

Minnesota Public Utilities Commission
Staff Briefing Papers

Meeting Date: April 1, 2014* Agenda Item #16

Company: Xcel Energy

Docket No. **E-002/M-13-642**

In the Matter of Tariff Modifications Implementing Net Metered Facility Provisions, Standby Service Exemptions, and Meter Aggregation Pursuant to the 2013 Omnibus Energy Bill

Issue: Should the Commission clarify its January 27, 2014 Order?

Staff: Michelle Rebholz 201-2206

Relevant Documents

Commission Order..... January 27, 2014
Xcel Energy, Request for Clarification..... February 18, 2014

The attached materials are workpapers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

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Statement of the issue

Should the Commission clarify its January 27, 2014 Order?

Statutory Authority

Minnesota Rules 7829.3000 states:

7829.3000 PETITION AFTER COMMISSION DECISION.

Subpart 1. Time for request.

A party or a person aggrieved and directly affected by a commission decision or order may file a petition for rehearing, amendment, vacation, reconsideration, or reargument within 20 days of the date the decision or order is served by the executive secretary.

Subp. 2. Content of request.

A petition for rehearing, amendment, vacation, reconsideration, or reargument must set forth specifically the grounds relied upon or errors claimed. A request for amendment must set forth the specific amendments desired and the reasons for the amendments.

Subp. 3. Service.

A petition for rehearing, amendment, vacation, reconsideration, or reargument, and an answer, reply, or comment, must be served on the parties and participants in the proceeding to which they relate.

Subp. 4. Answers.

Other parties to the proceeding shall file answers to a petition for rehearing, amendment, vacation, reconsideration, or reargument within ten days of service of the petition.

Subp. 5. Replies.

Replies are not permitted unless specifically authorized by the commission.

Subp. 6. Commission action.

The commission shall decide a petition for rehearing, amendment, vacation, reconsideration, or reargument with or without a hearing or oral argument. The commission may vacate or stay the order, or part of the order, that is the subject of the petition, pending action on the petition.

Subp. 7. Second petition not entertained.

A second petition for rehearing, amendment, vacation, reconsideration, or reargument of a commission decision or order by the same party or parties and upon the same grounds as a former petition that has been considered and denied, will not be entertained.

Xcel Petition

On February 18, 2014, Xcel filed a request for clarification. Because Xcel's request is clear and no one has filed replies, staff has not repeated it here.

Staff Analysis

Xcel's proposed changes to its standby tariff was heard at the Commission's December 12, 2013 agenda meeting. The tariff was filed because 2013 legislation made changes to standby service thresholds. Updated tariffs were also filed by OTP, IPL, and MP. Several parties had objected to portions of Xcel's proposed tariff; in the course of rejecting portions of Xcel's tariff, the Commission also approved several provisions of Xcel's tariff that related to the 2013 statutory changes.

When the Commission rejected portions of the tariff related to Xcel's proposed contract but approved other provisions, an inadvertent result was that the contract provisions that were approved were so brief that it would not be practical at this time for Xcel to simply file a contract that only contains one section relating to production meters. A copy of Xcel's original proposed tariff amendments is provided as Attachment 1.

Staff agrees that one solution would be to clarify its Order by adding its proposed language: "*The Commission will take no other action on Xcel Energy's proposed contract for net-metered facilities at this time*" and to include the word "proposed" before "tariff."

Decision Options

1. Grant Xcel's request for clarification, including its proposed language addition at page 3 of its petition; OR
2. Deny Xcel's request for clarification.

Attachment 1 to April 1, 2014 Briefing Papers: Xcel's
Redlined Tariff Filing in Docket E002/M-13-642

Redline

Northern States Power Company, a Minnesota corporation
Minneapolis, Minnesota 55401

PROPOSED

MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

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~~3rd~~^{4th} Revised Sheet No. 5

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Docket No.	E002/ GR-10-974 ^{M-13-}		Order Date:	05-14-12

Northern States Power Company, a Minnesota corporation
Minneapolis, Minnesota 55401

MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

STANDBY SERVICE RIDER

Section No. 5
~~42th~~13th Revised Sheet No. 101

AVAILABILITY

Applicable to customers that use an alternative generation source with a capacity greater than ~~60~~100 kW, where the alternative generation serves all or a portion of customer's electric energy requirements and where customer chooses to use the Company's electric service to serve that load when the alternative generation is either partly or wholly unavailable.

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Under this tariff the Company will provide Standby Service in accordance with the provisions of this tariff as well as those of Section 2.4 of the General Rules and Regulations.

RESERVATION RATE

	<u>Firm Standby</u>		Non-Firm
	<u>Unscheduled Maintenance</u>	<u>Scheduled Maintenance</u>	<u>Standby</u>
Customer Charge per Month	\$24.61	\$24.61	\$24.61
Demand Charge per Month per kW of Contracted Standby Capacity			
Secondary Voltage Service	\$3.00	\$2.90	\$2.10
Primary Voltage Service	\$2.15	\$2.05	\$1.25
Transmission Transformed Voltage Service	\$1.50	\$1.40	\$0.60
Transmission Voltage Service	\$0.90	\$0.80	\$0.00
Hours per kW of Contracted Standby Capacity - Annual Grace Period Use of Unscheduled Standby, Exemption from the Demand Charge Component of the "Usage Rates" below.	964	964	0

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USAGE RATES

Demand Charge per kW of Standby Capacity Used. After the Annual Grace Period hours provided for Unscheduled and Scheduled Service are used up, the Demand Charge of the base tariff, to which this Rider is attached, replaces the above Reservation Rate.

Energy Charge per kWh of Standby Energy Used. All energy used under this Rider will be charged at the applicable energy rate of the base tariff to which this Rider is attached.

INTERIM PHOTOVOLTAIC SOLAR CREDIT

A capacity credit of \$5.15 per month per kW is applicable when the alternative generation source used by the customer is photovoltaic solar. This credit shall be applied to the applicable Demand Charge of the base tariff for the demand component of the Usage Rates.

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In addition, customer bills under this rate are subject to the following adjustments and/or charges.

FUEL CLAUSE

Bills are subject to the adjustments provided for in the Fuel Clause Rider.

(Continued on Sheet No. 5-102)

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Minneapolis, Minnesota 55401

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MINNESOTA ELECTRIC RATE BOOK – MPUC NO. 2

STANDBY SERVICE RIDER (Continued)

Section No. 5
~~3rd~~^{4th} Revised Sheet No. 106

ADDITIONAL TERMS AND CONDITIONS OF SERVICE ASSOCIATED WITH THE SCHEDULED MAINTENANCE OPTION

- 1. The optional Scheduled Maintenance rates are available to Standby Service customers who agree to schedule maintenance of their power source during qualifying scheduled maintenance periods.
- 2. Qualifying Scheduled Maintenance Periods

Customers With Greater Than ~~60~~⁶⁹100 kW to 10,000 kW of Contracted Standby Capacity. Maintenance must occur within the calendar months of April, May, October, and November. Customer must provide Company with written notice of scheduled maintenance prior to the beginning of the maintenance period.

Customers With Greater Than 10,000 kW of Contracted Standby Capacity. Maintenance must occur at a time period mutually agreed to by Company and customer. These time periods will normally not include those times when Company expects system seasonal peak load conditions to occur, nor at those times when Company is required to use generation or to purchase power, with production costs of \$70 or more per MWh. Customer shall provide an annual projection of scheduled maintenance to the Company. Customer shall be allowed changes or additions to this projection upon notice to the Company based on the following schedule:

<u>Outage Length</u>	<u>Required Notice</u>
Less than 48 hours	24 hours
2 days to 30 days	7 days
Over 30 days	90 days

- 3. The duration of qualifying scheduled maintenance periods may not exceed a total of six weeks in any 12 month period.
- 4. An additional charge shall apply if customer does not comply with all terms and conditions for qualifying scheduled maintenance periods. The additional charge shall be determined by calculating the additional charges which would have applied if customer were billed on the Unscheduled Maintenance Option for the period extending back to the customer's last scheduled maintenance period.
- 5. The demand charges of the base tariffs shall not apply to use of Standby Service during qualifying scheduled maintenance periods. Also, use of Standby Service during qualifying scheduled maintenance periods, will not count against the grace period.

(Continued on Sheet No. 5-107)

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

NET ENERGY BILLING SERVICE
RATE CODE A50

Section No. 9
~~16th~~^{17th} Revised Sheet No. 2

AVAILABILITY

Available to any small qualifying facility (SQF) of less than 40 kW capacity who receives non-time of day retail electric service from Company and offsets energy delivered by Company.

RATE

Metering Charge per Month

Single Phase	\$3.15
Three Phase	\$6.40

Payment per kWh for Energy Delivered to Company in Excess of Energy Used

	<u>Oct-May</u>	<u>Jun-Sep</u>
With Retail Non-Demand Metered Service	\$0.10170	\$0.10647
With Retail Demand Metered Service	\$0.06009	\$0.06177

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TERMS AND CONDITIONS OF SERVICE

- Energy used by customer in excess of energy delivered by the SQF at the same site during the same billing period shall be billed in accordance with the appropriate non-time of day retail electric rate.

For demand metered General Service customers, the entire kW demand supplied by the Company at the same site during the same billing period shall be billed to the customer according to the appropriate general service demand charge rate.

- Interconnection charges will be assessed by the Company on an individual basis for all costs associated with addition to or modification of Company facilities to accommodate the SQF. The net interconnection charge is the responsibility of the SQF.
- The voltage and phase of customer's generator must be consistent with existing service and approved by the Company.
- The customer must maintain a power factor of the generator as close to unity as is consistent with Company operating standards.

- For the purpose of measuring electricity of the customer, upon request the Company will aggregate for billing purposes a customer's designated meter with one or more aggregated meters if the request complies with the following conditions:

- Meters must be located on contiguous property owned by the customer requesting the aggregation;
- At the time of the customer request for aggregation, the specific meters must be clearly identified, and the customer must designate the rank ordered for the aggregated meters to which the net metered credits are to be applied;
- If the customer supplies more electricity to the Company than the energy usage recorded by the customer-generator's designated and aggregated meters during a monthly billing period, the Company shall apply credits to the customer's next monthly bill for the excess kilowatt-hours.

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Minneapolis, Minnesota 55401

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

**DISTRIBUTED GENERATION STANDARD
INTERCONNECTION AND POWER PURCHASE TARIFF**

Section No. 10
~~1st~~^{2nd} Revised Sheet No. 73

AVAILABILITY

Available to retail electric customers at distribution voltages and who operate a qualifying distributed generating (DG) facility, as defined below, with nameplate rating of 10,000 kW or less, which is operated in parallel with Company's distribution system. Such DG facilities may be up to 35,000 volts at three-phase. Single-phase DG facilities, generally, must not exceed a nameplate rating of 25 kW. Single phase facilities larger than 25 kW may be permitted if the capacity of the DG facility does not exceed the customer's single phase service capacity. Company will evaluate and approve all DG facility interconnection plans on case-by-case basis.

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QUALIFICATION

1. Qualifying DG facilities may include but are not limited to, fuel cell, wind, solar, micro turbine generators and other utility industry accepted DG technologies, subject to Company's approval.
2. Qualifying DG facilities may be those which do not qualify as "Qualifying Facilities" (QFs) under the Public Utility Regulatory Policy Act of 1978 (PURPA) or those which are QFs but where the customer elects not to exercise its rights to the pricing provided for under PURPA.

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3. Qualifying DG facilities must be a permanently installed or similarly dedicated mobile generator serving the customer receiving retail electric service from the Company at the same site.

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4. Net-Metered Facilities having more than 40 kW and less than 1000 kW alternating current (AC) capacity as defined in Minn. Stat. 216B.164, Subd. 2 and Minn. Stat. 216B.164, Subd. 3(e).

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APPLICATION

Customer seeking to interconnect and to operate a DG facility in parallel with the Company's system must complete and submit to Company a signed Generation Interconnection Application Form ("Interconnection Application") along with the applicable Interconnection Application Fee. The schedule for Generation Interconnection Application Fees, are provided under "Process for Interconnection Step 1 Application (By Applicant)" of this tariff. Company will initiate a review of the DG project upon receipt of complete information needed for Interconnection Application.

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STUDIES

Interconnection study or studies are required and shall be conducted by Company as part of the terms and conditions of service under this tariff. See the Process for Interconnection of this tariff for more information regarding these studies. See the Generation Interconnection Application Fees under the Process for Interconnection Step 1 Application (By Applicant) of this tariff. A fee for the engineering studies will also be assessed as provided for under the "Process for Interconnection Step 2 Preliminary Review" of this tariff. Any other studies and services provided pursuant to agreement between the customer and Company, may be subject to Commission review. All review and study fees are non-refundable, whether or not the customer decides to pursue the project.

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(Continued on Sheet No. 10-7473.1)

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Minneapolis, Minnesota 55401

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

**DISTRIBUTED GENERATION STANDARD
INTERCONNECTION AND POWER PURCHASE TARIFF (Continued)**

Section No. 10
Original Sheet No. 73.1

NET-METERED FACILITIES

A customer with a renewable or high-efficiency distributed generation facility of more than 40kW and less than 1000kW in AC capacity as defined in Minn. Stat. 216B.164, Subd. 2 and Minn. Stat. 216B.164, Subd. 3a. may elect to receive the Net-Metered Facilities rates in this section in lieu of metering charges, energy payments, and capacity payments in other parts of this Section 10, including but not limited to Distribution Facility Credit, Line Loss Credits, and the Energy and Capacity Purchase Payments on Sheets 75-78 of Section 10.

The provisions pertaining to Net-Metered Facilities shall be available to customers, except these provisions will not apply to interconnections occurring after the Commission approves an alternative tariff under Minn. Stat. 216B.164, Subd. 10, or where the Commission otherwise orders.

A customer with Net-Metered Facilities may offset energy (kWh) use on meters located on contiguous property owned by the customer. Customer must specify and rank meters for the energy offset.

RATE

Metering Charge per Month

<u>Single Phase</u>	<u>\$5.50</u>
<u>Three Phase</u>	<u>\$8.00</u>

Payment Schedule for Energy Delivered to Company

<u>Energy Payment</u>	<u>\$0.02623</u>
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Customers with Net-Metered Facilities may opt to have net input into the Company's system be reflected in the form of a kilowatt-hour credit on the customer's energy bill carried forward and applied to subsequent energy bills. At the end of the calendar year, any remaining kilowatt-hour credits reflecting net input supplied by the customer will be credit to the customer's next bill at the energy payment rate.

TERMS AND CONDITIONS OF NET-METERED FACILITIES SERVICE

- Energy used by customer in excess of energy delivered by the customer at the same site during the same billing period shall be billed in accordance with the appropriate non-time of day retail electric rate.

For demand metered General Service customers, the entire kW demand supplied by the Company at the same site during the same billing period shall be billed to the customer according to the appropriate general service demand charge rate.

(Continued on Sheet No. 10-73.2)

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

**DISTRIBUTED GENERATION STANDARD
INTERCONNECTION AND POWER PURCHASE TARIFF (Continued)**

Section No. 10
Original Sheet No. 73.2

TERMS AND CONDITIONS OF NET-METERED FACILITIES SERVICE (Continued)

2. For the purpose of measuring electricity of the customer, upon request the Company will aggregate for billing purposes a customer's designated meter with one or more aggregated meters if the request complies with the following conditions:
- a) Meters must be located on contiguous property owned by the customer requesting the aggregation;
 - b) The total of all aggregated meters are subject to the System Limits.
 - c) At the time of the customer request for aggregation, the specific meters must be clearly identified, and the customer must designate the rank ordered for the aggregated meters to which the net metered credits are to be applied;
 - d) If the customer supplies more electricity to the Company than the energy usage recorded by the customer-generator's designated and aggregated meters during a monthly billing period, the Company shall apply credits to the customer's next monthly bill for the excess kilowatt-hours.
3. System Limits, based on standard 15-minute intervals, measured during the previous 12 calendar months, or a reasonable estimate of the average monthly maximum demand or average annual consumption if the customer has either (i) less than 12 calendar months of actual electric usage or (ii) no demand metering available:
- a) For wind generation systems, the total generation system kilowatt alternating current capacity is limited to 120 percent of the customer's on-site maximum electric demand.
 - b) For solar photovoltaic and other distributed generation systems, the total generation system annual kilowatt alternating current energy production is limited to 120 percent of the customer's on-site annual kilowatt-hour electric energy consumption.
4. The customer is subject to all of the terms and conditions in Section 10 - Distributed Generation Standard Interconnection and Purchase Power Tariff, except for the following:
- a) No power purchase agreement needs to be signed. Instead, the customer needs to sign the Contract for Net-Metered Facilities. The rates applicable for the energy provided to the Company from the customer are detailed in this Section applicable to Net-Metered Facilities.
 - b) All Renewable Energy Credits (RECs) associated with the energy produced by the Net-Metered Facility shall be assigned to the Company.

(Continued on Sheet No. 10-74)

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

DISTRIBUTED GENERATION STANDARD

Section No. 10

INTERCONNECTION AND POWER PURCHASE TARIFF (Continued)

~~3rd~~^{4th} Revised Sheet No. 74

CONTRACTS

Customers must execute an Interconnection Agreement to provide for the interconnection of DG facilities. The Interconnection Agreement form is provided in Appendix “E” of this tariff, which addresses the costs and responsibilities associated with making interconnection of the DG facility with the Company’s distribution system. If customer intends to sell energy and capacity to the Company, customer must also execute a Power Purchase Agreement (PPA) with the Company. The term of these agreements may be up to 20 years. Each customer DG project under this tariff will be evaluated on a customer-specific and site-specific basis, to determine eligibility, system reliability and impact on Company’s transmission and distribution systems.

To qualify for a contract under this tariff, the customer must be doing one of the following: (1) Selling all of the DG energy to the Company, (2) Supplying all of the DG energy to itself, or (3) Self generating part of its needs and selling the remaining energy to the Company. The Company shall purchase all electricity generated and offered for sale to the Company by the DG facility pursuant to the terms, conditions and price schedule provided in the PPA. Under certain circumstances the customer may qualify for a Distribution Facility Credit, which shall be governed under the Interconnection Agreement.

STANDBY SERVICE REQUIREMENTS

As indicated above, customer may sell the DG energy to the Company or use the DG energy to serve customer’s own load. There is no requirement to contract for Standby Services if all of the DG energy is sold to the Company. There is also no requirement to contract for Standby Services in cases where the customer uses the DG energy to serve their own load, provided the maximum capacity of the DG is ~~60~~⁶⁹100 kW or less. See the Company’s Standby Service Rider tariff for details concerning the provision of Standby Service.

A customer choosing to use DG to serve more than ~~60~~⁶⁹100 kW of their own load must either contract for Standby Services under the Company’s Standby Service Rider or choose to be a “physical assurance” customer. A physical assurance customer is a customer who agrees to not require standby services and has a mechanical device that ensures that standby service is not taken. The cost of the physical assurance device, is to be paid by the DG customer.

(Continued on Sheet No. 10-75)

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Minneapolis, Minnesota 55401
MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

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CONTRACT FOR NET-METERED FACILITIES

Section No. 10
Original Sheet No. 163

**CONTRACT FOR
NET-METERED FACILITIES**

THIS CONTRACT is entered into _____, _____, by Northern States Power Company, a Minnesota corporation and wholly owned subsidiary of Xcel Energy Inc., (hereafter called "Company") and _____ (hereafter called "Customer"). Together, the Company and Customer are the Parties.

RECITALS

The Customer has installed electric generating facilities, consisting of _____ (Description of the Net-Metered Facilities), rated at more than 40 kilowatts and less than 1000 kilowatts of alternating current (AC) capacity, on property located at _____ (Service Address).

The Customer is prepared to generate electricity in parallel with the Company.

AGREEMENTS

The Customer and the Company agree:

1. The Company will sell electricity to the Customer under the rate schedule in force for the class of customer to which the Customer belongs.

The Company will buy electricity from the Customer under the current base rate schedule filed with the Commission up to or equal to the customer's net kilowatt hour production. Company will purchase net kilowatt hour energy input into the company's system at the rates in the Net-Metered Facilities portion of Section 10 of the Company's rate book.

A Customer with Net-Metered Facilities may opt to have net input into the Company's system be reflected in the form of a kilowatt-hour credit on the Customer's energy bill carried forward and applied to subsequent energy bills. At the end of the calendar year, any remaining kilowatt-hour credits will be credit to the customer's next bill at the Jun-Sep rate.

(Continued on Sheet No. 10-164)

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CONTRACT FOR NET-METERED FACILITIES (Continued)

Section No. 10
Original Sheet No. 164

AGREEMENTS (Continued)

2. Metering Charges and Requirements

A. Metering charges are set forth in the Net-Metered Facilities portion of Section 10 of the Company's rate book.

B. Two Company-owned meters are required to be installed at each service location associated with each Customer generation source subject to this Contract. One meter is located at the main service and is a bi-directional meter that will record energy delivered to the Customer from the Company, and energy received by the Company from Customer. Installation of a bi-directional meter may not be required if the configuration of Customer's facilities allows and a previously installed bi-directional meter provides the information necessary for billing purposes. The second (Production) meter will record energy generated by the Net-Metered Facility System only. The Company shall install, or cause to be installed, own, operate and maintain the Production meter to measure the AC production of the Net-Metered Facility System, at the Company's expense and including the cost of the Production meter itself. Customer will provide all meter housing and socket replacement and rewiring to install both meters. Customer shall be charged monthly the metering charge for the bi-directional meter. The metering charge assumes common use of all Company facilities up to the metering point, for both receipt and delivery of energy. Any additional facilities required by Company to accommodate the Net-Metered Facility System will require Customer to pay a net interconnection charge in advance.

C. Customer will pay a monthly metering charge which pays for the cost and installation of a bi-directional meter at the Service Address which measures electricity delivered by the Company to the Customer and energy received by the Company from the Customer, and the associated billing, operating and maintenance expenses.

3. A copy of the presently filed Net-Metered Facilities portion of Section 10 of the Company's rate book is attached to this contract. The rates for sales and purchases of electricity and the metering charge may change over the time this contract is in force, due to actions of the Company or of the Commission, and the Customer and the Company agree that sales and purchases and metering charge will be made under the rates in effect each month during the time this Contract is in force.

4. Customers with Net-Metered Facilities will have net input into the Company's system be reflected in the form of a kilowatt-hour credit on the customer's energy bill carried forward and applied to subsequent energy bills. At the end of the calendar year, any remaining kilowatt-hour credits reflecting net input supplied by the customer will be credit to the customer's next bill at the Jun-Sep rate.

(Continued on Sheet No. 10-165)

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PROPOSED

CONTRACT FOR NET-METERED FACILITIES (Continued)

Section No. 10
Original Sheet No. 165

AGREEMENTS (Continued)

5. The Customer must sign an Interconnection Agreement under Section 10 of the Company's rate book, and comply with all of the terms and conditions of that Interconnection Agreement except as otherwise specified in this Contract.
6. System Size Limits: The following limits are based on standard 15-minute intervals, measured during the previous 12 calendar months, or an a reasonable estimate of the average monthly maximum demand or average annual consumption if the customer has either (i) less than 12 calendar months of actual electric usage or (ii) no demand metering available:
- a) For wind generation systems, the total generation system kilowatt alternating current capacity is limited to 120 percent of the Customer's on-site maximum electric demand.
 - b) For solar photovoltaic and other distributed generation systems, the total generation system annual kilowatt alternating current energy production is limited to 120 percent of the Customer's on-site annual kilowatt-hour energy consumption.
7. Aggregated Meters. For the purpose of measuring electricity of the Customer, upon request the Company will aggregate for billing purposes a Customer's designated meter with one or more aggregated meters if the request complies with the following conditions:
- a) The meters must be located on contiguous property owned by the Customer requesting the aggregation.
 - b) The total of all aggregated meters must be subject to the size limitations and limits in this Contract.
 - c) At the time of the Customer request for aggregation, the specific meters must be clearly identified, and the Customer must designate the rank ordered for the aggregated meters to which the net metered credits are to be applied. At least 60 days prior to the beginning of the next annual billing period, a Customer may amend the rank order of the aggregated meters, subject to the terms of this Contract;
 - d) The aggregation of meters applies only to charges that use kilowatt-hours as the billing determinant. All other charges applicable to each meter account shall be billed to the Customer.
 - e) The Company will first apply the kilowatt-hour credit to the charges for the designated meter and then to the charges for the aggregated meters in the rank order specified by the Customer.
 - f) The Company may charge the Customer requesting to aggregate meters a reasonable fee to cover the administrative costs incurred in implementing the costs of this subdivision, pursuant to a tariff amendment approved by the commission for the Company.
 - g) The Company will comply with a Customer request to aggregate additional meters within 90 days, provided that such request is otherwise consistent with the terms of this NMF Contract.

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(Continued on Sheet No. 10-166)

Date Filed:	07-31-13	By: David M. Sparby	Effective Date:
		President and CEO of Northern States Power Company, a Minnesota corporation	
Docket No.	E002/M-13-		Order Date:

Northern States Power Company, a Minnesota corporation
Minneapolis, Minnesota 55401

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

CONTRACT FOR NET-METERED FACILITIES (Continued)

Section No. 10
Original Sheet No. 166

AGREEMENTS (Continued)

8. The Customer will give the Company reasonable access to its property and electric generating facilities if the configuration of those facilities does not permit disconnection or testing from the Company's side of the interconnection. If the Company enters the Customer's property, the Company will remain responsible for its personnel.

9. The Company may stop providing electricity to the Customer during a system emergency. The Company will not discriminate against the Customer when it stops providing electricity or when it resumes providing electricity.

10. The separately executed power purchase agreement referenced in the Interconnection Agreement for the purchase of power exported by the Customer to the Company is not needed. Instead, this Contract shall govern the terms for the power exported by the Customer to the Company.

11. "Standby charge" means a charge imposed by an electric utility upon a distributed generation facility for the recovery of costs for the provision of standby services, as provided for in a utility's tariffs approved by the commission, necessary to make electricity service available to the distributed generation facility. Standby charges apply if the Net-Metered Facility System has an AC nameplate capacity of more than 100 kW. No standby charges apply if the Net-Metered Facility System has an AC nameplate capacity of 100 kW or less.

12. Renewable Energy Credits (RECs). All Renewable Energy Credits (RECs) associated with the energy produced by the Net-Metered Facility System go to the Company.

A. Definition of Renewable Energy Credits (RECs). "Renewable Energy Credits" or "RECs" are all attributes of an environmental or other nature that are created or otherwise arise from the Customer's generation of energy using solar energy as a fuel, including, but not limited to, tags, certificates or similar products or rights associated with solar energy as a "green" or "renewable" electric generation resource, including any and all environmental air quality credits, emission reductions, off-sets, allowances or other benefits related to the generation of energy from the Net-Metered Facility System that reduces, displaces or off-sets emissions resulting from fuel combustion at another location pursuant to any existing or future international, federal, state or local legislation or regulation or voluntary agreement, and the aggregate amount of credits, offsets or other benefits including any rights, attributes or credits arising from or eligible for consideration in the M-RETS program or any similar program pursuant to any international, federal, state or local legislation or regulation or voluntary agreement and any renewable energy certificates issued pursuant to any program, information system or tracking system associated with the renewable energy generated from the Net-Metered Facility System. RECs do not include any federal, state or local tax credits, cash grants, production incentives or similar tax or cash benefits for which Customer or the Net-Metered Facility System are eligible or which either receives, or any depreciation, expenses, credits, benefits or other federal, state or local tax treatment for which Customer or the Net-Metered Facility System is eligible or that either receives.

B. Definition of M-RETS Program. "M-RETS Program" means the Midwest Renewable Energy Trading System program, MPUC Docket No. E999/CI-04-1616 and subsequent or related proceedings.

(Continued on Sheet No. 10-167)

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

CONTRACT FOR NET-METERED FACILITIES (Continued)

Section No. 10
Original Sheet No. 167

AGREEMENTS (Continued)

N

12. Renewable Energy Credits (RECs). All Renewable Energy Credits (RECs) associated with the energy produced by the Net-Metered Facility System go to the Company. (Continued)

C. Ownership of RECs. All RECs associated with the energy produced by the Net-Metered Facility shall be assigned to the Company, not just the RECs associated with the net energy delivered to the Company. By participating as a Customer under this Contract, the Customer hereby assigns to Company all right title and interest of the Customer to all RECs arising out of or associated with the generation of electric energy from the Customer. The Company shall be entitled to all RECs generated by the Customer for such electric energy while the Customer participates in the service offered in this Contract. The Customer hereby automatically and irrevocably assigns to the Company all rights, title and authority for Company to register the Customer's RECs associated with electric energy under the terms of this Contract and to and own, hold and manage these RECs associated with the Net-Metered Facility in the Company's own name and to the Company's account, including any rights associated with any renewable energy information or tracking system that exists or may be established in Minnesota or other jurisdictions (including but not limited to the United States government) with regard to monitoring, registering, tracking, certifying, or trading such credits. The Customer hereby authorizes Company to act as its agent for the purposes of registering, tracking and certifying these RECs and the Company has full authority to hold, sell or trade such RECs to its own account of said renewable energy information or tracking systems. Upon the request of Company from time to time, at no cost to Company, (i) Customer shall deliver or cause to be delivered to Company such attestations / certifications of all RECs, and (ii) Customer shall provide full cooperation in connection with Company's registration of the Customer's RECs under this Contract and certification of RECs. The Company shall own all RECs arising out of or associated with the generation of Electric Energy from the Net-Metered Facility for all purposes, and be entitled to use them in any manner it chooses.

13. Miscellaneous. The "Miscellaneous" provisions in the Interconnection Agreement between the Parties addressing the following issues are incorporated into this Contract and are fully applicable to this Contract as if set forth in full herein. Where the Interconnection Agreement in the "Miscellaneous" section uses the term "Interconnection Customer", this shall mean the Customer for purposes of the present Contract. Where the Interconnection Agreement in the "Miscellaneous" section uses the term "Agreement", this shall mean this Contract for purposes of the present Contract.

- A. Force Majeure
- B. Notices
- C. Assignment
- D. Non-Waiver
- E. Governing Law and Inclusion of Xcel Energy's Tariffs and Rules
- F. Amendment or Modification
- G. Entire Agreement
- H. Confidential Information
- I. Non-Warranty
- J. No Partnership

14. Term. This Contract shall have the same term as the Interconnection Agreement applicable between the Parties for the Net-Metered Facilities. However, the Net-Metered Facility Service offered under this Contract does not begin until after successful completion of the final acceptance testing of the generation system required under the Interconnection Agreement.

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(Continued on Sheet No. 10-168)

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MINNESOTA ELECTRIC RATE BOOK - MPUC NO. 2

CONTRACT FOR NET-METERED FACILITIES (Continued)

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SIGNATURES

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Contract to be executed by their duly authorized representatives. This Contract is effective as of the last date set forth below.

<u>Customer</u>	<u>Northern States Power Company, a Minnesota corporation</u>
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Date: _____	Date: _____

N
N

Date Filed: 07-31-13 By: David M. Sparby Effective Date:
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