

December 2, 2013

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. E002/M-13-1002

Dear Dr. Haar:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources, in the following matter:

Petition for Approval of Third Amendment to a Power Purchase Agreement with Big Blue Wind Farm, LLC.

The petition was filed on October 31, 2013 by:

Paul J. Lehman
Manager, Regulatory Compliance & Filings
Xcel Energy
414 Nicollet Mall
Minneapolis, MN 55401

The Department expects to recommend approval of the Amended PPA after review of Xcel's reply comments. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ SAMIR OUANES
Rates Analyst

SO/ja
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. E002/M-13-1002

I. SUMMARY OF XCEL ENERGY'S PETITION

On October 31, 2013, Northern States Power Company, d/b/a Xcel Energy (Xcel or the Company) filed a *Petition for Approval of Third Amendment to a Power Purchase Agreement (PPA) with Big Blue Wind Farm, LLC* (Big Blue). The Company is seeking approval of the Third Amendment pursuant to Minn. Stat. § 216B.1612.

Big Blue is a 36 MW C-BED wind generation project (Project) located in Faribault County in south central Minnesota. The Third Amendment proposes to reduce the wind production commitment from 145,000 MWh to 120,000 MWh per year.

II. BACKGROUND

During its 2005 session, the Minnesota State Legislature created a new law intended to facilitate community-based wind development in the state by adopting a set of ownership criteria and pricing guidelines supporting much greater local, regional and state involvement than had been realized in the past. In addition to specifically defining qualifying ownership – examples of which include Minnesota residents, non-profit organizations, school districts and tribal councils – Minn. Stat. §216B.1612 (C-BED Statute) specified that the pricing structure of a PPA between a utility and a community-based energy project may be front-end loaded for the first half of the contract term (i.e. may provide for a higher rate in the first 10 years than in the last 10 years). A cap on the purchase price of up to 2.7 cents per kilowatt hour (kWh) on a net present value basis over a 20-year contract life was also included in the statute.

In 2007, the Minnesota Legislature modified the C-BED statute in a number of ways including revisions to ownership criteria and removal of the 2.7 cents per kWh price cap.

On December 3, 2007, Xcel filed for approval of revisions to the Company's C-BED tariff to conform to the 2007 C-BED statutory changes.¹

On September 5, 2008, the Minnesota Public Utilities Commission (Commission) issued an Order approving the Company's revised C-BED tariff.

In 2010, the Minnesota Legislature further modified the C-BED Statute by: (1) allowing a legal entity to qualify as a C-BED beneficiary under certain circumstances when formed for a purpose other than to participate in C-BED projects; (2) clarifying the definition of qualifying revenue in determining whether a project is eligible for C-BED status; and (3) clarifying the process and the requirements a C-BED project shall follow in seeking a pre-determination of C-BED eligibility from the Commissioner of the Minnesota Department of Commerce. The 2010 legislation also specified that a project is not required to obtain a determination of C-BED eligibility under the new provisions if it has received an opinion letter from the Commissioner prior to the effective date of the new law (May 18, 2010).

On June 30, 2010, Xcel petitioned the Commission for approval of a PPA between Xcel and Big Blue pursuant to the C-BED Statute.²

On July 26, 2010, the Company filed a First Amendment to the PPA, amending the milestone regarding securing C-BED status for the wind project.

On July 29, 2010, the Minnesota Department of Commerce, Division of Energy Resources (Department) filed comments recommending approval of the PPA as amended (Original PPA).

On August 26, 2010, the Commission issued a Notice approving the Original PPA.³

On January 13, 2012, Xcel filed a *Petition for Approval of Amendment No. 2 to a Power Purchase Agreement with Big Blue Wind Farm, LLC* (Second Amendment).⁴

The Original PPA included an Exhibit A which specified contractual due dates for certain events related to completion of the Big Blue Wind Project. Article 12 of the Original PPA defines defaults and remedies and specifies monetary penalties for failure to meet certain milestones listed in Exhibit A. In February 2011, Big Blue notified the Company that it failed to meet some of the Construction Milestones. As a result, Big Blue and the Company negotiated new

¹ Docket No. E002/M-07-1527.

² Docket No. E002/M-10-733.

³ Docket No. E002/M-10-733.

⁴ Docket No. E002/M-12-72.

Construction Milestones that significantly delayed the due dates for some significant milestones, and allowed Big Blue to avoid any additional default payments. In return, Big Blue agreed to a significantly lower price for the output of its wind project. Over the 20-year life of the revised PPA, the lower price would save Xcel's ratepayers about \$12,704,177 as measured by the net present value of the annual payments.

On February 6, 2012, the Department filed comments recommending approval of the Second Amendment with reporting requirements.

On February 16, 2012, the Company filed reply comments agreeing to file a monthly status report to: (1) provide the status of each milestone for each month from January 2012 through the project's Commercial Operation Date, and (2) show the monthly Delay Damage payments.

On March 27, 2012, the Commission issued an Order approving the Second Amendment with reporting requirements and allowing Xcel to recover costs associated with the amended PPA through the fuel clause rider under Minn. Stat. 216B.1645.⁵

The Company filed the required monthly status reports up to January 2013. The last report filed on January 7, 2013 stated that Big Blue achieved the only remaining PPA milestone, Commercial Operation status, on December 15, 2012. As a result, Xcel stated that the January 2013 status report would be the last monthly report to be filed by the Company.

The January 7, 2013 status report also identified the change in ownership of Big Blue from Exergy Minnesota Holdings, LLC, an affiliate of Exergy Development Group of Idaho, LLC to Midwest Ethanol Transport, LLC, an affiliate of Fagen Inc. as a result of the November 12, 2012 Order from the United States District Court for the District of Minnesota.

As noted above, on October 31, 2013, Xcel filed the proposed Third Amendment; the Department provides comments below.

III. DEPARTMENT ANALYSIS

A. INTRODUCTION

The Department files these comments in support of the proposed PPA as modified by the Third Amendment (Amended PPA) since the proposal meets the analysis criteria described below. As discussed further below, the only remaining issue that may need to be addressed is the C-BED eligibility of the Project.

⁵ Docket No. E002/M-12-72.

B. DISCUSSION

1. C-BED Eligibility of Big Blue

On page 3 of the instant filing, Xcel stated that “[f]ollowing the execution of the Second Amendment, the project requested a re-determination of its C-BED eligibility based upon the new pricing, which was confirmed by the Department in a letter dated December 28, 2011.” (emphasis added)

Given that this last determination was made before the change in the ownership structure, the Department requested Xcel to provide its legal analysis in support of the Company’s statement that “[t]his project [Big Blue] is a Community Based Energy Development project pursuant to Minn. Stat. 216B.1612.”⁶

Xcel stated that the Company’s statement regarding C-BED eligibility of the Project was not based on a legal analysis but relied on “determinations regarding Seller’s C-BED eligibility provided by the Department and Seller’s representations and warranties regarding its C-BED eligibility.”⁷

Because the last determination of C-BED eligibility of the Project was made before the change in the ownership structure, for clarity and completeness of the record in this matter, the Department recommends that Xcel provide in reply comments an analysis, based on Minn. Stat. 216B.1612, showing that the change in the ownership structure: (1) does not affect the last determination of C-BED eligibility of the Project and (2) does not require a re-determination of C-BED eligibility of the Project.

Unless the Company’s analysis shows that there is no need for a re-determination of C-BED eligibility of the Project, the Department recommends that Xcel discuss in reply comments the steps and timeframe needed for such a re-determination.

2. Department Analysis of the Amended PPA

In general, the Department recommends that the Commission approve a PPA if, and only if, the PPA is in the best interest of Xcel’s ratepayers. To be in the best interest of Xcel’s ratepayers, the PPA must meet the following three requirements:

- The purchase price to be paid by Xcel for wind energy is reasonable,
- Xcel’s ratepayers are appropriately protected from the financial and operational risks of the wind project, and

⁶ Source: page 7 out of 14 of the instant filing.

⁷ Source: Attachment 1, Xcel’s November 25, 2013 response to the Department’s information request No. 3.

- Curtailment provisions are appropriate.

a. The Price of the Amended PPA

Based on its analysis of the Second Amendment between Xcel and Big Blue, the Department concluded that Big Blue's modified price was reasonable.

In response to discovery from the Department, Xcel stated that "it is likely that replacement wind energy could be purchased today or in the future at a lower price than the PPA contract price (for example, the most recently filed NSP wind PPAs have had first year energy costs well less than the Big Blue PPA costs)."⁸

As a result, the Department would normally conclude that the purchase price to be paid by Xcel for wind energy under the Amended PPA is not reasonable.

However, the Department concludes that the price of the Amended PPA is appropriate for the following reasons:

- the PPA as modified by the Second Amendment was approved by the Commission,
- the Amended PPA would not change the Commission-approved PPA price,
- the proposed Third Amendment would reduce the costs that would be charged to ratepayers under the PPA due to the reduction in the Committed Renewable Energy, and
- the PPA as modified by the Second Amendment would remain in full force and effect if the Amended PPA is not approved by the Commission.⁹

At page 5 of the Company's October 31, 2013 comments, Xcel stated that the Third Amendment "will not result in any additional costs to our customers..." Following discovery from the Department requesting a narrative and spreadsheets in support of that statement, the Company explained that, as a result of the current market conditions, Xcel expects that the reduction in the Committed Energy would result in reduced costs to its ratepayers.¹⁰

b. Protection of Xcel's Ratepayers from Financial and Operational Risks

Based on its analysis of the Second Amendment, the Department concluded that the provisions in the PPA appropriately protected Xcel's ratepayers from the financial and operational risks of the project. The Amended PPA would not change any of these provisions. Therefore, the Department concludes that the Amended PPA still appropriately protects Xcel's ratepayers from the financial and operational risks of the project.

⁸ Source: Attachment 2, Xcel's November 25, 2013 response to the Department's information request No. 4.

⁹ Source: Point 2.b of the Third Amendment.

¹⁰ See Attachment 2, Xcel's November 25, 2013 response to the Department's information request No. 4.

c. Curtailment Provisions

Based on its analysis of the Second Amendment, the Department concluded that Xcel's ratepayers were appropriately protected from curtailment risks. Since the Third Amendment would not change any of these curtailment provisions, the Department concludes that the Amended PPA would appropriately protect Xcel's ratepayers from curtailment risks.

d. Default Events in the Original PPA

The Department raised concerns in its February 6, 2012 comments about the issue of Big Blue's payments to Xcel for failing to meet the PPA's required milestones. Article 12.4 of the PPA defines Delay Damages. For failing to meet any milestones listed in Exhibit A (except for Commercial Operation Date), Big Blue must pay Xcel \$180 per day. For failing to meet the Commercial Operation Date, Big Blue must pay Xcel \$3,600 per day. Based on its review of Xcel's response to discovery, the Department concluded that Xcel should have dealt with Big Blue's default events in a timely manner. However, the Department also concluded that at present, all the Delay Damages payments from Big Blue to Xcel (\$755,280) were up to date.

On April 10, 2012, Xcel filed the required April 2012 monthly status report. This report updated the amount of delay damages assessed to Big Blue up to March 26, 2012, \$1,095,840.

To ensure that the appropriate amount of Delay Damages is credited to Xcel's ratepayers via the monthly Fuel Clause Adjustments (FCA), the Department requested Xcel to provide in response to discovery all the relevant information regarding Delay Damages' assessments to Big Blue, payments to Xcel and credit to Xcel's ratepayers.

Based on its review of Xcel's response to discovery, the Department concludes that all the Delay Damages' payments from Big Blue to Xcel and corresponding FCA credits to Xcel's ratepayers are up to date.¹¹

IV. CONCLUSIONS AND RECOMMENDATIONS

A. CONCLUSIONS

Based on its review and analysis of the Third Amendment, the Department concludes that:

1. The price of the Amended PPA is appropriate.
2. Xcel's ratepayers would be appropriately protected from the financial and operational risks of the Amended PPA.

¹¹ See Attachment 3, Xcel's November 25, 2013 response to the Department's information request Nos. 1-2.

3. The curtailment provisions in the Amended PPA are appropriate.

B. RECOMMENDATIONS

Based on its review and analysis of the Third Amendment and based on its conclusions, the Department expects to recommend that the Commission:

1. Approve the Third Amendment to the PPA.
2. Allow Xcel to recover the cost of the Amended PPA, net of all revenues and penalties to Big Blue, via the Fuel Clause Rider pursuant to Minn. Stat. §216B.1645.

For clarity and completeness of the record in this matter, the Department recommends that Xcel provide in reply comments an analysis, based on Minn. Stat. 216B.1612, showing that the change in the ownership structure: (1) does not affect the last determination of C-BED eligibility of the Project and (2) does not require a re-determination of C-BED eligibility of the Project.

Unless the Company's analysis indicates no need for a re-determination of C-BED eligibility of the Project, the Department recommends that Xcel discuss in reply comments the steps and timeframe needed for such a re-determination.

/ja

Attachment 1

- Non Public Document – Contains Trade Secret Data
 Public Document – Trade Secret Data Excised
 Public Document

Xcel Energy

Docket No.: E002/M-13-1002

Response To: Department of Commerce Information Request No. 3

Requestor: Samir Ouanes

Date Received: November 13, 2013

Question:

Subject: Determination of C-BED eligibility of Big Blue Wind Farm (Big Blue)

Reference: In the instant filing at 3, Xcel stated that “[f]ollowing the execution of the Second Amendment, the project requested a re-determination of its C-BED eligibility based upon the new pricing...”

1. Please provide any and all legal analysis in support of Xcel’s statement that “[t]his project [Big Blue] is a Community Based Energy Development project pursuant to Minn. Stat. 216B.1612,” given the new ownership structure and the proposed reduction in the Committed Renewable Energy.
2. Please state whether or not a re-determination of Big Blue’s C-BED eligibility was requested following the execution of the Third Amendment, based upon the new ownership structure and the proposed reduction in the Committed Renewable Energy.
3. If your answer to question 1 above is yes, please explain when and where the request was submitted.

Response:

1. Xcel Energy has not completed a legal analysis in support of the Company’s statement that the Big Blue project is a C-BED project pursuant to Minn. Stat. 216B.1612. Consistent with the terms and conditions of the PPA, Xcel Energy has relied on determinations regarding Seller’s C-BED eligibility provided by the Department and Seller’s representations and warranties regarding its C-BED eligibility. As stated in our January 7, 2013 Monthly Report, attached hereto as

Attachment A, in the Consent to Change of Control between Seller and NSP, dated December 14, 2012 [attached hereto as Attachment B (the "Consent")], Seller covenanted that it and the project continued to satisfy the requirements of C-BED Eligibility pursuant to the PPA. Attached to the Monthly Report is the Department's December 28, 2011 opinion that the Big Blue facility continues to meet the C-BED requirements.

2. Xcel Energy did not seek a re-determination of Big Blue's C-BED eligibility since the execution of the Third Amendment. Xcel Energy had not planned to seek from Seller a re-determination of C-BED eligibility based upon the new ownership structure because, as provided in the Consent, Seller had covenanted that it maintained its C-BED eligibility.

3. Not applicable

Preparer: Jessica Collins
Title: Manager, Renewable Power Purchases
Department: Purchased Power
Telephone: (303) 571-7740
Date: November 25, 2013



414 Nicollet Mall
Minneapolis, MN 55401

January 7, 2013

—Via Electronic Filing—

Burl W. Haar
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

RE: JANUARY 2013 MONTHLY REPORT
AMENDMENT NO. 2 TO A POWER PURCHASE AGREEMENT
WITH BIG BLUE WIND FARM, LLC
DOCKET NO. E002/M-12-72

Dear Dr. Haar:

Northern States Power Company, doing business as Xcel Energy (NSPM), submits to the Minnesota Public Utilities Commission this monthly report in compliance with the Commission's March 27, 2012 ORDER in the above-referenced Docket.

The Wind Energy Purchase Agreement dated June 1, 2010 provides for NSPM to purchase all of the energy and Renewable Energy Credit's from the 36 MW wind facility for a 20-year term.

On October 15, 2012, Fagen, Inc. filed a lawsuit in Faribault County, Minnesota asking the Court to determine that it was the owner of the Big Blue Wind Farm. On November 12, 2012, the United States District Court for the District of Minnesota issued an order in CIVIL No. 12-CV-02703 (MJD/SER) which determined that the ownership of Seller had been transferred from Exergy Minnesota Holdings, LLC, an affiliate of Exergy Development Group of Idaho, LLC to Midwest Ethanol Transport, LLC, an affiliate of Fagen, Inc. The court order constitutes a change of control under Section 19.3 of the PPA; Seller obtained NSPM's consent to the change of control on December 14, 2012.

The Deputy Commissioner of the Minnesota Department of Commerce issued a C-BED Determination Letter to the Big Blue, LLC project on December 28, 2011. A copy is provided as Attachment 1. In the Consent, Seller covenanted that Seller and the project continue to satisfy the requirements of C-BED Eligibility as of the date of the Consent.

The Big Blue wind farm achieved Commercial Operation status on December 15, 2012. Since that was the only remaining PPA Milestone, this will be our last monthly report. There were no delay damages in the last month.

Please contact me at paul.lehman@xcelenergy.com or (612) 330-7529 if you have any questions regarding this matter.

Sincerely,

/s/

Paul J Lehman
MANAGER, REGULATORY COMPLIANCE AND FILINGS

c: Service List



85 7th Place East, Suite 500, St. Paul, MN 55101-2198
main: 651.296.4026
tty: 651.296.2860
fax: 651.297.7891

www.energy.mn.gov

December 28, 2011

Daniel A. Yarano, Attorney
Fredrickson & Byron, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402-1425

Re: C-BED Determination Letter – Big Blue Wind, LLC
Faribault County, MN

Dear Mr. Yarano:

I am writing in response to your request on December 23rd, 2011 for a re-determination of C-BED eligibility from the Division of Energy Resources for the proposed 36 MW wind powered electricity generation facility located in Jo Daviess Township, Faribault County, Minnesota, operating as Big Blue Wind, LLC, a Minnesota limited liability company.

Based on current law and the materials and representations you provided, it is our opinion that the Big Blue Wind, LLC facility continues to meet the definition of a C-BED project under Minn. Stat. § 216B.1612, subd. 2(h).

Thank you for the information you have submitted and for your effort in developing this C-BED project.

Sincerely,

A handwritten signature in black ink, appearing to be "W Grant".

WILLIAM GRANT
Deputy Commissioner

WGLT/cw

c: Dan Yarano, via e-mail

CONSENT TO CHANGE OF CONTROL

This Consent to Change of Control ("Consent") is entered into as of December 14, 2012, by and between Big Blue Wind Farm, LLC ("Seller") and Northern States Power Company, a Minnesota corporation ("NSP"). Each of Seller and NSP are hereinafter referred to individually as a "Party" and collectively as the "Parties." Capitalized terms in this Consent that are not otherwise defined shall have the meaning ascribed to them in the PPA.

Whereas, the Parties entered into the Renewable Energy Purchase Agreement, as amended ("PPA") on July 22, 2010 and December 21, 2011; and Seller is in full compliance with the PPA, has fully funded the Security Fund and is constructing the project as required by the PPA (as amended); and

Whereas, on November 2, 2012, the United States District Court for the District of Minnesota issued an order in CIVIL No. 12-CV-02703 (MJD/SER) ("Court Order") which recognized that the ultimate parent ownership of Seller had been transferred from Exergy Development Group of Idaho, L.L.C to Midwest Ethanol Transport, LLC ("Midwest"), an affiliate of Fagen, Inc.; and

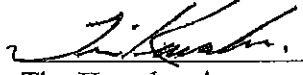
Whereas, the Parties agree that the changed ownership described in the Court Order constitutes a Change of Control under Section 19.3 of the PPA, which requires that Seller obtain NSP's Consent to any Change of Control; and

Whereas, Seller wishes to obtain NSP's consent for the Change of Control.

Now, therefore, for good and valuable consideration, the sufficiency and adequacy of which shall be deemed sufficient, the Parties agree as follows:

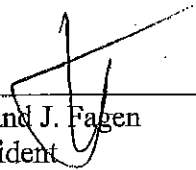
1. Seller hereby acknowledges that it did not follow the requirements of the PPA in accomplishing a Change of Control prior to obtaining NSP's consent. In this particular instance only, NSP hereby waives strict compliance of this requirement under the PPA and consents to the Change of Control on the terms and conditions set forth herein.
2. In consideration of NSP's consent, Seller hereby covenants that Seller and the project continue to satisfy the requirements of C-BED Eligibility as of the date of this Consent.
3. In consideration of NSP's consent, Seller hereby reaffirms that all representations and warranties set forth in Section 15.1 of the PPA are true and correct as of the as of the date of this Consent.

Northern States Power Company,
A Minnesota Corporation



Tim Kawakami
Director Purchased Power
Xcel Energy Services Inc. as agent for
Northern States Power Company

Big Blue Wind Farm, LLC



Roland J. Fagen
President

Attachment 2

PUBLIC DOCUMENT – TRADE SECRET DATA EXCISED

- Non Public Document – Contains Trade Secret Data
- Public Document – Trade Secret Data Excised
- Public Document

Xcel Energy

Docket No.: E002/M-13-1002

Response To: Department of Commerce Information Request No. 4

Requestor: Samir Ouanes

Date Received: November 13, 2013

Question:

Subject: Cost impact of the proposed Third Amendment on Xcel's ratepayers

Reference: In the instant filing at 5, Xcel states that the Third Amendment "will not result in any additional costs to our customers..."

Please provide a narrative and all spreadsheets in support of your above-referenced statement. As part of your answer, please quantify for the remainder of the PPA term the cost impact on Xcel's ratepayers of the replacement energy costs resulting from the proposed reduction in the Committed Renewable Energy.

Response:

As a result of the 25,000 MWh annual reduction of Big Blue's Committed Renewable Energy, approximately 500,000 MWh of wind energy may not be produced over the term of the contract. The Big Blue PPA has an energy cost of **[TRADE SECRET BEGINS** **TRADE SECRET ENDS]**, so it is likely that replacement wind energy could be purchased today or in the future at a lower price than the PPA contract price (for example, the most recently filed NSP wind PPAs have had first year energy costs well less than the Big Blue PPA costs).

For example, if we had to replace 25,000 MWh of Big Blue's wind energy with new wind energy the estimated Replacement Energy Costs (nominal) would be:

PUBLIC DOCUMENT – TRADE SECRET DATA EXCISED

[TRADE SECRET BEGINS

TRADE SECRET ENDS]

The designated above material has been designated as Trade Secret information pursuant to Minnesota Statute § 13.37, subd. 1(b). In particular, the information designated as Trade Secret derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.

Preparer: Jessica Collins
Title: Manager, Renewable Power Purchases
Department: Purchased Power
Telephone: (303) 571-7740
Date: November 25, 2013

Attachment 3

- Non Public Document – Contains Trade Secret Data
 Public Document – Trade Secret Data Excised
 Public Document

Xcel Energy

Docket No.: E002/M-13-1002

Response To: Department of Commerce Information Request No. 1

Requestor: Samir Ouanes

Date Received: November 13, 2013

Question:

Subject: Delay damages payments

Reference: Attachment A of Xcel's April 10, 2012 monthly report in Docket No. E002/M-12-72 shows in particular the total and monthly amount of delay damages assessed to Big Blue Wind farm (Big Blue) up to March 26, 2012, \$1,095,840.

1. Please provide an updated Attachment A covering the January 1, 2011-October 31, 2013 period.
2. Please identify the total amount of delay damages assessed to Big Blue up to October 31, 2013.
3. Please identify the total amount of delay damages paid by Big Blue up to October 31, 2013.
4. If the amount identified in response to question 3 above is less than the amount identified in response to question 2 above, please fully explain and justify the steps Xcel took and/or is taking to recover the difference between these two amounts.

Response:

1. Please see DOC-001 Att A – Big Blue Delay Damages.
 2. The total amount of delay damages assessed to Big Blue up to October 31, 2013 was \$1,095,840.
 3. The total amount of delay damages paid by Big Blue up to October 31, 2013 was \$1,095,840.
 4. There is no difference.
-

Preparer: Jessica Collins
Title: Manager, Renewable Power Purchases
Department: Purchased Power
Telephone: (303) 571-7740
Date: November 25, 2013

Big Blue Summary Table

PPA Signed: June 1, 2010

MPUC PPA Approval: August 26, 2010

MPUC Order Approving 2nd Amendment: March 27, 2012

Due Date:	C-BED Eligibility	Turbine Commitment	Financial Closing	Security Fund	Commercial Operation	Turbines Delivered
		3.1 Summary	Exhibit A	11.1 Security Fund (A)	Exhibit A	Exhibit A
		Description, 45 days following MPUC approval	Construction Milestones	120 Days following MPUC approval.	Construction Milestones	Construction Milestones
		October 10, 2010	October 31, 2010	December 24, 2010	July 1, 2011	May 30, 2011
1/31/2011	\$ 22,320.00	\$ 16,920.00	\$ 16,560.00	N/A	N/A	\$ 55,800.00
2/28/2011	\$ 5,040.00	\$ 5,040.00	\$ 5,040.00	N/A	N/A	\$ 15,120.00
3/31/2011	\$ 5,580.00	\$ 5,580.00	\$ 5,580.00	N/A	N/A	\$ 16,740.00
4/30/2011	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	N/A	N/A	\$ 16,200.00
5/31/2011	\$ 5,580.00	\$ 5,580.00	\$ 5,580.00	N/A	N/A	\$ 16,740.00
6/30/2011	\$ 5,400.00	\$ 5,400.00	\$ 5,400.00	N/A	N/A	\$ 21,600.00
7/31/2011		Force Majeure				
8/17/2011		Force Majeure				
8-18 to 8-31-2011	\$ 2,520.00	\$ 2,520.00	\$ 2,520.00		\$ 50,400.00	\$ 60,480.00
9/30/2011	\$ 3,240.00	\$ 5,400.00	\$ 5,400.00	\$ 3,240.00	\$ 108,000.00	\$ 130,680.00
10/31/2011	N/A	\$ 5,580.00	\$ 5,580.00		\$ 111,600.00	\$ 128,340.00
11/30/2011	N/A	\$ 5,400.00	\$ 5,400.00		\$ 108,000.00	\$ 124,200.00
12/31/2011	N/A	\$ 3,960.00	\$ 5,580.00		\$ 111,600.00	\$ 126,720.00
1-26-2012 True-Up		\$ 3,420.00		\$ 39,240.00		\$ 42,660.00
1-1-2012 to 1-31-2012	N/A	N/A	\$ 5,580.00	N/A	\$ 111,600.00	\$ 122,760.00
2-1-2012 to 2-29-2012	N/A	N/A	\$ 5,220.00	N/A	\$ 104,400.00	\$ 114,840.00
3-1-2012 to 3-26-2012	N/A	N/A	\$ 4,680.00	N/A	\$ 93,600.00	\$ 102,960.00
3-27-2012 to 10-31-2013	N/A	N/A	N/A	N/A	N/A	N/A
						\$ 1,095,840.00

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Xcel Energy

Docket No.: E002/M-13-1002

Response To: Department of Commerce Information Request No. 2

Requestor: Samir Ouanes

Date Received: November 13, 2013

Question:

Subject: FCA credit of delay damages payments

1. Please state whether or not the full amount of delay damages assessed to Big Blue, as identified in response to question 2 of the Department information request No. 1, was credited back to Xcel's ratepayers via the Fuel Clause Adjustment (FCA).
2. If your answer to question 1 above is yes, please clearly identify (Docket Numbers, including attachments and pages) when and how the corresponding monthly amounts were credited back to Xcel's ratepayers. Please provide a table showing that the sum of these monthly amounts is equal to the full amount of delay damages assessed to Big Blue as identified in response to question 2 of the Department information request No. 1.
3. If your answer to question 1 above is no, please fully identify the monthly amounts that were not credited back to Xcel's ratepayers. Please fully explain when and how these monthly amounts will be credited back to Xcel's ratepayers.
4. If your answer to question 1 above is no, please fully identify (Docket Numbers, including attachments and pages) each of the monthly amounts that were credited back to Xcel's ratepayers. Please provide a table showing the calculation of the sum of these monthly amounts.

Response:

1. The full amount of \$1,095,840 delay damages assessed to Big Blue, as identified in response to question 2 below was credited to Xcel Energy's retail ratepayers via the Fuel Clause Charges.
2. Please see Attachment A.
3. All amounts have been credited back to customers.

4. All amounts have been credited back to customers.

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Date: November 25, 2013

Summary of Big Blue Wind Farm PPA Delay Damages Payments (July 1, 2011 - October 31, 2013)

Project	Docket No.	Amount Received	Date Booked	Credited to FCA (Yes/No)	Month/Year Credited to FCA	FCA Docket No.	Reason for Payment	
Big Blue Wind Farm, LLC	E002/M-10-773	\$ 142,200	July 2011	Yes	September 2011	E002/11-0885	Delay Damages	
		\$ 60,480	September 2011	Yes	November 2011	E002/11-1072	Delay Damages	
		\$ 130,680	October 2011	Yes	December 2011	E002/11-1173	Delay Damages	
		\$ 128,340	November 2011	Yes	January 2012	E002/11-1305	Delay Damages	
		\$ 124,200	December 2011	Yes	February 2012	E002/12-0105	Delay Damages	
		\$ 169,380	January 2012	Yes	March 2012	E002/12-0172	Delay Damages	
		\$ 122,760	February 2012	Yes	April 2012	E002/12-0314	Delay Damages	
		\$ 114,840	March 2012	Yes	May 2012	E002/12-0443	Delay Damages	
		\$ 102,960	April 2012	Yes	June 2012	E002/12-0556	Delay Damages	
		\$ 1,095,840						

Note:

These delay damages payments are non-recurring events in a given month therefore they are embedded in the FERC Account 555 line item in the monthly FCA calculation (Attachment 1 page 2 line 3a).

Source:

2012 AAA Report (Docket No. E002/AA-12-757), Part K, Section 4, Schedule 1, page 1 of 1.