

## **Revised Decision Options**

Joint Briefing Papers – 2023 Utility IDPs Dockets E111/M-23-420; E015/M-23-258; E017/M-23-380; E002/M-23-452

- Xcel, MP, Dakota, OTP, the Department, GEC, and Fresh Energy sent preferred decision
  options related to the topics in the Joint Briefing paper. Where there are changes from
  the initial briefing papers in support Staff has noted it in (<u>red underline</u>) Staff provides a
  compilation of positions for the DOs outlined in the Joint Briefing Paper to aid discussion
  at the agenda meeting but continues to recommend making decisions in individual
  dockets.
- Staff has listed where participants are opposed to a decision option. If a non-utility
  participant is not listed under support or oppose, they took no position on the issue. In
  some instances, Staff has provided additional context when a participant took no
  position.
- New/revised decision options are also included in red underline and prefaced by the organization sponsoring them, for example "DOC 2"
- The Department and Dakota did not provide exact language for DOC 2 and DEA 7 respectively, these are Staff's interpretation of their positions from their preferred decision option documents. They are reflected across briefing papers as relevant.
  - Staff does not oppose DOC 2 as an outcome for the Modification of Budget Filing Requirements but believes there would need to be further refinement of filing requirement language to accomplish this outcome. Therefore, Staff maintains the recommendation of DO 1.
  - Staff does not object to DEA 7 for Dakota Electric only. As a cooperative Dakota Electric's requirements are different than the investor-owned utilities therefore Staff believes a more general discussion with Dakota about clarifying reported data is appropriate at this time.
- Submissions received by participants are attached to the end of the revised decision options in individual dockets and contain additional context on participant preferences.

#### **Summary of Positions**

DO	Dakota	MP	ОТР	Xcel	Department	Fresh Energy	GEC	CEG
1	Not Opposed	-	Support	No Position	DOC 2	Support	Support	No Position
2	Support	-	Oppose	Support	DOC 2	Oppose	Oppose	No Position
DOC 2	No Position	No Position	No Position	No Position	Support	No Position	No Position	No Position
3	Support	Support	Support	No Position	Oppose	Support	Support	Support
4	Oppose	Oppose	Oppose	Oppose	Support	No Position	No Position	No Position
5	Oppose	Oppose	Oppose	Oppose	Support	Oppose	No Position	No Position
6	Oppose	Oppose	Oppose	Oppose	Oppose	No Position	No Position	No Position
7	DEA 7	Support	Support	Oppose	Support	Support	Support	No Position
DEA 7	Support	No Position	No Position	No Position				

# **Decision Options**

Staff provides a list of decision options referenced in the briefing papers above for transparency, but as noted at the outset of this briefing paper recommends adopting them in individual utility IDPs, where they are listed as relevant.

### **Modification of Budget Filing Requirements**

The Commission may choose the equivalent of DO 1, 2, or DOC 2 in individual utility IDPs for Dakota, Otter Tail, and Xcel

 Delegate authority to the Executive Secretary to work with [utility] and stakeholders on ways to modify the IDP budget categories to allow for comparisons between utilities and comparison of historic to forecasted data. Delegate authority to the Executive Secretary to approve via notice a stakeholder agreement on amended filing requirements if one is reached. (Staff, OTP, Fresh Energy, GEC) Dakota and Xcel are not opposed but prefer DO 2 Department prefers DOC 2

### OR

2. Modify [utility] IDP filing requirements to amend requirement 3.A.26, 3.A.28, and 3.A.29 to remove the requirement that financial information be reported in IDP-specific categories as follows: (Xcel, Dakota)

Opposed: Fresh Energy, GEC, OTP

Department prefers DOC 2

3.A.26 Historical distribution system spending for the past 5 years. in each category: Information shall be reflected in categories consistent with the Company's cost recovery proceedings.

a. Age Related Replacements and Asset Renewal

b. System Expansion or Upgrades for Capacity c. System Expansion or Upgrades for Reliability and Power Quality d. New Customer Projects and New Revenue

e. Grid Modernization and Pilot Projects

f. Projects related to local (or other) government requirements

g. Metering

h. Other

i. Electric Vehicle Programs

1) Capital Costs

2) O&M Costs

3) Marketing and Communications

4) Other (provide explanation of what is in "other")

The Company may provide in the IDP any 2018 or earlier data in the following rate case categories:

a. Asset Health

b. New Business

c. Capacity
d. Fleet, Tools, and Equipment
e. Grid Modernization

For each category, provide a description of what items and investments are included.

- 3.A.28 Projected distribution system spending for 5 years into the future for the categories listed above in categories consistent with the Company's cost recovery proceedings, itemizing any non-traditional distribution projects.
- 3.A.29 Planned distribution capital projects, including drivers for the project, timeline for improvement, summary of anticipated changes in historic spending. <a href="Projects shall be reflected in categories consistent with the Company's cost recovery proceedings.">Priver categories should include: Ompany's cost recovery proceedings.</a>—Driver categories should include:
  - a. Age-Related Replacements and Asset Renewal
  - b. System Expansion or Upgrades for Capacity
  - c. System Expansion or Upgrades for Reliability and Power Quality
  - d. New Customer Projects and New Revenue
  - e. Grid Modernization and Pilot Projects
  - f. Projects related to local (or other) government requirements
  - g. Metering
  - h. Other
  - i. Electric Vehicle Programs
    - 1) Capital Costs
    - 2) O&M Costs
    - 3) Marketing and Communications
    - 4) Other (provide explanation of what is in "other")

OR

DOC 2 Require [utility] to file both the IDP budget categories and the categories of the Company's cost recovery proceedings in its 2025 IDP. (Staff interpretation of Department alternative to DO 1 and 2)

#### Electrification

The Commission may choose the equivalent of DO 3 or DO 4 or neither in individual utility IDPs

 Delegate Authority to the Executive Secretary to work with the [utility], the Department, and stakeholders to modify the IDP filing requirements to include discussions of the impacts of electrification where appropriate. Delegate authority to the Executive Secretary to approve via notice a stakeholder agreement on amended filing requirements if one is reached. (Staff, <u>Dakota</u>, <u>Minnesota Power</u>, <u>Otter Tail</u>, <u>Fresh</u> <u>Energy</u>, <u>GEC – preferred</u>, <u>CEG</u>)

Opposed: Department Xcel is not opposed

#### OR

4. Require [utility] to make a supplemental filing within [180 days] of the Commission's Order in this docket that proposes a plan to accelerate beneficial electrification for its customers, including a discussion of how to incentivize dual fuel adoption for space heating and electrification of water heating, and provide forecasts of expected grid impacts of the same. (Department)

Opposed: Dakota, Minnesota Power, Otter Tail Power, Xcel

## **Distribution Metrics**

The Commission may select the equivalent of DO 5 **AND/OR** 6, **OR** DO 7, or none of the options in individual utility IDPs.

5. Direct [utility] to develop a suite of metrics to track resiliency, including SAIDI with MEDs and SAIFI with MEDs, and other metrics to the extent warranted in its [2024 IDP Annual Compliance filing/2025 IDP]. (Department)

Opposed: Dakota, Minnesota Power, Otter Tail Power, Xcel, Fresh Energy

## AND/OR

6. Require [utility] to provide a proposal for measuring the capacity, reliability, ratepayer, and equity impacts of its distribution grid investments in its next IDP. This proposal shall specifically address the level of granularity at which the utility will evaluate these impacts for each budget category, indicating for each category whether the utility plans to measure these impacts at the level of the budget category, program, project, or at some other level of resolution, or not at all, and specifically accounting for the impact of any expected changes to IDP budget categories. (<a href="Department">Department</a>, now supports DO 6) Opposed: Department, Dakota, Minnesota Power, Otter Tail Power, Xcel

### OR

- 7. Delegate authority to the Executive Secretary work with [utility] and stakeholders to discuss metrics reported across distribution dockets and delegate authority to the Executive Secretary to approve via notice a stakeholder agreement on metrics reporting if one is reached. At minimum, the proposal and metrics should include the following components:
  - a. Reliability metrics such as SAIDI, SAIFI, CAIDI, CEMI, and CELI
  - b. Distribution spending by IDP budget categories
  - c. Whether there is available hosting capacity for generation or load at the primary system level
  - d. Demographic data including race and income
  - e. Installed DERs, ECO rebates, DR customers enrolled in programs
  - f. Metrics reported at a feeder and/or census block group level

(Staff, <u>Department</u>, <u>Minnesota Power – with no position on 5a, d, e, and f</u>, <u>Otter Tail</u>

Power, Fresh Energy, GEC)

Opposed: Xcel

Dakota is not opposed to DEA 7

- DEA 7 Delegate authority to the Executive Secretary work with Dakota Electric Association and stakeholders to discuss metrics reported across distribution dockets, and delegate authority to the Executive Secretary to approve via notice a stakeholder agreement on metrics reporting if one is reached. At minimum, the proposal and metrics shall include the following components:
  - a. Reliability metrics such as SAIDI, SAIFI, CAIDI, CEMI, and CELI
  - b. Distribution spending by IDP budget categories
  - c. Whether there is available hosting capacity for generation or load at the primary system level
  - d. Demographic data including race and income
  - e. Installed DERs, ECO rebates, DR customers enrolled in programs
  - f. Metrics reported at a feeder and/or census block group level

(<u>Staff interpretation of Dakota Electric position from preferred DOs, Dakota would not oppose with these modifications</u>)