

***Revised decision options***

**Initial decision options**

1. Approve Xcel's selection of EP and RD projects and reserve list. Approve Xcel's recommendation for block grant awards to institutes of higher education.
2. Deny Xcel's selection of EP and RD projects and reserve list and recommendation for block grants to institutes of higher education. Require Xcel to start Cycle 4 over based on specific direction from the Commission.
3. Approve Xcel's selection of EP and RD projects and reserve list with some modifications to be specified by the Commission. Approve Xcel's recommendation for block grant awards to institutes of higher education with some modifications to be specified by the Commission.
  - a. Seek additional information on certain projects and/or block grant programs
  - b. Require Xcel to re-evaluate its selection and recommendation of all or some of the projects based on direction from the Commission
4. Take no action at this time and require further information from Xcel and the Advisory Group and/or seek additional comments from parties.

**Additional funding**

5. Approve Xcel's selection of EP and RD projects and reserve list. Approve Xcel's recommendation for block grant awards to institutes of higher education, except as modified below, and apply the additional funding proposed in Xcel's January 20, 2014 letter, as follows:
  - a. Allocate the additional funding to be used to fund projects #1-9 on Xcel's reserve list. Make no change to Xcel's initial recommendation for HE block grant awards.
  - b. Increase the HE block grant award amount to be held in abeyance for the University of Minnesota by \$1 million resulting in a total HE grant award of \$3 million as initially recommended by the Advisory Group. Allocate the remaining additional funding to be used to fund projects #1-9 on Xcel's reserve list.
  - c. Increase the HE block grant award amount to be held in abeyance for the University of Minnesota to \$6.9 million and the grant award amount to be held in abeyance for the University of St Thomas to \$2,157,215, as recommended by Xcel. Allocate the remaining additional funding to be used to fund projects #1-4 on Xcel's reserve list.
  - d. Increase the HE block grant award amount to be held in abeyance for the University of St. Thomas to \$2,157,215, as recommended by Xcel. Allocate the remaining additional funding to be used to fund projects #1-9 on Xcel's reserve list.
6. Do not allocate any of the additional unencumbered RDF funds to Cycle 4 projects or proposals.

### **Process for funding projects on the reserve list**

7. Adopt the process proposed by Xcel for using available funds to fund projects on the reserve list, as follows:
  - a. use the Commission approved numerical ranking of the projects on the list to select projects for funding
  - b. use the “next in line” method regardless of whether it is an EP or RD project
  - c. if after 6-12 months available funds are not sufficient to fund the highest ranked proposal, move to the next project on the list that can be funded in full
  - d. no reserve list project is to be funded if there are not sufficient unobligated funds to provide a full grant award
8. Require Xcel, within 20 days of the Order in this matter, to file for Commission approval, a more detailed description of how projects on the reserve list will be selected for funding.

### **Request for a contested case proceeding**

9. Deny parties’ request for a contested case proceeding in this matter.
10. Grant parties’ request for a contested case proceeding in this matter.

### **Compliance/informational filings**

11. In the event that Xcel declares an impasse in grant contract negotiations for either an EP or an RD project, require that the Xcel provide the Commission with notice. Grant authority to the Executive Secretary to seek comments on the filing, if necessary, to determine if in fact there is sufficient impasse before Xcel can move onto the next project on the reserve list.
12. Require Xcel within 120 days of the Order in this matter to file a status report on negotiations with the University of Minnesota and the University of St. Thomas for HE program block grant funding. If these negotiations fail to result in grant proposals for either the University of Minnesota or the University of St. Thomas, Xcel should seek approval from the Commission prior to reallocating funds to projects on the reserve list.
13. Require Xcel within 30 days of the Order in this matter to make a compliance filing with proposals for how to improve the transparency of the RDF selection process based on parties’ comments and lessons learned in the Cycle 4 RFP and selection process.