Draft Proactive Distribution Upgrade Framework

			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
A. Introduction												
The Commission establishes the following framework for Proactive Distribution Upgrades for Xcel Energy in order to achieve the following goals:												
	A.1	Proactively plan for the distribution system upgrades necessary to meet state energy policy requirements and goals.	Oppose	Oppose	Support	No Position	Support	Do Not Oppose	Support	Support	Do Not Oppose	Support
	A.2	Proactively plan for the distribution system upgrades necessary to ~~meet state energy policy requirements and goals~~ enable customer DER and electrification adoption, considering state energy policy requirements and goals.	Support	Support	Oppose	Support	Do Not Oppose	Support	Support	Do Not Oppose	Support	Support
	A.3	Meet customer expectations by reducing or eliminating the wait time to interconnect DERs and new load to the extent reasonably possible.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	A.4	Protect ratepayers by establishing a rigorous review of proposed proactive investments to ensure they do not cause undue costs or result in inequitable distribution of costs or benefits.	Support	Support	Support	Oppose	No Position	Support	No Position	Do Not Oppose	Oppose	Do Not Oppose
	A.5	Protect ratepayers by establishing a ~~rigorous~~ review of proposed proactive investments to ~~ensure they do not cause undue risk costs or~~ minimize the risk of stranded assets or projects that result in inequitable distribution of costs or benefits.	Oppose	Oppose	Oppose	Support	Support	Do Not Oppose	No Position	Support	Support	Do Not Oppose
	A.6	Maximize the benefits to the distribution system while minimizing the costs.	Support	Support	Support	Oppose	Support	Support	Support	Do Not Oppose	Oppose	Support
	A.7	To the extent reasonably possible, maximize the benefits to the distribution system while minimizing the costs.	Oppose	Oppose	Oppose	Support	No Position	Do Not Oppose	No Position	Support	Support	No Position
	A.8	Limit cost impacts to ratepayers from forecast inaccuracies.	Support	Support	Support	Oppose	Support	Support	Support	Support	Oppose	Support
	A.9	Limit cost impacts from unreasonable forecast inaccuracies.	Oppose	Oppose	Oppose	Support	No Position	Do Not Oppose	No Position	Do Not Oppose	Support	No Position
The Commission establishes the following principles to guide allocation of the costs of Proactive Distribution Upgrades:												
	A.10	Limit deviations from traditional cost allocation and recovery processes to the extent possible.	Support	Support	Move to Phase 2	Support	Support	Oppose	No Position	Do Not Oppose	Move to Phase 2	No Position
	A.11	Costs should be allocated to the customers or classes causing the costs, when appropriate.	Oppose	Oppose	Move to Phase 2	Support	Support	Do Not Oppose	No Position	Support	Move to Phase 2	No Position
	A.12	Costs should be allocated to the customers or classes causing the costs, ~~when appropriate~~ whenever possible.	Support	Support	Move to Phase 2	Oppose	No Position	Support	No Position	Do Not Oppose	Move to Phase 2	No Position
	A.13	If cost-causation cannot be determined, costs should be allocated according to the distribution of benefits.	Support	Support	Move to Phase 2	Oppose	No Position	Support	No Position	No Position	Move to Phase 2	No Position
	A.14	~~If cost-causation cannot be determined, costs should be allocated according to~~ Cost allocation may take into account the distribution of benefits.	Oppose	Oppose	Move to Phase 2	Oppose	Support	Oppose	Support	Support	Move to Phase 2	No Position
	A.15	Costs should be allocated according to the distribution of benefits.	Oppose	Oppose	Move to Phase 2	Oppose	Support	Support	No Position	Support-alternative	Move to Phase 2	No Position
B. Definitions												
The Commission adopts the following definitions for the purposes of this framework:												
	B.1	Proactive Cost-Share Customer: a customer who applies to interconnect either load or generation at a location served by a Proactive Distribution Upgrade with an open cost-share window.	Do Not Oppose	Oppose	Oppose	Oppose	No Position	Do Not Oppose	Support	Do Not Oppose	Oppose	Do Not Oppose
	B.2	Proactive Cost-Share Customer: a customer who applies to interconnect either load or generation at a location served by a Proactive Distribution Upgrade with an open cost-share window and is responsible for paying a Proactive Cost-Share Fee.	Do Not Oppose	No Position	Oppose	Oppose	No Position	Support	No Position	Do Not Oppose	Oppose	Do Not Oppose
	Xcel.B.2	Proactive Cost-Share Customer: a customer who applies to interconnect either load or generation at a location served by a Proactive Distribution Upgrade with an open cost-share window and is responsible for paying a Proactive Cost-Share Fee, unless otherwise specified in approved tariffs.	Support	Support	Support	Support	Support	Do Not Oppose	Support	Support	Support	Do Not Oppose

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	B.3	Proactive Cost-Share Fee: the amount a Proactive Cost-Share Customer pays to access a location served by a Proactive Distribution Upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.4	Proactive Cost-Share Window: the period during which Proactive Cost-Share Fees are collected from Proactive Cost-Share Customers.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.5	Distribution Capacity Upgrade: A distribution system upgrade at the substation or feeder level that increases hosting capacity for load and/or generation on the distribution system.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.6	Distributed Energy Resource (DER)**:** Supply and demand side resources that can be used throughout an electric distribution system to meet energy and reliability needs of customers; can be installed on either the customer or utility side of the electric meter. This definition for this filing may include, but is not limited to: distributed generation, energy storage, electrified end uses that can be used as a resource, demand side management, and energy efficiency.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.7	Distributed Generation (DG): a facility that has a capacity of 10 MW or less, is interconnected with a utility's distribution system, operates in parallel with the utility, and is eligible for interconnection under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP).	No Position	No Position	Oppose	Oppose	Support	Support	Support	No Position	Oppose	Support
	NEW Xcel.B.7	Distributed Generation (DG): a facility that ~~has a capacity of 10 MW or less,~~ is interconnected with a utility's distribution system, operates in parallel with the utility, and is eligible for interconnection under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP).	No Position	No Position	No Position	Support	No Position	No Position	No Position	No Position	No Position	No Position
	B.8	Distributed Generation (DG): a generation facility that ~~has a capacity of 10 MW or less,~~ is interconnected with a utility's distribution system~~,~~ and operates in parallel with the utility~~, and is eligible for interconnection under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP)~~.	No Position	Oppose	Do Not Oppose	Oppose	No Position	Oppose	No Position	No Position	Oppose	No Position
	Staff.B.8	Distributed Generation (DG): a generation facility that ~~has a capacity of 10 MW or less,~~ is interconnected with a utility's distribution system~~,~~ and operates in parallel with the utility, and is eligible for interconnection under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP).	No Position	Support	Support	Oppose	Support	Do Not Oppose	Support	Support	Support	Support
	B.9	Electrification: the conversion of an energy-consuming device, system, or sector from non-electric sources of energy to electricity. This includes but is not limited to transportation electrification, cooking appliances, space heating and cooling, water heating, and industrial processes.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.10	Forecasted/Proactive Hosting Capacity: The amount of DG or load that distribution equipment can host without exceeding thermal, voltage, protection, or other thresholds under forecasted system conditions.	Do Not Oppose	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.11	Hosting Capacity: The amount of DG or load that distribution equipment can host without exceeding thermal, voltage, protection, or other thresholds under existing system conditions.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.12	Integrated Distribution Plan: the biennial report established in Docket E002/CI-18-251 and as currently outlined in the most recent filing requirements from Xcel Energy's most recent IDP.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.13	Priority Queue: The queue for "customer-sited" Interconnection Applications up to 40 kWac and applications that are a part of the Solar for Schools or Solar on Public Buildings legislative programs that comply with the 120% rule, as detailed on tariff sheet 10-81.5.	Support	Support	Support	Support	Support	Support	Support	No Position	Support	Support
	B.14	Proactive Distribution Upgrade Proposal: one or more Proactive Distribution Upgrades submitted for Commission approval under the Proactive Distribution Upgrade Framework.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	B.15	Proactive Distribution Upgrade Proposal: one or more Proactive Distribution Upgrades submitted for Commission approval under the Proactive Distribution Upgrade Framework. In the context of this framework, the Proactive Distribution Upgrades submitted in the Proactive Distribution Upgrade Proposal would not be considered prudent under existing distribution planning practices due to the proactive nature of the projects.	Oppose	Oppose	Oppose	Oppose	Do Not Oppose	Oppose	No Position	Do Not Oppose	Oppose	No Position
	B.16	Proactive Distribution Upgrade: a distribution upgrade made solely based on a forecasted need outside a utility's traditional planning cycle.	Oppose	Support	Support	Oppose	No Position	Support	Support	Do Not Oppose	Do Not Oppose	Support

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	Staff.B.16	Proactive Distribution Upgrade: a distribution upgrade made solely based on a forecasted need outside a utility's traditional planning cycle. In the context of this framework, a Proactive Distribution Upgrade would not be considered under existing distribution planning processes due to the proactive nature of the project.	Oppose	Oppose	Do Not Oppose	Support	Support	Do Not Oppose	No Position	Support	Support	Do Not Oppose
	NEW OAG.B.16	Proactive Distribution Upgrade: a distribution upgrade made solely based on a forecasted need outside a utility's traditional planning cycle that is not associated with an identifiable customer.	Support	No Position	No Position	No Position	No Position	No Position	No Position	No Position	No Position	No Position
	ATE.B.16	Proactive Distribution Upgrade: an upgrade deployed ahead of certain load growth. These may include investments to serve new loads ahead of the utility receiving a load letter, as well as investments deployed to serve expected load growth that do not target an existing system constraint.	Oppose	Oppose	Oppose	Oppose	No Position	Do Not Oppose	Support	Do Not Oppose	Oppose	Do Not Oppose
	B.17	Small DER Cost-Sharing Fund: Xcel Energy's cost sharing fund for MN DIP applications of 40kW$_{ac}$ or less as detailed on Tariff Sheet 10-81.4.	Support	Support	Support	Support	Support	Support	Support	No Position	Support	Support
C. Process												
	C.1	Xcel Energy may file a Proactive Distribution Upgrade Proposal in conjunction with its Integrated Distribution Plan (IDP) due on November 1 of odd numbered years. The Proactive Distribution Upgrade Proposal shall be evaluated through the same docket and process as the IDP but is not part of the IDP.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	C.2	The Proactive Distribution Upgrade Proposal may include Proactive Distribution Upgrades that have not been initiated and shall begin construction within five years from the date of the filing. It may also contain Proactive Distribution Upgrades that are not specific to a single location but shall upgrade the same type of asset(s) across multiple locations.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	C.3	The Proactive Distribution Upgrade Proposal must demonstrate alignment with the framework, and the Commission shall review and approve, deny, or modify the Proposal with a goal of completion within 12 months from the date of the initial filing.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	C.4	Xcel Energy is not obligated to initiate a project if it is approved in the Proactive Distribution Upgrade Proposal. If Xcel Energy does not proceed with an approved project, it shall explain why and the impact on the overall program budget with its Annual Report, as described in L. Reporting - 9 below.	Support	Support	Support	Support	Support	Support	No Position	Support	Support	Do Not Oppose
	C.5	Previously approved projects do not require reapproval in subsequent Proactive Distribution Upgrade Proposal evaluations unless circumstances have changed significantly. Significant changes would be considered scope changes to the project that would impact overall project cost.	Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	Support	Do Not Oppose	Oppose	Do Not Oppose
	C.6	Previously approved projects do not require reapproval in subsequent Proactive Distribution Upgrade Proposal evaluations unless circumstances have changed significantly. Significant changes include but are not limited to scope changes to the project that would impact overall project cost.	Support	Support	Support	Oppose	Support	Support	Support	Support	Oppose	Support
	Xcel.C.6	Previously approved projects do not require reapproval in subsequent Proactive Distribution Upgrade Proposal evaluations unless circumstances have changed significantly. Significant changes include scope changes to the project that would substantially impact overall project cost, and changes to the forecast that substantially impact the need for the project. Projects that have already been initiated are not subject to reapproval.	Oppose	Oppose	Do Not Oppose	Support	No Position	Do Not Oppose	No Position	Do Not Oppose	Support	Do Not Oppose
	Ham.Xcel.C.6	Previously approved projects do not require reapproval in subsequent Proactive Distribution Upgrade Proposal evaluations unless circumstances have changed significantly. Significant changes include scope changes to the project that would substantially impact overall project cost, and changes to the forecast that substantially impact the need for the project. Projects that have ~~already been initiated~~ incurred substantial capital costs are not subject to reapproval.										
	C.7	Previously approved projects do not require reapproval in subsequent Proactive Distribution Upgrade Proposal evaluations unless circumstances have changed significantly. Significant changes would be considered scope changes to the project that would impact overall project cost. Projects that have already incurred charges would not need reapproval, however scope changes would require Commission approval.	Oppose	Oppose	Oppose	Oppose	No Position	Do Not Oppose	No Position	Do Not Oppose	Oppose	Do Not Oppose

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	C.8	As addressed further in Section J: Cost Recovery, Xcel Energy must pursue cost recovery through a separate proceeding for any incurred Proactive Distribution Upgrade Proposal expenditures.	Support	Support	Support	Support	Support	Support	No Position	Support	Support	Do Not Oppose
	C.9	The Proactive Distribution Upgrade Framework is subject to refinement through the Proactive Grid Upgrade Workgroup. The Proactive Grid Upgrade Workgroup shall be convened by Commission Staff and shall meet as necessary to refine and improve the Proactive Distribution Upgrade Framework. This shall include Phase 2 of the framework development, occurring in 2025 and 2026, to resolve issues left out of Phase 1.	Support	Support	Support	Support	Support	Do Not Oppose	Support	Support	Support	Do Not Oppose
	C.10	Xcel Energy shall engage with interested stakeholders prior to the forecast being finalized and used to identify locations of proposed upgrades. This outreach shall be conducted during the first half of even-numbered years, starting in 2026.	Support	Support	Support	Support	Support	Oppose	Support	Support	Support	No Position
	C.10.a	Xcel Energy shall share the initial results of its forecast and identify preliminary regions where upgrades may be needed.	Support	Support	Support	Support	Support	Oppose	Support	Support	Support	No Position
	C.10.b	Xcel Energy shall give stakeholders the opportunity to send in written feedback on its initial forecast.	Support	Support	Support	Support	Support	Oppose	Support	Support	Support	No Position
	C.10.c	Stakeholder feedback should focus on identifying geographic areas that have a higher likelihood to adopt DG and electrification that may not be represented in Xcel Energy's initial forecast.	Support	Support	Support	Support	Support	Oppose	Support	Support	Support	No Position
	C.10.d	Utility shall provide a high-level summary of stakeholder engagement completed and feedback and where it was incorporated into the forecasting for the Proactive Distribution Upgrade Proposal, and if not, why not.	Support	Support	Support	Support	Support	Oppose	Support	Support	Support	No Position
	C.10.e	Stakeholders with similar views are encouraged to file joint feedback with Xcel Energy.	Support	Support	Support	Support	Support	Oppose	No Position	Support	Support	No Position
	C.11	Coordination with distributed generation developers:	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
	C.11.a	Xcel Energy shall establish a distributed generation stakeholder engagement group (DGEG) to coordinate stakeholder engagement with Xcel Energy on proactive long-term system planning. The DGEG shall be co-facilitated by Xcel Energy and a DG stakeholder representative and shall consist of one representative from the Department of Commerce, one representative from the Office of the Attorney General, and six DG stakeholder representatives (one of which must be a developer that conducts 60% or more of its business in residential DG, one of which must be a developer that conducts 60% or more of its business in C&I DG, one of which must be a developer that conducts 50% or more of its business in energy storage). DG industry trade associations shall work together to conduct industry elections for the six DG stakeholder representatives for each IDP iteration.	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
	C.11.b	Xcel Energy must engage with the DGEG to collect input for the forecast prior to it being finalized and used to identify locations of proposed upgrades. Forecast input should focus on identifying geographic areas that have a higher likelihood to adopt DG and electrification.	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
	C.11.c	Xcel Energy must engage with the DGEG to collect input for prioritizing infrastructure upgrades at the planning stage of the analysis prior to Proactive Distribution Upgrade Proposal to the Commission.	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
	C.11.d	DGEG input must be collected in a manner that can be incorporated into Xcel Energy's forecasting tool and for use in prioritizing infrastructure upgrades in a Proactive Distribution Upgrade Proposal.	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
	C.11.e	Xcel Energy must include DGEG recommendations in its Proactive Distribution Upgrade Proposal filing with the Commission and explain how it did or did not incorporate recommendations.	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
	C.11.f	Xcel Energy must also collect DGEG input to inform prioritization of site proposals. This outreach shall be conducted during the first half of odd-numbered years, in the lead up to finalizing site proposals for the November 1 filing in odd-numbered years.	Oppose	Move to Phase 2	Oppose	Oppose	Oppose	Support	Support	No Position	Oppose	Support
D. Baseline Information												
The following information shall be provided with the IDP in which a Proactive Distribution Upgrade Proposal is submitted:												

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	D.1	The types of upgrade projects and programs that fit within the framework and are currently considered when developing proposals. This may change over time based on utility capability.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	D.2	Issues the potential project or program solves.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	D.3	General range of cost for each type of upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	D.4	An outline of future upgrade options, such as storage, and on what timeline they may be available.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	D.5	A summary of upgrades that were previously approved but have since been accelerated, delayed, or abandoned due to a change in need since the last filing.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
E. Forecast												
	E.1	Xcel Energy shall provide a base case forecast, as well as sensitivities that include higher and lower adoption of DERs and electrification than expected in the base case. Xcel Energy shall recommend which forecast should be adopted and explain why it thinks that forecast should be the case toward which to plan and why.	Support	Do Not Oppose	Oppose	Oppose	Do Not Oppose	Support	Support	Support - alternative	Oppose	Support
	Xcel.E.1	Xcel Energy shall provide a base case forecast, as well as sensitivities that include higher and lower adoption of DERs and ~~electrification~~ customer loads than expected in the base case. Xcel Energy shall recommend which forecast should be adopted and explain why it thinks that forecast should be the case toward which to plan and why.	Do Not Oppose	Support	Support	Support	Support	Support	Support	Support	Support	Support
	E.2	Where possible, the following load and DER components shall be differentiated in the forecast data provided: distributed solar PV, CSGs, distributed energy storage, energy efficiency, demand response, electric vehicles, and electrification of space, water, and process heating.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	E.3	For each of the DER components above, Xcel Energy shall provide a discussion of each essential assumption made in preparing the forecast, including assumptions regarding customer adoption rates, cost trends, and relevant policy drivers. Xcel Energy should include any sensitivity analyses used to test these assumptions.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	E.4	In addition to the existing IDP load and DER forecast requirements, Xcel Energy shall submit its forecast results for generation and peak loads at the feeder/substation level for all locations associated with proposed Proactive Distribution Upgrades and locations that Xcel Energy analyzed but decided not to upgrade.	No Position	Support	Support	Oppose	Support	Support	Support	Support	Oppose	Support
	Xcel.E.4	In addition to the existing IDP load and DER forecast requirements, Xcel Energy shall submit its forecast results for generation and peak loads at the feeder/substation level for all locations associated with proposed Proactive Distribution Upgrades ~~and locations that Xcel Energy analyzed but decided not to upgrade~~.	No Position	Oppose	Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	Support	No Position
	E.5	All proposed Proactive Distribution Upgrades shall be based on a forecasted need identified in the forecast between years five and ten, unless the anticipated lead time for an upgrade project exceeds ten years.	Support	Support	Support	Support	Support	Support	No Position	Support	Support	Support
	E.6	The forecast shall include an assessment of existing available hosting capacity for generation and load to the same extent as is shared in Xcel Energy's Hosting Capacity Analysis results.	No Position	Support	Support	Support	Support	Support	Support	Support	Support	Support
F. Potential Sites for Proactive Distribution Upgrades												
	F.1	The criteria used to identify potential sites for Proactive Distribution Upgrades, including a discussion of feedback received from stakeholders under Section [XXX].	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.2	A list of sites that Xcel Energy may consider for future Proactive Distribution Upgrades.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.3	A list of proposed Proactive Distribution Upgrades, including identifying any changes to upgrade locations since the last submission.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.4	A narrative description or analysis of the impact of the proposed Proactive Distribution Upgrades on Environmental Justice Areas, as defined by Minn. Stat. §216B.1691, Subd. 1 (e).	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.5	The total capital cost of all proposed Proactive Distribution Upgrades and the projected total lifetime revenue requirements.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support

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	F.6	For each site where Xcel Energy is proposing a Proactive Distribution Upgrade project, Xcel Energy must provide:	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.a	Expected type of upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.b	Narrative description for why the proposed upgrade or group of upgrades has been selected for the Proactive Distribution Upgrade process.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.c	Estimated upgrade cost and duration of construction.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.d	Increase in load and generation capacity expected to result from the proposed upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.e	Forecasted period before another upgrade is anticipated to be needed at the same site.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.f	Magnitude of forecasted growth (load or generation) and capacity gap driving the need for the proposed upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.g	Classes or characteristics of load or generation driving the need for the proposed upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.h	A quantitative or qualitative level of confidence of the forecasted need, and/or sensitivity of the forecasted need to deviations from the forecast, driving the need for the specific project. This may include any information gathered from communities, developers, customers (for example if large fleet owners, or other industrial/commercial building customers) and others that informed selection of the site.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.i	Identification of any known additional benefits resulting from the upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.6.j	Identification of planned capital investment or maintenance work to be coordinated with the proposed Proactive Distribution Upgrade (where appropriate).	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.7	For sites that Xcel Energy analyzed but ultimately decided not to upgrade, the reasons Xcel Energy decided not to propose a Proactive Distribution Upgrade at that site.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	F.8	For upgrades that are proposed as part of a longer-term plan, Xcel Energy shall provide an assessment of whether they are expandable and whether there would be any potential benefits or costs from doing repeated work in the same area.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G. Proactive Distribution Upgrade Proposal Evaluation Criteria												
Each proposed Proactive Distribution Upgrade shall be evaluated using the following criteria, with Xcel Energy providing such information and eval												
	G.1	The total capital cost of the proposed upgrade and its projected total lifetime revenue requirement.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	G.2	The overall capacity gained for both load and generation.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	G.3	The cost per unit of capacity gained.	Support	Support	Support	Support	Support	Do Not Oppose	Support	Support	Support	Support
	MNSEIA.G.3	The cost per unit of capacity gained, and a discussion informed by historical data and developer input on the maximum cost per unit of capacity gained, at or below which Interconnecting customers are likely to agree to pay to interconnect, and above which interconnection would become unviable.	Do Not Oppose	No Position	Do Not Oppose	Oppose	No Position	Support	Support	Do Not Oppose	Oppose	Support
	G.4	The lead time for the upgrade.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	G.5	The risk of deferring the upgrade, or using the existing distribution planning process, including quantifying the potential energization delays (in years) and number of customers impacted by delays	Support	Support	Support	Oppose	Support	Support	Support	Support	Support	Support
	G.6	Discussion of whether Xcel Energy performed a non-wires alternative (NWA) for the project, and if so, the results of the analysis. If Xcel Energy did not perform an NWA, provide a discussion of alternative measures, if any, that could be taken to mitigate the risk(s) the upgrade is intended to address, including energy-conservation, load-management measures and/or flexible interconnection.	Do Not Oppose	No Position	Oppose	Oppose	No Position	Support	Support	Support-alternative	Oppose	Support
	Staff.G.6:	~~Discussion of w~~ Whether Xcel Energy performed a non-wires alternative (NWA) for the project, and if so, a citation to the results of the analysis in its IDP. If Xcel Energy did not perform an NWA, provide a discussion of alternative measures, if any, that could be taken to mitigate the risk(s) the upgrade is intended to address, including energy-conservation, load-management measures and/or flexible interconnection.	Support	Support	Support	Oppose	Support	Support	Support	Support	Support	Support

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NEW Xcel.G.6	~~Discussion of w~~ Whether Xcel Energy performed a non-wires alternative (NWA) for the project, and if so, a citation to the results of the analysis in its IDP. ~~If Xcel Energy did not perform an NWA, provide a discussion of alternative measures, if any, that could be taken to mitigate the risk(s) the upgrade is intended to address, including energy conservation, load management measures and/or flexible interconnection.~~	No Position	No Position	No Position	Support	No Position	No Position	No Position	No Position	No Position	No Position
G.7	The degree of certainty, qualitative or quantitative, of the forecast components driving the forecasted need at that location, and any additional certainty in the magnitude/scale of investment provided by direct customer engagement.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.8	The remaining estimated useful life of the assets proposed to be replaced.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.9	The estimated number of years beyond the timing of the upgrade that the project would meet the forecasted capacity needs at that location.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.10	Narrative description or analysis of the impact of the proposed Proactive Distribution Upgrade projects, including impacts on Environmental Justice Areas, as defined by Minn. Stat. §216B.1691, Subd. 1 (e).	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.11	The benefits additional to increased hosting capacity realized from the upgrade, if any, to reliability, resilience, safety, and asset health, and the value of those benefits, where known.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.12	How any additional planned work would be coordinated with the proposed Proactive Distribution Upgrade (where appropriate).	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.13	The extent to which the upgrade would facilitate progress toward greenhouse gas emission reduction targets.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
G.14	Which of the following desired outcomes of the proactive planning process would be facilitated by the proposed upgrade?	Oppose	Oppose	Support	Oppose	No Position	Support	Support	No Position	Oppose	Support
G.14.a	Anticipate Adoption Speed: Increased adoption speed of DERs and electrification by removing grid barriers.	Oppose	Oppose	Support	Oppose	No Position	Support	Support	No Position	Oppose	Support
G.14.b	Coordinate Impacts: Avoided risk of construction/procurement bottlenecks.	Oppose	Oppose	Support	Oppose	No Position	Support	Support	No Position	Oppose	Support
G.14.c	Efficiency: Degree of lifecycle cost reduction or overall spending efficiency achieved.	Oppose	Oppose	Support	Oppose	No Position	Support	Support	No Position	Oppose	Do Not Oppose
G.15	Which desired outcomes of the proactive planning process would be facilitated by the proposed upgrade.	Support	Support	Do Not Oppose	Support	Support	Do Not Oppose	Support	Support	Support	Support
G.16	Feasibility of the projected Proactive Distribution Upgrade project timeline including any foreseeable risks to the timeline.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
H. Proposal for non-location specific proactive measures											
H.1	Xcel Energy may propose programmatic investment proposals which are Proactive Distribution Upgrade initiatives that affect a variety of locations, but the specific locations may shift over time in alignment with established site selection criteria.	Oppose	Move to Phase 2	Do Not Oppose	Support	Do Not Oppose	Support	Support	Support-alternative	Support	Support
H.2	In proposing such measures or initiatives, Xcel Energy shall consider whether there are basic, low-cost upgrades that can be done as a part of standard maintenance.	Oppose	Move to Phase 2	Do Not Oppose	Oppose	Do Not Oppose	Support	Support	Support-alternative	Oppose	Support
Staff.H.3	Xcel Energy may propose programmatic investment proposals which are Proactive Distribution Upgrade initiatives that affect a variety of locations, but the specific locations may shift over time in alignment with established site selection criteria. In proposing such measures or initiatives, Xcel Energy shall provide a high-level discussion of any ~~consider whether there are~~ basic, low-cost upgrades that would increase hosting capacity that are already ~~can be done as a~~ part of standard maintenance.	Oppose	Move to Phase 2	Support	Oppose	Support	Do Not Oppose	Support	Support	Oppose	Support
J. Cost Recovery											
As indicated in Section C.8 regarding Process, Xcel Energy must pursue cost recovery through a separate proceeding for any incurred P											

Draft Proactive Distribution Upgrade Framework

			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
Cost Recovery Mechanism												J&K should go in phase 2
	OAG.J.0	The primary mode of cost recovery for Proactive Distribution Upgrades is through a utility's base rates.	Support	Support	No Position	Oppose	Do Not Oppose	Support	No Position	No Position	Oppose	No Position
	J.1	Xcel Energy may place Proactive Distribution Upgrade investments, or portions of upgrade investments in service as regulatory assets.	Oppose	Oppose	Support	No Position	Support	Support	No Position	No Position	Oppose	No Position
	J.2	Xcel Energy may request deferred-accounting treatment for approved Proactive Distribution Upgrade investments. The Commission shall grant, deny, or modify the request with the Proactive Distribution Upgrade Proposal decision.	Support	Support	Support	No Position	Support	Support	No Position	No Position	Oppose	No Position
	J.3	Expenditures for approved Proactive Distribution Upgrades shall be tracked as regulatory assets and/or receive deferred accounting treatment to ensure that the costs of the upgrades are transparently accounted for and can be recovered.	Oppose	Oppose	Oppose	Oppose	No Position	Support	No Position	No Position	Oppose	No Position
	Xcel.J.3	Expenditures for approved Proactive Distribution Upgrades shall be tracked as regulatory assets and~~/or~~ receive deferred accounting treatment to ensure that the costs of the upgrades are transparently accounted for, and ~~can~~ are eligible to be recovered.	Oppose	Oppose	Oppose	Support	No Position	Do Not Oppose	No Position	No Position	Oppose	No Position
	J.4	All Proactive Cost-Share Fees collected from Proactive Cost-Share Customers shall be returned to ratepayers as an offset to Proactive Distribution Upgrade capital investments.	Support	Support	No Position	Oppose	No Position	Support	No Position	Support	Oppose	No Position
	Xcel.J.4	All Proactive Cost-Share fees collected from Proactive Cost-Share Customers shall be returned to ratepayers as an offset to the revenue requirements of Proactive Distribution Upgrade capital investments.	Oppose	Oppose	No Position	Support	No Position	Oppose	No Position	Oppose	Oppose	No Position
Proactive Cost-Share Window												
	J.5	Each approved Proactive Distribution Upgrade shall have a Proactive Cost-Share Window of at least 15 years that starts upon the upgrade being placed in service. During the Proactive Cost-Share Window, Proactive Cost-Share Fees from Proactive Cost-Share Customers act as an offset to Xcel Energy's capital investment in the Proactive Distribution Upgrade. No costs are socialized to ratepayers during this time.	Oppose	Oppose	Oppose	Oppose	No Position	Support	No Position	Do Not Oppose	Oppose	Support
	J.6	Where socialization of an upgrade's cost (i.e., rate-base treatment) begins with Xcel Energy's next rate case following the upgrade's in-service date, the Proactive Cost-Share Window for that upgrade shall remain open until the upgrade is fully depreciated to help mitigate risks to ratepayers.	Oppose	Oppose	Oppose	Oppose	No Position	Support	No Position	No Position	Oppose	Support
	OAG/Dept.J.6	The Proactive Cost-Share Window for an upgrade shall remain open until the upgrade is fully depreciated to help mitigate risks to ratepayers.	Support	Support	Oppose	Oppose	No Position	Do Not Oppose	No Position	No Position	Oppose	No Position
	J.7	Each approved Proactive Distribution Upgrade shall have a Proactive Cost-Share Window that starts the year that the Proactive Distribution Upgrade project is placed in-service. The duration of the Proactive Cost-Share Window shall be until 5 years after the anticipated need date for the Proactive Distribution Upgrade at the time of approval. During the Proactive Cost-Share Window, Proactive Cost-Share Fees from Proactive Cost-Share Customers act as an offset to the revenue requirements of all Proactive Distribution Upgrades.	Oppose	Oppose	Oppose	Support	No Position	Oppose	No Position	Oppose	Oppose	No Position
	J.8	At the end of the Proactive Cost-Share Window, any remaining costs that have not been offset by Proactive Cost-Share Fees are placed into rate base and no longer subject to this cost sharing program.	Support	Oppose	Oppose	Oppose	No Position	Do Not Oppose	No Position	Support	Oppose	No Position
	Xcel.J.8	Upon completion of the Proactive Distribution Upgrade project, the total costs of the upgrade are placed into rate base.	Oppose	Oppose	Oppose	Support	No Position	Oppose	No Position	No Position	Oppose	No Position
	J.9	Interconnecting customers that apply to interconnect on or before the Proactive Cost-Share Window end date are Proactive Cost-Share Customers. For generation interconnections, the date of applying to interconnect shall be the Deemed Complete date under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP).	No Position	Oppose	No Position	Support	No Position	Do Not Oppose	Support	No Position	Oppose	Do Not Oppose

Draft Proactive Distribution Upgrade Framework			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
Staff Reorganized Decision Options												
Length of Proactive Cost-Share Window:												
	J.A	Each approved Proactive Distribution Upgrade shall have a Proactive Cost-share window of at least 15 years that starts upon the upgrade being placed in service.	Oppose	No Position	Support	Oppose	Support	Support	Support	Do Not Oppose	Oppose	Support
	J.B	Each approved Proactive Distribution Upgrade shall have a Proactive Cost-Share Window that starts the year that the Proactive Distribution Upgrade project is placed in-service. The duration of the Proactive Cost-Share Window shall be until 5 years after the anticipated need date for the Proactive Distribution Upgrade at the time of approval.	Oppose	No Position	Do Not Oppose	Support	Oppose	Oppose	No Position	Oppose	Oppose	No Position
	Ham.J.B	Each approved Proactive Distribution Upgrade shall have a Proactive Cost-Share Window that starts the year that the Proactive Distribution Upgrade project is placed in-service. The duration of the Proactive Cost-Share Window shall be until ~~5~~ 10 years after the anticipated need date for the Proactive Distribution Upgrade at the time of approval.										
	J.C	The Proactive Cost-Share Window for an upgrade shall remain open until the upgrade is fully depreciated to help mitigate risks to ratepayers.	Support	Support	Do Not Oppose	Oppose	Oppose	Do Not Oppose	No Position	No Position	Oppose	No Position
Treatment of Costs during the Proactive Cost-Share Window:												
	J.D	During the cost-share window, Proactive Cost-Share Fees from Proactive Cost-Share Customers act as an offset to Xcel Energy's capital investment in the Proactive Distribution Upgrade.	Support	No Position	No Position	Oppose	Support	Support	Support	Support	Oppose	Support
	J.E	During the Proactive Cost-Share Window, Proactive Cost-Share Fees from Proactive Cost-Share Customers act as an offset to the revenue requirements of all Proactive Distribution Upgrades.	Oppose	No Position	No Position	Support	Oppose	Oppose	No Position	Oppose	Support	No Position
	J.F	No costs are socialized to ratepayers during the Cost-Share window	Oppose	No Position	No Position	Oppose	Support	Oppose	No Position	No Position	No Position	No Position
	J.G	At the end of the Cost-Share Window, any remaining costs that have not been offset by Proactive Cost-Share Fees are placed into rate base and no longer subject to this cost sharing program.	Oppose	No Position	No Position	Oppose	Support	Do Not Oppose	No Position	No Position	No Position	No Position
	J.H	Upon completion of a Proactive Distribution Upgrade Project, the total costs of the upgrade are placed into rate base.	Oppose	No Position	No Position	Support	Oppose	Do Not Oppose	No Position	No Position	No Position	No Position
	J.I	Interconnecting customers that apply to interconnect on or before the Proactive Cost-Share Window end date are Proactive Cost-Share Customers. For generation interconnections, the date of applying to interconnect shall be the Deemed Complete date under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP).	No Position	No Position	No Position	Support	Support	Do Not Oppose	Support	No Position	Support	No Position
	Ham.J.I	Interconnecting customers that apply to interconnect on or before the Proactive Cost-Share Window end date are Proactive Cost-Share Customers unless otherwise exempted under Section K. For generation interconnections, the date of applying to interconnect shall be the Deemed Complete date under the Minnesota Distributed Energy Resource Interconnection Process (MN DIP).										
Cost Cap												
	J.10	Total Proactive Distribution Upgrade costs recoverable from ratepayers shall be capped in some manner, such as a percentage of the total capacity-related five-year budget in the IDP, or a specified dollar cap on Proactive Distribution Upgrades. The cost cap shall be determined as part of the Commission's first Proactive Distribution Upgrade Proposal decision.	Support	Support	Support	Oppose	Support	Support	No Position	No Position	Oppose	Support
	J.11	Capital expenditures that have been offset by Proactive Cost-Share Fees do not count against the cap.	Support	Support	Support	Support if J.10 adopted	Support	Support	No Position	No Position	Support if J.10 adopted	Support
	J.12	After a project's cost-share window has closed, the project shall be considered system assets and associated costs shall no longer count against the cap.	Oppose	Oppose	Support	Support if J.10 adopted	Support	Support	No Position	No Position	Support if J.10 adopted	Support
Prudency Review												

Draft Proactive Distribution Upgrade Framework			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
	J.13	The Commission's Proactive Distribution Upgrade Proposal decision creates a rebuttable presumption, in a cost-recovery proceeding, that upgrades completed consistent with the decision are prudent.	Support	Support	Support	Oppose	Support	No Position	No Position	Support	Oppose	No Position
	J.14	The Commission's Proactive Distribution Upgrade Proposal decision constitutes an advance determination of prudence for the projects approved in the Proactive Distribution Upgrade Proposal.	Oppose	Oppose	Oppose	Support	Oppose	Support	No Position	Oppose	Support	No Position
	J.15	If a Proactive Distribution Upgrade project receives advanced determination of prudence, this means that at the time cost recovery is being considered, costs that align with the original Proactive Distribution Upgrade Proposal cannot be deemed imprudent.	Oppose	Oppose	Oppose	Support	Oppose	Support	No Position	Oppose	Support	No Position
	J.16	If the Commission does not provide an advanced determination of prudence for a Proactive Distribution Upgrade project, then for that reason alone, Xcel Energy may choose not to proceed with the project.	Oppose	Oppose	Oppose	Support	Oppose	Support	Oppose	Oppose	Support	No Position
	J.17	Up until the point that a previously approved Proactive Distribution Upgrade project is canceled or rescinded by Commission Order, Xcel Energy is entitled to recover all costs that have been prudently incurred, not exceeding the previously approved amount.	Oppose	Oppose	Oppose	Support	Do Not Oppose	Oppose	No Position	No Position	Support	No Position
	J.18	An interested person may submit substantial evidence to rebut the Proactive Distribution Upgrade Proposal findings and conclusions in a cost recovery proceeding.	Support	No Position	Support	Oppose	No Position	Support	No Position	Support-alternative	Oppose	No Position
	Staff.J.18	An interested person may submit substantial evidence to rebut the Proactive Upgrade Proposal findings and conclusions in a cost recovery proceeding. Substantial evidence does not include a change in forecasted need that occurs after the utility has initiated construction of a proactive upgrade.	Oppose	Support	Do Not Oppose	Oppose	Support	Support	No Position	Support	See ATE.J.19	No Position
	J.19	An interested person may submit substantial evidence to rebut the Proactive Distribution Upgrade Proposal findings and conclusions in a cost recovery proceeding, to the extent that actual or updated projected costs exceed the prior estimate previously approved by the Commission.	Oppose	Oppose	Oppose	Support	No Position	Oppose	Support	Oppose	Support	No Position
	NEW ATE.J.19	An interested person may submit substantial evidence to rebut the Proactive Distribution Upgrade Proposal findings and conclusions in a cost recovery proceeding, to the extent that actual or updated projected costs exceed the prior estimate previously approved by the Commission. Substantial evidence does not include a change in forecasted need that occurs after the utility has initiated construction of a proactive upgrade.	No Position	No Position	No Position	No Position	No Position	No Position	No Position	No Position	Support	No Position
K. Cost Allocation												
	K.1	If a change is made to distribution planning or other utility standards that impacts the amount of available hosting capacity after a Proactive Distribution Upgrade project has been completed, there shall be no resulting change in cost-sharing responsibility.	Oppose	No Position	Oppose	Support	No Position	Support	No Position	No Position	Do Not Oppose	Support
	Dep.K.1	If a change is made to distribution planning or other utility standards that impacts the amount of available hosting capacity after a Proactive Distribution Upgrade project has been completed, there shall be no resulting retroactive change in cost-sharing responsibility.	Support	Support	Support	No Position	Support	Support	Support	No Position	Do Not Oppose	No Position
	K.2	A $/kW$_{ac}$ fee shall be charged to any Proactive Cost-Share Customers and the dollars returned to ratepayers. The fee shall be calculated at an aggregated, programmatic level for all approved Proactive Distribution Upgrade investments. The fee calculation shall be the total cost of all approved Proactive Distribution Upgrades-divided by the total kWac of capacity added by all approved Proactive Distribution Upgrades. This fee shall determine the pro rata cost for any Proactive Cost-Share Customer, load or generation, and pay down the assets until the total revenue requirements of all Proactive Distribution Upgrade projects has been paid off.	Oppose	No Position	Oppose	Oppose	No Position	Support	No Position	No Position	Oppose	Do Not Oppose

Draft Proactive Distribution Upgrade Framework			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
	Xcel.K.2	A $/kW$_{ac}$ fee shall be charged to any Proactive Cost-Share Customers and the dollars returned to ratepayers. The fee shall be calculated at an aggregated, programmatic level for all approved Proactive Distribution Upgrade investments. The fee calculation shall be the total cost of all approved Proactive Distribution Upgrades-divided by the total kWac of capacity added by all approved Proactive Distribution Upgrades. This fee shall determine the pro rata cost for any Proactive Cost-Share Customer, load or generation, which will be applied as an offset to ~~and pay down the assets until~~ the total revenue requirements of all Proactive Distribution Upgrade projects ~~has been paid off~~ with an open Cost-Share window.	Oppose	No Position	Oppose	Oppose	No Position	Do Not Oppose	No Position	No Position	Oppose	Support
	Staff.K.2	A $/kW$_{ac}$ fee shall be charged to any Proactive Cost-Share Customers and the dollars returned to ratepayers. The fee shall be calculated at an aggregated, programmatic level for all approved Proactive Distribution Upgrade investments. The fee calculation shall be the total cost of all approved Proactive Distribution Upgrades-divided by the total kWac of capacity added by all approved Proactive Distribution Upgrades. This fee shall determine the pro rata cost for any Proactive Cost-Share Customer, load or generation~~, and pay down the assets until the total revenue requirements of all Proactive Distribution Upgrade projects has been paid off~~.	Do Not Oppose	No Position	Support	Support	Support	Do Not Oppose	Support	No Position	Support	Support
	K.3.	When new Proactive Distribution Upgrade Proposals are approved, the total kWac of capacity added and total cost of the newly approved Proactive Distribution Upgrades shall be added respectively to the totals of the previously approved Proactive Distribution Upgrades. The resulting new total kWac of capacity added and total cost of all Proactive Distribution Upgrades shall be used to calculate the new $/kWac fee that shall be charged to any Proactive Cost-Share Customers beginning after the date the new Proactive Distribution Upgrade Proposal is approved.	Do Not Oppose	No Position	Support	Support	Support	Support	Support	No Position	Support	Support
	K.4	Any generation interconnections that are subject to the Priority Queue shall not be Proactive Cost-Share Customers.	No Position	No Position	Support	Support	Support	Support	No Position	No Position	Support	Support
	K.5	Load interconnections that are demand metered shall be Proactive Cost-Share Customers. Load interconnections that are not demand metered shall not be Proactive Cost-Share Customers.	No Position	No Position	Support	Support	Support	Support	Support	No Position	Support	Support
	K.6	Any Proactive Distribution Upgrade costs recovered from ratepayers shall be treated consistent with approved rate case allocators and established revenue requirement procedures.	Oppose	No Position	Support	Support	Support	Support	No Position	No Position	Support	Do Not Oppose
Cost Allocation between Customers Adding New Load and Rate Payers												
	K.7	Insofar as Proactive Distribution Upgrades are associated with forecasted needs associated with identifiable customers, those customers shall be considered Proactive Cost-Share Customers and shall be allocated costs via a Proactive Cost-Share Fee.	Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	Support	No Position	Oppose	Do Not Oppose
	K.7.a	Proactive Cost-Share Fees for small load additions from the residential class should be structured similarly to the Small DER Cost-Sharing Fund.	Do Not Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	Support	No Position	Oppose	Do Not Oppose
	K.8	For Proactive Distribution Upgrade projects primarily serving large commercial and industrial customers, Proactive Distribution Upgrade costs shall be tracked separately from other rate-base assets and cost allocated to the large commercial and industrial classes contributing to the need for the upgrade.	Do Not Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	Support	No Position	Oppose	No Position
	K.9	For Proactive Distribution Upgrade projects primarily intended to enable load growth by residential and small commercial customers, traditional cost allocation methods in a rate case shall apply. Specifically, Xcel Energy shall record costs from the upgrades in their respective FERC accounts and allocate costs with cost allocators from Xcel Energy's most recent rate case.	Do Not Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	No Position	No Position	Oppose	No Position
	K.10	Insofar as Proactive Distribution Upgrade costs are recovered from customers through cost share fees, those revenues shall be returned to ratepayers. Costs recovered through these tools should "pay down" the remaining unattributable Proactive Distribution Upgrade costs that are socialized to ratepayers.	Do Not Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	No Position	No Position	Oppose	No Position
Cost Allocation between Customers Interconnecting Generation and Rate Payers												

Draft Proactive Distribution Upgrade Framework

			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
	K.11	Proactive Distribution Upgrade projects, or portions of upgrade projects, that enable DG interconnection, shall assess an upfront $/kW$_{ac}$ fee to Interconnection Proactive Cost-Share Customers seeking to interconnect generation.	Do Not Oppose	Support	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.11.a	Proactive Cost Share Fees shall continue to be collected beyond the original date of the forecasted need if capacity remains	Do Not Oppose	Support	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.11.b	Initial Proactive Cost Share Fees could be set to target recovering a certain threshold of the Proactive Distribution Upgrade costs from interconnections, such as the $/kW$_{ac}$ fee set higher than the forecasted amount, which could be applied for the first X% of capacity.	Do Not Oppose	Support	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.11.c	The existing Small DER Cost Sharing-Fund may be used to fund the Proactive Cost-Share Fee.	Do Not Oppose	Support	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.12	Insofar as Proactive Distribution Upgrade costs are recovered from customers through Interconnection Proactive Cost-Share Fees those revenues shall be returned to ratepayers. Costs recovered through this tool should “pay down” the remaining unattributable Proactive Distribution Upgrade costs that are socialized to ratepayers.	Do Not Oppose	Support	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.13	When both load and DG are forecasted to benefit from a Proactive Distribution Upgrade, costs shall be categorized and allocated based on the type of benefit the upgrade provides, which may be either 'DG-Enabling' (to DG customers), or 'Reliability-Enhancing' (to load customers).	No Position	No Position	Oppose	Oppose	No Position	No Position	Support	No Position	Oppose	No Position
	K.14	Utilities shall collect pro rata cost per kW$_{ac}$ fees from all interconnecting load or DG facilities over 40kWac that utilize capacity associated with an upgrade for a period of *[XXX years]* from project approval, or until all additional capacity is subscribed.	No Position	No Position	Oppose	Oppose	No Position	No Position	Support	No Position	Oppose	No Position
	K.15	A per $/kWac fee shall apply to all DG interconnections over 40kWac using capacity from a Proactive Distribution Upgrade.	No Position	No Position	Oppose	Oppose	No Position	No Position	Support	No Position	Oppose	Support
	K.15.a	DG interconnections under 40kWac and subject to the Priority Queue are exempt from per $/kWac fees.	No Position	No Position	Oppose	Oppose	No Position	No Position	Support	No Position	Oppose	Support
	K.15.b	DG Interconnections under 40kWac that are not subject to the Priority Queue (under 40kWac systems projected to generation more than 120% of onsite load) shall be subject to per $/kWac fees, and shall pay the per $/kWac fees for upgrade costs directly.	No Position	No Position	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	Support
	K.16	Project "payback" tracking shall: a. Monitor both financial recovery and capacity utilization percentages separately; b. Record CIAC payments as direct offsets to project costs; c. Consider a project "paid off" when either 100% of costs are recovered or [XXX] years have elapsed.	No Position	No Position	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.16.a	Capacity utilized by Priority Queue customers under 40kW DG shall not count towards 'DG-Enabling' capacity utilization metrics if Xcel Energy has a planning limit in place at the location of the upgrade.	No Position	No Position	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.17	All collected Proactive Cost-Share Fees offset ratepayer costs for the Proactive Distribution Upgrade investments. All Proactive Cost-Share Fee revenue shall be returned directly to ratepayers as offsets to the specific Proactive Distribution Upgrade project costs and allocated in proportion to how the initial costs were assigned to ratepayer classes	No Position	No Position	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.18	Initial costs prior to Proactive Cost-Share Fee collection shall be temporarily allocated to ratepayer classes based on forecasted benefit distribution.	No Position	No Position	Oppose	Oppose	No Position	No Position	Support	No Position	Oppose	No Position
	K.18.a	For DG-enabling portions, recorded as regulatory assets with carrying costs.	No Position	No Position	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.18.b	For load-enabling portions, included in standard distribution rates.	No Position	No Position	Oppose	Oppose	No Position	No Position	No Position	No Position	Oppose	No Position
	K.19	After the Proactive Cost-Share Window closes, any unrecovered costs shall become permanent rate-based system assets and be allocated to customer classes according to standard cost allocation procedures.	No Position	No Position	Oppose	Oppose	No Position	No Position	Support	No Position	Oppose	No Position

Draft Proactive Distribution Upgrade Framework			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
	K.20	When both load and DG are each forecasted to grow and thus both benefit from a given selection of Proactive Distribution Upgrades, costs shall be allocated between ratepayers and DG customers to the extent at which each relies on such upgrades. Allocation, therefore, requires categorizing the benefits provided by a given upgrade. These can range between strictly 'DG-Enabling' allocated to interconnecting DG customers, strictly 'Reliability-Enhancing' allocated to load customers, and 'Capacity-Expansion' co-benefits split between DG and load customers. The split of cost for 'Capacity-Expansion' upgrades is to be determined by the ratio of either enabled forecasted load or DG to total enabled forecasted load and DG.	No Position	No Position	Oppose	Oppose	No Position	Support	Support	No Position	Oppose	No Position
	K.21	For Proactive Distribution Upgrades primarily intended to enable DG adoption for residential and small commercial customers, Xcel Energy shall socialize the upgrade costs through the Small DER Cost Sharing Fund. If a customer that does not qualify for the Small DER Cost Sharing Fund interconnects to a location served by this upgrade within the Proactive Cost-Share Window under Section J.[XXX], this non-qualifying customer would pay to the Small DER Cost Sharing Fund a Proactive Cost-Share Fee pursuant to Section K.[XXX].	No Position	No Position	Oppose	Oppose	No Position	Do Not Oppose	No Position	No Position	Oppose	No Position
	K.22	Insofar as Proactive Distribution Upgrades are associated with forecasted needs associated with identifiable customers, those customers shall be allocated costs consistent with existing CIAC policies, and an upgrade shall not be eligible for the proactive process.	Support	No Position	Oppose	Oppose	No Position	Support	Support	No Position	Oppose	No Position
	K.23	Xcel Energy's existing CIAC policies include waiving service-transformer-related CIAC for customers with an EV who opt to participate in a managed charging program.	Oppose	No Position	Oppose	Oppose	Support	Support	No Position	No Position	Oppose	No Position
	K.24	For upgrades primarily intended to enable load growth by residential and small commercial customers, traditional cost allocation methods in a rate case shall apply. Specifically, Xcel Energy shall record costs from the upgrades in their respective FERC accounts and allocate costs with cost allocators from Xcel Energy's most recent rate case.	Support	No Position	Oppose	Oppose	No Position	Support	Support	No Position	Oppose	Support
	K.25	For upgrades serving large commercial and industrial customers, Proactive Distribution Upgrades shall be tracked separately from other rate-base assets and their total cost allocated based on customer classes' aggregate contribution to the need for Proactive Distribution Upgrades.	Do Not Oppose	No Position	Oppose	Oppose	No Position	Support	No Position	No Position	Oppose	No Position
	OAG/Dept.K.25	For upgrades primarily serving large commercial and industrial customers, Proactive Distribution Upgrades shall be tracked separately from other rate-base assets ~~and their total cost~~ allocated to the large commercial and industrial classes contributing to the need for or benefiting from the upgrades. ~~based on customer classes' aggregate contribution to the need for Proactive Distribution Upgrade~~s.	Support	Support	Oppose	Oppose	No Position	Support	No Position	No Position	Oppose	No Position
	K.26	If Proactive Distribution Upgrade costs are socialized to ratepayers, Xcel Energy shall identify and mitigate adverse bill impacts on under-resourced customers and/or small business by adjusting cost allocation within or among classes.	Do Not Oppose	No Position	Oppose	Oppose	Support	Support	Support	No Position	Oppose	Support
	OAG/Dept.K.26	To the extent that Proactive Distribution Upgrade costs are socialized to ratepayers, Xcel Energy shall identify and mitigate adverse bill impacts on under-resourced customers and/or small businesses. ~~by adjusting cost allocation within or among classes.~~	Support	Support	Oppose	Oppose	No Position	Support	Support	No Position	Oppose	Support
L. Capacity Reservation												
	L.1	Capacity does not need to be reserved for a specific customer class.	No Position	Move to Phase 2	Support - Move to Phase 2	Oppose	Oppose	Move to Phase 2	No Position	No Position	Do Not Oppose	No Position
	L.2	Residential customers shall have priority for accessing proactive distribution capacity upgrades based on the percentage of upgrade costs allocated to residential rates.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
	L.3	A percentage of the capacity of a Proactive Distribution Upgrade may be reserved for under 40kW$_{ac}$ DG to facilitate more efficient queue processing through the Priority Queue, if the proposal demonstrates that based on the customer make-up of the feeder, existing customers will benefit from a capacity reservation.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position

Draft Proactive Distribution Upgrade Framework			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
	L.3.a	Xcel Energy shall propose a capacity reservation for under 40kW$_{ac}$ DG for each upgrade in a Proactive Distribution Upgrade Proposal with its filing.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
	L.3.b.	Small DG (less than 40kW$_{ac}$) shall continue to be able to use the Small DER Cost Sharing Fund for service transformer and secondary upgrades at the existing funding levels and fees consistent with Cost Sharing Program.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	Support	No Position	Oppose	No Position
	L.3.c.	Xcel Energy must seek PUC approval to implement this capacity reservation system and any specific Proactive Distribution Upgrade capacity reservation Proposal. If Xcel Energy's planning limit is invalidated, this agreement must be renegotiated.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
	L.4	Xcel Energy shall implement a system-wide capacity reservation for small DG to facilitate more efficient queue processing through the Priority Queue.	No Position	Move to Phase 2	Do Not Oppose	Support	Support	Move to Phase 2	Support	No Position	Do Not Oppose	No Position
	L.4.a	Small DG (less than 40kW$_{ac}$) shall continue to be able to use the Small DER Cost Sharing Fund for service transformer and secondary upgrades at the existing funding levels and fees consistent with the Cost Sharing Program.	No Position	Move to Phase 2	Do Not Oppose	Support	Support	Move to Phase 2	Support	No Position	Do Not Oppose	No Position
	L.5	Xcel Energy shall implement a system-wide capacity reservation for small DG in the Priority Queue to facilitate more efficient queue processing through the Priority Queue.	No Position	Move to Phase 2	Move to Phase 3	Oppose	No Position	Move to Phase 2	No Position	No Position	Do Not Oppose	No Position
	L.5.a	Small DG would be allowed to use the Small DER Cost Sharing Fund to help cover their pro-rata costs.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	Support	No Position	Do Not Oppose	No Position
	L.5.b	Once the mobilization threshold has been reached for a capacity upgrade, that triggers all subsequent DG projects to pay their pro-rata share, even if there is available capacity for Priority Queue applications within the capacity reservation.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	Support	No Position	Oppose	No Position
	L.6	Xcel Energy shall implement a capacity reservation system as follows:	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
	L.6.a	**Generation:** Following a proactive DG hosting capacity upgrade, a minimum of 1 MW shall be reserved for the interconnection of systems below 40kW$_{ac}$. Where the installation of new DER systems larger than 40kW$_{ac}$ does not impose new constraints on the interconnection of 1 MW of new DG smaller than 40kW$_{ac}$, such systems can be allowed to proceed with interconnection.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
	L.6.b	**Load**: 25% [or another percentage to be discussed] of the capacity from Proactive Distribution Upgrades shall be reserved for residential and small C&I customers and shall not be made available to new load additions of total size in excess of 250kW$_{ac}$ [or another threshold to be discussed].	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
	L.6.c	**Reservation Waiver**: For locations where new adoption from residential and small C&I customers is not reasonably anticipated (e.g., on feeders serving exclusively industrial loads), load and generation capacity reservations for residential and small C&I customers such areas may be waived or reduced.	No Position	Move to Phase 2	Move to Phase 2	Oppose	No Position	Move to Phase 2	No Position	No Position	Oppose	No Position
M. Reporting												
	M.1	Xcel Energy must file reports that include the following information and data to the greatest extent practicable. Where Xcel Energy is not able to provide the required information, the Company shall explain why it is unable to do so. Such reports must be filed annually on November 1 as part of Xcel Energy's Integrated Distribution Plan or Annual Update. Where applicable, Xcel Energy must include data in spreadsheet (.xlsx) format. If Xcel Energy also files a PDF version of spreadsheet data, it must be filed as an attachment in a separate document instead of being merged with the main report.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	M.2	For projects where the Cost-Share window has closed Xcel Energy shall no longer include them in the "all Proactive Distribution Upgrades" summary and may discontinue updates in the project-by-project reporting points.	Oppose	No Position	Oppose	Oppose	No Position	Support	No Position	Oppose	Oppose	Do Not Oppose
	M.3	For projects where the cost-share window has closed, Xcel Energy may discontinue updates in the project-by-project reporting points under M.5 and M.6.	Support	Support	Support	Oppose	Support	Do Not Oppose	No Position	Support	Support	Support

Draft Proactive Distribution Upgrade Framework

			OAG-RUD	Dept	ELPC/VS/ CEF	Xcel Energy	Fresh Energy	MnSEIA	CCSA	UCS	ATE	CEEM
	NEW Xcel.M.3	For projects where the cost-share window has closed, Xcel Energy may discontinue updates in the project-by-project reporting points under M.4, ~~and~~ M.5, and M.6.	No Position	No Position	No Position	Support	No Position	No Position	No Position	No Position	No Position	No Position
	M.4	For all Proactive Distribution Upgrades –	Support	Support	Support	Support	Support	Support	No Position	Support	Support	Do Not Oppose
	M.5	By Proactive Distribution Upgrade project –	Support	Support	Support	Support	Support	Support	No Position	Support	Support	Do Not Oppose
	M.6	DER additions (Fill out table for each completed project)	Support	Support	Support	Support	Support	Do Not Oppose	No Position	Support	Support	Do Not Oppose
	M.7	For each completed project, the current peak load, forecasted peak load, and any known load additions by load type (Fleet EV charging, DCFC fast charging, etc.) and customer class	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	M.8	A comparison of Load and DG added since project completion with the forecast from the Proactive Distribution Upgrade Proposal.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	M.9	Any additional narrative information, by project or portfolio, on the status of the project, cost deviations from the approved amount, and any delays in implementation and the cause for the delays.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	M.10	For any approved projects that did not proceed, an explanation of why and what the impact is on the overall program budget.	Support	Support	Support	Support	Support	Support	Support	Support	Support	Support
	M.11	If the costs of previously approved Proactive Distribution Upgrades were not recovered within the cost-share window, Xcel Energy shall provide a narrative explanation of why it was not able to recover the costs within the window. Xcel Energy shall also explain how it will improve its forecast or other procedures to avoid unnecessarily socializing costs.	Support	Support	Support	Oppose	Support	Support	Support	Support	Oppose	Support
	M.12	For projects that were accelerated, delayed, or abandoned following Commission approval, Xcel Energy shall discuss the impact of that change ~~on total proactive grid upgrade costs, cost allocation, and benefit allocation~~.	Support	Support	Support	Oppose	Support	Support	Support	Support	Oppose	Support
	Xcel.M.12	For projects that were accelerated, delayed, or abandoned following Commission approval, Xcel Energy shall discuss the impact of that change ~~on total proactive grid upgrade costs, cost allocation, and benefit allocation~~.	Oppose	Oppose	Oppose	Support	Oppose	Oppose	No Position	Do Not Oppose	Support	No Position