

The Commission met on **Thursday, November 2, 2023**, with Acting Chair Sullivan and Commissioners Sieben, Schuerger, and Tuma present.

The following matters were taken up by the Commission:

E-002/AA-23-153

In the Matter of Xcel Energy's Petition for Approval of its 2024 Annual Fuel Forecast and Monthly Fuel Cost Charges

Chair Sieben moved that the Commission:

1. Approve Xcel Energy's 2024 FCA Forecast Petition.
2. Authorize Xcel Energy to implement its 2024 FCA forecast, based on revised forecasted sales of 26,842,355 MWh and revised forecasted costs of 1,022,748,000, MN Jurisdictional.
3. Approve Xcel Energy's proposed customer class rate calculation update.
4. Required Xcel Energy to report on the prudence of its management of unplanned outages at Sherco 1, King, and Sherco 3 in Xcel's next FCA true-up petition.
5. Require Xcel Energy to provide the following in its next FCA true-up petition:
 - a. For each Xcel-owned wind facility, provide the assumed versus actual wind capacity factors for the true-up year and the three prior years showing capacity factors after curtailment.
 - b. For each Xcel-owned wind facility, provide the assumed versus actual wind capacity factors for the true-up year and the three prior years showing capacity factors if no curtailment had occurred.
6. Require Xcel to submit a compliance filing with revised tariff sheets and supporting calculations within 10 days of the Commission's Order in this docket for implementation effective January 1, 2024.
7. Approve revised adjustment factors reflected in Xcel's October 23, 2023, filing.

The motion passed 4-0.

E-015/AA-23-180

In the Matter of Minnesota Power’s Petition for Approval of the Annual Forecast of Automatic Adjustment Charges for the period of January 2024 through December 2024

Commissioner Sullivan moved that the Commission:

1. Approve Minnesota Power’s Annual Forecasted Fuel and Purchased Energy Rates for the Calendar Year 2024, subject to a subsequent true-up.
2. Require Minnesota Power to make a compliance filing with a redlined and clean version of the Fuel and Purchased Energy Rider Tariff sheet with 10 days of the Commission’s Order.

The motion passed 4-0.

E-017/AA-23-181

In the Matter of Otter Tail Power Company’s Petition for Approval of the Annual Forecasted Rates for its Energy Adjustment Rider, Rate Schedule Section 13.01

Chair Sieben moved that the Commission:

1. Approve Otter Tail’s 2024 FCA forecast and associated rates, based on forecasted sales of 5,750,224 MWh and the \$150,076,693 in net system FCA/EAR, average cost \$26.099 per MWh, subject to a subsequent true-up.
2. Approve the Company’s proposed customer notification, updated as applicable with the effective date and rates approved in the instant Petition.

The motion passed 4-0.

E-002/CI-17-401

In the Matter of the Commission Investigation to Identify and Develop Performance Metrics and, Potentially, Incentives for Xcel Energy’s Electric Utility Operations

Commissioner Schuerger moved that the Commission:

1. Accept the Company’s 2021 and 2022 Annual Performance Based Regulation Reports.
2. Suspend decisions on Baselines and Targets until the submission of the 2025 PBR Report anticipated on April 30, 2026. The Commission delegates authority to the Executive Secretary to accept the 2023 and 2024 Annual PBR Reports, and to open a comment period following the 2025 PBR Report to solicit comments on whether the Commission should: 1) establish baselines and targets (Step 5 of the PIM Process); or 2) terminate the PBR process and suspend annual PBR reporting.

3. Require Xcel to, by February 1, 2024, make a compliance filing identifying which of its existing tariffs and programs qualify under shape, shed, shift, metrics along with current and projected participation over the next 3 years.
4. Require Xcel to work with interested parties to re-evaluate the calculation of the “Load factor for load net of variable renewable generation” and file an update with its 2023 Annual PBR Report, filed in April 2024.
5. With the 2023 Annual PBR report filed April 2024, require Xcel to show the calculations for Load Net of Variable Renewable Generation metric, including the overall system load factor with renewable generation included.
6. Approve the Company’s request to move the Workforce Transition Plan metric to Docket No. E002/M-22-265.
7. Discontinue the requirement that Xcel provide information from the American Consumer Satisfaction Index (ACSI) for the Residential customer satisfaction metric.
8. Rename the metric currently titled Existing multi-sector metric [which refers to JD Power comprehensive score] to Residential customer satisfaction.
9. Move reporting of the methane emission information in the Environmental Performance Outcome Metrics seven through nine — methane emissions from the Company’s distribution system, upstream methane emissions, and methane emissions across the full fuel cycle — to Natural Gas Resource Plan dockets.
10. Require Xcel to provide an initial assessment of current metrics as they relate to newly passed federal and state policies in its 2025 Annual PBR Report filed in April 2026.
11. Require Xcel to include discussion of how a PBR plan would interact with other Commission proceedings such as the Service Reliability and Service Quality (SRSQ) and the Integrated Resource Plan (IRP) processes in its 2025 annual PBR filing made April 2026.
12. Require Xcel to report data for the CO₂ Emissions Avoided – Transportation metric based on the calendar year.
13. Require Xcel to report using the PUC’s electric vehicle registration data for calculating the CO₂ Emissions Avoided – Transportation sub metric.
14. With the 2023 Annual PBR report filed April 2024, require Xcel to make a compliance filing that recalculates the CO₂ Emissions Avoided – Transportation metric and baselines in accordance with the decisions above.
15. Require Xcel to continue development of the record around Cost Effective Alignment of Generation and Load outcome.

16. Require Xcel to include in future PBR Reports, starting with 2023 Annual PBR Report filed in April 2024, predicted emissions for its preferred resource plan. Xcel shall file the data for:
 - a. Total carbon emissions by utility-owned facilities and PPAs and all sources.
 - b. Carbon emissions per MWh by utility-owned facilities and PPAs and all sources.
 - c. Total criteria pollutant emissions.
 - d. Criteria pollutant emission intensity per MWh.

The motion passed 4–0.

E-002/M-23-342

In the Matter of Xcel Energy’s Petition for Approval of a Development Transfer Resource Acquisition Process

Commissioner Tuma moved that the Commission:

1. Approve Xcel’s petition for approval of a development transfer resource acquisition process.
2. Require Xcel to evaluate the Minnesota ratepayer benefit of financing eligible projects through the Energy Infrastructure Reinvestment financing (EIR 1706) with the United States Department of Energy Loan Program Office; including, but not limited to the facilities and resources selected in the Development Transfer Acquisition Process, costs associated with the early depreciation of the Sherco County Generating Station, and transmission and associated facilities for the Minnesota Energy Connection. Xcel shall include in its July 1, 2024, filing in the current docket whether it applied for financing under the program or opted not to do so, and its analysis of prudence and ratepayer benefits. Xcel must file its analysis in other impacted dockets.
3. Consistent with the Commission’s April 15, 2022 Order in Docket No. 19-368, for future resource acquisition petitions related to the instant proceeding, require Xcel to provide EnCompass modeling meeting the following requirement:
 - a. Xcel’s modeling should be based on up-to-date system-wide modeling, including corrected modeling of wind fleet variability and of exchanges with MISO.
 - b. Xcel shall forecast the consequences for rates.

- c. For petitions that include more than one project, Xcel shall analyze projects on an individual basis and as a total portfolio using actual costs when available, or otherwise, using forecasted costs.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: February 7, 2024

A handwritten signature in black ink, appearing to read "Will Seuffert", with a long horizontal flourish extending to the right.

Will Seuffert, Executive Secretary