



414 Nicollet Mall
Minneapolis, MN 55401

August 15, 2023

—Via Electronic Filing—

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: RESPONSE COMMENTS
COMMISSION INVESTIGATION INTO SELF-COMMITMENT AND SELF-
SCHEDULING OF LARGE BASELOAD GENERATION FACILITIES
DOCKET NO. E999/CI-19-704

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission the enclosed Response to the July 31, 2023 Joint Comments of Fresh Energy and the Sierra Club regarding the Company's 2022 Annual Report of Self-Commitment and Self-Scheduling of Large Baseload Generation Facilities. The Joint Comments were narrowly focused on the issue of offering certain Company generating units on a seasonal basis in order to reduce carbon emissions associated with operation of the plants.

The Joint Commenters recommended that Xcel Energy develop a plan to seasonally operate the Allen S. King plant and Sherco Unit 2, unless the Company must offer the unit(s) to fulfill capacity obligations or the unit(s) are needed to address reliability-related emergency situations. The Company notes that for the 2023/2024 capacity planning year, Sherco Unit 2 does not have a capacity obligation. For the 2023/2024 capacity planning year, the Allen S. King plant does have a capacity obligation for the period from December 1, 2023 through February 29, 2024 but does not have a capacity obligation for the remainder of the 2023/2024 capacity planning year.

The Company has the ability to begin seasonal operations at King within a short timeframe, likely within a few days, after issuance of a Commission Order. However, the Company sees little benefit to be gained from operating Sherco Unit 2 seasonally given its retirement at the end of 2023. Further, the Sherco coal storage complex has reached reasonable safety limits and the nominated purchases for the year did not

anticipate idling of Sherco Unit 2. Therefore, the Company will continue to offer Sherco Unit 2 economically until its retirement.

Should the Commission order the Company to seasonally operate King, the Company is not opposed to working with parties to develop a long-term plan, as the Joint Commenters propose. However, the Company notes that we could begin seasonal operation as early as this fall, prior to approval of such a plan.

We will provide analysis on the impacts of seasonal operations in our annual reports consistent with past reporting. The Company notes that instances of emergency or reliability purposes will be driven by MISO's resource needs and are not predictable.

We have electronically filed this document with the Commission, and copies have been served on the parties on the attached service list. Please contact Becky Billings at 612-702-1730 or Becky.J.Billings@xcelenergy.com or contact me at 612-330-7974 or Christopher.J.Shaw@xcelenergy.com if you have any questions regarding this filing.

Sincerely,

/s/

CHRISTOPHER SHAW
MANAGER, REGULATORY POLICY

Enclosure
cc: Service List

CERTIFICATE OF SERVICE

I, Christine Schwartz, certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

Docket No. E999/CI-19-704

Dated this 15th day of August 2023

/s/

Christine Schwartz
Regulatory Administrator

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|----------------|--------------------|-----------------------------------|------------------------------------|--|--------------------|-------------------|------------------------|
| Alison C | Archer | aarcher@misoenergy.org | MISO | 2985 Ames Crossing Rd Eagan, MN 55121 | Electronic Service | No | OFF_SL_19-704_Official |
| Generic Notice | Commerce Attorneys | commerce.attorneys@ag.state.mn.us | Office of the Attorney General-DOC | 445 Minnesota Street Suite 1400 St. Paul, MN 55101 | Electronic Service | Yes | OFF_SL_19-704_Official |
| Hillary | Creurer | hcreurer@mnpower.com | Minnesota Power | 30 W Superior St Duluth, MN 55802 | Electronic Service | No | OFF_SL_19-704_Official |
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 280 Saint Paul, MN 551012198 | Electronic Service | No | OFF_SL_19-704_Official |
| Bruce | Gerhardson | bgerhardson@otpc.com | Otter Tail Power Company | PO Box 496 215 S Cascade St Fergus Falls, MN 565380496 | Electronic Service | No | OFF_SL_19-704_Official |
| Allen | Gleckner | gleckner@fresh-energy.org | Fresh Energy | 408 St. Peter Street Ste 350 Saint Paul, Minnesota 55102 | Electronic Service | Yes | OFF_SL_19-704_Official |
| Kim | Havey | kim.havey@minneapolismn.gov | City of Minneapolis | 350 South 5th Street, Suite 315M Minneapolis, MN 55415 | Electronic Service | No | OFF_SL_19-704_Official |
| Adam | Heinen | aheinen@dakotaelectric.com | Dakota Electric Association | 4300 220th St W Farmington, MN 55024 | Electronic Service | No | OFF_SL_19-704_Official |
| Kristin | Henry | kristin.henry@sierraclub.org | Sierra Club | 2101 Webster St Ste 1300 Oakland, CA 94612 | Electronic Service | No | OFF_SL_19-704_Official |
| Holly | Lahd | holly.lahd@target.com | Target Corporation | 33 South 6th St CC-28662 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_19-704_Official |
| | | | | | | | |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|----------------|--------------------------------|--------------------------------------|------------------------------------|--|--------------------|-------------------|------------------------|
| Leann | Oehlerking Boes | lboes@mnpower.com | Minnesota Power | 30 W Superior St Duluth, MN 55802 | Electronic Service | No | OFF_SL_19-704_Official |
| Generic Notice | Residential Utilities Division | residential.utilities@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131 | Electronic Service | Yes | OFF_SL_19-704_Official |
| Isabel | Ricker | ricker@fresh-energy.org | Fresh Energy | 408 Saint Peter Street Suite 220 Saint Paul, MN 55102 | Electronic Service | Yes | OFF_SL_19-704_Official |
| Christine | Schwartz | Regulatory.records@xcelenergy.com | Xcel Energy | 414 Nicollet Mall FL 7 Minneapolis, MN 554011993 | Electronic Service | No | OFF_SL_19-704_Official |
| Will | Seuffert | Will.Seuffert@state.mn.us | Public Utilities Commission | 121 7th PI E Ste 350 Saint Paul, MN 55101 | Electronic Service | Yes | OFF_SL_19-704_Official |
| Shane | Stennes | stennes@umn.edu | University of Minnesota | 319 15th Avenue SE Minneapolis, MN 55455 | Electronic Service | No | OFF_SL_19-704_Official |
| Stuart | Tommerdahl | stommerdahl@otpc.com | Otter Tail Power Company | 215 S Cascade St PO Box 496 Fergus Falls, MN 56537 | Electronic Service | No | OFF_SL_19-704_Official |
| Brian | Tulloh | btulloh@misoenergy.org | MISO | 2985 Ames Crossing Rd Eagan, MN 55121-2498 | Electronic Service | No | OFF_SL_19-704_Official |
| Laurie | Williams | laurie.williams@sierraclub.org | Sierra Club | Environmental Law Program 1536 Wynkoop St Ste 200 Denver, CO 80202 | Electronic Service | No | OFF_SL_19-704_Official |