STATE OF MICHIGAN

BEFORE THE MICHIGAN PUBLIC SERVICE COMMISSION

In the Matter of the application of Northern States Power Company – Wisconsin, d/b/a Xcel Energy, for approval of its plan for implementation of 2000 PA 141	))))	Case No. U-12651

SUPPLEMENTAL TESTIMONY OF DONALD F. RECK

NORTHERN STATES POWER COMPANY – WISCONSIN

d/b/a XCEL ENERGY

June 5, 2001

Q: Please state your name and business address.

A: My name is Donald F. Reck and my business address is 1414 West Hamilton Avenue, P.O. Box 8, Eau Claire, Wisconsin 54702-0008

Q: By whom are you employed and in what capacity?

A: I am employed as a Manager of Regulatory Administration by Xcel Energy Services Inc., the service company for Xcel Energy Inc. Xcel Energy Services Inc. provides corporate and other services, including regulatory services, to Xcel Energy Inc. and its subsidiaries. Xcel Energy Inc. is the holding company created by the merger of Northern States Power Company and New Century Energies, Inc. Northern States Power Company, a Minnesota corporation (NSP-Minnesota) and Northern States Power Company, a Wisconsin corporation (NSP-W or the Company), are both wholly owned operating subsidiaries of Xcel Energy Inc. I am appearing in this proceeding on behalf of NSP-W.

Q: Did you submit written testimony earlier in this proceeding?

A. Yes. My initial written testimony was filed on February 20, 2001 and my rebuttal testimony was filed on April 27, 2001. My qualifications and experience are described in the earlier testimony. I have continued to oversee the process to implement NSP-W's electric choice program in Michigan since filing that testimony.

Q: Please summarize the purpose and scope of this supplemental testimony.

A: In the earlier testimony, I stated that the preparation of the Company's retail access service (RAS) tariff containing the terms and conditions of retail access choice is an on-going process. This supplemental testimony provides a summary of the overall approaches in the tariff and the changes to the tariff since the Company filed the draft identified as Exhibit A-___ (DFR-1) on February 20.

Q: Are you sponsoring any additional exhibits?

A: Yes. Exhibit A-__ (DFR-2) is an updated copy of the RAS tariff which reflects the continued work and revisions resulting from the Michigan Electric and Gas Association (MEGA) project team effort, testimony of the parties and Commission Staff, and subsequent discussions with Commission Staff on their concerns. The tariff in Exhibit A ___ (DFR-2) supersedes the earlier version of the Company's proposed tariff for RAS included in Exhibit A ___ (DFR-1). In addition, Exhibit A-___ (DFR-3) provides the Company-specific values for certain items left blank in the tariff, Exhibit A ___ (DFR-2). This was prepared because the tariff was developed based on common terms and conditions, recognizing that each company might have different rates or values for the items left blank. The unbundled rates for Company services are addressed in the testimony and exhibits of Mr. Gerald W. Marx.

Q: In general, what are the changes from the draft tariff submitted in February?

A: Changes occur in each of the tariff's five major sections – Introduction, Customer section, Alternative Electric Supplier section, Dispute Resolution section, and Liabilities section. In the Introduction, NSP-W has updated a few of the definitions, either to adopt suggestions by Staff witness Paul Carlson or to clarify the meaning. New defined terms were added for the settlement process, which was not part of the earlier version of this tariff.

In the Customer section, there were minor word changes and filling in of some blanks. Additional changes were made to Part 2.3, regarding the fee for customer information, Part 2.5 concerning metering and load profiling and Part 2.6 on the return of customers to full requirements service. The metering and load profiling section in the earlier draft was incomplete and the returning customer provisions have been the subject of further review, discussion and minor revisions.

In the Alternative Electric Supplier section, Part 3.7 was added to address the "settlement process" which refers to the reconciliation of AES scheduled power and other services with the actual power and other services used by the customers of an AES. This language was not ready for filing in February. The creditworthiness language has also been changed in consideration of the Staff position. There were also other minor changes as there were with the first two sections.

Finally, the Dispute Resolution and Liability sections contain only a few minor word changes. The liability provisions now appear in a separate section instead of being included in both the Supplier and Customer sections.

Q: Please explain the basic approach adopted in the Customer Section of the tariff.

A: There is a general statement in Section 1.1 of the customer role. Existing and new customers for basic residential, commercial and industrial metered electric services will be eligible for customer choice for generation service on and after January 1, 2002. An AES chosen by the customer will submit the switch request by means of a defined transaction process. NSP-W will begin to process switch requests received from an AES on or after January 1, 2002, but not before that date. Most switches from NSP-W's full requirements service to an AES or from one AES to another will be effective on the first day of the next customer meter-reading cycle, provided there are at least 8 days between confirmation of the request and the next cycle.

Customers below the 25 kW demand threshold will have the option of requesting an interval demand meter, subject to a monthly charge, or using the Company's determination of load profile under the system residual method. Energy consumption and demand, for settlement purposes, will be determined using the interval demand meter data for those customers who have such meters or otherwise by using the company load profile.

If a customer taking generation service from an AES decides to return to the full requirements service of NSP-W, then a six-month notice is required and the customer must remain on the Company's full requirements service for the next 12 months after return to full requirements service. Those customers will pay the Company's standard rates for full requirements service upon returning. Customers may return on shorter notice; however, upon return they will be served under default service for the balance of the required six-month notice period at marginal rates for the generation service based on the Company's top incremental generation cost. These customers must also remain on the Company's full requirements service for 12 months, starting with the date they move from default service to full requirements service.

Q: Please explain the basic approach under the Supplier Section of the tariff.

A: In order to enroll customers under the tariff, the AES must comply with applicable licensing, performance, legal and creditworthiness standards and enter into a written agreement with the Company. The AES must also have arrangements for transmission of electricity to the Company's point of receipt for delivery to the AES's customers. The Company will begin processing switch requests submitted by an AES on January 1, 2002.

The AES must have and maintain aggregate load of at least 1000 kW to serve customers in the Company's area. The AES must obtain customer approval for the switch and submit its request to the Company by means of a defined transaction. The AES is responsible for daily scheduling of power deliveries to the Company for distribution to the AES customers. The amount of power scheduled must include losses associated with the delivery of the power to the AES customers.

An AES customer remains a customer of the Company for distribution service regardless of the service voltage level. The AES must bill its customers separately for power and other services delivered through the Company unless there is an agreement between the AES and the Company to bill for services provided by the AES and the Company. The written billing service agreement will be subject to tariff requirements and an agreement on the charges for this service. The settlement process in the tariff allows for flexibility in periodic statements due to the involvement of the transmission service provider. Settlement invoices will be processed monthly.

Q: Do you have any comments on the remaining tariff language?

A: The dispute resolution process calls for efforts to resolve disputes informally at first, with optional arbitration to follow. The Liabilities section provides standard limitations of liability for the Company.

My summaries of the general approaches and changes of each section from the February tariff do not include every item changed or updated, but for the most part, the tariff speaks for itself. In addition, the Company continues to support those points I raised in my rebuttal testimony dated April 27, 2001, except for minor changes made to the creditworthiness section in response to concerns raised by Commission Staff.

Q: What procedure will the Company follow to complete the RAS tariff in time for the January 1, 2002 implementation date?

A. The final tariff will be modified to put it in the proper Commission format for approved tariffs of the Company including headers, footers, and identification of the Company. This would not involve any changes in the terms and conditions of the tariff. To the extent that issues remain to be resolved in this proceeding, the final tariff will reflect the determination reached by the Commission through its review and approval of various positions and/or settlement among the parties.

Q: Does this complete your testimony at this time?

A: Yes.

Exhibit A ____ (DFR-2)

Northern States Power Company – Wisconsin
d/b/a Xcel Energy

RETAIL ACCESS SERVICE TARIFF

June 5, 2001

RETAIL ACCESS SERVICE TARIFF

1.0 INTRODUCTION AND DEFINITIONS

This tariff is intended to provide the terms and conditions associated with Retail Access Service as well as provide information regarding the roles of the various market participants. This tariff includes the following sections:

Introduction and Definitions	Section 1.0
Customer	Section 2.0
Alternative Electric Supplier (AES)	Section 3.0
Dispute Resolution	Section 4.0
Liability	Section 5.0

In cases where a Customer chooses to participate in Retail Access Service and obtain Generation Service from an Alternative Electric Supplier (AES), the Company will maintain a relationship and interact with two separate participants -- the Customer and the AES.

1.1 The Customer Role

The Customer is the end-user of Power at one or more locations in the State of Michigan who has facilities connected to the Company's Distribution System. Under Retail Access Service, the Customer will conduct transactions with at least two participants - the Company and an AES. The decision to choose an AES or to remain on Company service will be made by the Customer.

The Customer must already be connected to the Company's Distribution System as a Full Requirements Service Customer or meet the requirements for new Customers connecting to the Company's Distribution System as defined in the Company's applicable tariffs and service rules.

1.2 The Supplier Role

An Alternative Electric Supplier (AES) is a Person that has been licensed to sell retail electricity in Michigan. AESs take title to Power and sell Power in Michigan's retail electric market.

An AES makes necessary arrangements to provide Power to Customers, assembles products and/or services, and sells the products and/or services to Customers. AESs must meet all applicable statutory and regulatory requirements of Michigan and federal law.

Market participation responsibilities of the AES include: scheduling energy, obtaining and paying for transmission and ancillary services (including energy imbalance charges), and payment or provision of energy for losses incurred on the Transmission System and the

Distribution System to deliver Power. The AES is responsible for assuring power supply, arranging deliveries to the Company's Distribution System and managing its own retail sales.

1.3 Definitions

"Alternative Electric Supplier" or "AES" means a Person properly licensed by the Commission to sell electric Generation Service to retail Customers in the state of Michigan. AES does not include the Person who physically delivers electricity from the AES directly to retail Customers in Michigan.

"Commission" means the Michigan Public Service Commission.

"Company" means ___________________________ or its agent.

"Customer" means, for purposes of Retail Access Service, a Person with electrical load facilities connected to the Company's Distribution System and to whom Power is delivered to its Location(s) pursuant to this tariff. All Customers, regardless of the voltage level of the service, are considered to be connected to the Company's Distribution System.

"Default Service" means Generation Service provided by the Company to Customers who are no longer being served by an AES for any number of reasons, in situations where the Customer is not eligible for Full Requirements Service.

"Demand" means the amount of Power required to meet the Customer's load at a given instant or averaged over any designated interval of time, expressed in kilowatts or megawatts.

"Distribution Point of Delivery" means the point of interconnection between the Company's Distribution System and the Customer's service Location.

"Distribution Point of Receipt" means the point of interconnection between the Company's Distribution System and the Transmission System or other facilities where electric Energy is received for delivery to a Customer.

"Distribution System" means facilities operated by the Company for the purpose of distributing electric power within the Company's electric service territory, which are subject to the jurisdiction of the Commission.

"Drop Request" means a request by an AES to terminate Generation Service to a Customer.

"Energy" means the capacity for doing work. In the context of this tariff the word energy refers to "electrical energy". Energy is usually measured in kilowatt-hours (kWh).

"Energy Meter" means a meter capable of measuring and recording energy on a kWh basis.

"Full Requirements Service" means the provision of retail regulated electric service including generation, transmission, distribution and ancillary services all provided by the Company.

"Generation Service" means the provision of electric Power and related ancillary services.

"Interval Demand Meter" means a meter capable of measuring and recording kW demands and kVAR demands on a sub-hour time interval and hourly integrated basis and measuring energy in kWh on a cumulative basis.

"Load" means any end-use device drawing energy from the electric system.

"Load Profile" means an allocation of a Customer's electricity usage to discrete time intervals over a period of time, based on individual Customer data or class averages, used to estimate electric supply requirements and to determine cost of service to the Customer.

"Location" means each Customer facility whether owned or leased.

"Maximum Demand" means the highest ____-minute integrated demand created during the current and previous 11 billing months at each voltage level, whether the Customer received service under this tariff or another Company retail tariff. For Customers that do not have an Interval Demand Meter installed, the Company will determine the Maximum Demand utilizing the average load factor of the rate class of the Customer.

"Open Access Transmission Tariff (OATT)" means Open Access Transmission Tariff of a Person owning or controlling the Transmission System, on file with the Federal Energy Regulatory Commission, as amended from time to time.

"Person" means an individual, governmental body, corporation, partnership, association, or other legal entity.

"Power" means a combination of the electric Demand and Energy requirements of the Customer.

"Retail Access Service" means the service offered by the Company under applicable laws, regulations, tariffs and agreements, which allows the Customer to purchase Generation Service and transmission service from a licensed AES, with Power delivered through the Company's Distribution System.

"Regulated Electric Service" means the services offered by the Company under terms and conditions approved by the Commission.

"Settlement Invoice" means a detailed bill of all energy and ancillary services provided to an AES by the transmission service provider, control area operator, or the Company, as appropriate.

"*Settlement Statement*" means a reconciliation of the energy and ancillary services scheduled by the AES with those actually consumed or used by the AES and its Retail Access Service customers. The energy and ancillary services will be quantified in units generally accepted by the utility industry, e.g., energy will be measured in kilowatt-hours or megawatt-hours. Contents of the Settlement Statement will be suitable for the preparation of the Settlement Invoice, i.e., energy and ancillary services scheduled and used will be presented for discreet time periods such as hourly or 15-minute intervals.

"Slamming" means the act of changing the Customer's chosen AES, or changing the Customer from Full Requirements Service to Generation Service from an AES, without the Customer's consent.

"Switch" means a Customer move from one provider of Generation Service and transmission service to another.

"Switch Date" means the date on which the Customer is actually assigned to a new AES for purposes of Energy supply responsibility.

"Switch Request" means a request by an AES to switch a Customer from the Company or another AES to the requesting AES, for Generation Service.

"Switch Response" means a response sent by the Company to an AES which submitted a Switch Request that confirms the requested Customer switch as pending and provides certain Customer information or, if the Switch Request is denied, provides a reason or invalidation code explaining why the request was denied.

"Transition Charge" is a surcharge for the recovery of costs associated with the implementation of Retail Access Service and/or the Company's stranded costs arising from implementation of Retail Access Service.

"Transmission System" means facilities operated by a Person used for transmitting electric Power to the Distribution Point of Receipt, and subject to the jurisdiction of the Federal Energy Regulatory Commission.

"Uniform Data Transaction" means specific technical arrangements for trading information, initiating business requests and executing other common transactions. These arrangements may encompass a number of electronic media and use specified transport protocols.

2.0 CUSTOMER SECTION

2.1 Availability

Retail Access Service is available on and after January 1, 2002 to all existing or new Customers that meet the terms and conditions of this Retail Access Service tariff and other applicable Company tariffs, subject to contracting with an AES. The Company will begin to accept and process Switch Requests on and after January 1, 2002.

2.2 Eligibility

A Customer's eligibility to take Retail Access Service is subject to the full satisfaction of any terms or conditions imposed by pre-existing contracts with or tariffs of the Company. Customers must have satisfied any past due amounts for Regulated Electric Service owed to the Company under any other arrangements or provisions for Regulated Electric Service before taking service under this tariff

2.3 Customer Information

An AES must obtain written authorization from the Customer before the Company will provide an AES with a Customer's currently available usage and billing information. Customers will be provided their own usage and billing information upon request. No fee shall be charged for the first request per calendar year related to a specific Customer account. Subsequent requests will require a fee of $_____/account that will be billed to the Customer.

2.4 Customer Enrollment and Switching

2.4.1 A Customer will specify only one AES at any given time for the supply of Power to each Customer account or Customer Location.

2.4.2 The AES shall submit to the Company a Switch Request via a Uniform Data Transaction. The information required in the Switch Request for validation purposes shall be defined by the Company.

2.4.3 The Company will process one (1) valid Switch Request per Customer per meter reading cycle. Where multiple Switch Requests for the same Customer are received during the same meter reading cycle, the Company will process the first valid switch request received during a meter read cycle. A Switch Response for each rejected Switch Request will be sent to the appropriate AES via a Uniform Data Transaction within three (3) business days.

2.4.4 Where the Customer has legal rights of rescission, the AES shall hold the Switch Request until the legal rescission period has expired. The Company's processing will not start until the legal rescission period is over.

2.4.5 The Company will normally validate a Switch Request within three (3) business days of the receipt of the Switch Request and will transmit a Switch Response to the AES. For valid Switch Requests, the Company will at the same time send to the AES currently serving the Customer, via the appropriate Uniform Data Transaction, notice that the AES's service is to be terminated, including the scheduled Customer Switch Date. In the event that the Customer or the new AES cancels the Switch before the Switch Date, the Company will send to the current AES, via appropriate Uniform Data Transaction, notice reinstating the current AES's service unless the current AES has submitted a valid Drop Request. Cut-off time for the receipt of Switch Requests is eight (8) business days in advance of the Customer's Switch Date. In the case of errors or omissions, final disposition of exceptions may take up to five (5) business days.

2.4.6 Customers shall be permitted to change AESs. The changes will become effective at the completion of their normal billing cycle. Customers will be assessed a fee of $_______ processing charge per Customer account for each change beyond one (1) within a calendar year. The change will be submitted to the Company by the Customer's newly chosen AES as a Switch Request.

2.4.7 Other than in situations where Customers require new meter installations as part of a Switch, Customer Switches will be scheduled to take place on the scheduled meter reading date, and will be effective on the actual meter reading date or the date of an estimated meter reading for billing purposes. The Switch Date shall be effective on the next scheduled meter read date that is not less than eight (8) calendar days after a valid Switch Request has been confirmed by the Company. The AES change shall occur at midnight (00:00) local time at the beginning of the effective date.

2.4.8 The Company shall process Drop Requests submitted by AESs in the same manner as it processes Switch Requests. AESs shall be subject to the same timing and validation requirements for Drop Requests as for Switch Requests. An AES shall inform the Customer of the Drop Request.

2.4.9 For Customers required to have Interval Demand Meters, Retail Access Service will be subject to the Company installing an Interval Demand Meter at the Customer's expense and at the service location(s) designated for Retail Access Service. If the Customer is not required to have an Interval Data Meter, Retail Access Service is contingent upon the Customer agreeing to be subject to the load profiling method used by the Company to determine the Customer's interval load data or having the Company install an Interval Demand Meter at the Customer's expense.

2.5 Metering and Load Profiling

2.5.1 Metering equipment for Customers taking Retail Access Service shall be furnished, installed, read, maintained and owned by the Company. Customer accounts with a threshold of _________ or more that receive service under Retail Access Service shall be required to have an Interval Demand Meter and associated incremental costs will be assessed to the Customer through a standard monthly fee by rate class.

The Company reserves the right to require the installation of an Interval Demand Meter for a Customer not meeting the criteria in Section 2.5.1 of this tariff at the Company's expense, for the purpose of determining the Customer's hourly load for settlement. The Customer will not be subject to a monthly fee for this service unless the growth in the Customer's load reaches or surpasses the criteria in Section 2.5.1 of this tariff.

2.5.2 For Customers required or who elect to have an Interval Demand Meter, the Company may require that the meter be read via telephone. In such cases, Customers may be required to provide telephone connection for purposes of meter interrogation by the Company. The Customer shall be responsible for all costs of the telephone connection.

If a Customer is not able to allow sharing of a telephone connection, the Customer may be required to obtain a separate telephone connection for such purposes and Customer shall pay all charges therewith. The Customer is responsible for assuring the performance of the telephone connection.

2.5.3 In cases where a telephone connection used by the Company for meter interrogation is out of service, the Company may retrieve the data manually for a nominal monthly fee of $______ payable by the Customer. In the event that the telephone connection is out for three consecutive billing months, the Customer's Retail Access Service may be terminated and the Customer will be returned to service under the Company's Full Requirements Service tariffs subject to the provisions of Section 2.6, unless said outage is due to non-performance by the telecommunication service provider.

2.5.4 For Customers not required to have an Interval Demand Meter installed, i.e., subject to Load Profiling per section 2.5.7, when monthly metered Energy data is not available due to metering errors, malfunctions, or otherwise, the usage will be estimated by the Company using the procedure approved by the Commission under applicable rules and practices.

2.5.5 For Customers with Interval Demand Meters installed, i.e., not subject to Load Profiling requirements, where monthly metered Energy data is not available due to metering errors, malfunctions, or otherwise, the billing quantities will be estimated by the Company using the available historical data and other relevant information for the Customer.

2.5.6 Customers who choose Retail Access Service and who have Interval Demand Meters will have their Energy consumption and Demand for settlement purposes based on the data from the Interval Demand Meters. This method to calculate Energy consumption and Demand does not apply to those Customers who have an Interval Demand Meter installed by the Company solely for load research purposes.

2.5.7 Customers who choose Retail Access Service but do not meet the criteria in Section 2.5.1 of this tariff, will have, unless the Company has exercised its right to require an Interval Demand Meter under Section 2.5.1, the option to use a calculated Load Profile to estimate Energy consumption patterns. If a Customer chooses to install an Interval Demand Meter, that Customer will be assessed a standard monthly fee for the cost of the Interval Demand Meter and its installation.

2.5.7.1 The Company will determine the Load Profiles utilizing the system residual method. The Company reserves the right to modify or change the Load Profiling method after proper review and consideration by the Commission.

2.5.7.2 The system residual Load is calculated for each one (1) hour interval as the difference between the total measured or estimated system Load and the sum of the Interval Demand Metered Loads including losses and the deemed Loads including losses.

2.5.7.3 The Company may apply a deemed profile to some Loads with simple predictable use patterns, such as street lighting or irrigation. Deemed profiles are calculated by assuming on- and off-times each day and assuming constant Load when on.

2.6 Return to Full Requirements Service

2.6.1 A Customer may return to Full Requirements Service by providing at least six (6) months written notice of intent to do so and except as otherwise provided in this tariff may return on the same terms as any new Customer applying for Full Requirements Service. A Customer returning to Full Requirements Service must then remain on such service for a minimum term of twelve (12) months commencing with the end of Default Service. A Customer providing less than six (6) months written notice of its intent to return to Full Requirements Service will receive Default Service.

2.6.2 The six-month notice period commences with the beginning of the Customer's billing cycle following receipt of the Customer's written notice of intent to return to Full Requirements Service. Therefore, Default Service will only apply for the period before the Customer actually returns to Full Requirements Service. For example, if the Customer provided four months written notice of intent to return to Full Requirements Service, then the Customer will be served according to Default Service for the remaining two months of the required six-month notice period.

2.6.3 Subsequent to this six-month notice period, the applicable Full Requirements Service schedule would apply.

2.6.4 In the event that a Customer is slammed by an AES from Full Requirements Service and desires to return to Full Requirements Service, the Company will waive the six month notice and the twelve month minimum term requirements. The Company's Default Service does not apply to such Customers.

2.6.5 In the event a Customer is returned to Company service after being dropped by the AES or due to the bankruptcy of the AES, or upon the AES's complete withdrawal from the market, the Customer will be served under the Company's Default Service tariff. The Customer may return to Full Requirements Service under the provisions of 2.6.1 to 2.6.3 above.

2.7 Billing and Payment

2.7.1 The Company will bill the Customer for Retail Access Service as outlined in section 3.3 of this tariff.

2.7.2 The Customer shall pay the Company the amount billed by the Company on or before a due date established by Customer billing rules approved by the Commission in accordance with the Commission's consumer standards and billing practices, MAC R 460.2101 et seq., as amended, for residential customers, and MAC R 460.3901 et seq., as amended, for nonresidential customers.

2.7.3 Where incorrect billing results from a calculation error discovered by either the Company, the AES or the Customer, the error will be corrected and revised bills for the Customer and the AES will be calculated and settled on the next billing period after the error is discovered. Billing errors discovered by the Company shall be adjusted as provided for in the residential and commercial and industrial billing rules.

2.8 Disconnection of Service

2.8.1 The Company is the only Person allowed to physically shut off service to a Customer.

2.8.2 The Company will not disconnect a Customer who is current on the Company's bill for distribution services or who has executed a payment plan agreement with the Company but is delinquent on the AES's bill for Generation Service supplied to the Customer.

Disconnection of service to a Customer for nonpayment of the Company's bill or for any violation of the Company's tariffs shall be in accordance with applicable Commission rules and Company tariffs. The Company will provide notice to the AES of the intent to disconnect, and the date/time of actual disconnection. The Company shall not be liable for any losses to the AES due to disconnection.

3.0 ALTERNATIVE ELECTRIC SUPPLIER SECTION

3.1 Availability

The Company will not process any switch Request from an AES unless and until:

3.1.1 The AES has been granted a license as an electric Power provider by the Commission.

3.1.2 The AES has demonstrated creditworthiness as described in Section 3.5.

3.1.3 AES has complied with all applicable statutory and administrative requirements.

3.1.4 The AES has demonstrated Uniform Data Transaction capability, which meets the Company's defined standards and protocols.

3.1.5 The AES has executed a Retail Access Service agreement (which may include, but is not limited to, a portfolio of Customers, negotiated services, etc.) with the Company and complied with the Company's Customer enrollment requirements to prevent Slamming of Customers.

3.1.6 The AES has obtained a valid agreement form the Customer, indicating that the Customer has chosen to Switch to the AES for Generation Service.

3.1.7 The AES has executed agreements with the appropriate transmission provider(s), control area(s) and ancillary services provider(s) as applicable.

3.2 Switch Requests

Service availability shall be on and after January 1, 2002 for all eligible Customers. All Switch Requests will be handled in accordance with Section 2.4 of this tariff, and will be accepted for processing by the Company on or after January 1, 2002.

3.3 Billing

3.3.1 Unless otherwise agreed, the Company and the AES will separately bill the Customer for the respective services provided by each. The Customer will receive two separate bills and is responsible for making payments to the Company for service provided in accordance with requirements of the Company as set forth in the applicable billing rules and Commission approved tariffs.

3.3.2 The Company may elect to offer a service where it bills the Customer for services that the Company provides as well as the services provided by an AES. When the Company bills for charges on behalf of an AES, the following conditions will apply:

A. The Company and the AES must have entered into a billing agreement, which specifies the terms, conditions and charges under which such billing will occur.

B. Any discrepancies in charges collected and remitted will be corrected and reflected in the subsequent billing cycles.

C. Payments received from or on behalf of a Customer shall be applied in the following order:
   1. To the Company's past due and current distribution and distribution related charges,
   2. To the AES's past due and current Generation Service and transmission supply charges,
   3. To the Company's other charges, and
   4. To the AES's other charges.

D. Optional Services (i.e., billing and remittance processing, credit and collections, meter read information, Customer information, etc.) may be provided by the Company pursuant to terms negotiated with the AES, and shall be offered on a non-discriminatory basis.

E. Amounts owed to the Company by an AES may be deducted from the AES's Customer payments received by the Company prior to remittance to the AES.

F. The Company will not pursue collections action for any AES unless mutually agreed upon as an optional billable service.

3.3.3 Unless otherwise specified by the Company, all payments made to the Company by the AES will be made by electronic funds transfer to the Company's account.

3.4 Terms and Conditions of Service

3.4.1 The AES is responsible for providing Power to be transmitted by the appropriate transmission provider(s) to the Company's Distribution Point of Receipt. The AES shall meet all obligations necessary to schedule Power to match the Customer's Load, subject to energy imbalance charges and penalties in accordance with the terms of the OATT of the transmission provider(s). The AES shall comply with all applicable requirements of NERC and any regional reliability council or their successor organization(s) associated with the AES's deliveries to the Company's facilities and will meet all applicable requirements according to the transmission provider(s)' OATT.

3.4.2 An AES must obtain and maintain a minimum aggregate load of 1,000 kW of Maximum Demand of Customers in Company's service territory to provide Retail Access Service to Customers.

3.4.3 Retail Access Service may not commence until metering has been installed as specified in this Tariff as outlined in section 2.5.

3.4.4 The AES will provide the Company, daily energy schedules for all services including losses associated with use of the Distribution System. The AES will provide verification that it has arranged for and scheduled transmission service to deliver Energy and that the energy schedule has been approved by the transmission provider(s), and that the AES has covered energy losses on the Transmission System(s).

3.4.5 The AES will pay the Company for all applicable ancillary services, emergency energy services and backup services provided by the Company to the AES for the AES's Customer(s) from the service commencement date to the service termination date under applicable tariffs.

3.4.6 The Company shall bill the AES for all associated switching fees incurred as a result of Slamming by the AES plus the actual administrative cost incurred for switching a Slammed Customer from one rate service to another.

3.4.7 An AES shall not resell Customer account information or transfer it to other parties for any purpose.

3.5 Creditworthiness

3.5.1 The AES must demonstrate and maintain current creditworthiness in an amount sufficient to cover anticipated charges for all services provided by the Company. Absent previous business interactions between the AES and the Company or where the business interactions between the AES and Company span a time period less than three (3) years, the AES must provide to Company a historical record, of up to three (3) years, documenting prompt and timely payment for all charges previously incurred with other business entities involved in the delivery of Power to a Customer whether in Michigan or another jurisdiction. The AES may provide alternative security or credit enhancement, such as a letter of guarantee, letter of credit or prepayment. Affiliates of the Company are subject to these same requirements and must provide proof of creditworthiness consistent with the code of conduct approved by the Commission.

3.5.2 In order to avoid duplication of effort, if the Company has another electric tariff approved by the Commission or FERC that includes creditworthiness standards applicable to AESs, the AES may demonstrate and maintain creditworthiness under those standards.

3.5.3 The AES will notify the Company immediately of any material adverse change in the AES's financial condition that prevents the AES from meeting the creditworthiness conditions of this tariff.

3.6 Real Power (Distribution) Losses

The AES is responsible for replacing losses associated with the delivery of Power to the Customer's meter. The amount of Power to be delivered by the AES to the Company's Distribution System will be the amount of power to be delivered at the Customer meter plus an amount to reflect the Distribution System loss factors as set forth in ________________.

3.7 Settlement

3.7.1 The Company may produce a periodic preliminary Settlement Statement for the transmission service provider or control area operator, as appropriate, and each AES operating in the Company's distribution service territory. Periodic preliminary Settlement Statements may be issued every one (1) to seven (7) days.

3.7.2 The Company shall produce a final monthly Settlement Statement for the transmission service provider or control area operator, as appropriate, and each AES operating in the Company's distribution service territory.

3.7.3 Final monthly Settlement Statements will be issued fifteen (15) calendar days following the completion of all scheduled meter reads for each billing cycle that begins in the calendar month of the settlement. In the event the fifteenth (15^{th}) calendar day falls on a weekend or holiday, the final monthly Settlement Statement will be issued on the following business day.

3.7.4 The periodic and final monthly Settlement Statements may be issued in paper format or electronically.

3.7.5 The transmission service provider, control area operator, or Company, as appropriate, shall prepare a monthly Settlement Invoice for each AES operating in the Company's distribution service territory based on items listed in the final monthly Settlement Statement and other services that may be provided by the transmission service provider, control area operator, or the Company.

3.7.6 Payment process for the Settlement Invoice shall be comprised of the following two-step process.

A. All Settlement Invoices with net funds owed by the AES are paid to the transmission service provider, control area operator, or the Company, as appropriate, by 1000 ____ Prevailing Time (PT) on the payment date, and

B. All Settlement Invoices with net funds owed to an AES shall be paid by 1400_______PT on the payment date.

3.7.7 In the event the AES does not remit full payment for the monthly Settlement Invoice, the transmission service provider, control area operator, or the Company, as appropriate, will initiate the following procedure:

3.7.7.1 The transmission service provider, control area operator, or the Company, as appropriate, will draw on any available line of credit or security posted by the AES to cover payment shortages.

3.7.7.2 The transmission service provider, control area operator or the Company, as appropriate, may cease scheduling additional energy deliveries for the AES and petition the Commission to de-certify the AES if, after executing any available line of credit or security posted, there is still insufficient funds available to pay in full the monthly Settlement Invoice.

3.7.8 Disputes between the transmission service provider, the control area operator, or the Company, where appropriate, and the AES regarding the final monthly Settlement Statement or the Settlement Invoice shall be resolved utilizing the procedure outlined in section 4.0 of this document.

A revised final monthly Settlement Statement and/or a revised Settlement Invoice will be issued when disputes are resolved or when data errors are corrected that result in a two (2) percent change or greater from the initial final Settlement Statement or initial Settlement Invoice. Resolved disputes or data errors that result in a change to the final monthly Settlement Statement or Settlement Invoice of less than two (2) percent shall be addressed in the next monthly Settlement Statement.

4.0 DISPUTE RESOLUTION

4.1 The Company shall have no duty or obligation to resolve any complaints or disputes between AESs and their Customers.

4.2 In the event the Customer or AES has a dispute over the implementation service provided under the transmission service provider's OATT, the dispute shall be resolved using the dispute resolution procedures as described in the appropriate transmission service provider's OATT section.

4.3 In the event the AES has a dispute over the implementation of the Company's Retail Access Service, then the AES shall provide the Company with a statement of the dispute and the proposed resolution to the designated Company contact. Upon receipt of the statement of dispute, the Company shall attempt to resolve the dispute according to the following process:

4.3.1 The Company will investigate the dispute and attempt to resolve the dispute informally in a manner that is satisfactory to both parties within 5 business days of initial receipt of the statement of dispute.

4.3.2 If the dispute is not resolved in five business days, the parties shall attempt to resolve the dispute by promptly appointing a senior representative of each party to attempt to mutually agree upon a resolution. The two senior representatives shall meet within ten (10) business days. If the two senior representatives cannot reach a resolution within a 30-day period, the dispute may, on demand of either party, be submitted to arbitration as provided in this section.

4.3.3 The dispute, if mutually agreed by the parties, may be submitted for resolution in accordance with the American Arbitration Association ("AAA") commercial arbitration rules. The judgement rendered by the arbitrator may be enforced in any court having jurisdiction of the subject matter and the parties.

4.3.4 The arbitrator may be determined by AAA.

4.3.5 The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties, except as otherwise provided by law. Any award shall specify the manner and extent of the division of the costs between the parties.

4.3.6 Nothing in this section shall restrict the rights of any party to seek resolution of the dispute with the appropriate regulatory agency with jurisdiction.

LIABILITY

5.1 In no event will the Company, its affiliates, or its suppliers be liable under any cause of action relating to the subject matter of this tariff, whether based on contract, warranty, tort (including negligence), strict liability, indemnity or otherwise for any incidental or consequential damages including but not limited to loss of use, interest charges, inability to operate full capacity, lost profits or claims of AES or Customers.

5.2 The Company will not be liable to an AES or Customer for damages caused by interruption of service, voltage or frequency variations, single-phase supply to three-phase lines, reversal of phase rotation, or carrier-current frequencies imposed by the Company for system operations or equipment control except such as result from the failure of the Company to exercise reasonable care and skill in furnishing the service.

5.3 In no event will the Company be liable to the AES or Customer for loss of revenue or other losses due to meter or calculation errors or malfunctions. The Company's sole obligation and the AES and Customer's sole remedy will be for the Company to repair or replace the meter and prepare revised bills as described above.

Northern States Power Company – Wisconsin
d/b/a Xcel Energy

Retail Access Service Tariff
Company Specific Entries

This chart identifies the Retail Access Service Tariff sections where blanks occur for company-specific values to be inserted. The third column shows the variable entry for Northern States Power Company – Wisconsin.

Tariff Section	Description	Entry
1.3	Company Name	Northern States Power Company – Wisconsin d/b/a Xcel Energy
1.3	Maximum Demand Value	15 minute
2.3	Information Request Fee	$30
2.4.6	Switch Processing Change	$10
2.5.1	Threshold Value	25 kW
2.5.3	Data Retrieval Fee	$16.50
3.6	Real Power Factors	See Below (This table will be inserted into the Retail Open Access Tariff)
3.7.6.A.	Prevailing Time	Central
3.7.6.B.	Prevailing Time	C

Distribution System Electricity Supply Loss Multipliers

Customer's Service Schedule	Loss Multiplier
Service at Secondary Voltage Level Only	
MR-1, MR-2, MSC-1, MST-1,MPA-1	1.076
Larger Loads at Multi-Voltage Levels	
MCI-1, MI-1 Secondary	1.069
MCI-1, MI-1 Primary	1.045
MI-1 Transmission/Transformed	1.003
MI-1 Transmission/Untransformed	1.000