



560 Sixth Avenue North
Minneapolis, MN 55411-4398

January 13, 2026

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

RE: 2025 TRANSPORTATION ELECTRIFICATION PLAN
2025 INTEGRATED DISTRIBUTION PLAN
DOCKET NO. E002/M-25-142

Dear Ms. Bergman,

As a pilot customer for the commercial EV pilot, Metro Transit is proud of our collaboration with Xcel Energy, including through our Green Energy Partnership, to advance transit electrification in the region. Metro Transit has a unique perspective as the largest fixed route transit operator in the State, and we share the Commission and Xcel's goal of prioritizing Environmental Justice (EJ) in a cost-effective manner.

Metro Transit has developed a Zero Emission Bus Transition Plan (ZEBTP, https://www.metrotransit.org/Data/Sites/1/media/about/improvements/electric_buses/feb-2025-zeb-report.pdf). The ZEBTP is a framework to identify how Metro Transit will continue planning for a transition towards a zero-emission bus (ZEB) fleet, including battery electric buses (BEBs). Three guiding principles were established as the framework for the Transition Plan and for use in defining the definition of a successful transition to ZEBs. The guiding principles are Technical Viability, Equity and Environmental Justice (EEJ), and Fiscal Impact. The ZEBTP and these guiding principles provide direction and context for Metro Transit's review of the proposed TEP rebates.

With this letter, we would like to issue our support for the proposed consolidation of the previous EVSI pilots into a single rebate-based program. Metro Transit would, however, like to offer the following ideas and recommendations for modifications to consider:

1. Requested Clarification on Cost Recovery:

Xcel Energy stated that plans to pursue cost recovery for the rebate program will be presented early in 2026. What is the revenue source for these rebates? Once disclosed the Metropolitan Council and Metro Transit may provide further comments on this topic.

The Metropolitan Council ranks among Xcel Energy’s ten largest Minnesota Commercial and Industrial (C&I) electric customers. The Council relies on reliable electric service at fair, reasonable rates to provide essential services to the seven-county Twin Cities region. These services include regional water resource recovery and conveyance as well as the operation of bus and light rail as part of our mission to foster efficient and economic growth for a prosperous region.

2. Equity Considerations:

The Commission’s TEP order and equity considerations outlined in this docket align with State Legislation governing Metro Transit’s ZEBTP and aligns with Metro Transit’s EEJ guiding principle previously explained in this letter. That EEJ principle guides Metro Transit to target charging infrastructure investment and BEB service deployment in communities where air pollution, racial, and socioeconomic disparities are greatest while also balancing the challenges of new technologies. Further to this guiding principle, Metro Transit has previously completed mapping using similar tools to the MPCA EJ Tool proposed for use by Xcel Energy as part of this docket. From this work, Metro Transit noted that all bus garage locations where charging infrastructure may be installed are in, or within a one mile buffer of, EJ areas as defined in the MPCA EJ Tool so we propose that the MPCA one mile buffer be added to the definition of EJ areas in this docket. The one mile buffer is an existing view in the MPCA EJ tool. Metro Transit believes that this modification to the definition will benefit EJ communities and further encourage other fleet operators to advance electrification efforts.

Figure 1 provides a list of Metro Transit bus operations and maintenance facilities and the relative distance to EJ areas as defined in the MPCA EJ Tool. This figure was generated directly from the MPCA EJ tool and shows a map legend on the left with teal areas representing EJ areas and gray representing areas within one mile of an EJ area. On the right of the figure are map locations of each Metro Transit garage demonstrating that all garages are within, or within one mile, of an EJ area.

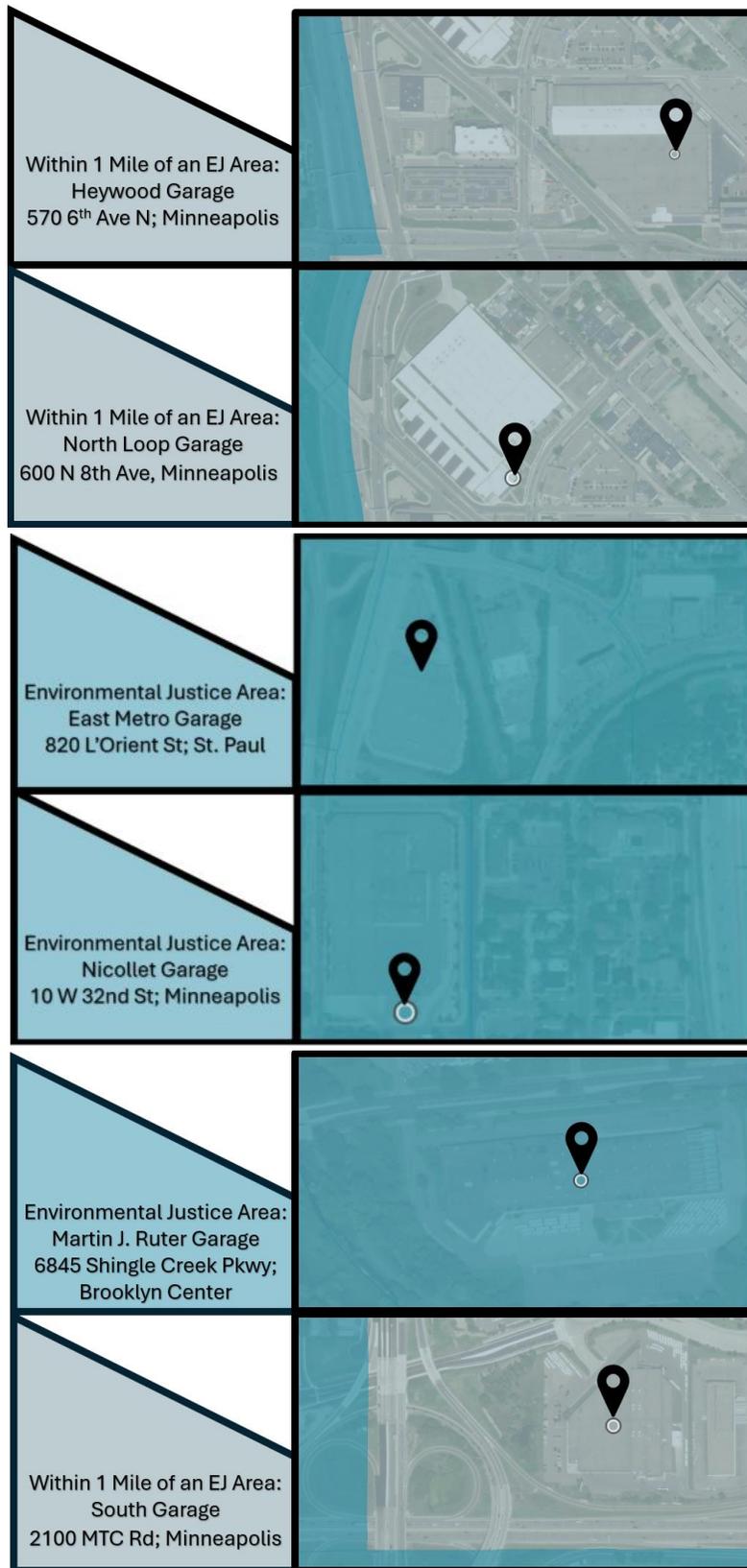


Figure 1 Export of Metro Transit Garage Locations from the MPCA EJ Mapping Tool

3. Commercial EVSI Rebates:

Metro Transit is appreciative of the commercial EVSI rebate program proposed by Xcel Energy. Providing financial assistance to fleet operators, such as Metro Transit, will be essential to help offset the major capital expense required to electrify operations. Past collaborations and financial support provided by the PUC, Xcel, federal, state and local entities have been crucial to the successful deployment of Metro Transit charging infrastructure to date.

In Metro Transit's experience with past procurements and deployments of charging infrastructure, however, the value of the rebates proposed would provide a limited portion of the capital costs associated with future installations. Xcel Energy estimated in the docket that the rebates will cover 40 percent of eligible costs for standard rebates and 60 percent of eligible costs for projects in EJ communities. Based on actual costs experienced by Metro Transit to purchase and install electric bus charging infrastructure, however, the EVSI rebate would only cover approximately 5-10 percent of the costs to install and commission each DCFC port for bus operations and maintenance facilities. The large variance in estimated percentage of costs that the EVSI rebates will cover is likely due to the higher costs of infrastructure work required to install charging infrastructure at scale for a large fleet operator. Rebates covering 5-10 percent of capital costs, while appreciated, substantially differ from Xcel's stated percentage goals. As a result, Metro Transit requests that rebates that scale with the size of the fleet and application location be considered.

4. Transit Eligibility for EVSE Rebate Category:

The Metropolitan Council and Metro Transit applaud the Commission and Xcel for recognizing the importance of school bus electrification. We would also like to note that Metro Transit serves as one of the largest school transportation providers in the State, offering student passes to 45 high schools and 34 colleges that were used for 1.05 million rides by students in 2024. Furthermore, Metro Transit, and other transit operators, allow students to use passes for non-school service, offering additional benefits to EJ communities. Under the proposed rebate program, however, Transit operators would not be eligible for EVSE rebates. Given the scale of student pass usage, Metro Transit recommends that Transit be added to the list of eligible candidates for EVSE rebates. Transit EVSE rebates should include both standard and EJ offerings, be stackable with the EVSI rebates, and include tiers for rebate amounts based on the customer fleet size.

5. Requested Clarification on Definition of Energized and Operational EVSE:

The docket states that "Rebated EVSI equipment must serve energized and operational EVSE to qualify." Metro Transit requests clarification on this statement. Will there be penalties if equipment is out of operation for repair or experiencing reliability issues? Is there an expectation for the service life of the equipment installed through this rebate program? In Metro Transit's experience reliability and useful life of charging infrastructure can be highly variable and largely beyond the control of the operator. For this reason, Metro Transit does not recommend that rebates be tied to reliability or the service life of the installed EVSE.

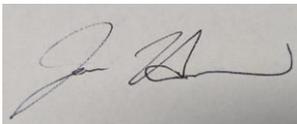
6. Diversity and Unique Duty Cycles of Fleet Customers:

Metro Transit agrees with Xcel Energy’s comments in the docket that state that fleet customers are an extremely diverse set of customers with unique vehicle duty cycles and charging needs. Elsewhere the docket also states “Minnesota commercial customer installing charging for use by multifamily residents, public fast charging or fast charging serving electric school buses. These three subsets of use cases have been identified as having a uniquely high impact on adoption or as facing high barriers to charging installation.” Metro Transit believes that Transit should also be included as a subset having a high impact and that faces barriers to charger installation. Transit presents unique operating challenges compared to other commercial fleets due to year-round and nearly 24-hour a day operations. Lengthy fixed routes and tight service schedules also place special constraints on charging electric transit vehicles. The scale of transit operations also results in major power demands, high utility costs, lengthy and complex construction projects, and extensive capital infrastructure requirements.

Delivering transit service and the required power and charging infrastructure for bus electrification will, however, result in major benefits to the community and the economy. Switching vehicle propulsion from diesel to electric can reduce emissions and generate important community health benefits. Transit agencies can also support economic growth by adopting electric vehicles. According to the American Public Transit Association (APTA), spending money on public transportation creates immediate jobs and income by supporting manufacturing, construction, and public transportation operations activities. Nationwide, more than 50,000 jobs are created per \$1 billion of continuous public transportation spending according to APTA. For these reasons, specific rebates for transit operators that provide financial support commensurate with the scale, complexity, and community and economic impact of the application are encouraged.

Metro Transit would like to thank the PUC and Xcel Energy for their strong leadership in establishing a program to provide rebates supporting transportation electrification. We appreciate the opportunity to provide feedback regarding how dockets are evaluated. The electric vehicle rebate program Xcel Energy is proposing will allow the Metropolitan Council, including Metro Transit, and Xcel Energy to further build on their Green Energy Partnership to provide clean transportation and energy services. We hope that our comments presented in this letter improve the program and help it be more successful. If there are any questions or concerns regarding the Metro Transit electric bus program or our comments, please contact Jim Harwood, Director Engineering and Construction at James.Harwood@metrotransit.org.

Sincerely,



Jim Harwood
Metro Transit Director Engineering & Construction
Equal Opportunity Employer