

The Commission met on **Thursday, November 29, 2018** with Chair Lange and Commissioners Lipschultz and Tuma present.

The following matters were taken up by the Commission:

IP-6961/WS-16-686

In the Matter of the Application of Blazing Star Wind Farm, LLC for a Site Permit for the up to 200 Megawatt Blazing Star Wind Project in Lincoln County

Commissioner Tuma moved that the Commission grant the request to transfer the site permit for the Blazing Star Wind Farm from Blazing Star Wind Farm LLC to Northern States Power and authorize staff to issue a revised site permit identifying the change where necessary.

The motion passed 3-0.

E-015/M-18-600

In the Matter of Minnesota Power's Petition for Approval of Amendments to FPL Energy Oliver Wind I, LLC and FPL Energy Oliver Wind II, LLC Power Purchase Agreements

Commissioner Lange moved that the Commission approve the Oliver PPA amendments under Minn. Stat. § 216B.1645, subd. 1 and confirm that the Oliver PPA amendments continue to be reasonable and prudent ways for the Company to continue to meet its obligations under the RES Statute.

The motion passed 3-0.

E-017/RP-16-386

In the Matter of Otter Tail Power Company's 2017-2031 Integrated Resource Plan

Commissioner Lipschultz moved that the Commission approve Otter Tail's request to delay filing its next resource plan from June 3, 2019 to June 1, 2020.

The motion passed 3-0.

E-002/GR-15-826

In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota

Commissioner Lange moved that the Commission approve Xcel Energy's 2019 Final Rates Compliance Filing.

The motion passed 3-0.

E-017/M-18-464

In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Rate Update to its Environmental Upgrades Cost Recovery Rider Rate and Rate Schedule 13.08

Commissioner Lipschultz moved that the Commission:

1. Allow Otter Tail Power to reset the ECRR rate to zero percent effective December 1, 2018;
2. Accept Otter Tail Power's proposed language for Tariff Sheet 13.08;
3. Authorize Otter Tail Power to collect any ending balance in its ECRR tracker account as a one-time charge or credit to its customers' bills; and
4. Within 10 days of the Commission's order, require Otter Tail Power to submit revised tariff language, updated tracker ECRR balances by month, and a revised customer bill message related to the one-time customer charge.

The motion passed 3-0.

E-015/M-11-409

In the Matter of Minnesota Power's Petition for Approval of a Pilot Rider for Customer Affordability of Residential Electricity

Commissioner Tuma moved that the Commission:

1. Not require Minnesota Power (MP) to redesign its Customer Affordability of Residential Electricity (CARE) program and model it on Xcel Energy PowerON Program, but to continue with the CARE Program as it is currently designed;
2. Accept MP's Sixth Annual Report on its pilot Rider for CARE program;

3. Not require MP to disclose administrative costs, but open to a review should MP make a request of recovery of this cost in the future;
4. Allow for elimination from future annual report information/calculation based on total annual participants in CARE program;
5. Accept MP's CARE program customer outreach effort described in its Sixth annual Report to have adequately addressed the Commission's concerns on customer outreach as directed in the Commission's January 5, 2018 order accepting MP's Fifth Annual Report;
6. Authorize reclassification of the CARE pilot rider to permanent rider for the CARE program;
7. Allow MP to maintain administration of the program; and
8. Require MP to submit future annual reports on its CARE program on March 1, each year.

The motion passed 3-0.

E-002/M-17-828

In the Matter of the Petition of Northern States Power Company for Approval of the 2019-2022 Triennial Nuclear Decommissioning Study and Assumptions

Commissioner Lange moved that the Commission:

1. Approve Xcel's decommissioning study;
2. Allow Xcel to address the usage of the SAFSTOR methodology in its next decommissioning study;
3. Beginning in 2020, approve a \$44.4 million Annual Decommissioning Accrual, subject to possible revision based on a subsequent accrual filing to be made on July 15, 2019, that updates inputs and considers the possible implications of :
 - Department of Energy continuing refunds for dry cask storage during the decommissioning process;
 - The use of the SAFSTOR decommissioning method, and
 - The possible use of third-party contractors or nuclear decommissioning
4. The due date for Xcel's next triennial decommissioning plan is December 1, 2020;

5. Beginning in 2020, approve an Annual End of Life Nuclear Fuel Accrual of \$2,003,526;
6. Approve escalation rates of 4.05% for the decommissioning labor component and 2.85% for the non-labor components, subject to possible change in the July 15, 2019, updated filing;
7. Approve Xcel's proposed NDT investment mix and continue discussions with the Department of Commerce regarding its recommended changes to their investment portfolio;
8. Approve Xcel's proposal to begin the NDT's investments' transition to bonds five years before decommissioning cash flows are planned to occur;
9. Require Xcel to continue using a consultant to calculate escalation rates in future triennial commissioning filings;
10. Accept the information Xcel provided regarding premature decommissioning risk;
11. Require Xcel to provide balance sheet accounts for SFAS 143 in its next triennial decommissioning filing with a brief narrative explaining the numbers provided on the ARO balance sheet for nuclear decommissioning;
12. In its next triennial decommissioning filing, require Xcel to investigate and report on the use of contractors to decommission the PINGP and to provide an estimate of what the length of time and cost differential would be if a contractor were used;
13. Authorize escrow fund reporting requirements to be discontinued in future triennial decommissioning filings.

The motion passed 3-0.

Commissioner Lange moved to require Xcel, in its next triennial decommissioning study, to report on whether the Company ought to redistribute among retail customers the wholesale customer contribution.

The motion passed 3-0.

Commissioner Tuma moved to require Xcel to refund the 2017 Department of Energy settlement funds.

The motion passed 3-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: March 27, 2019

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive style with a large, prominent 'D' and 'W'.

Daniel P. Wolf, Executive Secretary