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The Honorable Eric L. Lipman
Office of Administrative Hearings
P.O. Box 64620
600 North Robert Street
St. Paul, MN 55164-0620

**Re: In the Matter of the Petition of Northern States Power Company to Initiate a
Competitive Resource Acquisition Process
Docket No. E-002/CN-12-1240
OAH Docket No. 08-2500-30760**

Dear Judge Lipman:

Attached please find the Post-Hearing Public Comment of the Xcel Large Industrials.

If you have any questions, please contact me.

Very truly yours,

STOEL RIVES LLP

/s/ Andrew P. Moratzka

Andrew P. Moratzka

APM:kap
Enclosure

**BEFORE THE MINNESOTA OFFICE OF
ADMINISTRATIVE HEARINGS**
100 Washington Square, Suite 1700
Minneapolis, MN 55401-2138

**FOR THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF MINNESOTA**
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In the Matter of the Petition of Northern States
Power Company to Initiate a Competitive
Resource Acquisition Process

PUC Docket No. E-002/CN-12-1240
OAH Docket No. 08-2500-30760

**POST-HEARING PUBLIC COMMENT OF
THE XCEL LARGE INDUSTRIALS**

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The following constitutes the initial post-hearing brief of Flint Hills Resources, LP; Gerdau Ameristeel US Inc.; Unimin Corporation; and USG Interiors LLC (collectively, the “Xcel Large Industrials” or “XLI”).

I. INTRODUCTION

The Competitive Resource Acquisition Process Docket (“RAP Docket”) has a long history of planning accompanied by many changes in circumstances that, in turn, continue to call into question the very need the RAP Docket is designed to address. As a group of large industrial customers of Northern States Power Co. d/b/a Xcel Energy (“Xcel”), XLI has a keen interest in seeing that a healthy balance is struck between the risk of under and over building in light of the best information available. Since the Minnesota Public Utilities Commission (the “Commission”) opened the docket and determined the size, type, and timing for the acquisition process, many circumstances supporting that determination have changed, introducing great uncertainty into the process, but all generally pointing to significant declines in the capacity needed on Xcel’s system. With declining sales, any new resource that is not needed will only drive up rates to the detriment of all customers and set inappropriate precedent.

XLI finds that it is virtually impossible to determine Xcel’s capacity needs in the 2017-2019 timeframe based on the record in this proceeding. XLI believes further administrative proceedings are warranted to better understand Xcel’s capacity needs and would necessarily be done through the forthcoming resource planning process. Instead of allowing inertia to drive an imprudent investment choice in light of changed circumstances and thereby thrusting further costs on ratepayers at a time when costs are rapidly escalating, XLI recommends that the record and determination of Xcel’s capacity needs be developed with the benefit of better data in Xcel’s upcoming resource planning proceeding. In the alternative and understanding parties’ substantial time investment in this docket, XLI recommends that the smallest and least cost selections be made to meet the nearer-term capacity needs based on the entirety of the existing record. XLI recommends that the selection be made for the purposes of Minn. Stat. § 216B.2422, subd. 5 only so as to limit additional regulatory proceedings for the selected project(s) and that the selected project(s) then be contingent on final approval in Xcel’s next five-year action plan.

II. ANALYSIS

The RAP Docket was opened to address a projected capacity shortfall identified in Xcel's last resource planning effort. The process to date has been beleaguered with multiple and significant changes arising during the planning process that rendered old assumptions inaccurate or obsolete. While resource planning can be relatively swift and efficient, it is also designed to deal with unforeseen changes and divergent information and viewpoints. To date, it appears the Commission and parties have been more focused on meeting an unproven need than taking the time to evaluate whether the initial conclusions remain valid. Only by doing so can the Commission ensure Xcel's ratepayers are responsible for prudent investments. This is particularly crucial in light of Xcel's contemporaneous efforts to seek additional and substantial increases in rates.

A. Overview of the Collaborative and Iterative Resource Planning Process

Utilities file biennial resource plans in Minnesota in accordance with Minnesota Statutes § 216B.2422 and Minnesota Rules Chapter 7843. These plans report on the utility's 1) projected energy needs of its service areas over the next 15 years; 2) plans for meeting the projected need; 3) the analytical process used to develop its plans for meeting the projected need; and 4) reasons for adopting the specific resource mix proposed to meet the projected need. This regulatory process is designed to strengthen utilities' long-term planning processes by providing input from the public, other regulatory agencies, and the Commission.¹

Rules governing the Commission's review of integrated resource plans contemplate a six- to eight-month timeline for review. Unless an alternative date is established by order, utility resource plans are due every two years and filed on July 1.² Written comments are then due on November 1 of the filing year and responsive comments 60 days thereafter.³ Assuming these deadlines are followed, the Commission should be able to process the resource plan and comments within two months after the responsive comments are filed.

¹ *In the Matter of Otter Tail Power Company's 2011-2025 Resource Plan*, Docket No. E017/RP-10-623, ORDER APPROVING PLAN SUBJECT TO CONDITIONS, REQUIRING FURTHER FILINGS, AND SETTING REQUIREMENTS FOR NEXT RESOURCE PLAN (Feb. 9, 2012).

² MINN. R. 7843.0300, subp. 2.

³ *Id.*, subp. 10, 12.

While resource plan review is designed to be relatively swift, the resource planning rules also provide flexibility to address the changing circumstances of the iterative resource planning process. Applicable law requires the utility to “inform the commission and other parties to the last resource plan proceeding of changed circumstances that may significantly influence the selection of resource plans.”⁴ The rule gives the party with the best information a duty to inform those with less perfect information of such changes.

In its order approving Minnesota Power’s recent resource plan, the Commission commented on the resource planning process and how it is both collaborative and iterative. The process is *collaborative* because “[t]he facts on which resource decisions depend – such as how quickly an area and its need for electricity will grow, or how much conservation potential the service area holds and at what cost – all require the kind of careful judgment that sharpens with exposure to the views of engaged and knowledgeable stakeholders.”⁵ The process is *iterative* because “analyzing future energy needs and preparing to meet them is not a static process; strategies for meeting future needs are always evolving in response to changes in conditions in the service area. When demographics, economics, technologies, or environmental regulations change, a utility may need to adapt its resource strategy.”⁶

Absent significant changes in circumstances, the resource planning process can move swiftly and lead to efficient resource acquisitions.⁷ Commission staff recently cited Otter Tail Power Company’s (“Otter Tail”) approval of a wind energy power purchase agreement (“PPA”) as a good example.⁸ Otter Tail began its resource planning process at the end of June 2010; it identified a cost-effective wind addition of 50 MW, the Commission increased the number to 100 MW in approving the five-year action plan in early 2012,⁹ and the following year Otter Tail

⁴ MINN. R. 7843.0500, subp. 5.

⁵ See, e.g., *In the Matter of Minnesota Power’s 2013-2027 Integrated Resource Plan*, Docket No. E015/RP-13-53, ORDER APPROVING RESOURCE PLAN, REQUIRING FILINGS, AND SETTING DATE FOR NEXT RESOURCE PLAN, p2 (Nov. 12, 2013) (“Minnesota Power 2013 RP Order”).

⁶ *Id.* at p3.

⁷ *In the Matter of Xcel Energy’s 2010-2025 Integrated Resource Plan*, Docket Nos. E002/RP-10-825, E002/M-13-603, E002/M-13-716, and E002/CN-12-1240, STAFF BRIEFING PAPERS FOR SEPT. 4, 2013 COMMISSION MEETING, pp7-8 (Aug. 28, 2013) (“NoCC Staff Briefing Papers”).

⁸ *Id.* (referencing *In the Matter of Otter Tail Power Company’s Petition for Approval of a Wind Energy Power Purchase Agreement with Ashtabula Wind III, LLC*, Docket No. E017/M-13-386).

⁹ *In the Matter of Otter Tail Power Company’s 2011-2025 Resource Plan*, Docket No. E-017/RP-10-623, ORDER APPROVING PLAN SUBJECT TO CONDITIONS, REQUIRING FURTHER FILINGS, AND SETTING REQUIREMENTS FOR NEXT RESOURCE PLAN (Feb. 9, 2012).

came to the Commission for approval of a 62.4 MW wind PPA. The Commission approved it a little over three months later.¹⁰ More recently, Minnesota Power began its resource planning process in March 2013, and the Commission approved the company's resource plan on November 12, 2013. As part of the 2013 short-term action plan, Minnesota Power explained that it would issue an RFP for up to 200 MW of wind power generators to be installed in the next two to three years in order to take advantage of the PTC benefits. The company issued an RFP in early 2013 and selected the 200 MW Bison 4 Wind Project.¹¹

B. Xcel's Recent Resource Planning Process Was Complicated and Drawn Out by the Impacts of the Recession

By contrast, the RAP Docket and Xcel's recent resource planning efforts have had to deal with many significant changes happening during the planning efforts, leading to a complex and drawn-out process. Xcel filed a resource plan in accordance with the statutes and rules in August 2010 for the 2011-2025 timeframe.¹² On March 15, 2011, in parallel with its resource planning process, Xcel filed a petition for a Certificate of Need for its Black Dog Generating Plant Repowering Project – an effort aimed at providing resources to address a projected generation deficit starting in 2014. These actions came on the heels of the Great Recession, which disrupted utilities' long-running expectation of steady electricity sales growth.

By December of 2011, Xcel had revised its position and instead proposed to cancel the 450 MW increase in generating capacity at the Black Dog Generating Station, because demand for electricity had declined.¹³ Xcel continued to revise its resource plan and on October 22, 2012, also made public its intention *not* to increase the generating capacity at its Prairie Island

¹⁰ *In the Matter of Otter Tail Power Company's Petition for Approval of a Wind Energy Power Purchase Agreement with Ashtabula Wind III, LLC*, Docket No. E-017/M-13-386, ORDER (Aug. 23, 2013).

¹¹ *In the Matter of Minnesota Power's 2013 Integrated Resource Plan*, Docket No. E015/RP-13-53, NOTICE OF CHANGED CIRCUMSTANCES – BISON 4 WIND PROJECT (Aug. 9, 2013).

¹² *In the Matter of Xcel Energy's 2011-2025 Integrated Resource Plan*, Docket No. E002/RP-10-825, 2010 RESOURCE PLAN (Aug. 2, 2010).

¹³ *In the Matter of the Petition of Northern States Power Company for a Certificate of Need for the Black Dog Generating Plant Repowering Project*, Docket No. E-002/CN-11-184, MOTION TO WITHDRAW APPLICATION AND REQUEST PURSUANT TO MINN. R. 1400.7600 FOR CERTIFICATION OF THIS MOTION TO THE MINNESOTA PUBLIC UTILITIES COMMISSION (Dec. 7, 2011); *see also* Evidentiary Transcript - Day 1, Alders, p130:8-16 ("We've been working through our potential resource need in our resource plan docket and the outcome of that was the Commission's order identifying a resource need. At the same time, we initiated a proposal for a combined cycle unit at the Black Dog power plant site. As the great recession hit and our projected demand for electricity declined, we asked to withdraw that petition and ultimately the Commission concurred with that.").

Nuclear Generating Plant.¹⁴ Xcel also revised its five-year action plan to “reflect, among other things, slower-than-projected economic growth, a loss of wholesale customers, changes in Xcel’s wind procurement strategy, reassessments of Xcel’s program for refurbishing Black Dog Units 3 and 4 and the Prairie Island Plant, and the anticipated expiration of the Production Tax Credit [“PTC”].”¹⁵

When the Commission finally met to consider Xcel’s 2010 resource plan in late 2012, it determined that it could not act on the proposed plan at the time because the changed circumstances required further analysis.¹⁶ Under these uncertain circumstances, the Commission commenced the present docket by directing Xcel to prepare and file a notice plan for soliciting proposals from outside parties as part of the competitive resource acquisition process.¹⁷ In March 2013, the Commission approved Xcel’s revised resource plan for *planning purposes only*. The Commission specifically stated, “Finally the Commission notes that it is approving Xcel’s plan for planning purposes only. This approval does not relieve Xcel from the need to comply with any regulatory review required for any specific resource it might pursue in implementing this plan.”¹⁸ Although not entirely clear, the Commission appeared to be stating that its order approving Xcel’s resource plan, more than two years after the docket was opened,¹⁹ was not to be used as *prima facie* evidence of need, but instead a starting point for the RAP Docket.

Indeed, the Commission found that the record in the resource planning docket demonstrated a large range of potential need, starting at 150 MW by 2017 and increasing to 500 MW by 2019.²⁰ Xcel asked the Commission to add specificity to this finding, but the

¹⁴ *In the Matter of the Application of Northern States Power Company for a Certificate of Need for the Prairie Island Nuclear Generating Plant for an Extended Power Uprate*, Docket Nos. E002/CN-08-509, E002/RP-10-825, E002/CN-11-184, SUPPLEMENTAL FILING - NOTICE OF CHANGED CIRCUMSTANCES - PRAIRIE ISLAND EXTENDED POWER UPRATE (Oct. 22, 2012).

¹⁵ *In the Matter of Xcel Energy’s 2011-2025 Integrated Resource Plan*, Docket No. E-002/RP-10-825, ORDER ESTABLISHING PROCEDURAL SCHEDULES AND FILING REQUIREMENTS, p6 (Nov. 30, 2012) (“Preliminary Resource Plan Order”).

¹⁶ *See id.* at p7.

¹⁷ *Id.*

¹⁸ *In the Matter of Xcel Energy’s 2011-2025 Integrated Resource Plan*, Docket No. E-002/RP-10-825, ORDER APPROVING PLAN, FINDING NEED, ESTABLISHING FILING REQUIREMENTS, AND CLOSING DOCKET, p6 (Mar. 5, 2013) (“Resource Plan Order”).

¹⁹ *In the Matter of Xcel Energy’s 2011-2025 Integrated Resource Plan*, Docket No. E-002/RP-10-825, ORDER APPROVING PLAN, FINDING NEED, ESTABLISHING FILING REQUIREMENTS, AND CLOSING DOCKET (Mar. 5, 2013) (“Final Resource Plan Order”).

²⁰ *Id.* at p2.

Commission rejected the request, noting that the “statement that Xcel anticipates needing an additional 150 MW by 2017, increasing up to 500 MW in 2019, will suffice to inform potential bidders of the scope of projects that the Commission will be considering.”²¹ After the 2010 resource planning effort came to a somewhat qualified close in consideration of all of the changes, the assumptions giving rise to the RAP Docket continue to be called into question by further changing circumstances.

C. Since the Commission Issued Its Final Resource Plan Order in Response to Xcel’s 2010 Resource Plan, Circumstances Have Changed Dramatically

Since the Commission opened the RAP Docket in a cloud of uncertainty, additional and significant changes transpired affecting the 2017-2019 planning timeframe that is the focus of the RAP Docket. Xcel entered into agreements to acquire 750 MW of new wind resources on its system in order to allegedly take advantage of the expiring PTC and historically low prices; new forecasts were made available for Xcel’s system suggesting slower growth than the 2011 forecast anticipated; the Midcontinent Independent System Operator (“MISO”) adjusted its planning reserve margin (“PRM”) methodology such that Xcel’s capacity needs in the timeframe were adjusted downward by over 200 MW; and the legislature passed a solar mandate that will likely drive Xcel’s purchase of approximately 300 MW of qualifying solar resources before 2017.

1. In Light of the Significant Proposed Wind Additions, the Commission Directed Xcel to File a Notice of Changed Circumstances

When Xcel filed its petition for Commission approval of an initial 600 MW of wind resources,²² the company stated it did not believe a Notice of Changed Circumstances (“NoCC”) was required because the wind would not be MISO-accredited as a capacity resource until the projects were fully deliverable, something contingent on planned transmission upgrades not expected to be completed until after the 2017-2019 timeframe. Xcel eventually proposed to add another 150 MW of wind²³ power such that 750 MW of wind would be expected to be operational and available to Xcel by 2015. This would provide a long-term capacity resource of approximately 100 MW using MISO’s 2013 wind capacity credit of 13.3%.

²¹ *Id.* at p6.

²² *In the Matter of the Petition of Northern States Power Company for Approval of the Acquisition of 600 MW of Wind Generation*, Docket No. E002/M-13-603.

²³ *In the Matter of the Petition of Northern States Power Company for Approval of the Acquisition of 150 MW of Wind Generation*, Docket No. E002/M-13-716.

This new proposed amount of wind was more than three times what had been projected in the last resource planning process and in the related RFPs originally issued by Xcel earlier in the year. Recognizing the significance of this deviation, the Department of Commerce (the “Department”) explained that “Xcel should not rely on the analysis in the 2010 IRP to support its acquisition of the specific resources requested in the instant docket. *This approach is consistent with the Commission’s 2010 IRP Order which approved the IRP for planning purposes only*”²⁴

During the discussion of whether a NoCC should be required in various dockets based on the significant and unforeseen wind acquisitions, parties cautioned against creating additional procedures that could put at risk the timing for projects’ PTC eligibility. Commission staff, however, also cautioned that unintended consequences or unfortunate precedent can be set when parties resist additional review simply because a process has become convoluted.²⁵

In September, the Commission voted to require a NoCC. On October 1 Xcel filed its NoCC (the “Xcel NoCC”),²⁶ and on October 4 the Commission order was filed.²⁷ The rules provide that the Commission must also consider whether additional administrative proceedings are necessary.²⁸ In finding that additional proceedings were unnecessary, the Commission noted that Xcel and the Department had represented that the record in the RAP Docket and wind dockets would reflect updated modeling and analysis of Xcel’s resource needs in light of the proposed acquisitions. It further explained that if the “record development in the existing

²⁴ *In the Matter of the Petition of Northern States Power Company for Approval of the Acquisition of 600 MW of Wind Generation*, Docket No. E002/M-13-603, PROCEDURAL COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE-DIVISION OF ENERGY RESOURCES, p4 (Aug. 8, 2013) (emphasis added).

²⁵ NoCC Staff Briefing Papers, p7 (“Xcel argues that process should not get in the way of prudent action, and further process would not add value to consideration of its wind proposals. An NoCC filing may have little value to the wind PPA dockets, but Staff does not want to set a precedent that, because process may become convoluted, Xcel can define what the Commission did or did not approve in an IRP.”).

²⁶ *In the Matter of Xcel Energy’s 2011-2025 Integrated Resource Plan*, Docket Nos. E002/M-12-1240, E002/RP-10-825, NOTICE OF CHANGED CIRCUMSTANCES PROPOSAL TO ADD 750 MW OF WIND RESOURCES (Oct. 1, 2013).

²⁷ *In the Matter of Xcel Energy’s 2011-2025 Integrated Resource Plan*, Docket Nos. E-002/RP-10-825, E-002/CN-12-1240, E-002/M-13-603, E-002/M-13-716, ORDER REQUIRING NOTICE OF CHANGED CIRCUMSTANCES AND GRANTING INTERVENTION (Oct. 4, 2013).

²⁸ Minn. R. 7843.0500, subp. 5 (“The utility shall inform the commission and other parties to the last resource plan proceeding of changed circumstances that may significantly influence the selection of resource plans. Upon receiving notice of changed circumstances, the commission shall consider whether additional administrative proceedings are necessary before the utility’s next regularly scheduled resource plan proceeding.”).

dockets does not meet Commission expectations in that regard, the Commission may consider additional proceedings at that point.”²⁹

2. The 2011 Forecast Is Obsolete and Should Not Be Used to Make Resource Planning Decisions

In March 2013, based on 2011 forecasts, the Commission determined that Xcel had a need for capacity resources of 150 MW in 2017 and up to 500 MW by 2019.³⁰ By the time Xcel was ready to consider the effect of the various changed circumstances since the RAP Docket opened, 2013 forecasting data was also available. The resulting update, using the more current forecasting data, showed Xcel with a capacity need of 93 MW in 2017 growing to 307 MW by 2019.³¹ This alone was a nearly 40% adjustment downward in the 2019 timeframe, enough to mean the difference between selecting an additional resource in the RAP Docket and not doing so. As Jim Alders explains: “The new need assessment is another data point that should be considered in analyzing which resource proposals should be selected to address the range of the Company’s potential need in the 2017-2019 timeframe.”³² XLI agrees.

XLI also notes the most recent evidence demonstrates a continued downward trend in sales forecasts. The table below summarizes the November-filed testimony by Jannell E. Marks³³ as part of Xcel’s current application to raise rates in Minnesota. It shows an expected decline in actual sales of 1.5% in 2014 and .4% in 2015. While it is difficult to draw direct correlations between these numbers and those in the RAP Docket, XLI notes that it is yet another set of current data points that further demonstrate a downward trend as to demand on Xcel’s system.

²⁹ *In the Matter of Xcel Energy’s 2011-2025 Integrated Resource Plan*, Docket Nos. E-002/RP-10-825, E-002/CN-12-1240, E-002/M-13-603, E-002/M-13-716, ORDER REQUIRING NOTICE OF CHANGED CIRCUMSTANCES AND GRANTING INTERVENTION, p4 (Oct. 4, 2013).

³⁰ Final Resource Plan Order, p2.

³¹ *In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process*, Docket Nos. E002/CN-12-1240, 13-606, XCEL DIRECT TESTIMONY, Wishart, p2 (Sept. 27, 2013) (“Xcel Direct Testimony”).

³² *Id.*, Alders, p7.

³³ *See In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-13-868, MARKS DIRECT TESTIMONY, App. A, p48 (Nov. 4, 2013).

Xcel Energy Minnesota Jurisdiction MWh Sales by Class										
Actual Sales										
	Residential w/o Space Heat	Residential w/ Space Heat	Small Comm/Ind	Large Comm/Ind	Street Lighting	Public Authority	Interdepart- mental	Firm Wholesale	MN Retail	Percent Change
2008	8,314,634	382,010	13,683,725	9,449,345	136,071	80,504	7,005	951,230	32,053,294	
2009	8,104,166	375,107	13,400,674	8,551,188	137,899	80,183	9,072	720,268	30,658,289	-4.4%
2010	8,570,740	377,036	13,434,890	9,053,962	140,268	75,397	10,006	297,982	31,662,300	3.3%
2011	8,579,451	389,580	13,393,931	9,064,449	143,220	74,454	8,049	42,590	31,653,133	0.0%
2012	8,548,894	357,914	13,439,448	8,614,827	145,337	70,120	7,034	29,820	31,183,574	-1.5%
2013 Act+Fcst	8,452,599	403,781	13,381,258	8,249,070	141,850	70,631	7,420	19,030	30,706,608	-1.5%
2014 Forecast	8,133,224	380,834	13,171,716	8,333,295	144,920	71,219	8,364	0	30,243,571	-1.5%
2015 Forecast	8,044,170	379,576	13,142,024	8,318,283	145,786	70,597	8,364	0	30,108,800	-0.4%
Forecast Change										-1.9%
Weather Normalized Sales										
	Residential w/o Space Heat	Residential w/ Space Heat	Small Comm/Ind	Large Comm/Ind	Street Lighting	Public Authority	Interdepart- mental	Firm Wholesale	MN Retail	Percent Change
2008	8,376,361	367,391	13,741,946	9,449,345	136,071	80,504	7,005	951,230	32,158,623	
2009	8,343,652	375,071	13,555,778	8,551,188	137,899	80,183	9,072	720,268	31,052,843	-3.4%
2010	8,311,540	380,305	13,304,428	9,053,962	140,268	75,397	10,006	297,982	31,275,906	0.7%
2011	8,347,934	388,042	13,272,536	9,064,449	143,220	74,454	8,049	42,590	31,298,685	0.1%
2012	8,349,850	382,321	13,327,316	8,637,190	145,337	70,120	7,034	29,820	30,919,169	-1.2%
2013 Act+Fcst	8,268,301	390,174	13,285,250	8,249,070	141,850	70,631	7,420	19,030	30,412,695	-1.6%
2014 Forecast	8,133,224	380,834	13,171,716	8,333,295	144,920	71,219	8,364	0	30,243,571	-0.6%
2015 Forecast	8,044,170	379,576	13,142,024	8,318,283	145,786	70,597	8,364	0	30,108,800	-0.4%
Forecast Change										-1.0%

Declining sales coupled with rising costs will inevitably lead to higher rates. Acquiring resources that are not needed for reliability will only exacerbate the rate impacts.

3. MISO Continues to Change Its Reserve Margin Calculation

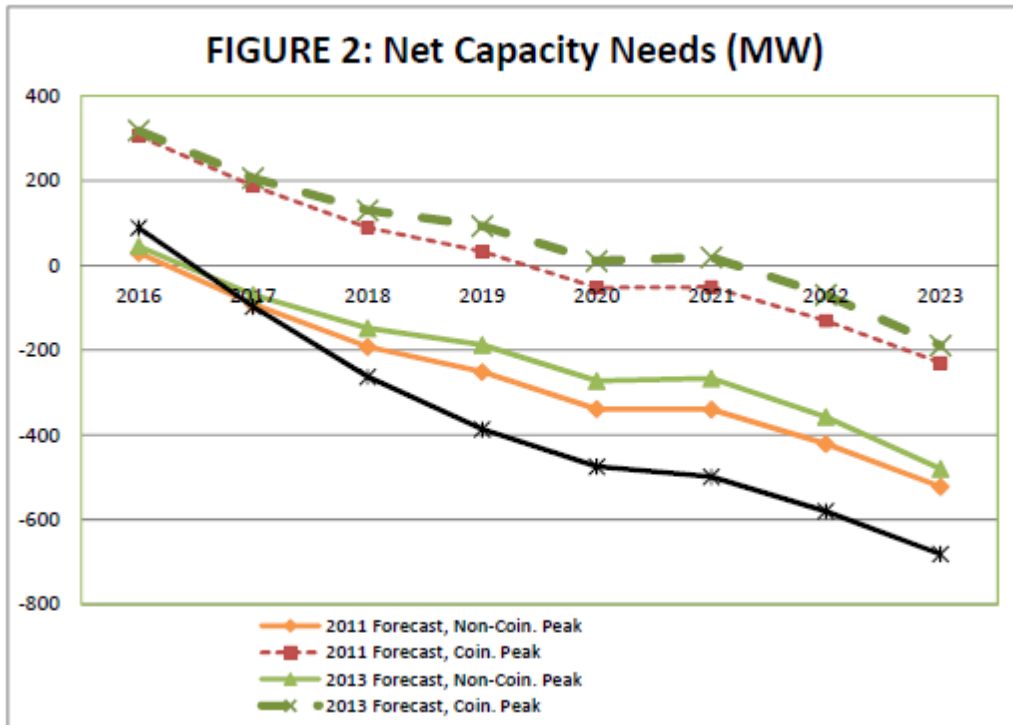
In addition MISO had recently changed its PRM standards, which led to an even greater erosion of the projected need. In his direct testimony, Steven Wishart explained that “changes in MISO’s reserve margin standards may reduce our need to only 26 MW by 2019. . . . Given this uncertainty, I recommend that after the least cost projects are selected through this process, the question of total capacity need and project timing be revisited in 2014 and in 2015 as more information becomes available.”³⁴

For the 2013 planning year, MISO changed its methodology for calculating planning reserve requirements. MISO increased the PRM percentage from 3.8% to 6.2%, but also changed how to apply the PRM. Instead of applying it to the company’s peak demand forecast, MISO adopted a new methodology whereby it would be applied to a forecast of the utility’s customer demand at the time when the MISO system reaches its total peak demand. Xcel determined the customer demand on its NSP system was on average 5% lower during MISO’s peak than it was when the NSP system reached its own peak.³⁵ Steven Wishart explains that the net impact of this methodology change is “a decrease in reserve requirements of about 300 MW

³⁴ Xcel Direct Testimony, Wishart, p2.

³⁵ *Id.* at p8.

using 6.2%, and about 200 MW using 7.3%.”³⁶ As a result of the updated information Xcel committed to bringing into the record in the RAP Docket, a need that had once been projected to be as high as 500 MW in 2019 now ranged from just over 300 MW on the high end to as little as 26 MW on the low end. Graphically, the change in forecast according to the Department appeared as follows in Department witness Steve Rakow’s direct testimony:³⁷



While this proceeding was underway, however, MISO requested another change to its resource planning methodology, and the Federal Energy Regulatory Commission conditionally accepted the proposed changes on October 29, 2013.³⁸ Specifically, MISO will be modifying the way it calculates the local reliability requirement to take into account the load serving entity’s or electric distribution company’s demand that coincides with the annual peak demand of its local resource zones as opposed to that which coincides with the MISO system peak. The change became effective October 30, 2013 and will be implemented for the 2014-2015 planning year.

³⁶ *Id.* at p9.

³⁷ Department Direct Testimony, Rakow p26 (the black line represents the Strategist database run by the Department in Xcel’s last resource plan).

³⁸ *Midcontinent Indep. Sys. Operator, Inc.*, 145 FERC 61,077 (Oct. 29, 2013) (order conditionally accepting filing in Docket No. ER13-2298-000).

The impact this change will have on the Xcel system is not yet clear, but it introduces yet another layer of uncertainty as to Xcel’s resource adequacy needs.

4. Xcel May Not Have Adequately Accounted for Solar Capacity in the Relevant Timeframe

Xcel needs approximately 300 MW of new solar resources by 2020 to meet the statutory requirement that 1.5% of retail sales be from solar resources. It appears that Xcel added solar at incremental levels until this 2020 period in its 2013 forecast update given Xcel included only 49 MW of solar capacity by 2017, 66 by 2018, and 83 by 2019.³⁹ These numbers are based on a capacity credit assumption of 42% (AC) and 36% (DC).⁴⁰ This can be seen in Steven Wishart’s direct testimony at Table 4:

Table 4 – Impact of MISO’s Reserve Margin On Resource Need Assessment

	September 2013 Update			MISO 2013 Reserve Margin Adjustment			2014 Anticipated Reserve Margin		
	2017	2018	2019	2017	2018	2019	2017	2018	2019
Peak	9,500	9,590	9,676	9,500	9,590	9,676	9,500	9,590	9,676
Coincidence Factor	100%	100%	100%	95%	95%	95%	95%	95%	95%
Coincident Peak	9,500	9,590	9,676	9,025	9,110	9,192	9,025	9,110	9,192
RM%	3.82%	3.82%	3.82%	6.25%	6.25%	6.25%	7.35%	7.35%	7.35%
Total Obligation	9,860	9,953	10,042	9,585	9,675	9,762	9,684	9,775	9,863
Resources									
Coal	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367	2,367
Nuclear	1,623	1,623	1,623	1,623	1,623	1,623	1,623	1,623	1,623
Gas	3,427	3,416	3,416	3,427	3,416	3,416	3,427	3,416	3,416
Wind, Hydro, Bio	1,238	1,189	1,162	1,238	1,189	1,162	1,238	1,189	1,162
Solar	49	66	83	49	66	83	49	66	83
Load Management	1,063	1,074	1,085	1,063	1,074	1,085	1,063	1,074	1,085
Total Resources	9,768	9,735	9,735	9,768	9,735	9,735	9,768	9,735	9,735
Long (Short)	(93)	(218)	(307)	183	60	(26)	84	(40)	(128)

The problem with these projections is twofold. First, the projections would leave roughly half of Xcel’s total obligation ineligible for the 30% federal Investment Tax Credit (“ITC”) which expires at the end of 2016.⁴¹ This seems unlikely in light of the very issue that prompted the NoCC in this docket: Xcel’s rush to acquire 750 MW of wind well ahead of its Renewable Energy Standard obligations in order to capture the value of the expiring federal PTC for wind. XLI believes it is much more likely that the vast majority of the approximately 300 MW of solar energy required of Xcel by statute be in-service by the end of 2017 in order to qualify for the expiring federal ITC.

³⁹ Xcel Direct Testimony, Wishart, p7.

⁴⁰ *Id.* at p22.

⁴¹ At the end of 2016, the ITC for solar will change to a 10% incentive.

Second, the 42% accreditation factor is lower than what even Xcel anticipates. Steven Wishart explains that Xcel may more likely accredit certain solar projects in the 50-60% range.⁴² Meanwhile, according to Geronimo, the MISO currently accredits solar at 71%.⁴³ Were the solar installed to meet the Minnesota statute also installed to meet the expiring federal ITC, the number of MW of capacity added to Xcel's system by 2018 would be more than double what Xcel modeled. Put another way, 300 MW of solar generation resources would equate to 150 MW of accredited capacity at the 50% level indicated by Steven Wishart or 213 MW of accredited capacity at the higher MISO level. This change alone would likely once again eviscerate any projected need in 2017 and take an additional 84-147 MW of capacity off the projected need in 2018, which Xcel projected at only 218 MW before the MISO PRM changes and before the downward adjustments to its sales forecasting. Any one of these changes independently affects the later need projections by well over 100 MW and could have been justification for a separate NoCC. Taken altogether or in some combination, these changes make it entirely unclear whether there is *any* capacity need on Xcel's system, particularly in the 2017-2018 timeframe.

D. Inadequate Record Development

In addition to the significant change in circumstances surrounding need, XLI believes there is an insufficient record upon which to base any resource decisions for three reasons. First, not all interested parties were allowed to fully participate in this proceeding. Second, it is not clear that the resources have been considered in light of the revised forecasts. Finally, it appears that even the parties to this proceeding believe record development is incomplete. Each of these concerns is addressed below.

1. Interested Parties Were Not Allowed to Participate Fully and Develop the Record

Just days after the Xcel NoCC filing, XLI petitioned to intervene in this RAP Docket. XLI acknowledged it was submitting the petition well after the August 2, 2013, deadline established by the Administrative Law Judge ("ALJ") but explained that its petition was

⁴² Xcel Direct Testimony, Wishart, p18.

⁴³ *In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process*, Docket No. E002/CN-12-1240, TRANSCRIPT - EVIDENTIARY HEARING DAY 1, Brusven, p7:9-12 (Oct. 22, 2013) ("Evidentiary Transcript - Day 1").

triggered by significant changes in circumstances and the notice thereof. XLI argued that, as some of the largest customers of Xcel in Minnesota, its members will be directly impacted by any resource acquisition decisions in the docket through increased costs. The only consumer advocate in this proceeding is the Department; no other large customers of Xcel's, nor any business or low-income advocates, are a party to the proceeding. Further, XLI made clear that it had no intention of submitting a bid or introducing new issues to the ALJ that would prejudice other parties, but rather that it wished to participate in the discussion of issues raised by the Xcel NoCC in the near-term.⁴⁴

The ALJ denied XLI's petition on the basis that other parties would not have sufficient time to undertake pre-hearing discovery of XLI and prepare to counter the claims XLI would make during the hearing. In light of XLI's representation that it would not submit rebuttal testimony, it is unclear what pre-hearing discovery other parties would (or could) have propounded on XLI. The ALJ went on to stress that Xcel's interest in purchasing much more than 26 MW of energy by 2019 should have been apparent to XLI well before the close of the intervention deadline. The problem was not, however, that XLI did not earlier realize that Xcel had an interest in purchasing substantially more than 26 MW of capacity by 2019. XLI was instead unaware that the projected need may be that low until Xcel began responding to the inquiries about the Xcel NoCC. It is this point that XLI was and remains interested in developing in the record. And it is this point that should have been raised in the Xcel NoCC. Again, the utility must "inform the commission and other parties to the last resource plan proceeding of changed circumstances that may significantly influence the selection of resource plans."⁴⁵ Xcel's failure to note the significant potential change in need in the Xcel NoCC and the ALJ's failure to allow a ratepayer advocate to explore this issue through cross-examination and discovery as a formal party leave the question of Xcel's need by 2019 undeveloped. Again, the Commission warned parties in its order requiring the NoCC that if "record development in the existing dockets does not meet Commission expectations in that regard, the Commission may

⁴⁴ *In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process*, Docket No. E-002/CN-12-1240, XLI PETITION TO INTERVENE (Oct. 8, 2013).

⁴⁵ MINN. R. 7843.0500, subp. 5.

consider additional proceedings at that point.”⁴⁶ XLI believes additional record development is necessary and would be adequately and more appropriately handled in Xcel’s immediately following resource planning process.

2. Resources May Not Have Been Adequately Analyzed in Light of Lower Need

Since the beginning of the initial resource planning process, the capacity need forecasts have continued to change in a general downward direction. The current docket is an outgrowth of a resource planning process where significant time and resources were invested in modeling associated with Xcel’s 2011 forecast. One of the unfortunate consequences of a drawn-out regulatory process is that at some point, the underlying data becomes outdated or superseded by more current data. Adjusting to these changes, of course, can be expensive and laborious for the parties involved. The Department, for example, has noted regarding the sales forecasts that “only Xcel’s fall 2011 forecast has been reviewed in detail by the Department and approved by the Commission. The Department has not verified the accuracy of Xcel’s spring 2013 sales forecast.”⁴⁷ Recall that the Department also stated in the recent wind docket that “Xcel should not rely on the analysis in the 2010 IRP to support its acquisition of the specific resources requested in the instant docket. *This approach is consistent with the Commission’s 2010 IRP Order which approved the IRP for planning purposes only . . .*”⁴⁸ It is not clear why the Department advocated for disregarding Xcel’s fall 2011 forecast in a recent resource acquisition docket but appears to be relying on that same forecast for this RAP Docket.

Given the fact that more recent projections of capacity needs are significantly smaller than what was being demonstrated through the 2011 modeling, there may be an opportunity to take a much more exacting approach to meeting the near-term needs. The strategist modeling done by the Department, for example, delivered packages of resources filling a capacity need set

⁴⁶ *In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process*, Docket Nos. E-002/RP-10-825, E-002/CN-12-1240, E-002/M-13-603, E-002/M-13-716, ORDER REQUIRING NOTICE OF CHANGED CIRCUMSTANCES AND GRANTING INTERVENTION (Oct. 4, 2013).

⁴⁷ *In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process*, Docket No. E002/CN-12-1240, TRANSCRIPT - EVIDENTIARY HEARING DAY 2, Shaw, p30:5-9 (Oct. 23, 2013) (“Evidentiary Transcript - Day 2”).

⁴⁸ *In the Matter of the Petition of Northern States Power Company for Approval of the Acquisition of 600 MW of Wind Generation*, Docket No. E002/M-13-603, PROCEDURAL COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE-DIVISION OF ENERGY RESOURCES, p4 (Aug. 8, 2013) (emphasis added).

at 700 MW by 2019. If the most pressing need in the near-term is more likely anywhere from 0 to under 100 MW, the best option or set of options might look dramatically different. Moreover, if capacity bids like Great River Energy's ("GRE") or smaller projects like Geronimo's were allowed to be added by Strategist in incremental phases, perhaps a lower-cost and smaller portfolio could delay a much more substantial acquisition until the decision is more ripe for the making. Furthermore, capacity from either of these proposals could likely be made available within months of an affirmative determination, allowing for a quick response to a delayed decision.

3. Parties Appear Ready to Take Deliberations Off the Record *Because of the Lack of Need*

In order to address the significant uncertainty as to capacity needs in the 2017 to 2019 timeframe, Xcel recommends finalizing its determination of best resource acquisitions through further contract negotiations with two of the bidders. Jim Alders and others at Xcel have continued to suggest that a delay may be in the interest of Xcel's customers⁴⁹ and recommend that the details and viability of delay or cancellation options be addressed in the PPA negotiation process.⁵⁰ Xcel has explained that it wants to explore delayed in-service dates until at least 2019 and possibly beyond, as well as the ability to cancel projects.⁵¹ Jim Alders explains: "In other words, it may be appropriate for a PPA to provide an option to delay the 2020, you know, from '19 to 2020, or from '17 to 2020, depending on the situation. We're looking for maximum flexibility in terms of optionality within the contracts[;] we anticipate the initial in-service date of whatever selections are made that will be in that '17 to '19 time frame."⁵² The Department has also recommended moving the gas bidders only through to a PPA negotiation process.⁵³ Xcel has also noted that this optionality might have associated costs that its customers might ultimately bear.

Curiously, at the same time that Xcel recommends departing to a separate process to negotiate delay and cancellation plans in light of the uncertainty, it recommends leaving behind the two projects that virtually could not amount to overbuilding and have indicated significant

⁴⁹ Evidentiary Transcript - Day 1, Alders, p125:1-13.

⁵⁰ *Id.*

⁵¹ *Id.* at p134:8-19.

⁵² *Id.* at p140:4-11.

⁵³ Evidentiary Transcript - Day 2, Rakow, p50:3-6.

flexibility. GRE's proposal for capacity does not involve building new generation at this time and can be tailored to meet Xcel's determination of need. At the evidentiary hearing, Michael Bradley explained: "The flexibility in GRE's proposal would allow Xcel Energy to adjust the timing and amount of capacity obtained from GRE to reflect possible downward changes in Xcel Energy's need for capacity. Second, the flexibility to exclude the first or even the second year of the three-year capacity credits offered by GRE would further reduce the cost of GRE's proposal."⁵⁴

Meanwhile Geronimo's proposal involves building up to 100 MW of new generation – but for a generation source that Xcel is independently required to acquire by statute⁵⁵ regardless of the need determined in this docket. As Elizabeth Engelking noted at the evidentiary hearing: "Geronimo submits that at this time, while Xcel's overall need in megawatts may be uncertain, there is no uncertainty regarding Xcel's need to add solar resources."⁵⁶ Further, although neither the Department nor Xcel treated the project this way in the modeling, Geronimo affirms that the intent of its proposal was to include the flexibility to bring portions of the project in at different stages.⁵⁷

As a non-party, it is impossible for XLI to comment on the pricing of the proposals from GRE and Geronimo.⁵⁸ It may be that the pricing for these resources is unreasonable. But it is curious that flexible resource options are not given greater consideration. In its recently approved integrated resource plan, Minnesota Power sought and obtained Commission approval for bridge agreements in the 2015-2017 timeframe until additional planned-for capacity came on line. It is not clear why, given the present uncertainty regarding Xcel's resource needs, neither Xcel nor the Department has offered a similar proposal. Nor is it clear why both the Department and Xcel recommend pushing the natural gas bidders into a separate process in an effort to obtain "maximum flexibility" when arguably the most flexible options are left behind.

⁵⁴ Evidentiary Transcript - Day 1, Bradley, p21:3-10.

⁵⁵ Minn. Stat. § 216B.1691, subd. 2f.

⁵⁶ Evidentiary Transcript - Day 1, Brusven, p28:17-20.

⁵⁷ *Id.*, Wishart/Brusven, p106:7-13.

⁵⁸ In fact, Xcel Energy was the only party that shared its Trade Secret data and responded to XLI's discovery in this proceeding.

E. Exercising Caution Now Will Protect Ratepayers from Costs Associated with Unnecessary Investments

With the capacity needs of Xcel in substantial flux, XLI cautions against making resource decisions that risk significantly overbuilding. While it is also important that the Commission and Xcel work together to guard against a potential capacity deficit in the near-term, those efforts must be tempered by the competing concern to guard against unnecessary rate increases for Xcel customers. XLI is very sensitive to the fact that rates are continuing to increase and notes that in a separate contemporaneous proceeding, Xcel is seeking approval to increase rates in Minnesota by a total of \$291.2 million (or 10.4%) over two years.⁵⁹ Xcel may return for a second, three-year multiyear plan proceeding at the end of 2015, which could lead to rate increases averaging 5% per year from 2014 to 2018. These cases come on the heels of significant rate increases that have resulted in uncompetitive rates. NSP's large industrial rates are: (i) the second most expensive of any utility in Minnesota; (ii) the fifth most expensive of any utility in the surrounding states; and (iii) in the top third of the most expensive of the integrated electric utilities in the continental United States.⁶⁰ NSP's position as a utility with uncompetitive industrial electricity rates will impact future rates. As XLI witness Jeffrey Pollock testified:

The consequence of NSP's uncompetitive industrial electricity rates are a continued loss of sales and an absence of significant load growth. We have already seen the consequence of the loss of two large retail customers and the impact on the amount of increase that NSP is seeking in this proceeding. Absent a comprehensive policy for addressing NSP's non-competitive rates, future sales growth will be limited.⁶¹

Forcing ratepayers to pay additional costs for what could be unnecessary capacity will push industrial ratepayers to consider expanding production at other locations and/or developing forms of self-generation. At the same time, residential customers will be exploring new methods of distributed generation. And remaining customers will be burdened with an increasing share of fixed costs, which could lead to additional system departures, thereby creating a downward spiral

⁵⁹ *In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy to Increase Rates for Electric Service to Minnesota*, Docket No. E002/GR-13-868, NOTICE OF CHANGE IN RATES, p2 (Nov. 4, 2013).

⁶⁰ *In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-12-961, Ex. 119, *Pollock Direct*, 68:4-8.

⁶¹ *In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy to Increase Rates for Electric Service in Minnesota*, Docket No. E002/GR-12-961, Ex. 119, *Pollock Direct*, 68:11-16.

for demand. Perhaps even more troubling are the unfortunate messages that could be implied by any final Commission order permitting Xcel to construct a resource. Such an order would send the signals to utilities that the Commission is insensitive to the issue of rate shock and that utilities are free to add to rate base upon even a flimsy showing of need. The ALJ, and ultimately the Commission, should remain cognizant of the potential precedent from a decision in this RAP Docket.

Now is the opportunity to avoid unnecessary costs for *all* ratepayers by delaying the selection of a resource to meet an ever-more uncertain 2019 capacity need until better information is available. Doing so would appear to benefit ratepayers. Xcel, for example, indicates that later in-service dates for its proposed Black Dog unit would reduce the associated total costs to ratepayers.⁶² Similarly the Department determined that delaying in-service dates for other bidders' projects would also result in substantial cost savings.⁶³ And given the inadequate record development to date and significant changes in circumstances, the ALJ should limit his recommendation on resource selection to the most immediate and certain needs that can be fully supported by the record.

F. Any Resource Decision Should Be Based on Xcel's Next Integrated Resource Plan

Xcel will begin a new resource planning process within months, an effort that will take a fresh look at the best available data over a time period where uncertainty over future federal and state regulation will give way to greater certainty. This process was originally scheduled for February 1, 2014,⁶⁴ but has been postponed until at least May 2014. Were Xcel's resource planning process to develop along expected regulatory timelines or similarly to the most recent resource planning process approved by the Commission (Minnesota Power),⁶⁵ Xcel's next resource plan could (and should) be approved by the end of 2014 or, more likely, early 2015.

⁶² Evidentiary Transcript - Day 1, Wishart, p86:9-12 ("We did include pricing for in-service in '18 and in-service in '19. I believe the cost for in-service in '18 and in-service in '19 were lower than in 2017.").

⁶³ Evidentiary Transcript - Day 2, Rakow, p55:14-25 (referring to savings that could be had by shifting the in-service date for the Invenegy project out to 2018 or 2019).

⁶⁴ Preliminary Resource Plan Order, p9.

⁶⁵ Minnesota Power 2013 RP Order (approving Minnesota Power's resource plan a little over eight months after the company filed its plan).

Preserving flexibility now will allow the Commission to make more substantial investment choices based on better information fleshed out in the forthcoming Resource Planning process, something that will certainly be in the ratepayers' interests. Xcel's next resource plan will not only include more current and accurate forecasting data for the relevant time period but also include analysis of the comprehensive impact of EPA regulations on Xcel's generating units and system, best management strategies for Xcel's two oldest generators (Sherco Units 1 and 2), and best approaches for adding significantly more distributed generation on its system.⁶⁶ Forcing an investment in a natural gas unit or set of natural gas units now to meet some fading projection of demand is imprudent when a similar decision can safely be made with the benefit of better data and in light of other related and significant resource choices.

Preserving the flexibility to make a later decision in concert with the upcoming resource planning process would also likely leave sufficient time to meet the 2017 requirements and almost certainly leave sufficient time to meet the 2018 or 2019 requirements with natural gas. Xcel anticipates the construction of its Black Dog combustion turbine unit to last 21 months.⁶⁷ Thus even if final approval was delayed until after the next resource planning process, a natural gas unit could still be in service by 2018.

More importantly, there are other ways to address a near-term capacity shortfall. GRE's proposal involves capacity that already exists. If the associated costs of that particular capacity bid are too high, Xcel could also seek a bridge contract for the relevant timeframe, as Minnesota Power proposed in its most recent integrated resource plan.⁶⁸ Other yet-to-be-built capacity resources also have much shorter construction timelines. Geronimo, for example, anticipates that phases of its solar project could be in service within months of an affirmative selection. Ultimately XLI does not understand the apparent inertia in the RAP Docket to make a natural gas investment selection before the need is adequately demonstrated, just before much more significant decisions affecting system reliability will be made (Sherco Units 1 and 2), and when

⁶⁶ Preliminary Resource Plan Order.

⁶⁷ *In the Matter of the Petition of Northern States Power Company doing business as Xcel Energy for Approval of Competitive Resources Acquisition Proposal and Certificate of Need*, Docket No. E-002/CN-12-1240, ENVIRONMENTAL REPORT, XCEL COMPETITIVE RESOURCES ACQUISITION PROPOSALS, p6 (Oct. 2013).

⁶⁸ Minnesota Power 2013 IRP Order, p7 (determining that Minnesota Power shall obtain "approximately 200 MW, subject to need, of intermediate capacity (and associated energy) in the 2015-2017 timeframe by constructing the resource itself, by sharing in the ownership of the resource, or by procuring the resource through bilateral contracts, whichever option is most cost-effective").

there are plenty of options for smaller, more flexible arrangements to meet any near-term capacity needs.

III. CONCLUSION

XLI believes that the circumstances have changed so dramatically since the RAP Docket was initiated that it is virtually impossible to determine Xcel's capacity needs in the 2017-2019 timeframe from the record. This is unfortunate and XLI recognizes that considerable time and investment have gone into this proceeding. Inertia is not, however, a resource planning tool. Rather, the Commission has a statutory responsibility to protect ratepayers from unnecessary and unwise investment choices. It is in the best interests of the rate payers to instead postpone at least the more significant investment choices in the RAP Docket and make them instead with the benefit of the analysis required in the next resource planning process. There is still sufficient time to do this and build natural gas units in the relevant timeframe if so required. More importantly there are many more flexible options at Xcel's disposal to meeting interim need quickly and efficiently. To this end:

- XLI requests that the ALJ recommend that the Commission determine that the record has been inadequately developed in light of changed circumstances, that further administrative proceedings are required to more accurately determine Xcel's 2017-2019 need, and that those proceedings can be adequately handled in Xcel's forthcoming resource planning process.
- In the alternative, XLI requests that the ALJ recommend that the Commission make the lowest-cost selections it deems necessary based on the record, but for the purposes of meeting Minn. Stat. § 216B.2422, subd. 5, only so as to limit additional regulatory proceedings for the selected project(s). XLI further recommends that the selected project(s) then be contingent on final approval in Xcel's next five-year action plan.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I, Kathy Prestidge, hereby certify that I have this day, served a true and correct copy of the following documents to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States Mail at Minneapolis, Minnesota.

Post-Hearing Public Comment of the Xcel Large Industrials

In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process
PUC Docket No. E-002/CN-12-1240
OAH Docket No. 08-2500-30760

Dated this 22nd day of November, 2013.

/s/ Kathy Prestidge _____
Kathy Prestidge

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