

NEW DECISION OPTIONS Proposed by Commissioner Partridge July 17, 2025

DOCKET NUMBER E-999/CI-23-151

ANALYST Danielle Winner, Trey Harsch

DATE/TIME SUBMITTED July 11, 2025 at 1:00 p.m.

TITLE Partridge Response to Federal Legislation

SUBJECT In the Matter of an Investigation into Implementing Changes to the

Renewable Energy Standard and the Newly Created Carbon Free

Standard under Minn. Stat. §216B.1691.

Partridge Decision Options 1 and 2

The federal 2025 Budget Reconciliation Bill, also known as "One Big Beautiful Bill" Law, includes a number of energy-related provisions, including changes to tax treatment and supply chain restrictions. I propose the following items for consideration in response to these federal policy changes.

Partridge NEW 1: All RECs, AECs or equivalent EACs used to meet the REO obligations in Minn. Stat. § 216B.1691 after the issuance of this order shall have a four-year shelf life commencing January 2030 provided the carbon-free resource either:

- 1. begins construction after July 4, 2026 and is placed in service by December 31, 2027; or
- 2. begins construction prior to July 5, 2026 and is placed in service within four years after construction begins.

In this instance, a four-year shelf life refers to the year of generation plus four years.

Partridge NEW 2: Each electric utility that is required to filed a resource plan under Minnesota Statutes section 216B.2422, subdivision 2, shall file a plan with the Commission detailing if and how the utility intends to accelerate the construction and in-service dates of carbon-free energy projects to maximize the amount of federal tax credits or other federal incentives to the benefit of its Minnesota customers; 2) additional efforts the utility will take to avoid other aspects of the 2025 Budget Reconciliation Law that would otherwise increase costs to its Minnesota customers; and 3) what supportive actions the Commission or other state regulatory bodies could take to mitigate negative impacts of recent federal energy policy changes. Plans shall be filed in this docket within 60 days after the issuance of this Order.