



414 Nicollet Mall  
Minneapolis, MN 55401

February 28, 2025

—Via Electronic Filing—

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101

RE: PETITION  
STATE ENERGY POLICY RIDER  
DOCKET NO. E002/M-25-\_\_\_\_

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits the enclosed filing requesting approval of our electric State Energy Policy (SEP) Rider compliance and true-up proposal.

Attached to this cover letter, we provide the required information as specified in Minn. Rule 7829.1300 and Minn. Rule 7829.0700, including to whom information requests should be directed.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list. Please contact Jennifer Roesler at [jennifer.roesler@xcelenergy.com](mailto:jennifer.roesler@xcelenergy.com) or contact me at [rebecca.d.eilers@xcelenergy.com](mailto:rebecca.d.eilers@xcelenergy.com) if you have any questions regarding this filing.

Sincerely,

/s/

REBECCA D. EILERS  
MANAGER, REGULATORY AFFAIRS

Enclosures  
cc: Service List

## **REQUIRED INFORMATION**

### **I. SUMMARY OF FILING**

A one-paragraph summary is attached to this filing pursuant to Minn. Rule 7829.1300, subp. 1.

### **II. SERVICE ON OTHER PARTIES**

Pursuant to Minn. Stat. § 216.17, subd. 3, we have electronically filed this document with the Commission. Pursuant to Minn. Rule 7829.1300, subp. 2, the Company has served a copy of this filing on the Department of Commerce and the Office of the Attorney General. A summary of the filing will be served on all parties on the Xcel Energy miscellaneous electric service list.

### **III. GENERAL FILING INFORMATION**

Pursuant to Minn. Rule 7829.1300, subp. 3, the Company provides the following information.

#### **A. Name, Address, and Telephone Number of Utility**

Northern States Power Company doing business as:  
Xcel Energy  
414 Nicollet Mall  
Minneapolis, MN 55401  
(612) 330-5500

#### **B. Name, Address, and Telephone Number of Utility Attorney**

Lauren Steinhäuser  
Assistant General Counsel  
Xcel Energy  
414 Nicollet Mall, 401-8<sup>th</sup> Floor  
(612) 216-8274

#### **C. Date of Filing and Proposed Effective Date of Rates**

The date of this filing is February 28, 2025. The Company reduced the SEP rate factor to \$0.000000 effective January 1, 2025 when interim rates became effective in conjunction with Docket No. E002/GR-24-320. We do not propose a new SEP Rider rate at this time.

## REQUIRED INFORMATION

### D. Statute Controlling Schedule for Processing the Filing

Since no determination of Xcel Energy's general revenue requirement is necessary, Commission Rules define this filing as a "miscellaneous filing" under Minn. Rule 7829.0100, Subp. 11. The accounting process that we use to track revenues and costs and record the differences in the SEP Rider Tracker account comply with Accounting Standards prescribed under Minn. Stat. § 216B.10. Pursuant to Minn. Rule 7829.1400, initial comments on a miscellaneous filing are due within 30 days of filing, with replies due 10 days thereafter.

### E. Utility Employee Responsible for Filing

Rebecca D. Eilers  
Manager, Regulatory Affairs  
Xcel Energy  
414 Nicollet Mall, 401-7<sup>th</sup> Floor  
Minneapolis, MN 55401  
(612) 330-5570

## IV. MISCELLANEOUS INFORMATION

Pursuant to Minn. Rule 7829.0700, the Company requests that the following persons be placed on the Commission's official service list for this proceeding:

Lauren Steinhäuser  
Assistant General Counsel  
Xcel Energy  
414 Nicollet Mall, 401-8<sup>th</sup> Floor  
Minneapolis, MN 55401  
[Lauren.Steinhäuser@xcelenergy.com](mailto:Lauren.Steinhäuser@xcelenergy.com)

Christine Schwartz  
Regulatory Administrator  
Xcel Energy  
414 Nicollet Mall, 401-7<sup>th</sup> Floor  
Minneapolis, MN 55401  
[regulatory.records@xcelenergy.com](mailto:regulatory.records@xcelenergy.com)

Any information requests in this proceeding should be submitted to Ms. Schwartz at the Regulatory Records email address above.

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Hwikwon Ham	Commissioner
Audrey C. Partridge	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF THE PETITION OF  
NORTHERN STATES POWER COMPANY  
FOR APPROVAL OF THE ELECTRIC STATE  
ENERGY POLICY (SEP) COMPLIANCE  
FILING AND TRUE-UP PROPOSAL

DOCKET NO. E002/M-25-\_\_\_\_

**PETITION AND  
COMPLIANCE FILING**

**INTRODUCTION**

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission this Petition requesting approval of our electric State Energy Policy (SEP) Rider compliance filing and true-up proposal. In our pending electric rate case proceeding in Docket No. E002/GR-24-320, the Company proposed to include all SEP Rider costs in base rates with interim rates; therefore, all costs and present revenues are included in the 2025 rate case test year and interim rates, and we will discontinue use of the SEP Rider until such a time as there are SEP Rider eligible costs in the future. To reflect this proposal, the Company reduced the electric SEP rate factor to \$0.000000 effective January 1, 2025, when interim rates became effective.<sup>1</sup> Because the factor is now \$0, we do not intend to make additional compliance filings in the future.

In this filing, we present the electric SEP Rider actual data through December 31, 2024. We propose to net the final SEP tracker balance with our interim rate refund final adjustment at the conclusion of the rate case as described in more detail below.

We provide the relevant compliance requirements as detailed in the Commission's January 23, 2024 Order in Docket No. E002/M-23-465, which requires the Company to submit an annual SEP compliance report on March 1 of each year.

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<sup>1</sup> *In the Matter of the Application of Xcel Energy for Authority to Increase Rates for Electric Service in Minnesota* Docket No. E002/GR-24-320, INTERIM RATES COMPLIANCE FILING (December 31, 2024).

## **I. DESCRIPTION AND PURPOSE OF FILING**

### **A. Background**

In its September 26, 2003 Petition in Docket No. E,G002/M-03-1544, the Company proposed a single rider recovery mechanism – the State Energy Policy (SEP) Rider – to track Prairie Island Settlement expenses and Reliability Administrator/Sustainable Building Guidelines (RA/SBG) expenses separately but combining recovery into one rider rate. The Commission approved the establishment of the electric SEP Rider tariff and approved recovery of these expense types as requested in its April 6, 2004 Order in Docket No. E,G002/M-03-1544 (the April 6 Order). The Company filed annual compliance filings to adjust the electric SEP Rider rate factor until the Commission approved a zero-rate factor in its December 11, 2013 Order in Docket No. E002/M-13-959.

The SEP Rider maintained a rate factor of zero from January 1, 2014 until March 1, 2024, upon Commission approval of our proposal to update the SEP Rider rate factor to recover costs related to the 2023 Amended Settlement with the Prairie Island Indian Community.<sup>2</sup> Recovery of these costs is authorized by the amended Minn. Stat. § 216B.1645, subd. 4, which was adopted by the Minnesota legislature in May 2023. Specifically, subdivision 4 authorized additional payments to the Prairie Island Indian Community which were not already incorporated into base rates. The 2024 SEP Rider rate factor was calculated to include only these costs identified in the revised statute: 1) an annual payment of \$7.5 million for each year the Prairie Island nuclear generating facility is in licensed operation, and 2) an annual payment of \$50,000 for each dry cask or container containing spent fuel that is located at the Prairie Island nuclear generating facility, whether or not the plant is in licensed operation.

The Commission's January 23, 2024 Order in Docket No. E002/M-23-465 (January 2024 Order) approved our 2024 SEP Rider adjustment factor of \$0.000258 for all customers which was implemented on March 1, 2024. The Order requires the Company to submit an annual SEP Rider filing on March 1 of each year, beginning on March 1, 2025, detailing the following information:

- The Prairie Island payment expenses including number of dry casks or containers containing spent fuel that are located at the Prairie Island nuclear generating facility.

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<sup>2</sup> *In the Matter of the Petition of Northern States Power Company dba Xcel Energy for Approval of a 2024 Electric State Energy Policy Rider Rate*, Docket No. E002/M-23-465, ORDER (January 23, 2024).

- A proposed revised electric SEP Rider adjustment, together with a listing and description of all assumptions used to calculate the proposed revised electric adjustment.

We discuss these requirements in more detail below. The January 2024 Order also permitted the Company to discontinue reporting on RA/SBG costs in the SEP Rider filings because those costs were incorporated into base rates in 2014.

## **II. SEP REVENUE REQUIREMENT CALCULATIONS**

### **A. Electric SEP Rider Tracker Balance**

The monthly breakdown of our electric SEP Rider costs, revenues, and actual under-collection for 2024 is provided in Attachment 1. Attachment 1 shows that the actual under-recovered amount in the SEP Rider Tracker is \$1,348,580, based on actual revenue collections through December 2024.

The SEP Rider tracker balance is higher than anticipated because the rate was initially calculated to be implemented over a period of 12 months, starting January 1, 2024. However, the rate was not implemented until March 1, 2024, so we only collected for 10 months, rather than the full calendar year.

The Company reduced the SEP rate factor to \$0.000000 effective January 1, 2025, when interim rates became effective. Costs previously recovered through the electric SEP Rider are recovered through base rates beginning on January 1, 2025 and are not being recovered through any other mechanism.

### **B. Reporting Requirements**

As required by the January 2024 Order, Attachment 2 shows Prairie Island Settlement payment expenses including number of dry casks containing spent fuel that are located at the Prairie Island Nuclear Generating Plant in 2024. In our Petition in Docket No. E002/M-23-465, we forecasted 53 casks for 2025, though we have updated our forecast to 55 casks in 2025 and 65 casks in 2026.<sup>3</sup> Costs related to casks in 2025 and 2026 are not included in the SEP Rider, but in interim rates.

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<sup>3</sup> *In the Matter of the Application of Xcel Energy for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-24-320, VOLUME 4, IX INTERIM ADJUSTMENT 14, for support for the 2025 and 2026 total Prairie Island Settlement payment costs included in interim rates.

The January 2024 Order also requires the Company to propose a revised electric SEP Rider adjustment, together with a listing and description of all assumptions used to calculate the proposed revised electric adjustment. We do not propose to update the electric SEP Rider factor as all costs are included in interim rates, and the SEP Rider rate is currently \$0.

### **III. TRUE-UP PROPOSAL**

In the Company's pending electric rate case proceeding in Docket No. E002/GR-24-320, we propose to include all SEP Rider costs in base rates; therefore, all costs and present revenues are included in the 2025 rate case test year and in 2025 interim rates. To reflect this proposal, the Company reduced the SEP rate factor to \$0.000000 effective January 1, 2025, when interim rates became effective.

In this filing, we present the electric SEP Rider actual data through December 31, 2024. Because the SEP Rider rate is currently \$0, we are no longer collecting SEP revenues through the rider mechanism, but through the interim rate adjustment approved by the Commission in its December 30, 2024 Order in Docket No. E002/GR-24-320. The 2024 costs are trued up in this filing, and the tracker shows an end balance in 2024 before it zeroes out in 2025. We therefore propose to net the electric SEP tracker balance with the interim rate refund that will be made at the conclusion of the pending rate case. This would balance the SEP Rider tracker to \$0. As of December 2024, the SEP tracker balance was an under-recovery of \$1,348,580. We anticipate small changes to this true-up amount due to routine cancel/rebill activity. The Company proposed a similar true-up mechanism for the gas SEP tracker in its March 1, 2022 Compliance Filing, which was approved by the Commission's July 12, 2022 Order in Docket No. G002/M-22-111, netting the final natural gas SEP balance in the interim rate refund made at the conclusion of Docket No. G002/GR-21-678.<sup>4</sup>

The Company believes the proposal to include these costs in base rates and discontinue the current use of the SEP Rider is reasonable because the Prairie Island Indian Community Settlement payments are a predictable and stable cost. Future adjustments to an increase in stored casks would be included in future rate cases. Our proposal to net the remaining electric SEP tracker balance with the interim rate refund in our currently pending rate case is an efficient way to true-up the remaining

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<sup>4</sup> *In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Natural Gas Rates in Minnesota*, Docket No. G002/GR-21-678 INTERIM RATE REFUND COMPLIANCE FILING (September 13, 2023).

balance within the mechanism through which the electric SEP Rider costs are currently being recovered.

### **CONCLUSION**

We respectfully request that the Commission approve our electric SEP Rider compliance filing and our proposal to net the remaining SEP Rider tracker balance in the interim rate refund that will be made at the conclusion of the Company's pending electric rate case. In addition, we request approval to discontinue filing annual SEP Rider compliance filings until such a time as there are SEP Rider qualifying costs in the future.

Dated: February 28, 2025

Northern States Power Company



STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben  
Hwikwon Ham  
Audrey C. Partridge  
Joseph K. Sullivan  
John A. Tuma

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

IN THE MATTER OF THE PETITION OF  
NORTHERN STATES POWER COMPANY  
FOR APPROVAL OF THE SEP  
COMPLIANCE FILING AND TRUE-UP  
PROPOSAL

DOCKET No. E002/M-25-\_\_\_\_

**PETITION AND  
COMPLIANCE FILING**

**SUMMARY**

Please take notice that on February 28, 2025, Northern States Power Company, doing business as Xcel Energy, filed with the Minnesota Public Utilities Commission a Petition requesting approval of the Company's electric State Energy Policy (SEP) Rider compliance filing and true-up proposal.

Northern States Power Company  
State of Minnesota  
Revenue Collections

Docket No. E002/M-25-\_\_\_\_  
State Energy Policy (SEP) Rider Petition  
Attachment 1 - Page 1 of 1

	<u>Actual</u>												
	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
2024 SEP Revenue Collections	-	-	601,221	495,196	555,097	607,742	705,676	678,515	624,918	577,372	552,990	518,248	5,916,975
	<u>Projected</u>												
	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Total
2024 SEP Revenue Collections	636,976	552,730	601,771	510,065	562,091	635,450	739,731	704,263	594,147	563,857	549,260	615,215	7,265,556
<i>*Calculation from Docket No. E002/M-23-465 as filed</i>													
Over/(Under) Collections	(636,976)	(552,730)	(550)	(14,869)	(6,993)	(27,709)	(34,055)	(25,748)	30,771	13,515	3,730	(96,968)	(1,348,580)

**2024**

Cost per cask	\$50,000
PI Casks	50
Subtotal	<b>\$2,500,000</b>
Additional Payment	\$7,500,000
Total	<b>\$10,000,000</b>
MN Jurisdiction Demand	86.7753%
IA Demand	83.8948%
MN Electric Jurisdiction Amount	<b>\$7,279,996</b>
Total Collections	\$5,916,975
(Over)/Under Collections	<b>\$1,363,021</b>

## CERTIFICATE OF SERVICE

I, Marie Horner, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

**DOCKET NO.        Miscellaneous Electric Service List**

Dated this 28th day of February 2025

/s/

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Marie Horner  
Regulatory Administrator

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP		50 S 6th St Ste 2600 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
2	Matthew	Brodin	mbrodin@allete.com	Minnesota Power		30 West Superior Street Duluth MN, 55802 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
3	John	Coffman	john@johncoffman.net	AARP		871 Tuxedo Blvd. St. Louis MO, 63119-2044 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
4	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
5	George	Crocker	gwillc@nawo.org	North American Water Office		5093 Keats Avenue Lake Elmo MN, 55042 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
6	Christopher	Droske	christopher.droske@minneapolismn.gov	Northern States Power Company dba Xcel Energy-Elec		661 5th Ave N Minneapolis MN, 55405 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
7	John	Farrell	jfarrell@ilsr.org	Institute for Local Self-Reliance		2720 E. 22nd St Institute for Local Self-Reliance Minneapolis MN, 55406 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
8	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
9	Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	Northern States Power Company dba Xcel



#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
18	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
19	David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency		220 South Sixth Street Suite 1300 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
20	Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office		1110 West Avenue Red Wing MN, 55066 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
21	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
22	Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy		26 E Exchange St, Ste 206 St. Paul MN, 55101-1667 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
23	Christine	Schwartz	regulatory.records@xcelenergy.com	Xcel Energy		414 Nicollet Mall FL 7 Minneapolis MN, 55401-1993 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
24	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th PI E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
25	Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.		76 W Kellogg Blvd St. Paul MN, 55102 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misl Electric
26	Byron E.	Starns	byron.starns@stinson.com	STINSON LLP		50 S 6th St Ste 2600 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
										Energy-ElecXcel Misc Electric
27	James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered		150 S 5th St Ste 700 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misc Electric
28	Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine		225 S 6th St Ste 3500 Capella Tower Minneapolis MN, 55402-4629 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misc Electric
29	Carla	Vita	carla.vita@state.mn.us	MN DEED		Great Northern Building 12th Floor 180 East Fifth Street St. Paul MN, 55101 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misc Electric
30	Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine		225 South Sixth Street, Suite 3500 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misc Electric
31	Kurt	Zimmerman	kwz@ibew160.org	Local Union #160, IBEW		2909 Anthony Ln St Anthony Village MN, 55418-3238 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misc Electric
32	Patrick	Zomer	pat.zomer@lawmoss.com	Moss & Barnett PA		150 S 5th St #1200 Minneapolis MN, 55402 United States	Electronic Service		No	Northern States Power Company dba Xcel Energy-ElecXcel Misc Electric