card must be in accordance with this Policy and the Sourcing and Procurement Matrix. If you have questions about expenses not covered in this Policy or in the matrix, please contact the Supply Chain Hotline.

For procurement purchases using a Corporate One Card, see the Procurement of Normal Goods and Services policy (4.10).

#### Card Request and Eligibility

Employees must submit an application on XpressRequest and meet the following criteria to be issued a card:

- Receive approval from their leader and Supply Chain
- Be an active full-time employee
- Read and sign the Cardholder Agreement
- Complete required online Corporate One Card training prior to receiving the card. If training is not completed, the employee's card may be subject to closure. Approval from Supply Chain management will be required to obtain a new credit card.

Staff Augmentation Contractors and interns are not eligible for a Corporate One Card. Staff Augmentation Contractors can seek reimbursement for expenses through their contract agency or invoice based on the Professional Service Agreement.

#### Card Transaction Limits

The following standard transaction limits apply unless other limits are requested and approved or deemed suitable by the Corporate Card Admin team:

- \$1,500 per purchase transaction
- \$5,000 monthly limit

If an employee is required to make a purchase that is greater than the assigned limits, he or she must complete and submit either a [One-Time Authorization Limit Change or a Permanent Limit Change request](#), which will require a higher level of approval. Splitting transactions that are greater than the assigned limits is not allowed.

### Card Security

Corporate One Cards are assigned to individual employees and must be used only by the employee whose name is on the credit card. The assigned employee is responsible for the physical security of their Corporate One Card at all times. Employees are required to adhere to the following:

- A. Usage of the Corporate One Card by an employee other than the assigned employee, is strictly prohibited and will result in card termination and potential discipline.
- B. For anything other than an online or phone purchases, employees must not share their card information including the card number, expiration date, security code or PIN.
- C. Lost, stolen, compromised, or damaged cards must be reported to US Bank (800-344-5696) and the internal [Corporate Card Admin team](#) immediately.
- D. Any updates to personal information including legal name, home address must be updated internally via a Personnel Action Form.

Employees can utilize mobile pay as a payment method, which provides the convenience of a touchless payment transaction. Mobile pay offers security by digitally encrypting your card information at the transaction level while stored in your mobile device. Additionally, a password or fingerprint will be required to unlock your device.

Employees can opt-in for fraud alerts via US Bank Access Online. It is the employee's responsibility to notify and/or respond to US Bank immediately regarding all fraudulent transactions, retrieve a new card, obtain and return required paperwork, and ensure credits are received and reconciled to offset charges.

### Blocked Purchases

US Bank uses merchant category codes to classify merchants and business by the type of goods and services provided. Merchant category codes ("MCC") categorize, track and restrict transactions. Certain category codes will be blocked for Xcel Energy employees. Employees must proactively verify the merchant category code is not blocked before making a purchase. To determine what MCC the merchant falls under, employees can enter the supplier information [here](#) and identify if the code is blocked or not assigned to their profile.

If an employee's card gets declined when making a purchase, they should call the Supply Chain Hotline. Blocked purchases must not be made with cash or personal card.

Employees will need to request permission to unblock merchant category codes by submitting a Corporate Card Authorization Request, either as a One-time authorization (1-2 transactions per year) or a Permanent authorization (more than twice per year). For information on Merchant Category Codes, visit this website.

### Purchasing Travel for Another Employee

Purchasing travel for another employee is discouraged and requires pre-approval by the business area vice president.

### Personal Use of Corporate Card

Personal purchases of any type using the Corporate One Card are not permitted. In the event that the Corporate One Card is used inadvertently for a personal purchase, the employee must mark the expense as "personal" on the expense report and notify their leader. Personal use expenses are monitored to ensure the corporate credit card is used appropriately. The willful intent to misuse the Corporate One Card (i.e. knowingly making personal purchases) may be subject to discipline, up to and including termination of employment.

#### Use of Personal Card or Cash Out of Pocket

The use of personal card or cash out of pocket for business purposes should be rare. Unless otherwise noted in this Policy (e.g. tips, tolls, mobile), it is only appropriate to claim cash out of pocket reimbursement for expenses incurred while traveling when credit cards are not accepted or if an employee inadvertently uses a personal credit card for business travel or business-related expenses. The employee should claim the business expense as “cash out of pocket” on the expense statement and attached the proper detailed itemized receipt documentation. Cash out of pocket expenses are monitored to ensure the Corporate One Card is used appropriately.

#### Expense Advances

Cash advances for travel expenses or reimbursement of travel expenses prior to submitting an expense reimbursement statement are not allowed.

#### Capital Charges with a Corporate One Card

Use of the Corporate One Card for capital purchases must ensure alignment with the Capital Charges with Corporate Credit Card Guidelines. Employees should contact the Capital Asset Accounting Group with any questions regarding capital purchases.

#### Leave of Absence or Employee Termination

Employees are responsible for expensing all card transactions prior to one of the following events:

- Leave of Absence: The employee’s leader must immediately email the [Corporate Card Admin Team](#) on behalf of their employee to report the leave. The card will remain suspended while the employee is on leave.
- Employee Termination: In the event of termination, the employee’s leader must collect the credit card and any other Company owned resources at the time of voluntary or involuntary termination. Leaders are responsible to conduct an inventory of company equipment and personal items to ensure the individual receives their personal effects in a timely manner.

If a terminated or suspended employee continues to use their card, they may be liable to the company for the unauthorized charges. The cardholder employee may also be subject to criminal prosecution.

#### **Expense Statement Filing**

Each employee is to include only his or her expenses on an expense statement. Leaders can include on their expense statements minor expenses for their employees who do not ordinarily use an expense statement. Expenses for special meetings, conferences, conventions, seminars, industry meetings, training classes and travel are reimbursable and may be combined with routine expenses on one expense report. Employees may include on their expense statement, expenses for meetings, conferences, meals, etc. where the leader(s) is in attendance with other staff and charged to a subordinate’s corporate credit card.

#### Proxies

Xcel Energy allows the use of proxies in the expense report process. The term “Proxy” applies to an employee who acts on behalf of another employee (e.g. creates and submits and/or approves expense reports). Proxies can only approve reports if they have the approver role in the Expense Management System. Only supervisor level and above have the approver role in the Expense Management System. Employees/Proxies and Approvers will be held equally accountable for the accuracy of report information.

### Expense Report Submission Timing

Employees should submit only one expense report per month within 30 days of the first expense transaction. Employees can choose a day of the month and submit their expenses in the Expense Management System each month on that date to maintain the 30-day submission window. Employees will be notified if expenses are not submitted within 30 days of the incurred expense. Daily notifications will be sent for expenses that are not submitted within 45 days of the incurred expense.

Expense statements not submitted within 60 days will cause the employee's corporate credit card to be suspended until the report is complete. In accordance with IRS regulations, any employee expenses not claimed within 60 days of when the expense was incurred may be deemed taxable income to the employee.

Expense statements that are 90 days delinquent will cause the employee's corporate credit card to be closed. Approval from the Director, Supply Chain Business Operations will be required to obtain a new credit card.

### Proper Documentation for Expenses

For Internal Revenue Service (IRS) reporting, proper documentation for expenses is required, including a complete business purpose. Business purposes must adequately describe why the expense was incurred, not what the expense was. For example, an appropriate business purpose for an overtime meal expense while working on a boiler repair would be: "Overtime Meal — Boiler Repair." One-word descriptions such as "dinner" or "tickets" are not considered adequate. Abbreviations may be used in the business purpose as long as the abbreviation is spelled out on the receipt or in the description field.

Employees must allocate expenses to the correct accounting and expense type. Employees must update any predefined/default I/O numbers in the Expense Management System when their accounting codes change (due to a role change, for example). Employees should contact their Business Area [Finance Representative](#) if they have any questions regarding the correct accounting or expense type.

### Expense Approval

Leaders are required to use discretion based on business needs and approved budget when approving expenses. Leaders and/or Proxies who approve reimbursement for travel and business expenses are ultimately responsible for the overall accuracy and completeness of the expenditures being claimed and must ensure:

- All transactions are adequately documented.
- All transactions are appropriate and comply with all company policies and procedures.
- Any exceptions are warranted and properly documented.
- Correct type of cost and expense type have been assigned.
- Necessary detailed itemized receipts have been included.
- Other necessary documentation has been provided.
- Preferred suppliers were used.

### **Receipts and Records**

The company requires records and detailed itemized receipts to qualify the employee as having "accounted to his or her employer" for reimbursement of expenses, as defined by the Internal Revenue Code.

The following instances always require a detailed itemized receipt:

- All expenses using a personal credit card or cash, regardless of amount. Exceptions include reasonable tips and tolls.

## Travel and Expense Policy (10.2) 6

- All lodging expenses. This is to ensure appropriate accounting for sales and use tax. In addition, the itemized detailed receipt for any expenses charged to the lodging bill must be submitted. Hotels will provide an itemized receipt if requested.
- All purchase-type expenses (such as materials, subscriptions, tangible goods or anything other than typical travel expenses) regardless of amount. This is to ensure appropriate accounting for sales and use tax.
- Authorized invoice payments using the Corporate Card. The invoice must be uploaded into the Expense Management System and the following details are required in the description box: the invoice number and the name of the ultimate seller/vendor if the transacted merchant does not align.
- Airline travel and service fees. The itinerary showing the amount charged is the required detailed itemized receipt.
- Costs associated with alcohol purchases. Alcohol purchases must be broken into separate expense types.
- Meals at or above \$25 with tip included. Tips must be properly documented on the receipt or outlined in the description box. The itemized receipt for a business meal must include the specific business purpose, first/last name and title of those in attendance, including affiliation/company of non-employees and business relationship, such as "employee" or "guest." Group meals that exceed 20 people require a sign-in sheet that outlines the group in attendance with names and relationships as supporting documentation.
- All travel type expenses at or above \$25.
- Multi-trip mileage requires use of a Mileage Authorization form. Single mileage trip detail (for a one-way or round trip) can be entered in the system. Employees must disclose the point of departure and destination with the exact address, service center name or airport code and the total miles for the trip.

### Credit Card Receipts

Machine-produced detailed itemized receipts are required and must be submitted along with the credit card receipt to support documentation. If the employee's credit card number is displayed on the receipt, black out all but the last four digits to protect sensitive information.

### Lost Receipts

If a receipt is lost or not available, the employee must complete and sign a [Lost Receipt form](#), verifying the legitimate expense. This documentation then serves in place of a detailed itemized receipt. Employees should add information in the description section of the Expense Management System explaining relevant details for expenses incurred that are not self-evident.

### **Business Meeting & Events**

Whenever possible, business meetings should be held on company property and limited to business requirements.

When off-site business meetings and events are required, every effort should be made to use existing contracted corporate agreements or contracted hotels. The Travel Management Company agent will support the identification of contracted meeting spaces.

### **Entertainment**

Any expenses associated with entertaining employees and/or non-employees are reimbursable only when the principal purpose of the activity benefits the company.

**Travel and Expense Policy (10.2) 7**

Modest and appropriate meals and/or entertainment may be provided to persons who have business with Xcel Energy. Such meals and/or entertainment given must be in connection with a business discussion and must comply with Xcel Energy’s Conflict of Interest guidelines outline in the Code of Conduct.

<b>Entertainment - Travel</b>	Travel expenses related to entertainment events (e.g. airfare, lodging, rental car).
<b>Entertainment - Meal</b>	Meals related to entertainment. Includes non-employees or the combination of employees and non-employees. Any entertainment expenses for employees only should be considered recognition. Refer to the <a href="#">Employee Recognition</a> section.
<b>Entertainment - Tickets</b>	Charges associated with any ticketed sporting event or other ticketed entertainment, as well as, costs associated with recreational events (e.g., golfing, fishing, resort activities, etc.). Includes non-employees or the combination of employees and non-employee.

**Meal Expenses**

Meal expenses includes food, non-alcoholic beverages, alcoholic beverages, and associated taxes and tips. The correct expense type must be used for:

- Travel Meals
- Business Meals
- Entertainment Meals
- Recognition Meals (See [Employee Recognition](#))

The recommended per-meal guidance is breakfast \$8-10, lunch \$10-15 and dinner \$20-40. The maximum allowance is \$65 per person, per day, including food, non-alcoholic beverages, alcoholic beverages and associated taxes and tips. If an employee exceeds the \$65 per person, per day maximum he or she must submit written approval from their business unit vice president with the receipt(s).

When two or more employees attend a meal for company business, the highest-ranking employee must submit the costs for reimbursement. However, expenses for large team meetings, where leader(s) attend with other staff, may be charged to a subordinate’s corporate credit card and included on the subordinate’s expense statement.

Meals related to approved professional organizations, industry or trade associations are reimbursable.

<b>Business Meal (Emp Only)</b>	Business Meals with only employees present will be reimbursed when the meeting has a valid business purpose and could not have been reasonably conducted during regular business hours. Meals to discuss casual business matters will not be reimbursed. If the business meal occurs while traveling with employees, it should still be classified as a business meal.
<b>Business Meal (Non Emp)</b>	Business Meals with employees and non-employees that principally benefit the company may be reimbursed if the business cannot be reasonably conducted during regular business hours. If the business meal occurs while traveling with non-employees, it should still be classified as a business meal.
<b>Travel Meal</b>	Meals and beverages incurred while traveling for business. If the meal is for a valid business meeting, it must be classified as a business meal and not a travel meal, even if the meal is incurred while traveling. Meals consumed with other traveling employees in which business is not the

	focus should be classified as a travel meal and separate tabs are preferred.
<b>Entertainment - Meal</b>	Meals related to entertainment. This includes non-employees or the combination of employees and non-employees. Any entertainment expenses for employees only should be considered recognition.

### **Alcohol Expenses**

Employees should consider the appropriateness and the company's liability when serving and/or consuming alcohol. Employees must comply with the company's fitness for duty provisions outlined in the [Alcohol and Drug-Free Workplace](#) Policy (9.3).

All costs associated with alcohol purchases must be broken into separate expense types on the expense report.

### **Tips and Gratuities**

Tips and gratuities should be reasonable in relation to the locale visited, commensurate with the service performed. The amount of percentage of any gratuity paid should not exceed 25% and must be visible on the receipt or noted in the description box.

### **Air Travel**

Before booking any travel arrangements, employees must determine the business need for the trip and consider less costly alternatives, such as teleconferencing or other conferencing options.

#### Commercial Air Travel

Air travel costs constitute the largest controllable travel expense incurred by Xcel Energy. Employees must use the Travel Management Company's online booking tool when making air travel arrangements to take advantage of negotiated financial savings, track unused or cancelled airline tickets and for employee safety reasons. Booking outside our Travel Management Company is prohibited.

Travel arrangements should not be based on availability of upgrades, frequent flyer awards or bonus points. The Travel Management Company is not authorized to book first-class or business-class air travel and related expenses are not reimbursable. Employees requesting premium seat upgrades must seek approval from their leader (director-level or above). Premium seat assignment is defined as bulkhead, aisle, and exit row or premium economy.

Contact the Travel Management Company to negotiate discounted rates for group travel of 10 or more traveling together. Avoid penalty fares and refundable tickets.

In general, a non-refundable ticket is less expensive than a fully refundable ticket. Non-refundable tickets must be purchased whenever available. Every attempt must be made to book travel at least 14 days in advance of the trip. If plans change and a future trip is anticipated, the ticket can still be used. Last-minute arrangements, changes and/or cancellations should be avoided whenever possible as they substantially increase travel costs and frequently result in penalties.

Employees are responsible for canceling reservations. Employees must notify the Travel Management Company of the unused ticket so the credit information is properly recorded and applied to the next ticket purchased. A change fee and any increase in the non-refundable fare at the time of the ticket change will apply. However, the additional charges are generally still less than the cost of a full coach fare. Employees must submit a copy of the original itinerary and documentation of additional charges with their expenses.

Tickets for air travel will be issued as electronic tickets whenever possible and will be e-mailed, along with an invoice/itinerary, directly to the e-mail address in the employee's profile. Paper tickets will be issued only for airlines that do not offer electronic tickets. Service fees for booking airline reservations are reimbursable.

#### Early Arrival or Extended Stay

Employees may arrive early or extend their stay at a business destination for up to two days for reimbursement purposes provided the additional stay results in an overall savings to the company. Spousal travel expenses are not reimbursed as part of this program. A travel itinerary provided by the Travel Management Company, substantiating the cost savings, may be required prior to reservation by the approving leader, Corporate Card Team or Audit Services. Other expenses incurred during the extended stay of a personal nature, such as sightseeing or recreational expenses, will not be reimbursed.

The frequency of extended stay for employees traveling on company business is at management's discretion.

#### Frequent Flyer Miles and Points

Frequent flyer miles and points for hotel stays (or other reward programs) accrued when traveling on company business may be used for upgrades, business or personal travel. Choosing a particular supplier to maximize personal frequent flyer miles or booking through hotel or other internet websites to maximize hotel points is not permitted. Xcel Energy does not reimburse expenses related to frequent traveler programs.

#### Executive Travel

Restrictions on management levels traveling together are intended to ensure continuity and guard against the loss of senior leadership should an accident occur. The following restrictions apply to air travel:

- Xcel Energy's Chief Executive Officer (CEO) shall travel with no more than two of his or her direct reports.
- No more than three of the CEO's direct reports shall travel together.
- No more than 50 percent of EVPs or SVPs direct reports can travel with him or her.

The CEO must approve exceptions to these restrictions prior to travel.

While these travel restrictions focus on executive management levels traveling together, similar provisions should apply to all employee groups.

#### Corporate Aircraft

In order to efficiently transport employees and business associates throughout the United States and Canada, the Company operates corporate aircraft. Corporate aircraft are used to save time and enhance employee productivity.

The priority for use of corporate aircraft is determined by the needs of:

1. Executive Committee Members
2. Vice president level direct report to an Executive Committee Member
3. Other employees

The following are authorized to schedule corporate aircraft:

- Executive Committee Members
- Vice president level direct reports to an Executive Committee Member

A flight may be flown without an Executive Committee Member or vice president level direct report to an Executive Committee Member to either reposition, is deemed cost-effective and approved by an Executive Committee Member.

Commercial travel should be considered first for long distance, single-destination trips requested by executives other than the CEO. CEO and direct reports are permitted to travel business-class on commercial flights when it is more cost effective than using the corporate aircraft.

Open seats on scheduled flights are available to any employee traveling for business at no charge to the business area. Reservations for open seats are made on a first-come-first-serve basis.

Cancellations of confirmed seats must be made well in advance to ensure enough time to clear waitlisted passengers who might otherwise have flown commercially.

Bumping is allowed as a last resort to meet the needs of Executive Committee Members or members of the Xcel Energy board of directors. A business unit vice president can bump with seven days' notice.

Flights are generally limited to four days per week involving travel between Minneapolis, Denver and Amarillo.

A flight with fewer than five passengers may be subject to cancellation.

Aircraft Schedules and Passenger Schedules can be viewed on the Aviation Services website. The Aircraft Schedule shows all scheduled flights for the next 60 days. The Passenger Schedule shows trip reservations and ground travel requirements for each passenger in the same upcoming 60-day period.

To make a reservation on the corporate aircraft, employees must contact the Aviation Services Travel Scheduler. A description of the business reason for the travel must be submitted with reservation requests.

Passengers must comply with all flight safety rules and procedures. The aircraft pilot-in-command maintains final authority on aircraft operation and safety of flight. Smoking and alcohol consumption is not permitted on board company aircraft. A passenger who appears to be intoxicated will not be allowed on-board. Hazardous materials are not allowed on company-owned or contracted aircraft. Firearms are not allowed on company-owned or contracted aircraft unless approved by the CEO or required by the Transportation Security Administration (TSA) into certain airports.

Flights on corporate aircraft will not be scheduled for personal use. Limited non-business travel for employees and/or their relatives on corporate aircraft will be permitted on business trips only if seats are available and approval is obtained before the flight from the Director, Aviation Services. In accordance with IRS requirements, personal travel may result in additional imputed personal income and additional income taxes to the employee benefiting from the personal travel, based on published U.S. Department of Transportation Standard Industry Fare Level (SIFL) rates.

Non-employee passengers whose flights are supporting Xcel Energy business must have their transport on corporate aircraft pre-approved by an employee at or above the vice president level. In addition, approval must be obtained from the CEO prior to the transport of candidates for public office or elected/appointed public officials on corporate aircraft. Two general rules follow:

- Local, state or federal candidates or their representatives should not be transported during an election campaign in which they are candidates.
- Avoid situations where the transport of any candidate or public official could be construed as an attempt to influence the outcome of an election or any pending or proposed legislation that is of interest to the company.

### Charter Air Services

Employees may use charter air services when corporate aircraft are not available and travel by commercial airline is not a feasible alternative, provided that Aviation Services screens and approves charter air services prior to use to ensure the charter operator's compliance with safety procedures, crew qualifications, aircraft airworthiness and adequate insurance coverage. Xcel Energy Aviation Services schedules such charters so that their use can be documented for possible Federal Aviation Administration or legal inquiries and to monitor the quality of service provided.

### Travel on Non-Xcel Energy Business Aircraft

The Director, Aviation Services should provide approval to employees before they travel on another company's private aircraft to ensure compliance with standards established for corporate aircraft operations or charter contractors.

### Personal Aircraft

Due to liability and insurance coverage concerns, employees are not permitted to travel on behalf of the company in personal aircraft or aircraft not flown by professional pilots. Personal aircraft refers to aircraft owned, rented or operated by individuals whose primary job function is not that of a pilot.

## **International Travel**

### International Business Travel

All international travel must be approved at the business unit vice president level prior to making a reservation, excluding Canada. Employees traveling internationally are required to book travel according to the air travel practices listed in this Policy, with the following additions:

- [Submit an International Travel Form](#), including for Canada, at least two weeks prior to travelling abroad. The Enterprise Command Center team will perform an initial review of the International Travel Form to assess physical and cyber risk, as well as, overall threat.
- Contact the Legal Services department at 612-215-5207 or 612-215-4587 before making international travel arrangements to discuss export control compliance.
- Call the corporate credit card customer service and Supply Chain Hotline to inform them of the upcoming international trip. This helps ensure that the employee's card is not inactivated for unusual activity.
- If any one particular leg of the flight is greater than six hours in duration and/or crosses an ocean, it is permissible to consider upgrading to business class. Final approval to upgrade to business class must be obtained from the employee's business unit vice president or higher before booking.

### International Personal Travel

Employees traveling internationally for vacations may choose to submit an international travel form and request a Pre-Trip Advisory for personal trips abroad. Employees taking personal international trips are strongly discouraged from taking Xcel Energy assets (i.e. laptops, thumb drives, cell phones) abroad, despite the risk level in the destination.

If an employee intends, or is required, to take Xcel Energy assets abroad, the employee must:

- Receive business unit vice president approval to take the asset(s) on their personal trip.

- [Submit an International Travel Form](#), including for Canada, at least two weeks prior to travelling abroad. A member of the Enterprise Command Center team will perform and initial review the International Travel Form to assess physical and cyber risk, as well as, overall threat.
- Contact the Legal Services department at 612-215-5207 or 612-215-4587 before making international travel arrangements to discuss export control compliance.
- For either business or personal travel, employees may request a Pre-Trip Advisory (PTA) for their intended destination.

### **Foreign Currency Transactions**

For expenses incurred when traveling to another country (including Canada), the expenditures recorded on the expense report must be in U.S. dollars, reflecting the proper exchange rate.

**When cash expenses are incurred in foreign currency, it is the employee's responsibility to obtain the most favorable official currency conversion rate.**

### **Combined Business and Personal Travel**

When combining personal and company business travel, the business trip portion must be booked through the Travel Management Company. The personal travel portion may also be booked with the travel management company; however, all personal travel costs must be paid for separately.

Employees may arrive early or extend their stay at a business destination. For more information on early or extended stay, refer to the ["Early Arrival or Extended Stay"](#) section.

### **Spousal Expenses**

Costs for travel, lodging, meals or other travel expenses for spouses or other family members will not be reimbursed unless the individual has a bona fide company purpose for engaging in the travel or attending the event and the expenses are approved at the senior or executive vice president level. Such travel is generally limited and should be rare.

### **Non-Reimbursable Travel Expenses**

Non-reimbursable expenses include:

- Travel Expenses related to other third-party travel tools which include but are not limited to: Orbitz, Expedia, Hotels.com.
- Incremental expenses incurred as a result of personal stopovers, weekend side trips or other personal travel scheduled within or around the business itinerary.
- Excess baggage charges for personal items (excluding bag fees required by the airline, such as for the first checked bag), personal grooming, laundry services, health-related expenses, guest travel, late payment fees associated with reimbursement for use of personal credit cards, personal travel insurance, loss of cash advance money or personal funds, dependent care expenses and household expenses incurred during an employee's travel.
- Purchase of luggage, clothing or other personal items is not reimbursable. If items are lost in transit, employees should replace items, attempt reimbursement through airlines (or other vendors), then through their homeowners insurance.

- Traffic/parking fines (for both personal and fleet vehicles), court costs, airline club memberships, class upgrade charges for airline (excluding pre-approved premium seat upgrades), personal entertainment expenses, personal gifts, personal reading materials and airline headset rental.

### **Hotels/Lodging**

Employees are required to use the Travel Management Company's online booking tool when making lodging arrangements. Using any other source may cause the company to be out of compliance with security requirements and lose negotiated financial benefits. In addition, by using the Travel Management Company to make lodging arrangements, it allows the Company to quickly locate employees during a security concern.

Xcel Energy has negotiated certain discounted hotel rates at contracted properties. These hotels should be used whenever possible for overnight accommodations on business trips when the contracted property is close to the employee's final destination. Where negotiated discount rates are not available, the Travel Management Company will recommend good quality, moderately priced hotels. Service fees for booking hotel reservations are reimbursable.

When attending a meeting, conference or other event that has a designated booking channel for hotel rooms, please contact the Travel Management Company to make the lodging arrangement.

Employees may be able to secure lower rates by supplying individual travel club information. Employees should include this information on their travel profile to ensure that the Travel Management Company can access those rates at the time of booking.

#### Lodging in the Local Area

Employees who are attending an off-site meeting and reside in the same local area should commute to and from the meeting rather than stay in a local hotel, unless the length of the meeting or commute time represents an undue burden. If an employee feels this is an undue burden, he or she should discuss this with his or her leader (director-level or above), in advance, who may approve other arrangements.

#### Cancellations

Room reservation cancellations must be made according to instructions on trip itineraries to avoid a "no-show" charge. Employees should contact the Travel Management Company to make cancellations. Employees who must cancel a reservation on their own should note the cancellation number and hotel contact person. Xcel Energy will not reimburse "no-show" charges.

### **Telephone Charges While Traveling**

Employees traveling should make business-related telephone calls from company locations whenever possible, and/or use a calling card or Mobile Device to avoid direct-call fees from hotels or other public locations that charge high rates. While traveling, reimbursement of personal telephone calls of a reasonable duration and frequency is permitted provided the employee uses the most economical means available.

Non-bargaining employees who use their Mobile Device for incidental business or personal telephone calls while traveling, and who do not have a Personal Responsible Account, may request reimbursement as outlined in the [Mobile Device Standard](#).

### **Vehicle Use**

#### Ground Transportation for Travel

Employees may use their personal vehicle over air travel, provided the expenses are less than the lowest available round-trip airfare that would have been scheduled for the employee by the Travel Management Company. When evaluating costs, the employee must include expenses associated with the trip to and from the airport and any costs associated with vehicle rental or ground transportation at the business destination.

When using a personal vehicle, the standard approved mileage rate for the most direct route to and from the business destination, and meals and lodging expenses for the travel time, should be included for comparison purposes.

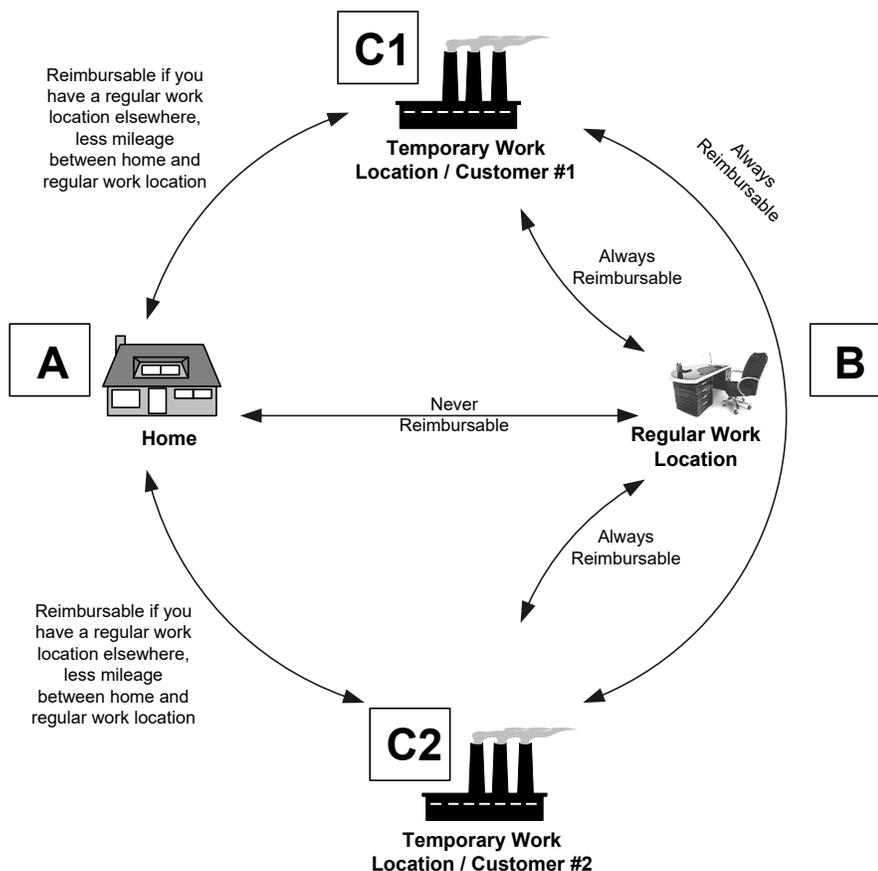
Approval for selecting ground transportation over air travel must be obtained in advance from your business unit vice president or higher. All expenses must be supported with appropriate detailed itemized receipts and documentation, and reimbursement will be for the employee share only. Documentation of the lowest available round-trip airfare provided by the Travel Management Company must be included with expense filing statement.

### Mileage

Personal vehicles driven for Xcel Energy business purposes must be of reasonable value, in good repair and in safe operating condition. Motorcycles shall not be used.

Ground transportation expenses are reimbursable when employees use their own vehicle for required company business and the mileage exceeds the mileage between the employee's home and regular work location(s). For documentation purposes, employees must disclose the point of departure, the destination and the total miles for the trip. Employees should be aware that if mileage is paid, but is not reimbursable under IRS guidelines, that reimbursement to the employee is taxable income per IRS regulations.

The following illustration depicts the rules used to determine if ground transportation expenses are reimbursable.



Expense reimbursement scenarios:

- Between home (A) and regular work location (B), whether by car or bus, is never reimbursable.
- Between home (A) and temporary work location/customer (C1 or C2), if you have a regular work location elsewhere, is reimbursable less mileage between home and regular work location. If the normal one-way commute (A to B) is 10 miles and the mileage to the temporary work location (A to C1) is 15 miles, then 5 miles are reimbursable.
- Between regular work location (B) and temporary work location/customer (C1 or C2) is always reimbursable.
- Between two or more temporary work locations/customers (C1 and C2) is always reimbursable.

Definitions:

<b>Home</b>	The place where you reside. Transportation expenses between your home and your main or regular work location(s) are personal commuting expenses.
<b>Regular work location(s)</b>	Your principal place(s) of business.
<b>Temporary work location</b>	This is not your regular work location, but another company or off-site location to which you travel to perform work-related activities or to attend meetings or events. Travel to this location is for a year or less.

All of the above rules apply on weekends. Therefore, mileage incurred from home (A) to regular work location (B) on the weekend is not reimbursable.

Vehicle Rental

Employees should rent vehicles only when other transportation is more costly or impractical. Mass transit is available in many cities and may be a less expensive and more efficient mode of transportation than a rental vehicle. Likewise, taxis, ride-sharing services (Uber, Lyft) or hotel shuttles may eliminate the need for rental vehicles if additional ground travel is not expected during the trip. In some cases, a limousine service may be more economical or feasible, depending on the employee's final destination. The employee should make all efforts to be flexible and to select the lowest cost option that is reasonably convenient and that does not compromise personal safety.

Xcel Energy has contract rates with specific rental car vendors and limousine providers. Those contracted providers should be used to take advantage of negotiated financial benefits. Frequent rental car membership enrollment is available online by accessing the preferred car program through the Travel Management Company.

Rental vehicle size should be requested based on business needs. Intermediate sized cars are standard.

*Insurance*

Employees should not accept additional vehicle insurance for rentals in the United States. The Xcel Energy self-insurance policy and the bank issuing the corporate credit card provide this coverage. When renting a vehicle outside the United States for business, employees should purchase the liability and physical damage insurance coverage.

If the employee rents a vehicle for both business and non-business travel during the same rental period, he or she may wish to purchase the additional insurance coverage for the non-business portion of the trip. Employees will not be reimbursed for this expense.

Employees must have personal insurance on their personal vehicle, carried at the minimum level designated by the state where the vehicle is registered, if the personal vehicle is used for company business.

### *Fuel*

Rental vehicles should be refueled before return to avoid high fuel costs, unless it is a greater cost benefit to refuel at the rental company. If it is known ahead of time that refueling will not be possible and considerable driving is expected, an alternative might be to purchase the gas from the car rental company at time of rental pick-up. Advance purchase of the full tank is generally at local gas station rates.

### Company Vehicles

Although fleet vehicles may be checked out for shorter travel, business travel of more than 50 miles per day should be conducted in a company pool car, where available, to minimize costs. Refer to the [Fleet Department website](#) for related information. Contact the Fleet Department to arrange assignment of a pool vehicle or to add another vehicle to the pool at a specific location.

Refer to the [Company Vehicle Assignment and Use Policy \(10.3\)](#) for details.

## **Vehicle Accidents**

### Rental Car Accidents

If an accident occurs while driving a rental vehicle for business, the employee should first handle injuries (such as calling police and medical assistance) and take precautions at the accident scene to minimize harm to others and then ensure that a police report is filed. A copy of the police report and/or the case number is required by the rental car company and should be obtained for Xcel Energy. The employee also should record all pertinent information about the accident, including other drivers' names, addresses, telephone numbers, insurance carriers and make of cars. The employee should also report the accident to their leader. On return from the business trip, the employee should promptly initiate claim procedures with the corporate credit card provider by calling the number on the back of the card.

### Company Vehicle Accidents

If an accident occurs while you are driving a company vehicle, the employee should first handle injuries (calling police and medical assistance) and take precautions at the accident scene to minimize harm to others and then ensure that a police report is filed. A copy of the police report and/or the case number should be obtained for Xcel Energy. The employee also should record all pertinent information about the accident, including other drivers' names, addresses, telephone numbers, insurance carriers and make of cars. The employee should contact the Security Operations Center (SOC), report the accident to Xcel Energy management and complete and send the [Initial Report of Motor Vehicle Incident/Damage](#) form to the Claims Department and Fleet Department using the contact information included on the form. For additional information on the reporting guidelines for accidents in a company vehicle, see [Company Vehicle Assignment and Use Policy \(10.3\)](#)

### Personal Vehicle Accidents

If an accident occurs while you are driving a personal vehicle for company business, the employee should promptly initiate claim procedures with their own insurance provider. The employee should also report the accident to their leader.

## **Vehicle Parking**

The lowest-cost alternative should be selected for parking associated with business-related events, including airport parking.

Parking for a business-related activity is reimbursable only if the amount incurred is from:

- A location other than the employee's normal work location

- The employee’s normal work location and the parking expense were incurred after the employee paid the initial parking fee. For example, if the employee paid \$10 to park at his or her normal work location, that \$10 is not reimbursable. If the employee left his or her normal work location for business at another location and paid another \$10 to return to his or her normal work location, only the second \$10 parking fee would be reimbursable. Efforts should be made to minimize this type of parking expense.

The following parking expenses are not reimbursable:

- Monthly parking or a portion of monthly parking if incurred at normal work location
- Weekend parking if incurred at normal work location
- Parking tickets or expenses associated with towing a vehicle

**Bargaining Unit Per Diems**

A per diem is a daily allowance given to bargaining unit employees to cover expenses related to meals and/or business travel, as opposed to a reimbursement of actual expenses. Depending on certain circumstances, a per diem payment can be either taxable or non-taxable and must be reported on an employee’s W-2 Form in either case. In order to facilitate proper tracking and reporting, all per diem payments need to be processed through the time entry system. Per diems may not be entered in the Expense Management System.

**Employee Recognition**

XCelebrate Recognition

Employee recognition should be awarded using our XCelebrate tool. Gift card purchases for employee recognition outside of this program are prohibited. Contractors are not eligible for the XCelebrate program. For more information related to employee recognition or specific events, please contact [employeeerecognition@xcelenergy.com](mailto:employeeerecognition@xcelenergy.com).

Safety Recognition

Safety recognition is addressed through the safety program.

Other Recognition

Additional opportunities are available to recognize one or more benefited employee for work-related accomplishments and/or engagement. Expenses are charged to business area budget, should be paid for using a corporate credit card and must be submitted and reconciled through the Expense Management System.

<b>Career Event</b>	This includes food and/or a gift provided to acknowledge career-related achievements, including receiving certification, years of service, retirement, graduation or promotion.
<b>Life Event Gifts</b>	A Life Event is defined as funeral, major medical situation or the birth or adoption of a child and should be limited to benefited employees and immediate family members.
<b>Recognition-Employee Engagement</b>	This includes employee engagement and team building activities such as plant tours, and incentives/campaigns based on specific department goals, meals, awards and other associated expenses. Meals and other costs related to these events should also be expensed as employee engagement. If non-employees are present, see the Entertainment Events and Meals section.

<b>Recognition-Entertainment</b>	This includes charges associated with any ticketed sporting event or other ticketed entertainment, as well as costs associated with recreational events (e.g., golfing, fishing, resort activities, etc.). Meals and other costs related to these events are also considered recognition entertainment. If non-employees are present, see the Entertainment Events and Meals section.
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Gifts for career and life events should not exceed \$70 per qualifying event and should be limited to employees only. Meal expenses must follow the per meal and per day maximum guidance. See the Meals and Entertainment section for the recommended per meal guidance and maximum reimbursement. Additional expenses are subject to area vice president, director or manager discretion and budget constraints. Expenses need to be reasonable in amount, have a business purpose and comply with the Code of Conduct.

Employees are encouraged to recognize other events, such as graduations, birthdays, weddings and showers, during breaks and/or lunch hours with business area approval. The company will not reimburse associated expenses such as gifts or catering. Gifts not specifically mentioned in this Policy, given from one employee to another employee, are not reimbursable.

### **Club or Organization Dues**

Employees should seek prior approval by their appropriate business unit vice president or higher for reimbursement of charges associated with club or organization dues and account for these expenses in the appropriate type of cost and expense type.

At the discretion of the CEO, full or partial reimbursement of capital assessments associated with country club memberships or other social organizations may be permitted. Generally, such reimbursement authorization will be afforded only to Xcel Energy board-appointed officers, based on sound business-related rationale and will require a separate type of cost and expense type.

### **Contributions to Candidates for Office and Elected or Appointed Public Officials**

See [Policy 3.8](#), Political Contributions, Lobbying and Government Communications

### **Mobile Devices**

Xcel Energy business conducted through a mobile device must be done in a secure manner to reduce information security risks that can result in a negative impact on the company. Storing any Company information on a public, cloud-based platform (such as iCloud) is a violation of the Information Management and Protection policy (3.7). If additional storage is needed, employees must submit a request for a site collection [here](#).

Xcel Energy permits two types of reimbursable accounts for mobile devices: Corporate Responsible Account and Personal Responsible Account.

#### Corporate Responsible Account

A Corporate Responsible Account is in the name of Xcel Energy and Xcel Energy bears payment responsibility to the communication service provider..

Corporate Responsible Accounts may only be used by:

- Bargaining unit employees
- Non-bargaining employees that share mobile devices or pooled-minute plans with other employees

#### Personal Responsible Account

A Personal Responsible Account is in an employee's name and the employee bears payment responsibility to the communication service provider using personal funds. Employees can use a mobile device to conduct company business under a Personal Responsible Account if the employee:

- Is required to be on-call after normal working hours
- Works in the field or a plant location and it is necessary to be in communication with other employees
- Works in a corporate office but frequently travels and it is necessary to be in communication with other employees
- Is in a leadership role and it is advantageous to Xcel Energy to conduct business when not in the office

The acquisition of, use of and reimbursement of charges associated with mobile devices must be in accordance with the [Mobile Device Standard](#).

Xcel Energy has negotiated discounts with several communications service providers that apply to both Corporate Responsible Accounts and Personal Responsible Accounts. The corporate negotiated discounts are available to all employees, including use that is intended for personal purposes only, and employees are encouraged to take advantage of corporate discounts and special promotions.

### **Personal Protective Equipment**

For bargaining employees, reimbursement should comply with the collective bargaining agreement. For non-bargaining employees, reimbursement should comply with the [Personal Protective and Safety Equipment policy, 12.1.170](#). Non-bargaining employees must document the frequency of Personal Protective Equipment purchases in the Expense Management System Description section if the amount is higher than the per-year allowance.

### **Policy Exceptions**

Request for exceptions to this Policy must be made in writing and outline each aspect of the event that is an exception to this Policy for which approval is being requested. Approval must be granted in writing by the employee's department leader and the VP, Supply Chain.

### **Consequences of Noncompliance**

Any employee, regardless of position or title, who violates any provision of this policy, may be subject to discipline, up to and including termination of employment. Contractor violations may result in removal of assignment at Xcel Energy.

### **Reporting and Protection from Retaliation**

We encourage individuals to speak up without fear of retaliation when they see or suspect policy violations. There are several [reporting options available](#). Retaliation is prohibited and will not be tolerated at Xcel Energy. Please refer to Xcel Energy [Anti-Retaliation Policy \(9.23\)](#).

### **Definitions**

<b>Corporate Responsible Account</b>	The type of account for purchasing Mobile Data Services, Mobile Voice Services and/or Mobile Devices that is in the name of Xcel Energy and for which Xcel Energy bears payment responsibility to the communication service provider.
<b>Employee</b>	Legal definition of an employee, not a person who is contracted through an outside agency to perform work for Xcel Energy.
<b>Executive Committee</b>	The CEO and members of his or her Executive Committee listed on XpressNET.

**Travel and Expense Policy (10.2) 20**

<b>Expense Management System</b>	The expense reporting system the company uses to reconcile employee expenses. It includes all corporate credit card transactions for travel, purchase and approved cash out-of-pocket expenses.
<b>Leader</b>	An employee who supervises other employees (including supervisors, managers, directors, vice presidents and executive officers).
<b>Meal</b>	Food, non-alcoholic beverages, alcoholic beverages and associated taxes and tips.
<b>Mobile Data Service</b>	Services purchased from a communications service provider that provides Internet access and e-mail/calendar access which are accessible through a Mobile Device.
<b>Mobile Device</b>	Consumer-level Mobile Device such as smart phones (including BlackBerries, iPhones and Android phones), tablets (such as iPads and Android devices) and PDAs.
<b>Mobile Eligible User</b>	An employee using Mobile Data Services and/or Mobile Voice Services that is authorized to either 1) use a Corporate Responsible Account or 2) submit reimbursement requests for a Personal Responsible Account.
<b>Mobile Voice Service</b>	Services purchased from a communications service provider that provides telephone service and which are accessible through a Mobile Device.
<b>Per Diem</b>	A daily allowance given to bargaining employees to cover expenses related to meals and/or business travel, as opposed to a reimbursement of actual expenses.
<b>Personal Responsible Account</b>	The type of account for acquiring Mobile Data Services, Mobile Voice Services and/or Mobile Devices that is in the employee's name and for which the employee bears payment responsibility to the communication service provider.
<b>Proper Documentation</b>	An original or official paper, such as a detailed itemized receipt or invoice, showing all items purchased and/or an explanation containing relevant details for expenses incurred that are not self-evident, signed by both employee and approving leader.
<b>Proxy</b>	An employee who creates and submits and/or approves expense reports on behalf of another employee.
<b>Staff Augmentation Contractor</b>	A person supplementing the company's work force who is employed by a staffing agency. The person is an employee of the contracted agency and receives wages or salary and benefits from that employer and not Xcel Energy. Xcel Energy pays the agency based on the contracted terms and conditions for the person's services. The use of 'Staff Augmentation Contractor' is synonymous with 'contingent workers or contract workers'.
<b>Travel Management Company</b>	Contracted travel provider utilized for commercial airfare, rental cars and hotel reservations when planning travel.
<b>Type of Cost</b>	An accounting classification used to categorize costs by separate object accounts. This categorization drives internal reporting and external financial statement presentation.
<b>Xcel Energy</b>	Xcel Energy Inc., its subsidiaries and affiliates. The use of "we," "ours" or "the company" is synonymous with Xcel Energy.

**References**

- [Code of Conduct](#)
- [Alcohol and Drug-free Workplace policy \(9.3\)](#)

[Company Vehicle Assignment and Use policy \(10.3\)](#)  
[Mobile Device Standard](#)  
[Personal Protective & Safety Equipment Policy \(12.1.170\)](#)  
[Sourcing and Procurement Matrix \(Matrix/Decision Tree\)](#)  
[XCelebrate website](#)

### **History of Revisions**

March 15, 2021  
February 28, 2020  
January 2, 2020  
December 17, 2016  
December 9, 2015  
December 19, 2013  
March 18, 2013  
October 5, 2012  
May 4, 2011  
January 21, 2011  
June 9, 2010  
February 5, 2010  
August 19, 2009  
March 6, 2009

### **Approval**

This Policy was approved by Tim O'Connor, EVP, Chief Generation Officer and Karen Hyde, Chief Compliance Officer.

**Xcel Energy Corporate Policy Changes –  
 Travel and Employee Expense Reimbursement (Policy 10.2)  
 Changes Since November 2015**

The Company has revised the Travel and Employee Expense Reimbursement Policy 10.2 several times since the last fully litigated rate case, Docket No. E002/GR-15-826. In December 2015 and in December 2016, we made changes to the Employee Expense Policy to ensure a consistent process for submitting and approving eligible employee expenses. In 2019, we reviewed the whole Employee Expense Policy and incorporated changes in January 2020 as a result of this review to ensure the policy is clear and easily understood by all employees. In March 2021, we modified the Employee Expense Policy to reflect the implementation of the new Corporate One Credit Card and made some additional minor changes.

Date	Summary of Content Changes	Reasons for the Changes
12/09/2015	<ul style="list-style-type: none"> <li>• Added the requirement for leaders to ensure employee expense reimbursement aligns with policy and budget when approving expenses.</li> <li>• Clarified how consultant and contractor expenses should be managed.</li> <li>• Removed the requirement for approving leader’s signature when submitting the Lost Receipt form.</li> <li>• Added guidance for cash out of pocket expenses when traveling.</li> <li>• Clarified that business meals are not usually associated with travel.</li> <li>• Updated primary cities for corporate aircraft travel.</li> <li>• Revised published Aircraft and Passenger Schedule time frame from 90 to 45 days.</li> </ul>	<ul style="list-style-type: none"> <li>• Emphasize the expectations that proper expense reimbursement process is necessary for the recovery of expenses as a component in rate filings.</li> <li>• Update the changes in aviation as a result of the relocation to Minneapolis and changes in the scheduling process.</li> <li>• Clarify that employee recognition is a priority for the Company and the new recognition tool offers more recognition options.</li> </ul>

**Xcel Energy Corporate Policy Changes –  
 Travel and Employee Expense Reimbursement (Policy 10.2)  
 Changes Since November 2015**

	<ul style="list-style-type: none"> <li>• Updated Employee Recognition content to reflect new Xcelebrate online tool and other recognition opportunities.</li> </ul>	
<p>12/17/ 2016</p>	<ul style="list-style-type: none"> <li>• Strengthened outline of appropriate business purposes.</li> <li>• Better defined receipt requirement for all cash-out-of-pocket transactions.</li> <li>• Added clarification of company sponsored program events for employees and/or non-employees being applicable for entertainment events and meals.</li> <li>• Clarified that rental vehicle refueling should be at the highest cost benefit to the company.</li> <li>• Aligned with Company Vehicle Assignment policy (10.3) on accident reporting for company vehicles and personal or rental vehicles when driving for business.</li> <li>• Clarified that only benefited employees are eligible for employee recognition program rewards.</li> <li>• Updated Expense Advances section to indicate cash advances for travel are not allowed.</li> <li>• Added Capital Charges with a Corporate Card section to outline and link to the existing Capital Asset Accounting policy and guidelines.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase employee understanding on eligible business expenses and expense reporting.</li> </ul>

**Xcel Energy Corporate Policy Changes –  
 Travel and Employee Expense Reimbursement (Policy 10.2)  
 Changes Since November 2015**

	<ul style="list-style-type: none"> <li>• Updated definitions, including addition of Employee and Staff Augmentation and removal of Expense Reimbursement Statement.</li> </ul>	
<p>01/02/2020</p>	<ul style="list-style-type: none"> <li>• Restructured policy and table of contents.</li> <li>• Inserted a general statement regarding travel and employee expense reimbursement.</li> <li>• Updated the travel expense transaction limit from \$2,500 to \$2,000.</li> <li>• Included stronger language stating that personal purchases are not permitted, inadvertent use must be reported, and willful intent to misuse may be subject to discipline.</li> <li>• Added that employees must update any predefined/default I/O numbers in the Expense Management System when their accounting codes change (due to a role change, for example).</li> <li>• Stated that the use of personal card or cash out of pocket reimbursement should be rare.</li> <li>• Added that employees should submit a detailed itemized receipt for any expenses charged to a hotel room.</li> <li>• Added that invoice numbers are required for authorized invoice payments using the corporate credit card.</li> <li>• Included conflict of interest language that states meals and/or entertainment</li> </ul>	<ul style="list-style-type: none"> <li>• Restructure the Employee Expense Policy to match the new Company policy template.</li> <li>• Review the whole Employee Expense Policy for any necessary changes.</li> <li>• Strengthen and clarify language to ensure that the Employee Expenses Policy is easily understood by all employees.</li> </ul>

**Xcel Energy Corporate Policy Changes –  
Travel and Employee Expense Reimbursement (Policy 10.2)  
Changes Since November 2015**

	<p>given must be in connection with a business discussion and must comply with Xcel Energy’s Code of Conduct.</p> <ul style="list-style-type: none"><li>• Expanded the definitions of meals; added that meals consumed with other traveling employees in which business is not the focus should be classified as a travel meals and separate tabs are preferred.</li><li>• Created a separate header for alcohol expenses.</li><li>• Included stronger language for booking hotels stating that employees are required to use the Travel Management Company’s online booking tool when making lodging arrangements.</li><li>• Added that the use of ride-sharing services (Uber, Lyft) is acceptable and may be cheaper than a rental vehicle.</li><li>• Clarified that the CEO and direct reports are permitted to travel business-class on commercial flights when it is more cost effective than using the corporate aircraft.</li><li>• Added EVPs to the executive travel restrictions stating that no more than 50 percent of EVPs or SVPs direct reports can travel with him or her.</li><li>• Changed the Aircraft Schedule so that it shows all scheduled flights for the next 60 days rather than 45 days.</li></ul>	
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**Xcel Energy Corporate Policy Changes –  
 Travel and Employee Expense Reimbursement (Policy 10.2)  
 Changes Since November 2015**

	<ul style="list-style-type: none"> <li>• Added that employees requesting premium seat upgrades must seek approval from their Leader (director-level or above).</li> <li>• Updated international travel section to require employees to submit an international travel form at least 2 weeks prior to travel. The Business Unit VP must approve all international travel prior to making any reservations.</li> <li>• Added language to clarify that spousal expenses should be rare and must be approved at the senior or executive vice president level.</li> <li>• Restructured the employee recognition section to make clear what is and is not reimbursable.</li> <li>• Added consequences of non-compliance.</li> <li>• Added language on reporting and protection from retaliation.</li> </ul>	
02/28/2020	<ul style="list-style-type: none"> <li>• Clarified that the amount of percentage of any tips or gratuity paid should not exceed 25%.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide clear expectations on what is considered to be a reasonable tip or gratuity.</li> </ul>
03/15/2021	<ul style="list-style-type: none"> <li>• Updated card request and eligibility requirements to include signing a card holder agreement and completing training.</li> <li>• Revised standard card transaction limits.</li> <li>• Included a new section on card security.</li> <li>• Added information on blocked purchases and merchant category codes.</li> </ul>	<ul style="list-style-type: none"> <li>• Changes reflect the implementation of the new Corporate One Card program.</li> </ul>

**Xcel Energy Corporate Policy Changes –  
Travel and Employee Expense Reimbursement (Policy 10.2)  
Changes Since November 2015**

	<ul style="list-style-type: none"><li>• Added information on consequences for employee leaves of absence, suspension, and termination.</li><li>• Removed references for using only contracted corporate agreements for food and beverage purchases for onsite business meetings.</li><li>• Removed the exception that certain employees, such as storm restoration and other emergency teams, can book travel outside the designated travel agency and Concur booking tool.</li><li>• Clarified that gift card purchases for employee recognition outside of the Xcelebrate recognition program are prohibited.</li><li>• Included new language on policy exceptions, which must be in writing and require approval by the employee's department leader and Vice President, Supply Chain.</li></ul>	<ul style="list-style-type: none"><li>• No longer a requirement.</li><li>• Emergency teams are now able to use the designated travel agency and Concur for travel arrangements.</li><li>• The Xcelebrate recognition tool should be used to recognize employees for outstanding efforts.</li><li>• This was not addressed previously.</li></ul>
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**Employee Expense Commitments**

The Company’s last Minnesota natural gas rate rate case was filed in 2009 (Docket No. G-002/GR-09-1153). Since that time, the Minnesota Statutes § 216B.16, subd. 17 (Employee Expense Statute) was implemented, the Minnesota Public Utilities Commission has issued Orders in subsequent electric rate cases that contain direction for employee expenses, and the Company has made commitments in subsequent electric rate cases regarding employee expenses. We believe all these requirements and commitments apply equally to a gas rate case, and accordingly, provide a list of commitments below.

<b>Source</b>	<b>Commitment</b>	<b>Where Addressed in TY 2021 Rate Case</b>
TY 2011 Electric Rate Case (GR-10-971) O’Hara Surrebuttal	Provide direct testimony in future rate cases which explains all employee expense data in the Company’s technical systems.	Husen Direct, Section III, Employee Expense Reporting, and Husen Direct, Section V, Employee Expense Review and Development of EER Schedules, discuss employee expense data in SumTotal, SAP, and TIME applications.  EER Schedules 10 and 11 provide a summary of employee expenses processed in systems other than SumTotal. Provided on compact disk, Required Information Vol. 3.
TY 2011 Electric Rate Case (GR-10-971) O’Hara Surrebuttal	Provide direct testimony in future rate cases which explains the process used by the Company to create the EER Schedules, including any limitations.	Husen Direct, Section V, Employee Expense Review and Development of EER Schedules, discusses the process used to develop the EER Schedules and limitations of this process.  Husen Direct, Schedule 8 provides the details of the process used to develop the EER Schedules.

<p>TY 2011 Electric Rate Case (GR-10-971) O'Hara Surrebuttal</p>	<p>Provide direct testimony in future rate cases which explains the types of employee expenses the Company is not seeking to recover in rates.</p>	<p>Husen Direct, Section V, Employee Expense Review and Development of EER Schedules, describes the types of transactions that the Company is not seeking to recover in rates. This Section also describes what expenses are included in the Employee Expense Adjustment.</p> <p>Husen Direct, Schedule 8 provides process details for what is included in and excluded from the EER Schedules as well as the development of the Employee Expense Adjustment.</p>
<p>TY 2011 Electric Rate Case (GR-10-971) O'Hara Surrebuttal</p>	<p>Provide direct testimony in future rate cases which explains the progress made to improve the reporting of employee expenses and compliance with the Employee Expense Policy.</p>	<p>Husen Direct, Section III A, SumTotal, discusses SumTotal characteristics and training. Husen Direct, Section III C, Internal Controls and Monitoring, describes how the Company is monitoring compliance with the Employee Expense Policy and appropriate reporting of employee expenses.</p>
<p>TY 2011 Electric Rate Case (GR-10-971) O'Hara Surrebuttal</p>	<p>Provide direct testimony in future rate cases which explains the findings of any recent internal audits regarding employee expenses.</p>	<p>Husen Direct, Section III C, Internal Controls and Monitoring, discusses the Company's most recent completed 2018 internal audit of employee expense reporting. Results from the audit undertaken in 2021 were not yet available when drafting of the employee expense testimony was completed.</p>
<p>TY 2011 Electric Rate Case (GR-10-971) O'Hara Surrebuttal</p>	<p>Provide EER Schedules in a manner that facilitates review and quantification of categories.</p>	<p>EER Schedules are provided in Volume 3, Required Information, Section IV Other Required Information, Tab 2. Concurrent with this rate case filing, we are providing the OAG and the Department of Commerce live Excel spreadsheets of the EER Schedules to facilitate their review.</p>

<p>TY 2011 Electric Rate Case (GR-10-971) O'Hara Surrebuttal</p>	<p>Update the OAG and the Department of Commerce of changes the Company intends to make to the Employee Expense Policy, employee expense reporting systems, or other changes that will affect the Company's future reporting under the Expense Statute.</p>	<p>Since we implemented the significantly revised Employee Expense Policy and SumTotal in October 2012, there have not been major plans to change the Policy or employee expense reporting systems.</p> <p>Husen Direct, Section III A, SumTotal, discusses current SumTotal features and any planned improvements.</p> <p>The Company made some changes to the Employee Expense Policy in December 2015 and December 2016. In January 2020, the whole Employee Expense Policy was reviewed for any necessary changes and in February 2020 we made one additional change to the policy. In March 2021, we modified the Employee Expense Policy to reflect the implementation of the new Corporate One Credit Card and made some additional minor changes. Husen Direct, Schedule 2 provides the current Employee Expense Policy and Schedule 3 presents a summary of these changes.</p>
<p>TY 2011 Electric Rate Case (GR-10-971) O'Hara Surrebuttal</p>	<p>Meet with the OAG prior to filing future rate cases to discuss how to streamline regulatory review of employee expenses.</p>	<p>Met with the OAG shortly before filing this rate case.</p>
<p>February 22, 2012 ALJ Findings of Fact (GR-10-971)</p>	<p>Include a report of the total compensation for employees engaged in lobbying, with an explanation of the costs included and excluded in the rate request.</p>	<p>Husen Direct, Section VII, Compliance Item on Lobbying Compensation, discusses compensation for employees engaged in lobbying.</p> <p>Husen Direct, Schedule 10 provides the total compensation for employees engaged in lobbying, with an explanation of the costs included and excluded in the rate request.</p>

<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony describing how we will implement SumTotal, including safeguards which are in place so no bulk information is missing, whether all fields will map similar to Concur, and whether we will have problems updating data.</p>	<p>SumTotal has been in place since October 2012, and the Company has discussed its roll out and initial implementation in several prior electric rate cases. Husen Direct, Section III A, SumTotal, discusses the characteristics of SumTotal.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony describing how we will preserve data from Concur after SumTotal is in place.</p>	<p>While we have preserved old Concur data (prior to October 2012 implementation of SumTotal), it was not used for preparing this rate case.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony comparing budget to actual data and trending data for employee expenses.</p>	<p>Husen Direct, Section IV, Employee Expense Amount, Employee Expense Adjustment, and EER Schedules, provides 2017-2020 budget to actual data and trending data for employee expenses.</p> <p>Husen Direct, Schedule 6 provides the budgeted and actual employee expense data by expense category for 2018-2022.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony describing whether Concur has been used increasingly to track employee expenses and whether other Company systems are processing fewer employee expense transactions as a result.</p>	<p>Husen Direct, Section III B, Other Systems, discusses employee expenses in systems other than SumTotal, which replaced Concur in October 2012.</p> <p>EER Schedules 10 and 11 provide a summary of employee expenses processed in other systems than SumTotal.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony addressing improvements made in reporting to show compliance.</p>	<p>Husen Direct, Section III A, SumTotal, discusses SumTotal features. Husen Direct, Section III C, Internal Controls and Monitoring, describes how the Company is monitoring compliance with the Employee Expense Policy and appropriate reporting of employee expenses.</p>

<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony regarding training to address entry of meal expenses in SumTotal.</p>	<p>Husen Direct, Section III A, SumTotal, discusses SumTotal training and other resources provided to our employees to accurately document and approve employee expense transactions in SumTotal.</p> <p>Husen Direct, Schedules 5A, 5B, and 5C provide copies of SumTotal training materials and job aid manuals, which also address entry of meal expenses.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>Provide direct testimony regarding how recognition issues (including gift cards) are handled.</p>	<p>Husen Direct, Section V B, Details Regarding EER Schedules, pages 42-43, discusses employee recognition expenses.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>Prior to the next rate case filing, check with the OAG to confirm best way to present EER Schedules.</p>	<p>Met with the OAG shortly before filing this rate case.</p>
<p>June 20, 2012 Meeting with OAG</p>	<p>EER Schedules to contain the gross amount as well as the NSPM company amount.</p>	<p>Husen Direct, Schedule 8 provides details of the data and process used to develop the EER Schedules. The EER Schedules contain the gross amount as well as the NSPM company amount.</p>
<p>September 3, 2013 Commission Order (GR-12-961), (superseded by the May 8, 2015 Commission Order)</p>	<p>Provide flight data reports for the most recent 12-month operational period, including charged employee, each employee passenger and their assigned operating company, other passengers and their reason for use, and primary purpose for using the flight.</p>	<p>Husen Direct, Section II, Definition and Governance of Employee Expenses, states that the Company is not requesting recovery of any corporate aviation expenses in this rate case. This section also states that therefore we have not provided the flight log information.</p>
<p>September 3, 2013 Commission Order (GR-12-961)</p>	<p>Provide information for the calculation of the requested recovery amount of corporate aviation.</p>	<p>Husen Direct, Section II, Definition and Governance of Employee Expenses, states that although the Company is not requesting recovery of any corporate aviation costs in this rate case, EER Schedule 8 provides expense data related to corporate aviation to ensure completeness.</p>

May 8, 2015 Commission Order (GR-13-868)	In future rate cases seeking recovery of corporate aviation, provide more detailed, accurate records of the actual business purpose for flights that are scheduled, rather than reducing all flights to a generic "code."	The Company is not requesting recovery of any aviation expenses in this rate case and consequently, is not providing more detailed records of the actual business purpose for flights.
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# The Travel and Expense Policy: Appropriate Use of Your Corporate One Card

## 1. Introduction

### 1.1 Splash Page



## 1.2 Course Functionality



**course functionality**

**General Navigation**

You may need to complete certain action items before moving on. You can always access the Menu to review completed sections

- Back button: navigates to the prior page
- Next button: navigates to the next page

Additional content may be found on XpressNET.

**Additional Information**

This course may contain additional information that has been identified as "Good-to-Know" and may be valuable to your learning experience.

Anytime you see this icon or linked text, click on it to view more.

## 1.3 Purpose of Training



**purpose of training**

This course provides a refresher on the travel and expense policy, including recent changes to requirements. Additionally, it highlights expectations related to the newly issued Corporate One Card for travel and employee expenses such as meals and entertainment.

This course will not address requirements for procuring normal goods and services. Separate processes, approval and training will be required of employees that need to purchase such items with the Corporate One Card.

[The Sourcing and Procurement Matrix and Decision Tree](#) is a tool to help identify the preferred method of purchase for various goods and services.

## 1.4 Corporate Credit Card

# Corporate One Card

If you incur travel expenses for Xcel Energy, you will be issued (and required to use) a company-sponsored credit card, known as a Corporate One Card.

As a Corporate One Card holder, you must reconcile all credit card transactions and approved cash out of pocket transactions through the expense management system.

It is important to note that Corporate One Cards are assigned to individual employees and should be used only by the employee whose name is on the Corporate One Card.



## 1.5 Policy Topics



Click each box next to the topic on the right to learn more.

Once complete, click the Next button to continue.

### policy topics

- Travel and Expense Policy Updates
- New Credit Card Changes / Merchant Category Codes
- Appropriate Use of Corporate One Card
- Commercial Air Travel, Hotel and Rental Vehicles
- Approved Parking and Mileage Expenses
- Meal and Tip Limits
- Other Approved Employee Expenses
- Required Receipts
- Expense Filing Requirements

## 2. Policy Updates

### 2.1 2020 Policy Updates

# policy updates

In 2020, Xcel Energy updated the Travel and Expense Policy (10.2) to include the following items:

- Personal purchases using the Corporate One Card are not permitted
- The use of personal card or cash out of pocket for business purposes should be rare
- The amount of any gratuity paid must not exceed 25% and should be commensurate with the service performed
- Employees are required to use the Travel Management Company's online booking tool (Concur) when making travel arrangements
- Employees must submit a detailed itemized receipt for any expenses charged to a hotel room
- Employees should submit an international travel form at least 2 weeks prior to travel



### 3. Changes with New Credit Card - Merchant Category Codes

#### 3.1 Merchant Category Codes



**merchant category codes**

Visa uses default merchant category codes (MCC) to classify merchants and businesses by the type of goods and services provided.

Merchant category codes are used to categorize, track and restrict transactions. Selected merchant category codes will be blocked for Xcel Energy employees, preventing employees from making certain purchases.

Click the button below to view a list of travel and expense related merchant category codes for Xcel Energy credit cards.

**OPEN CATEGORY CODES**

If your card gets declined when making a purchase, call the Supply Chain Hotline. Blocked purchases must not be made with cash or personal card. Employees will need to seek business area and supply chain approval to unblock merchant category codes by submitting a Permanent or One Time Authorization request form

#### List of Open Codes (Slide Layer)



**merchant category codes**

Visa uses default merchant category codes (MCC) to classify merchants and businesses by the type of goods and services provided.

Merchant category codes are used to categorize, track and restrict transactions. Selected merchant category codes will be blocked for Xcel Energy employees, preventing employees from making certain purchases.

Click the button below to view a list of travel and expense related merchant category codes for Xcel Energy credit cards.

**OPEN CATEGORY CODES**

If your card gets declined when making a purchase, call the Supply Chain Hotline. Blocked purchases must not be made with cash or personal card. Employees will need to seek business area and supply chain approval to unblock merchant category codes by submitting a Permanent or One Time Authorization request form

**list of open merchant category codes**

- Airlines
- Hotels, Motels and Lodging
- Car Rentals
- Transportation (railways, bus, taxi, ship or boat, bridges, tolls, parking)
- Fuel
- Meals (restaurants, groceries, bakeries, caterers)
- Entertainment (sporting camps, bowling alleys, tourist attractions, etc.)

Create an account with US Bank Access Online to receive alerts for potential fraud, account activity and purchases

Click here to view a list of MCC on XpressNet

### 3.2 Activity: Merchant Category Codes

(Drag and Drop, 10 points, unlimited attempts permitted)

**activity merchant category codes**

There are hundreds of merchant category codes assigned to establishments based on the type of goods or services they sell or provide. Xcel Energy has blocked certain codes. Based on the list below, drag and drop the categories to the correct group: Approved and Blocked. Once complete, click the Submit button to continue.

Fast Food Restaurants	APPROVED	BLOCKED
Rental Vehicle Fuel		
Casino Gambling		
Dry Cleaners		
Entertainment/Engagement		
Airlines		
Dating Services		
Health and Beauty Spas		

Drag Item	Drop Target
Fast Food Restaurants	Approved
Rental Vehicle Fuel	Approved
Casino Gambling	Blocked
Dry Cleaners	Blocked
Entertainment/Engagement	Approved
Airlines	Approved
Health and Beauty Spas	Blocked
Dating Services	Blocked

Drag and drop properties
Return item to start point if dropped outside the correct drop target
Snap dropped items to drop target (Tile)
Delay item drop states until interaction is submitted

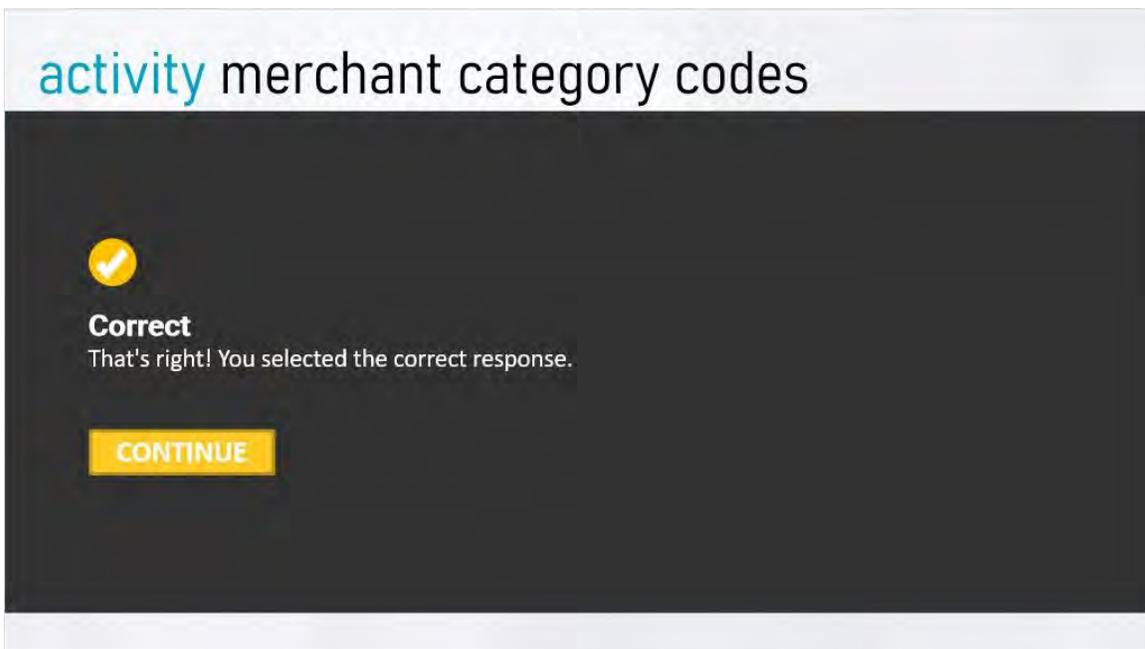
**Feedback when correct:**

That's right! You selected the correct response.

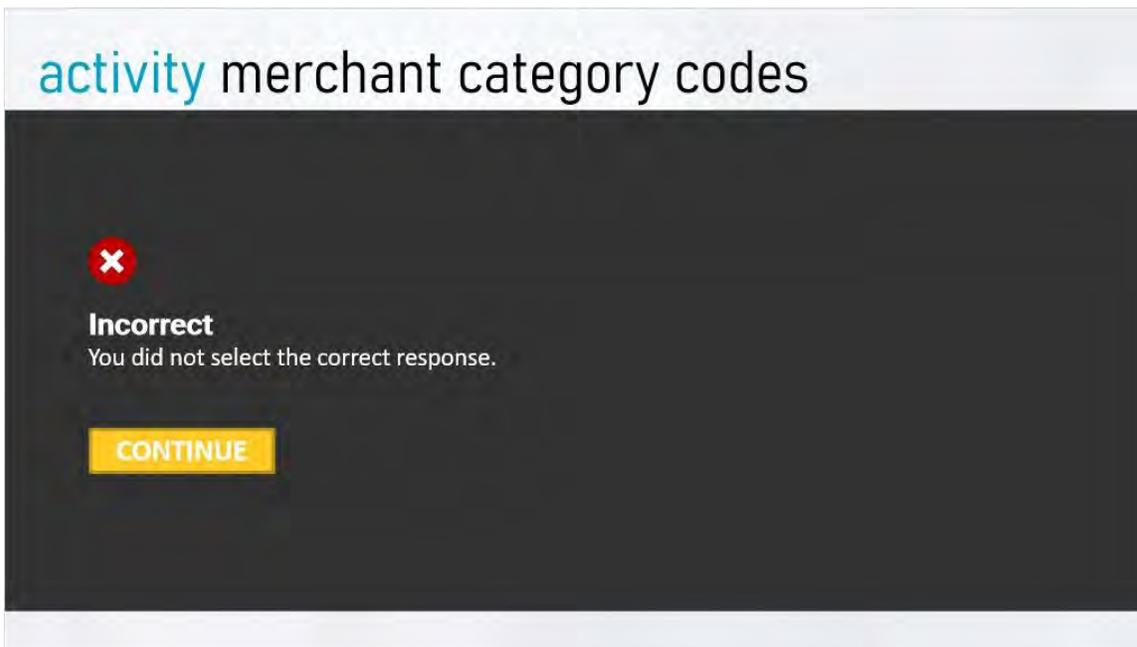
**Feedback when incorrect:**

You did not select the correct response.

**Correct (Slide Layer)**



### Incorrect (Slide Layer)



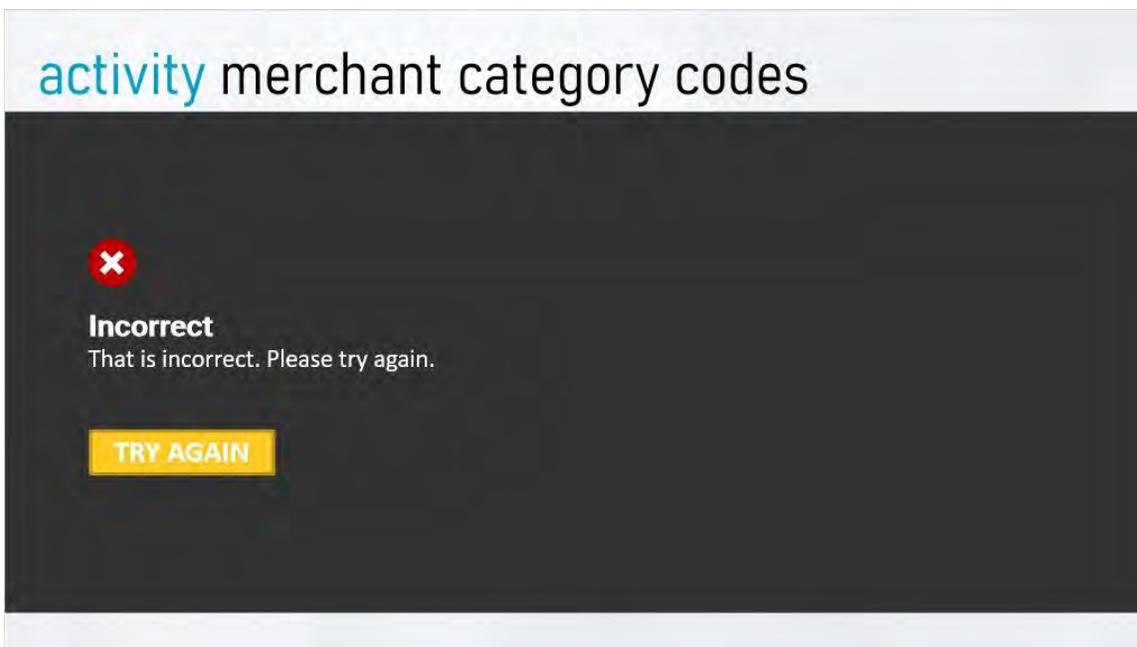
activity merchant category codes



**Incorrect**  
You did not select the correct response.

**CONTINUE**

### Try Again (Slide Layer)



activity merchant category codes



**Incorrect**  
That is incorrect. Please try again.

**TRY AGAIN**

## 4. Appropriate Use of Corporate Credit Card

### 4.1 Personal Use of Corporate Credit Card



**personal use of the Corporate One Card**

Personal purchases of any type using the Corporate One Card are not permitted.

In the event that the Corporate One Card is used inadvertently for a personal purchase, you must mark the expense as "personal" on the expense report and notify your leader.

Abuse, repeated misuse, knowingly making personal purchases, or willful violation of the Corporate One Card or Travel and Expense Policy (10.2) may result in personal financial liability and disciplinary action.



### 4.2 Personal Use of Corporate Credit Card

**personal card usage cash out of pocket**

The use of your personal credit card or cash for business purposes should be rare.

Unless otherwise noted in the Travel and Expense Policy (e.g. tips, tolls, mobile device stipend) it is only appropriate to claim "cash out of pocket" reimbursement for expenses incurred while traveling when credit cards are not accepted (e.g. establishment does not have a card machine). If your card is declined, please call the Supply Chain Hotline as this may be due to a merchant category code block.



If you inadvertently use your personal card, you should claim the expense as "cash out of pocket" on your expense report and attach the proper detailed itemized receipt documentation.

## 5. Air Travel, Hotel and Rental Vehicles

### 5.1 Booking Travel

**air travel** hotel and rental car i

When booking commercial air travel, a hotel, or a rental car, you must use the booking tool, Concur. Concur flags the preferred providers for easy identification. It is recommended that you book preferred providers, wherever possible. Using any other source violates the Travel and Expense Policy, may cause the company to be out of compliance with security requirements and lose negotiated financial benefits.

Click each image below to learn more about making your reservations.



## 6. Approved Parking & Mileage Expenses

### 6.1 Parking

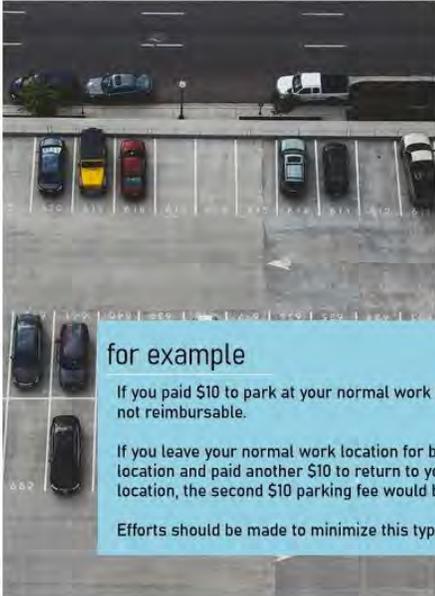
# parking expenses

The lowest-cost alternative should be selected for parking associated with business-related events, including airport parking.

Parking for a business-related activity is reimbursable only if the amount incurred is from:

- A location other than your normal work location
- The normal work location parking expense was incurred after you paid the initial parking fee

When traveling from your home office consider using a fleet vehicle.



**for example**

If you paid \$10 to park at your normal work location, that \$10 is not reimbursable.

If you leave your normal work location for business at another location and paid another \$10 to return to your normal work location, the second \$10 parking fee would be reimbursable.

Efforts should be made to minimize this type of parking expense.

### 6.2 Mileage



# mileage policy



Ground transportation expenses are reimbursable when you use your own vehicle for required company business and the mileage exceeds the mileage between your home and regular work location(s).

You will be reimbursed the standard IRS rate for mileage.

For documentation purposes, you must disclose the point of departure, the destination, and the total miles for the trip.

Click the button below to view the rules used to determine if ground transportation expenses are reimbursable.

 [Ground Transportation Reimbursement Rules](#)

### Untitled Layer 1 (Slide Layer)

The diagram illustrates reimbursement rules for travel between four locations: Home (A), Regular Work Location (B), Temporary Work Location / Customer #1 (C1), and Temporary Work Location / Customer #2 (C2). The rules are as follows:

- Home (A) to Regular Work Location (B): Never Reimbursable.
- Home (A) to Temporary Work Location (C1 or C2): Reimbursable if you have a regular work location elsewhere, less mileage between home and regular work location.
- Regular Work Location (B) to Temporary Work Location (C1 or C2): Always Reimbursable.
- Temporary Work Location (C1 or C2) to Home (A): Always Reimbursable.
- Temporary Work Location (C1 or C2) to another Temporary Work Location (C1 or C2): Always Reimbursable.

**reimbursement rules**

- Between home (A) and regular work location (B), whether by car or bus, is never reimbursable.
- Between home (A) and temporary work location/customer (C1 or C2), if you have a regular work location elsewhere, is reimbursable less mileage between home and regular work location. If the normal one-way commute (A to B) is 10 miles and the mileage to the temporary work location (A to C1) is 15 miles, then 5 miles are reimbursable.
- Between regular work location (B) and temporary work location/customer (C1 or C2) is always reimbursable.
- Between two or more temporary work locations/customers (C1 and C2) is always reimbursable.

### 6.3 True / False Question

(Multiple Choice, 10 points, 2 attempts permitted)

**TRUE OR FALSE QUESTION**

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to your regular work location?

True

False

Correct	Choice
	True
X	False

**Feedback when correct:**

That's right! Travel between home and regular work location, whether by bus or car, is never reimbursable

**Feedback when incorrect:**

You did not select the correct response.

**Correct (Slide Layer)**

**TRUE OR FALSE QUESTION**

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to your regular work location?

True

False

**Correct**

That's right! Travel between home and regular work location, whether by bus or car, is never reimbursable

**Continue**

### Incorrect (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to your regular work location?

True  
 False

**Incorrect**  
You did not select the correct response.

**Continue**

### Try Again (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to your regular work location?

True  
 False

**Incorrect**  
That is incorrect. Please try again.

**Try Again**

### 6.4 True / False Question

(Multiple Choice, 10 points, 2 attempts permitted)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your regular work location to a temporary work location?

True

False

Correct	Choice
X	True
	False

**Feedback when correct:**

That's right! Mileage may be reimbursed when it is incurred between a regular work location and a temporary work location

**Feedback when incorrect:**

You did not select the correct response.

### Correct (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your regular work location to a temporary work location?

True  
 False

**Correct**

That's right! Mileage may be reimbursed when it is incurred between a regular work location and a temporary work location.

**Continue**

### Incorrect (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your regular work location to a temporary work location?

True  
 False

**Incorrect**

You did not select the correct response.

**Continue**

### Try Again (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your regular work location to a temporary work location?

True  
 False

**Incorrect**  
That is incorrect. Please try again.

**Try Again**

### 6.5 True / False Question

*(Multiple Choice, 10 points, 2 attempts permitted)*

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to a temporary work location?

True  
 False

Correct	Choice
	True
X	False

**Feedback when correct:**

That's right! You cannot claim reimbursement for all miles traveled. You can only claim reimbursement for miles that exceed your normal commute. For example, if your normal commute from your home to your regular work location is 10 miles and the commute from home to the temporary work location is 15 miles, then 5 miles are reimbursable.

**Feedback when incorrect:**

You did not select the correct response.

**Correct (Slide Layer)**

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to a temporary work location?

True  
 False

**Correct**

That's right! You cannot claim reimbursement for all miles traveled. You can only claim reimbursement for miles that exceed your normal commute. For example, if your normal commute from your home to your regular work location is 10 miles and the commute from home to the temporary work location is 15 miles, then 5 miles are reimbursable.

**Continue**

### Incorrect (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to a temporary work location?

True  
 False

**Incorrect**  
You did not select the correct response.

**Continue**

### Try Again (Slide Layer)

## TRUE OR FALSE QUESTION

When using your personal vehicle, Xcel Energy will reimburse for all miles traveled when the travel is from your home to a temporary work location?

True  
 False

**Incorrect**  
That is incorrect. Please try again.

**Try Again**

## 6.6 Multiple Choice Question

(Multiple Choice, 10 points, 2 attempts permitted)

### MULTIPLE CHOICE QUESTION

If you're working from home for pandemic or other telecommuting reasons and you have to travel, you may expense:

- Your trip from your home to your assigned Xcel Energy business location (e.g. your normal commute).
- Miles that exceed your normal commute.
- You cannot expense any miles.

Correct	Choice
	Your trip from your home to your assigned Xcel Energy business location (e.g. your normal commute).
X	Miles that exceed your normal commute.
	You cannot expense any miles.

### Feedback when correct:

That's right! You can only claim reimbursement for miles that exceed the distance from home to your assigned Xcel Energy place of business. For example, if the commute from your home to your assigned Xcel Energy place of business is 10 miles and the commute from home to the temporary work location is 15 miles, then 5 miles are reimbursable. Examples of a temporary locations include another company or off-site location to which you travel to perform work-related activities or to attend meetings or events.

**Feedback when incorrect:**

You did not select the correct response.

**Correct (Slide Layer)**

**MULTIPLE CHOICE QUESTION**

If you're working from home for pandemic or other telecommuting reasons and you have to travel, you may expense:

- Your trip from your home to your assigned Xcel Energy place of business (your normal commute).
- Miles that exceed your normal commute.
- You cannot expense any miles.

**Correct**

That's right! You can only claim reimbursement for miles that exceed the distance from home to your assigned Xcel Energy place of business. For example, if the commute from your home to your assigned Xcel Energy place of business is 10 miles and the commute from home to the temporary work location is 15 miles, then 5 miles are reimbursable. Examples of a temporary locations include another company or off-site location to which you travel to perform work-related activities or to attend meetings or events.

**Continue**

### Incorrect (Slide Layer)

**MULTIPLE CHOICE QUESTION**

If you're working from home for pandemic or other telecommuting reasons and you have to travel, you may expense:

- Your trip from your home to your normal commute (your normal commute).
- Miles that exceed your normal commute.
- You cannot expense any miles.

**Incorrect**  
You did not select the correct response.

**Continue**

### Try Again (Slide Layer)

**MULTIPLE CHOICE QUESTION**

If you're working from home for pandemic or other telecommuting reasons and you have to travel, you may expense:

- Your trip from your home to your normal commute (your normal commute).
- Miles that exceed your normal commute.
- You cannot expense any miles.

**Incorrect**  
That is incorrect. Please try again.

**Try Again**

## 7. Meals and Tips

### 7.1 Meal Categories

**meal expenses** ⓘ

Meals generally fall into 2 different categories. Click each image below to learn more. Once complete, click the Next button to continue.



Business meals will be reimbursed when the meeting has a valid business purpose and could not have been reasonably conducted during regular business hours.

Meals to discuss casual business matters will NOT be reimbursed.

If the meal is for a valid business meeting, it must be classified as a business meal and not a travel meal, even if the meal is incurred while traveling.



Travel meals and beverages are incurred while traveling for business.

Meals consumed with other traveling employees in which business is not the focus should be classified as a travel meal and separate tabs are preferred.

If the meal is for a valid business meeting, it must be classified as a business meal and not a travel meal, even if the meal is incurred while traveling.

### 7.2 Meal's cont'd

**meals**



**🍴** The recommended per-meal guidance is as follows:

- Breakfast \$8 - \$10**
- Lunch \$10 - \$15**
- Dinner \$20 - \$40**

**\$** Employees should expense actual expenses incurred (maximum \$65 per person, per day).

Food  
Non-Alcoholic Beverages  
Alcoholic Beverages  
Associated Taxes and Tips

If an employee exceeds the \$65 maximum, they must submit written approval from their business unit vice president with the receipt(s).

**📄** All costs associated with alcohol purchases must be broken into separate expense types on the expense report.

Employees should consider the appropriateness and the company's liability when serving or consuming alcohol.

Employees must comply with the company's fitness for duty provisions outlined in the Alcohol and Drug-Free Workplace Policy (9.3)

### 7.3 Tips

**tips policy**

Tips and gratuities should be reasonable in relation to the locale visited, commensurate with the service(s) performed.

The percentage of any gratuity paid should NOT exceed

**25%**

... and must be visible on the receipt or noted in the description box.

## 8. Other Approved Employee Expenses

### 8.1 Employee Recognition and Entertainment

**recognition, engagement and entertainment**

**XCelebrate**  
Refer to the XCelebrate recognition website when recognizing benefited employees for outstanding efforts and results, going above and beyond the call of duty or demonstrating our company values.

**employee entertainment and engagement**  
Employee entertainment and engagement activities with your team (employees only) are considered recognition. Expenses need to be reasonable in amount, have a valid business purpose and comply with the Code of Conduct.

**entertainment with non-employees**  
Modest and appropriate entertainment and meals may be provided to persons who have business with Xcel Energy. Any expenses associated with entertaining non-employees are reimbursable only when there is a valid business justification. These expenses are considered entertainment.

**career and life event gifts**  
Gifts for career (e.g., years of service) and life events (e.g., birth) should not exceed \$70 per qualifying event and should be limited to employees only.



## 10. Expense Filing Requirements

### 10.1 Expense Filing Requirements

## expense filing requirements

Proper documentation for expenses are required, including a complete business purpose. Business purposes must adequately describe **WHY** the expense was incurred. For example, an appropriate business purpose for an overtime meal expense while working on a boiler repair would be: "Overtime Meal — Boiler Repair." One-word descriptions such as "dinner" or "tickets" are not considered adequate.

### submission timing

		<b>45 Days</b>		
Only submit one expense report per month within 30 days of the first expense transaction.	If expenses are not submitted within 30 days, you will be notified of the incurred expense.	Daily notifications will be sent for expenses that are not submitted within 45 days of the expense.	Expense statements not submitted within 60 days will cause your Corporate One card to be suspended until the report is complete.	Expense statements that are 90 days delinquent will cause your Corporate One card to be closed.

### 10.2 Expense Approval

## expense approval

Leaders and/or proxies who approve expense reports are ultimately responsible for the overall accuracy and completeness of the expenditures being claimed and must ensure the following:

- All transactions are appropriate and comply with the company policies and procedures
- All transactions are adequately documented
- Any exceptions are warranted and properly documented
- Correct type of cost, I/O number, and expense types are selected
- Necessary detailed itemized receipts are included
- Other necessary documentation has been provided



## 11. Course Conclusion

### 11.1 Employment Type

verification of training  
select your role

You have now completed this training. Select your employment type below to review and submit verification of training.

 **Bargaining Employee**  **Non-Bargaining Employee**



Three office interior photos: Xcel Energy reception desk, another reception desk, and two armchairs.

### 11.2 Bargaining Employees

verification of training

You are required to take the Travel and Expense Policy course and are responsible for understanding the information presented.

Click **Yes** to verify you have read this verification statement and completed the training.

Follow the instructions on the next page to receive credit.

**Yes**



A black pen and its cap on a white surface.

### 11.3 Non-Bargaining Employees

**verification** of training

I have completed this Travel & Expense course and understand:

- Use of the Corporate One Card is for business-related travel, meals, hotels, car rentals and other business-related expenses
- Personal expenses may not be charged to the Corporate One Card, unless otherwise noted in the Travel and Expense Policy (10.2)
- All required receipts for expenses to the Corporate One Card must be submitted each month through the expense management system

I understand abuse, repeated misuse or willful violation of the Corporate One Card or Travel and Expense Policy (10.2) may result in personal financial liability and disciplinary action.

Yes



### 11.4 congratulations!



 **Xcel Energy**<sup>®</sup>

You have successfully completed the training on the Travel and Expense Policy. Please direct any further questions to your Leader.

Click the EXIT button below to close the course.

In addition, please fill out the course evaluation which will appear on your LMS Learning Plan. We appreciate your feedback.

**congratulations!**





Corporate OneCard Department

<b>Procedure Name:</b>	<b>SumTotal Reconciliation— Creating and Submitting Expense Reports</b>
------------------------	---

**Responsibility:**

Primary:	Card Holders
Backup:	SumTotal Admins

<b>Frequency / Due Date:</b>	Monthly, Every 30 days
------------------------------	------------------------

**Summary / Background:**

A detailed process of how to create and submit an expense report, for expenses incurred on the Corporate OneCard.

**Required Tools and System Access:**

(1) SumTotal
(2) XpressNet
(3)

**Contacts:**

Name	E-Mail Address	Phone Number	Department / Title
Vanessa Villa	<a href="mailto:Vanessa.Villa@xcelenergy.com">Vanessa.Villa@xcelenergy.com</a>	303-439-5801	Supervisor
Supply Chain Hotline	supplychainhotline@xcelenergy.com	303-628-2644	Team

**High Level Process Summary**

[Step 1 - Log into SumTotal](#).....3  
[Step 2 – Create an Expense Report](#).....4  
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[Step 4 – Add Credit Card Transaction\(s\) to Expense Report](#).....5  
[Step 5 – Select Purchase Expense Type and Fill in Required Fields](#).....8  
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[Step 7 – Allocate Expense to Single Accounting String](#).....11  
[Step 8 – How to Scan and Upload Receipts](#).....16  
[Step 9 – Submit Expense Report](#).....20

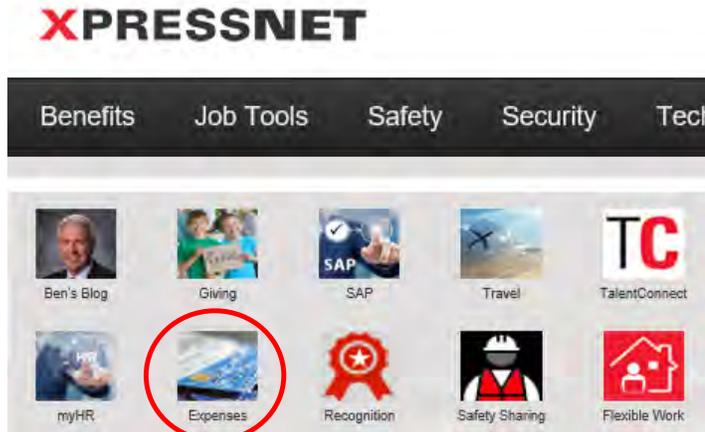
**Specific Details**

[Add Meal Expense Type](#).....21  
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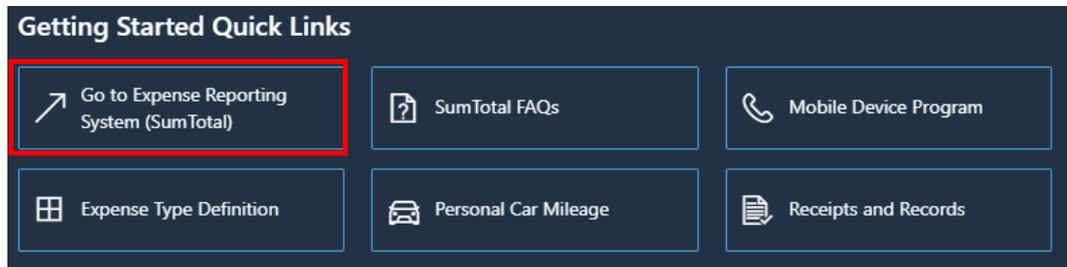
**Detailed Process**

**Step One-- Log into SumTotal (2 ways to access SumTotal)**

1. From **XpressNet**, click on **Expenses** from the Main Menu:

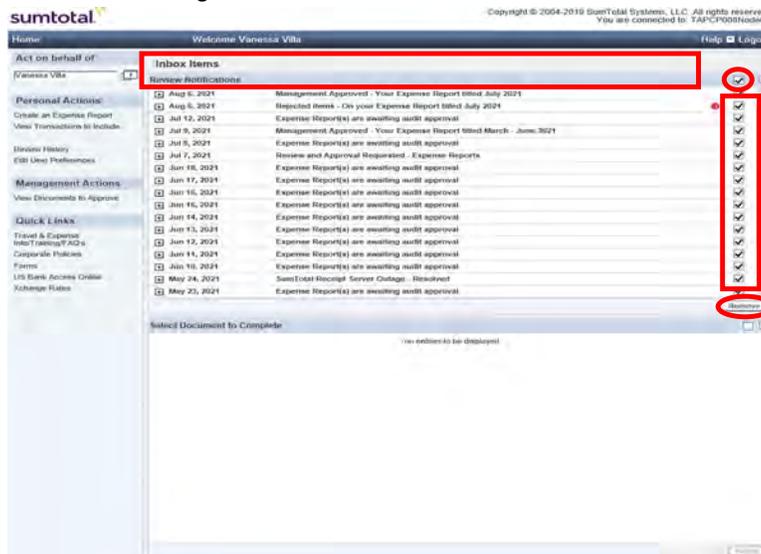


Or, from Travel and Expense [SharePoint Site](#), click on **SumTotal**:



- SumTotal is a single sign-on application and will not require a separate login information.

2. SumTotal Home Page-



- To remove notifications, select the check box to the right of the notification, or to select all, click the check box on the title bar and click **Remove**.
- This will clear all the notifications.

### Step Two- Create an Expense Report

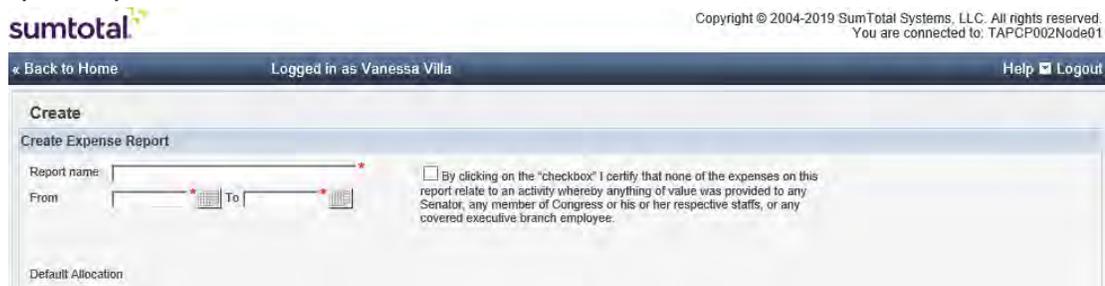
1. Under the **Personal Actions** list, select **Create an Expense Report**.



- Employees will submit one expense report per month.
- Credit card transactions must be reconciled at least every 30 days. Pick a day to always complete your expense reports and do so every 30 days. A 15-day grace period exists before notifications will be sent regarding delinquency of transactions based upon transaction posting date. Day 46 spender and manager will receive delinquency notifications daily until the transaction is included in an expense report. 60-day delinquencies will cause card to be suspended and 90 days, card will be closed.
- **Example:** If the spender picks the 15<sup>th</sup> of each month to prepare expense report – on that expense report the spender should include all transactions prior to the 15<sup>th</sup> of that respective month to be included in the expense report. The spender will get a 15-day courtesy notice to complete an expense report based upon transaction date.
- Employees who are on Short Term Disability (STD) or Long-Term Disability (LTD) will not be able to use their Corporate OneCard. **Managers should notify Supply Chain Hotline to temporarily suspend card until further notice.**
- For more information on the policy please access the [10.2 Travel and Employee Expense Reimbursement](#).

### Step Three- Create a Report Header

1. **Expense Report Header Screen-**



2. **Report Name-** Include Month/Year of expenses (i.e., July 2021 Expense Report). The name should be descriptive of time frame of expenses included in report.



3. **From-** The first date will be the first date of expense items on your report and the second date will be the last date

of expense items. To select a date, click on the calendar icon and click on the specific date.

- If your expenses do not fall within that date range, it will flag the report as being not policy compliant and will route to audit after manager approval.
  - Once the report has been submitted, the user cannot change the date range even if it has been rejected back to the employee.
4. **Certify Compliance-** Click the empty box next to the compliance message to check mark that you have read and understand the compliance message.

- Managers will reject expense report(s) if compliance checkbox is not checked.
5. Verify all fields with a red (\*) are filled out completely and efficiently, and then click on the **Continue Button**.

- This will take the user to the Add Expenses Screen.

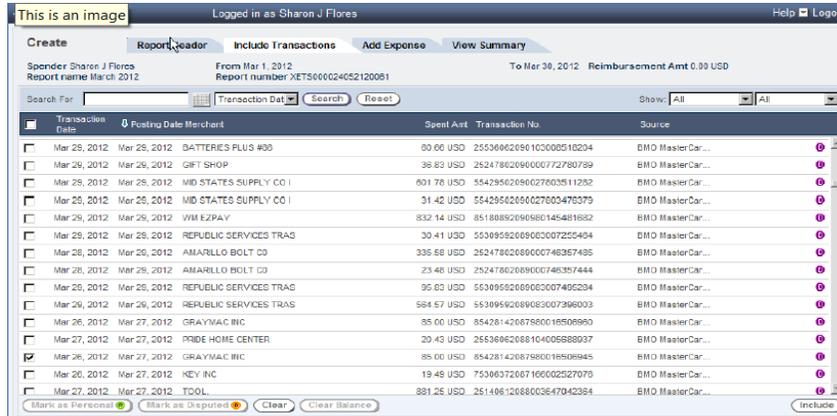
**Step Four- Add Credit Card Transaction(s) to Expense Report**

1. Click on the **Include Transactions** tab.

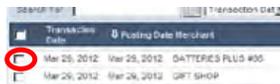
- If the expense(s) do not display in the include transactions tab, **do not go to the add expense tab and enter them as Cash out of Pocket**. All credit card transactions will be uploaded into the system within approx. 1-2

days of posting date.

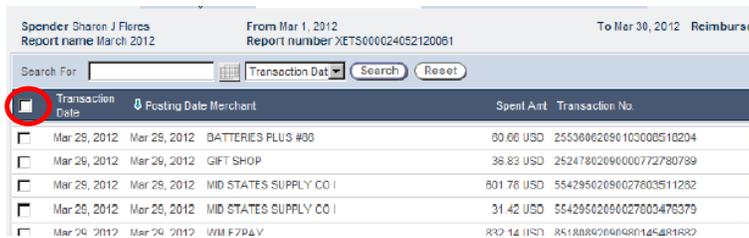
2. A list of all credit card transactions to be included in an expense report will be displayed.



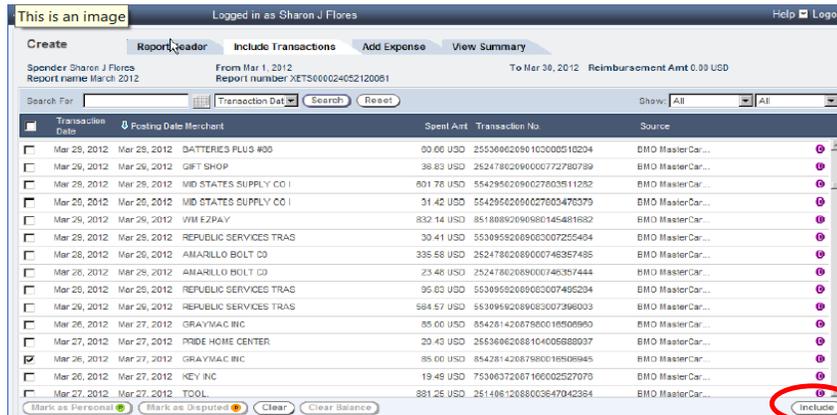
3. To add a **SINGLE** transaction to the expense report, click on the box next to the individual transaction in the list and then click on **Include**.



4. To add **ALL** of the transactions listed in the include transactions tab, click the check box on the title bar.



5. Once the transactions have been selected, click on the **Include** button towards the bottom right.

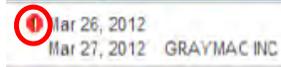


- If disputing fraudulent charge(s), contact US Bank directly to open a fraud case. After review, a credit may be issued to offset the fraudulent charge(s).

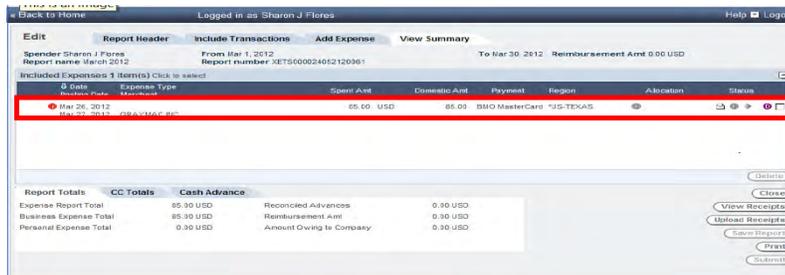
- The selected transaction(s) have moved to the **Included Expenses** section on the **Edit Expense Report** in the **View Summary** tab.



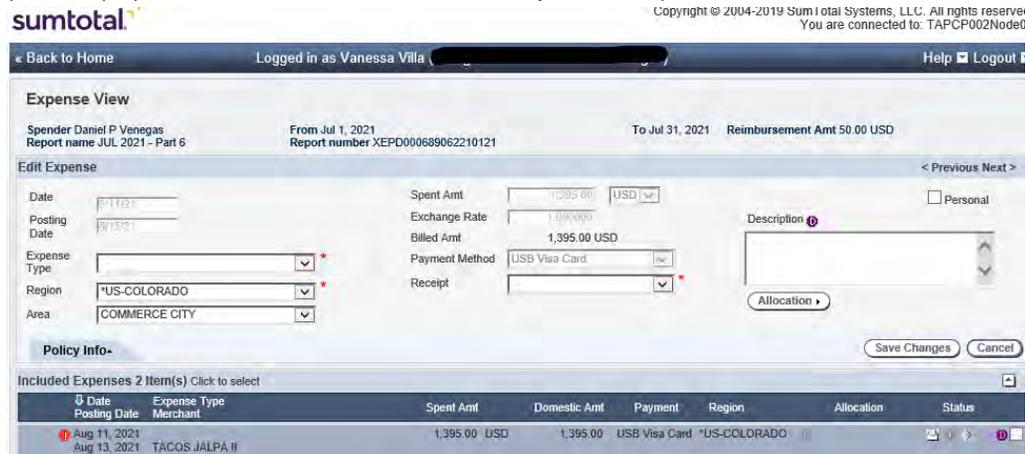
- The **Red** icon to the left of expense indicates the expense is missing required information and will not allow you to submit until all information is entered.



- Double click on the expense item to edit.



- System displays transaction information on the **Edit Expense View** pane.



- Bank transaction information populated in gray (user **cannot** edit):

- **Date**-The Date the expense incurred from merchant.
- **Posting Date**-The Date that the transaction(s) are received from Visa.
- **Merchant** -The name of the merchant where the expense was incurred.
- **Spent Amt.**-Credit Card Transaction Amount.
- **Currency**- USD, SEK, CAD, etc.
- **Payment Method**-USB Visa Card, Cash Out of Pocket, etc.

10. Populate all fields including those which are required (\*)

- **Expense Type**- Select the correct expense type from the drop-down options, refer to definitions posted on [SharePoint for further guidance](#).
- **Region**- State where the expense was incurred.
- **Area**- City where the expense was incurred.
- **Receipt**- Select Not required, Receipt Included, Lost or VAT Receipt Included.

- Receipt field will default based on expense type selected. Per 10.2 Policy- Itemized Receipts are required for all expense type =>\$25.
- Itemized receipts are required to substantiate expense reimbursements. An Itemized receipt details items and amounts, sales tax paid and total amount. The credit card slip that is signed for Visa is **NOT** an itemized receipt.
- Users can scan the credit card receipts along with the itemized receipt. However, the Itemized receipt is the required documentation.
- The credit card receipt indicating the tip amount and total amount is required along with the itemized receipt.
- Users and approving managers are required to ensure itemized receipts are provided with expense report(s). If receipt is lost, user is required to mark the Receipt field as "Lost" and fill out the "[Lost Receipt Form](#)", then scan and upload with expense report.
- PII = Personal Identifiable Information- review the receipt if the full credit card number is legible, black out all but the last 4 digits prior to scanning. Also, if you owe money to Xcel Energy and you scan a check in, please make sure you black out the acct. number, routing number and address.

**Step Five- Select Purchase Expense Type and Fill in Required Fields**

1. Expense Type is reconciled at the expense level (not itemized).

- Expense Types are grouped by "M" (Meals), "P" (Purchase) and "T" (Travel) categories.
- All Meal type expenses require itemization at line-item level to identify meal vs. alcohol portion of the expense.
- T-Hotel requires itemization to break down, room rate, tax, etc.
- All other expense types are reconciled at expense level.

2. Click on down arrow in Expense Type field and Select a purchase expense type (preceded by "P"). Once selected, the Merchant Name field will populate.

3. Enter Business Purpose

- The business purpose is a detailed description of the business reason for the expense item. It must adequately describe why the expense was incurred, do not use acronyms. For example:  
 Examples- Fork Lift Training in Denver  
 SAP Users Training in Denver
- The Description field (box) can be used for further explanation for expense if required.
- When using expense types **Other Purchase** and **Other Travel** a description is required.

4. Click on **TAX INFO** tab to enter the sales tax information as they will **NOT** manually pull in. (this may be under Itemized in some cases)

**Step Six- Enter Sales Tax for Purchase Expense Type**

1. Merchants should charge tax on all credit card transactions. Sales tax will need to be manually entered by Cardholder:

- **Sales Tax Paid**- Yes or No
- **Amt. of Sales Tax Paid**- this will be the amount of tax paid to vendor.
- **Facility Code**- Should automatically populate.

2. Click on **Sales Tax Paid** drop-down arrow and Select Yes if sales tax was paid **per receipt**.

Tax Info-

Sales Tax Paid Yes \*

3. Click in **Amt of Sales Tax Paid** to enter amount based on the itemized receipt.

Amt of Sales Tax Paid 4.16 \*

4. Change Facility Code, if applicable.

- Facility Code defaults facility from user profile. Facility Code is used to identify where you took possession of item(s) purchased or expects to use. Select appropriate facility code if material was shipped/used at a location different than the users' facility.
- All facility codes are loaded. You may need to scroll down and/or select the **Next** button for additional facilities.

5. Some Expense Types that do not require tax are:

P-Charitable Contribution	P-Dues - Gas Utility Assoc	P-License/Fees/Permits
P-Civic & Political	P-Dues - Professional Assoc	P-Mail/ Frt/ Postage
P-Community Sponsorships	P-Dues - Social Service	P-Permits/Fees - Environ
P-Directors Fees	P-Dues - Utility Assoc	P-Permits-Temporary Cap Construction
P-Dues - Chamber of Commerce	P-Job Postings	P-Personal Communication-Service
P-Dues - Elect Utility Assoc	P-Lawn Care	

- Expense types that do not require tax will not have the tax tab.

6. If no sales tax was paid, click on the **Sales Tax Paid** drop-down arrow, and select no.

Tax Info-

Sales Tax Paid No \*

7. The amount of sales tax will automatically be set at 0.00.

Amt of Sales Tax Paid 0.00 \*

8. Change Facility Code, if applicable (see #4 above).

9. Select Exempt Code that describes why tax wasn't paid from the drop-down menu.

- If sales tax should have been paid but was not, select reason code “XXX-NOT EXEMPT-USE TAX OWED.” This code informs the Tax Department to accrue and pay tax.

10. Click **TAX INFO** tab, a second time, to exit tax panel.

11. Once all tax information is added, allocate expense to the appropriate accounting.

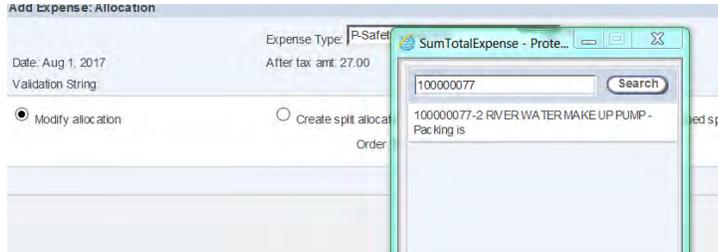
12. Click **Allocation** button to navigate to Allocation pane.

**Step Seven- Allocate Expense to Single Accounting String – see [job aid](#)**

1. There are 3 ways to allocate an expense:
  - **Allocate Single Acct**
  - **Split Allocations**
  - **Add Split Allocation to Preferences**
  - **Pre-Define Split Allocation**
2. To begin allocation to **single accounting string** click on **Modify Allocation**.

3. Click on the drop-down arrow next to **Order Number**.

4. Either select the correct order number from the drop-down options or type in the order number in the search box and click search.

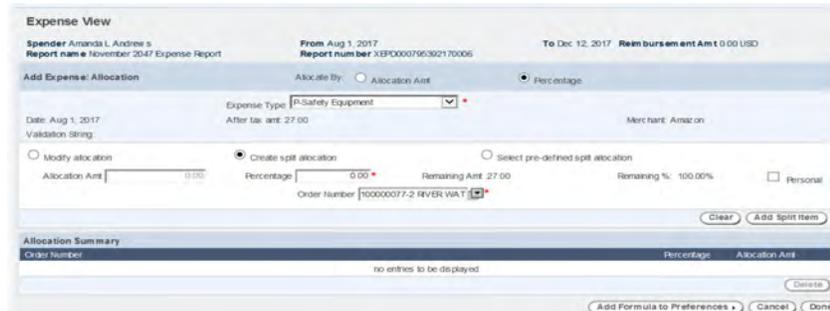


5. Click on the correct options and it will populate in the Order Number field.

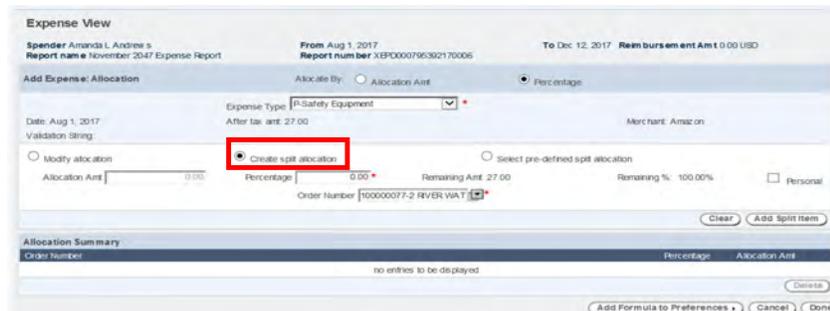


- User can use wild card (\*) to narrow search results. Enter first 2 or 3 digits of account segment (Business Unit, Sub ledger, etc.) and add (\*) then click search.
- If IO number or allocation is unknown reach out to your manager.

6. Users have the ability to define and save split allocations to preferences.



7. Click on the **Create Split Allocation** radial.



- Put in the percentage that you want to go to that **Allocation Order Number** in the percentage field.

Allocation Summary

Order Number	Percentage	Allocation Amt
10000077-2 RIVER WATER...	10.00 %	2.70
10000077-2 RIVER WATER...	27.00 %	7.29
10000077-2 RIVER WATER...	50.00 %	13.50

- Make sure your Order Number is correct for where you want this to be charged to, and then click on the **Add Split Item** button.

- This will bring the **percentage** and the **Allocation amount** under the **Allocation Summary**.

Allocation Summary

Order Number	Percentage	Allocation Amt
10000077-2 RIVER WATER...	10.00 %	2.70
10000077-2 RIVER WATER...	27.00 %	7.29
10000077-2 RIVER WATER...	50.00 %	13.50

- To Save the formula to your preferences click on **Add Formula to Preferences**.

- In this screen you will fill out all the fields with a red (\*).

The screenshot shows the 'Allocation' form with the following details:

- General Information:** Name, Category, Description, Start Date (12/12/17), End Date, Status (Incomplete).
- Allocation Split Formula:** Percentage (0.00), Order Number (100035076561-12350536).
- Allocation Split Formula Summary:** A table with columns 'Order Number' and 'Percentage'. It lists three entries: 100000077-2 REVER VIA TER (10.00%), 100000077-2 REVER VIA TER (27.00%), and 100000077-2 REVER VIA TER (50.00%).

- **Name-** Name of the Preference
- **Start Date-** When you want this preference to start.
- **Order Number-** The Order number you want to charge to.

13. Once you have filled in all the required fields, click **done**.

This screenshot is identical to the previous one, but the 'Done' button in the bottom right corner of the 'Allocation Split Formula Summary' table is circled in red.

14. **Pre-Defined Split Allocation Option** is a saved option that has been saved from a previous report.

15. To Delete Split Allocations; click on the box next to the specific split allocation that needs to be deleted.

This screenshot is identical to the previous one, but the 'Delete' button in the bottom right corner of the 'Allocation Split Formula Summary' table is circled in red.

16. Click on the **Delete** Button.

17. Click on the radial next to **Select Pre-Defined Split Allocation**.

The screenshot shows the 'Add Expense: Allocation' form with the following details:

- Allocate By:** Allocation Amt (selected), Percentage.
- Expense Type:** Safety Equipment.
- Date:** Aug 1, 2017. **After tax amt:** 27.00. **Merchant:** Amazon.
- Validation String:**
- Allocation Options:**
  - Modify allocation
  - Create split allocation
  - Select pre-defined split allocation
- Allocation Amt:** 0.00. **Percentage:** 0.00. **Remaining Amt:** 3.61. **Remaining %:** 13.00%. **Personal:**
- Order Number:** 100035076561-12350536.
- Allocation Summary Table:**

Order Number	Percentage	Allocated Amt
100000077-2 REVER VIA TER	10.00 %	2.70
100000077-2 REVER VIA TER	27.00 %	7.29
100000077-2 REVER VIA TER	50.00 %	13.50

18. There will be a drop-down field option that will populate.

Order Number	Percentage	Allocation Amt
10000077-2 RIVER WATER	10.00 %	2.70
10000077-2 RIVER WATER	27.00 %	7.29
	50.00 %	13.50

19. Click on the drop-down arrow and select one of the pre-defined options to use.

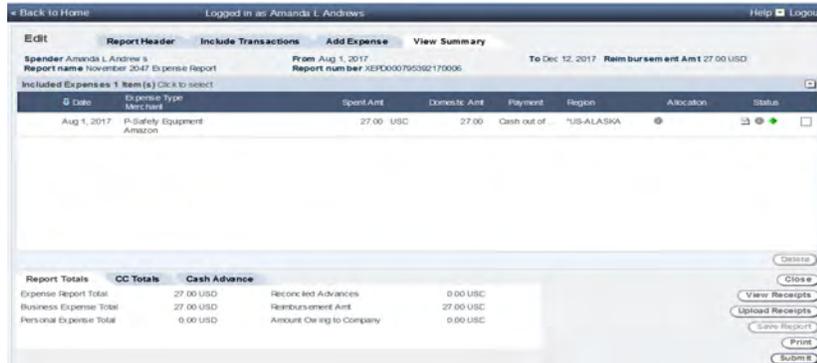
20. This will automatically populate the percentages and the order numbers that need to be used.

21. After allocating click **Done**.

22. System returns to Expense View on Edit Expense panel.

23. Click the **Save Changes** button or all your information will be lost.

24. System displays **View Summary** tab with expense added to **Included Expenses** section.



25. Hover over the Green Diamond and it will say External Validation Successful.

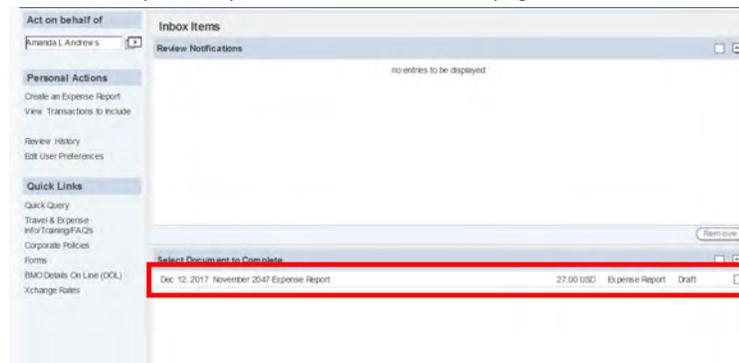
- The system will perform the accounting validations and display a green icon and hover over message that states “External Validation Successful” at the expense report line level (main expense)

26. Click on the Save Report button to save report in draft status.

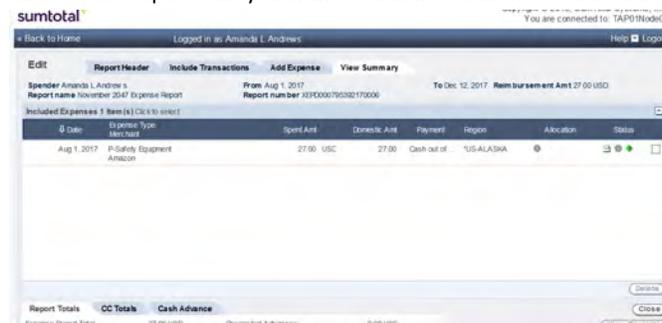


**Step Eight- Scan and Upload Receipts**

1. PII = Personal Identifiable Information- review the receipt if the full credit card number is legible, black it out so that it cannot be seen prior to scanning or if a check is being uploaded to receipts. Black out the banking information at the bottom of the check.
2. Receipts are reviewed during audits- ensure they are legible, and the correct receipts are loaded as these become a permanent record of each expense report.
3. Access the expense report from SumTotal home page.



4. Click on the report that you want to drill into and then it will take you to the ‘View Summary’ screen.



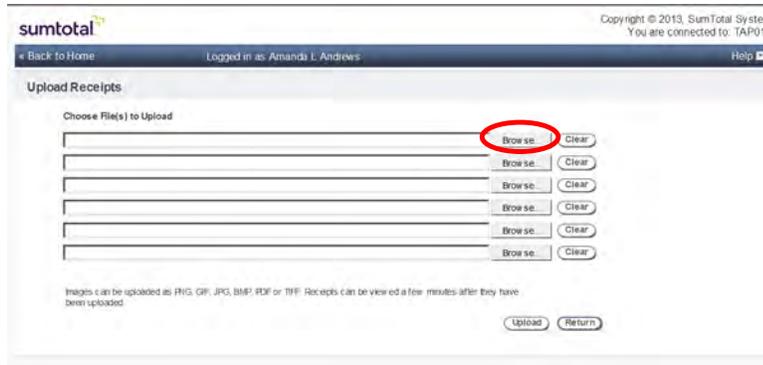
5. Click on **Upload Receipts**.



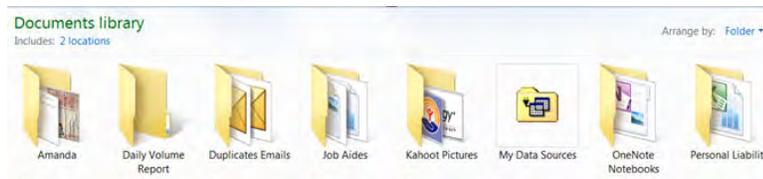
6. The **Upload Receipts** screen will pop up.



7. Click on the **Browse** Option.



8. Find the document that you have scanned into your documents to upload. **Please keep in mind that the system will only allow you to upload 2MB per file.** If it's more than that you'll have to split them up.



9. Once the file has been located, click on **Open**.

10. This will bring the file name into the display.

Upload Receipts

Choose File(s) to Upload

F:\pcc\pmd\1\home\225290\Creating an expense report.pdf

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Images can be uploaded as PNG, GIF, JPG, BMP, PDF or TIFF. Receipts can be viewed a few minutes after they have been uploaded.

Upload Return

Online Help  
Submitter Walkthrough  
Receipt Imaging Walkthrough  
What's New

- User can browse and upload multiple documents by continuing to click **Browse** button and selecting the applicable document to upload.
- Standard upload amount is 20 pages. If more than 20 then break down into two separate scanning groups

11. Click **Upload**.

Upload Receipts

Choose File(s) to Upload

F:\pcc\pmd\1\home\225290\Creating an expense report.pdf

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Images can be uploaded as PNG, GIF, JPG, BMP, PDF or TIFF. Receipts can be viewed a few minutes after they have been uploaded.

Upload Return

Online Help  
Submitter Walkthrough  
Receipt Imaging Walkthrough  
What's New

12. User will get a "Successful" message, if the receipts were uploaded correctly:

sumtotal™

Copyright © 2021  
You are

« Back to Home

Logged in as Vanessa Villa

Upload Receipts

File New Corporate Credit Card-Permanent Limit Authorization Form.pdf uploaded successfully. Receipts can be viewed a few minutes after they have been uploaded.

Choose File(s) to Upload

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Browse... Clear

Images can be uploaded as PNG, GIF, JPG, BMP, PDF or TIFF. Receipts can be viewed a few minutes after they have been uploaded.

Upload Return

- This will upload the selected receipts to this specific expense report.
  - If unsuccessful the system will advise that the files were not uploaded. Proceed to make the files smaller and upload more than one file.

### Upload Receipts

The size of file *Creating an expense report.pdf* exceeds the 2MB limit.

Choose File(s) to Upload

- Once the file is uploaded successfully, click **Return**.

Upload Receipts

Choose File(s) to Upload

Upload Return

Images can be uploaded as PNG, GIF, JPG, BMP, PDF or TIFF. Receipts can be viewed a few minutes after they have been uploaded.

- This will bring the user back to the **View Summary** Screen.
- User can view receipts by clicking on the **View Summary** Tab, and then clicking on **View Receipts**.

View Summary

ID	Date	Expense Type	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
1	Jan 14, 2019	MeritMart	153.51	USD	153.51	BMQ MasterCard*US-COLORADO		
2	Jan 15, 2019	OFFICE DEPOT #1000	500.00	USD	139.53	BMQ MasterCard		
3	Dec 13, 2019	ALMANNAR HSKAOT ZOOD MI						

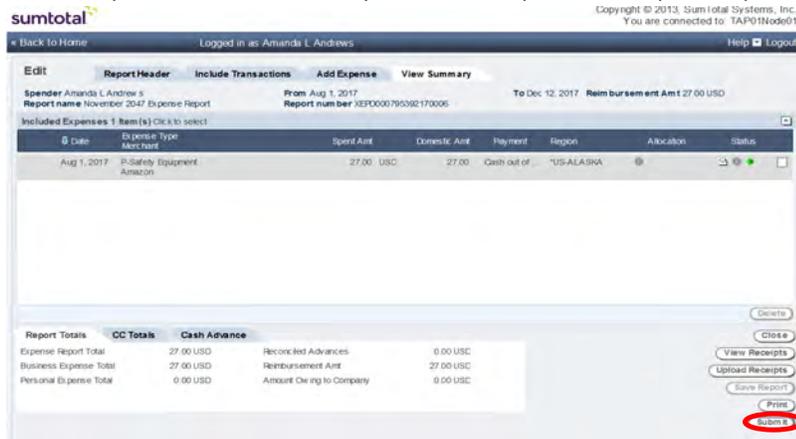
Report Totals	CC Totals	Cash Advance	
Expense Report Total	299.04 USD	Reconciled Advances	0.00 USD
Business Expense Total	299.04 USD	Reimbursement Amt	0.00 USD
Personal Expense Total	0.00 USD	Amount Owed to Company	0.00 USD

Upload Receipts

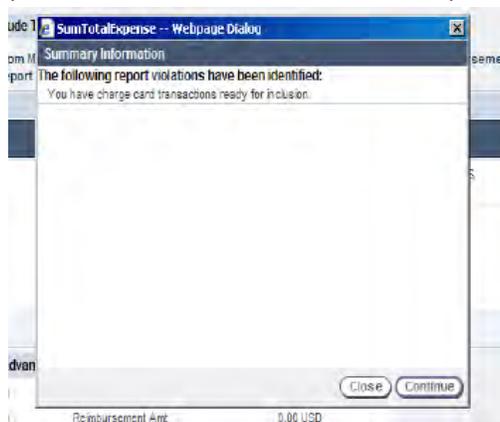
- It may take up to 5-10 minutes for the file to be viewed. If the receipts have not loaded into the report, please wait a moment, and try viewing them again.
- The corporate expense system will retain all records in accordance with the corporate record retention policy guidelines

**Step Nine- Submit Expense Report**

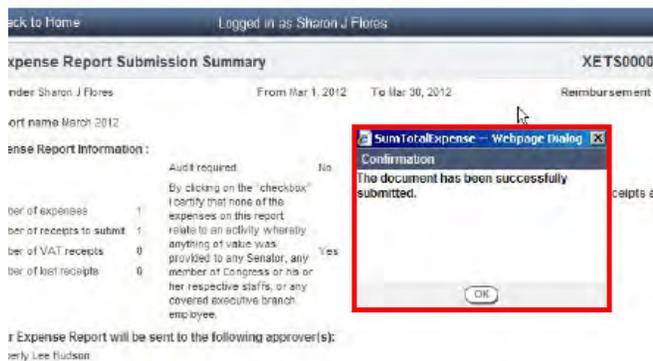
1. After receipts have been successfully scanned and uploaded to expense report, Click **Submit**.



- The system validates the accounting string at the time of submittal, once again to ensure the validation is still successful.
- Compliance message will appear for all reports submitted, sample message:
  - I agree all expense items are business related, and all travel related purchases (Hotel, Air, Car) were booked within the Travel Management Company.
- Must select 'Yes' or leave a comment if 'No' is selected
- Users may receive warnings if there are additional transactions that are ready for inclusion. Select **Continue** if you don't want to add more transactions to your current expense report.



2. System will display a Confirmation window.

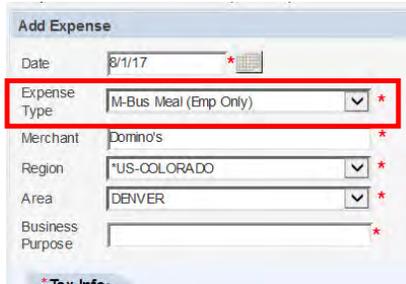


3. Click **OK** and then **Done**.
4. Expense report is now submitted for MA approval (Manager Approval).

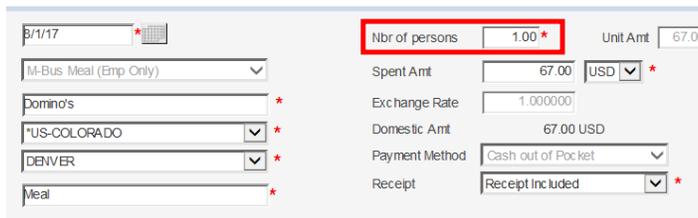
### Specific Details

#### Add Meal Expense Type

1. Click on down arrow in Expense Type field and Select a Meal expense type (preceded by "M").



- There are 2 Business Meal Expense Types and 1 Travel Meal Expense Type.
  - **Business Meal Employee Only**- This expense type is to be used if business cannot be reasonably conducted during regular business hours, and only Xcel Energy Employees are in attendance.
  - **Business Meal Non-Employee**-This expense type is to be used if business cannot be reasonably conducted during regular business hours and there are guests. (Contractors, Interns, Business Partners, etc.) Even if there is only 1 guest, Business Meal Non-Employee needs to be used.
  - **Travel Meal**- Travel Meals are generally for each individual while traveling on company business.
- 2. SumTotal will flag any non-compliant expenses based on 10.2 Employee Expense Reimbursement policy.
- 3. The expense will be flagged with a yellow icon to the left of an expense when Expense Type exceeds policy spend/cap:
  - System will flag a meal type expense when total amount of all meals per day expensed by spender exceeds \$65 Daily Meal Allowance.
- 4. Users will enter a business purpose for each expense added to an expense report.
  - The Description field can be used for further explanation for expense, if required.
- 5. Enter the Number of Persons that attended the meal.



- Make sure that the number of persons matches how many attendees are listed in the attendee tab.
  - Group meals that exceed 20 people require a sign-in sheet that outlines the group in attendance with names and relationships as supporting documentation.
  - System will calculate **Unit Amt.** for each person.
6. Enter any other required information, if not populated.

7. Click on the **Tax Info** Tab.

Date	Expense Type	Merchant
Aug 1, 2017	P-Safety Equipment	Amazon

8. Click on **Sales Tax Paid** drop-down arrow and select **Yes**.

Sales Tax Paid **Yes** \* Amt of Sales Tax Paid 2.16

9. Click in **Amt. of Sales Tax Paid** field, highlight the zeros and delete. Then enter amount of sales tax.

Sales Tax Paid **Yes** \* Amt of Sales Tax Paid 2.16

10. Click on **TAX INFO** tab to close tax screen.

11. To Allocate Expense Line, user can allocate at the expense level or at the expense line (sub expense) level.

12. Click the **Allocation** button to allocate the expense line.

Nbr of persons 1.00 \* Unit Amt 67.000 Description  
Spent Amt 67.00 USD \*  
Exchange Rate 1.000000  
Domestic Amt 67.00 USD  
Payment Method Cash out of Pocket \*Atte  
Receipt Receipt Included \*

13. System displays Add Expense: Allocation on Expense View screen.

14. There are 3 ways to allocate an expense: Please see [Step 7](#) for Allocation instructions.

15. When allocation is completed, click **Done**.

16. System returns to Edit Expense pane on Expense View screen.

17. Next, click the **Attendee** button.

The screenshot shows a form with the following fields: 'Number of persons' (1.00), 'Unit Amt' (67.000), 'Spent Amt' (67.00 USD), 'Exchange Rate' (1.000000), 'Domestic Amt' (67.00 USD), 'Payment Method' (Cash out of Pocket), and 'Receipt' (Receipt Included). On the right, there is a 'Description' field and three buttons: 'Allocation', 'Attendee', and 'Itemize'. The 'Attendee' button is circled in red. At the bottom are 'Save Changes' and 'Cancel' buttons.

**Add Attendees from Global Xcel Employee List**

1. System displays **Add Attendees** on **Expense View** screen.

The screenshot shows the 'Expense View' screen with a table of attendees. The table has columns for 'Attendee name', 'Corp ID', 'Company', and 'Business Relationship'. One row is visible with 'Amanda L. Andrew s' as the attendee name, 'SPECIALSTACCOUNTS PAYABLE' as the Corp ID, 'Xcel Energy Production' as the Company, and 'EMPLOYEE' as the Business Relationship. The 'Add Attendee' button is circled in red.

➤ System defaults user as attendee.

2. Click **Add Attendee**.

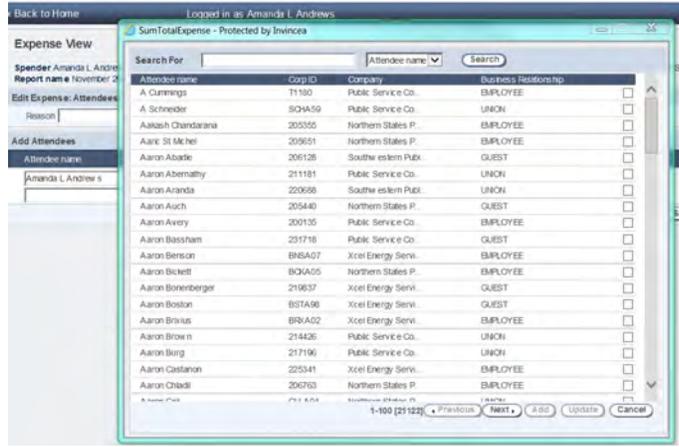
This screenshot is identical to the previous one, showing the 'Expense View' screen with the 'Add Attendee' button circled in red.

3. Click on prompt arrow next to blank Attendee name field.

The screenshot shows a close-up of the 'Attendee name' field. The first row contains 'Amanda L. Andrew s' and a red asterisk. The second row is empty and has a red box around the prompt arrow icon next to it.

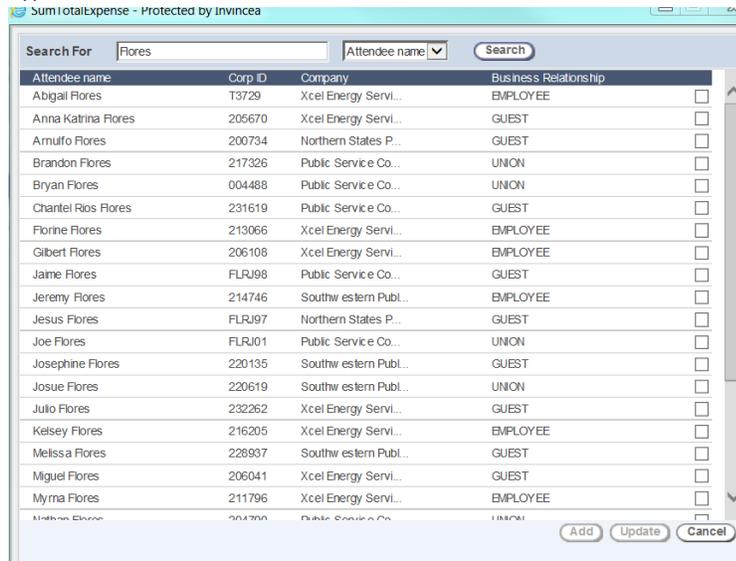
➤ If your attendee list is 20 and under you must enter them in the attendee tab. Group meals that exceed 20 people require a sign-in sheet that outlines the group in attendance with names and relationships as supporting documentation.

4. System displays global list of all employees.



- User can search by the Following Criteria:
  - **Attendee Name**-Employees Name
  - **CORP ID**-Employees ID
  - **Company**
  - **Change the Drop-down option to match what you are searching by**

5. Type in the search box the attendee information and click Search.



- This will bring up all Employees within that search criteria.

6. Select the Attendee by clicking in the check box next to the employee name.



7. Click **Add**.

Pablo Flores-Pacheco	210434	Northern States P...	GUEST	<input type="checkbox"/>
Robert Flores	210645	Southw estern Publ...	GUEST	<input type="checkbox"/>
Sharon Flores	T3201	Xcel Energy Servi...	EMPLOYEE	<input checked="" type="checkbox"/>
Sheryl Flores	TC535	Public Service Co...	EMPLOYEE	<input type="checkbox"/>
Stephanie Flores	220216	Southw estern Publ...	GUEST	<input type="checkbox"/>
Timothy Flores	231543	Southw estern Publ...	UNION	<input type="checkbox"/>

( Add ) Update Cancel

➤ Repeat this process to add as many attendees as necessary until complete.

Attendee name	Corp ID	Company	Business Relationship
Aminda L Andree s	SPECIALISTACCOUNTS PAYABLE	Xcel Energy Production	EMPLOYEE
Sharon Flores	T3201	Xcel Energy Services Inc.	EMPLOYEE

Delete Add to Preferences Add Attendee Cancel Save and Return

8. Click **Save and Return** once all the attendees have been added.

9. To Add Non-Employee Attendees, click on the add Attendee button.

Attendee name	Corp ID	Company	Business Relationship
Aminda L Andree s	SPECIALISTACCOUNTS PAYABLE	Xcel Energy Production	EMPLOYEE
Sharon Flores	T3201	Xcel Energy Services Inc.	EMPLOYEE

Delete Add to Preferences Add Attendee Cancel Save and Return

10. Enter in Attendees Name.

Attendee name	Corp ID	Company	Business Relationship
Aminda L Andree s	SPECIALISTACCOUNTS PAYABLE	Xcel Energy Production	EMPLOYEE
Sharon Flores	T3201	Xcel Energy Services Inc.	EMPLOYEE
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Delete Add to Preferences Add Attendee Cancel Save and Return

11. Enter "XXX" in Corp ID Field.

Attendee name	Corp ID	Company	Business Relationship
Aminda L Andree s	SPECIALISTACCOUNTS PAYABLE	Xcel Energy Production	EMPLOYEE
Sharon Flores	T3201	Xcel Energy Services Inc.	EMPLOYEE
Leslie Dee	XXX	<input type="text"/>	<input type="text"/>

Delete Add to Preferences Add Attendee Cancel Save and Return

12. Click **Business Relationship** drop-down arrow and select **Guest**.

Attendee name	Corp ID	Company	Business Relationship
Aminda L Andree s	SPECIALISTACCOUNTS PAYABLE	Xcel Energy Production	EMPLOYEE
Sharon Flores	T3201	Xcel Energy Services Inc.	EMPLOYEE
Leslie Dee	XXX	<input type="text"/>	GUEST

Delete Add to Preferences Add Attendee Cancel Save and Return

13. In the **Company** field enter the company that they work for.

Attendee name	Corp ID	Company	Business Relationship
Aminda L Andree s	SPECIALISTACCOUNTS PAYABLE	Xcel Energy Production	EMPLOYEE
Sharon Flores	T3201	Xcel Energy Services Inc.	EMPLOYEE
Leslie Dee	XXX	AirGas	GUEST

Delete Add to Preferences Add Attendee Cancel Save and Return

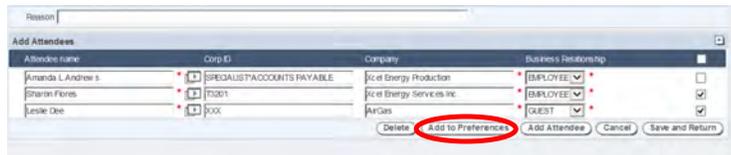
14. Click **Save and Return** if no Preferences needed.

15. Adding Attendees to Preferences creates a preferred list of attendees for easy selection on future expenses.

16. Select employee listed under **Add Attendees** by clicking check box to the right of name(s).



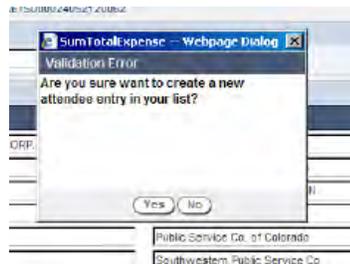
17. Click **Add to Preferences**.



➤ You can select all on list by clicking on the check box on header section of screen



18. System displays pop up window with message "Are you sure you want to create a new attendee entry in your list?"

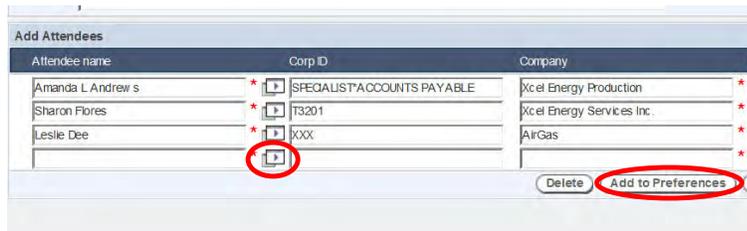


19. Click **Yes**.

20. System saves selected employees to your Attendees-Preferences list.

21. Click **Save and Return**.

22. View Preferred Attendees list by Clicking **Add Attendee** and Click on prompt arrow next to Attendee Name field.



23. System displays preferred list of all employees added to Preferences by clicking on the drop-down arrow next to Show and select **Preferred**.



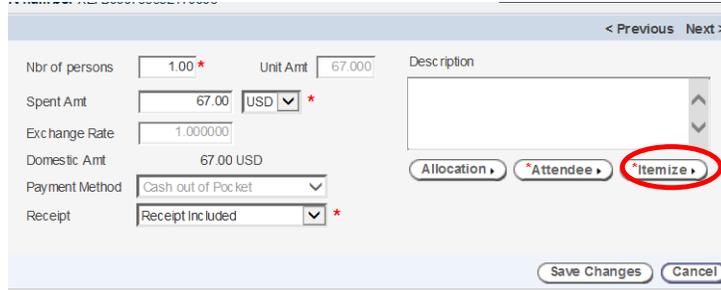
24. Select the Employees and add them to your attendee list.

25. Click **Save and Return** button.

### Itemizing Expenses

1. Users are required to itemize all meal type expense(s).

2. Click on the **Itemize** Button.



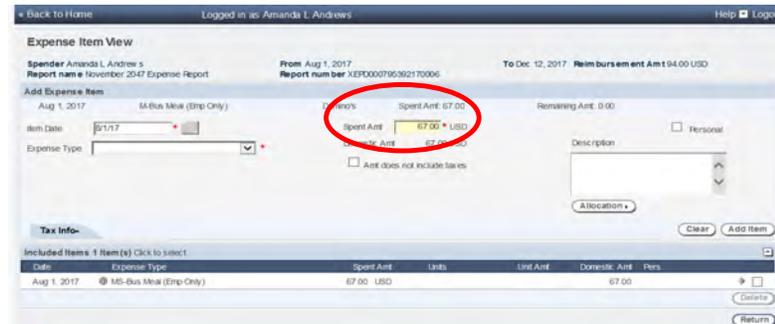
The screenshot shows a web form titled "Expense Item View" with navigation buttons "< Previous" and "Next >". The form contains several input fields: "Nbr of persons" (1.00), "Unit Amt" (67.000), "Spent Amt" (67.00 USD), "Exchange Rate" (1.000000), "Domestic Amt" (67.00 USD), "Payment Method" (Cash out of Pocket), and "Receipt" (Receipt Included). On the right side, there are three buttons: "Allocation", "Attendee", and "Itemize". The "Itemize" button is circled in red. At the bottom, there are "Save Changes" and "Cancel" buttons.

➤ All Meal type expenses require itemization at line item level (sub expense) to identify meal vs. alcohol portion.

3. Meal vs. alcohol portion must be identified when applicable and account for expenses appropriately.

4. System displays **Add Expense Item** on the **Expense Item View** panel.

5. **Spent Amount** will display from expense.



The screenshot shows the "Expense Item View" form with the "Add Expense Item" section. The "Spent Amt" field is circled in red and contains the value "67.00 \* USD". The form also shows "Remaining Amt: 0.00" and a "Tax Info" section. At the bottom, there is a table of included items.

Date	Expense Type	Spent Amt	Units	Unit Amt	Domestic Amt	Per
Aug 1, 2017	MS-Bus Meal (Emp Only)	67.00	USD		67.00	

6. Click on down arrow in **Expense Type** field to display a list of Sub Expense types.

7. Select the Correct Meal Expense type- Business Meal Employee Only, Non-Employee or Travel Meal.

8. If amount is meal only – Enter entire amount in **Spent Amt.** field.

9. Click on the **Allocation** button.

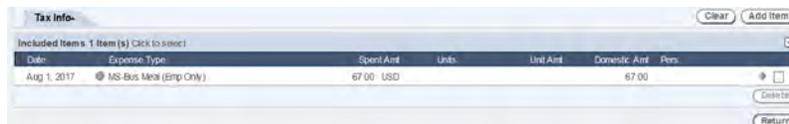


10. Refer to [Step 7](#) for Allocation process.

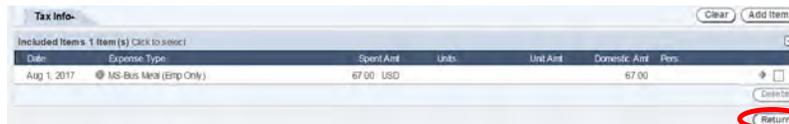
11. Once Allocation is complete, click **Add Item**.

- The system displays a “Grey” validation icon with a hover over message stating “Allocations haven’t been externally validated” as the sub expenses have not been added to Included Items yet.

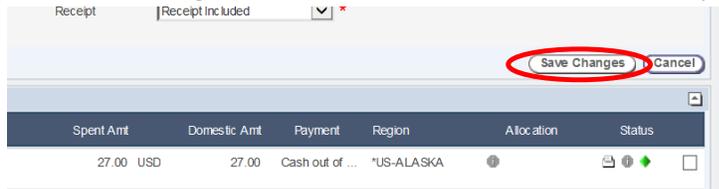
12. This will add the item to the Included Items Section.



13. Click on the **Return** Button.



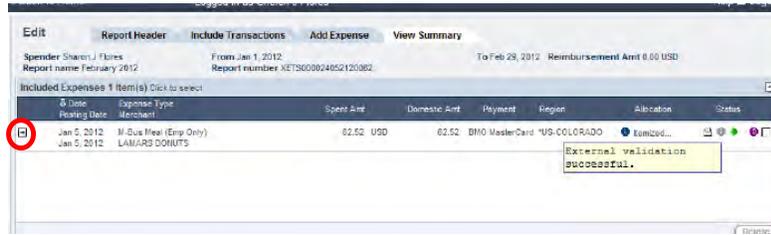
14. Click on **Save Changes** button to save the information added to the expense.



15. If no validation errors occur, the system displays a green icon to the right of the expense line.

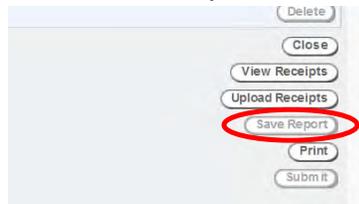


16. Click “+” to the left of expense to expand and view sub expense(s).



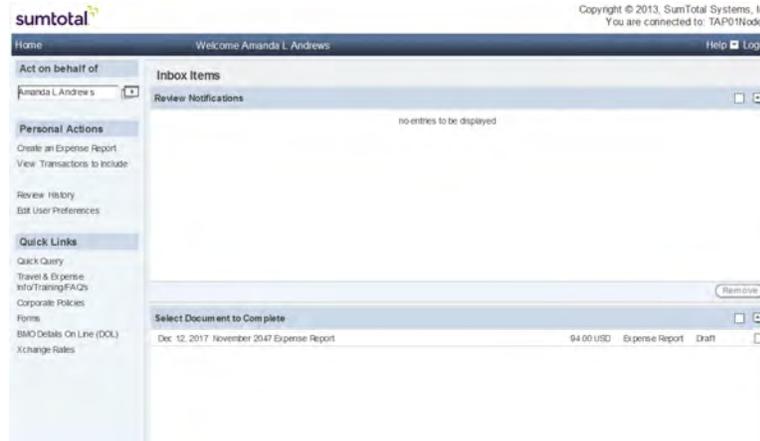
17. System will display a hover over message that states “External Validation Successful” at the expense report line (sub-expense)

18. Click on the **Save Report** button to save report in draft status.



**Editing/Viewing Attendee Preferences**

1. To access your Attendee preferences, go to your Expenses Home Page.



2. Click on **Edit User Preferences**.



3. Click on **Preferences** tab.

The screenshot shows the 'Manage User Profiles' interface. The 'Preferences' tab is highlighted with a red circle. Below the tabs, there is a 'Define Preferences' section with a checkbox for 'Disable Itemize Wizard'. A table lists attendees with columns for 'Attendee name', 'Corp ID', 'Company', and 'Business Relationship'. The table contains two rows: 'Leslie Dee' with Corp ID 'XXXX' and Company 'AirGas', and 'Sharon Flores' with Corp ID 'T3201' and Company 'Xcel Energy Services Inc.'. There are 'Delete' and 'Add Attendee' buttons at the bottom right of the table.

- System displays list of attendees added to preferences.
- User can add additional non-employees on this panel.

4. Click **Add Attendee** button.

This screenshot is similar to the previous one but highlights the 'Add Attendee' button with a red circle. The 'Business Relationship' dropdown menu is also visible, showing 'GUEST' and 'EMPLOYEE' options.

5. Enter **Attendee Name, Title and Company**.
6. Select **Guest** from drop-down arrow of **Business Relationship** field.
7. Click **Save** button.

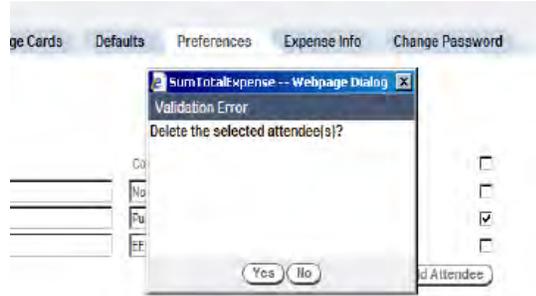
This screenshot shows a new attendee, 'Rebecca Lee', added to the list. The row for 'Rebecca Lee' is highlighted with a red box. The 'Business Relationship' dropdown is set to 'GUEST'. At the bottom right, the 'Save' button is highlighted with a red circle.

8. To Remove Attendees from the Preference Tab; click on checkbox next to attendee you wish to delete and click **Delete**.

This screenshot shows the 'Rebecca Lee' row with a checkbox checked, indicating it is selected for deletion. The 'Delete' button is highlighted with a red circle.

- You can select all by clicking on the check box above the list.

9. System displays pop up window with message "Delete the selected attendee(s)?"



10. Click **YES**.

11. Attendee is removed from Preferences.

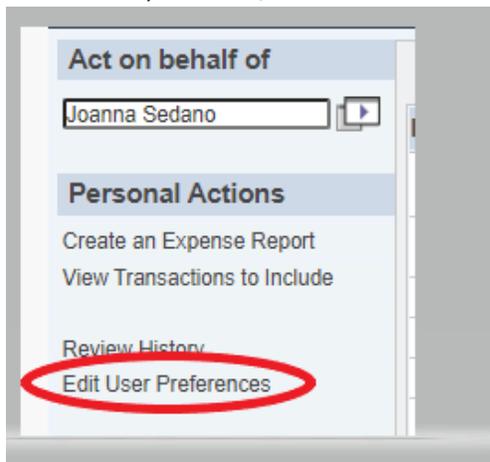
12. Click **Save** button to save changes.



13. Click **Close** button to return to SumTotal home page.

#### Adding Proxy Submitter's and Approver's

1. Proxies are added to create and submit expense reports on behalf of a user.
2. To Add a Proxy Submitter, click on **Edit User Preferences**



3. Under the **Proxies** tab, click the prompt **arrow** next to the **Submitter** Field.

Proxy User Name	Start Date	End Date	
Submitter			

4. System displays list of all active SumTotal Users.

User Name	Employee Name	Operating Company
SCHA59	A Scott Schneider	Public Service Co...
220688	Aaron A Aranda	Southwestern Publ...
DKKA02	Aaron A Daake	Public Service Co...
228316	Aaron A Esselink	Xcel Energy Servi...
202572	Aaron A Johnson	Xcel Energy Servi...
BNSA07	Aaron Benjamin Be...	Northern States P...
217196	Aaron C Burg	Public Service Co...
GRCA08	Aaron C Garcia	Public Service Co...
231540	Aaron D Herrera	Southwestern Publ...
219277	Aaron D Hornstein	Public Service Co...
208088	Aaron D Lipinski	Northern States P...
N155193	Aaron D Mann	Northern States P...

5. Search for the employee.  
➤ Easiest way to search is by the employee's last name. Type in the employee's last name in the search box, click on the drop-down arrow, select **Last Name**, and then click on **Search**.

User Name	Employee Name	Operating Company
no entries to be displayed		

6. This will display all employees within that search criteria.

**Search**

Flores Last Name Search

User Name	Employee Name	Operating Company
T3729	Abigail A Flores	Xcel Energy Servi...
217326	Brandon L Flores	Public Service Co...
004488	Bryan Flores	Public Service Co...
206108	Gilbert Ysabel Fl...	Xcel Energy Servi...
214746	Jeremy I Flores	Southw estern Publ...
220619	Josue I Flores	Southw estern Publ...
216205	Kelsey N Flores	Xcel Energy Servi...
211796	Myrna T Flores	Xcel Energy Servi...
204790	Nathan T Flores	Public Service Co...
T3201	Sharon J Flores	Xcel Energy Servi...
TC535	Sheryl A Flores	Public Service Co...
231543	Timothy F Flores	Southw estern Publ...

- Click on desired employee to add as Proxy Submitter.
- Selection is added to Proxy Submitter list.

manage user profiles

Proxies Reimbursement Charge Cards Defaults Preferences Expense Info Change Pa

Define Proxies

Proxy User Name	Start Date	End Date
Submitter Sharon J Flores		
Submitter		

- Click on the **calendar** next to the Start Date Field to select Proxy submitter **Start Date**, which will display in this field once identified.

Start Date

12/12/17

- Enter End Date if proxy submitter will only be a proxy for a limited time.
- Leave End Date blank if proxy is indefinite.

- User can have multiple Proxy Submitters.
- When manager assigns a Proxy Approver, they will include the start and end date for the duration.
- Once assigned; expense reports submitted for approval will be sent to the proxy approver only.
- To add a proxy approver, click on the prompt **arrow** next to the Approver field.

Approver

Proxy for

- Follow same steps for searching for an employee.
- Click on desired employee to add as proxy approver.
- Selection is added to proxy approver.

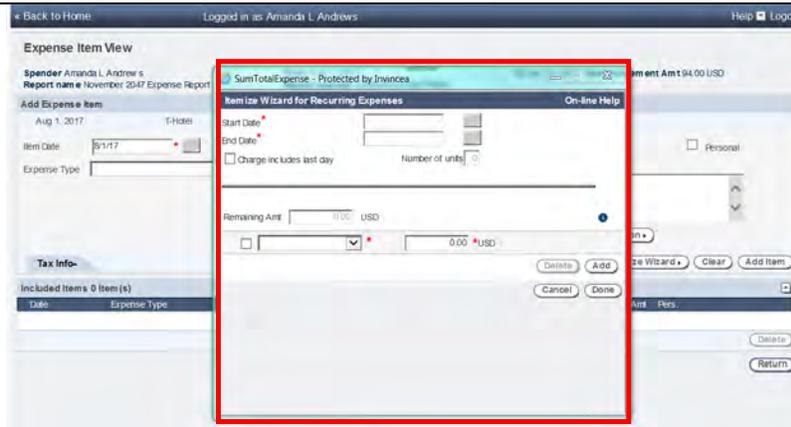
17. Click on calendar to select proxy approver Start Date.
18. Enter End Date the proxy approver will no longer need to approve expense reports on your behalf.

- All expense reports submitted for approval will be sent to the proxy approver: (based on Start and End Date)
- Be sure to always enter End Date for proxy approver. If no End Date is entered all expense reports submitted will continue to be sent to proxy approver until End Date is entered.
- User can have only one proxy approver during a given time

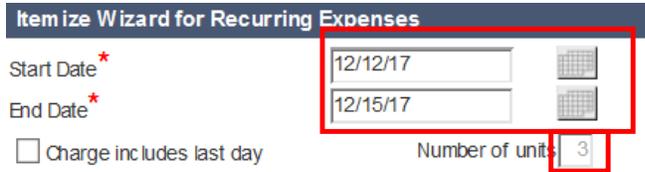
**Adding Hotel Expense Allocation and Itemization**

1. Expense types which require pre-approval documentation to be obtained and provided with receipts are:
  - Spousal Travel
  - International Travel
2. Users will enter a business purpose for each expense added to an expense report, and The Description field can be used for further explanation for expense if required.
3. Click on down arrow in **Expense Type** field and select T-Hotel expense type.

4. Enter Business Purpose- Must adequately describe why the expense(s) was incurred.
5. Click Allocation button- Refer to [Step 7](#) for allocation process.
6. Once the Allocation is complete, click the **Itemize** button.



7. System displays **Itemization Wizard** for Recurring Expenses.
8. The Wizard should only be used for reoccurring charges (room rate, taxes, etc.)
9. Enter **Start Date** (first night) and Enter **End Date** (last night), by clicking on the calendar next to each field.

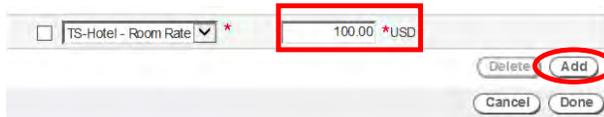


➤ System will calculate Number of days

10. Click drop-down arrow to select TS-Hotel-Room Rate Sub Expense



11. Enter the Room Rate Amount and click on add.



12. System displays fields for additional items to be selected.



13. Select TS- HOTEL- Room Tax and enter the amount.



14. Remaining Amt. field will display remaining amount that needs to be itemized, if all is itemized correctly the remaining amount should be 0.00.

The screenshot shows a 'Remaining Amt.' field with the value 225.46 USD. Below it is a list of items to be itemized:

<input type="checkbox"/>	TS-Hotel - Room Rate	*	100.00	*USD
<input type="checkbox"/>	TS-Hotel - Room Tax	*	12.27	*USD
<input type="checkbox"/>		*	0.00	*USD

Buttons: Delete, Add

- Hotel must be itemized out by Room Rate and Tax, per day/night of stay.

15. Once the Room Rate and Tax have been entered, click the **done** button.

The screenshot shows the 'Itemize Wizard for Recurring Expenses' dialog box. The 'Remaining Amt.' field shows 225.46 USD. The 'Done' button is circled in red.

16. Expense will show itemization by day in the included Items section.

The screenshot shows the 'Tax Info' section with a table of included items:

Date	Expense Type	Spent Amt	Units	Unit Amt	Domestic Amt	Perc
Dec 13, 2017	TS-Hotel - Room Rate	100.00	USD		100.00	
Dec 13, 2017	TS-Hotel - Room Tax	12.27	USD		12.27	
Dec 12, 2017	TS-Hotel - Room Rate	100.00	USD		100.00	

A red box highlights the table. A grey validation icon is visible next to the last row, with a tooltip that says 'Allocations haven't been externally validated.'

- The system adds a "Grey" validation icon with a hover over message that states "Allocations haven't been externally validated" as the sub expenses have not been saved to "Add Expense" yet.

17. Click **Return** button.

18. Click **Save Changes** button.

19. If no validation errors occur, the system displays a **green icon** to the right of the expense line.

The screenshot shows the expense report table with a green validation icon next to the last row:

Date	Expense Type	Spent Amt	Domestic Amt	Payment	Region	Allocation
Jan 16, 2012	Hotel	123.79	USD	123.79	BMO MasterCard *US-CALIFORNIA	Itemized...
Jan 16, 2012	MIDOSE LIMITED					
Jan 5, 2012	H-Bus Meal (Emp Only)	82.52	USD	82.52	BMO MasterCard *US-COLORADO	Itemized...
Jan 5, 2012	LAMARS DONUTS					

A red box highlights the green validation icon next to the 'Itemized...' status.

20. System will display a hover over message that states "External Validation Successful" at the expense report line (sub-expense) level.

21. Click **Save Report** button

**Credit Card Transaction Marked Personal**

1. Per the 10.2 Policy, personal purchases of any type using the Corporate OneCard are not permitted. Personal charges must be handled as separate transactions using your personal card.
  - Mark the expense as Personal in SumTotal. To mark an expense personal in SumTotal:
    - Create an expense report and include the pending expense
    - Open the expense line item. On the right-hand corner by the Description field, there should be a Personal box. Check the box to make Personal.
    - Hit Save Changes. This is all you need to do.

The screenshot shows the 'Edit Expense' interface for a report titled 'Personal Charge' for Spender Aaron J Olson. The report covers the period from Feb 1, 2021, to Feb 26, 2021, with a reimbursement amount of 0.00 USD. The form includes fields for Date (2/12/21), Posting Date (2/15/21), Expense Type, Region (\*US-SOUTH DAKOTA), Area, Spent Amt (60.00 USD), Exchange Rate (1.000000), Billed Amt (60.00 USD), Payment Method (USB Visa Card), and Receipt. A 'Personal' checkbox is checked in the top right corner, and the 'Save Changes' button is highlighted with a red box.

- If there are no Cash out of Pocket expenses that will cover the cost of the Personal charge, a check/money order for the amount owed will need to be sent to the following address. Check/Money Order should be made payable to **Xcel Energy**.
  - **Corporate OneCard Department 9500 Brighton Road Henderson, CO 80640**
- If used there will be compliance message pop up, sample message:
  - Reminder – Personal use of the Corporate OneCard is not permitted; personal charges must be handled as separate transactions using your personal card.
- If personal use occurs; the Money Owed/Personal Use [form](#) is required to be filled out and attached as a receipt to the expense report (follow instructions on form if a payment is due to Xcel).
- Card Admin team will monitor and escalate non-compliant purchases.

**Enter Cash Out of Pocket Expense**

1. Per the 10.2 Policy, the use of personal card or cash out of pocket for business purposes should be rare. Unless otherwise noted in the policy (i.e., tips, tolls, mobile, mileage), it is only appropriate to claim cash out of pocket reimbursement for expense incurred while traveling when credit cards are not accepted or if an employee inadvertently uses personal credit card for business travel or business-related expenses.
2. Cash out of pocket expenses are monitored to ensure the Corporate OneCard is used appropriately.
3. Cash out of pocket expenses are entered on Add Expense Tab. All subsequent screens will refer to Add Expense.
4. System displays **Add Expense** tab on Edit screen.

The screenshot shows the 'Add Expense' form with the 'Add Expense' tab highlighted in red. The form is for Spender Amanda L. Andrews and covers the period from Aug 1, 2017, to Dec. The report number is XEPD000795392170006. The form includes fields for Date (2/1/17), Expense Type, Merchant, Region, Area, Spent Amt (0.00 USD), Exchange Rate (1.000000), Domestic Amt (0.00 USD), Payment Method (Cash out of Pocket), and Receipt.

5. Click on down arrow in Expense Type field and Select the correct expense type.

6. Enter Information in all required fields.

The screenshot shows the 'Add Expense' form with the following fields highlighted by red boxes: Expense Type, Merchant, Region, and Area. Other visible fields include Date (8/1/17), Spent Amt (0.00 USD), Exchange Rate (1.000000), Domestic Amt (0.00 USD), Payment Method (Cash out of Pocket), and Receipt.

7. Enter Business Purpose for the expense.

The screenshot shows the 'Add Expense' form with the Business Purpose field highlighted by a red box. The text entered in this field is 'Parking At Larimer for SAP Users Training'. Other visible fields include Date (8/1/17), Expense Type (T-Parking), Merchant (EZ Park), Region (\*US-COLORADO), Area (DENVER), and Payment Method (Cash out of Pocket).

8. Click **Allocation** button.

9. Make sure that the Payment Method is Cash out of Pocket.

The screenshot shows a close-up of the Payment Method dropdown menu, which is set to 'Cash out of Pocket'.

10. Enter in the Spent Amount.

The screenshot shows a close-up of the Spent Amount input field, which contains the value '0.00'.

11. The receipt field will always say **Receipt Included** because All Cash out-of-pocket expenses require an itemized receipt regardless of amount; exceptions include reasonable tips and tolls.

The screenshot shows a close-up of the Receipt dropdown menu, which is set to 'Receipt Included'.

12. Click on the **Allocation** Tab. Refer to [Step 7](#) for the 3 Ways to Allocate.

13. Once Allocation is complete, Click **Add Expense** button.

The screenshot shows the 'Add Expense' button highlighted with a red circle.

14. System displays Add Expense on **Add Expense** tab.

15. Added expense is displayed in **Included Expenses** section.

U Date	Expense Type	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
Jan 26, 2012	H-Recognition - Meal	30.71 USD	30.71	BMO MasterCard	US-COLORADO	Itemized...	External validation successful.
Jan 26, 2012	T-Parking	7.00 USD	7.00	Cash out of ...	US-COLORADO		
Jan 24, 2012	F-Office Supplies	36.79 USD	36.79	BMO MasterCard	US-COLORADO		
Jan 16, 2012	T-Hotel	123.79 USD	123.79	BMO MasterCard	US-CALIFORNIA	Itemized...	

➤ If no errors occur, system displays green icon (right of the expense line) with hover over message, stating "External Validation Successful".

16. Click **Save Report** button to save report in draft status.

**Add Mileage expense**

- Per Corporate Policy, Xcel Energy only reimburses mileage for use of personal vehicle for company business. Xcel does not reimburse gasoline as additional expense, gasoline. There are 2 expense types for mileage reimburses; T-Personal Car Mileage – This expense type is selected when single round trip (i.e. MDC to 1800 Larimer and back to MDC); T-Multi-Trip Mileage – This is used when traveling to multiple locations for business related activities. T-Multi-Trip Mileage requires a Mileage Log be attached as a receipt to substantiate the mileage claimed.

**Single Trip mileage.**

- From the **Add Expense** tab select **Expense Type (T-Personal Car Mileage)**.

2. Enter Required Information.

3. Enter total number of miles for single trip (round trip).

- System calculates the number of miles entered times the mileage rate stored within the system.

4. To complete required data, click on **Mileage** button.

5. Enter Point of Departure and Destination.

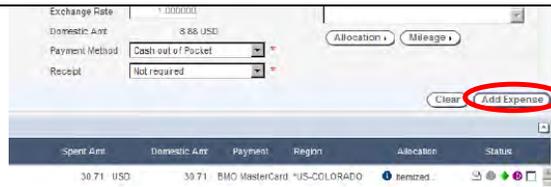
6. Select Round Trip check box.

- Number of miles entered in previous screen is defaulted in Distance field.

7. Click on **Save and Return** button.

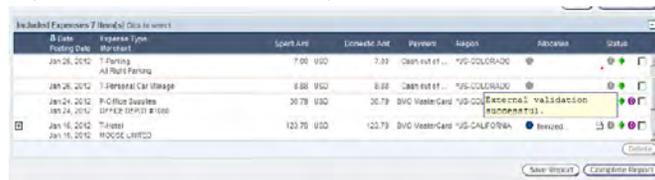
8. Refer to [Step 7](#) for Allocation Instructions.

9. Click **Add Expense** button.



10. If no errors occur, system displays a green icon (to the right of the expense line). If the user hovers over the “Allocation” the system will display a hover over message that states “External Validation Successful”.

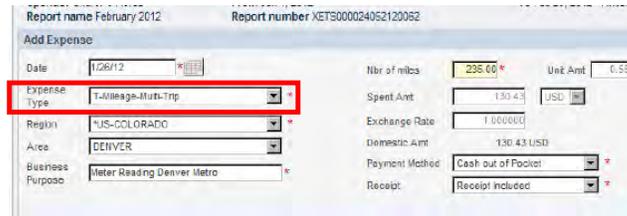
11. Expense is added to Included Expenses.



12. Click **Save Report** button to save report in draft status.

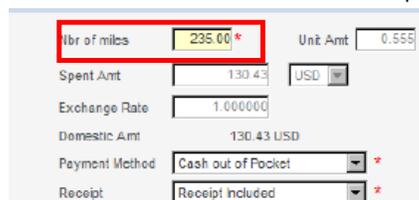
**Mileage Multi-Trip.**

1. From the Add expense Tab, select Expense type T-Mileage- Multi-Trip Expense Type.



2. Enter Required Information. They will all have red (\*) next to the required information.

3. Enter total number of miles for multi-trip.



➤ System calculates the number of miles entered times the mileage rate stored within the system.

4. Refer to [Step 7](#) for Allocation Instructions.

5. Mileage button is not required. The mileage log is required documentation and will be used as the receipt. Scan the mileage log and upload to expense report with all receipts.

6. Click **Add Expense**.



7. Expense is added to Included Expenses.

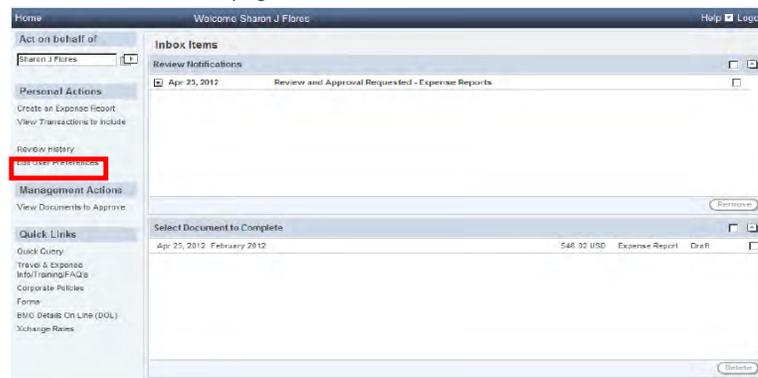
Date	Expense Type	Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
Jan 20, 2012	T-Personal Car Mileage		0.00 USD	0.00	Cash out of ...	'US-COLORADO		
Jan 20, 2012	T-Mileage-Multi-Trip		130.43 USD	130.43	Cash out of ...	'US-COLORADO		
Jan 24, 2012	P-Office Supplies	OFFICE DEPOT #1030	36.79 USD	36.79	BMO MasterCard	'US-CO		External validation successful.
Jan 10, 2012	T-Fuel	WOOLSE LIMITED	123.79 USD	123.79	BMO MasterCard	'US-CALIFORNIA		
Jan 16, 2012								
Jan 5, 2012	M-Bus (Max Fm. Only)		62.52 USD	62.52	BMO MasterCard	'US-CO D9400		

8. If no errors occur, the system displays a green icon to the right of the expense line. If the user hovers over the "Allocation" the system will display a hover over message that states "External Validation Successful."

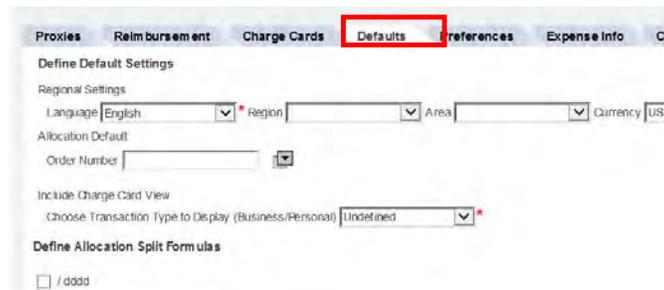
9. Click **Save Report** button to save report in draft status.

**Removing Pre-Defined Allocations**

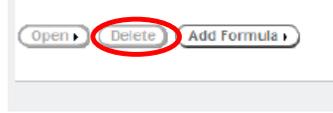
1. From SumTotal home page, Click on Edit User Preferences link under Personal Actions.



2. Click on **Defaults** tab.

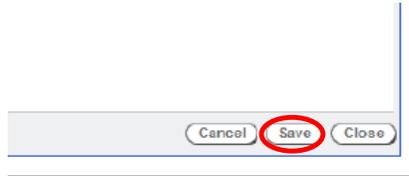


3. Click **Delete** button.



4. System removes defined allocation selected.

5. Click **Save** button.



### Review Policy Info Tab

1. SumTotal provides the ability to flag an expense based on [10.2 Travel and Employee Expense Reimbursement](#).
2. The expense will be flagged with a yellow icon to the left of an expense when Expense Type exceeds policy spend/cap:
  - System will flag Life Event expense type when amount per person is greater than \$70.
  - System will flag is Receipt has been Lost
  - Other Expense Types are flagged to ensure appropriate use.
    - Other Purchase
    - Other Travel
  - The System will also flag Meal expenses that are over the \$65 daily meal allowance.
3. All expense reports with flagged expense(s) will be sent for back-office audit review. Non-compliance is monitored and reported monthly.
4. The system will display policy tab on expense which includes policy details of the flagged expense.



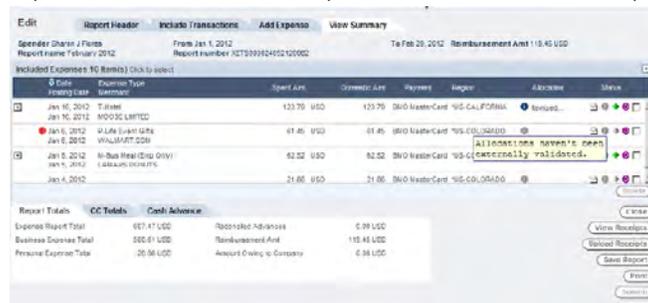
5. The Policy Info tab will explain why the expense is a violation of policy.



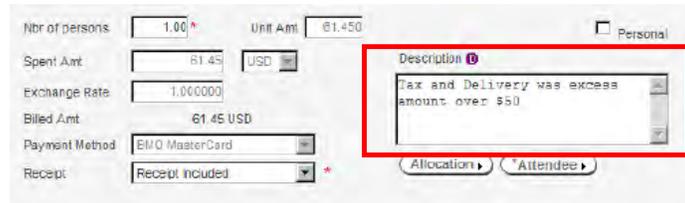
6. Once all the required information has been entered and user clicks on Save Changes. The following message will pop up.



7. System displays error regarding policy violations and required action to be taken.
8. Description is required – Enter explanation of why amount exceeds policy limit.
9. User has option to either Ignore for Now or Change Now.
10. Expense is added to Included Expense section with red icon displayed to the left.



11. Grey Icon and hover over message Allocations haven't been externally validated.
12. Double click on expense to open.
13. Enter explanation in the **Description** box as to why amount exceeded policy limit.



14. Click **Save Changes** button.
15. Expense is added to Included Expenses section with yellow icon displayed to the left of expense.

Date Posting Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation
Jan 10, 2012	MOOSE LIMITED					
Jan 5, 2012	P-Life Event Gifts	61.45 USD	61.45	BMO MasterCard	US-COLORADO	
Jan 5, 2012	WALMART.COM					
Jan 5, 2012	M-Bus Meal (Emp Only)	62.52 USD	62.52	BMO MasterCard	US-CO	
Jan 5, 2012	LINMARS DONUTS					
Jan 4, 2012		21.86 USD	21.86	BMO MasterCard	US-COLORADO	
Jan 5, 2012	GIFT SHOP					

Report Totals	CC Totals	Cash Advance		
Expense Report Total	507.47 USD	Reconciled Advances	0.00 USD	
Business Expense Total	500.01 USD	Reimbursement Amt	119.45 USD	
Personal Expense Total	26.99 USD	Amount Owing to Company	0.00 USD	

16. The system will perform the accounting validations and display a green icon and hover over message that states, "External Validation Successful".
17. Click **Save Report** button to save in Draft Status.
18. This will still be sent to Audit for Second Approval.

**Lost Receipt**

1. Click in Receipt field and in drop-down arrow, select **Lost**.

Spent Amt: 11.48 USD  
 Exchange Rate: 1.000000  
 Billed Amt: 11.48 USD  
 Payment Method: BMO MasterCard  
 Receipt: Lost

2. Click on **Save Changes** button.
3. System displays View Summary tab.
4. Expense is added to Included Expenses section with yellow icon displayed to the left of expense.

Spender Sharon J Flores From Jan 1, 2012  
 Report name February 2012 Report number XETS

Date Posting Date	Expense Type Merchant
Jan 24, 2012	P-Mail/Frt/Postage
Jan 24, 2012	FEDEX 096944015013001
Jan 20, 2012	P-Office Supplies

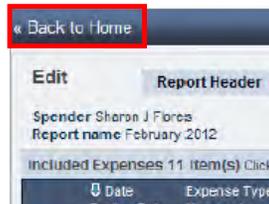
5. The system will perform the accounting validations and display a green icon and hover over message, stating "External Validation Successful".
6. Double click on expense to open.
7. Click on **POLICY INFO** tab to review Policy violation message for clarification.

Area: MEMPHIS  
 Business Purpose: Ship Care to Cardholder  
 Policy info

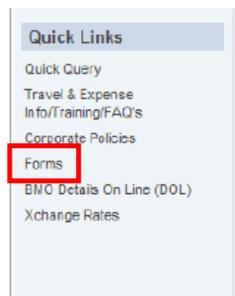
8. **POLICY INFO** tab opens with message regarding next steps that system will take – expense items submitted with yellow icons will be sent to Audit for second-level review and approval.



9. Click on **POLICY INFO** tab to close window.
10. Click **Save Report** to save in draft status.
11. Click **Back to Home** to return to SumTotal Home Page.



12. Click on **Forms** under Quick Links on SumTotal home page.



13. Click on Lost Form link.
14. Or it can be found here: [Lost Receipt Form](#).
15. Fill out all fields on form.
16. Click on Print Form button to PDF the form.
17. This form must be signed by spender and approving Manager.
18. Scan with other receipts and upload signed version with all receipts.

<b>Electronic File Location:</b>	<a href="http://xpressteams.xcelenergy.com/sc/reference_home/default.aspx">http://xpressteams.xcelenergy.com/sc/reference_home/default.aspx</a>		
<b>Changes to Procedure:</b>			
<b>Date of Change</b>	<b>Reason for Change</b>	<b>What Changed?</b>	<b>Updated By:</b>
October 2019	System Upgrade	Personal use and compliance messages	Vanessa Villa & Kim Hudson
August 2021	Bank Change/SharePoint Updates	Minor updates to update verbiage from BMO to US Bank, etc.	Vanessa Villa, Karolyn Hedquist, Joanna Sedano
<b>Resource Appendix:</b>			
Post Additional Resource location			
Sample output			
Links to resource documents			
Distribution List			



<b>Procedure Name:</b>	<b>SumTotal Approval Approving an Expense Report</b>
------------------------	--

<b>Responsibility:</b>	
Primary:	Management of Card Holders
Backup:	SumTotal Admins

<b>Frequency / Due Date:</b>	Monthly, Every 30 days
------------------------------	------------------------

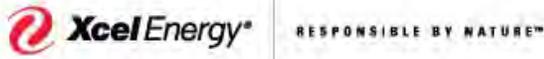
**Summary / Background:**  
 This document outlines how the manager of the employee can approve or reject the expense report or an expense item in SumTotal.

**Required Tools and System Access:**

(1) SumTotal
(2) XpressNet
(3)

**Contacts:**

Name	E-Mail Address	Phone Number	Department / Title
Vanessa Villa	<a href="mailto:Vanessa.Villa@xcelenergy.com">Vanessa.Villa@xcelenergy.com</a>	303-439-5801	Supervisor
Supply Chain Hotline	<a href="mailto:supplychainhotline@xcelenergy.com">supplychainhotline@xcelenergy.com</a>	303-628-2644	Team



**SUPPLYCHAIN**

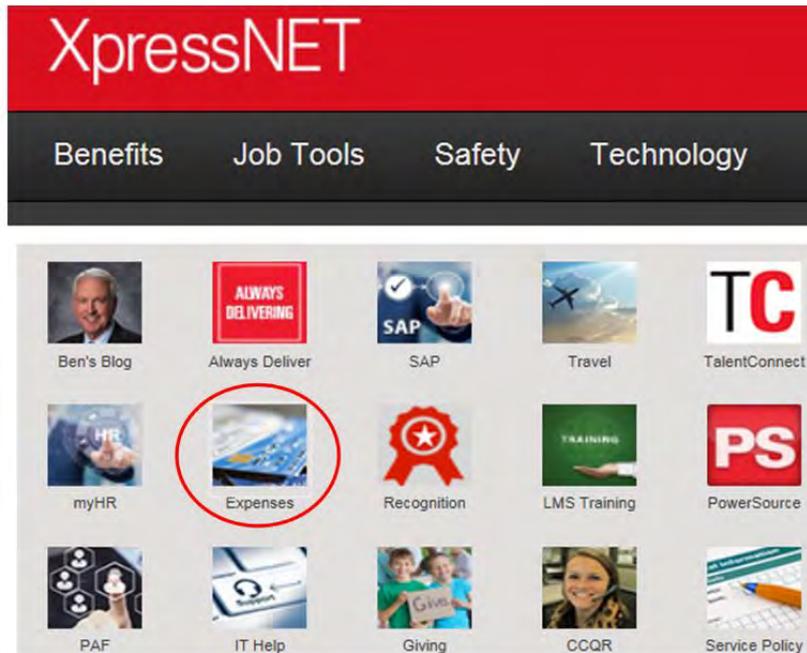
Approving an Expense Report

**High Level Process Summary**

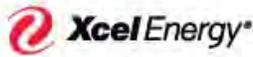
**Step 1** - Log into SumTotal ..... 2  
**Step 2** – Review Home Page ..... 3  
**Step 3** – Open Expense Report ..... 7  
**Step 4** – Open & Review Receipt Packet ..... 10  
**Step 5** – Review Meal Type Expense ..... 11  
**Step 6** – Review Purchase Type Expense ..... 15  
**Step 7** – Review Hotel Type Expense ..... 18  
**Step 8** – Review Personal Car Mileage (Single round Trip) ..... 21  
**Step 9** – Review Mileage Multi-Trip ..... 24  
**Step 10** – Reject an Expense ..... 25  
**Step 11** - Approving an Expense Report ..... 27

**Step 1 - Log into SumTotal**

- From **XpressNet**, click on **Job Tools** from the main menu.
- Select **Travel and Expenses**.
- Select **Employee Expense**.
- Select **SumTotal**.



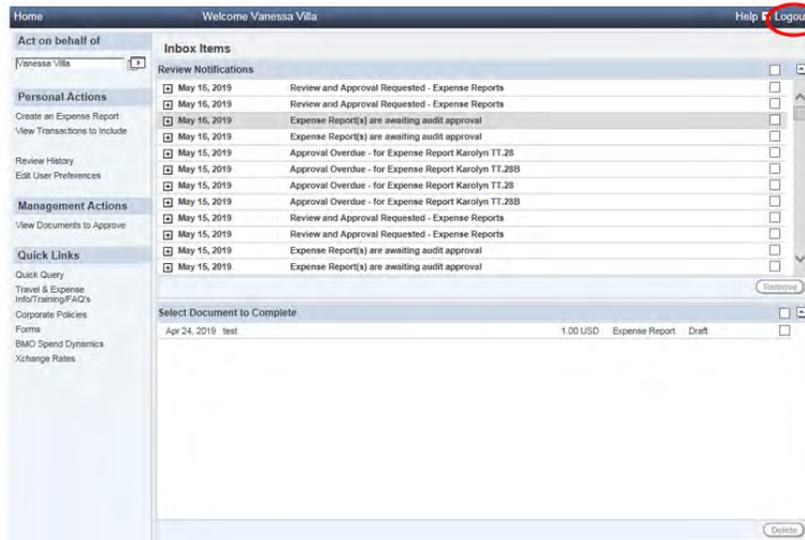
- System displays **SumTotal** home page
  - To Logout of the application, click on **Logout** link in the top right corner of the screen
  - System closes



RESPONSIBLE BY NATURE™

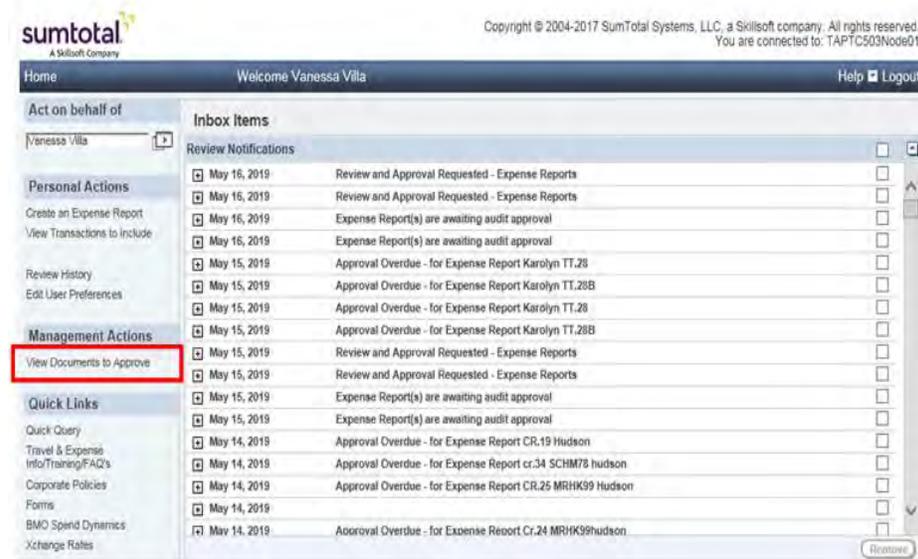
**SUPPLYCHAIN**

Approving an Expense Report



**Step 2 - Review Home Page** - The approver can view the expense report(s)

- Click the **View Documents to Approve** under **Management Action** list and it will navigate you to all **Approval Items**
  - Approvers will receive an e-mail notification when an expense report has been submitted for review and approval. This notification is also sent to the inbox on the SumTotal home page.



- The top section, **Approval Items**, displays a list of expense reports that have been submitted for approval.
- The lower section under the **Included Expenses** tab displays a quick view of all expense(s) included in the above selected Actions report.



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SUPPLYCHAIN

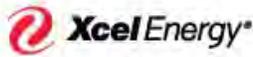
Approving an Expense Report

The screenshot shows the 'Approve Documents' interface. The top section, 'Approval Items (Click to select)', contains a table with columns: Date, Document Name, Domestic Amt, Document Type, and Status. The bottom section, 'Included Expenses', shows a summary for 'Spender: Ajay Rathore' and 'Report name: Multiple' with a total reimbursement amount of 11,000.00 USD. Below this is a table of 'Included Expenses 4 Item(s)' with columns: Date, Expense Type/Merchant, Spent Amt, Domestic Amt, Payment, Region, Allocation, and Status. The first item in the list is highlighted with a green checkmark and a '+' icon.

- Review the compliance response(s) by hovering over the three “...” on the right of the expense report.
  - Yellow comment box will appear:

This screenshot shows the 'Approve Documents' interface with a yellow comment box overlaid on the first item in the 'Approval Items' table. The comment box contains the text: 'Message: I agree all expense items are business related, and all travel related purchases (Hotel, Air, Car) were booked within the Travel Management Company. Action Button Selected: Yes'.

- The expense(s) with the “+” to the left indicates the expense has been itemized to include expense line items (sub expenses).
- Click the “+” to display expense line items



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**SUPPLYCHAIN**

Approving an Expense Report

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 You are connected to: TAPTC503Node01

Back to Home Logged in as Vanessa Villa Help Logout

Approve Documents Document to Approve Approval History

Approval Items (Click to select)

Date	Document Name	Domestic Amt	Document Type	Status
Apr 8, 2019	Kimberly Lee Hudson/CR.07 H...	60.00 USD	Expense Report	Submitted for MA
Apr 8, 2019	Kimberly Lee Hudson/CR.09 H...	35.00 USD	Expense Report	Submitted for MA
Apr 8, 2019	Kimberly Lee Hudson/CR.10 H...	80.00 USD	Expense Report	Submitted for MA

Included Expenses Event History Reason Approval Required

Spender Kimberly Lee Hudson  
 Report name CR.07 Hudson Test  
 From Mar 25, 2019  
 Report number XETS000174002190097  
 To Mar 31, 2019 Reimbursement Amt 60.00 USD

Included Expenses 1 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
Mar 25, 2019	T-Hotel Hudson	60.00 USD	60.00 USD	Cash out of ...	*US-HAWAII	Itemized...	Itemized...

- Approver must review all expenses to ensure purchases are in compliance with the [Procurement Matrix](#).
- The approver can approve or reject an expense item or the entire report.
- **Note:** A yellow icon to the left of expense report indicates expense(s) within the report that have been flagged as non-policy compliant
  - Select policy link to review: [10.2 Travel and Employee Expense Reimbursement](#)

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 You are connected to: TAPTC503Node01

Back to Home Logged in as Vanessa Villa Help Logout

View Report Header Include Transactions Add Expense View Summary

Spender Karolyn T Hedquist  
 Report name Karolyn TT.28 Multi  
 From May 1, 2019  
 Report number XETS000857972190011  
 To May 31, 2019 Reimbursement Amt 75.00 USD

Included Expenses 3 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 1, 2018	M-Bus Meal (Emp Only) TT.28	25.00 USD	25.00 USD	Cash out of ...	*US-COLORADO	Itemized...	Itemized...
May 1, 2018	M-Bus Meal (Emp Only) TT.28	25.00 USD	25.00 USD	Cash out of ...	*US-COLORADO	Itemized...	Itemized...
May 1, 2018	M-Bus Meal (Emp Only) TT.28	25.00 USD	25.00 USD	Cash out of ...	*US-COLORADO	Itemized...	Itemized...

Report Totals CC Totals Cash Advance Reason Approval Required Event History

Expense Report Total	75.00 USD	Reconciled Advances	0.00 USD
Business Expense Total	75.00 USD	Reimbursement Amt	75.00 USD
Personal Expense Total	0.00 USD	Amount Owing to Company	0.00 USD

Approvers are required to review all expenses within an expense report to ensure they are appropriate and compliant with the [10.2 Travel and Employee Expense Reimbursement](#). Once the approver determines if each expense is or is not an appropriate business expense, the approver can approve or reject accordingly.

If an expense is inappropriate or is non-policy compliant the approver will review and decide to approve or reject. Rejected expense(s) will be sent back to the spender (employee) to adjust and/or mark as personal. Expense(s)



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Approving an Expense Report

marked personal will be offset by any cash out of pocket expense(s) in expense report. Any remaining amount will be reimbursed to employee or owed Xcel Energy. Employee must write a personal check/money order payable to Xcel Energy and submit with the Money Owed Xcel form and send to Corporate Card Department – 9500 Interstate 76, Henderson, CO 80640.

The system will display the policy tab indicating which policy details of the flagged expense are non-compliant.

**All expense reports with flagged expense(s) will be sent for back office audit review. Non-compliance is monitored and reported on a monthly basis. Personal use of the Corporate Card is not permitted.**

- Managers will ensure employees follow the guidelines for Personal items on expense reports:
  - Money Owed to Xcel for Personal use [form](#) is completed and attached as receipt.
  - Compliance message is Accepted and review comments as to why personal use occurred.
  - Personal expenses (e.g., movies, toiletry articles, etc.) are not reimbursable
  - In instances where the corporate credit card is not accepted, the Employee should claim the business expense as cash out of pocket on the expense report and the approving Leader can approve the expense along with the proper original itemized receipt documentation

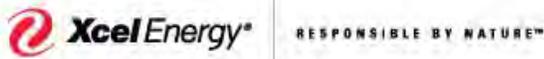
**Cash out of pocket expenses are monitored to ensure the Corporate Credit Card is used appropriately.**

**Employees are required to reconcile credit card transactions within 30 days from the posting date and Managers must ensure employees are meeting this requirement.**

- All Credit card transactions are monitored monthly to ensure timely reconciliation
- Reminder notification is sent to spender 15 days from transaction(s) posting date
- If the transaction(s) remain unreconciled, delinquency notification will be sent to spender and spender's manager on day 46 and every day thereafter until transaction(s) have been reconciled and submitted for approval
- Credit card accounts are suspended at 60 days
- Credit card accounts are closed at 90 days
- If credit card account is closed due to 90 day delinquency, employee will be required to obtain approval from Director of Supply Chain Process Control to apply for new credit card.

**Delinquency is tracked based on the "posting date" of the credit card transaction(s).**

- We have 5 different notifications in SumTotal. They are set up as follows:
- Notify Spender: Stale CC Transactions - This notification is sent to the spender 15 days after Credit Card transaction(s) posting date. This is a reminder that they have CC transactions that have not yet been added to expense report and that transactions must be added to expense report within 30 days of incurred transaction.
- Notify Spender and Supervisor: Stale CC Transactions - This notification is sent to the spender and Level 1 approver 45 days after credit card transaction(s) posting date. This email states that spender has cc transactions over 30 days that have not been added to expense report. They must reconcile and submit expenses within 15 days from the date of first notifications (this notification will be sent daily until transactions are added to expense report).
- Notify Spender: Document awaiting to be submitted - This notification is sent to the spender has expense report with credit card transactions that are 45 days from CC Transaction(s) posting date. They must submit expense report within 15 days from the date of the first notification (This notification will be sent daily until expense report is submitted for approval)



**SUPPLYCHAIN**

Approving an Expense Report

- Notify Approver: Document approval is overdue - This notification is sent to Approver when they have expense report(s) awaiting their approval for over 15 days (This notification will be sent 7 days from date expense report was submitted for approval and again 7 days later, if not approved within 7 day from 2nd notification expense report will skip to level 2 approver)
- Notify Approver: Approval level has been skipped - This notifies Level 1 approver that approval has been skipped and expense report has been sent to level 2 approver for approval.

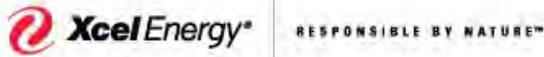
**Step 3 – Open Expense Report** - Approver will select the appropriate expense report.

- Click on and highlight the report
- Click **Open** button

Approve Documents		Document to Approve	Approval History			
Approval Items (Click to select)						
<input type="checkbox"/>	Date	Document Name	Domestic Amt	Document Type	Status	
<input type="checkbox"/>	Apr 8, 2019	Ajay Rathore/Multiple	11,000.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 8, 2019	Ajay Rathore/Automation Test	1,000.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 8, 2019	Ajay Rathore/Testing Alt	1,000.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 8, 2019	Ajay Rathore/Testing questions	1,021.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 8, 2019	Ajay Rathore/Testing withou...	2,300.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 9, 2019	Ajay Rathore/Multiple	11,000.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 11, 2019	Ajay Rathore/Multiple	11,000.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 11, 2019	Ajay Rathore/Automation Test	1,000.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 12, 2019	Karolyn T Hedquist/TEST	0.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Kari Ann Moorhouse/Cr.24 MR...	280.46 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Kari Ann Moorhouse/CR.25 MR...	564.78 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Kari Ann Moorhouse/cr.26 MR...	4.42 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Kari Ann Moorhouse/cr.28 MR...	48.53 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Kari Ann Moorhouse/cr.29 MR...	32.84 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Martin C Schuchard/cr.33 SC...	55.49 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Martin C Schuchard/cr.34 SC...	340.53 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 29, 2019	Martin C Schuchard/cr.35 SC...	210.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 30, 2019	Karolyn T Hedquist/Karolyn ...	500.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	Apr 30, 2019	Karolyn T Hedquist/Karolyn ...	27.00 USD	Expense Report	Submitted for MA	
<input type="checkbox"/>	May 6, 2019	Karolyn T Hedquist/Karolyn ...	75.00 USD	Expense Report	Submitted for MA	

Buttons: Reject, Approve, **Open**

- System displays the **View Summary** tab with details of the expense report document
  - Click on **Report Header** tab



**SUPPLYCHAIN**

Approving an Expense Report

View **Report Header** Include Transactions Add Expense View Summary

Spender Karolyn T Hedquist From May 1, 2019 To May 31, 2019 Reimbursement Amt 130.99 USD  
 Report name May 2019 Expenses Report number XETS000887972190015

Included Expenses 2 Item(s)

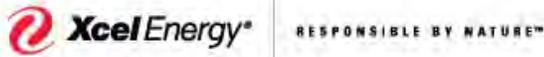
Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 1, 2019	M-Bus Meal (Emp Only) Flatirons Bar & Grill	54.55 USD	54.55	Cash out of ...	*US-COLORADO	Itemized...	<input checked="" type="checkbox"/>
May 1, 2019	P-Office Supplies Office Depot	76.44 USD	76.44	Cash out of ...	*US-COLORADO		<input checked="" type="checkbox"/>

Report Totals CC Totals Cash Advance Reason Approval Required Event History

Expense Report Total	130.99 USD	Reconciled Advances	0.00 USD
Business Expense Total	130.99 USD	Reimbursement Amt	130.99 USD
Personal Expense Total	0.00 USD	Amount Owning to Company	0.00 USD

Reject Approve View Receipts Continue Print Cancel

- Review Report Name and dates.
- Ensure the compliance certification checkbox is marked next to compliance message
  - Note: Approver will reject expense report if compliance message box is not checked [Reject An Expense Report](#)



**SUPPLYCHAIN**

Approving an Expense Report

View **Report Header** Include Transactions Add Expense **View Summary**

Spender Karolyn T Hedquist From May 1, 2019 To May 31, 2019 Reimbursement Amt 75.00 USD  
Report name Karolyn TT.28 Multi Report number XETS000887972190011

View report info

Report name: Karolyn TT.28 Multi  
From: 5/1/19 To: 5/31/19

By clicking on the "checkbox" I certify that none of the expenses on the report relate to an activity whereby anything of value was provided to any Senator, any member of Congress or his or her respective staffs, or any covered executive branch employee.

Event History- Policy Info- Save Changes

- Click on **View Summary** tab to return to the details of the expense report.
- From the **View Summary** tab a list of expense(s) included in report to be reviewed will be displayed.

View **Report Header** Include Transactions Add Expense **View Summary**

Spender Karolyn T Hedquist From May 1, 2019 To May 31, 2019 Reimbursement Amt 75.00 USD  
Report name Karolyn TT.28 Multi Report number XETS000887972190011

View report info

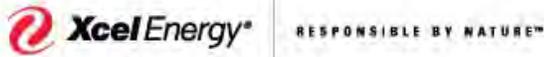
Report name: Karolyn TT.28 Multi  
From: 5/1/19 To: 5/31/19

By clicking on the "checkbox" I certify that none of the expenses on the report relate to an activity whereby anything of value was provided to any Senator, any member of Congress or his or her respective staffs, or any covered executive branch employee.

Event History- Policy Info- Save Changes

**Step 4 – Open & Review Receipts** - The receipt images will be reviewed and compared to each expense item on report.

- To view the receipt packet:
  - Click the **View Receipts** button (circled in the red)



**SUPPLYCHAIN**

Approving an Expense Report

« Back to Home      Logged in as Vanessa Villa      Help    Logout

**View**      Report Header      Include Transactions      Add Expense      View Summary

Spender Aakash H Chandarana      From Nov 11, 2018      To Nov 11, 2019      Reimbursement Amt 85.00 USD  
 Report name test meals \$65      Report number XETS000191432190091

Included Expenses 1 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
Nov 11, 2018	M-Bus Meal (Emp Only) test	85.00 USD	85.00	Cash out of ...	*US-CALIFORNIA	Itemized...	

Report Totals      CC Totals      Cash Advance      Reason Approval Required      Event History

Expense Report Total		85.00 USD	Reconciled Advances	0.00 USD
Business Expense Total		85.00 USD	Reimbursement Amt	85.00 USD
Personal Expense Total		0.00 USD	Amount Owing to Company	0.00 USD

Buttons: Reject, Approve, **View Receipts**, Continue, Print, Cancel

- The system will display a scanned image of uploaded documentation.
- There could be multiple images make sure to scroll to view all or click on each item to view all receipts.
- Review and validate appropriate for expense item

BACK TO HOME      Logged in as Sharon J Flores      Consult Help    Logout

EDIT      REPORT HE

Spender Sharon J Flores  
 Report name Test check box

Included Expenses 1 Item(s)

Date	Expense Type Merchant
Mar 12, 2012	P-Dut eet

Report Totals      CC Tot

Expense Report Total  
 Business Expense Total  
 Personal Expense Total

THANK YOU FOR CHOOSING MCDONALD'S  
 AT DIA  
 QUESTIONS/ CONCERNS CALL  
 303-971-5327

CONCOURSE C- 9100 PENA BLVD  
 DENVER INTERNATIONAL AIRPORT  
 DENVER, CO  
 80249  
 TEL# 303 342 3022 Staruk 13569

KS# 4      Aug 15 11 (Mon) 07:04

MPY SIDE 1 KVS Order 63

QTY	ITEM	TOTAL
1	MED ORANGE JUICE CC	2.70
1	EGG McMUFFIN ML	2.93
Subtotal		5.63
Tax		0.45
Take-Out Total		6.08
Cash Tendered		10.00
		3.91

Date: 06/15/11  
 Time: 7:58 PM  
 Server: 22 - Alena  
 Order: 619526  
 Description: Table 14:2

Card Type: MASTERCARD  
 Card No: XXXXXXXXXXXXXXX9609  
 Expires: XX/XX  
 App Code: 203803

Purchases: \$ 18.79

- From the **View Summary** panel click on the expense line to open and review.



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Approving an Expense Report

ID	Date	Expense Type	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
	May 1, 2019	M-Bus Meal (Emp Only) Pastos Bar & Grill	54.55 USD	54.55	Cash out of	US-COLORADO	Itemized	
	May 1, 2019	P-Office Supplies Office Depot	76.44 USD	76.44	Cash out of	US-COLORADO		

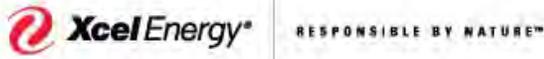
Report Totals	CC Totals	Cash Advance	Reason Approval Required	Event History
Expense Report Total	130.99 USD	Recorded Advances	0.00 USD	
Business Expense Total	130.99 USD	Reimbursement Amt	130.99 USD	
Personal Expense Total	0.00 USD	Amount Owing to Company	0.00 USD	

**Step 5 – Review Meal Type Expense** – Expense types are grouped by “m” (meal), “P” (purchasing) and “T”(travel) categories.

- All meal type expenses require itemization at line item level to identify meal vs. alcohol portion.
- All meal type expenses require number and list of attendees.
- Approver reviews the information entered by the Employee. Specific things approver should look at when reviewing **Meal type** expenses include:
  - Ensure **Expense Type** is accurate for expense
  - Ensure **Business Purpose** is adequately documented to clearly describe business reason for expense
  - Ensure **Number of Persons** is correct
  - Ensure expense line item(s) is **allocated** to the correct accounting string
  - Ensure List of **Attendees** is included
  - Ensure meals are **itemized** and meal vs. alcohol portion identified when applicable
  - Ensure **tax** information is entered as expected
  - Ensure expense does not exceed **Daily Meal Allowance per person/per day**

**Note:** The system will flag all meal type expense(s) when total amount exceeds corporate policy.

- Review and ensure **Expense Type** selected is accurate for expense.
- Review **Business Purpose** to ensure it provides and adequately documents the business reason for the expense.



**SUPPLYCHAIN**

Approving an Expense Report

- Review and ensure **Number of persons** is accurate.
- **Spent Amt**, if a receipt is required, verify that the report amount equals the itemized receipt amount.
- **View Receipt**, if a receipt is required, you need to verify that the receipt(s) matches all of the expense submitted.
- Meals less that \$25.00 do not require a receipt and the field must be changed to show **Not Required**.

**Expense View**  
Spender: Karolyn T Hedquist  
Report name: May 2019 Expenses  
From: May 1, 2019  
Report number: XETS000887972190015  
To: May 31, 2019  
Reimbursement Amt: 130.99 USD

**View Expense**

Date: 5/1/19

Expense Type: M-Bus Meal (Emp Only)

Merchant: Flashons Bar & Grill

Region: \*US-COLORADO

Area: HENDERSON

Business Purpose: Apprentice Training at MDC

Nbr of persons: 1.00  
Unit Amt: 54.55  
Spent Amt: 54.55 USD  
Exchange Rate: 1.000000  
Domestic Amt: 54.55 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt included

Description: Apprentice Training at MDC

Allocation | Attendee | Itemize | Edit Comment

View Receipts | Reject | Approve | Done

**Included Expenses 2 Item(s)**

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 1, 2019	M-Bus Meal (Emp Only) Flashons Bar & Grill	54.55 USD	54.55	Cash out of ...	*US-COLORADO	Itemized...	
May 1, 2019	P-Office Supplies Office Depot	76.44 USD	76.44	Cash out of ...	*US-COLORADO		

- Click on **Allocation** button to review accounting allocation(s) are correct – see [job aid](#) on how to modify default IO's

**Expense View**  
Spender: Karolyn T Hedquist  
Report name: May 2019 Expenses  
From: May 1, 2019  
Report number: XETS000887972190015  
To: May 31, 2019  
Reimbursement Amt: 130.99 USD

**View Expense**

Date: 5/1/19

Expense Type: M-Bus Meal (Emp Only)

Merchant: Flashons Bar & Grill

Region: \*US-COLORADO

Area: HENDERSON

Business Purpose: Apprentice Training at MDC

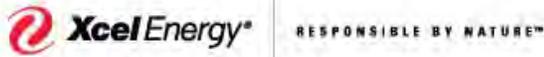
Nbr of persons: 1.00  
Unit Amt: 54.55  
Spent Amt: 54.55 USD  
Exchange Rate: 1.000000  
Domestic Amt: 54.55 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt included

Description: Apprentice Training at MDC

Allocation | Attendee | Itemize | Edit Comment

View Receipts | Reject | Approve | Done

- Verify **Expense Line** item(s) are allocated to the correct Internal Order.



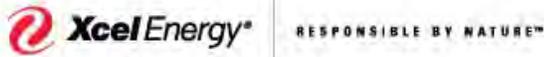
**SUPPLYCHAIN**

Approving an Expense Report

- Click the **Done** button
- Click the **Attendee** button

- Review attendee(s) name and information. **Note:** All meal expense types require number and list of attendee(s).
- Click **Done**.

- Review itemization by selecting the **Itemize** button OR



**SUPPLYCHAIN**

Approving an Expense Report

- Select the “+” to expand and review the itemization

Expense View

Spender Carolyn T Hedquist  
Report name May 2019 Expenses

From May 1, 2019  
Report number XETS000887972190015

To May 31, 2019 Reimbursement Amt 130.99 USD

View Expense

Date: 5/1/19  
Expense Type: M-Bus Meal (Emp Only)  
Merchant: Flatrons Bar & Grill  
Region: \*US-COLORADO  
Area: HENDERSON  
Business Purpose: Apprentice Training at MDC

Nbr of persons: 1.00  
Spent Amt: 54.55 USD  
Exchange Rate: 1.000000  
Domestic Amt: 54.55 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt included

Description: Apprentice Training at MDC

Allocation | Attendee | **Itemize** | Edit Comment

Tax Info- | Event History-

View Receipts | Reject | Approve | Done

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
+	May 1, 2019 M-Bus Meal (Emp Only) Flatrons Bar & Grill	54.55 USD	54.55	Cash out of	*US-COLORADO	Itemized..	

- Click on **Tax Info** tab to review sales tax.

Expense View

Spender Carolyn T Hedquist  
Report name May 2019 Expenses

From May 1, 2019  
Report number XETS000887972190015

To May 31, 2019 Reimbursement Amt 130.99 USD

View Expense

Date: 5/1/19  
Expense Type: M-Bus Meal (Emp Only)  
Merchant: Flatrons Bar & Grill  
Region: \*US-COLORADO  
Area: HENDERSON  
Business Purpose: Apprentice Training at MDC

Nbr of persons: 1.00  
Spent Amt: 54.55 USD  
Exchange Rate: 1.000000  
Domestic Amt: 54.55 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt included

Description: Apprentice Training at MDC

Allocation | Attendee | Itemize | Edit Comment

**Tax Info-** | Event History-

View Receipts | Reject | Approve | Done

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
+	May 1, 2019 M-Bus Meal (Emp Only) Flatrons Bar & Grill	54.55 USD	54.55	Cash out of	*US-COLORADO	Itemized..	
1	May 1, 2019 MS-Bus Meal (Emp Only)	54.55 USD	54.55				

- The **Tax Info** tab displays the **Sales Tax Paid** and **Amt of Sales Tax Paid** fields.
- Review and verification have been completed.
- Click on **Tax Info** tab to close



**SUPPLYCHAIN**

Approving an Expense Report



- Repeat steps to continue reviewing additional expense items

**OR**

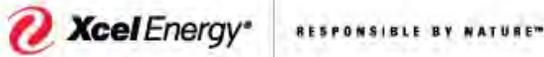
- [Approve An Expense Report](#)

**OR**

- [Reject An Expense Report](#)

**Step 6 – Review Purchase Type Expense** - Expense Types are grouped by “**M**” (Meals), “**P**” (Purchase) and “**T**” (Travel) categories.

- Approver reviews the information entered by the Employee. Specific things approvers should look at when reviewing **Purchase Type** expenses include:
  - Ensure **Expense Type** is accurate for expense
  - Ensure **Business Purpose** is adequately documented to clearly describe business reason for expense
  - Expense Line item(s) are **allocated** to the correct accounting string
  - Ensure List of **Attendees** is included, if applicable
  - **Purchase** expense types that require number and list of attendees/recipients include
    - P-Recognition-Entertainment**
    - P-Recognition-Safety**
    - P-Recognition-Gifts**
    - P-Entertainment-Tickets**
    - P-Life Event-Gifts**
  - Ensure **tax** information is entered as expected
    - Ensure correct **Facility Code** is selected
- The **Expense View** screen displays the expense details under the **View Expenses** section.
- Review and ensure the above listed items are entered correctly (i.e. Expense Type, Business Purpose, Nbr of person etc.)



**SUPPLYCHAIN**

Approving an Expense Report

Expense View

Spender Carolyn T Hedquist  
Report name May 2019 Expenses

From May 1, 2019  
Report number XETS000887972190015

To May 31, 2019 Reimbursement Amt 130.99 USD

View Expense

Date: 5/1/19  
Expense Type: P-Office Supplies  
Merchant: Office Depot  
Region: \*US-COLORADO  
Area: HENDERSON  
Business Purpose: Kitchen supplies for MDC

Spent Amt: 76.44 USD  
Exchange Rate: 1.00000  
Domestic Amt: 76.44 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt included

Description: Kitchen supplies for Materials Distribution Center

Allocation  
Edit Comment

Tax Info- Event History-

View Receipts Reject Approve Done

Included Expenses 2 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 1, 2019	M-Bus Meal (Emp Only) Flatirons Bar & Grill	54.55 USD	54.55	Cash out of ...	*US-COLORADO	Itemized...	
May 1, 2019	P-Office Supplies Office Depot	76.44 USD	76.44	Cash out of ...	*US-COLORADO		

- Review and ensure **Expense Type** selected is accurate for expense.
- Review **Business Purpose** to ensure it provides and adequately documents the business reason for the expense.
- Click on **Allocation** button.

Expense View

Spender Carolyn T Hedquist  
Report name May 2019 Expenses

From May 1, 2019  
Report number XETS000887972190015

To May 31, 2019 Reimbursement Amt 130.99 USD

View Expense

Date: 5/1/19  
Expense Type: P-Office Supplies  
Merchant: Office Depot  
Region: \*US-COLORADO  
Area: HENDERSON  
Business Purpose: Kitchen supplies for MDC

Spent Amt: 76.44 USD  
Exchange Rate: 1.00000  
Domestic Amt: 76.44 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt included

Description: Kitchen supplies for Materials Distribution Center

Allocation  
Edit Comment

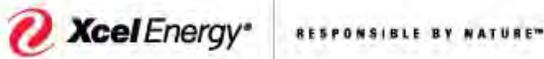
Tax Info- Event History-

View Receipts Reject Approve Done

Included Expenses 2 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 1, 2019	M-Bus Meal (Emp Only) Flatirons Bar & Grill	54.55 USD	54.55	Cash out of ...	*US-COLORADO	Itemized...	
May 1, 2019	P-Office Supplies Office Depot	76.44 USD	76.44	Cash out of ...	*US-COLORADO		

- Review accounting allocation(s) are correct.
- Click the **Done** button.



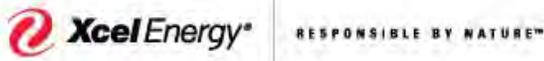
**SUPPLYCHAIN**

Approving an Expense Report

- From the **View Expense** panel click on **Tax Info** tab to review and ensure sales tax is entered or exempt.
- Review and ensure **Sales Tax Paid** is Yes and **Amt of Sales Tax Paid** is entered.
- If **Sales Tax Paid** field is marked **No** and amount is zero, check to ensure correct exempt code was selected.
- If tax is owed, but was not charged; ensure the exempt code **XXX-NOT EXEMPT- USE TAX OWED** has been selected. This code informs the tax department to accrue and pay the tax to the appropriate taxing authorities.
- **Facility Code** defaults from users's profile. **Facility Code** is used to identify where we took possession of the item(s).
- Ensure appropriate facility code is entered for where material was shipped/used.
- Click on **Tax Info** tab to close window

- Review and verification have been completed. The approver can repeat steps to continue reviewing additional expense items
- OR
- [Approve An Expense Report](#)
- OR
- [Reject An Expense Report](#)

**Step 7 - Review Hotel Type Expense** - Expense Types are grouped by “M” (Meals), “P” (Purchase) and “T” (Travel) categories.



**SUPPLYCHAIN**

Approving an Expense Report

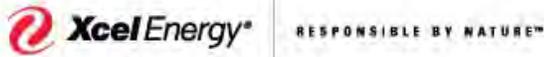
Approver reviews the information entered by the Employee. Specific things approver should look at when reviewing **Hotel** type expenses include:

- Ensure **Expense Type** is accurate for expense.
- Ensure **Business purpose** is adequately documented to clearly describe business reason for expense.
- Ensure expense line item(s) are **allocated** to the correct accounting string.
- Ensure Hotel expense is **itemized** to break out room rate, room tax for each night and any other expense included on hotel receipt.
- Ensure **tax** information is entered as expected.
- Ensure expense meets Xcel's policy guidelines.
- System will flag Hotel expense type when room rate greater than the corporate policy per night.
- Review and ensure **Expense Type** selected is accurate for expense.
- Review **Business Purpose** to ensure it provides and adequately documents the business reason for the expense.
- Click on **Allocation** button.

The screenshot shows the 'Expense View' interface. At the top, it indicates the user is logged in as Sharon J Flores. The main section displays details for an expense report: Spender Theresa A Beyer, Report name March 2012, From Dec 5, 2011, Report number XETS000143602120130, To Apr 16, 2012, Reimbursement Amt 10.00 USD. The 'View Expense' section includes fields for Date (12/14/11), Posting Date (12/15/11), Spent Amt (216.19 USD), Exchange Rate (1.000000), Billed Amt (216.19 USD), Payment Method (BMO MasterCard), Receipt (Receipt Included), and Description. The 'Expense Type' is set to 'T-Hotel', Merchant to 'RADISSON PLAZA MPLS', Region to 'US-MINNESOTA', and Area to 'MINNEAPOLIS'. The 'Business Purpose' is 'business trip'. There are buttons for 'Allocation', 'Itemize', and 'Edit Comment'. At the bottom, there are 'Tax Info', 'Event History', and 'Done' buttons.

0	Date	Expense Type	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
✓	Dec 20, 2011	T-Parking Dia Parking	15.00 USD	15.00	Cash out of ...	*US-COLORADO		
✓	Jan 19, 2012	P-Mail/Frd/Postage	54.90 USD	54.90	BMO MasterCard	*US-MISSOURI		
✓	Dec 14, 2011 Dec 15, 2011	T-Hotel RADISSON PLAZA MPLS	216.19 USD	216.19	BMO MasterCard	*US-MINNESOTA	Itemized...	
✓	Jan 27, 2012	M-Bus Meal (Emp Only)	28.82 USD	28.82	BMO MasterCard	*US-TEXAS	Itemized...	

- Review to confirm accounting allocation(s) are correct.
- Click **Done** button.



**SUPPLYCHAIN**  
Approving an Expense Report

Expense View

Spender Amanda L Ornelas  
Report name Test AOrnelas Hotel and Mileage

From May 1, 2019  
Report number XETS000795392190052

To May 20, 2019 Reimbursement Amt 853.96 USD

Add Expense: Allocation

Date: May 11, 2019  
Expense Type: T-Hotel  
After tax amt: 839.91  
Merchant: Hyatt Regency Hotel

Validation String:

Order Number: 8500016111115-30147825-601600-413-Purch C

Done

- Review itemization by selecting the **Itemize** button
- OR
- Select the “+” to expand and review the itemization

Expense View

Spender Amanda L Ornelas  
Report name Test AOrnelas Hotel and Mileage

From May 1, 2019  
Report number XETS000795392190052

To May 20, 2019 Reimbursement Amt 853.96 USD

View Expense

Date: 5/11/19  
Expense Type: T-Hotel  
Merchant: Hyatt Regency Hotel  
Region: \*US-COLORADO  
Area: HENDERSON  
Business Purpose: Attended Gay O'Hara's All hands Meeting

Spent Amt: 839.91 USD  
Exchange Rate: 1.000000  
Domestic Amt: 839.91 USD  
Payment Method: Cash out of Pocket  
Receipt: Receipt Included

Description

Allocation + Itemize +  
Edit Comment +

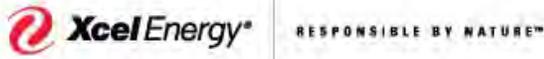
View Receipts Reject Approve Done

Event History-

Included Expenses 2 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized	
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO		

- Click on View Receipts to compare allocation to receipt.



**SUPPLYCHAIN**

Approving an Expense Report

**Expense View**

Spender Amanda L Ornelas  
 Report name Test AOrnelas Hotel and Mileage  
 From May 1, 2019  
 Report number XETS000795392190052  
 To May 20, 2019 Reimbursement Amt 853.96 USD

**View Expense** < Previous Next >

Date: 5/11/19  
 Expense Type: T-Hotel  
 Merchant: Hyatt Regency Hotel  
 Region: \*US-COLORADO  
 Area: HENDERSON  
 Business Purpose: Personal/Travel/Other (All Other) Meeting

Spent Amt: 839.91 USD  
 Exchange Rate: 1.00000  
 Domestic Amt: 839.91 USD  
 Payment Method: Cash out of Pocket  
 Receipt: Receipt Included

Description: [Empty text area]

Allocation [Dropdown] Itemize [Dropdown]  
 Edit Comment [Dropdown]

**Event History-** View Receipts [Red Circle] Reject [Button] Approve [Button] Done [Button]

- Ensure hotel expense is itemized to break out room rate, room tax for each night and any other expense included on hotel receipt.
- Compare the total receipt to verify accurate.

**Included Expenses 2 Item(s)**

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized	[Icons]
1 May 14, 2019	TS-Hotel - Room Rate	177.00 USD	177.00			[Icons]	[Green Arrow]
2 May 14, 2019	TS-Hotel - Room Tax	27.88 USD	27.88			[Icons]	[Green Arrow]
3 May 13, 2019	TS-Hotel - Room Rate	177.00 USD	177.00			[Icons]	[Green Arrow]
4 May 13, 2019	TS-Hotel - Room Tax	27.88 USD	27.88			[Icons]	[Green Arrow]
5 May 12, 2019	TS-Hotel - Room Rate	177.00 USD	177.00			[Icons]	[Green Arrow]
6 May 12, 2019	TS-Hotel - Room Tax	27.88 USD	27.88			[Icons]	[Green Arrow]
7 May 11, 2019	TS-Hotel - Room Rate	177.00 USD	177.00			[Icons]	[Green Arrow]
8 May 11, 2019	TS-Hotel - Room Tax	27.88 USD	27.88			[Icons]	[Green Arrow]
9 May 11, 2019	MS-Travel Meal	20.39 USD	20.39			[Icons]	[Green Arrow]

- **View Expense** screen displays-Once review and verification have been completed, the approver can:
  - Repeat steps to continue reviewing additional expense items
    - **OR**
  - [Approve An Expense Report](#)
    - **OR**
  - [Reject An Expense Report](#)

← Back to Home Logged in as Vanessa Villa Help [Icon] Logout

**Expense View**

Spender Amanda L Ornelas  
 Report name Test AOrnelas Hotel and Mileage  
 From May 1, 2019  
 Report number XETS000795392190052  
 To May 20, 2019 Reimbursement Amt 853.96 USD

**View Expense** < Previous Next >

Date: 5/11/19  
 Expense Type: T-Hotel  
 Merchant: Hyatt Regency Hotel  
 Region: \*US-COLORADO  
 Area: HENDERSON  
 Business Purpose: Personal/Travel/Other (All Other) Meeting

Spent Amt: 839.91 USD  
 Exchange Rate: 1.00000  
 Domestic Amt: 839.91 USD  
 Payment Method: Cash out of Pocket  
 Receipt: Receipt Included

Description: [Empty text area]

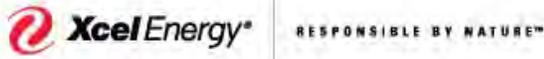
Allocation [Dropdown] Itemize [Dropdown]  
 Edit Comment [Dropdown]

**Event History-** View Receipts [Button] Reject [Button] Approve [Button] Done [Button]

**Included Expenses 2 Item(s)**

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized	[Icons]
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO	[Icons]	[Green Arrow]

**Step 8 – Review Personal Car Mileage** (single round trip) Per Policy Xcel Energy only reimburses mileage for use of personal vehicle for company business. Xcel Energy does not reimburse gasoline as additional expense. The required documentation (Departure/Destination and number of miles) is entered in system for Personal Car Mileage.



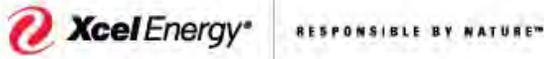
**SUPPLYCHAIN**

Approving an Expense Report

- **There are 2 expense types for mileage reimbursements**
  - T-Personal Car Mileage – This expense type is selected when there is a single round trip (i.e. MDC to 1800 Larimer and back to MDC).
  - T-Multi-Trip Mileage – This is used when traveling to multiple locations for business related activities. T-Multi-Trip Mileage requires a mileage log to be attached to the expense report.
- Review and ensure **Expense Type T- Personal Car Mileage** is selected for expense.
- Review **Business Purpose** to ensure it provides and adequately documents the business reason for the expense.
- Click on **Allocation** button.

- Review to confirm accounting allocation(s) are correct.
- Click **Done**.

- Click on **Mileage** button.

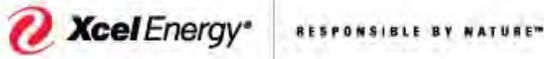


**SUPPLYCHAIN**

Approving an Expense Report

- Review and ensure correct **Point of Departure** and **Destination** are entered.
- Review number of miles is entered accurately.
- Click **Save and Return** button to return to **Expense View**.
- Personal Mileage (single trip) expense does not require receipts as all documentation is entered in the **Mileage** button.

- **Expense view** screen displays - Once review and verification have been completed, the approver can:
  - Repeat steps to continue reviewing additional expense items
  - OR**
  - [Approve An Expense Report](#)



**SUPPLYCHAIN**

Approving an Expense Report

OR

- [Reject An Expense Report](#)

« Back to Home
Logged in as Vanessa Villa
Help Login

### Expense View

Spender Amanda L Ornelas  
 Report name Test AOrnelas Hotel and Mileage

From May 1, 2019  
 Report number XETS000795392190052

To May 20, 2019 Reimbursement Amt 853.96 USD

**View Expense** < Previous Next >

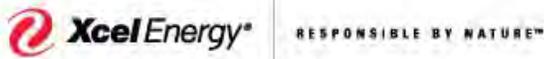
Date: 5/1/19	Nbr of miles: 24.25	Unit Amt: 1.500	Description: <div style="border: 1px solid #ccc; height: 20px;"></div>
Expense Type: T-Personal Car Mileage	Spent Amt: 14.05 USD	Exchange Rate: 1.000000	<input type="button" value="Allocation"/> <input type="button" value="Mileage"/>
Region: *US-COLORADO	Domestic Amt: 14.05 USD	Payment Method: Cash out of Pocket	
Area: HENDERSON	Receipt: Not required	<input type="button" value="Edit Comment"/>	
Business Purpose: Allocated Sum Total Treasury at LDC	<input type="button" value="Reject"/> <input type="button" value="Approve"/> <input type="button" value="Done"/>		

**Included Expenses 2 Item(s)**

↓ Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized...	
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO		

**Step 9 – Review Mileage Multi-Trip**

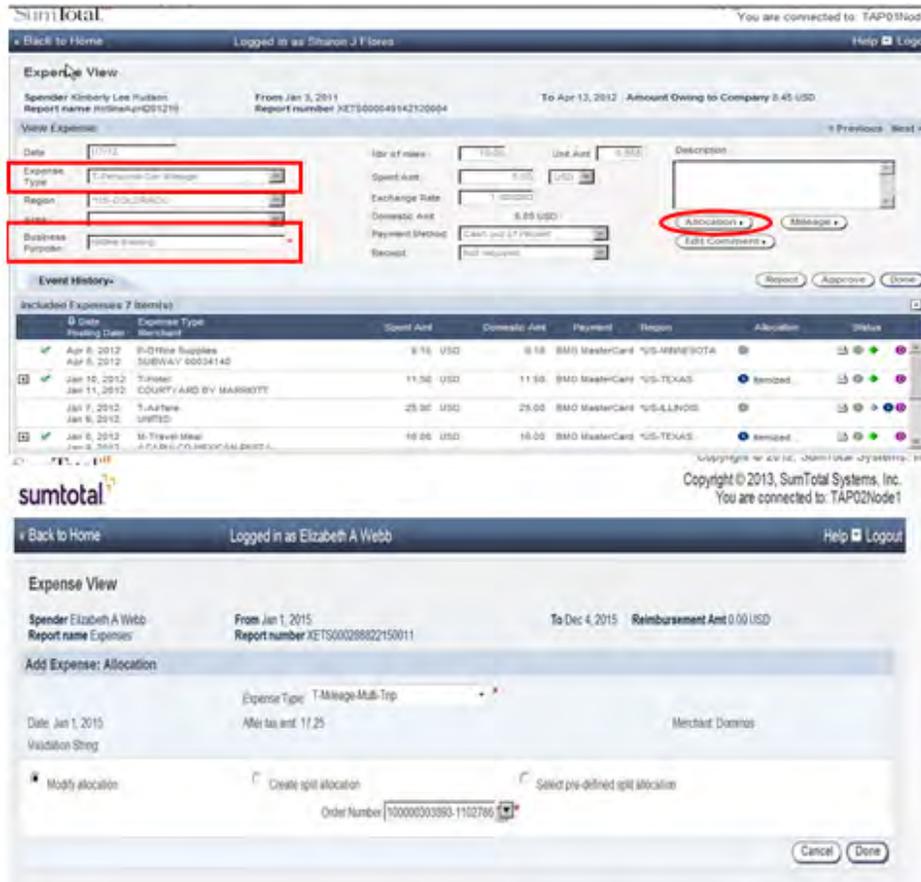
- Review and ensure **Expense Type T – Multi – Trip Mileage** is selected and accurate for expense.
- Ensure **Business Purpose** provides and adequately documents the business reason for the expense.



**SUPPLYCHAIN**

Approving an Expense Report

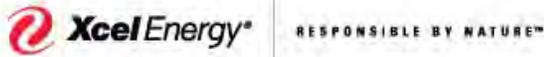
- Click on **Allocation**.
- Review to confirm accounting allocation(s) are correct.
- Click **Done**.



- **Mileage** button is not required for multi trip; instead the mileage log is used as the required documentation. Employee must scan the mileage log and upload to the expense report.
- Review and verification have been completed. The approver can:
- Repeat steps to continue reviewing additional expense items  
**OR**
- [Approve An Expense Report](#)  
**OR**
- [Reject An Expense Report](#)

**Step 10 – Reject an Expense** Approvers have the ability to reject a single expense or all expenses on an expense report.

- If expense is non-compliant the approver must either:
  - Approve the expense report/item knowing that it is non-compliant  
**OR**
- Select the item(s) to reject and click Reject



**SUPPLYCHAIN**

Approving an Expense Report

Back to Home Logged in as Vanessa Villa Help Logout

View Report Header Include Transactions Add Expense View Summary

Spender Amanda L Ornelas From May 1, 2019 To May 20, 2019 Reimbursement Amt 853.96 USD  
Report name Test AOrnelas Hotel and Mileage Report number XETS000795392190052

Included Expenses 2 Item(s)

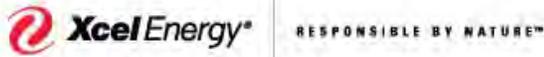
Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized...	<input checked="" type="checkbox"/>
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO		<input type="checkbox"/>

Report Totals CC Totals Cash Advance Reason Approval Required Event History

Expense Report Total	853.96 USD	Reconciled Advances	0.00 USD
Business Expense Total	853.96 USD	Reimbursement Amt	853.96 USD
Personal Expense Total	0.00 USD	Amount Owing to Company	0.00 USD

Reject Approve View Receipts Continue Print Cancel

- The **Rejection Information** box displays.
  - Click on drop down arrow and select correct **Reason for rejection** code
  - Enter information in **Comment** section
  - Make sure to include enough information to allow the spender to make corrections and resubmit the expense.
  - Click **Done** button



**SUPPLYCHAIN**

Approving an Expense Report

View Report Header Include Transactions Add Expense View Summary

Spender Amanda L Ornelas  
Report name Test AOrnelas Hotel and Mileage

From May 1, 2019  
Report number XETS000795392190052

To May 20, 2019 Reimbursement Amt 853.96 USD

Included Expenses 2 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized...	<input checked="" type="checkbox"/>
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO		<input type="checkbox"/>

SumTotalExpense -- Webpage Dialog

Rejection information

May 11, 2019 T-Hotel 839.91 USD

Reason for rejection: EXPENSE DATE - INCORRECT

Comment: Expense date does not match the receipt for this expense

Cancel Done

- The **View Summary** tab displays a list of expense(s) included in report you are reviewing.
- Red “X” displays next to the reject expense.

sumtotal  
A Skillsoft Company

Copyright © 2004-2017 SumTotal Systems, LLC, a Skillsoft company. All rights reserved.  
You are connected to: TAPTC503Node01

Back to Home Logged in as Vanessa Villa Help Logout

View Report Header Include Transactions Add Expense View Summary

Spender Amanda L Ornelas  
Report name Test AOrnelas Hotel and Mileage

From May 1, 2019  
Report number XETS000795392190052

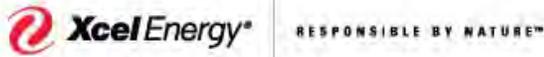
To May 20, 2019 Reimbursement Amt 853.96 USD

Included Expenses 2 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized...	<input checked="" type="checkbox"/>
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO		<input type="checkbox"/>

**Step 11 – Approving an Expense Report** After the review and validation process is completed:

- Click the X on the receipt viewer to close.
- Click **Continue** button.



**SUPPLYCHAIN**

Approving an Expense Report

View Report Header Include Transactions Add Expense View Summary

Spender Amanda L Ornelas From May 1, 2019 To May 20, 2019 Reimbursement Amt 853.96 USD  
Report name Test AOrnelas Hotel and Mileage Report number XETS000795392190052

Included Expenses 2 Item(s)

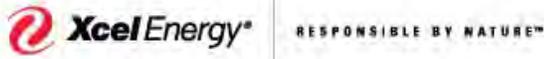
Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of	*US-COLORADO	Itemized	
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of	*US-COLORADO		

Report Totals CC Totals Cash Advance Reason Approval Required Event History

Expense Report Total	853.96 USD	Reconciled Advances	0.00 USD
Business Expense Total	853.96 USD	Reimbursement Amt	853.96 USD
Personal Expense Total	0.00 USD	Amount Owing to Company	0.00 USD

Buttons: Reject, Approve, View Receipts, **Continue**, Print, Cancel

- Click **Submit** to save the report in **Approval Complete** status.
- The expense report will be retained in the Corporate Expense system in accordance with the Record Retention policy.



**SUPPLYCHAIN**

Approving an Expense Report

**Approval Summary**

Spender Amanda L. Ornelas  
 Report name Test AOrnelas Hotel and Mileage  
 From May 1, 2019  
 Report number XETS000795392190052  
 To May 20, 2019 Reimbursement Amt 853.96 USD

Approved 1 of 2  
 Included Expenses 1 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 1, 2019	T-Personal Car Mileage	14.05 USD	14.05	Cash out of ...	*US-COLORADO		Approved

Rejected 1 of 2  
 Included Expenses 1 Item(s)

Date	Expense Type Merchant	Spent Amt	Domestic Amt	Payment	Region	Allocation	Status
May 11, 2019	T-Hotel Hyatt Regency Hotel	839.91 USD	839.91	Cash out of ...	*US-COLORADO	Itemized...	Rejected

Buttons: **Submit** (circled), Cancel

- The system will navigate to the **Document to Approve** tab on the **Approve Documents** panel.
- Click the **Approval History** tab.

Navigation: Back to Home, Logged in as Vanessa Villa, Help, Logout

**Approve Documents**

Document to Approve | **Approval History**

Approval Items (Click to select)

Date	Document Name	Domestic Amt	Document Type	Status
Apr 8, 2019	Kimberly Lee Hudson/CR.07 H...	60.00 USD	Expense Report	Submitted for MA
Apr 8, 2019	Kimberly Lee Hudson/CR.09 H...	35.00 USD	Expense Report	Submitted for MA
Apr 8, 2019	Kimberly Lee Hudson/CR.10 H...	80.00 USD	Expense Report	Submitted for MA

- **Approval History** displays all reports and status of approver action (approval complete, rejected or partially approved, Submitted for MA, Submitted for Audit).
- The expense report will be retained in the Corporate Expense System in accordance with the Record Retention policy.



**SUPPLYCHAIN**

Approving an Expense Report

➤ Sort by **Status** to review. Status options include: Approved, Rejected or Partially Approved.

Date	Document Name	Domestic Amt	Document Type	Status
	XETS000535882190001			
Feb 12, 2019	Rajashree Kapre/Test for pa...	40.00 USD	Expense Report	Approval Complete
	XETS000535882190013			
Feb 12, 2019	Rajashree Kapre/Test for pa...	50.00 USD	Expense Report	Partially Reviewed
	XETS000535882190014			
Feb 15, 2019	Rajashree Kapre/Test	500.00 USD	Expense Report	Submitted for Audit
	XETS000535882190018			

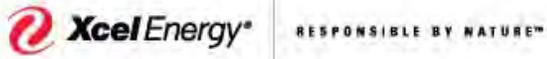
Electronic File Location:	
---------------------------	--

**Changes to Procedure:**

Date of Change	Reason for Change	What Changed?	Updated By:
October 2019	System Upgrade	No personal use, compliance message	Vanessa Villa & Kim Hudson

**Resource Appendix:**

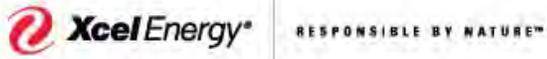
Post Additional Resource location	
Sample output	
Links to resource documents	
Distribution List	



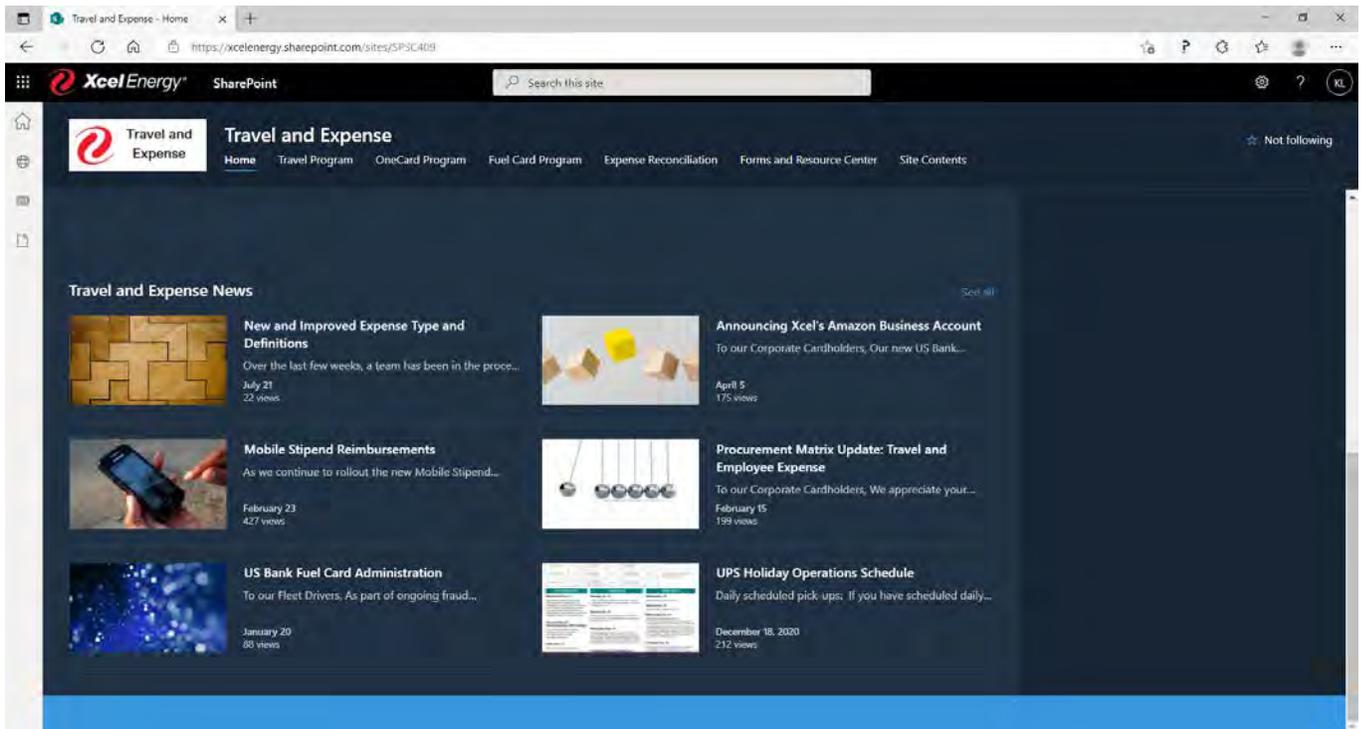
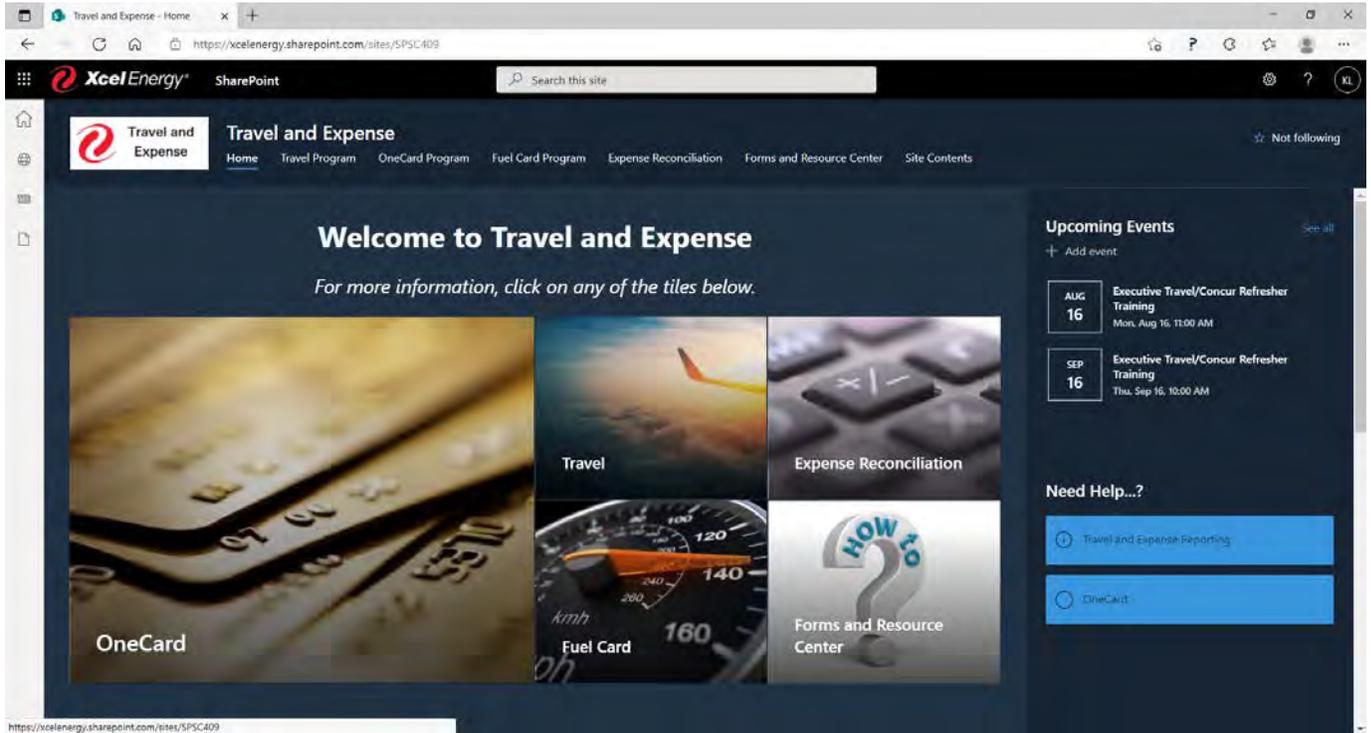
**SUPPLYCHAIN**

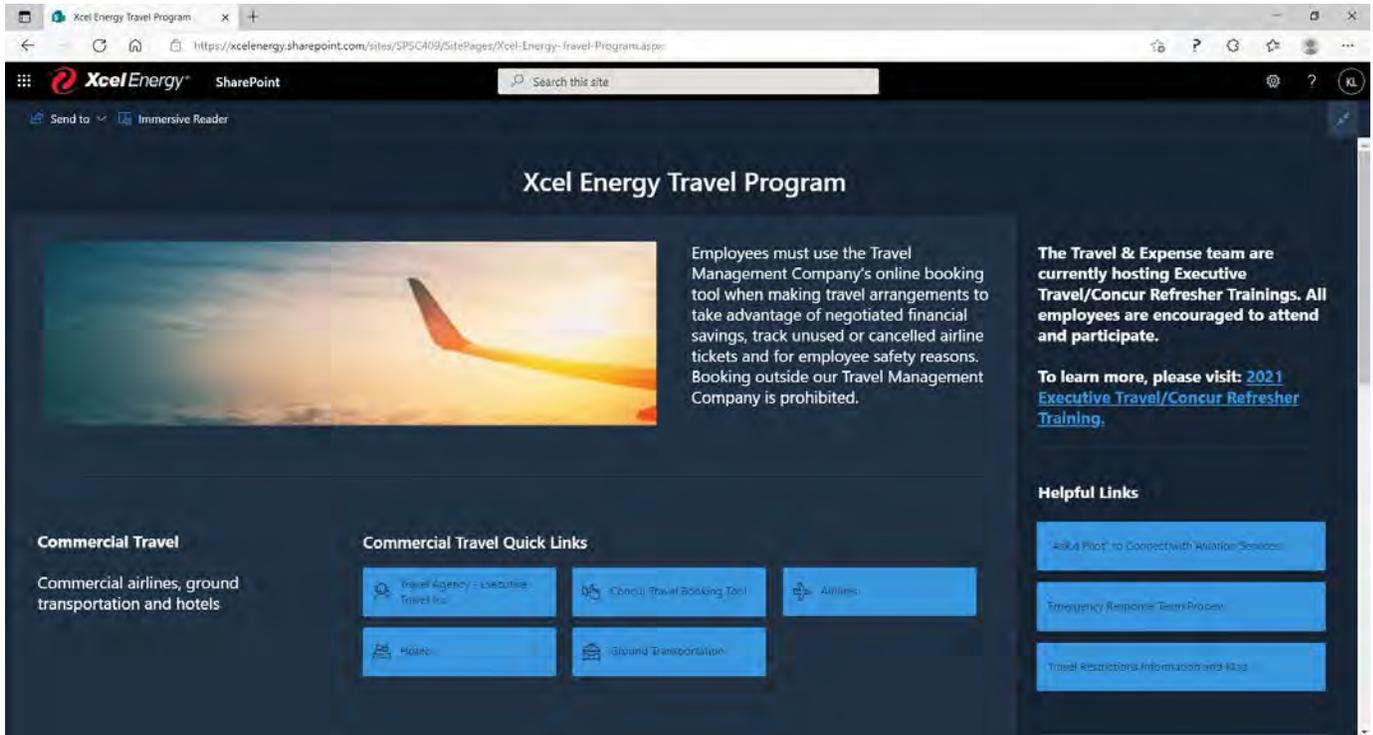
Approving an Expense Report

A large, empty rectangular box with a thin black border, occupying the majority of the page. This area is typically used for entering details, providing evidence, or completing a checklist related to the expense report approval process.



**SUPPLYCHAIN**  
Approving an Expense Report





The screenshot shows the Xcel Energy Travel Program homepage. At the top, there is a navigation bar with the Xcel Energy logo and a search bar. Below the navigation bar, the main heading is "Xcel Energy Travel Program". To the left of the main text is a large image of an airplane wing against a sunset sky. The main text states: "Employees must use the Travel Management Company's online booking tool when making travel arrangements to take advantage of negotiated financial savings, track unused or cancelled airline tickets and for employee safety reasons. Booking outside our Travel Management Company is prohibited." To the right of this text, there is a call to action: "The Travel & Expense team are currently hosting Executive Travel/Concur Refresher Trainings. All employees are encouraged to attend and participate." Below this, it says "To learn more, please visit: [2021 Executive Travel/Concur Refresher Training](#)".

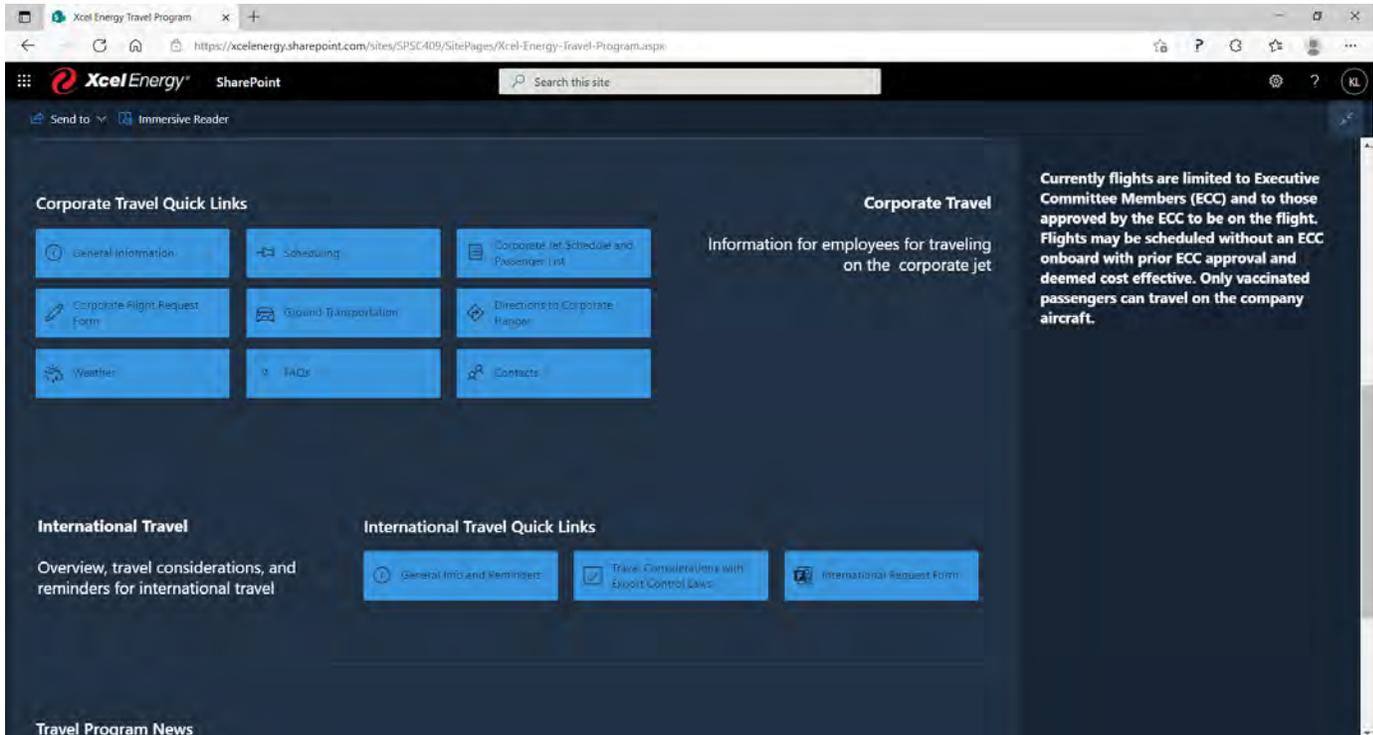
**Commercial Travel**  
Commercial airlines, ground transportation and hotels

**Commercial Travel Quick Links**

- Travel Agency - Executive Travel Tool
- Concur Travel Booking Tool
- Airlines
- Hotels
- Ground Transportation

**Helpful Links**

- Ask a Pilot to Connect with Aviation Services
- Emergency Response Team Process
- Travel Restrictions Information and Risk



The screenshot shows the Xcel Energy Travel Program Corporate and International Travel sections. The main heading is "Xcel Energy Travel Program". Below the navigation bar, the main heading is "Xcel Energy Travel Program".

**Corporate Travel Quick Links**

- General Information
- Scheduling
- Corporate Jet Schedule and Passenger List
- Corporate Flight Request Form
- Ground Transportation
- Directions to Corporate Flights
- Weather
- FAQs
- Contacts

**Corporate Travel**  
Information for employees for traveling on the corporate jet

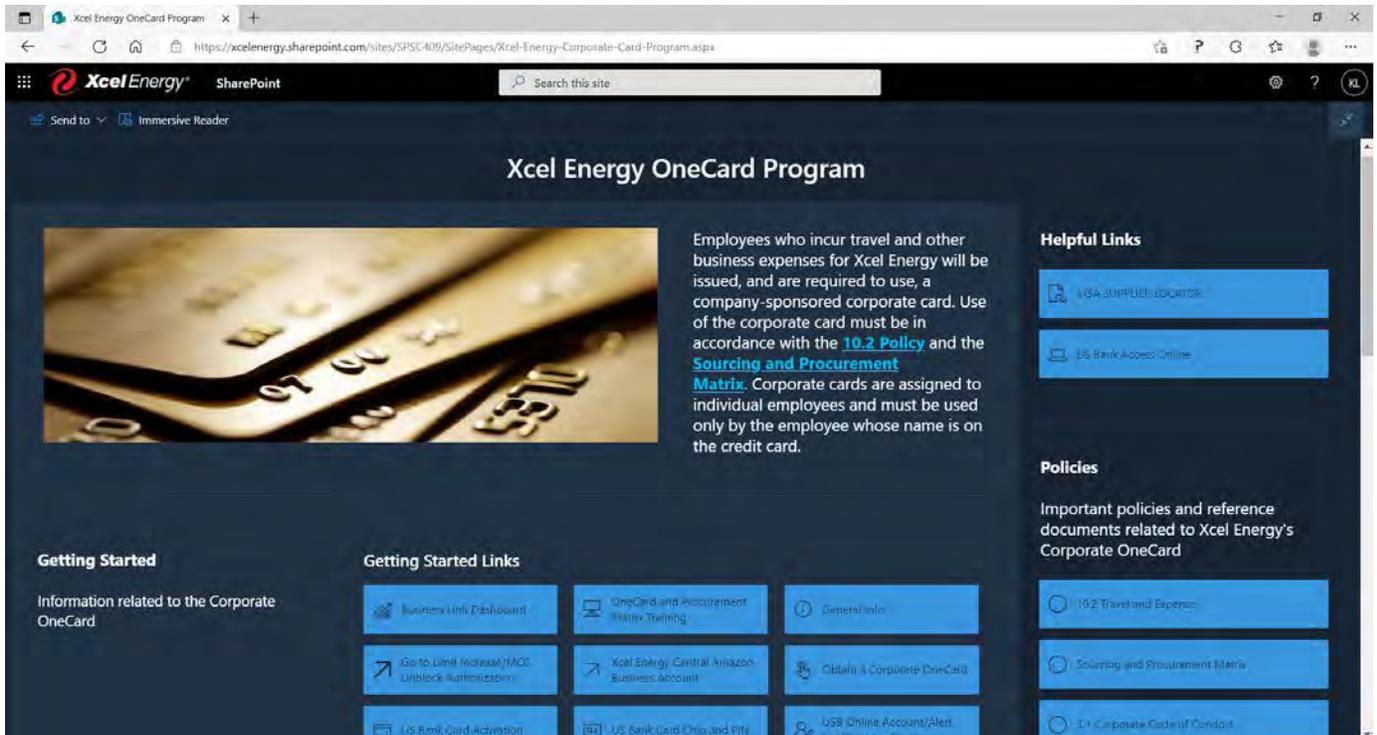
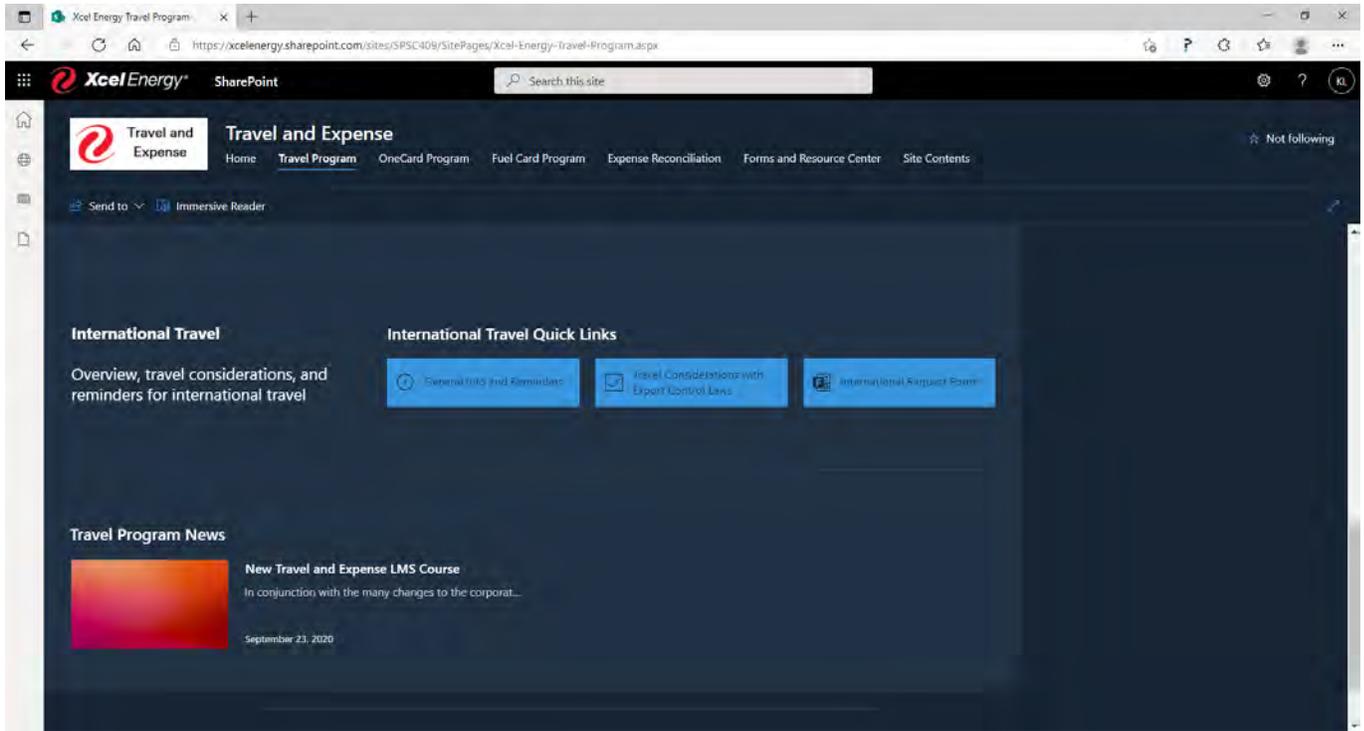
**Corporate Travel**  
Currently flights are limited to Executive Committee Members (ECC) and to those approved by the ECC to be on the flight. Flights may be scheduled without an ECC onboard with prior ECC approval and deemed cost effective. Only vaccinated passengers can travel on the company aircraft.

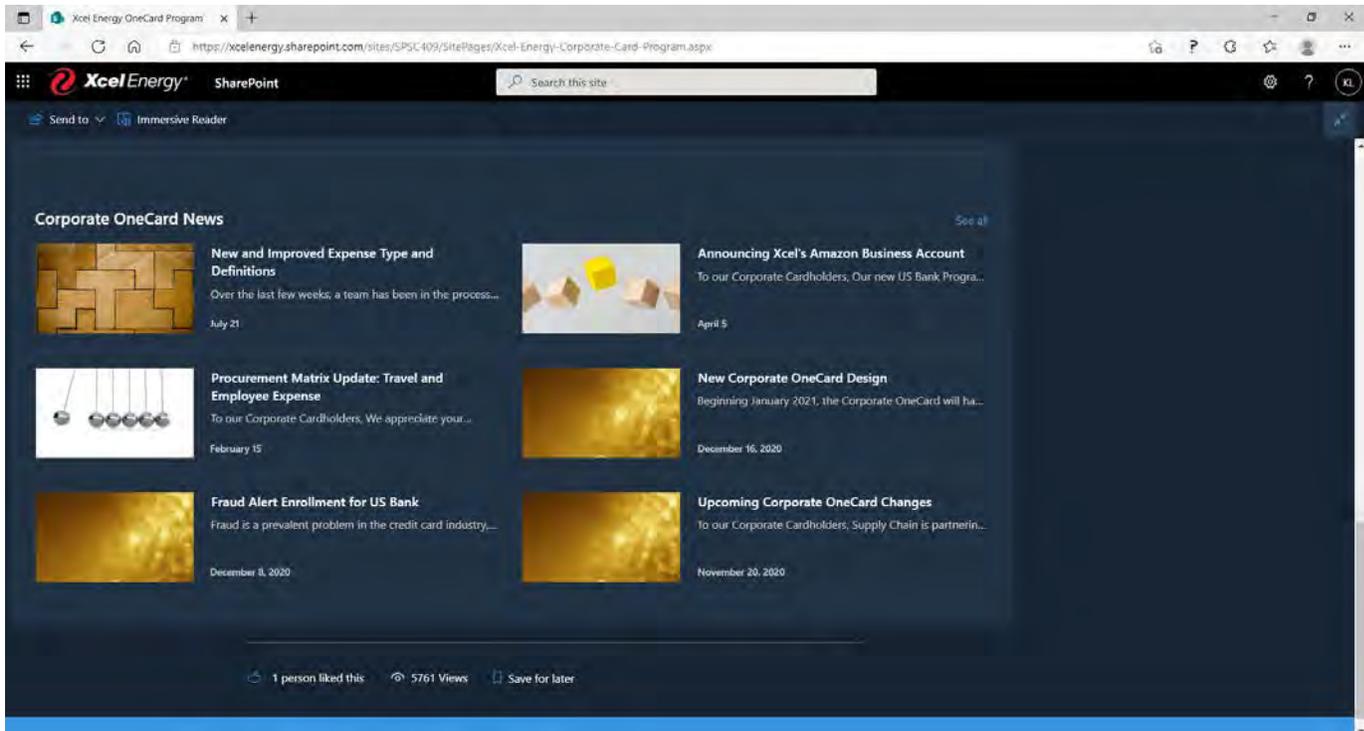
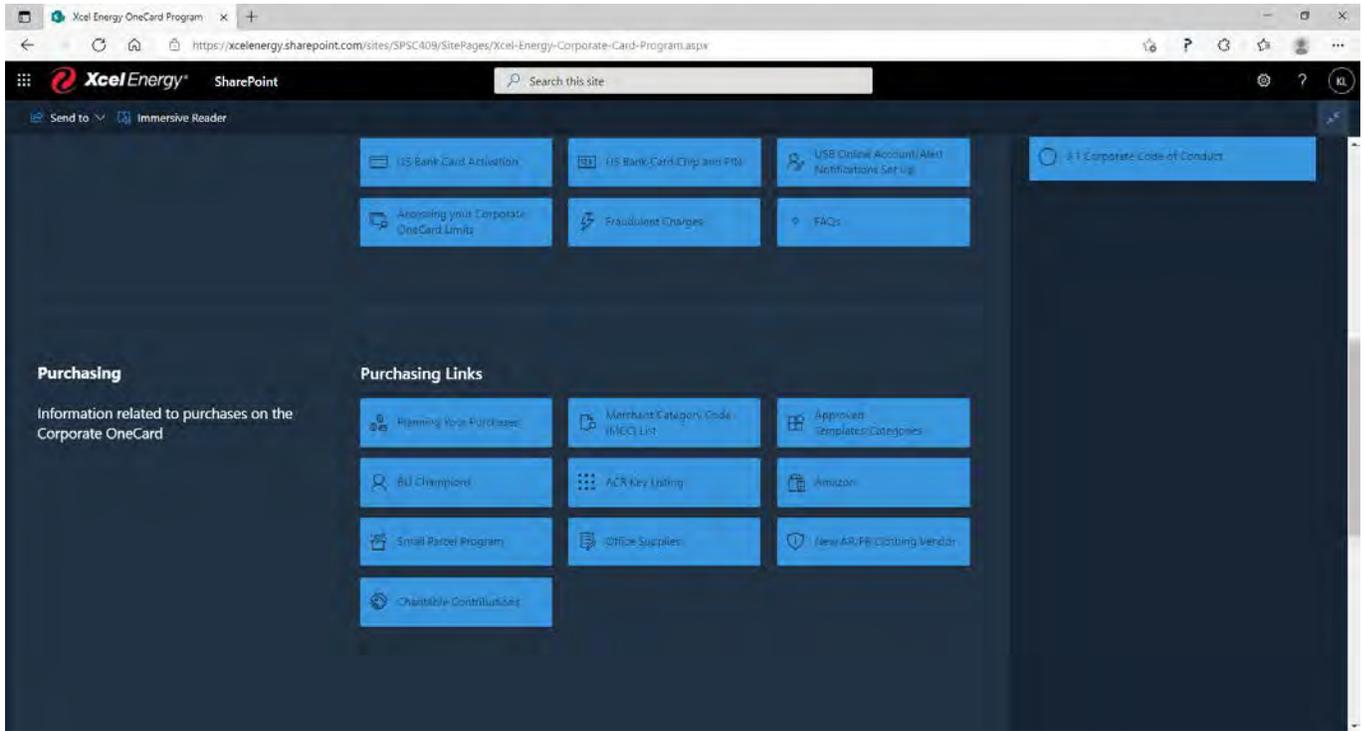
**International Travel**  
Overview, travel considerations, and reminders for international travel

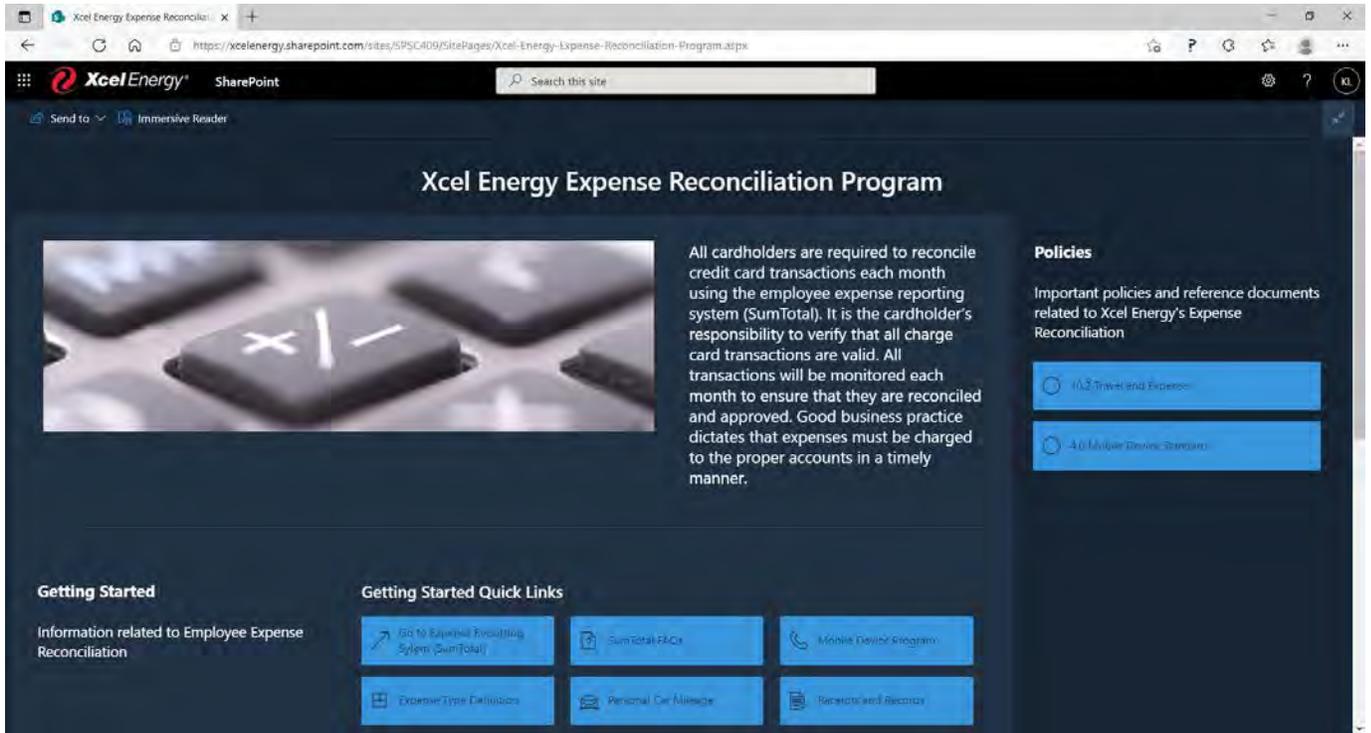
**International Travel Quick Links**

- General Info and Reminders
- Travel Considerations with Export Control Laws
- International Request Form

**Travel Program News**

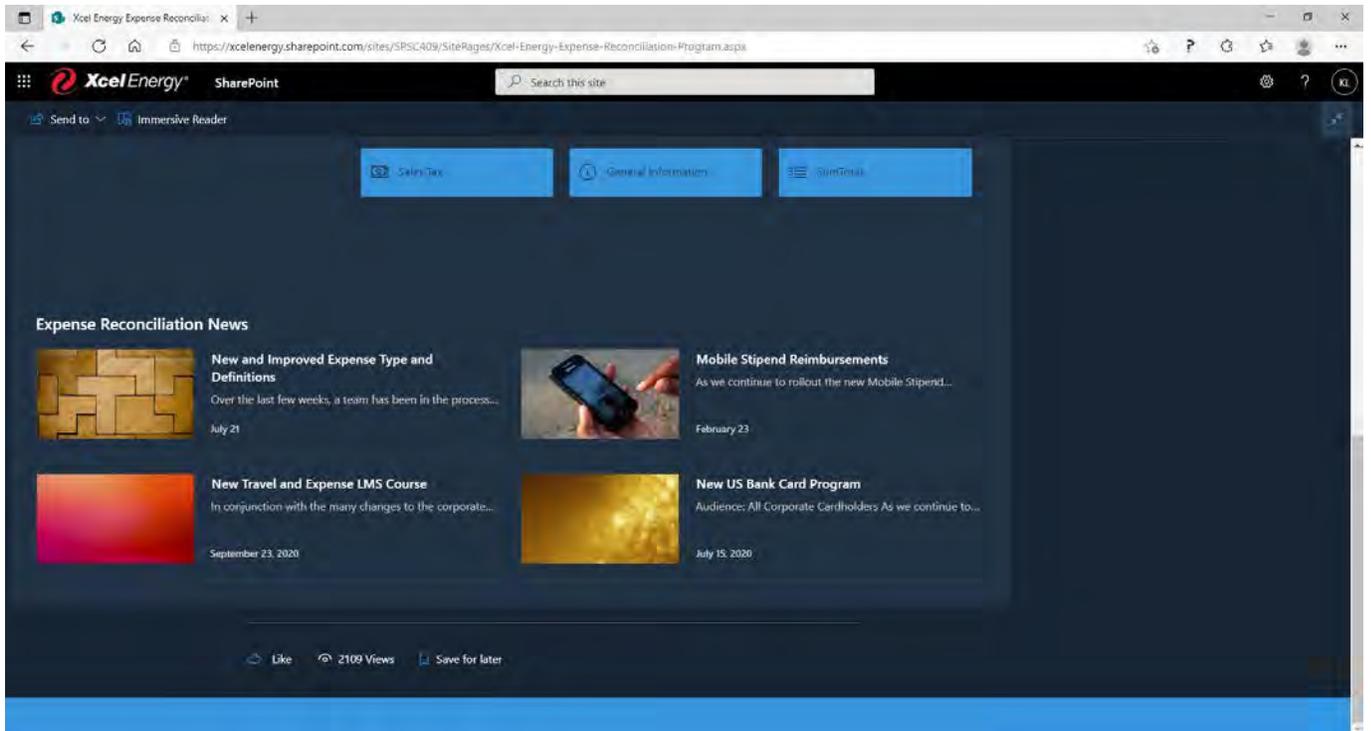






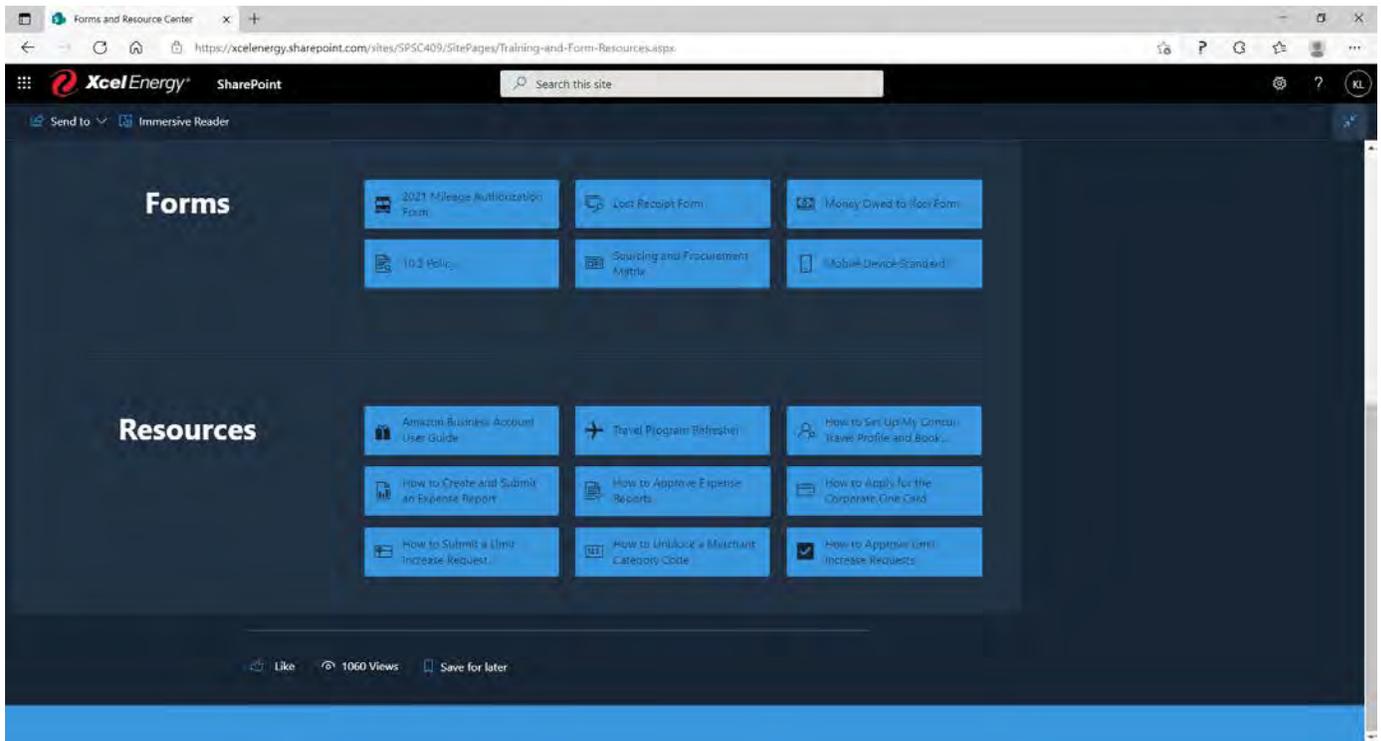
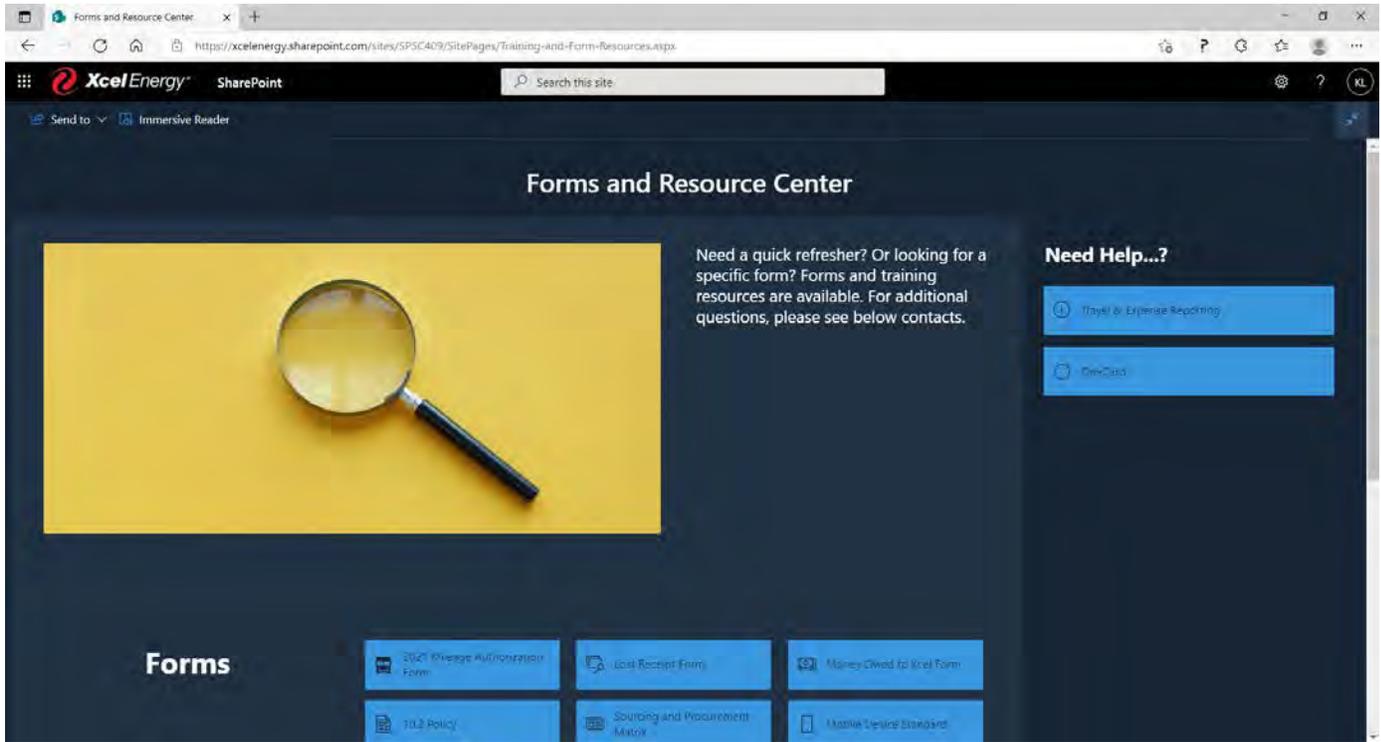
This screenshot shows the top portion of a SharePoint page titled "Xcel Energy Expense Reconciliation Program". The page features a dark blue header with the Xcel Energy logo and a search bar. Below the header, the main content area is divided into several sections:

- Header:** "Xcel Energy Expense Reconciliation Program" title.
- Image:** A close-up photograph of a computer keyboard, specifically focusing on the "X" and "/" keys.
- Main Text:** A paragraph explaining that all cardholders are required to reconcile credit card transactions each month using the SumTotal system. It emphasizes the cardholder's responsibility to verify transactions and the requirement to reconcile and approve them monthly.
- Policies:** A section titled "Policies" with the sub-heading "Important policies and reference documents related to Xcel Energy's Expense Reconciliation". It contains two blue buttons: "4.3 Travel and Expense" and "4.6 Mobile Device Stipend".
- Getting Started:** A section titled "Getting Started" with the sub-heading "Information related to Employee Expense Reconciliation".
- Getting Started Quick Links:** A grid of six blue buttons: "Go to Expense Reporting System (SumTotal)", "SumTotal FAQs", "Mobile Device Program", "Expense Type Definitions", "Personal Car Mileage", and "Reconciliation Process".



This screenshot shows the lower portion of the same SharePoint page. It features a dark blue background with several key elements:

- Quick Links:** Three blue buttons at the top: "Sales Tax", "General Information", and "SumTotal".
- Expense Reconciliation News:** A section with four news items, each with a thumbnail image, title, and date:
  - New and Improved Expense Type and Definitions:** "Over the last few weeks, a team has been in the process..." (July 21)
  - Mobile Stipend Reimbursements:** "As we continue to rollout the new Mobile Stipend..." (February 23)
  - New Travel and Expense LMS Course:** "In conjunction with the many changes to the corporate..." (September 23, 2020)
  - New US Bank Card Program:** "Audience: All Corporate Cardholders As we continue to..." (July 15, 2020)
- Engagement:** At the bottom of the news section, there are icons for "Like", "2109 Views", and "Save for later".



**Employee Expense  
Budget and Actual**

**Table I – Employee Expense  
State of Minnesota Gas Jurisdiction**

(\$ 000's)	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2022 TY Adj	2022 Test Year
Travel Expense	395	406	203	143	197	(27)	170
Lodging Expense	238	334	63	45	100	(14)	87
Meals Expense	243	283	180	108	67	(9)	58
Misc. Travel Expense	247	345	133	473	770	(106)	665
Travel Expense Subtotal	1,122	1,367	579	769	1,135	(156)	980
Dues & Memberships	29	17	20	32	40	(6)	35
Gifts & Recognition	71	71	55	72	67	(9)	58
Board of Directors	92	107	95	79	80	(11)	69
Total	1,314	1,564	749	951	1,323	(181)	1,141

**Table II – Employee Expense Actual vs. Budget Comparisons  
State of Minnesota Gas Jurisdiction**

(\$ 000's)	2018 Actual	2018 Budget	2018 Variance	2019 Actual	2019 Budget	2019 Variance	2020 Actual	2020 Budget	2020 Variance	2021 Forecast	2021 Budget	2021 Variance
Travel Expense	395	356	39	406	348	58	203	383	-180	143	159	-16
Lodging Expense	238	226	12	334	156	178	63	176	-113	45	64	-19
Meals Expense	243	298	-55	283	114	169	180	138	42	108	62	46
Misc. Travel Expense	247	241	6	345	224	121	133	393	-259	473	686	-212
Travel Expense Subtotal	1,122	1,120	2	1,367	842	525	579	1,090	-511	769	971	-202
Dues & Memberships	29	32	-4	17	47	-29	20	51	-31	32	41	-10
Gifts & Recognition	71	80	-9	71	121	-50	55	139	-84	72	51	21
Board of Directors	92	86	6	107	87	20	95	122	-27	79	85	-6
Total	1,314	1,318	-4	1,564	1,097	467	749	1,403	-654	951	1,148	-197

**Northern States Power Company**  
**LIST OF EER SCHEDULES**

Docket No. G002/GR-21-678  
Exhibit\_\_(WKH-1), Schedule 7  
Page 1 of 1

EER - Schedule 1	Travel Expenses
EER - Schedule 1A	VP and Above
EER - Schedule 2	Meal Expenses
EER - Schedule 3	Entertainment Expenses
EER - Schedule 4	Board of Directors Compensation and Expenses
EER - Schedule 5	Top Ten Compensation
EER - Schedule 5A	Top Ten Expenses - Benjamin G. Fowke III
EER - Schedule 5B	Top Ten Expenses - Robert C. Frenzel
EER - Schedule 5C	Top Ten Expenses - Brett C. Carter Sr.
EER - Schedule 5D	Top Ten Expenses - Brian J. Van Abel
EER - Schedule 5E	Top Ten Expenses - Kent T. Larson
EER - Schedule 5F	Top Ten Expenses - Amanda J. Rome
EER - Schedule 5G	Top Ten Expenses - Darla Figoli
EER - Schedule 5H	Top Ten Expenses - Christopher B. Clark
EER - Schedule 5I	Top Ten Expenses - Frank P. Prager
EER - Schedule 5J	Top Ten Expenses - Jeffrey S. Savage
EER - Schedule 6	Dues
EER - Schedule 7	Gifts
EER - Schedule 8	Aviation
EER - Schedule 9	Lobbying
EER - Schedule 10	SAP-VIM Transactions
EER - Schedule 11	TIME Transactions
EER - Summary Report 1	2022 Test Year

## **Employee Expense Reporting Report Preparation, Rate Case Adjustment Summary, and Analysis Overview**

This schedule describes the detailed steps taken to develop the EER Schedules, and the efforts taken by the Company to analyze and review transactions processed within SumTotal, Vendor Invoice Management (VIM) and TIME in order to provide a summary of employee expenses found in those technical systems. The Company's proposed test year adjustment for employee expenses is also summarized in this schedule.

### **Creation of EER Schedules**

The Company took the following steps to create the EER Schedules provided in Volume 3, Required Information, Section IV Other Required Information, Tab 2.

1. The Supply Chain organization provided employee expense information for 2020 corporate credit card transactions, as well as reimbursements for other expenses, such as mileage, that were processed within the Company's primary expense reporting system, SumTotal. The data included transactions that were incurred by employees of the 1) Xcel Energy Service Company (XES), and 2) the Northern States Power Minnesota Operating Company (NSPM). The raw data file contained the transaction lines assigned to employee-related expense accounts that were required in the analysis. While SumTotal has many fields, only those fields that would (1) determine whether the transaction was allocable to Minnesota gas ratepayers, and (2) determine whether the transaction was within the scope of the Employee Expense Statute were included.
2. Transactions were sorted based on the Company's accounting general ledger "Systems, Applications and Products in Data Processing" (SAP) software's "Internal Order" account field to limit the size of the raw data set to be analyzed to approximately 67,000 transactions by including only those costs that were either direct assigned, or that were allocated in part as operating expense to the NSPM Operating Company. Specifically, transactions assigned to Company Code "10" (NSPM) and Company Code "50" (XES) were retained due to the likelihood the entire transaction cost, or a portion of the cost, could be allocated to NSPM. All other transactions, directly assigned to other Xcel Energy legal entities, were eliminated as being outside of the scope of analysis related to rate cases and reporting required for jurisdictions residing within NSPM.
3. Several columns were added to facilitate analysis of the data and creation of the EER Reports. Examples of these analysis fields include: "EER Summary Cost Element" (Employee Expense Report), "EER Report #", "File Line Ref. #", "Required EER Report Transaction", "Year", "International Travel", "Above / Below the Line", "Board of Directors", "VP & Above", "Employee's Company", "Compensation Level", "Ten Highest Paid Employees", "Executive + Assistant's Transactions", "Executive / Assistant", "Key Word Search", "Keyword", "Vague Business Purpose Desc.", "Meals > \$65 per Attendee", "Life Events", "Business Meals - Employee Only", "Flagged Transaction", and "Rate Case Adj. Transaction".
4. Data fields (columns) were also added to the file to manually calculate the amount of each transaction's total that was allocated to the NSPM Company, NSPM Company Gas Utility and to the State of Minnesota Gas Retail jurisdiction. The allocations were derived by matching the accounting used for the SumTotal transaction against tables of the Company's SAP general ledger accounting system data and then assigning the associated

allocation factors using Microsoft Excel VLookup functions. The analysis was then restricted to approximately 34,000 transactions which ultimately allocated above-the-line expense to the State of Minnesota Gas Retail jurisdiction, or as a below-the-line expense to the NSPM Company.

5. Of this data set, the Company's employees who were Vice Presidents and above and their executive assistants during 2020 were identified.
6. Employee expense transactions for our employees with a title of Vice President, or higher were identified. For each transaction of a Vice President or higher employee title, the field "VP & Above" was populated as "Yes". This field was coded as "No" for other employees' transactions. The "Executive / Assistant" field was then populated as "Executive" for executive (having a title of Vice President, or higher) employees' transactions.
7. The executives' Executive Assistants' transactions were identified and coded with their respective executive's name within the "Executive + Assistant's Transactions" field. The "Executive / Assistant" field was then populated as "Executive Assistant" for the Executive Assistants' transactions. The other employees' transactions were populated as "No".
8. Transactions of the ten highest compensated employees were identified. These transactions were coded with the employee's full name within the "EER Report #'s (5A – 5J) Ten Highest Paid Employees" field. This field was left blank for other employees' transactions.
9. Transactions of the top (ten) highest compensated employees were identified as "Ten Highest Paid Employees" within the "Compensation Level" field. Other employees' transactions were labeled as "Not in 10 Highest Paid Group" within this field.
10. Xcel Energy Board of Director-related transactions were identified through the SAP "Internal Order" account field. Transactions coded to "850001936606 - CEO Board of Directors" and a few other internal order accounts were identified to be Board of Director related. In addition, a few other Board of Director-related transactions were coded to the SAP cost element account "5600656 - Fees – Directors". These transactions were coded as "4 - Board of Directors Compensation and Expenses" within the "EER Report #4 Board of Directors" field. Other transactions were coded as "No" within this field.
11. Aviation and Travel Services transactions were identified through the SAP "Internal Order" account field. Transactions coded to "850001904397-35000127-Cessna Sovereign MN", "850001904398-35000128-Cessna Sovereign 680-0266 CO" and "850000007001-30144783-Ops 110-110- Executive (Corp)" were identified to be related to corporate aviation. These transactions were coded as "EER Schedule 8 - Aviation" within the "EER Report # 8 Aviation" field. Other transactions were coded as "No" within this field.
12. Company employees who lobby on behalf of NSPM and Xcel Energy were identified. Their transactions were coded "9 - Lobbyist Employees" within the "Employees Who Lobby From Time to Time" field.
13. Employee expense transactions incurred by employees who lobby from time to time on behalf of NSPM or Xcel Energy were identified and coded as "Lobby from time-to-time" within the "Employees Who Lobby From Time to Time" field. This field was coded as "No" for other employees' transactions.
14. The "Posting GL Acct Desc" field was reviewed for the SAP "Cost Element" account codes identified in Table 1 to this Schedule "EER Cost Element Accounts (SAP)". Whenever a transaction was found with a matching code, the "EER Summary Account"

- field was populated with a “Yes”. Transactions coded to all other accounts required for the EER reporting were identified as “No” within this field.
15. For all transactions identified (in Step 14 above), we populated the “Required EER Report Transaction” field as “Yes”. In addition, all other transactions required for the Top Ten Compensated Employees, Board of Directors, Corporate Aviation and Lobbyist Employees were coded as “Yes” in the “Required EER Report Transaction” field. Other transactions not required to be included on the employee expense reports were coded as a “No.” The “Required EER Report Transaction” field would be used at the end of the process to help develop the EER Reports. This field was used to sort-out only those transactions that would ultimately be included on the various EER Schedules.
  16. Transactions coded to “Below-the-Line” FERC accounts based on the SAP “Cost Element” accounts (5600286 Non-Recoverable Recognition, 5600606 Dues – Lobbying, 5600626 Contributions - Charitable, 5600631 Contributions - Community Sponsorships, 5600641 Contributions - Economic Development, 5600636 Contributions - Civic and Political, 5600616 Dues - Chamber of Commerce, 5600621 Dues - Social Service, 5600696 Deductions - Corporate Tickets, and 5600701 Deductions Other) were identified. These transactions were coded as “Below” within the “Above / Below the Line” field. For all other transactions, their respective FERC account assignment determined whether they were coded as “Above” or “Below” within this field.
  17. Lobbyists’ transactions coded to “Below-the-Line” FERC accounts based on the SAP “Internal Order” accounts 200002781193-NSPM OpCo Regulatory\_Gvmt Affs-4264, 200002781198-NSPM OpCo Comm Rel NSPM- 4264, 850001908622-35053156-Pol\_Grassroots-SC-409, 850001908624-35053164-VP\_Pol\_Fed\_Aff-SC-409, 850001908626-35053170-Gvmt\_Aff-SC-409 and a few other internal order accounts were identified. These transactions were coded as “Below” within the “Above / Below the Line” field.
  18. Based on the SAP “Cost Element” accounts included on the Company’s EER reports, the combined total number of SumTotal system above the line transactions reviewed was 32,003.
  19. Life Event-related transactions that were posted to the SAP “Cost Element” account “5600276 - Life Events” were identified and coded with the word “Yes” in the “Rate Case Adj. Transaction” field.
  20. A list of “key words” used to search the data set for transactions which may not be appropriate for rate recovery was developed. The key word list was formed from our experience in past electric rate cases and was designed to identify expenditures related to sporting and entertainment events, life events, recreation, celebrations, recognition, international travel and lobbying. The key word list contains 124 words and is provided as Table 2 to this Schedule.
  21. The key word search was performed on transactions coded both as having the “Required EER Report Transaction” field populated with a “Yes” and the “Above-The-Line” field populated as “Above” on the following SumTotal transactional fields: “Expense Type Name”, “Sub Expense Type”, “Business Purpose”, “Line Description”, “Report Name and “Merchant”.
    - a. Alcohol-related transactions were labeled “Alcohol” within the “Key Word” analytic field. In addition, key word searches were performed to identify any other alcohol-related transaction that was incorrectly coded, or that was not itemized and reported within the “Sub Expense Type” field as being alcohol-related. Alcoholic

- beverage-related transactions were coded with the word “Yes” in the “Rate Case Adj. Transaction” field.
- b. International travel related transactions were identified and labeled as “Yes” within the “International Travel” field and labeled “International” within the “Key Word” field, except for international travel alcohol-related expenses which were labeled “Alcohol.” Transactions coded under the “Expense Type” as “Airfare – International” were labeled “International” within the “Key Word” field. Other transactions of those employees who assigned airline costs to “Airfare – International” were reviewed to identify the related lodging, meals and other costs associated with their international travel. These transactions were also labeled as “International” within the “Key Word” field. Finally, other transactions of those employees having traveled abroad were searched based on the “Expense Incurred Date”, “Business Purpose”, “Line Description”, “Report Name” and “Merchant” to identify any remaining transactions associated with their international travel. These transactions were labeled as “International” within the “Key Word” field.
  - c. Transactions that were not posted to the SAP “Cost Element” account “5600276 - Life Events” but that were later identified by key words associated with life events such as “Funeral”, “Bereavement”, “Flowers”, “Floral”, “Wedding”, “Birthday”, “Baby”, etc. were coded with the word “Yes” in the “Rate Case Adj. Transaction” field.
  - d. Gift-related transactions processed to merchant OC Tanner using the corporate recognition program Xcelebrate were identified and coded with the word “Yes” in the “Corporate Recognition” field and were not included in the 2022 test year employee expense adjustment. Corporate-related recognition gifts presented under the Xcelebrate program were coded as “Recognition (Gifts)” within the “Key Word” field.
  - e. Gift related transactions that were not previously identified by the key word search process and that were coded under the “Expense Type” of “Recognition - Safety” were identified and labeled as “Recognition (Safety)” within the “Key Word” field.
  - f. Gift related transactions that were not previously identified by the key word search process were identified and labeled as “Gift” within the “Key Word” field if not coded under the “Expense Type” of either “Life Event Gifts”, or “Recognition - Safety”.
  - g. Other gift-related transactions were identified and labeled as “Gift” within the “Key Word” field if they were not previously identified by the various key words (other than “Gift”) but were coded under the “Sub-Expense Type” of “Career Event-Gift”, “Engagement-Gift”, “Recognition-Gift”.
  - h. Recognition related transactions were identified and labeled as “Recognition (Meals)” within the “Key Word” field if not identified by the various key words (other than “Recognition”) but coded under the “Sub-Expense Types” of “Recognition - Meals”, “Career Event-Meal”, or “Engagement-Meal”.
  - i. Recognition-related transactions were identified and labeled as either “Recognition (Gifts)”, or “Recognition (Meals)”, within the “Key Word” field if not identified by the various key words (other than “Recognition”) but were coded under the “Sub-Expense Type” of “Engagement-Event”.
  - j. Recognition related transactions were identified and labeled as “Recognition (Safety)” within the “Key Word” field if not identified by the various key words

- (other than “Recognition”) but that were coded under the “Expense Type” of “Recognition - Safety.”
- k. Recognition related transactions were identified and labeled as “Recognition (Gifts)” within the “Key Word” field if not identified by the various key words (other than “Recognition”) but were coded under the “Sub-Expense Type” of “Recognition - Gifts.”
  - l. The Business Purpose field of transactions that were identified by searching for the recognition-related key words “Appreciation”, “Award”, “Event”, “Thank You”, “Gift” and “Recognition” was inspected to determine whether the transaction pertained to safety. The safety-related transactions were assigned “Recognition (Safety)” within the “Keyword” field.
  - m. Key word searches often included any conceived common abbreviations of words, such as “Tckt” or “Tix” for “Ticket”, “Avs” for “Avalanche”, “T-Wolves” or “Wolves” for “Timberwolves”, etc. The identified 2022 test year adjustment transactions do not include transactions related to retirement “workshops / seminars”, “Retiree Broker Finalists,” nor “Reach Retirement,” etc. that were identified by searching for the key word “Retirement.” The identified 2022 test year adjustment transactions do include the celebration/appreciation/meals/gift-related and specific travel-related expenses associated with “Retirement” events.
22. Transactions initially identified through the key word search process, or other cursory review, were subsequently reviewed, line by line, to confirm whether the transaction should be included in the rate case adjustment. Examples of transactions identified as part of the key word search but appropriate for rate recovery could include those incurred with vendors such as Holiday Inn Express, or Holiday Station Store when searching for the word “Holiday”, etc. Transactions identified through the key word search process, or other cursory review, but that are not a part of the identified rate case adjustment were coded as “FALSE / OK” within the “Rate Case Adj. Transaction” field.
  23. Transactions for Meals > \$65 per Attendee were identified. Meal transactions having costs exceeding \$65 per attendee were identified as “Yes” within the “Meals > \$65 per Attendee” field. These transactions were identified based on review of the SumTotal systems’ “Cost Per Attendee” data field. The entire amount of the excluded transactions’ total cost that was allocated to the State of Minnesota Gas Retail jurisdiction was included in the identified 2022 test year adjustment by coding the “Rate Case Adj. Transaction” analytic field with the word “Yes”.
  24. Transactions that are not a reasonable cost of service, based on our experience, including large transaction amounts for airfare or lodging, etc. were identified. This was a line-by-line, field-by-field review. Transactions that would have more appropriately been recorded “below the line” were identified by populating the “Flagged Transaction” analytic field with the word “Yes”. These transaction costs were coded with the word “Yes” in the “Rate Case Adj. Transaction” field.
  25. Transactions that could have a “vague” business purpose were reviewed. A line-by-line review of the “Business Purpose” field of all remaining above the line EER-related transactions that had not previously been assigned the word “Yes” within the “Rate Case Adj. Transaction” field was completed. If the “Business Purpose” field, in isolation, could not convey enough detail about the purpose of the transaction, the word “Yes” was placed within the “Vague Business Purpose Desc.” field. Examples include single-word entries such as “Dinner,” “Airfare,” “Travel,” and “Meeting.” A line-by-line review of those transactions flagged “Yes” was performed using a combination of the Business Purpose

and Line Description fields to determine if the business purpose remained vague. Since many of the initially flagged transactions contained only acronyms, the acronyms were reviewed in conjunction with other transaction data fields. A list of 229 acronyms that are commonly used by our employees was developed. It is not intended to be a complete list of every acronym found in the Business Purpose field. It demonstrates that hundreds of industry acronyms are used by our employees and are not necessarily vague descriptions of their activities and costs. The acronym list is provided as Table 3 to this Schedule.

26. If the combined documentation properly supported the transaction, the transaction cost was coded as “FALSE / OK” within the “Rate Case Adj. Transaction” analytic field. The respective cost for each of the remaining transactions identified as having a “vague” business purpose were coded with the word “Yes” in the “Rate Case Adj. Transaction” analytic field.
27. Transactions that were not otherwise identified by the various key words and line-by-line review that pertained to business meals involving only employees were identified. All remaining XES and NSPM employees’ transactions processed with the Expense Type of “Business Meals - Employee Only” were subsequently coded with the word “Yes” in the “Rate Case Adj. Transaction” field.
28. The employee expense adjustment identified for SumTotal transactions was estimated by selecting all the transactions with “Yes” in the “Rate Case Adj. Transaction” field and summing the amounts that were allocated to the State of Minnesota Gas Retail jurisdiction to quantify the appropriate aggregate adjustment.
29. The “EER Summary Report 1” which reflects the State of Minnesota Gas Retail jurisdiction adjusted 2022 budget test year amount was developed. The summary report provides the employee expense-related costs in the following categories that are identified in accordance to the related detail EER Schedule number that have also been provided to report the Company’s 2020 actual expenditures:

- Schedule 1 - Travel and Lodging Expenses
- Schedule 2 - Food and Beverage Expenses
- Schedule 3 - Recreational and Entertainment Expenses
- Schedule 4 - Board of Director Expenses
- Schedule 6 - Dues and Memberships Expenses
- Schedule 7 - Gift Expenses
- Schedule 8 - Owned, Leased, or Chartered Aircraft Expenses
- Schedule 9 - Lobbying Expenses

Note: Schedule 5 is a sub-report that provided all transactions of the Company’s ten highest compensated employees and is therefore not included in the list above.

The detailed EER Schedules of 2020 actual expenses were developed:

1. Travel and Lodging Expenses
- 1A. VP and Above Travel and Meal Expenses
2. Food and Beverage Expenses
3. Recreational and Entertainment Expenses
4. Board of Director Expenses
5. EER Schedule 5 provides the transactions of each of the Ten Highest Compensated Employees
6. Dues and Memberships Expenses

7. Gift Expenses
8. Owned, Leased or Chartered Aircraft Expenses
9. Lobbying Expenses
10. SAP Vendor Invoice Management (VIM) Applications Expenses
11. TIME Application Expenses

Each Schedule was given a Line Reference Number. Schedules 1 through 7 include the following SumTotal system data fields:

1. Application
2. Company
3. Expense Incurred Date
4. Expense Category
5. Expense Type
6. Sub Expense Type
7. Business Purpose
8. Line Description
9. Merchant
10. Approved Amount
11. NSPM Company Total Amount
12. NSPM Gas Utility Total Amount
13. State of Minnesota Gas Retail Amount

The following additional data fields are provided on EER Schedules 1A, 2, 5A-5J and 7:

1. Attendees Count
2. Cost Per Attendee

### **Analysis of Other Company Systems**

There may be employee expenses in Company systems other than SumTotal, so an analysis was performed on the transactions processed in the SAP Vendor Information Management (VIM) and TIME payroll systems.

#### **SAP-VIM:**

1. In 2020, there were 7,817 transactions processed by the Xcel Energy Service Company (XES) and the NSPM Operating Company (NSPM) to the cost element accounts included in the employee-related expense analysis. Of these, the vast majority, 90.1%, pertain to 7,041 reimbursement request transactions entered by NSPM Company Time Keeper employees to re-fund their respective corporate petty cash accounts for non-labor expense entries incurred by the NSPM union work force across all business areas which are reported within the TIME system. Examples of these entries are per diems, meal allowances, mileage, site allowance, and safety shoes, uniforms, and other similar charges. These expenses are processed within the TIME system so that they are properly reported to the Internal Revenue Service and included in these employees' annual W2 wage statements.
2. Data was queried for XES and NSPM transactions coded to the accounts included on the Company's EER reports, as provided in Table 1 "EER Cost Element Accounts (SAP)". This was done to focus only on transactions that were either direct assigned, or that were allocated in part to the NSPM Operating Company. Transactions that did not directly

assign or allocate any costs to the NSPM legal entity were excluded from the data set. The results of the query were exported to a Microsoft Excel worksheet for further analysis and to enable sharing the information with others.

3. Data fields in the Microsoft Excel file include: “Company Code”, “Vendor”, “Document Date”, “Item Text”, “Document Type”, “G/L Account Desc”, “Internal Order – Key”, “IO TYPE” and “Amount”.
4. Data fields (appended in the spreadsheet’s columns following the raw data) were added to track, analyze, and summarize the detailed transactions: “EER Report #”, “Line Ref. #”, “Year”, “Vendor Category”, “Above / Below the Line”, “Transaction Sort” and “Rate Case Adj. Transaction”.
5. Data fields (columns) were added to the file to manually calculate the amount of each transaction’s total that was allocated to the NSPM Company, NSPM Company Gas Utility and to the State of Minnesota Gas Retail jurisdiction. The allocations were derived by matching the accounting used for the transaction against tables of the Company’s SAP general ledger accounting system data and then assigning the associated allocation factors using Microsoft Excel VLookup functions. The analysis was then restricted to 949 transactions which ultimately allocated to above-the-line expense to the State of Minnesota Gas Retail jurisdiction, or as a below-the-line expense to the NSPM Company.
6. Transactions coded to “Below-the-Line” FERC accounts based on the cost element accounts 5600286 Non-Recoverable Recognition, 5600606 Dues – Lobbying, 5600626 Contributions - Charitable, 5600631 Contributions - Community Sponsorships, 5600641 Contributions - Economic Development, 5600636 Contributions - Civic and Political, 5600616 Dues - Chamber of Commerce, 5600621 Dues - Social Service, 5600696 Deductions - Corporate Tickets, and 5600701 Deductions Other were identified. These transactions were coded as “Below” within the “Above / Below the Line” field. For all other transactions, their respective FERC account assignment based on the SAP internal order used determined whether they were coded as “Above” or “Below” within this field.
7. The “Vendor Category” field was used to identify whether the transactions pertained to a vendor, Board, or Time Keeper/Employee reimbursement “Request For Payment” (RFP) processed in SAP VIM, and then distributed to various time-keeper employees to re-fund their respective corporate petty cash accounts. These transactions are excluded from the EER Schedule 10 - SAP Vendor Invoice Management (VIM) Application Expenses, since these payments are captured through the TIME system (as taxable payments on these employees’ W2 tax forms). These transactions were coded as “In TIME System per Time Keeper (=Petty Cash Reimb.)” within the “Vendor Category” field.
8. Xcel Energy Board of Director-related transactions were identified through the SAP “Internal Order” account field. These transactions were coded as “Board of Directors” within the “Vendor Category” analytic field.
9. Vendor-related transactions were coded as “Outside Vendor” within the “Vendor Category” analytic field.
10. Based on the cost element accounts included in the analysis, there were 492 transactions that allocated costs to the State of Minnesota Gas Retail jurisdiction during 2020. There were 46 employee expense-related transactions processed within the SAP VIM system by employees of the Xcel Energy Service Company (XES) and the Northern States Power Minnesota Operating Company (NSPM). There were 89 transactions related to Xcel Energy Board of Directors payments and reimbursements, and 357 transactions related to outside vendors.

11. Transactions that would have more appropriately been recorded “below-the-line” were identified. For transactions identified as such, we populated the “Flagged Transaction” analytic field with the word “Yes”. These transaction costs were coded with the word “Yes” in the “Rate Case Adj. Transaction” analytic field.
12. The employee expense adjustment for the SAP VIM system’s transactions was estimated by selecting all the transactions with “Yes” in the “Rate Case Adj. Transaction” field and summing the amounts that were allocated to the State of Minnesota Gas Retail jurisdiction to quantify the appropriate aggregate adjustment.

TIME:

1. The TIME payroll system’s data was queried for the Xcel Energy Service Company (XES) and the NSPM Company employees’ non-labor transactions coded to the cost element accounts included on the Company’s EER reports, as provided in Table 1 “EER Cost Element Accounts (SAP)”. This provided transactions that were direct assigned to the NSPM Operating Company. The results of the queries were exported to Microsoft Excel files and combined for further analysis and to enable sharing the information with others.
2. The total number of TIME system 2020 transaction lines reviewed was 104,379. Of these transactions, 12,230 assigned cost to the State of Minnesota Gas Retail jurisdiction.
3. Data fields in the TIME file include: “CO” (Company), “WORK.DT”, “ERNCD DESCR” (Earnings Code Desc), “SAP GL ACCT” (SAP General Ledger Account), “SAP IO WO” (Internal Order), “LVL2 DESCR” (Business area), “LVL3 DESCR” (Sub-Business area), “DEPT DESCR”, “UNION” (employee’s category - assigned as ‘Yes’, or ‘No’), “Period” and “Amount”.
4. Analytic data fields (appended in the spreadsheet’s columns following the raw data) were added to track, analyze, and summarize the detailed transactions: “EER Summary Cost Element”, “EER Report #”, “Utility”, “Above / Below the Line”, and “NSPM MN Gas Test Year Adj. Transaction”.
5. Data fields (columns) were added to the file to manually calculate the amount of each transaction’s total that was allocated to the State of Minnesota Gas Retail jurisdiction. The allocations were derived by matching the accounting used for the TIME system transaction against tables of the Company’s SAP general ledger accounting system data and then assigning the associated allocation factors using Microsoft Excel VLookup functions.
6. The transactions having activity in 2020 against the accounts included on the Company’s EER reports were coded to “Above-the-Line” accounts.
7. The non-labor transaction lines identified within the TIME application were associated with NSPM union employees’ tax reportable reimbursements.
8. The TIME application “Earnings Codes” are summarized in Table 4 “TIME Earnings Codes” located at the end of this document.
9. Transactions were reviewed to find any employee expenses that may be “below the line” type transactions. No transactions that would have more appropriately been recorded “below the line” were identified.
10. No TIME application costs from 2020, allocated to the State of Minnesota Gas Retail jurisdiction, were included as an adjustment to the 2022 test year.

### Test Year Adjustment

For this rate case, the Company has calculated its test year 2022 Employee Expense Adjustment by applying a -13.7 percent adjustment factor to its budgeted 2022 employee expenses. This 2022 test year adjustment factor is based on our current review of 2020 transactions. The 2020 adjustment percentage was calculated by dividing the identified test year adjustment amount by the actual Employee Expense Amount.

Employee Expense 2022 Test Year Adjustment Factor:

#### Calculating the Average Adjustment Factor

Actual Expense Year	Employee Expense Amount	Employee Expense Adjustment (using methodology from previous electric rate cases)	Adjustment Percentage
2020	\$0.749 million	-\$0.102 million	-13.7%
2022 Test Year Adjustment Factor			-13.7%

Exhibit\_\_(WKH-1), Schedule 6 shows the recent annual employee expenses and the 2022 budgeted employee expenses. It also shows the 2022 test year adjustment amount we've estimated by multiplying the -13.7 percent test year adjustment factor against the 2022 employee expenses budgeted by the business areas. The following table summarizes the historical and test year employee expense results.

State of Minnesota Gas Retail Jurisdiction (\$ 000's)	2018 Actual	2019 Actual	2020 Actual	2021 Forecast	2022 Budget	2022 TY Adj (-13.7% of 2022 Budget)	2022 Test Year
Travel Expense	395	406	203	143	197	(27)	170
Lodging Expense	238	334	63	45	100	(14)	87
Meals Expense	243	283	180	108	67	(9)	58
Misc. Travel Expense (1)	247	345	133	473	770	(106)	665
Travel Expense Subtotal	1,122	1,367	579	769	1,135	(156)	980
Dues & Memberships	29	17	20	32	40	(6)	35
Gifts & Recognition	71	71	55	72	67	(9)	58
Board of Directors	92	107	95	79	80	(11)	69
Total	1,314	1,564	749	951	1,323	(181)	1,141

This approach was adopted because the estimated 2022 test year employee expense adjustment of only \$0.1 million, based on review of actual 2020 employee expense transactions, as shown in the table below, was considered inconsistent with the 2022 budget post-pandemic assumptions.

Based on Service Company & NSPM Company employees' 2020 transactions	Total Amount	NSPM Total Amount	NSPM Gas Utility Above the Line Amount	State of MN Gas Retail Adjustment Amount
SumTotal				
Keyword	\$ 547,770	\$ 233,854	\$ 44,141	\$ 39,922
Bus Meal (Emp Only)	\$ 140,543	\$ 81,987	\$ 28,566	\$ 26,502
Flagged	\$ 450,554	\$ 210,114	\$ 24,906	\$ 22,639
Vague Business Purpose	\$ 56,570	\$ 30,495	\$ 7,174	\$ 6,601
Life Events	\$ 23,444	\$ 9,991	\$ 1,548	\$ 1,432
Meals > \$65 per Attendee	\$ 27,458	\$ 9,199	\$ 567	\$ 490
Subtotal	\$ 1,246,337	\$ 575,639	\$ 106,903	\$ 97,587
SAP-VIM				
Flagged Transactions	\$ 85,382	\$ 74,218	\$ 5,441	\$ 4,890
TIME (Non-Labor)				
Flagged Transactions	\$ -	\$ -	\$ -	\$ -
	\$ 1,331,720	\$ 649,856	\$ 112,344	\$ 102,477

**Table 1 - EER Cost Element Accounts (SAP)**

EER Summary Cost Element Account Grouping	Description	Posting GL Acct Desc
1 - Travel and Lodging Expenses	Travel and Lodging Expenses	5600191 - Employee Expenses Airfare 5600196 - Employee Expenses Car Rental 5600201 - Employee Expenses Taxi and Bus 5600206 - Employee Expenses Mileage 5600231 - Employee Expenses Parking
	Lodging Expenses	5600216 - Employee Expenses Hotel
	Misc. Travel Expenses	5600211 - Employee Expenses Conf Seminar Trng 5600236 - EE Expenses Per Diem 5600246 - Employee Expenses Other
2 - Food and Beverage Expenses	Meal Expenses	5600221 - Employee Expenses Meals 5600226 - Employee Expenses Meals Non-Employee
3 - Recreational and Entertainment Expenses	Tickets and Other Entertainment Expenses	5600286 - Non - Recoverable Recognition 5600696 - Deductions - Corporate Tickets 5600701 - Deductions - Other
4 - Board of Directors Compensation and Expenses	Director Fees and Expenses	5600656 - Fees - Directors
6 - Dues	Professional and Social Dues	5600591 - Dues - Professional Association
		5600606 - Dues - Lobbying
		5600616 - Dues - Chamber of Commerce
		5600621 - Dues - Social Service
7 - Gifts	Recognition and Rewards	5600246 - Employee Expenses Other
		5600271 - Safety Recognition
		5600276 - Life Events
		5600281 - Employee Performance Recognition
9 - Lobbying	Civic and Political Expenses (FERC 426.4)	5600636 - Contributions - Civic and Political

**Table 2 - Key Word Search List**

Search Order	Key Word	Search Order	Key Word
1	Alcohol	63	Legis
2	Drinks	64	Lobby
3	Liquor	65	Political
4	Brewery	66	PUC
5	Cocktails	67	PAC
6	Beverage	68	Repr
7	International	69	Senat
8	Golf	70	Brand
9	Open	71	Sponsorship
10	Avalanche	72	Team Building
11	Broncos	73	Coach
12	Gophers	74	Retirement
13	Nuggets	75	Thank You
14	Rockies	76	Gala
15	Saints	77	Birthday
16	Timberwolves	78	Anniv
17	Wolves	79	Farewell
18	Twins	80	Going Away
19	Vikings	81	Last Day
20	Wild	82	Wedding
21	Bowl	83	Baby
22	Curling	84	Bridal
23	Fish	85	Shower
24	Hockey	86	Bagel
25	Hunt	87	Bereavement
26	Lucky Strike	88	Cookies
27	Motocross	89	Doughnut
28	Skeet	90	Donut
29	Ski	91	Flowers
30	Vail	92	Floral
31	Face Plant	93	Florist
32	Tennis	94	Funeral
33	Final Four	95	Fruit
34	Tournament	96	Ham
35	WCHA	97	Turkey
36	Game	98	Refreshments
37	Super Bowl	99	Snacks
38	Concert	100	Trinkets
39	Ticket	101	New Employee
40	Levy (events & tickets)	102	First Day
41	Pepsi	103	Welcome
42	Mall of America Field	104	Get Together
43	HHH	105	Rotary
44	Allianz Field	106	Club
45	Coors Field	107	Social
46	U.S. Bank Stadium	108	Event
47	Target Field	109	Celebration
48	TCF Stadium	110	Party
49	MN United	111	Award
50	Casino	112	Gift
51	Hooters	113	Prize
52	Movie	114	Spouse
53	Video	115	Spa
54	Resort	116	Retreat
55	Yacht	117	AGA
56	Holiday	118	American Gas
57	Christmas	119	Edison Electric
58	XMAS	120	EEl
59	Chamber	121	Appreciation
60	Commission	122	Recreation
61	Contribution	123	Entertainment
62	Election	124	Recognition

Table 3 – Commonly Used Acronyms

Count	Acronym	Definition	Definition's Source
1	ACS	"Dues" - American Chemical Society (ACS) is a congressionally chartered independent membership organization which represents professionals at all degree levels and in all fields of chemistry and sciences that involve chemistry.	Internet
2	AGA	American Gas Association	Internet
3	AICPA	"acct assn" - American Institute of CPAs	Internet
4	AIHA	American Industrial Hygiene Association	Internet
5	ANS	"Dues" - The American Nuclear Society (ANS) is a not-for-profit, international, scientific and educational organization. It was established by a group of individuals who recognized the need to unify the professional activities within the diverse fields of nuclear science and technology.	Internet
6	APDA	American Power Dispatchers Association. Founded in 1946 for the purpose of encouraging and promoting the formulation and attainment of higher professional standards among System Operators (Load Dispatchers and Power Dispatchers), and for the purpose of facilitating the interchange of ideas and information, as well as for the development of a spirit of fellowship, the APDA continues to promote excellence in individual education and professional operation of the North American Bulk Electric System.	Internet
7	ARCM	"Travel for Substation Reliability Summit, ARCM kickoff meeting, and various other meetings" - ARCM stands for Adaptive Reliability Centered Maintenance.	Employee
8	ASDSO	ASDSO - Association of State Dams Safety Officials. In addition to being regulated by FERC DDS we also fall under State Requirements for Security and for two of our dams that is our only regulator.	Employee
9	ASME	American Society of Mechanical Engineers	Internet
10	ATV	Accreditation Team Visit, every four years our training programs in the nuclear area need to be Accredited, similar to accreditation for colleges. Without having an accredited training program, nuclear plants are not allowed to operate.	Employee
11	AWA	Alternative Work Arrangements - roll out of the flexible work arrangement program	Employee
12	BART	BART - Best Available Retrofit Technology evaluations (Energy Supply business area)	Employee
13	Boiler MACT	""Boiler MACT"" is the name given to national emission standards being promulgated by the Environmental Protection Agency in an effort to curb emissions of hazardous air pollutants (HAP) from industrial boilers and process heaters.	Internet
14	BWROG	"BWR (Boiling Water Reactor) Owners' Group (nuclear) - Mission: To provide a forum, in the spirit of partnership with GE, where utility members can achieve higher plant reliability,	Internet

			maintain and improve plant safety, minimize and share costs and facilitate regulatory interaction.	
15	Byron		"Byron benchmarking" - RESULTS OF THE BYRON NUCLEAR POWER STATION UNITS 1 AND 2 SIGNIFICANCE DETERMINATION PROCESS PHASE 2 NOTEBOOK BENCHMARKING VISIT	Internet
16	CACJA		Clean Air Clean Jobs Act - In late 2010, the Colorado Public Utilities Commission approved an emissions reduction plan for Xcel Energy under the state's Clean Air-Clean Jobs Act.	Internet
17	CGA		Compressed Gas Association (CGA) develops and promotes safety standards and safe practices in the industrial gas industry.	Internet
18	CIPAC		CIPAC - Critical Infrastructure Protection Advisory Council.	Employee
19	CIPC		"NERC Critical Infrastructure Protection Committee (CIPC) - coordinates NERC's security initiatives. The group is comprised of industry experts in the areas of cyber security, physical security, and operational security. CIPC reports to NERC's Board of Trustees. It is governed by an Executive Committee, whose members manage CIPC policy matters and provide support to CIPC's subcommittees and their working groups and task forces.	Internet
20	CLE		Continuing legal education (CLE; also known as MCLE (mandatory or minimum continuing legal education)) is professional education of lawyers that takes place after their initial admission to the bar.	Internet
21	CMBG		"CMBG Conference" - Configuration Management Benchmarking Group (CMBG)	Internet
22	CONTE		"The American Nuclear Society (ANS) is a not-for-profit, international, scientific and educational organization. It was established by a group of individuals who recognized the need to unify the professional activities within the diverse fields of nuclear science and technology. ""CONTE"" stands for Conference on Nuclear Training and Education - An International Forum on Nuclear Training, Education and Workforce Issues.	Internet
23	COSS		Cost of Service Study	Employee
24	CRIB		Any items on the report that say CRIB are items purchased to support Monticello inprocessing at the Chelsea Road Inprocessing Building (CRIB).	Employee
25	CRM		CRM - Customer Relationship Management software.	Employee
26	CRMOC		Corporate Risk Management Oversight Committee	Employee
27	CSAPR		"CSAPR DC 10/02-10/04" - Judicial Review of EPA's Cross State Air Pollution Rule (CSAPR) - imposes limits on the interstate transport of emissions of nitrogen oxides ("NOx") and sulfur dioxide ("SO2") from multiple states in the eastern, Midwestern, and southern United States that, according to the Environmental Protection Agency (EPA), affect the ability of downwind states to attain and maintain compliance with national air quality standards for particulates and ozone.	Internet

28	CVI 15	CVI0015 is "Compliance Violation Investigation #15". The number is assigned by NERC. This is an investigation instituted by NERC "North American Reliability Corporation" who are the regulators overseeing the FERC mandated reliability standards. The investigation is still open and legal holds on all aspects remain in place at this time.	Employee
29	DBO	Distribution Business Operations	Employee
30	DEMS	DEMS stands for Dynamic Energy Management System. The EMS is used in the control centers to manage, monitor, and control the power flow in and grid. NSP, PSCo & SPS are replacing the current Siemens EMS with a GE EMS.	Employee
31	DHS SSA	DHS SSA for Dams - Department of Homeland Security Sector Specific Agency for Dams which is responsible for Dams security.	Employee
32	DHS TSA	"DHS TSA - Department of Homeland Security Transportation Security Administration Office of Pipeline Security which under Secretarial Agreement with the Department of Transportation Regulates our Gas Asset Security.	Employee
33	DistribuTECH	DistribuTECH is the utility industry's leading smart grid conference and exposition, covering automation and control systems, energy efficiency, demand response, renewable energy integration, advanced metering, T&D system operation and reliability, power delivery equipment and water utility technology.	Internet
34	DLT	Distribution Leadership Team	Employee
35	DO	Distribution Operations	Employee
36	DSCC	DSCC - Department of Homeland Security (DHS) Critical Infrastructure Advisory Council (CIPAC) Dams Sector Coordinating Council (DSCC). This is the Private Sector Dam Owner and Operator Coordinating Council.	Employee
37	E&A support	E&A is a required Plant Evaluation and Assessment that is run by the Industry of Nuclear Power Operators and the report and grades are given directly to the CEO - this is a requirement of the operation of nuclear units throughout the country.	Employee
38	EAM	EAM: ideas related to an enterprise asset management and work management system(s). This term is commonly used in connection with the Productivity Through Technology initiative.	Employee
39	ECR	Employee Concerns Program in conjunction with the Management Safety Review Committee.	Employee
40	EDRM	Electronic document and records management (EDRM) aims to enable organizations to manage documents and records throughout the document life-cycle, from creation to destruction.	Internet
41	EDS	EDS stands for "Electric Distribution Standards"	Employee
42	EEAC	"Training for managers in Amarillo, EEAC Conference in New Orleans and Business meetings in Denver". The Equal Employment Advisory Council (EEAC) is a nonprofit employer association founded in 1976 to provide guidance to its member companies on understanding and complying with their EEO and affirmative action obligations.	Internet

43	EEI	Edison Electric Institute	Internet
44	ELS for Diversity	""50% of 2-day workshop by ELS for Diversity"" - Enlightened Leadership Solutions (ELS) Leadership Development training seminars. - We (ELS) Make Managers Into Leaders quickly and effectively and guarantee your results. The Leadership Challenge: Numerous studies indicate that people join organizations, but they leave bosses. Up to 80% of employee turnover is directly caused by ineffective managers and leaders. Intangible assets like knowledge and information, while hard to measure, account for as much as 75% of an organization's value.	Employee
45	EMD	"Training for EMD Diesel Engines at Engine Systems Inc. in Rocky Mount, NC." - Electro Motive Diesel (EMD) Engines	Internet
46	EMDOG	Emergency Diesel Generator Owners Group	Employee
47	ENTELEC	ENTELEC is a User Association focusing on communications and control technologies used by petroleum, natural gas, pipeline and electric utility companies.	Internet
48	EP	""Mileage Reimbursement for EP meeting in Minneapolis."" - Emergency Planning is what EP stands for and is the name of the department that I previously supported.	Employee
49	EPRI	The Electric Power Research Institute (EPRI) is an independent, non-profit company performing research, development and demonstration in the electricity sector for the benefit of the public.	Internet
50	EPRI CBUG	The Electric Power Research Institute (EPRI) is an independent, non-profit company performing research, development and demonstration in the electricity sector for the benefit of the public. The EPRI Circuit Breaker Users Group (CBUG) facilitates meetings on each breaker and are intended to provide open discussions on maintenance, maintenance programs, technical issues, operations and maintenance experiences, tools and techniques, motor control center maintenance, switchgear and bus maintenance.	Internet
51	EPU	Electric Power Uprate	Employee
52	ERCM	Electronic Records Content Management. General Counsel was the first department to fully implement it. The software is called Meridio.	Employee
53	ERO	Electric Reliability Organization (Transmission)	Employee
54	ERSC	"Travel to FERC and MISO" -Energy Regional State Committee	Internet
55	ERWG INPO	INPO - the Equipment Reliability Working Group (ERWG)	Internet
56	ESRI	"Certification" - Esri Technical Certification exams are delivered exclusively at Pearson VUE testing centers, worldwide.	Internet
57	EUEC	""EUEC conference"" - ENERGY UTILITY ENVIRONMENT CONFERENCE	Internet
58	EU-HRMG	"Travel to Scottsdale (EU-HRMG), Denver" - Electric Utility-HR Metrics (EU-HRMG). The EU-HRMG is a nuclear industry-wide benchmarking project. The primary focus, in addition	Internet

			to benchmarking, is HR Metrics and Staffing & Recruiting for the future.	
59	FAT		Factory Acceptance Test (FAT)	Employee
60	FEI		"FEI Annual Dues" - Financial Executives International (FEI) Financial Executives International (FEI) is a member-service oriented organization based in Morristown, New Jersey for senior-level financial executives in companies in varying sizes, both public and private, and in all industries.	Internet
61	FEMA		The Federal Emergency Management Agency (FEMA) is an agency of the United States Department of Homeland Security.	Internet
62	FERC		Federal Energy Regulatory Commission	Employee
63	FERC DDS		FERC DDS - Federal Energy Regulatory Commission Division of Dam Safety also responsible for/regulates dam security.	Employee
64	FFD		Fitness For Duty	Employee
65	FHR		Flint Hills Resources	Employee
66	FOF		Force On Force exercises.	Employee
67	FPED		Force Protection Equipment Demonstration (nuclear plant security). Equipment to meet current and evolving force protection needs, anti-terrorist requirements, and the demands of an increasingly broad range of other physical security threats and challenges.	Internet
68	FRRB		Fuel Reliability Review Board	Employee
69	FSA		FSA is an acronym for focus self-assessment. Duane Arnold is a Nuclear power plant in Cedar Rapids Iowa.	Employee
70	FSRUG		FSRUG Feedwater System Reliability User's Group - A way for Feedwater System Engineers to connect, share operational experiences, and recommended practices in order to ensure reliable plant operations.	Internet
71	Future State		Future State teams in HR - Talent Mgmt to develop improvement initiatives regarding leadership, performance management, succession planning, culture, assessments, and on boarding.	Employee
72	FWH		"Travel to Pittsburgh to evaluate crack found in FWH @ Holtec Inc." - Feed Water Heater (FWH). Holtec International, a Delaware corporation, is a global turnkey supplier of equipment and systems for the Nuclear, Solar, Geothermal and Fossil Power Generation sectors of the energy industry.	Internet
73	FWSI		BWR (Boiling Water Reactor) Owners' Group (nuclear) Feedwater System Improvement (FWSI)	Internet
74	GCC		GCC - Department of Homeland Security (DHS) Critical Infrastructure Advisory Council (CIPAC) Government Coordinating Council (GCC).	Internet
75	GE7FA Users Group		"GE7FA Users Group - To provide an open forum through conferences and technological aids, to the Owners/Operators of General Electric Frame 7F/7H/9F/9H/6FA generator systems for effective communication, discussion, and information dissemination regarding the operation, maintenance, inspection, troubleshooting, and repair of such systems to maximize equipment performance and reliability.	Internet

76	GPTC	Gas Piping Technology Committee / American Gas Association.	Employee
77	Grede	""Grede Meeting"" - Grede is Grede Foundries, a Minnesota retail customer located in St Cloud, MN	Employee
78	Hope Creek Benchmarking	"Hope Creek Benchmarking; Industry benchmarking for resolution of red / yellow systems" - U. S. Nuclear Regulatory Commission - Hope Creek Generating Station: Additional benchmarking to establish scale model test (SMT) flow rates more representative of main steam flow speeds at current licensed thermal power (CLTP) and EPU conditions.	Internet
79	HTAC	The HTAC is the US Secretary of Energy's Hydrogen and Fuel Cell Technical Advisory Committee. I was appointed by the Secretary to this Committee several years ago and serve as the only utility representative on the Committee. Many of the issues discussed are of relevance to Xcel Energy and utilities in general (both gas and electric), such as stationary fuel cells in distributed generation applications and hydrogen energy storage for renewables integration applications.	Employee
80	HRBC	HRBC stands for Human Resource Business Consultant. The purpose of HRBC meetings is to bring all HRBC's (assigned to various business areas) together as a staff to discuss updates on ongoing HR initiatives (i.e., MERIT increases, IPAD, etc), upcoming roll out of new / or changes to initiatives or policy changes and focus on continuity in policy interpretation around HR issues across the company.	Employee
81	IECA	International Energy Credit Association. This is an organization which provides training to credit and contract administration professionals in the energy credit industry. These conferences have training sessions reflecting new contract issues impacting the industry, in 2012, this conference focused a lot on Dodd Frank contracting compliance issues.	Employee
82	IEEE	"Industry Dues" - IEEE, pronounced "Eye-triple-E", stands for the Institute of Electrical and Electronics Engineers. IEEE is the world's largest professional association dedicated to advancing technological innovation.	Internet
83	IH	Industrial Hygiene - Corporate Industrial Hygiene Support	Employee
84	ILRT	Prairie Island plant integrated leak rate test (ILRT).	Employee
85	INPO	INPO - The Institute of Nuclear Power Operations promotes excellence in the operation of nuclear electric generating plants.	Internet
86	INPO ATV	INPO Accreditation Team Visit. (ATV)	Internet
87	INPO E&A	INPO E&A and Training Accreditation Auditor.	Internet
88	INPO EAG	INPO - Advisory Group (EAG)	Internet
89	INPO SOER	INPO - SOER 10-2, "Engaged, Thinking Organizations" which says you need to have a "thinking" organization.	Internet
90	IPAD	Individual Performance And Development (IPAD) - Corporate employee performance evaluation reporting and review process.	Employee
91	IPTF	Interconnection Process Task Force	Employee
92	IRC	Investment Review Council	Employee

93	IRWA	IRWA - The International Right of Way Association (IRWA) creates public awareness, trust and confidence in the right of way process. IRWA has united the efforts of its members toward professional development, strong ethics and improved service to employers and the public, along with advancements within the right of way profession. IRWA is the unsurpassed source of right of way educational programs and professional services worldwide. Dedicated exclusively to the right of way profession, IRWA has nearly 10,000 members throughout the U.S. and Canada. Our members are multi-disciplined professionals employed by private industry and government agencies.	Internet
94	ISA	ISA Resources -The International Society of Automation is a nonprofit organization that helps its 30000 worldwide members and other automation professionals	Internet
95	ISCD	ISCD - Department of Homeland Security Chemical (Infrastructure Security Compliance Division) which regulates and enforces security for our Registered (18) and Tiered (2) Chemical Facilities.	Employee
96	JAC	"JAC Meeting" - JAC stands for Joint Apprenticeship Subcommittee, which I am a member representing the Chestnut Hazardous Waste Storage Facility and our Union apprenticeship program.	Employee
97	JTA	JTA - Job and Task Analysis. I was assessing each Operators capability to perform Power System Operations tasks in accordance with NERC Standard PER-005, Requirement 2.	Employee
98	KPI	Key Performance Indicator	Employee
99	KPMG	"KPMG is a global network of professional firms providing Audit, Advisory and Tax services. KPMG's Executive Education Continuing Education for Corporate Executives and their Staffs.	Internet
100	KPMG IFRS	Meet with KPMG regarding International Financial Reporting Standards (IFRS) readiness assessment proposal." KPMG is a global network of professional firms providing Audit, Advisory and Tax services.	Internet
101	LPI	"LPI Meeting" - LPI stands for Liberty Paper Incorporated in Becker, a Minnesota retail electric customer of NSP	Employee
102	LRIWG	Attend the NEI License Renewal Implementation Working Group (LRIWG) meeting in Miami, FL	Internet
103	LRTF	LRTF Meeting supporting license renewal aging management. LRTF stands for (Babcock & Wilcox Owners Group (B&WOG)) License Renewal Task Force	Internet
104	MARC	Mid-America Regulatory Conference	Employee
105	MASMS	"MASMS" - The Minnesota Educational Facilities Management Professionals (also known as MASMS) is a group of over 300 individuals in the area of facilities/grounds/health & safety/operations. The purpose of MASMS is to develop and maintain high standards in the administration, care, operation, planning, budgeting and development of buildings and	Internet

		grounds used by public and non-public educational facilities.	
106	MCT	"MCT" stands for Material Coordination Team, a new team formed under Supply Chain. The main responsibility is ensuring that materials are on time in full for all Substation and Transmission projects prior to construction start. The initiative spans all three OPCO's for coverage and our primary role is coordination of materials from the Supplier/Distributor to the Xcel Energy jobsite and/or Xcel Energy Warehouse for all major Substation and Transmission projects. We are striving for keeping crews working and having the materials at the right time, right place for increased productivity. MCT works with Engineering, Design, Construction, Buyers, Accounts Payable, Project Controls, Sourcing, Suppliers, & Warehousing to accomplish these tasks.	Employee
107	MIPSYCON	"Minnesota Power Systems Conference (MIPSYCON) - provides electric utility engineers and consultants the opportunity to stay abreast of today's power system technology. The conference emphasizes the unique challenges faced by electric utilities in the Midwest. The conference also serves as a forum for power engineers to meet with their colleagues from other utilities to discuss mutual concerns.	Internet
108	MISO	"Midwest Independent System Operator (MISO) is an essential link in the safe, cost-effective delivery of electric power across much of North America. We are committed to reliability, the nondiscriminatory operation of the bulk power transmission system, and to collaborating on creating cost-effective and innovative solutions for our changing industry.	Internet
109	Mk5 Control System training	"Mk5 Control System training in Salem, VA" - GE Energy Technical Training - This course provides training on the essential elements of the Mk V turbine control system. The course will include instruction on the hardware and software components of the Mk V control system and its interface system (HMI). Alarm troubleshooting and LVDT calibration will be central topics of the program.	Internet
110	MNGP	Monticello Nuclear Generating Plant	Employee
111	MNCPA	"acct assn" - Minnesota Society of CPAs	Internet
112	MNOPS	Minnesota Office of Pipeline Safety	Internet
113	MNSEIA	The Minnesota Solar Energy Industries Association (MnSEIA) represents and serves Minnesota energy professionals and solar energy users.	Internet
114	MP	Marquette Plaza office - Minneapolis	Employee
115	MRM	Management Review Meeting - these meetings are conducted to discuss process and expenditure changes that are made by the site management are subsequently reviewed by corporate management to ensure alignment with the Company's business goals.	Employee
116	NAEMA	The North American Energy Markets Association (NAEMA) is an independent, nonprofit trade	Internet

			association representing entities involved in the buying and selling (marketing) of energy or in providing services to the energy industry.	
117	NAPCO		North American Power Credit Organization	Employee
118	NARUC		"National Association of Regulatory Commissioners (NARUC) is the national association representing the State Public Service Commissioners who regulate essential utility services in your State. NARUC members are responsible for assuring reliable utility service at fair, just, and reasonable rates.	Internet
119	NDE		Non-destructive examinations	Employee
120	NEI / NEA		"The Nuclear Energy Institute (NEI) is the policy organization of the nuclear energy and technologies industry and participates in both the national and global policy-making process. NEI's objective is to ensure the formation of policies that promote the beneficial uses of nuclear energy and technologies in the United States and around the world. The Nuclear Energy Agency (NEA) is a specialized agency within the Organization for Economic Co-operation and Development (OECD), an intergovernmental organization of industrialized countries, based in Paris, France.	Internet
121	NEIL		Nuclear Electric Insurance Limited (NEIL) - The Company insures electric utilities for damages to insured sites, decontamination expenses incurred at such sites arising from nuclear contamination, other risks of direct physical loss at such sites, certain premature decommissioning costs, and the costs associated with certain long-term interruptions of electricity supply.	Internet
122	NERC		NERC "North American Reliability Corporation" who are the regulators overseeing the FERC mandated reliability standards.	Employee
123	NESCSL		Nuclear Energy Supply Chain Strategic Leadership	Employee
124	NFPA		"Codes" - National Fire Protection Association (NFPA) - The world's leading advocate of fire prevention and an authoritative source on public safety, NFPA develops, publishes, and disseminates more than 300 consensus codes and standards intended to minimize the possibility and effects of fire and other risks.	Internet
125	NICET		"License" - National Institute for Certification in Engineering Technologies (NICET) defines engineering technicians as the "hands-on" members of the engineering team who work under the direction of engineers, scientists, and technologists. More than 125,000 technicians and technologists have met NICET's rigorous certification criteria, and the number grows rapidly as more employers and local and state governments rely on NICET certification to measure the qualifications of their workforce.	Internet
126	NIEP		Nuclear Industry Evaluation Program (NIEP) - Insights to influence performance excellence at operating nuclear power plants.	Internet
127	NNSC		The National Nuclear Security Conference is an opportunity for	Internet

			security professionals to gather, exchange ideas and participate in discussions on the latest industry and Nuclear Regulatory Commission trends.	
128	NRA		"NRA" - The National Rifle Association (PI FOF and Range/Training Items)	Employee
129	NRC		The Nuclear Regulatory Commission	Internet
130	NRC RIC		NRC - Regulatory Information Conference (RIC)	Internet
131	NRRPT		"NRRPT Annual Dues" - The National Registry of Radiation Protection Technologists (NRRPT)	Internet
132	NSCA		Nuclear Safety Culture Assessment (NSCA) - All operating nuclear power plants strive to receive the coveted INPO "Excellent" rating on their evaluations; therefore, when the organization released the Principles for a Strong Nuclear Safety Culture in late 2004, nuclear power plant owners took notice. The Utilities Services Alliance Inc. (USA) responded to the INPO document and focused on ensuring its member plants operate in what it calls a "Strong Nuclear Safety Culture." USA developed the Nuclear Safety Culture Assessment (NSCA) process tool. The tool's purpose is to evaluate an organization's overall safety culture and provide an early warning of areas where that culture could be beginning to erode. The tool is a formal mechanism that judges plant personnel's behaviors to ensure they maintain the appropriate focus on nuclear safety.	Internet
133	Nuclear AA/FFD		Nuclear Access Authorization (AA) - The licensee for each nuclear power plant licensed under 10 CFR Part 50 is required to develop, implement, and maintain an Access Authorization (AA) program to protect against an insider threat at the plant. Fitness For Duty (FFD) - implementation of 10 CFR Part 26 Fitness for Duty Program requirements.	Internet
134	NUCC		Nuclear Utility Coatings Council	Employee
135	NWSC		Nuclear Waste Strategy Coalition	Employee
136	ODL		Outdoor Lighting - Distribution Operations	Employee
137	OH		Overhead Electric Service Lines - Distribution Operations	Employee
138	PAC		PAC stands for "Program Advisory Committee". This acronym is used by Energy Supply and Nuclear Generation employees. These are quarterly training meetings. The maintenance programs that require these meetings are I&C, Electrical and Mechanical.	Employee
139	PACT		PACT is the Professional Association of Computer Trainers.	Employee
140	PBAPS		"Traveled to PBAPS in Delta, Pa to walk down their RP Remote Monitoring Camera system." - Peach Bottom Atomic Power Station (PBAPS) is a two-unit nuclear generation facility located on the west bank of the Conowingo Pond (Susquehanna River) in Delta, Pennsylvania.	Internet
141	PINGP		Prairie Island Nuclear Generating Plant-PINGP	Employee
142	PM		Project Manager	Employee
143	PMI		Project Management Institute	Employee
144	PowerPlan		"Work with PowerPlan in Denver" - PowerPlan's business performance management (BPM) solution provides	Internet

			powerful budgeting, in-depth analysis, and flexible reporting features that replace spreadsheets and cumbersome, error-prone tools.	
145	PRA		Probabilistic Risk Assessment (PRA) Modification	Employee
146	PRDIG		Pressure Relief Device Interest Group (PRDIG)	Employee
147	PTL		"PTL Meeting at Wilmarth" - PTL is short for "Pathway to Leadership" and the meeting was at the Wilmarth power plant. Pathway to Leadership is a program Xcel Energy has initiated to identify and develop future leaders for the company in a mentoring intense setting. In this program, members of our mentoring group visited a small Refuse Derived Fuel (RDF) power electrical generating facility and had our monthly meeting on site. The topic was on Trust in the Workplace.	Employee
148	PTT		Productivity Through Technology (PTT) is a commitment to uncover innovative solutions to employees' work challenges. We are evaluating technologies that can streamline, simplify, and improve work processes throughout the Operations and Nuclear organizations.	Internet
149	PWG		"THIS IS PSCo: PWG stands for Performance work group, it's part of WECC Western Electric coordinating council which PSCo is a part of the interconnection (www.wecc.biz) I am on the PWG group which helps define standards for WECC and NERC and assists with compliance of members."	Employee
150	PWR Owners Group		Pressurized Water Reactor (PWR) Owners Group (nuclear)	Internet
151	PWROG		"Pressurized Water Reactor Owners Group - Nuclear - Attend the PWROG Meeting	Internet
152	Quad FBM		Formal Benchmark of Quad Cities Nuclear Generating Station.	Employee
153	RDF		RDF - Renewable Development Fund	Employee
154	RFP FAT		Request For Proposal (RFP)	Employee
155	REC		Renewable Energy Credits	Employee
156	RIC		U.S. Nuclear Regulatory Commission's (USNRC's) Regulatory Information Conference (RIC)	Internet
157	RIMS		Risk Management & Insurance Society	Internet
158	River Bend		""Benchmark trip to River Bend"" - River Bend Nuclear Generating Station is a nuclear power station on a 3,300-acre (13 km <sup>2</sup> ) site near St. Francisville, Louisiana, approximately 30 miles (50 km) north of Baton Rouge. The plant has a General Electric 978 MW[1] boiling water reactor, which began operation on June 16, 1986. River Bend is operated by Entergy Nuclear and owned by Entergy Gulf States, Inc.	Internet
159	RMEL		RMEL is a not-for-profit energy trade association that has served the electric utility industry with a variety of education and networking services since 1903. Dedicated to fostering a thriving community of electric energy professionals, RMEL's 300 corporate members share ideas, techniques and programs to better serve the industry and its customers. Once known as the Rocky Mountain Electrical League.	Internet
160	RPC		"NSP Plant Visit, NSP Directors' and NSP RPC attendance" - RPC is the "Regional Project Committee" capital project meeting. Committee meets to	Employee

			review Energy Supply's ongoing & future capital projects.	
161	RPS		RPS - Renewable Portfolio Standard (RPS).	Employee
162	RSC		"RSC" stands for Regional Safety Committee. Each of our power plants in the MN/WI region has a safety committee. The RSC is composed of one or two members from each of our region's plant safety committees (approx. 25 people). The RSC works on safety issues/initiatives at a regional level.	Employee
163	RTC		Riverside Training Center (Riverside generation plant)	Employee
164	S3		Sherco Generation Plant - Unit #3	Employee
165	SACC Job Fair		Registration fee for the Washington, D.C. SACC Job Fair"" - Service Academy Career Conference (SACC) Job Fair: Recruiting for: Engineers, Pilots, Program Managers, Business and Cost Analysts etc. This was a job fair for Service Academy alumni/veterans. The purpose of attending this job fair was to support military hiring at Xcel Energy and recruit Service Academy alumni/veterans for opportunities at Xcel Energy; these types of new hires, with specialized training, add immediate value to an organization. The registration fee was a flat rate; however, we did have 3 employees attend to recruit at this event.	Employee
166	SAG		Safety Advisory Group (SAG). Each geographical work area has a field employee assigned as a member to the Safety Advisory Group (SAG). These groups meet regionally monthly and jointly on a quarterly base to proactively seek solution to safety concerns and enhance workplace safety.	Employee
167	SAGE		Supportive Association for Gay, Lesbian, Bi-Sexual, Transgender, Ally Employees	Employee
168	SAS		"SAS is the leader in business analytics software and services and the largest independent vendor in the business intelligence market.	Internet
169	SAWG		"Supply adequacy working group	
170	SC		Supply Chain department.	Employee
171	SCC		SCC - Department of Homeland Security (DHS) Critical Infrastructure Advisory Council (CIPAC) Dams Sector Coordinating Council (DSCC). This is the Private Sector Dam Owner and Operator Coordinating Council.	Employee
172	SCCIA		SCCIA promotes the formation and growth of captive insurance programs. Captive insurance programs are a valuable tool for many corporate entities looking for a better way to manage risk.	Internet
173	SCLT		SCLT stands for "Supply Chain Leadership Team" meeting where all direct reports gather to plan the department budget, plan our projects and initiatives, safety programs, training and address critical operating requirements for the upcoming year. Since all of us have employees in all regions it is critical we are consistent and aligned with each region's operating priorities.	Employee
174	SCSU		St. Cloud Minnesota State University	Employee
175	SDG&E		San Diego Gas & Electric - a Sempra Energy utility.	Internet

176	SFDC	SFDC - SalesForce.Com. The meetings were to set the requirements for our new CRM (customer relationship management) software.	Employee
177	SFPE	Society of Fire Protection Engineers	Employee
178	SGA	Southern Gas Association - a 501 (c)(6) organization. Serves members who conduct business in the following sectors of the natural gas industry: Distribution, Transmission (pipeline) and Gas Supply Marketing. Produces events and manages joint industry projects, conducts surveys on business critical issues, and facilitates peer-to-peer collaboration for the purpose of identifying and implementing best practices.	Internet
179	SGMP TAG	Steam generator management program technical advisory group	Employee
180	SGS	SGS is the world's leading inspection, verification, testing and certification company. The Company was first registered in Geneva as Société Générale de Surveillance in 1919.	Internet
181	SHC	Sherco Fossil Plant.	Employee
182	SIM	SIM - Strategic Initiative Meeting	Employee
183	SHRM	"SHRM" - The Society for Human Resource Management (SHRM) is the world's largest association devoted to human resource management. Representing more than 250,000 members in over 140 countries, the Society serves the needs of HR professionals and advances the interests of the HR profession.	Internet
184	SISW	Safety Intervention and Stop Work training. This was required training. The training was required to be completed in a specific time frame so travel was required to the sites where the employees were working.	Employee
185	Skire Unifier Software	Skire's Unifier (software) offers an agile, web-based, collaborative solution for organizations looking to manage, maintain and optimize their property portfolio, facilities and capital assets.	Internet
186	S&T	Safety and Training department	Employee
187	SL&R	Siting and Land Rights department.	Employee
188	SLT	Senior Leadership Team	Employee
189	SME	"Travel for meetings in order to transition from SME to Sub Syst Perf department" - SME stands for Substation Maintenance Engineering	Employee
190	Sox	Sarbanes-Oxley (SOX) - The Sarbanes-Oxley Act of 2002, or SOX, is a United States federal law that set new or enhanced standards for all U.S. public company boards, management and public accounting firms.	Internet
191	SPP	Southwest Power Pool Electric Energy Network	Internet
192	Star Achievement Certification	Star Achievement Certification Part III"" (training) - Star Achievement Certification: The Star Achievement Series® is a training program developed by the Founder and CEO of Office Dynamics, Ltd, Joan Burge. Joan is an author and national corporate trainer with over 25 years of experience in the administrative and training profession. The philosophy behind Star Achievement® is that it takes a combination of skills, attitude, teamwork and strategies to stay on the cutting edge.	Employee
193	STEP	STEP - Success Through Employee Participation employee development program	Employee

194	SUG	The Settlement User Group shall be utilized to develop recommendations related to financial settlements of Energy Market activities administered by SPP.	Internet
195	SWG	"SWG Meeting" - SWG stands for Security Working Group. It is a group of utility security professionals, NEI (Nuclear Energy Institute) and NRC folks.	Employee
196	Taleo	The Oracle Taleo Cloud Service enables enterprises and midsize businesses to recruit top talent, align that talent to key goals, manage performance, develop and compensate top performers, and turn today's best performers into tomorrow's leaders.	Internet
197	TAPS	TAPS - Travel and Procurement System. The new SumTotal application includes functionality to require users to upload scanned images of required receipts and attach them to their expense report systematically.	Employee
198	TLP	TLP - Transmission's Transmission Line Performance department	Employee
199	TM	TM - Human Resources' Talent Management department	Employee
200	TMI	TMI - Three Mile Island nuclear generation plant	Employee
201	TRO	TRO stands for Transmission Resource Optimization. The substation group although in the transmission business unit actually works on both transmission and distribution substation assets.	Employee
202	True North	"True North Membership Dues" - True North Consulting is an Engineering Services company specializing in support for the electric power industry. Founded in 1999, True North has provided engineering based consulting services to the majority of US utilities and to several abroad.	Internet
203	TSPS	TSPS - Transmission & Substation Performance and Standards.	Employee
204	TSS	TSS - Transmission and Substation Standards	Employee
205	TW	Towers Watson Vendor - a leading global professional services company that helps organizations improve performance through effective people, risk and financial management, offering solutions in the areas of benefits, talent management, rewards, and risk and capital management.	Internet
206	UCMDB	UCMDB is Universal Configuration Management Data Base. It's a system that tracks, records, and correlates hardware and software throughout the company. We are implementing the uCMDB for monitoring and controlling assets and asset interactions across the company.	Employee
207	UFLS	Under Frequency Load Shed - Distribution Electric Engineering program	Employee
208	UG	Under Ground systems	Employee
209	UHC	United Healthcare vendor - Health insurance and medical care options for employer groups.	Internet
210	UI	Utilities International, Inc. vendor - Utilities International's UIPlanner software is designed specifically for utilities. UIPlanner is now the leading financial planning software within the utility industry.	Internet

211	USA	Utilities Service Alliance (USA) is a not-for-profit cooperative designed to facilitate collaboration among its member utilities. Together, we work to reduce operating and maintenance costs, improve safety and performance, and provide innovation and leadership within the nuclear power industry.	Internet
212	USUG	Utility Simulator Users Group - "Simulator Supervision MNGP ILT, NRC Exam Post Exam Activities, ANSI/ANS-3.5 Committee Meeting	Internet
213	USSD	FERC - United States Society on Dams	Internet
214	USWAG	Utility Solid Waste Activities Group - USWAG provides the most comprehensive, knowledgeable and experienced legal and technical resources on utility solid waste management issues available.	Internet
215	UVIG	Utility Variable-Generation Integration Group - The UVIG Board of Directors officially voted to change our name from the Utility Wind Integration Group (UWIG) to the Utility Variable-Generation Integration Group at the board meeting in Maui last October. The change was driven by requests from our members facing rapid growth from solar generation.	Internet
216	UWIG	Utility Variable-Generation Integration Group - The UVIG Board of Directors officially voted to change our name from the Utility Wind Integration Group (UWIG) to the Utility Variable-Generation Integration Group at the board meeting in Maui last October. The change was driven by requests from our members facing rapid growth from solar generation.	Internet
217	Ventyx	Ventyx, an ABB company, is the world's leading supplier of enterprise software and services for essential industries such as energy, mining, and public infrastructure.	Internet
218	VOC	VOC is an internal abbreviation for Voice of the Customer, an ongoing tracking market research study of customer perceptions of Xcel Energy. Focus groups were held to provide direction for the online portion of the work now underway.	Employee
219	VOIP	VOIP - Voice Over Internet Protocol	Employee
220	WAPA	Western Area Power Administration	Internet
221	WECC	The Western Electricity Coordinating Council (WECC) is the Regional Entity responsible for coordinating and promoting Bulk Electric System reliability in the Western Interconnection.	Internet
222	WFC	WFC - Human Resources Workforce Strategy department's "Work Force Council"	Employee
223	WFP	"WFP is "Work Force Planning", which is a major ongoing Corporate HR and Operations initiative to make sure our staffing is "right-sized", with the right number and mix of employee grades and skill sets for the future. Also part of this is developing short- and long-term plans to prepare the Company for employee retirements and the associated loss of institutional knowledge.	Employee
224	WFR	WFR - Human Resources' Safety & "Work Force Relations" department	Employee
225	WICF	"The Western Interconnection Compliance Forum (WICF) has emerged as a dynamic information	Internet

			sharing organization within the Western Interconnection. It is run by and on behalf of entities subject to WECC and NERC compliance requirements."	
226	WIL		WIL - "Women in Leadership" is an industry professional organization	Employee
227	WIN		WIN - "Women's Interest Network" which is an Xcel Energy employee network group. Our team often supports various employee events they hold to develop their members (Xcel Energy employees), focused on career development, competencies and interviewing skills.	Employee
228	WSPP		Western Systems Power Pool (WSPP) is an agreement and an organization that creates power trading opportunities and allows WSPP members to manage power delivery and price risk. The Current WSPP Agreement effective April 23, 2012, updated July 12, 2012, is the most commonly used standardized power sales contract in the electric industry. It is approved by the FERC and used by jurisdictional and non-jurisdictional entities.	Internet
229	WUA		Wisconsin Utilities Association	Internet

**Table 4 - TIME Earnings Codes**

Earning Code Group	Earning Code Desc
Per Diem-Related	Per Diem Overnite - Per Diem Overnite No Per Diem Rptg - T/R Per Diem Overnite Tx Per Diem Overnite No PerDiem Txbl M&I Per Diem Non-Tx M&I Per Diem Taxable Per Diem Non-Tax
Meal-Related	Overtime Meal Taxabl Overtime Meal Cash Taxable Meal Meal Non-Taxable
Mileage-Related	Zone Mileage Casual Use Mileage
Allowance-Related	BA Site Allowance Boot Allownce Outage Allowance
Other	Midweek Trnsfr Pymt Reporting Pay Daily Trav-Res Share Daily Assg-Res Share Parking Reimbursement Uniform Reimbursemen

**Fleet, Tools, & Equipment - Capital Additions**  
**State of MN Gas Jurisdiction**  
**Includes AFUDC**

Capital Budget Groups	Func Class Descr	WBS Level 2	Description <sup>1</sup>	2022
Asset Replacements	Gas General Plant	A.0006056.001	MN-Dist Fleet New Unit Purchase Gas	3,299,129
Asset Replacements	Common General Plant	A.0006056.003	MN-Dist Fleet New Unit Purchase Com	89,495
Asset Replacements	Common General Plant	A.0006056.206	MN-Dist Fleet New Unit Purchase Com	26,769
Asset Replacements	Gas General Plant	A.0006056.217	ND-Dist Fleet New Unit Purchase Gas	369,744
Asset Replacements	Common General Plant	A.0006056.254	Fleet-PHEV-NSPM > \$50K COMMON	11,879
Asset Replacements	Common General Plant	A.0006056.288	Fleet-PHEV-NSPM Dist < \$50K COMMON	105,761
Asset Replacements	Gas General Plant	A.0006056.296	Fleet-PHEV-NSPM < \$50K GAS	77,900
Asset Replacements	Gas General Plant	A.0006056.354	NSPM PHEV >\$50K Gas	70,000
Asset Replacements	Gas General Plant	A.0006056.204	MN-Gas Op Fleet New Unit Purchase <	340,460
Fueling	Common General Plant	A.0006056.334	NSPM - Dist Fleet Fuel Remediation	37,335
Repairs	Gas General Plant	A.0006056.204	MN-Gas Op Fleet New Unit Purchase <	20,000
Tools	Common General Plant	A.0001727.005	COS-CAP-UAS-NSPM-TOOLS Common	8,768
Tools	Common General Plant	A.0006056.246	MN - Dist Fleet Transp Tools Common	76,877
<b>Grand Total</b>				<b>\$ 4,534,118</b>

<sup>1</sup> All capital additions listed herein are for the State of Minnesota Gas Jurisdiction, regardless of the Description.

**PUBLIC DOCUMENT –  
HIGHLY CONFIDENTIAL – NOT PUBLIC DATA HAS BEEN EXCISED**

Northern States Power Company

Docket No. G002/GR-21-678  
Exhibit\_\_\_\_(WHK-1), Schedule 10  
Page 1 of 2

**Employee Labor Costs for Lobbying Activities**

In compliance with ALJ Finding 557 in Docket No. E002/GR-10-971, this schedule includes a report of the total compensation for employees engaged in lobbying, with an explanation of the costs included and excluded in the rate request.

This schedule shows the total salary budgeted for 2021 employees engaged in lobbying and other civic and political type activities. This includes employees whose compensation is, in part, included in this rate request.

Employee labor costs are budgeted within a department by level of position based on the average salary for that position. The department labor costs are then allocated between lobbying and non- lobbying activities at an aggregated level and reported in total for each department. Labor costs are also not uniquely identified in the budget specific to just legislative lobbying. FERC account 426.4 includes lobbying and other civic and political type activities. Using this budgeting process, the approximate percentage of time spent by each of the employees performing lobbying and other civic and political type activities is shown in this schedule. This is the percentage that is budgeted below the line.

Using this budgeting process, this schedule also shows the amount included in above the line FERC account 920 for 2021.

**PUBLIC DOCUMENT –  
HIGHLY CONFIDENTIAL – NOT PUBLIC DATA HAS BEEN EXCISED**

Northern States Power Company

Docket No. G002/GR-21-678  
Exhibit\_\_(WKH-1) Schedule 10  
Page 2 of 2

**Lobby Costs**

**NSPM Government Affairs - MN 102333**  
Lobbying Activities = 25%  
Non Lobbying Activities = 75%

Job Code	Number of Positions	Average Salary	Total of Average Salaries	Lobbying Labor Costs (1)	Non-Lobbying Labor Costs (2)
[PROTECTED DATA BEGINS]					
DIR581: Director Regional Government Affairs TML115: Manager State Government Affairs					
PROTECTED DATA ENDS]					

**Federal Government Affairs - 102629**  
Lobbying Activities = 60.4%  
Non Lobbying Activities = 39.6%

Job Code	Number of Positions	Average Salary	Total of Average Salaries	Lobbying Labor Costs (1)	Non-Lobbying Labor Costs (2)
[PROTECTED DATA BEGINS]					
AST271: Administrative Assistant COS280: LOBBYIST*FEDERAL GOVNT AFFAIR DIR796: SR DIR*FED GOVTL AFFAIRS COS613: PAC Manager					
PROTECTED DATA ENDS]					

**NSPM Community Relations - MN - 102346**  
Lobbying Activities = 7.4%  
Non Lobbying Activities = 92.6%

Job Code	Number of Positions	Average Salary	Total of Average Salaries	Lobbying Labor Costs (1)	Non-Lobbying Labor Costs (2)
[PROTECTED DATA BEGINS]					
AST273: Administrative Assistant COS180: Community Relations Manager COS449: MANAGER*EXTERNAL AFFAIRS DIR647: Director Community Relations RTL003: ROTATIONAL POSITION					
PROTECTED DATA ENDS]					

**Strategy, Planning and External Affairs - 102456**  
Lobbying Activities = 3.6%  
Non Lobbying Activities = 96.4%

Job Code	Number of Positions	Average Salary	Total of Average Salaries	Lobbying Labor Costs (1)	Non-Lobbying Labor Costs (2)
[PROTECTED DATA BEGINS]					
AST252: ASSISTANT*EXECUTIVE OFC300: SVP, Strategy, Planning & External Affairs					
PROTECTED DATA ENDS]					

**Notes:**

- (1) Approximate amount of compensation included in below the line FERC account 426.4  
(2) Approximate amount of compensation included in above the line FERC account 920