

# Legalelectric, Inc.

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Will Seuffert  
Executive Secretary  
Public Utilities Commission  
121 – 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101

RE: LATE FILED Completeness Comment  
Biennial Transmission Projects Plan - PUC Docket M-23-91

Dear Mr. Seuffert:

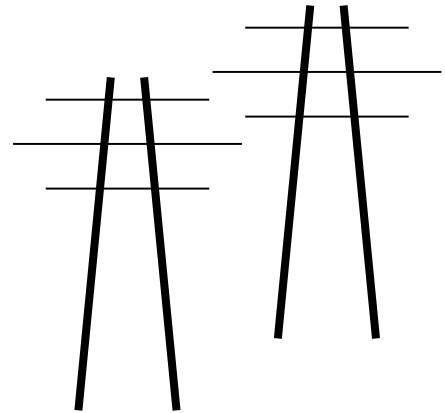
This is an admittedly LATE FILED completeness comment – I’ve not been keeping up lately, and do ask that this be considered as the Commission considers completeness of the Biennial Transmission Projects Report.

Overall, it’s clear that the utilities rely on MISO transmission planning for its need claims, planning which is market based. All such references to MISO “approval” should be stricken from this Report, as this is not a demonstration of need, but of marketing plans.

As to need, it’s good to see the NERC Long Term Reliability Assessment attached. This NERC report is relevant to need, particularly its consideration of the potential generation changes and line-up of transmission. Not enough consideration is given to the closing of coal plants and the significant transmission capacity that will free up. Pay particular attention to the reserve margins. We’ve been told repeatedly that transmission build-out will decrease needed reserve margin. How’s that working? If so, what’s the impact on “need” for the massive MISO Tranche 1 build-out? When claiming a 1,300 MW shortfall (LTRA p. 9), does the NERC LTRA account for/consider Xcel’s 1,500 MW of excess capacity? From [Xcel’s 2022 SEC 10-K](#) filing):

## **MISO Capacity Credits**

The NSP System offered 1,500 MW of excess capacity into the MISO planning resource auction for June 2022 through May 2023. Due to a projected overall capacity shortfall in the MISO region, the 1,500 MWs offered cleared the auction at maximum pricing, generating revenues of approximately \$90 million in 2022, with approximately \$60 million expected in 2023. These amounts will primarily be used to mitigate customer rate increases or returned through earnings sharing or other mechanisms.



via eDockets only

The NERC LTRA shows that LOLE projection is safely less than one hour/year. (LTRA, p. 9)

The Biennial Transmission Plan should address peak demand and impact on planning, as transmission, and alternatives to transmission, must be developed based on peak, and reduction in peak through shifting demand. The NERC Report shows this reduction in load “growth,” and the transmission plan should address Minnesota and MISO specific impacts and considerations of the significantly decreased peak demand projected since the bizarre CapX 2020 projection of 2.49% circa 2006. See NERC LTRA p. 20; see also Xcel’s annual SEC 10-Ks for peak demand.

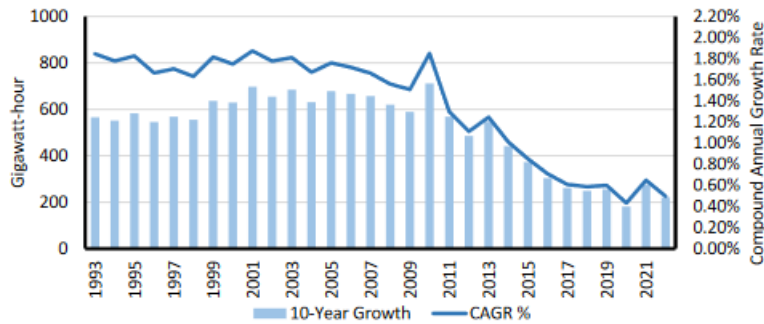
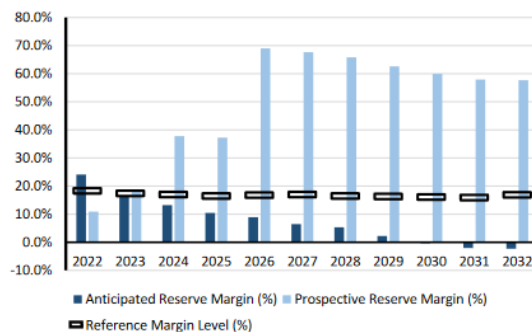


Figure 19: The 10-Year Net Energy to Load Growth and Rate Projection Trends

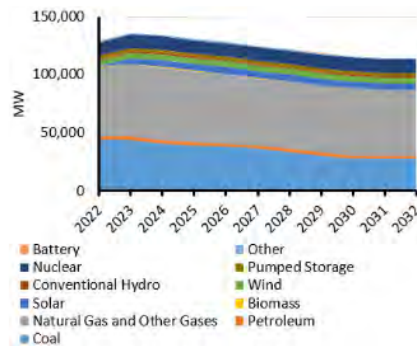
Another repeated point which should be addressed are those projects utilizing the “Big Oaks” new substation, near Sherco. Noting that the Big Stone South – Alexandria – Big Oaks line is anchored near Sherco, this calls into question the “need” for the \$1 billion dollar Lyon County to substations at or near Sherco, which Xcel desire to retain its transmission rights. See e.g. p. 121-122. Isn’t the Big Stone South – Big Oaks enough to preserve Xcel’s transmission rights? Has this even been considered? The Biennial Transmission Plan does not provide sufficient information.

The NERC LTRA shows that looking at existing and projected generation there’s adequate generation to go around, and that means it’s a matter of siting, not a reason for new transmission:

Demand, Resources, and Reserve Margins (MW)										
Quantity	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Total Internal Demand	124,950	126,091	126,212	126,298	126,631	126,965	127,240	127,652	128,320	128,317
Demand Response	6,158	6,189	6,116	6,130	6,131	6,051	6,052	6,054	6,050	6,017
Net Internal Demand	118,792	119,902	120,096	120,168	120,500	120,914	121,188	121,599	122,269	122,300
Additions: Tier 1	6,605	8,253	8,311	8,311	8,311	8,311	8,311	8,311	8,311	8,311
Additions: Tier 2	2,322	30,796	35,517	76,576	78,071	78,096	78,096	78,096	78,096	78,096
Additions: Tier 3	2,193	3,504	5,501	6,055	8,581	9,331	10,538	11,621	12,226	12,409
Net Firm Capacity Transfers	1,593	1,598	767	767	663	593	598	493	493	155
Existing-Certain and Net Firm Transfers	131,538	127,506	124,353	122,572	119,986	119,034	115,593	112,865	111,440	111,204
Anticipated Reserve Margin (%)	16.3%	13.2%	10.5%	8.9%	6.5%	5.3%	2.2%	-0.3%	-2.1%	-2.3%
Prospective Reserve Margin (%)	18.2%	38.9%	40.0%	72.6%	71.3%	69.9%	66.7%	63.9%	61.8%	61.6%
Reference Margin Level (%)	17.4%	17.0%	16.5%	16.8%	17.0%	16.5%	16.3%	16.1%	15.9%	16.9%



Planning Reserve Margins



Existing and Tier 1 Resources

The Biennial Transmission Projects Report is incomplete to the extent that it does not address this dissonance of NERC LTRA’s projected generation additions, extreme projected reserve margins, LOLE within acceptable level, with the utilities plan for yet another massive transmission build-out on the backs of ratepayers.

The Biennial Transmission Projects Report also lists OPGW replacement, and is incomplete as it does not address the need for replacements, whether as transmission control and/or as fiber leased to 3<sup>rd</sup> parties, or some other reason, nor does it address revenue provided by OPGW and how rates will be adjusted for lease and other OPGW revenue. OPGW is listed as component of seven projects:

- 2023-NE-N2 – Minnesota Power, p. 99
- 2023-TC-N21 – Xcel, p. 155
- 2023-TC-N28 – Xcel, p. 159
- 2023-TC-N30 – Xcel, p. 160
- 2023-SW-N5 – Xcel, p. 173 & 182
- 2023-SE-N2 – Xcel, p. 193
- 2023-SE-N4 – Xcel, p. 195

The Biennial Transmission Projects Report is incomplete as it notes the “Minnesota Energy Connection” project:

The Minnesota Energy Connection would extend from the Sherco Power Plant in Sherburn County to somewhere in Lyon County. The planned line will carry renewable generation back Sherco Plant as part of the renewable repowering effort.

Biennial Transmission Projects Report, p. 36.

These two sentences are conflicting, stating in the first that the MEC would extend “from” the Sherco Power Plant, and in the second, that it will “carry renewable generation back Sherco Plant (sic)”... The Minnesota Energy Connection is not about “renewable energy,” but is obviously, as stated by Xcel, an effort to preserve its transmission interconnection rights. With the plan of the Big Stone-Alexandria-Big Oak line, why propose another, particularly one that has no justification other than Xcel’s economic interest. The Biennial Transmission Projects Report is incomplete without additional information on Xcel’s plan (see e.g. PUC Dockets CN-22-131’ FL-22-132; M-23-342, etc.)

This project is also referenced on p. 227, together with a similar scheme for the King Plant:

Xcel Energy initiated two projects, MN Energy Connection and King Connection, which are designed to utilize existing transmission access rights. The MISO interconnection queue has a significant number of new interconnection requests currently seeking to connect to a system that is already very congested. Reusing existing transmission rights through the MN Energy Connection and King Connection Projects allows Xcel Energy to interconnect additional MWs through its existing transmission rights, avoiding long delays often related to MISO queue

interconnection studies.

Biennial Transmission Projects Report, p. 227. Neither of these projects were included in the 2021 Biennial Transmission Projects Report. These large transmission projects of Xcel are not included in the substantive regional sections of the 2023 report, and only mentioned in the 2023 Biennial Transmission Projects Report as an afterthought at the end. The Biennial Transmission Projects Report is incomplete as it does not provide rationale or support for these projects. Given the massive cost to be inflicted on ratepayers and impacts of eminent domain and environmental impacts, if Xcel has its way, there must be disclosure in this transmission plan of Xcel's plans – and consideration of the impacts of Xcel's plans and “need” on transmission needs across Minnesota and the region. These projects are not part of any of the MISO Tranche economic/marketing reports thus far (noting that even in the MISO MTEPs, the “benefits” are to the transmission owners, and not ratepayers or society at large!).

Also, as an afterthought, the goal of bulk power transfer across the system is clearly stated:

- MISO LRTP Tranche 1 projects in Minnesota utilize existing 345 kV second circuit capabilities where possible, which will increase the overall ability to transfer power across the system.
- Xcel Energy initiated an internal study process to determine any transmission system reconfigurations on the underlying transmission system able to have a positive impact on the bulk transmission system and congestion. Xcel Energy Transmission Operations factor both system reliability, curtailment, and congestion when considering/scheduling transmission outages.

Id. The disingenuous nature of the plans to retain Sherco and King interconnection rights for Xcel needs to be thoroughly exposed and notice provided to landowners and ratepayers of the dollar amounts at risk (the value of these interconnection rights) and deserves far more than an afterthought at the end of the Biennial Transmission Projects Report. The public interest demands assurance that these projects that are planned to preserve Xcel's interest are not foisted on ratepayers and landowners. This plan of Xcel's is offensive beyond belief.

Thanks for our consideration of this LATE FILED Comment.

Very truly yours,



Carol A. Overland  
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