

BEFORE THE MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

600 North Robert Street

St. Paul, Minnesota 55101

FOR THE MINNESOTA PUBLIC UTILITIES COMMISSION

121 7th Place East Suite 350

St. Paul, Minnesota 55101-2147

MPUC Docket No. E-002/AA-22-179

CAH Docket No. 21-2500-40336

**IN THE MATTER OF XCEL ENERGY'S PETITION FOR APPROVAL OF ITS 2023 ANNUAL FUEL
FORECAST AND MONTHLY FUEL COST CHARGES**

INITIAL BRIEF OF THE CITIZENS UTILITY BOARD OF MINNESOTA

November 25, 2025

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I. INTRODUCTION

The Citizens Utility Board of Minnesota (“CUB”) respectfully submits this initial brief to provide recommendations to the Administrative Law Judge and Minnesota Public Utilities Commission (the “Commission”) regarding Xcel Energy’s (“Xcel” or the “Company”) Petition for Approval of its 2023 Annual Fuel Forecast and Monthly Fuel Cost Charges. The Commission determined that Xcel’s imprudence contributed to an outage at Xcel’s Prairie Island Nuclear Generation Plant (“PINGP”) in October 2023 and that customers are entitled to a refund for fuel replacement costs Xcel incurred because of that imprudence. The Commission referred this matter to the Court of Administrative Hearings for additional record development to determine an appropriate refund amount, subject to any offsets attributable to benefits accrued to ratepayers during the outage. Xcel’s witnesses submitted testimony recommending several such offsets, ultimately suggesting the refund owed to Minnesota customers be reduced to \$5.8 million.¹ For the reasons discussed below, CUB recommends that the Commission reject all or nearly all of Xcel’s recommended offsets and order Xcel to refund customers \$40.1 to \$40.6 million, plus interest.

II. FACTS

In October 2023, Xcel conducted maintenance work at its PINGP facility that involved underground horizontal drilling.² Xcel employees overseeing the project inadvertently provided workers conducting the drilling with maps that did not fully depict all underground cables located near the excavation path.³ As a result, the workers severed control cables serving PINGP Unit 1 during the drilling process, causing PINGP Unit 1 to shut down and extending a planned outage already in progress at Unit 2.⁴

The Unit 1 outage lasted for 103 days.⁵ During that time, Xcel purchased power to replace what would have been generated by PINGP. Xcel also conducted maintenance at PINGP to replace the damaged control cables and complete certain other projects that had been previously scheduled for a future dual unit outage at PINGP.⁶

On March 1, 2024, Xcel filed a petition requesting a true-up of Xcel’s 2023 fuel clause adjustment charges (the “Annual Report”).⁷ The report showed that Xcel passed through to its customers the replacement power costs it incurred during the PINGP outage.

¹ Ex. XCEL-5 at 24 (Detmer Direct) (eDocket No. [20255-218509-02](#)).

² See generally, Ex. OAG-7 (Xcel Response to OAG IR 3) (eDocket No. [20259-223438-04](#)).

³ *In the Matter of Xcel Energy’s Petition for Approval of its 2023 Annual Fuel Forecast and Monthly Fuel Cost Charge*, Order Approving 2023 Fuel-Clause True Up Report, Docket No. E-002/AA-22-179 (Nov. 15, 2024) (“Nov. 15 Order”), p. 3.

⁴ See generally, Ex. OAG-7 (Xcel Response to OAG IR 3) (eDocket No. [20259-223438-04](#)).

⁵ Ex. XCEL 2 at 6-7 (Krug Direct) (eDocket No. [20255-218509-05](#)).

⁶ *Id.*

⁷ *In the Matter of Northern States Power Co., d/b/a Xcel Energy’s Petition for Approval of its 2023 Annual Fuel Forecast and Monthly Fuel Cost Charges*, Annual True-Up Compliance Report, Docket No. E002/AA-22-179 (March 1, 2024) (“Xcel Annual Report”)

Also in March 2024, Xcel filed a Licensee Event Report filed with the U.S. Nuclear Regulatory Commission (“NRC”).⁸ In that filing, Xcel acknowledges the PINGP outage was the result of a “human performance issue,” the root cause of which “was weakness in the Excavation Permit approval process as well as the inadequate oversight of the non-nuclear supplemental workers performing HDD work.”⁹

In an Order dated November 15, 2024, the Commission determined that Xcel acted imprudently regarding the October 2023 outage at PINGP but also concluded “that it is unable to determine the appropriate ratepayer refund amount resulting from Xcel’s imprudence.”¹⁰ Accordingly, the Commission referred this issue to the Court of Administrative Hearings for a contested case proceeding “to determine the appropriate refund amount due to customers due to Xcel’s lack of prudence regarding the October 2023 outage at Prairie Island.”¹¹

On December 5, 2024, Xcel filed a request for reconsideration with the Commission.¹² On the same day, the Minnesota Department of Commerce (“Department”) filed a request for clarification of the Commission’s November 15 Order, proposing the following amendments:

V. Issues to be Addressed

Over the course of this case, the Commission expects the parties will thoroughly develop a full record, addressing ~~at a minimum~~, the appropriate refund amount due to ratepayers for replacement power costs in 2023 and 2024 stemming from the lack of prudence regarding the October 2023 outage at PINGP.

...

ORDER

...

6. The Commission refers this matter to the Minnesota Office of Administrative Hearings for a contested case to determine the appropriate refund amount due to customers for replacement power costs in 2023 and 2024 due to Xcel’s lack of prudence regarding the October 2023 outage at Prairie Island.

7. The Commission will address other appropriate cost adjustments related to the October 2023 outage at Prairie Island, such as the impact of de-rating on capacity costs and insurance costs, in Xcel’s 3 currently pending general rate case for electric service, Docket 24-320.

⁸ See Ex. OAG-7 (Xcel Response to OAG IR 3) (eDocket No. [20259-223438-04](#)).

⁹ *Id.*

¹⁰ Nov. 15 Order at 4.

¹¹ *Id.* at 11.

¹² *In the Matter of Xcel Energy’s Petition for Approval of its 2023 Annual Fuel Forecast and Monthly Fuel Cost Charges*, Petition for Reconsideration Docket No. E-002/AA-22-179 (Dec. 5, 2024).

The Commission denied Xcel's request for reconsideration.¹³ It granted the Department's clarification request, adopting the changes to Section V of its November 15 Order shown above, and otherwise clarifying its intended scope for this contested case proceeding as follows:

[T]he contested case issues are limited to the refund owed to ratepayers for costs that flow through the fuel-clause adjustment report. In addition, the Commission also clarifies that parties should address other appropriate cost adjustments related to the October 2023 outage at Prairie Island, such as the impact of derating on capacity costs and insurance costs, in Xcel's currently pending general rate case for electric service, Docket E-002/GR-24-320.

The Commission further clarifies that the contested case shall also consider any benefits and offsets in determining the appropriate refund and consider whether imprudence by Xcel Energy resulted in customers paying more for power than they otherwise would have paid such that a refund of power costs is appropriate.¹⁴

Parties to the contested case include Xcel, the Department, Office of the Attorney General-Residential Utilities Division ("OAG"), Xcel Large Industrials ("XLI"), and CUB.

III. ARGUMENT

As the Commission recently articulated in a December 2024 Order: "[i]t is axiomatic that regulated utilities such as Xcel must act prudently with respect to the provision of electric service. This foundational concept arises from the Commission's obligation to ensure utilities charge just and reasonable rates."¹⁵ In this case, the Commission has already determined Xcel acted imprudently when overseeing the drilling project that led to the 2023 outage and that customers are owed a refund for replacement power costs incurred as a consequence of that imprudence. To determine an appropriate refund owed to customers, the Commission must first determine the total costs Xcel incurred to purchase replacement power during the October 2023 outage. After it has made that determination, then it should consider whether actions Xcel took during the outage warrant reducing that refund.

A. The Commission should apply the LMP Method to estimate replacement power costs that should be refunded to customers.

While it is not possible to determine the exact costs Xcel incurred for replacement power resulting from the October 2023 outage, those costs can be estimated using modeling software.¹⁶ Xcel Witness

¹³ *In the Matter of Xcel Energy's Petition for Approval of its 2023 Annual Fuel Forecast and Monthly Fuel Cost Charges*, ORDER DENYING PETITION FOR RECONSIDERATION AND GRANTING REQUEST FOR CLARIFICATION, Docket No. E-002/AA-22-179 (Dec. 5, 2024).

¹⁴ *Id.* at 3.

¹⁵ *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota*, Order Adopting Administrative Law Judge Report as Modified, Requiring Refund of Certain Disallowed Replacement Power Costs, and Requiring Further Action, Docket No. E-002/GR-122-961 (Dec. 24, 2024), p. 5.

¹⁶ Ex. DOC-1 at 7 (Golden Direct) (eDocket No. [20257-220600-02](#)).

Detmer used the PLEXOS cost modeling software to estimate the difference in costs that Xcel actually incurred during the October 2023 outage vs. the costs it hypothetically would have incurred had PINGP been operating. Witness Detmer estimated the outage costs by creating two scenarios; a “base case” scenario in PLEXOS representing actual operations without PINGP online; and a “change case” scenario that utilized the outputs from the base case, but with the change of making PINGP online.¹⁷ According to his analysis, this difference between the base case and the change case was \$34.3 million (as allocated to the Minnesota jurisdiction).¹⁸

Other witnesses identified significant flaws in Witness Detmer’s use of the PLEXOS model. For example, Witness Detmer has neither shown that the PINGP outage had any major effect on locational marginal prices (“LMPs”), nor that Xcel’s other generating units materially changed their output during the outage; he has not adequately demonstrated that the net costs from MISO purchases and sales are reflective of their actual costs; and he has not adequately explained why the PLEXOS change case only allows for additional sales and not any reduction in MISO purchases.¹⁹ Ultimately, Witness Detmer’s model is “too flawed to provide a reliable estimate” of Xcel’s replacement fuel costs.²⁰

XLI Witness Andrews testified that a simpler and “more accurate estimate of the replacement power cost for the outage at PINGP is the net revenue (generation times LMP, less fuel and operating cost) that would have been earned had PINGP been available.”²¹ To employ this method of calculating replacement power costs (the “LMP Method”), Witness Andrews verified the net revenue lost due to the outage at PINGP by conducting a simple analysis of: 1) the hourly output for PINGP Units 1 & 2, as that data was included in the PLEXOS output files; 2) the actual MISO Day-Ahead LMPs for the PINGP node; and 3) the variable fuel and operating costs contained in Xcel’s PLEXOS input files. Witness Andrews provided thorough and reasonable support for utilizing the LMP Method to calculate replacement power costs that is also supported by the Department’s modeling expert, Dr. Rakow.²² The Commission should accept Witness Andrews’ analysis and utilization of the LMP Method to determine the baseline amount of replacement power costs to be refunded to ratepayers. The baseline refund amount supported by Witness Andrews’ analysis is \$40.6 million.²³

¹⁷ Ex. DOC-1 at 7 (Golden Direct) (eDocket No. [20257-220600-02](#)).

¹⁸ Ex. XCEL-5 at 16 (Detmer Direct) (eDocket No. [20255-218509-02](#)).

¹⁹ See generally Ex. DOC-3 (Rakow Surrebuttal) (eDocket No. [20259-223100-03](#)); See also Ex. XLI-3 at 8-11 (Andrews Surrebuttal) (eDocket No. [20259-223127-02](#)).

²⁰ Ex. DOC-3 at 14 (Rakow Surrebuttal) (eDocket No. [20259-223100-03](#)).

²¹ Ex. XLI-1 at 8 (Andrews Direct) (eDocket No. [20257-220621-02](#)).

²² Ex. DOC-3 at 19 (Rakow Surrebuttal) (eDocket No. [20259-223100-03](#)) (“I conclude that the LMP calculation method recommended by Mr. Andrews provides a sufficiently reasonable result for purposes of calculating a replacement power cost refund”).

²³ Ex. XLI-3 at 13 (Andrews Surrebuttal) (eDocket No. [20259-223127-02](#)) (XLI initially redacted this number as trade secret, however counsel for XLI and Xcel have since stipulated to make it public.)

B. When considering any offsets to refunds owed to ratepayers, the Commission should hold Xcel accountable for its imprudence and resolve any doubt in favor of ratepayers.

Xcel suggests three categories of benefits and offsets should be considered in connection with the Commission's determination of the appropriate refund owed to customers: (i) the strong historical performance of the PINGP; (ii) restoration work Xcel performed during the October 2023 outage that purportedly avoided future replacement power costs; and (iii) "pulled-forward" work that purportedly will avoid future outage days. For the reasons discussed below, the Company overstates the purported "benefits and offsets" in each of these categories. The Commission should only reduce or offset the refund owed to customers to the extent Xcel has met its burden to show, by a preponderance of the evidence, that such an offset is warranted and would result in just and reasonable rates, with doubt as to reasonableness resolved in favor of the consumer.²⁴

1. The Commission should reject Xcel's proposed historical performance adjustment.

Xcel suggests that the refund owed to customers should be adjusted downward by \$5.7 million to account for Xcel's historical performance at PINGP. In support of this, Xcel Witness Krug testifies:

The Commission has not referred the question of Xcel Energy's prudence regarding the occurrence of the Event for record development in this proceeding. However, in determining whether and how much of a refund of power costs may be appropriate, the Administrative Law Judge and Commission must still examine and consider the Company's overall prudent operation of PINGP[.]²⁵

Similarly, Xcel Witness Detmer states: "[t]he financial benefit of the Company's superior past performance should be considered when determining whether a refund is appropriate, so that any disallowance is based on a reasonable standard of performance in relation to other utilities."²⁶ Witness Detmer also attempts to quantify the "customer benefits" of PINGP's historical performance by comparing its forecasted vs. actual energy production from 2018 to 2022, suggesting "PINGP produced 2,577 GWh over its forecasted output for that period, delivering over \$50 million dollars in customer benefits— more than the total replacement power costs incurred following the Event."²⁷ For several reasons, the Commission should soundly reject this proposal.

First and foremost, regulated utilities are expected to operate their generation facilities prudently. Xcel's customers have already paid, and will continue to pay, for Company's generally prudent operation of the Prairie Island facility. Such payment comes through base rates approved by the Commission in Xcel's general rate cases.²⁸ If the Commission were to allow Xcel to recover

²⁴ See Minn. Stat. § 216B.03.

²⁵ Ex. XCEL-2 at 11 (Krug Direct) (eDocket No. [20255-218509-05](#)) (emphasis added).

²⁶ Ex. XCEL-5 at 21 (Detmer Direct) (eDocket No. [20255-218509-02](#)). (emphasis added); see also Ex. XCEL-2 at 12 (Krug Direct) (eDocket No. [20255-218509-05](#)).

²⁷ Ex. XCEL-5 at 24 (Detmer Direct) (eDocket No. [20255-218509-02](#)).

²⁸ See Ex. XLI-3 at 10 (Andrews Surrebuttal) (eDocket No. [20259-223127-02](#)).

replacement power costs incurred as a consequence of Xcel's *imprudence*, then customers would be paying for both Xcel's prudent and imprudent operation of PINGP. Citing the past performance of PINGP in an attempt to lower the refund owed to customers amounts to Xcel attempting "to leverage its past performance to the unilateral benefit of its shareholders" and the detriment of its ratepayers.²⁹

Second, reducing customers' refund based on a review of the holistic historic performance of PINGP introduces logistical questions, uncertainty, and subjectivity that would significantly complicate and dilute the effectiveness of future prudence reviews. Department Witness Golden highlights how these complications arise in the context of this proceeding:

While the Company uses the most recent five-year period as a starting point for its fuel forecast for its base load plants, the fuel forecast filing uses a variety of time periods for different purposes. For example, Xcel used a three-year period to estimate forced outage rates for peaking plants, a 30-year period to determine expected monthly wind generation, and a 19-year period for calculations related to demand-side management programs.³⁰

In other words, despite Xcel's assertions to the contrary, there is no obvious reason why the prudence of Xcel's overall operation of PINGP should be measured according to a five-year period—or whether it would make sense for the same timeframe to be used had the outage occurred at a different generation facility. Witness Golden also shows that that the five-year period Xcel chooses is clearly an anomaly, as compared to every other five-year period preceding it going back to 2005.³¹ While assessing Xcel's overall operation of PING based on the most recent five-year period, alone, reflects a favorable capacity factor,³² Xcel's purportedly "strong historical performance" at PINGP appears much weaker if the Commission were to measure it by reviewing the capacity factor in every other recent five-year period and/or over a longer time period. If the Commission approves Xcel's historical performance adjustment in this docket, it should expect similar proposals in future dockets, including from other utilities seeking to dilute accountability for their imprudent actions and consumer advocates seeking to enhance it.³³ Opening the floodgates to these types of arguments would significantly complicate future prudence reviews and would not be in the public interest.

Finally, the Commission has rejected utilities' similar attempts to bank and redistribute regulatory compliance, explaining that meeting regulatory standards for one action does not grant the utility authority to violate those standards for another action.³⁴ For example, in a 2001 Rate Case, Peoples

²⁹ Ex. DOC-2 at 4 (Golden Surrebuttal) (eDocket No. [20259-223100-01](#)).

³⁰ Ex. DOC-2 at 3-4 (Golden Surrebuttal) (eDocket No. [20259-223100-01](#)) (internal citations omitted).

³¹ Ex. DOC-2 at 4 (Golden Surrebuttal) (eDocket No. [20259-223100-01](#)).

³² A utility's "capacity factor" is the ratio of actual energy produced by a utility generation facility vs. the maximum possible energy the facility could have produced over the same time period had it run at continuous, full power.

³³ See Ex. DOC-2 at 8 (Golden Surrebuttal) (eDocket No. [20259-223100-01](#)) ("If another outage resulting from imprudent action were to occur at the PINGP facility within the next five years, could the Commission apply a similar standard whereby a five-year period including the 2023-2024 PINGP outage shows the Plant operated below the industry median and thus order a historical performance adjustment revising a ratepayer refund upwards rather than downwards?")

³⁴ *In re Peoples Nat. Gas Co.*, ORDER MODIFYING & ACCEPTING SETTLEMENT, Docket No. G-007/GR-00-951 (May 11, 2001), p. 12.

Natural Gas Company and Northern Minnesota Utilities (collectively, “Peoples Natural Gas”) sought recovery of investments made in new or upgraded gas mains and service lines.³⁵ Peoples Natural Gas lacked hard data on actual service area expansions, making it difficult for parties to assess the specific costs of 26 extensions at issue.³⁶ In a settlement agreement resolving the case, the parties stipulated to “use representative data where actual data was unavailable, to credit the Company with having made the maximum permissible investment to every customers, to average the costs of expansion projects both within a given year and over time, and to use a modified version of Peoples Natural Gas’ economic justification model to determine economic justification.”³⁷ The Commission rejected this approach, finding approving a settlement based on such stipulations would not be in the public interest:

The Commission rejects the assumptions . . . that uneconomic costs in one project can be offset by the highly economic performance of other projects, and that total uneconomic costs incurred in one year can be offset by total economic over-performance in other years. Meeting regulatory standards in one project does not grant leeway to violate those standards in another project.³⁸

The same principles apply to Xcel’s proposed historical performance adjustment: Xcel cannot excuse itself from accountability for its imprudent actions in October 2023 by pointing to PINGP’s purported over performance in other years. Therefore, the Commission should reject Xcel’s proposed \$5.7 million historical performance adjustment.

2. *The Commission should reject Xcel’s proposed avoided future replacement power and cable costs adjustment.*

Xcel proposals that the refund owed to Minnesota customers should be adjusted downward by \$21 million to account for avoided future costs.³⁹ Specifically, the Company claims that the damaged cables may have otherwise failed had the October 2023 incident not occurred, and that Xcel’s efforts to replace the cables after they were damaged avoided future replacement power costs. Xcel quantified its proposed \$21 million offset by developing three hypothetical and speculative cases that it projects *could* occur—but that have not actually occurred.⁴⁰ Given that Xcel is the party with the burden of proof in this proceeding, the ALJ and Commission should view this hypothetical, speculative evidence with reasonable skepticism and resolve any doubt about its value in favor of consumers.

The Commission and a different ALJ recently evaluated whether rate recovery should be allowed for replacement power purchases necessitated by unplanned outages at Xcel’s Sherco 3 facility. Similar to this proceeding, that case was referred to the Court of Administrative Hearings for a contested case

³⁵ *Id.*

³⁶ *Id.*

³⁷ *Id.* at 13.

³⁸ *Id.* at 16.

³⁹ Ex. XCEL-7 at 18 (errata to Detmer Direct) (eDocket No. [20256-220369-01](#)).

⁴⁰ See Ex. DOC-1 at 8-9 (Golden Direct) (eDocket No. [20257-220600-02](#)) (summarizing Xcel’s three hypothetical cases).

to develop the record on whether Xcel's Sherco 3 energy replacement costs during the outage "were reasonable and prudent and, if not, [to determine] the amount of overcharges, plus interest, that should be returned to ratepayers."⁴¹ In that case, like this one, Xcel argued that certain avoided costs and customer benefits should offset the refund owed to ratepayers for replacement power costs.⁴² In her Findings of Fact, Conclusions of Law, and Recommendations, the ALJ overseeing the contested case notably observed that allowing Xcel to offset a refund owed to customers based on purported benefits arising from Xcel's imprudence is like "claiming that a homeowner actually benefits from their home burning down because insurance pays for a new kitchen floor."⁴³ The Commission agreed, noting in a recent, December 2024 Order: "the Commission will not allow Xcel to offset a refund of imprudently incurred costs by any benefits that accrued from Xcel's prudent actions responding to and resolving the consequences of Xcel's prudent behavior[.] . . . Xcel's prudent management of the restoration process—including efforts to mitigate costs—was the expectation and does not offset or mitigate Xcel's prior imprudence."⁴⁴

The same principles apply in this case. Xcel's prudent operation of PINGP—and its prudent response to mitigate costs resulting from its imprudence—is the expectation. Xcel's *imprudence* in October 2023 caused the cables to be damaged, necessitating their repair or replacement. The costs Xcel incurred to purchase replacement power while that work occurred stemmed from Xcel's imprudence causing the outage, not its prudent (and expected) efforts to respond to and resolve the consequences of its imprudence. The Commission should reject Xcel's proposed \$21 million offset to the refund owed to customers.

3. *The Commission should minimize, if not fully reject, any offset stemming from Xcel's proposed avoided future outage days adjustment.*

In Direct Testimony, Xcel suggests that the refund owed to customers should be adjusted downward by \$1.8 million to account for certain projects (the "pull-forward projects") that were completed during the October 2023 outage.⁴⁵ Witness Detmer quantified the \$1.8 purported savings associated with this benefit by:

- calculating it took 8,505 labor hours to complete the pull-forward projects;
- dividing its total October 2023 outage-related labor hours (141,7926) by the 135 total outage days to calculate 1,050 labor hours per outage day;

⁴¹ *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota, et al*, NOTICE AND ORDER FOR HEARING, Docket No. E-002/GR-12-961 (Dec. 24, 2024), p. 10.

⁴² *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota, et al*, ORDER ADOPTING ADMINISTRATIVE LAW JUDGE REPORT AS MODIFIED, REQUIRING REFUND OF CERTAIN DISALLOWED REPLACEMENT POWER COSTS, AND REQUIRING FURTHER ACTION, Docket No. E-002/GR-12-961 (Dec. 24, 2024), p. 27.

⁴³ *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota, et al*, ALJ FINDINGS OF FACT, CONCLUSIONS OF LAW, & RECOMMENDATION, Docket No. E-002/GR-12-961, CAH File No. 65-2500-38476 (May 14, 2024), p. 82.

⁴⁴ *Id.* at 36.

⁴⁵ Ex. XCEL-5 at 23 (Detmer Direct) (eDocket No. [20255-218509-02](#)).

- dividing 8,505 labor hours for the pull-forward projects by 1,050 labor hours to determine the Company avoided 8.1 future outage days;
- multiplying 8.1 outage days by an assumed dollar amount of avoided replacement-power costs to yield \$2.4 million in total company costs; and
- determining the Minnesota jurisdictional portion of those costs to be \$1.8 million.⁴⁶

The above calculations assume that the pull-forward projects would cause or drive a future dual unit outage that can now be completely avoided because they were performed during the October 2023 outage. This is an improper assumption: the pull-forward projects were already on the Company's dual unit forced outage list, meaning they were projects set to be completed during a dual unit outage in 2024 or 2025, but not projects that, alone, forced or required a dual unit outage.⁴⁷

In response to an OAG information request, Xcel provided information on actual outages that have since occurred in 2024 and 2025.⁴⁸ In that response, Xcel determined that the pulled-forward projects, had they not been completed in October 2023, would actually have extended 2024 or 2025 outages by only 2.2 outage days.⁴⁹ For this reason, department Witness Golden recommended that Xcel's original \$1.8 million proposed offset be reduced to \$499,892 (MN Jurisdictional). Xcel subsequently conceded to reduce the \$1.8 million offset to \$500,000.⁵⁰

Even this lower quantification of an offset would only make sense if the pull-forward projects were critical path projects. "Critical path work is the work that takes the longest, and at a nuclear facility, it is work needs to be done in a particular sequence for nuclear safety reasons."⁵¹ In other words, if the pulled-forward work could have been completed in parallel with other, critical path work completed during a dual unit outage, then completing the pulled-forward work in October 2023 did not avoid extending future outages.

The Company has failed to establish that the pulled forward projects would be critical path projects, or that they could not have completed without lengthening a future dual-unit outage period.⁵² For example, record evidence shows the Company previously characterized one of the pull-forward projects as one that could be completed while the plant was online and only later claimed it could only be done during a dual unit outage.⁵³ To resolve doubt about the reasonableness of these offsets in favor of the consumer, we recommend that the Commission reject any offset stemming from Xcel's proposed avoided future outage days adjustment. Alternatively, if the Commission is inclined to

⁴⁶ See Ex. DOC-1 at 12 (Golden Direct) (eDocket No. [20257-220600-02](#)), citing Ex. XCEL-5 at NJD-D-2, 987-989 (Detmer Direct Schedules) (eDocket No. [20255-218509-02](#)); See also Ex. OAG-1 at 7 (Lee Direct) (eDocket No. [20257-220613-03](#)).

⁴⁷ See Ex. OAG-4 at 4 (Lee Surrebuttal) (eDocket No. [20259-223116-02](#)), citing Lee Direct Schedule SL-D-2 tbl.1

⁴⁸ See Ex. DOC-1 at ARG-D-1 (Golden Direct) (eDocket No. [20257-220600-02](#)).

⁴⁹ *Id.*

⁵⁰ Ex. DOC-2 at 2 (Golden Surrebuttal) (eDocket No. [20259-223100-01](#)), citing Ex. XCEL-3 at 6 (Krug Rebuttal) (eDocket No. [20258-22204-07](#)).

⁵¹ Ex. XCEL-12 at 6 (Bible Rebutta) (eDocket No. [20258-222042-03](#)).

⁵² Ex. OAG-4 at 2 (Lee Surrebuttal) (eDocket No. [20259-223116-02](#)).

⁵³ Ex. OAG-4 at 5 (Lee Surrebuttal) (eDocket No. [20259-223116-02](#)), citing Schedule SL-S-1.

approve any such offset, it should approve an offset of *no more than* \$500,000, per Xcel's concession to Witness Golden's arguments.

IV. CONCLUSION

"The PINGP outage resulted in real, measurable harm suffered by ratepayers and the refund should not be reduced by speculative future costs."⁵⁴ To ensure customers are refunded an appropriate amount, CUB makes the following recommendations:

1. The Commission should rely on Witness Andrews' analysis to determine that the baseline refund owed to Xcel's customers for replacement power costs incurred during the October 2023 outage is \$40.6 million;
2. The Commission should reject Xcel's proposed \$5.7 million historical performance adjustment;
3. The Commission should reject Xcel's proposed \$21 million avoided future replacement power costs adjustment;
4. The Commission should reject Xcel's proposed \$1.8 million avoided future outage days adjustment or, alternatively, permit no more than a \$500,000 offset for avoided future outage days;
5. The Commission should order Xcel to refund customers \$40.1 million to \$40.6 million, plus interest.

November 25, 2025

Respectfully submitted,

/s/ Brian Edstrom

Brian Edstrom, Senior Regulatory Advocate
Citizens Utility Board of Minnesota
332 Minnesota St., Suite W1360
St. Paul, MN 55101
651-300-4701, ext. 6
briane@cubminnesota.org

⁵⁴ Ex. XLI-3 at 9 (Andrews Surrebuttal) (eDocket No. [20259-223127-02](#)).