



414 Nicollet Mall
Minneapolis, MN 55401

March 4, 2026

—Via Electronic Filing—

Sasha Bergman
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: LETTER – PROPOSED REVISIONS TO DECISION OPTIONS
TRANSMISSION COST RECOVERY RIDER
DOCKET NO. E002/M-25-386

Dear Ms. Bergman:

Consistent with the issue before the Commission, Northern States Power Company, doing business as Xcel Energy (Company), submits the following modified Decision Options for consideration at the March 5, 2026 hearing in the above referenced docket. The modified decision options provide clarifications relevant to the decision of whether the Company should be authorized to provisionally implement the 2026 Transmission Cost Recovery (TCR) Rider rates.

First, as discussed in our January 20, 2026 Reply Comments we agree it is appropriate to recover participant compensation expenses under the State Energy Policy (SEP) Rider rather than the TCR Rider. In compliance with Order Points 2 and 3 of the Commission's December 1, 2025 Order in our 2025 TCR Rider in Docket No. E002/M-24-371, we removed participant compensation from the TCR tracker for 2024 and adjusted the 2025 TCR Rider rates to reflect the removal of this expense. Because we removed the 2024 participant compensation from the TCR tracker after the 2026 TCR Petition and tracker were filed in the present docket, we need to update the TCR tracker on this record to remove both the 2024 and 2025 participant compensation amounts. Therefore, the Company offers Modified Decision Option 1 below, updating the value of participant compensation to be removed from the TCR tracker.

Second, because the noticed issue before the Commission is limited to provisional implementation of the TCR rates, the Company offers New Xcel Decision Option 2

to clarify that a decision to forego provisional implementation does not impact or decide the remaining substantive issues in this docket.

The Company presents the following two revised decision options below:

Modified Decision Option 1

Approve Xcel Energy's TCR rate as proposed minus \$64,405 related to Participant Compensation effective April 1, 2026, subject to final review.

Modified Decision Option 2

Decline Xcel Energy's proposal to provisionally implement the 2026 TCR rates.

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 Megan Spear at megan.spear@xcelenergy.com or me at rebecca.d.eilers@xcelenergy.com or 612-330-5570 if you have any questions regarding this filing.

Sincerely,

/s/

REBECCA EILERS
MANAGER, REGULATORY AFFAIRS

cc: Service List

Certificate of Service

I, Victor Barreiro, 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. E002/M-25-386

Dated this 4th day of March 2026

/s/

Victor Barreiro
Regulatory Administrator

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21	Carol A.	Overland	overland@legalelectric.org	Legalelectric - Overland Law Office		1110 West Avenue Red Wing MN, 55066 United States	Electronic Service		No	M-25-386
22	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		Yes	M-25-386
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