

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott  
Edward A. Garvey  
Joel Jacobs  
Marshall Johnson  
LeRoy Koppendrayer

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of the Request of Northern  
States Power Company d/b/a Xcel Energy for  
Approval of a Renewable Development Fund  
Oversight Process

ISSUE DATE: April 20, 2001

DOCKET NO. E-002/M-00-1583

ORDER ADOPTING PROPOSAL FOR  
OVERSIGHT AND OPERATION OF  
RENEWABLE DEVELOPMENT FUND

**PROCEDURAL HISTORY**

On November 20, 2000, Northern States Power Company, an operating utility subsidiary of Xcel Energy Inc., doing business as Xcel Energy, filed a proposal for the establishment, operation, and regulatory oversight of a fund for the development of renewable energy sources. The Company was required by law to establish and administer this fund as a condition of storing spent nuclear fuel in dry casks at its Prairie Island nuclear power plant. Minn. Stat. § 116C.779.

The following persons commented on the Company's proposal: the Minnesota Department of Commerce, the Clean Water Action Alliance, the Minnesota Project, the Izaak Walton League of America, Clark J. McDonald, SolarAttic, Inc., Crown Hydro, Environomics, and BECO, Inc.

On March 29, 2001, the matter came before the Commission.

**FINDINGS AND CONCLUSIONS**

**I. Statutory Background**

The statute creating the Company's obligation to establish and administer the renewable development fund reads as follows:

(a) The public utility that operates the Prairie Island nuclear generating plant must transfer to a renewable development account \$500,000 each year for each dry cask containing spent fuel that is located at the independent spent fuel storage installation at Prairie Island after January 1, 1999. The fund transfer must be made if waste is stored in a cask for any part of a year. Funds in the account may be expended only for development of renewable energy sources. Preference must be given to development of renewable energy source projects located within the state.

(b) Expenditures from the account may only be made after approval by order of the public utilities commission upon a petition by the public utility.

Minn. Stat. § 116C.779.

The statute dealing with rate recovery of fund-related expenses reads as follows:

Upon the petition of a public utility, the public utilities commission shall approve or disapprove power purchase contracts, investments, or expenditures entered into or made by the utility to satisfy the wind and biomass mandates contained in sections 216B.2423 and 216B.2424, or to develop renewable energy sources from the account required in section 116C.779. The expenses incurred by the utility over the duration of the approved contract or useful life of the investment and expenditures made pursuant to section 116C.779 shall be recoverable from the ratepayers of the utility, to the extent they are not offset by utility revenues attributable to the contracts, investments, or expenditures. Upon petition by a public utility, the commission shall approve or approve as modified a rate schedule providing for the automatic adjustment of charges to recover the expenses or costs approved by the commission. . . .

Minn. Stat. § 216B.1645.

## **II. The Proposal**

The proposal submitted by the Company came out of a long, collaborative process in which the Company and the environmental community (which had pressed for the legislation requiring the Fund) were the main participants.

In 1999 the Company and environmental stakeholders signed a letter agreement setting up a formal process by which they would jointly develop, for presentation to the Commission, proposed operating procedures, project eligibility criteria, and regulatory oversight mechanisms for the new Renewable Development Fund. They agreed to delegate these tasks to an Advisory Committee made up of two Xcel representatives, two environmental representatives, and two customer representatives selected jointly by the Company and the environmental stakeholders.

The Advisory Committee began meeting in July 1999, with informal participation by staff members from the Commission, the Department of Commerce, and the Residential and Small Business Utilities Division of the Office of the Attorney General. The committee mailed copies of the first draft of its proposal to a broad range of stakeholders, seeking public input.

The Advisory Committee completed its work shortly before the Company made this filing. The Company's filing incorporates all the Committee's recommendations and has its full support.

The main features of the proposal, as modified by the parties in response to public comment and in the course of this proceeding, are summarized below.

### *Funding, Accounting, and Rate Recovery*

- Xcel would take the accounting steps necessary to reflect an initial fund balance of \$10.5 million – \$4.5 million for 1999 (nine casks at the statutory contribution of \$500,000 per cask) and \$6 million for 2000 (twelve casks at the statutory contribution of \$500,000 per cask)
- Xcel would use deferred accounting for tracking obligations and expense recovery in connection with the Renewable Development Fund
- Xcel would use the automatic fuel adjustment clause to recover expenses incurred in funding and administering the Renewable Development Fund

### *Selecting and Funding Eligible Projects*

- Xcel and the environmental community would each appoint an equal number of members to the Renewable Development Fund Board, which would review all applications for funding and make recommendations to Xcel
- Xcel would be bound by the Board's final selections, unless the Company requested reconsideration within 14 days
- Xcel would submit the final selections for Commission review and approval
- Xcel would submit final contracts for Commission approval
- Funds could be distributed in the form of grants, loans, production incentives, equity partnerships, or any other funding vehicle approved by the Board, recommended by Xcel, and ratified by the Commission
- Funding priorities would be as follows:
  - At least 60% of all disbursements would go to construct or refurbish wind, solar, hydro, or biomass facilities capable of generating electricity
  - Up to 20% of all disbursements could go to support new and experimental technologies, with the goal of making them commercially viable
  - Up to 20% of all disbursements could go to basic research and development expected to yield new knowledge that would be widely shared or new technologies that could support commercially viable technologies
  - Projects in Xcel's Minnesota service territory would have the highest priority, followed by Minnesota projects outside Xcel's service territory, followed by out-of-state projects

### *Performance Time Lines, Regulatory Oversight*

- November 20, 2000 – Xcel files for Commission review and approval a comprehensive plan for the establishment, operation, and regulatory oversight of the Renewable Development Fund
- May 31, 2001 – Xcel submits Request for Proposals, developed by the Renewable Development Fund Board, for Commission review
- June 30, 2001 – Xcel issues Request for Proposals, unless the Commission directs otherwise
- August 15, 2001 – Renewable Development Board submits to Xcel its list of eligible applicants
- October 1, 2001 – Renewable Development Board submits to Xcel its short list of projects, with final funding recommendations
- October 15, 2001 – Xcel files final project selections for Commission review and approval
- December 17, 2001 – Xcel files signed contracts for Commission review and approval
- The Renewable Development Board submits biennial reports to the Commission and the Legislature

### **III. The Issues; the Positions of the Parties**

#### **A. The Department of Commerce**

With the additions and exceptions set forth below, the Department of Commerce concurred in the Company's proposals.

- (1) The Department recommended requiring the Company to transfer the \$4.5 million for 1999 (nine casks at the statutory contribution of \$500,000 per cask) and \$6 million for 2000 (twelve casks at the statutory contribution of \$500,000 per cask) to an internal, interest-bearing account within ten days of the date of the Commission's Order in this case.
- (2) The Department recommended requiring the Company to record its 2001 renewable development liability (and related regulatory asset) within 10 days of the date of the Commission's Order and to transfer the funds to the interest-bearing internal account over the course of calendar year 2001.
- (3) The Department recommended requiring the Company to record its renewable development liability (and related regulatory asset) on January 1 of each year, adding any liability (and related regulatory asset) for new casks as they are added.

The Department recommended requiring the Company to use the interest on amounts transferred to the Renewable Development Fund account to offset the expenses recovered from ratepayers.

**B. Xcel**

The Company opposed attributing interest to amounts transferred to the Renewable Development Fund; it did not object to the Department's other recommendations.

**C. The Minnesota Project and the Southwest Regional Development Commission**

The Minnesota Project is the coordinator of SEED (Sustainable Energy for Economic Development), which is a coalition of 26 urban and rural, environmental and economic development organizations. SEED signed the original letter agreement which led to the development of the Company's proposal, and SEED is the organization designated by the environmental community to name the environmental representatives to the Renewable Development Fund Board. One of these representatives is a member of the Southwest Regional Development Commission.

The Minnesota Project and the Southwest Regional Development Commission opposed the Department's interest proposal, stating that the Advisory Committee had considered and rejected requiring interest on monies transferred to the Renewable Development Fund. These parties were concerned that requiring interest could delay implementation of the proposal while the interest issue was litigated or undermine the parties' negotiated agreement.

**D. Clean Water Action Alliance, the Izaak Walton League of America**

The Clean Water Action Alliance and the Izaak Walton League of America, both active participants in developing the proposal, opposed the Department's interest proposal. Like the Minnesota Project and the Southwest Regional Development Commission, they stated that this issue had been resolved by the parties as they developed the proposal and that requiring interest could delay implementing the proposal.

**E. Public Comments**

Five members of the public filed comments on the proposal: Clark J. McDonald, SolarAttic, Inc., Crown Hydro, Environomics, and BECO, Inc.

Mr. McDonald argued that all Fund disbursements should be grants, since loans and other financial incentives were available from other programs; that the federal government should require all energy suppliers to fund renewable education; that funds not spent within a year should earn simple interest; that hydro technology is commercially competitive and should not qualify for funding; and that the Fund should try to support projects that were more creative than wind generation.

Environomics, a company specializing in manure digestion renewable energy and utilization, argued that any project funded should be able to demonstrate a mass balance, an energy balance, and experience with similar feedstock at the scale of the project under construction.

BECO, Inc. urged the Commission to require Xcel to state clearly and separately on each customer's bill the dollar amount attributable to the Renewable Development Fund, to ensure that customers appreciate the true cost of nuclear power and to spur conservation.

Solar Attic, Inc. contended that the focus on renewable generation sources was too narrow and that energy-saving technologies should be given equal consideration.

Crown Hydro urged the Commission to expedite the creation and operation of the Fund, to avoid disqualifying applicants facing pressing deadlines. Crown Hydro holds a license to construct a 3.5 MW hydroelectric facility on the west bank of the Mississippi River, near St. Anthony Falls Lock and Dam in downtown Minneapolis. The project must be generating electricity by December 31, 2001 to qualify for renewable energy incentive payments under Minn. Stat. § 216C.41. The company therefore urged the Commission to set an expedited schedule for selecting projects for funding.

#### **IV. Commission Action**

The Commission will approve the Company's proposal, with most of the additional requirements recommended by the Department.

The Commission will not require interest on monies transferred to the Fund and will not shorten the time frames the parties set for implementing their proposal. The Commission will grant the rule variances the Company needs to recover Fund expenditures through the automatic fuel adjustment as the need arises.

These actions will be explained in turn.

##### **A. Proposal Approved**

The Commission agrees with the parties that the proposal for developing and administering the Renewable Development Fund is essentially sound, thoughtful, and consistent with statutory requirements. The project eligibility guidelines, application procedures, and selection criteria are fair, reasonable, and likely to further the statutory goal of speeding the development of renewable energy.

The collaborative process used to develop the proposal seems to have ensured that all interests and viewpoints were aired and, if not accommodated, at least taken into account. At the end of the process, all parties were satisfied that the resulting proposal deserved their unqualified support.

Of course, ongoing cooperation between Xcel and the environmental community is essential if the Fund is to succeed; not only may mid-course corrections be necessary, but new technologies and changing market conditions may require a shift in focus. The parties have ensured this ongoing cooperation by institutionalizing it – the Renewable Development Board will be made up of equal numbers of Xcel and environmental appointees, decisions will be taken by consensus, and the Company will be bound by Board decisions unless it formally requests their reconsideration. These structural arrangements bode well for the effective and flexible management of the Fund.

The Commission finds that the proposal is in the public interest and will approve and adopt it.

### **B. Interest Not Required**

The Department recommended requiring the Company to record its renewable development fund obligations in an internal interest-bearing account and to use the interest on the account to offset amounts recovered from ratepayers. The Department gave three reasons for this recommendation.

First, the Department believed that the Company had been slow to meet its statutory obligation to establish the Fund and that imposing an interest obligation on shareholders would prevent future delays. Second, the agency argued that requiring interest would be consistent with the treatment of other internal dedicated accounts, such as the nuclear decommissioning fund. Third, the Department interpreted the statutory requirement to offset amounts recovered from ratepayers with amounts earned on "investments" to include imputed interest on amounts available to the Company as working capital in the absence of prompt expenditures of the funds.

The Commission disagrees. First, the analogy between the internal nuclear decommissioning fund and the Renewable Development Fund is neither precise nor persuasive. All amounts in the nuclear decommissioning fund have actually been collected from ratepayers and used by the Company as working capital. None of the amounts posted to the Renewable Development Fund have been collected or constitute additional monies available for Company use. (Instead, the statute provides for ratepayer recovery as funds are expended.<sup>1</sup>) Charging shareholders interest on funds that they have not yet collected would be an anomaly requiring compelling justification.

Second, the Commission is not convinced that rapid disbursement of monies from the Fund is the best public policy. As the parties point out, it is important to fund strong projects with significant potential for improving Minnesota's energy future. Creating financial incentives to spend the money as quickly as possible could work at cross purposes with this important goal.

Further, whatever the Company's past performance, both the Company and the stakeholders are now actively engaged in making the Renewable Development Fund a reality. Given the parties' proposal, which is largely self-executing, further delay seems highly unlikely. And even if it did occur, it seems clear that the Department and the environmental stakeholders would (and should) promptly seek Commission action to keep the process moving forward.

Finally, the parties urged the Commission to respect the fact that the interest issue was thoroughly debated in the negotiations leading up to the letter agreement, with the parties ultimately rejecting the interest option. Imposing interest at this point, they said, could cause delay or unravel other portions of the proposal. While not dispositive, this fact, too, militates against imposing interest on the shareholders.

For all these reasons, the Commission will not adopt the Department's interest proposal.

<sup>1</sup> Minn. Stat § 216B.1645.

### **C. Time Frames for Performance**

Crown Hydro urged the Commission to shorten the implementation time lines proposed by the parties, to avoid disqualifying applicants, including itself, facing pressing deadlines.

Crown Hydro holds a license to construct a 3.5 MW hydroelectric facility on the west bank of the Mississippi River, near St. Anthony Falls Lock and Dam in downtown Minneapolis. To qualify for crucial renewable energy incentive payments, the project must be operational by December 31, 2001.<sup>2</sup> To become operational by that date, it needs start-up funds, which it hopes to get from the Renewable Development Fund. Under the schedule proposed by the parties, however, the Fund would not make disbursements in time to allow the company to meet the December 31 deadline.

Despite this unfortunate timing discrepancy, the Commission finds that the public interest is best served by adopting the time lines recommended by the parties. Not only are the time lines reasonable on their face, but the parties, who must perform under them, are in the best position to judge how quickly they can competently perform the remaining tasks.

Further, for the Fund to meet its goals of spurring innovation and spreading renewable technologies, the parties must publicize the Fund and expand the pool of applicants beyond those already poised to apply. Shortening the parties' performance deadlines can only make this more difficult.

For all these reasons, the Commission will adopt the performance time table submitted by the parties.

### **D. Variance Request**

The Renewable Development Fund statute clearly authorizes the Company to use an automatic rate adjustment to recover Fund costs and expenses.<sup>3</sup> The Company asked the Commission to grant the variance(s) necessary to permit it to use the existing fuel adjustment clause, instead of creating a new automatic adjustment for the Renewable Development Fund.

Using the existing automatic rate adjustment would be more efficient, more economical, and less confusing than creating another rate adjustment mechanism. It would also be consistent with the legislative intent to ensure prompt and full rate recovery of these costs. The Commission agrees that the fuel adjustment clause is a proper vehicle for rate recovery and will act on variance requests to permit its use as the need arises.

<sup>2</sup> Minn. Stat. § 216C.41.

<sup>3</sup> Minn. Stat. § 216B.1645.



## ORDER

1. The Commission approves and adopts Xcel Energy's proposal for the establishment, administration, and regulatory oversight of the Renewable Development Fund, with the minor adjustments proposed by the Company in the course of this proceeding.
2. The Commission approves and adopts Xcel's proposal for project selection and Commission and Board oversight, as described below:
  - the Commission reviews and approves selection criteria as proposed by the Advisory Committee
  - a Board is created to oversee the selection process, including developing a Request for Proposals (RFP) based on the selection criteria, applying the selection criteria, and assisting in the selection of winning bidders
  - the Board develops an RFP, which will be submitted to the Commission; 30 days after submitting the RFP to the Commission, Xcel issues the RFP, unless it is otherwise directed by the Commission
  - the Board has oversight and provides a final selection recommendation, which shall be deemed to be conclusive and result in selection by Xcel unless Xcel requests reconsideration by the Board of the decision. Xcel makes its request for reconsideration to the Board within 14 days of receiving the Board's final selection recommendation
  - Xcel enters into negotiations for an Agreement with the selected entity. In the event of an impasse in negotiations, Xcel notifies the Board in order to determine whether to move to another selection or to otherwise proceed
  - Xcel submits final proposal selections to the Commission; if the Commission does not initiate an investigation within 30 days, Xcel then proceeds with contract negotiations
  - all contracts executed with winning bidders are submitted to the Commission for review and approval before the funds are awarded
  - the Board submits biennial progress reports to the Commission and the Legislature addressing the operation of the Renewable Development Fund
3. The Commission approves and adopts Xcel's proposed project selection criteria, which are attached to this Order as Attachment A.
4. Within ten days of the date of this Order, the Company shall record, in addition to the \$10.5 million already recorded, a \$6 million liability and the related regulatory asset, by debiting Account 182.3 and crediting Account 253.
5. In the future, the Company shall record its liability under Minn. Stat. § 116C.779 for existing casks and its related regulatory asset by January 1 of each year.

6. The Company shall record liabilities and regulatory assets for any future casks added mid-year as they are added.
7. Within ten days of the date of this Order, the Company shall transfer \$10.5 million to an internal renewable development account (Account 128). The Company shall transfer the remaining \$6 million over the course of the year 2001.
8. The Commission grants the Company's request to use deferred accounting in its accounting treatment of its obligations under Minn. Stat. § 116C. 779.
9. Xcel Energy shall file requests for variances to the Commission's fuel adjustment clause rules as the need for rate recovery of Renewable Development Fund costs and expenses arises.
10. Xcel Energy shall comply with the performance time table set forth in this Order. In the event it is unable to meet any deadline in that time table, the Company shall file a letter on or before the deadline, explaining the changed circumstances, the reasons for delay, and its proposal for a different deadline.
11. Within 15 days of the Commission's March 29, 2001 meeting, Xcel Energy, in cooperation with the environmental stakeholders, shall file the definition of "biomass" which they propose to use in determining project eligibility.
12. The Company shall immediately notify the Commission of any intention to revise or modify the project selection criteria approved as part of this proposal.
13. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

*Mark E. Oberlander for*

Burl W. Haar  
Executive Secretary

(S E A L)

This document can be made available in alternative formats (i.e., large print or audio tape) by calling (651) 297-4596 (voice), (651) 297-1200 (TTY), or 1-800-627-3529 (TTY relay service).

## RENEWABLE DEVELOPMENT FUND DRAFT SELECTION CRITERIA

The Renewable Development Fund is intended to foster the development of renewable electricity generating resources in Minnesota. The following guidelines are intended for use by the Renewable Development Board to administer the fund and select projects for funding. These guidelines are intended solely for the purpose of guiding the Board's funding decisions and are not intended as precedent in other forums where broader policies related to renewable energy are addressed.

### I. Funding Priorities

To derive the maximum benefit for Minnesota's electric consumers and for the economic well being of the state, the following goals are listed in order of priority:

#### A. Development of New Renewable Resources Capable of Generating Electricity

- A new renewable resource is defined here as either a newly constructed renewable energy facility or a refurbishment of an existing renewable energy facility that results in an increase in the production of renewable energy.
- Commercially viable technologies are preferred to technologies that are in the developmental stages. A project is commercially viable if the technology employed has been demonstrated to generate electricity on a commercial (not experimental) basis.
- Eligible technologies are listed below.
  - Wind
  - Solar
  - Hydro
    - Eligible hydro is limited to run of river projects with a head of less than 66 feet (20 meters).
    - Pumped storage hydro is not eligible.
  - Biomass
- Cost-effectiveness should be given significant weight when evaluating proposals in this category. Cost-effectiveness will be measured by considering the present value of the costs and benefits of a proposed project and will be calculated from the perspective of the effect on NSP's ratepayers.
- Projects that promote economic development in Minnesota are preferred.

- Projects sponsored by the Prairie Island Indian Community (also known as the Prairie Island Mdewakanton Dakota Community) should be given preference.
- To the extent that sufficient cost-effective projects are available, the Board shall attempt to fund a diverse mix of technologies and individual project participants in this category.

**B. Development of Renewable Electricity Resources Not Yet Commercially Viable**

- Funding for new and experimental technologies that require an infusion of start-up capital are encouraged in this category.
- Funding should be provided with an expectation of continuing support of a successful project through additional stages of development, leading ultimately to commercial viability.

**C. Basic Research and Development of Renewable Electric Generation and Supporting Technologies**

- Funding for projects that can support commercially viable technologies.
- Emphasis on research that can be shared by others.

**II. Funding Mechanisms**

The Renewable Development Board may consider innovative funding mechanisms, including but not limited to:

- Grants
- Loans and/or revolving loan funds
- Production incentives
- Equity partnerships

In the initial funding cycle, grant proposals are preferred.

**III. Geographic Preferences**

Projects shall be evaluated on the following order of preference:

- Projects in NSP's service territory and in Minnesota
- Projects not in NSP's service territory, but in Minnesota

NSP's service territory is defined here as the current electric service territories of Northern States Power Company in Minnesota, North Dakota, South Dakota, Wisconsin, and Michigan.

#### IV. NSP's Rights and Obligations

- NSP or its affiliates may propose projects for funding under any or all of the Funding Priority categories described in Section I. If NSP or an affiliate submits proposals for funding, it is obligated to abide by a process to separate proposer and evaluator deemed appropriate by the Public Utilities Commission.
- NSP retains a right of first refusal to purchase all electricity available for sale that is generated by funded projects.
- A decision by the Board to fund a project does not impose obligations on NSP to purchase electricity from funded projects beyond what is already required under Minnesota Rules parts 7835.0100 through 7835.9910 (Cogeneration and Small Power Production).
- NSP shall develop a proposal scoring system that is consistent with the funding priorities and preferences outlined in this document. NSP shall submit this scoring system as part of a filing to the Public Utilities Commission.

#### V. Fund Administration

##### A. Allocation to Funding Priorities

Funds may be used to address any of the purposes outlined in Section I (Funding Priorities). Additionally, the Board should allocate funds to these priorities using the following annual targets:

<u>Category</u>	Percent Allocation
A	60%
B	20%
C	20%

The Board may vary from these targets to the extent that additional category A projects are worthy of funding. In no case should the Board exceed the targets set for category B and C projects. In cases where insufficient category A projects are worthy of funding to meet the target allocation, funds should be deferred for disbursement in future years. The Board may consider revision of these targets after complete evaluation of the initial funding cycle.

##### B. Administrative Expenses

The Board may also allocate funds to reimburse Board members for direct expenses incurred in the evaluation of proposals. Funds may also be used to monitor and evaluate the Renewable Development Fund, as required in Section VI. In no case may these costs exceed five percent (5%) of the fund's total annual allocation. These expenses shall count towards NSP's total financial obligation to the Renewable Development Fund.

**C. Mandate Compliance Projects Not Eligible**

Funds may not be used to sponsor projects intended to assist Northern States Power Company in meeting its obligations under Minn. Stat. Sections 216B.2423, Subd. 1 (Wind Power Mandate) and 216B.2424 (Biomass Power Mandate). Projects intended to meet obligations under Minn. Stat. Section 216 B.2423, Subd. 2 (Resource Planning Mandate) are not eligible in the initial funding cycle.

**D. Equal Opportunity for Public and Private Proposals**

In its selection process, the Board shall give equal consideration to proposals from public and private institutions.

**VI. Commitment to Data Collection and Evaluation**

- Each funded project shall include the collection and dissemination of information related to the performance of the project.
- Fund recipients shall submit periodic reports on the performance of the funded project sufficient for the Board to use for provision of periodic reports to the legislature and the Public Utilities Commission regarding performance of the Renewable Development Fund. The Board shall allocate funds sufficient to achieve this purpose.
- The Board shall evaluate the Renewable Development Fund and the Mechanisms it uses to develop renewable electricity sources and report periodically to the legislature and the Public Utilities Commission. The Board shall allocate funds sufficient to achieve this purpose.
- The Board shall establish guidelines for handling trade secret and proprietary data sufficient to protect the rights of all parties.

STATE OF MINNESOTA)
)SS
COUNTY OF RAMSEY )

AFFIDAVIT OF SERVICE

I, Margie DeLaHunt, being first duly sworn, deposes and says:

That on the 20th day of April, 2001 she served the attached

ORDER ADOPTING PROPOSAL FOR OVERSIGHT AND OPERATION OF RENEWABLE DEVELOPMENT FUND.

MNPUC Docket Number: E-002/M-00-1583

- XX By depositing in the United States Mail at the City of St. Paul, a true and correct copy thereof, properly enveloped with postage prepaid
XX By personal service
XX By inter-office mail

to all persons at the addresses indicated below or on the attached list:

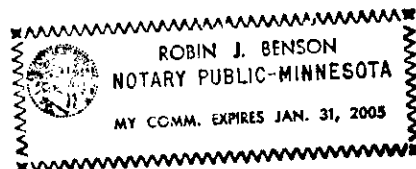
- Commissioners
Carol Casebolt
Peter Brown
Ann Pollack
Eric Witte
David Jacobson
AG
Louis Sickmann
Susan Mackenzie
Janet Gonzalez
Mary Swoboda
Mark Levinger - AG
Jessie Schmoker
Jean Dawson
Legislative Reference Library
Kathy Aslakson - DOC
Julia Anderson - OAG
Curt Nelson - OAG

Margie DeLaHunt (handwritten signature)

Subscribed and sworn to before me,

a notary public, this 20 day of April, 2001.

Robin Benson (handwritten signature)
Notary Public



In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
1 Service List

Burl W. Haar (15)  
Executive Secretary  
MN Public Utilities Commission  
Suite 350  
121 East Seventh Place  
St. Paul, MN 55101-2147

Kathy Aslakson (4)  
Docket Coordinator  
MN Department Of Commerce  
Suite 500  
85 7th Place East  
St. Paul, MN 55101-2198

Julia Anderson  
Special Assistant Attorney General  
MN Office Of The Attorney General  
525 Park Street  
Suite 200  
St. Paul, MN 55103-2106

Curt Nelson  
OAG-RUD  
900 NCL Tower  
445 Minnesota Street  
St. Paul, MN 55101-2130

James Alders  
Manager, Regulatory Projects  
Northern States Power Company  
414 Nicollet Mall  
Minneapolis, MN 55401-1993

Christopher Clark  
Xcel Energy Services  
Suite 2900  
800 Nicollet Mall  
Minneapolis, MN 55402-2023

Elizabeth Goodpaster  
O'Neill, Grills & O'Neill, P.L.L.P.  
W1750 First National Bank Building  
332 Minnesota Street  
St. Paul, MN 55101

William Grant  
Director  
Izaak Walton League, Midwest Office  
1619 Dayton Avenue  
Suite 202  
St. Paul, MN 55104-6206

Ralph Jacobson  
Innovative Power Systems  
1153 - 16Th Ave. SE  
Minneapolis, MN 55414

Diane Jensen  
The Minnesota Project  
Suite 315  
1886 University Ave. W.  
St. Paul, MN 55105

Richard Mattocks  
Environomics  
P.O. Box 371  
5700 Arlington Avenue, Suite 17A  
Riverdale, NY 10471

Clark McDonald  
504 - 20Th Street North  
Benson, MN 56215



In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
1 Service List

Diana McKeown  
Clean Water Action Alliance Of MN  
326 Hennepin Avenue East  
Minneapolis, MN 55414

Carl Nelson  
The Minnesota Project  
Suite 315  
1885 University Avenue West  
St. Paul, MN 55104

Ronald L. Nordin  
13994 Heather Street NW  
Andover, MN 55304

Ed Palmer  
SolarAttic, Inc.  
15548 95TH Circle NE  
Elk River, MN 55330

David Pogany  
1916 2ND Avenue South  
Minneapolis, MN 55403

Scott Vreeland  
Seward Neighborhood Group  
2437 - 33Rd Avenue South  
Minneapolis, MN 55406

Dr. Lynn Woodward  
Fuel Cell Heat And Power  
1400 Concordia Street  
St. Paul, MN 55104-5309

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Burl W. Haar (15)  
Executive Secretary  
MN Public Utilities Commission  
Suite 350  
121 East Seventh Place  
St. Paul, MN 55101-2147

Kathy Aslakson (4)  
Docket Coordinator  
MN Department Of Commerce  
Suite 500  
85 7th Place East  
St. Paul, MN 55101-2198

Julia Anderson  
Special Assistant Attorney General  
MN Office Of The Attorney General  
525 Park Street  
Suite 200  
St. Paul, MN 55103-2106

Curt Nelson  
OAG-RUD  
900 NCL Tower  
445 Minnesota Street  
St. Paul, MN 55101-2130

John Akemann  
WINPOWER, Division Of DTI  
PO Box 495  
St. Peter, MN 56082

Michael Anderson  
Energy Directions  
PO Box 290  
Bigfork, MN 56628

Sigurd W. Anderson  
Communities United For  
Responsible Energy  
P O Box 278  
Lake City, MN 55041

Elliot Bayly  
President  
World Power Technologies, Inc.  
19 Lake Ave. N.  
Duluth, MN 55802

David Bennett  
DJB Architects LTD  
5715 Clinton Ave. S.  
Minneapolis, MN 55419

David Benson  
Nobles County Commissioner  
RR 1, Box 88  
26461 - 320th Street  
Bigelow, MN 56117

Sara Bergan  
Great Plains Institute  
Suite 230  
2801 - 21st Ave. S.  
Minneapolis, MN 55407

Todd Bergerson  
Concerned River Valley Citizens  
1157 - 240th Street  
Dresser, WI 54009

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Tom Bertch  
Northern Lights Solar & Gas  
PO Box 211  
11904 Fine Lakes Rd  
Floodwood, MN 55736

Jennifer Blevins  
MAPA  
Suite S-307  
1821 University Avenue  
St. Paul, MN 55104

Todd Bockley  
Center For Social Sculpture  
2501 Irving Ave. S.  
Minneapolis, MN 55415

Don Brauer  
The Brauer Group, Inc.  
6116 Parnell Avenue  
Edina, MN 55424

Corey Brinkema  
The Green Institute  
2801 - 21st Ave. S.  
Minneapolis, MN 55407

Sandra Broekema  
EZ Watt.Com, Inc.  
Suite 695  
3001 Broadway Street NE  
Minneapolis, MN 55413-1707

Dick Brooks  
Action Media  
625 Jefferson Street NE  
Minneapolis, MN 55413

Faye Brown  
Honor The Earth  
Suite 230  
2801 - 21st Ave. S.  
Minneapolis, MN 55407

Jim Bullard  
Earthwood Builders, Inc.  
2572 - 280th Street  
Randolph, MN 55065

Joe Campbell  
Prairie Island Reservation  
5636 Sturgeon Lake Rd.  
Welch, MN 55089

Honorable Duane Carlson  
Association Of Minnesota Counties  
2019 St Highway 91  
Balaton, MN 56115

Mike Casper  
Carleton College  
Physics Dept.  
Northfield, MN 55057

George Crocker  
Prairie Island Coalition  
North American Water Office  
P. O. Box 174  
Lake Elmo, MN 55042

Heather Cusick  
Minnesota Senior Federation  
Suite 110  
555 Park Street  
St. Paul, MN 55103

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Lisa Daniels  
Windustry Project  
2104 Irving Ave. S.  
Minneapolis, MN 55405-2541

Mia Devine  
Minnesotans For An Energy-Efficient Ec  
Minnesota Bldg, Suite 600  
46 East Fourth Street  
St. Paul, MN 55101

Ernie Diedrich  
Economics  
St. Johns University  
Collegeville, MN 56321

Harvey O. Dow  
Harvey O. Dow Associates  
6212 Loch Moor Drive  
Minneapolis, MN 55439

Bruce A. Drew  
North American Water Office  
4425 Abbott Avenue South  
Minneapolis, MN 55410-1444

Bill Droessler  
MN Public Interest Research Group  
2414 University Avenue SE  
Minneapolis, MN 55414

Chris Duffrin  
Energy CENTS  
823 East Seventh Street  
St. Paul, MN 55106

John Dunlop  
Great Plains Representative  
American Wind Energy  
448 Morgan Ave. S.  
Suite 300  
Minneapolis, MN 55405-2030

Dennis Earley  
IUE Local 1140  
3747 Minnehaha Ave. S.  
Minneapolis, MN 55406-2699

Kristen Eide-Tollefson  
C.U.R.E. (Communities United  
For Responsible Energy)  
P O Box 130  
Frontenac, MN 55026

Brian Elliott  
Clean Water Action Alliance  
326 Hennepin Ave. E.  
Minneapolis, MN 55414

Tim Gerlach  
American Lung Association  
490 Concordia Ave.  
St. Paul, MN 55103

Jay Gislason  
Micon Wind Turbines  
PO Box 375  
700 North Seventh Street  
Marshall, MN 56258

Michael Goldberg  
Action Media  
780 Northstar Lane  
Grand Rapids, MN 55744

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

William Grant  
Director  
Izaak Walton League, Midwest Office  
1619 Dayton Avenue  
Suite 202  
St. Paul, MN 55104-6206

Janet Drake Hamilton  
Minnesotans For An Energy Efficient  
Economy  
46 E. 4th Street, Suite 600  
St. Paul,, MN 55101-1109

Mary Jane Heinen  
Whole Builders Co-Op  
2928 Fifth Avenue South  
Minneapolis, MN 55408-2412

Steven M. Hoffman  
Minnesotans for Energy Efficient Econ.  
University Of St. Thomas  
2115 Summit Avenue  
Mail #4322  
St. Paul, MN 55105-1096

Dana Jackson  
Land Stewardship Project  
2200 Fourth Street  
White Bear Lake, MN 55110

Ralph Jacobson  
Innovative Power Systems  
1153 - 16Th Ave. SE  
Minneapolis, MN 55414

Diane Jensen  
The Minnesota Project  
Suite 315  
1886 University Ave. W.  
St. Paul, MN 55105

Ken Hach  
Zond Development Corporation  
309 North Center Street  
PO Box 323  
Lake Benton, MN 56149

Dale Handeen  
Clean Water Action Alliance  
3838 Fremont Ave. N.  
Minneapolis, MN 55412

Randy Henk  
Natural Energy Systems, Inc.  
1802 Richard Court  
White Bear Lake, MN 55110

Alvin Huff  
AARP  
9768 125Th Street  
Glencoe, MN 55336-5009

Paul Jacobs  
Jacobs Wind Electric Co., Inc.  
Suite 1050  
601 Lakeshore Parkway  
Minnetonka, MN 55305

Greg Jaunich  
Northern Alternative Energy  
333 Washington Avenue North  
Suite 402  
Minneapolis, MN 55401

Randy Jensen  
Sun Control Of Minnesota  
235 E. Roselaun Avenue, #11  
St. Paul, MN 55117

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Carol Johnson  
Womens Cancer Resource Center  
1815 East 41st Street  
Minneapolis, MN 55407

Elaine Johnson  
Presbyteria Of The Twin Cities Area  
2031 Howard Street S.  
St. Paul, MN 55119

Dan Juhl  
New World Power  
191 West Fifth Street  
Cottonwood, MN 56229

Dan Juhl  
Dan Mar & Associates  
PO Box 156  
475 East Fourth Street  
Cottonwood, MN 56229

Anstice Jurkovich  
President  
Minnesota Senior Federation  
101 N. 4th Street W.  
Aurora, MN 55705

Honorable Jack Keers  
Pipestone County Commissioner  
704 Fourth Street SE  
Pipestone, MN 56164-2021

Scott Kelsh  
Clean Water Action  
118 N. Broadway  
Fargo, ND 58102

Andrea Kiepe  
Clean Water Action Alliance  
3518 - 13th Ave. S.  
Minneapolis, MN 55407

Harry Kramer  
Solco, Inc.  
1730 Dodd Road  
St. Paul, MN 55118

Winona LaDuke  
White Earth Land Recovery Project  
Rt. 1, Box 291  
Ponsford, MN 56575

Rosie Loeffler-Kemp  
Clean Water Action  
Suite 312  
394 Lake Ave. S.  
Duluth, MN 55802

Dee Long  
Minnesotans For An Energy Efficient Ec  
Minnesota Bldg., Suite 600  
46 East Fourth Street  
St. Paul, MN 55101

Verne Long  
RR 1, Bux 162  
Pipestone, MN 56164

Julian Loscalzo  
JEL Consulting  
1141 Portland Avenue  
St. Paul, MN 55104

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Martin Lunde  
President  
Dectra Corporation  
3425 33rd Avenue NE  
St. Anthony, MN 55418

Sandy Lyon  
SOUL  
P.O. Box 31  
Springbrook, WI 54875

Tamsyn Mackenzie  
MRES  
2928 Fifth Avenue South  
Minneapolis, MN 55408

Tom Martin  
and Kathy  
34312 Malberg Avenue  
Lindstrom, MN 55045

Richard Mattocks  
Environomics  
P.O. Box 371  
5700 Arlington Avenue, Suite 17A  
Riverdale, NY 10471

Diana McKeown  
Clean Water Action Alliance of MN  
326 Hennepin Avenue East  
Minneapolis, MN 55414

Laura McLeod  
White Earth Land Recovery Project  
2201 Aldrich Avenue South  
Minneapolis, MN 55414

Stephen Meyer  
Appli-Tech  
2523 South Wayzata Blvd.  
Minneapolis, MN 55405

David Morris  
Director  
Institute For Local Self-Reliance  
1313 - 5th Street SE  
Suite 306  
Minneapolis, MN 55414

Joe Morse  
Down River Alliance  
Box 721  
Winona, MN 55987

Carl Nelson  
The Minnesota Project  
Suite 315  
1885 University Avenue West  
St. Paul, MN 55104

Jessica Nelson  
Institute For Local Self Reliance  
Suite 306  
1313 5th Street SE  
Minneapolis, MN 55414

Bill Neuman  
18837 Osceola Road  
Shafer, MN 55074

Dick Nichols  
Solar Midwest, Inc.  
12829 Industrial Park Blvd.  
Plymouth, MN 55441

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Jim Nichols  
Lincoln County Enterprise Development  
P.O. Box 130  
402 N. Harold Street  
Ivanhoe, MN 56142-0130

Robert Niehueser  
Windpower Technologies, Inc.  
1135 Lakeshore Road  
Grafton, WI 53024

Michael Noble  
Minnesotans For An  
Energy-Efficient Economy  
46 East Fourth Street, Suite 600  
St. Paul, MN 55101-1109

Bob Olsgard  
Lake Superior Alliance  
P.O. Box 472  
Spooner, WI 54801

Gary Olson  
Energy Research And Consulting  
729 North 54Th Avenue East  
Duluth, MN 55804

Vic Ormsby  
Bluff Land Environment Watch  
Box 163  
RR 3  
Winona, MN 55987

David Ostlie  
Energy Performance Systems, Inc.  
Suite 306  
4900 North Highway 169  
New Hope, MN 55428

Todd Otis  
Minnesotans For Energy-Efficient Econ.  
Suite 600  
46 East Fourth Street  
St. Paul, MN 55101

Del Overholser  
Econar Energy Systems  
19230 Evans Street  
Elk River, MN 55330

Ed Palmer  
SolarAttic, Inc.  
15548 95TH Circle NE  
Elk River, MN 55330

Archie Pavek  
Wind Turbine Industries Corp.  
16801 Industrial Circle South East  
Prior Lake, MN 55372

Linda Peck  
12299 Sauk River Road  
St. Cloud, MN 56301

Ken Pentel  
Green Party Of MN  
P.O. Box 3872  
Minneapolis, MN 55403-0872

Raymond Piirianen  
Solar King Company  
241 Oakwood Road  
Hopkins, MN 55343



In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

David Z. Pogany  
Sun One Ltd.  
3552 Freemont Avenue South  
Minneapolis, MN 55408

Mike Port  
Solar Oven Society  
P.O. Box 40093  
844 Portland Avenue  
St. Paul, MN 55104

Dan Ray  
The McKnight Foundation  
600 TCF Tower  
121 S. 8th Street  
Minneapolis, MN 55402

Ken Reine  
Isanti County Environmental Coalition  
3330 Ten Oaks Street South  
Cambridge, MN 55008-3810

Jane Reyer  
National Wildlife Federation  
1000 Torrey Building  
314 W. Superior Street  
Duluth, MN 55802

Vince Robinson  
Prairie Land Econ. Develop. Corp.  
1 Prairie Drive  
Slayton, MN 56172

Max Rust  
MPIRG  
2424 University Avenue SE  
Minneapolis, MN 55414

Mark Schanno  
Appli-Tech  
1072 Kirkwood Drive  
Eagan, MN 55123

Debra Schmidt  
Competitive Communications Group  
Suite 302  
6811 Kenilworth Avenue  
Riverdale, MD 20737

Lola Schoenrich  
SEED - The Minnesota Project  
1885 University Avenue W.  
Suite 315  
St. Paul, MN 55104

Matthew J. Schuerger  
Minnesotans For An Energy-Efficient  
Economy  
46 East Fourth Street  
Saint Paul, MN 55101

Kent Schwen  
Mid-American Energy  
1871 Design Drive North  
Baxter, MN 56425

Steve Schwen  
and Susan  
Full Circle Organic Growers Coop.  
and Folk Forum  
RR 1, Box 52BB  
Lake City, MN 55041

Norm Sears  
234 North Shore Drive  
Lake Benton, MN 56149-1106

In the Matter of NSP dba Xcel Energy  
Petition for Approval of Renewable  
Development Fund Oversight Process  
2 Interested Parties

Lansing Shepard  
Suite 315  
1885 University Avenue W  
St. Paul, MN 55104

Marcia Shepard  
Focus 10,000  
P.O. Box 289  
Aitkin, MN 56431

Joan Spence  
Joan Spence & Associates  
P.O. Box 27  
Albertville, MN 55301

Andy Steensma  
MN Farmers Union  
Suite 14  
600 West County Rd D  
St. Paul, MN 55112-3521

Valdi Stefanson  
Environment & Energy Resource Center  
427 St Clair Avenue  
St. Paul, MN 55102

Ann Stewart  
Pimicikamak Cree Nation  
Suite 116  
121 West Grant Street  
Minneapolis, MN 55403-2340

Barbara Sullivan  
Mississippi Corridor Coalition  
2005-2222 Avenue NE  
Minneapolis, MN 55418

Randy Swisher  
American Wind Energy Association  
122 C Street Northwest  
Washington, DC 20001

Susie Turpening  
Clean Water Action  
P.O. Box 262  
20670 Holt Avenue  
Lakeville, MN 55044

Steve Vongroven  
Association Of RC & D'S  
119 South Lake Street  
Mora, MN 55051-1526

Sarah Welch  
Izakk Walton League Of America  
Suite 202  
1619 Dayton Avenue  
St. Paul, MN 55104

Eric Wesselman  
Union Of Concerned Scientists  
Suite 310  
1616 P Street  
Washington, DC 20036-1495

Ginny Yingling  
Sierra Club  
Suite 324 B  
1313 5TH Street SE  
Minneapolis, MN 55414

Marie Zellar  
MN Clean Water Action Alliance  
326 Hennepin Avenue East  
Minneapolis, MN 55414