



414 Nicollet Mall
Minneapolis, MN 55401

July 18, 2025

—Via Electronic Filing—

Mike Bull
Acting Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: REPLY COMMENTS
IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER
COMPANY D/B/A XCEL ENERGY FOR AN UP TO 135.5 MW BATTERY ENERGY
STORAGE SYSTEM SITE PERMIT FOR THE BLUE LAKE BATTERY ENERGY
STORAGE PROJECT IN SCOTT COUNTY, MINNESOTA.
DOCKET NO. E002/ESS-25-214

Dear Mr. Bull:

Northern States Power Company, doing business as Xcel Energy, submits these reply comments regarding the completeness of its Application for a Site Permit (Application) to construct and operate a battery energy storage system (BESS) with a nominal power rating of up to 135.5 MW alternating current (AC) in the city of Shakopee in Scott County, Minnesota (Project).

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 Jody Londo at (612) 216-7954 or Jody.L.Londo@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/ Jody Londo

JODY LONDO
DIRECTOR, REGULATORY AND STRATEGIC ANALYSIS

Enclosures
cc: Service Lists

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Hwikwon Ham	Commissioner
Audrey C. Partridge	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF THE APPLICATION
OF NORTHERN STATES POWER
COMPANY D/B/A XCEL ENERGY FOR AN
UP TO 135.5 MW BATTERY ENERGY
STORAGE SYSTEM SITE PERMIT FOR THE
BLUE LAKE BATTERY ENERGY STORAGE
PROJECT IN SCOTT COUNTY,
MINNESOTA.

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REPLY COMMENTS

INTRODUCTION

Northern States Power Company, doing business as Xcel Energy, submits these reply comments regarding the completeness of its Application for a Site Permit (Application) to construct and operate a battery energy storage system (BESS) with a nominal power rating of up to 135.5 MW alternating current (AC) in the city of Shakopee in Scott County, Minnesota (Project).

The Minnesota Public Utilities Commission (Commission) issued a Notice of Comment Period on Application Completeness on June 27, 2025, and requested comments concerning whether the Application contains the information required under the applicable rule, whether there are any contested issues of fact, whether an advisory task force should be appointed, whether the Commission should authorize Xcel Energy to initiate consultation with SHPO, and whether there are other issues or concerns related to this matter.

On July 11, 2025, initial comments were filed by (1) the International Union of Operating Engineers Local 49 (IUOE Local 49) and the North Central States Regional Council of Carpenters (NCSRC of Carpenters) and (2) Minnesota Public Utilities Commission, Energy Infrastructure Permitting Staff (EIP Staff). Xcel Energy provides these reply comments to address the items discussed in initial comments, as well as to discuss the process for further review of the Application.

REPLY COMMENTS

A. Application Completeness

The Commission requested comments concerning whether the Application contains the information required under the applicable rule.

Xcel Energy appreciates IUOE Local 49 and the NCSRC of Carpenters' support for a completeness determination for the Application. Xcel Energy looks forward to further conversations with IUOE Local 49 and the NCSRC of Carpenters on how to maximize benefits for local construction workers.

Xcel Energy also appreciates EIP Staff's coordination during the preapplication draft review, its thorough review of the Application, and its comments on this process going forward.

EIP Staff provided initial comments recommending that the Commission accept the application as substantially complete “once Xcel Energy provides a public filing with a high-level breakout of anticipated construction costs (identifying engineering and design, procurement, construction, development (including land acquisition and permitting), and financing as well as anticipated annual operations and maintenance costs.”¹

Xcel Energy understands this comment to suggest that the Application is not complete because it does not provide *public* estimates for the Project's anticipated capital and operating costs in accordance with Minn. R. 7850.1900, subp. 1.H. Subpoint 1H, however, does not require an applicant to disclose to the public the project's anticipated capital and operating costs. It reads:

Subpart 1. Site permit for LEPGP. An application for a site permit for a large electric power generating plant must contain the following information:

...

H. a cost analysis of the large electric power generating plant at each proposed site, including the costs of constructing and operating the facility that are dependent on design and site.

The Rule merely requires an application to include the project's anticipated capital and operating costs—which are included in Xcel Energy's Application in Appendix K. The

¹ EIP Completeness Comments (July 11, 2025) at 5.

Commission’s procedural rules further state, “Nothing in this chapter requires public disclosure of protected data or any disclosure of privileged data.”²

Historically, the Commission has not mandated applicants publicly disclose their projects’ anticipated capital and operating costs following the applicants’ notice that such information is sensitive and classified as trade secrets. For example, numerous applications submitted by Xcel Energy have been accepted as complete without providing publicly filed project cost information.³ In each of these applications, Xcel Energy included the total estimated project costs in an appendix marked as trade secret. It did not list any costs in the public filings. During the comment periods on application completeness, the EIP Staff (formally known as the Energy Environmental Review and Analysis Staff) deemed each application complete without requesting Xcel Energy publicly disclose the cost information.⁴

Xcel Energy submitted this Application with the required statements and markings to ensure Appendix K be treated as confidential, in accordance with Minnesota Rules, part 7829.0500. Xcel Energy is currently in a competitive bid process, and the release of this cost information would greatly undermine the competitive bid integrity. Specifically, the release of such information could have a detrimental impact on Xcel Energy by furnishing potential competitors with insights that are not otherwise readily

² Minn. R. 7829.0500, subp. 1.

³ See, e.g., *In the Matter of the Application of Xcel Energy for a Site Permit for the up to 460 MW Sherco Solar Project in Sherburne County*, Docket No. E002/GS-21-191 (Order Accepting Application as Complete and Authorizing Use of the Alternative Review Process dated August 11, 2021); *In the Matter of Xcel Energy’s Application for a Site Permit for the up to 250 MW Sherco 3 Solar Energy Generating System in Sherburne County, Minnesota*, Docket No. E002/GS-23-217 (Order dated October 23, 2023); *In the Matter of the Application of Xcel Energy for a Certificate of Need, Site Permit, Route Permit and Pipeline Route Permit for the Lyon County Generating Station in Lyon County, Minnesota*, Docket No. E002/TL-25-161 (Order dated July 14, 2025).

⁴ See, e.g., *In the Matter of the Application of Xcel Energy for a Site Permit for the up to 460 MW Sherco Solar Project in Sherburne County*, Docket No. E002/GS-21-191 (Comments and Recommendations on Application Acceptance dated May 18, 2021); *In the Matter of Xcel Energy’s Application for a Site Permit for the up to 250 MW Sherco 3 Solar Energy Generating System in Sherburne County, Minnesota*, Docket No. E002/GS-23-217 (Comments and Recommendations on Application Completeness dated August 22, 2023); *In the Matter of the Application of Xcel Energy for a Certificate of Need, Site Permit, Route Permit and Pipeline Route Permit for the Lyon County Generating Station in Lyon County, Minnesota*, Docket No. E002/TL-25-161 (Comments and Recommendations on Application Completeness dated June 6, 2025).

ascertainable. Xcel Energy takes measures to ensure this information is not released publicly, and requiring it to do so would greatly harm the company.

Xcel Energy acknowledges EIP Staff's recommendation to accept the Application as substantially complete once Xcel Energy provides a public filing with a high-level breakout of anticipated construction costs, operations costs, and maintenance costs. Xcel Energy firmly maintains that its detailed costs are protected trade secret information, and public disclosure is not a completeness issue. However, in an effort to efficiently reach a completeness determination, Xcel Energy provides that, at a high level, total estimated installed capital costs are approximately \$211 million, and annual operating costs for the Project, exclusive of augmentation costs, are estimated to be \$3-5 million. Xcel Energy respectfully requests that the Commission find the Application complete with the submission of this information, and Xcel Energy has no objection to this matter being placed on the consent agenda if the Commission chooses to do so.

B. Advisory Task Force

Xcel Energy agrees with EIP Staff that an advisory task force is not warranted. Therefore, the Commission should decline to appoint an advisory task force.

C. Procedural Requirements

Xcel Energy agrees with EIP Staff's assessment that there are no contested issues of fact. Xcel Energy also agrees with EIP Staff's recommendation that the matter should be referred to the Office of Administrative Hearings (OAH) for a public hearing and preparation of a full Administrative Law Judge (ALJ) report with recommendations.

CONCLUSION

Xcel Energy respectfully requests that the Commission:

1. Accept the Application as substantially complete and authorize review of the Application under the alternative permitting process under Minn. Stat. § 216E.04 and Minn. R. 7850.2800 to 7850.3900;
2. Find there are no contested issues of fact with respect to the proposed Project;
3. Refer the matter to the OAH for a public hearing and preparation of a full ALJ report with recommendations; and
4. Find that an advisory task force is not warranted.

Dated: July 18, 2025

Sincerely,

/s/ Jody Londo

JODY LONDO
DIRECTOR, REGULATORY AND STRATEGIC ANALYSIS

Certificate of Service

IN THE MATTER OF THE APPLICATION OF NORTHERN STATES POWER COMPANY D/B/A XCEL ENERGY FOR AN UP TO 135.5 MW BATTERY ENERGY STORAGE SYSTEM SITE PERMIT FOR THE BLUE LAKE BATTERY ENERGY STORAGE PROJECT IN SCOTT COUNTY, MINNESOTA

DOCKET NO. E002/ESS-25-214

Abby A. Goshgarian certifies that on the 18th day of July, 2025, she e-filed on behalf of Northern States Power Company, doing business as Xcel Energy true and correct copies of the following documents:

1. Reply Comments; and
2. Certificate of Service.

A copy has also been served on the individuals listed on the attached official service lists of record.

Executed on: July 18, 2025

Signed: /s/ Abby A. Goshgarian
Fredrikson & Byron, P.A.
60 South Sixth Street, Suite 1500
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