

**NEW/REVISED DECISION OPTION
Proposed by Commissioner Ham
[Agenda meeting May 15, 2026]**

DOCKET NUMBER E-022/M-25-289

ANALYST Christine Pham, Justin Andringa, Sean Stalpes, Nikki Brown-Huss

DATE/TIME SUBMITTED 05/12/2026

TITLE Ham New and Modified Decision Options.

ATTACHMENT Yes – Commissioner Ham Preferred DOs

SUBJECT In the Matter of Xcel Energy’s Petition for Approval of Large General Time of Day Service Customer and Large Peak Controlled Time of day Service Tariffs.

In the Matter of Xcel Energy's Petition for Approval of Large General Time of Day Service Customer and Large Peak Controlled Time of day Service Tariffs. (Docket No. E-022/M-25-289)

Commission Ham proposes his decision options as follows:

Large General TOD Service

2. Approve Xcel's proposed Large General Time of Day Service Tariff with the modifications identified below. {Department, Google, ELPC/VS}

Large Peak Controlled TOD Service

4. Approve Xcel's proposed Large Peak Controlled Time of Day Service tariff with the modifications identified below. {Department, ELPC/VS}
8. Approve the Company's proposed revisions to the CIP Adjustment Rider Tariff. {Xcel, Department, Google}

Retail Customer Form ESA

14. Modify the ESA to permit financial security and collateral provisions to be satisfied by the guaranty from a credit-worthy third-party. {CloudHQ, DCC}
16. Require Xcel to explicitly state in its tariffs and agreements that the costs of system upgrades or modifications necessitated by the expansion of service to the very large customer will be borne by that customer and not other ratepayer classes. {CUB}
17. Modify the tariff to include the following term: "Nothing in the tariff prohibits Xcel and a large load customer from including additional terms or conditions, so long as such terms and conditions do not contradict the tariff and comply with the Large Load Statute." {Google}

Incremental Cost Test

20. Approve the Incremental Cost Test as a tool to compare the costs imposed by and revenues derived from the addition of a new large load customer. {Xcel}
26. Require Xcel to file information with each Incremental Cost Test submission sufficient to allow for interpretation and replication of the results, including but not limited to the following:
 - A. the EnCompass analysis used to determine resources required;
 - B. the sources, assumptions, and methods used to arrive at all cost and revenue estimates; and
 - C. upper and lower bound ranges for all estimates. {OAG}

27. For any values and calculations identified as protected data in the Incremental Cost Test, Xcel must provide specific explanations of why protected status is necessary. {OAG}
30. Require Xcel to include an appropriate share of embedded system costs in the Incremental Cost Test and rename it the Very Large Customer Cost Test to reflect this change. {OAG}

Key Terms/Rate Design

General

38. Require Xcel to incorporate revised allocation factors into annual rider filings as new very large customers come online. {CUB}

Size Threshold

42. Approve the Company's proposed application of the tariffs to new loads sized 100 MW or greater. {Xcel, Google, DCC}

Ham MODIFIED 46. Require Xcel to submit a compliance filing whenever a customer meeting or exceeding ~~50-25~~ MW of load-but falling below the automatic applicability threshold-seeks to interconnect to the Company's system. As part of this filing, Xcel must explain its reasoning for whether the new customer is "system intensive." System intensive customers are those that will require significant system modifications, design, engineering, or other expenditures prior to receiving service. Require Xcel to treat each customer designated as system intensive as a "very large customer" for the purpose of Minn. Stat. § 216B.1622 and require such customers to take service under Xcel's Large General Time of Day Service Tariff or Large Peak Controlled Time of Day Service Tariff. {CUB}

Term Length

48. Approve the Company's proposed default initial term of an ESA taken under the tariffs of at least 15 years. {Xcel}

Exit Fee

Ham MODIFIED 70. Approve the Company's proposed terms for an exit fee, including its 24-month notice period and its calculation, modified as follows. The calculation is the current effective demand charges, times seventy five eighty percent ~~{7580%}~~, ~~times the lesser period of ten {10} years or~~ the remainder of the ESA term, plus remainder of revenues required through the Incremental Cost Test. {Xcel}

Ham MODIFIED 77. Approve that the minimum bill, exit fee, and capacity reduction fee shall be based on ~~7580~~ percent of contract capacity. {DCC}

Ham MODIFIED 78. Modify Xcel's proposed Large General Time of Day Service {Rate Code AXX} and the Large Peak Controlled Time of Day Service {Rate Code AXX} as follows:

Adjusted On Peak Period Demand in kW for billing purposes shall be determined by dividing the Maximum Actual On Peak Period Demand by the power factor expressed in percent but not more than 95%, multiplying the quotient so obtained by 95%, and rounding to the nearest whole kW. In no month shall the on peak period demand to be billed be less than the current month's Adjusted On Peak Demand in kW, or no less than 858075%* of the Load Ramp Capacity or Contract Capacity as defined for that time period in the ESA.

*The final customer-specific percentages of either the "Load Ramp Capacity" or the "Contract Capacity" are subject to approval by the Minnesota Public Utilities Commission.

CUSTOMER LOAD RAMP AND MINIMUM BILL

The maximum Load Ramp Period is up to five {5} years. Pursuant to the ESA, in each month after Company's Facilities are capable of energization, the Customer will be billed equal to the greater of: {a} the on peak period demand; or no less than {b} 858075%* of the Load Ramp Capacity, multiplied by the effective monthly demand charge plus the effective customer charge and other applicable Tariff related charges, as calculated pursuant to the Terms and Conditions of Service herein. After the Load Ramp Period, the Customer will be billed equal to the greater of: {a} the actual metered on peak period demand to be billed; or no less than {b} the Adjusted 858075%* of the Contract Capacity, multiplied by the effective monthly demand charge plus the effective customer charge and other applicable Tariff related charges as calculated pursuant to the terms and Conditions of Service herein.

*The final customer-specific percentages of either the "Load Ramp Capacity" or the "Contract Capacity" are subject to approval by the Minnesota Public Utilities Commission.

Terms and Conditions of Service

10. Security/Risk Mitigation: At a minimum, the following security and risk mitigation requirements will be included in the ESA.

a. Sufficient credit report;

b. Minimum On Peak Demand Charges. The Minimum On Peak Demand Charges during and after the Load Ramp Period shall be equal to the greater of {i} on peak period demand to be billed or no less than {ii} ~~858075~~%* of the Effective Contract Capacity, multiplied by the effective firm demand charge during the month for which the bill is rendered; and

*The final customer-specific percentages of either the "Load Ramp Capacity" or the "Contract Capacity" are subject to approval by the Minnesota Public Utilities Commission. ~~{DCC}~~

Class Cost of Service

Definition of a Class or Subclass

Ham MODIFIED 80. Confirm that the large customer class or subclass is defined based on customer demand {over 100 MW} and not based on ~~load factor or~~ business type. ~~{DCC}~~

83. Require Xcel to create a separate very large customer class for cost allocation and rate design purposes. {OAG, XLI, Google alternative}

Cost Attribution

85. Approve Xcel's proposed treatment to allocate any additional revenue accruing from the large load customer to all other customers to offset incremental costs. {Xcel}

87. Require Xcel to design a sales true-up for the Very Large customer class in its next rate case. {Department}

Ham MODIFIED 91. In future rate cases, Large customers shall be treated as a collective group for cost allocation purposes, with costs assigned to the large customer class or subclass as a whole and not on a customer-by-customer basis. ~~{DCC}~~

Ham MODIFIED 92. Require Xcel to explicitly state in its tariffs and agreements that the costs of transmission and distribution system upgrades or modifications

necessitated by the expansion of service to the very large customer will be borne by that entity through Contributions in Aid of Construction (CIAC) and not other ratepayer classes. {CUB}

Compliance with IRP Order and Minn. Stat. § 216B.1622

102. Find that the Company's proposal complies with the IRP Order {April 21, 2025, Order in Docket Nos. E002/RP-24-67 and E002/CN-23-212}, and Minn. Stat. § 216B.1622. {Xcel}

106. Approve the Retail Customer Form ESA. The Commission will determine compliance with the IRP Order and Minn. Stat. § 216B.1622, Subd. 2 when each customer-specific ESA is brought before the Commission for approval. {Department}

Clean Energy and Demand-Side Management

General

108. Approve the Company's proposed amendment to Article 3 of the form ESA as described in the Company's Reply Comments. {Xcel}

Behind the Meter Generation {BTMG} / Bring Your Own Generation {BYOG}

116. Require Xcel to modify Section 1.03 of its Form IA to reflect Xcel's proposed updated additional language in 3. *Service Provided Pursuant to Tariffs* of the Retail Customer Form ESA. {Department}

Interconnection Issues {e.g. fast lane, queue management}

Ham MODIFIED 120. Require Xcel to work with stakeholders to develop new large-load interconnection standards appropriately tailored to the specific characteristics of very large customers in a timely manner. ~~As part of any consideration of new large-load interconnection standards, Xcel Energy shall consider modified prioritization, including specifically prioritizing very large customers that present less risk to other customers, such as those that have deployed clean behind the meter generation and energy storage, load flexibility, and other demand-side management, and/or customers that are obtaining their own energy supply, including through the forthcoming Clean Energy and Capacity Tariff.~~ {ELPC/VS}

122. Require Xcel to begin stakeholder discussions to develop the voluntary clean energy and capacity tariff required by Minn. Stat. § 216B.1623. {CGA, DCC, CGA, ELPC/VS, Google}

Ham MODIFIED 126. Require Xcel Energy to file a Tariff and Retail Customer Form Electric Service Agreement within 390 days of the Commission's final order in this proceeding. {ELPC/VS}

Procedural Issues and Reporting Filings

127. Require Xcel to track and refund the difference in rider recovery between when a very large customer comes online and when new allocation factors are adopted by the Commission. {CUB}
134. Require the Company to submit a compliance filing any time the total load of a parent company and its subsidiaries exceeds the applicability threshold for very large customers, and either the Company chooses not to aggregate facilities or the customer disputes the Company's aggregation determination. The compliance filing should explain and justify the Company's aggregation decision. If both the Company and the customer agree to aggregate, no separate filing would be needed, as information on that determination would be included with the ESA. {CUB}

NEW Option 136: Require that any customer qualifying for the very large customer class must successfully execute an Electric Service Agreement (ESA) and Interconnection Agreement (IA) prior to the energization of Company facilities.

NEW Option 137: Xcel must demonstrate—through a submitted plan and modeling analysis filed concurrently with each individual customer's Electric Service Agreement (ESA) for Commission approval—that the electricity provided to the very large customer achieves each quantitative benchmark of the state's electricity standards under section 216B.1691 without recourse to requesting a delay or modification.