

The Commission met on **Thursday, July 17, 2025**, with Chair Sieben and Commissioners Ham, Partridge, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

E-999/CI-23-151

In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691

Commissioner Partridge moved that the Commission order as follows:

1. The Commission authorizes utilities to demonstrate compliance with the Carbon-Free Standard (CFS) by retiring Renewable Energy Credits (RECs), Alternative Energy Credits (AECs), or equivalent Environmental Attribute Credits (EACs) registered with the Midwest Renewable Energy Tracking System (now CleanCount).
2. All matters concerning partially compliant facilities will be discussed in Docket No. E-999/CI-24-352, *In the Matter of a Commission Investigation into a Fuel Life-Cycle Analysis Framework for Utility Compliance with Minnesota's Carbon-Free Standard* (the Life-Cycle Analysis (LCA) Docket).
3. To calculate the percentage of annual net market purchases that are carbon-free under Minn. Stat. § 216B.1691, subd. 2d(b)(2)(ii), each electric utility shall use the average annual fuel mix associated with the Zones 1-7 of the Midcontinent Independent System Operator, Inc. (MISO), or the applicable regional fuel mix, after removing from the calculation the carbon-free electricity generated directly by the utility or procured by the utility through power purchase agreements in that year. The utility shall use this calculation to show partial compliance with the CFS and is not required to retire RECs/AECs for this purpose.
4. Beginning in 2026, each electric utility shall file a report on June 1st with its Renewable Energy Objectives compliance report in Docket No. E-999/PR-YR-12 that includes the following information detailing its efforts toward complying with Minnesota's Carbon-Free Standard:
 - a. Annual Minnesota retail sales for the previous calendar year.
 - b. Annual net market purchases from the previous year.

- c. Annual purchases of unbundled Renewable Energy Credits (or other equivalent Energy Attribute Credits) for the purpose of CFS compliance.
- d. Annual qualifying carbon-free generation procured or generated by the electric utility in the previous calendar year, including the total number of facilities registered in M-RETS to that utility and eligible Renewable Energy Credits (or other equivalent Energy Attribute Credits) generated in the past year from those facilities.
- e. A list of facilities determined to be partially compliant with the CFS, including the name of the facility, the facility fuel type, and the percent of that facility's output determined to be carbon-free.
- f. From 2026-2030, electric utilities must also report the following:
 - 1) Estimated amount of carbon-free generation (expressed as capacity) a utility would need to obtain by 2030.
 - 2) Estimated carbon-free requirements, on a megawatt-hour (MWh) basis, to meet the CFS in 2030.
 - 3) A short summary of ongoing efforts to obtain carbon-free energy, including a brief summary of the anticipated resource mix for CFS compliance.
 - 4) Any considerations, such as those outlined in Minn. Stat. § 216B.1691, subd. 2b, that may create challenges with achieving compliance, and which under Minn. Stat. § 216B.1691, subd. 2h(f), may allow the Commission to modify or delay implementation.
- 5. The Commission delegates authority to the Executive Secretary to work in conjunction with the Department of Commerce and utilities to update the Renewable Energy Objectives reporting template to incorporate the reporting requirements approved in this docket and modify them as necessary based on the results of the LCA Docket, Docket No. E-999/CI-24-352.
- 6. In future resource plans, and to the extent practicable, utilities filing resource plans under Minn. Stat. § 216B.2422 may incorporate one or more sensitivities that use an hourly matching construct to achieve the state's CFS. Utilities shall accompany this with a discussion of the potential costs—including the costs of running the sensitivity analysis—benefits, possibilities, and limitations of a potential future hourly matching requirement.
- 7. The Commission affirms that, at this time, for purposes of Renewable Energy Objective compliance substantiation, Renewable Energy Credits, Alternative Energy Credits, and equivalent Environmental Attribute Credits will be eligible for use in the year of generation and for four years following the year of generation.

8. To further inform the Commission, each electric utility subject to the CFS shall make a compliance filing by June 1, 2026, in this docket providing information about how the utility would utilize its existing and anticipated bank of RECs, AECs or equivalent EACs if the Commission were to reduce the shelf life of credits in 2035 to:
 - a. 2 years
 - b. 1 year
 - c. No shelf life (The removal of the shelf life means that credits are only eligible for compliance in the year they were generated, [example, a credit generated in 2026 would be eligible for 2026 compliance].)

Each utility shall provide a discussion of the costs and benefits of the different shelf lives noted above, including but not limited to potential costs or benefits to ratepayers and impact on greenhouse gas emissions resulting from the utility's owned and contracted generation.

The motion passed 5–0.

Commissioner Partridge moved that the Commission order as follows:

1. All RECs, AECs or equivalent EACs used to meet the obligations of the Renewable Energy Objectives, Minn. Stat. § 216B.1691, after the issuance of this order shall have a four-year shelf life commencing January 2030 provided the carbon-free resource either:
 - a. begins construction after July 4, 2026, and is placed in service by December 31, 2027;
or
 - b. begins construction prior to July 5, 2026, and is placed in service within four years after construction begins.

In this instance, a four-year shelf life refers to the year of generation plus four years.

2. Each electric utility that is required to file a resource plan under Minn. Stat. § 216B.2422, subdivision 2, shall file a plan with the Commission detailing 1) if and how the utility intends to accelerate the construction and in-service dates of carbon-free energy projects to maximize the amount of federal tax credits or other federal incentives to the benefit of its Minnesota customers; 2) additional efforts the utility will take to avoid other aspects of the 2025 Budget Reconciliation Law that would otherwise increase costs to its Minnesota customers; and 3) what supportive actions the Commission or other state regulatory bodies could take to mitigate negative impacts of recent federal energy policy changes. Plans shall be filed in this docket by October 15, 2025.

The motion passed 5–0.

E-002/M-25-27

In the Matter of Northern States Power Co. d/b/a Xcel Energy's 2024 Annual Safety, Reliability, and Service Quality Report

Commissioner Tuma moved that the Commission:

1. Approve Xcel Energy's proposal to remotely reconnect disconnected customers with AMI during extreme heat events.
2. Require Xcel Energy to suspend remote disconnections for customers with AMI when AQI reaches 151 or higher.
3. Require Xcel Energy to remotely reconnect disconnected customers when AQI reaches 151 or higher.
4. Require Xcel to consult with MDH and MPCA about whether AQI changes or advancements in the understanding of health impacts from air pollution and extreme heat might warrant modification of protection thresholds. Require Xcel to report on these discussions in future SRSQ reports, together with any modifications proposed by the Company or agencies.
5. The consultation described above shall include the appropriate number of hours in which the extreme heat or AQI above 151 occurs and/or is forecasted before the suspension of disconnections and reconnections obligation is triggered.
6. Require Xcel Energy to suspend remote disconnections during the events identified above beginning on May 1, 2026.
7. Require Xcel Energy to begin remote reconnections during the events identified above on May 1, 2026.
8. Require Xcel Energy to allow customers to verify safety precautions prior to reconnection by responding to a text message or email, clicking a box on MyAccount, or receiving an automated IVR call and responding with touch tone. The customer requirements for reconnection shall not be greater than what is required after a reconnection with a payment plan.
9. Require Xcel Energy to inform the Commission's Consumer Affairs Office when an event has been forecasted by the NWS or the MPCA, and the Company is planning to reconnect customers. Require Xcel Energy to inform the Consumer Affairs Office when the event has concluded, and the Company is planning to re-disconnect customers.
10. Require Xcel Energy to notify customers of a reconnection event via notification to the customer's preferred contact method (e.g. text, email). Require Xcel to notify customers of disconnection at the conclusion of the event include information about entering into payment agreements and energy assistance.

11. Require Xcel Energy to post on its website an overview of extreme heat and air quality protections and the steps customers must take to secure reconnection of service.
12. Require Xcel Energy to consult with the CAO on development of all customer communications related to the heat and AQI plans.
13. Require Xcel Energy to include in its annual 2026 and all future Safety, Reliability, and Service Quality (SRSQ) reports, both in aggregate and by county, the following data:
 - a. The number of extreme heat and air quality events.
 - b. Each event where disconnection suspensions or reconnection were triggered.
 - c. The date(s) and length of each event.
 - d. The counties impacted by the event.
 - e. The number of customers eligible for extreme heat and air quality protections during each event.
 - f. The number of customers whose disconnections are suspended or were reconnected during each event.
14. Require Xcel Energy to include in its annual Safety, Reliability, and Service Quality (SRSQ) report a summary of costs incurred to implement the heat and AQI event plans in the previous year.
15. Require Xcel Energy to update its tariff sheets to include the expanded heat events and AQI event protections approved herein including the proposed hours resulting from the consultation described in paragraph 5 above, by Dec. 31, 2025.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: October 8, 2025



Sasha Bergman, Executive Secretary