



The Commission met on **Thursday, January 23, 2025**, with Acting Chair Sullivan and Commissioners Ham and Tuma present.

The following matters were taken up by the Commission:

**E-015, ET-2/CN-22-416;**

**E-015, ET-2/TL-22-415**

**In the Matter of Minnesota Power and Great River Energy for a Certificate of Need and Route Permit for an Approximately 180-mile, Double Circuit 345 kV Transmission Line**

Commissioner Ham moved that the Commission:

1. Adopt the ALJ Report to the extent it is consistent with the Commission's decisions.
2. Find that the Environmental Assessment and the record created at the public hearing address the issues identified in the Scoping Decision.
3. Grant a Certificate of Need to Minnesota Power and Great River Energy for the Northland Reliability Project.

The motion passed 3-0.

Commissioner Sullivan moved that the Commission:

4. Issue a route permit to Minnesota Power and Great River Energy for the Northland Reliability Project authorizing the Co-Location Maximization Route proposed by the Applicants, except as modified below:
  - a. Iron Range Substation Region
    - i. Reject ALJ Findings 97 and 737 and ALJ Conclusions 11 and 14.
    - ii. Adopt the Applicants' route and EERA's modified Findings 97 and 737 filed on 11/25/2024.

The motion passed 3-0.

Commissioner Sullivan moved that the Commission:

- b. Hill City to Little Pine Region
  - i. Adopt the Applicants' route.

- ii. For the property identified in AA1 require the applicant to continue the proposed route to the south and east of the 92 line without the proposed realignment, and require the permittee to work with the affected landowners to provide mitigation or relocation.

The motion passed 3-0.

Commissioner Tuma moved that the Commission:

- c. Cole Lake to Riverton Region
  - i. Reject the ALJ's Finding 737 and Conclusions 11 and 14.
  - ii. Adopt the Applicants' route and EERA's modification to Findings 116 and 737 filed on 11/25/2024.
  - iii. Extend the co-location at the Mississippi River in Perry Lake Township to reduce the number of structures at the Mississippi Crossing as proposed by the applicant in their Attachment 1 of their January 10, 2025 filing.

The motion passed 3-0.

Commissioner Tuma moved that the Commission:

- d. Long Lake Region
  - i. Adopt H4/H7 Applicants' modified route alternative.
  - ii. Reject ALJ Finding 738 and Conclusions 11 and 14.
  - iii. Follow the Applicants' route to and through Applicants' modified H4/H7, but when it reaches the northern boundary of Erickson's property, locate the line on the eastern boundary of the 3,000-foot route width leading to and through Applicants' modified H4/H7.
  - iv. Expand the route width at the already expanded Area at the intersection of Minnesota Highway 18, CSAH 23 and County Road 159 in Crow Wing County by another 1,000 feet to the north to allow the Applicants to work with the landowners in this portion of the route to identify acceptable route from West to East in this area.
  - v. When the Applicants come to the Commission for cost recovery of the Project, for the portion between Platte Township Crow Wing County and Mayhew Township Morrison County, the realignments of the existing 230kv lines, the Applicants must provide information justifying any realignments incorporated into the Project.

The motion passed 3-0.

Commissioner Tuma moved that the Commission:

- e. Benton County Elk River Region
  - i. Adopt the Co-Location Maximization Route.

The motion passed 3-0.

Commissioner Sullivan moved that the Commission:

- f. Additional Findings and Conclusions
  - i. Adopt the Applicants' alternative modifications to ALJ Conclusion 11 as filed on 11/25/2024, to the extent it aligns with other decisions made by the Commission.

The motion passed 3-0.

Commissioner Ham moved that the Commission:

- 5. Include the conditions recommended by the ALJ in the route permit.
- 6. Delegate authority to the Executive Secretary to modify the proposed route permit to correct typographical or formatting errors and ensure consistency with the Commission's order.
- 7. Authorize the Executive Secretary to modify or delete the ALJ Findings of Fact and Conclusions of Law identified herein and any other paragraphs of the ALJ Report as appropriate for consistency with this decision.
- 8. The Permittee(s) shall engage with the Leech Lake Band of Ojibwe Tribal Employment Rights Office (TERO) and develop opportunities for tribal economic and workforce development related to the Northland Reliability Project. For any construction (including decommissioning work) along the route, the Permittee(s) will coordinate with the Leech Lake Band of Ojibwe TERO to ensure the project includes opportunities for, including but not limited to, the hiring and training of tribal members and the utilization of tribal businesses. The Permittee shall report on its efforts to coordinate with TERO and the results of the coordination including, but not limited to, tribal members hired and use of tribal businesses within 30 days after construction of the Project has been completed.

The motion passed 3-0.

Commissioner Ham moved that the Commission:

- 9. Minnesota Power shall bear the burden of proof in any future regulatory proceeding related to the recovery of any costs above \$1,210,000,000. Nothing prevents the Applicant from seeking recovery of additional amounts through the Transmission Cost Recovery Rider.
- 10. Applicants shall inform the Commission of the initiation of the Midcontinent ISO Variance Analysis under Attachment FF within 5 business days of the initiation. Applicants shall file any and all copies of information submitted to the Midcontinent ISO Variance Analysis process. Disclosures shall be consistent with Applicant's MISO tariff.

11. Require the Applicants to file revised Project cost estimates in 2022 dollars reflecting the Commission's decision within 60 days of the order.

The motion passed 3-0.

Commissioner Tuma moved that the Commission:

12. Co-Location Maximization Route shifting of structures of the existing Co-Location line(s):  
The Co-location Maximization Route is approved as proposed by the Applicants, except as modified within this order. The approved Co-location Maximization Route includes an anticipated centerline that incorporates certain shifting of existing transmission lines to accommodate structures that have been erected near existing transmission lines as detailed in Section III of the Applicants' January 10, 2025 filing or result in the boxing in of properties of less than 40 acres with transmission lines on three sides. The permittee shall continue to work with landowners in advance of the plan and profile filing to explore possible mitigations or property purchases that would eliminate the need for shifting the existing transmission lines. As part of the plan and profile filing, the Permittees shall file a report in eDockets that includes a description of their resolutions, proposed actions, and final design for review by EERA. After all transactions for these particular parcels are completed and at all cost recovery proceedings for this line in front of the Commission the permittee must update this report. The permittee shall provide copies of these reports to the landowners included in the reports along with a description of how to make comments to the Commission on the substance of the report.

The motion passed 3-0.

#### **E-002/AA-22-179**

#### **In the Matter of Xcel Energy's Petition for Approval of its 2023 Annual Fuel Forecast and Monthly Fuel Cost Charges**

Commissioner Sullivan moved that the Commission approve the following:

1. Deny Xcel Energy's petition for reconsideration.
2. Grant the Department's clarification request, and adopt the amendments to the November 15, 2024 Order shown on pages 5–6 of the Department's December 5, 2024 filing, clarifying that the contested case issues are limited to the refund owed to ratepayers for costs that flow through the fuel-clause adjustment report. In addition, parties should address other appropriate cost adjustments related to the October 2023 outage at Prairie Island, such as the impact of de-rating on capacity costs and insurance costs, in Xcel's currently pending general rate case for electric service, Docket 24-320.
3. Clarify that the contested case shall also consider any benefits and offsets in determining the appropriate refund and consider whether imprudence by Xcel Energy

resulted in customers paying more for power than they otherwise would have paid such that a refund of power costs is appropriate.

The motion passed 3–0.

**E-002/CI-23-335**

**In the Matter of Implementation of 2023 Legislation Changes to Xcel Energy’s Community Solar Garden Program**

Commissioner Sullivan moved that the Commission approve the following:

1. The Commission approves the consensus changes identified in Xcel’s initial Comments on November 12, 2024, with the specific changes reflected below:

- A. Tariff sheet 9-99.28, adjust the definition for Bill Credit Rate as shown in redline:

“The Average Retail Rate includes ~~all~~ compensation for all energy, capacity, and RECs associated with Subscribed Energy.”

- B. Tariff sheet 9099.31, adjust the definition of Subscriber Management System as shown in redline:

“... the Company accepts and manages interconnection applications for the LMI Accessible Community...”

- C. Tariff sheet 9-99.32, update the first sentence in 1.B as shown in redline:

“A copy of the presently filed LMI Accessible Community Solar Garden Program associated tariff of the Company’s rate book is ~~incorporated by reference~~ attached to this contract.”

- D. Tariff sheet 9-99.37, adjust C.3. as shown in redline:

“The Company is under no obligation to audit, validate, or correct any information provided by the Subscriber Organization. In the event that the Subscriber Organization provides information, with a result that the Bill Credits provided were too high higher than would have been authorized had correct information been entered, then ~~the Subscriber Organization needs to promptly make payment to the Company within 30 days of demand of the overpayments~~ the Company shall provide the Subscriber Organization with a written Notice of the overpayment and upon receipt these amounts will be credited to the fuel clause. The Subscriber Organization shall have up to thirty (30) days to cure the overpayment of bill credits. If the overpayment is not cured within the thirty (30) days, the Company may utilize the procedures set forth in Section 15.”

E. Tariff sheet 9-99.38, adjust Remedies for Breach as shown in redline:

“In the event of any breach of this Contract by ~~the Subscriber Organization~~ either Party, then the ~~Company~~ other Party shall have available to it any other remedy provided for in this Contract and any or all of the following remedies which can be used either singularly or cumulatively.”

2. The Commission denies the proposed edits that would purport to make the LMI Standard Contract a free-standing or independent agreement.
3. The Commission approves Xcel’s proposed edits that incorporate a “Battery Energy Storage System” (BESS) definition into the LMI standard contract, with the specific changes reflected below:

- A. Add the following definition of BESS to the LMI Standard Contract (tariff sheet 9-99.28) and to the LMI CSG tariff (tariff sheet 9-99.01):

“Battery Energy Storage System” or “BESS” shall mean a commercially available technology that uses chemical processes to store energy generated solely from the Community Solar Garden and deliver the stored energy for sale or use at a later time. The parties agree the stored energy in the BESS may not include utility system energy.

- B. Add BESS to the definition of PV System on tariff sheets 9-99.03 and 9-99.30 as shown in redline:

“PV System” shall mean the solar electric generating facility to be located at the Community Solar Garden, including the photovoltaic panels, inverter, output breakers, facilities necessary to connect to the Production Meter, protective and associated equipment, improvements, BESS, and other tangible assets, contract rights, easements, rights of way, surface use agreements and other interests or rights in real estate reasonably necessary for the construction, operation, and maintenance of the electric generating facility that produces the photovoltaic energy subject to this tariff.

4. Approve Xcel’s proposed edits which change “nameplate capacity” to “capacity” in the LMI Standard Contract, with the specific changes reflected below:

- A. The following definition of capacity shown in redline is to be inserted into the LMI CSG tariffed contract at tariff sheet 9-99.01:

“Capacity” is determined by and measured in alternating current (AC) at the solar photovoltaic electric generating facility’s inverter or a power control system or supplemental device that controls production at this facility before the load at the site of the facility.

B. Edit tariff sheet 9-99.28 as shown in redline:

The Subscriber Organization is the operator of a Community Solar Garden with an established or planned solar photovoltaic electric generating facility with a ~~nameplate~~ capacity of \_\_\_\_\_ kilowatts of alternating current (AC), on property located at

C. Edit tariff sheet 9-99.35 as shown in redline:

9. Disclosure of Community Solar Garden Information. The Docket No. E002/CI-23-335 Attachment A 1 of 4 Company may publicly disclose the Community Solar Garden Location, Subscriber Organization, ~~nameplate~~ capacity and generation data of the Community Solar Garden. ...

D. Edit tariff sheet 9-99.08 as shown in redline:

9. Disclosure of Community Solar Garden Information. The Company may publicly disclose the Community Solar Garden Location, Subscriber Organization, ~~nameplate~~ capacity and generation data of the Community Solar Garden. ...

E. Edit tariff sheet 9-99.17 as shown in redline:

f. The Company may publicly post the following information about each interconnection application submitted by projects whose interconnection application was submitted in the area of the Company's portal for Community Solar Garden applications: Community Solar Garden location (city and county), name of the owner of the Community Solar Garden, ~~Nameplate~~ Capacity, application identification number, ...

F. Edit tariff sheet 9-99.43 as shown in redline:

A Standard Contract for LMI Accessible Community Solar Garden Program, including any amendments thereto approved by the Minnesota Public Utilities Commission ("Contract") having been made as of [insert date of underlying Contract ] (a copy of which is attached hereto), by and between Northern States Power Company, a Minnesota corporation, having its principal office and place of business located at 414 Nicollet Mall, Minneapolis, Minnesota, 55401, hereinafter referred to as the Company, and [insert name of current party to the Contract \_\_\_\_\_] ("Assignor") for a Community Solar Garden with a ~~nameplate~~ capacity of \_\_\_\_\_ kW (AC) located at ...

5. The Commission denies the inclusion of either "once a bill credit applies, that Bill Credit applies for the term of the Contract" or "Upon execution of the Contract, the Average Retail Rate shall not change for the term of the Contract" in the "Bill Credit Rate" definition.

6. The Commission approves the following non-contested revision to tariff sheets 9-99.02 and 9-99.29 to the definition of “Community Solar Garden Allocation” as shown in redline:

“Community Solar Garden Allocation” or “CSG Allocation” shall mean the monthly allocation, stated in Watts direct current (DC) as a portion of the total DC nameplate capacity of the PV generating portion of the Community Solar Garden, applicable to each Subscriber’s Subscription reflecting each Subscriber’s allocable portion of photovoltaic electricity produced by the Community Solar Garden in a particular Production Month.

The motion passed 3–0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: April 9, 2025**



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**Will Seuffert, Executive Secretary**