



Becker ♦ Cohasset ♦ Granite Falls ♦ Fergus Falls ♦ Hoyt Lakes ♦ Monticello ♦ Oak Park Heights ♦ Red Wing

June 25, 2021

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

RE: Reply Comments – In the Matter of Xcel Energy’s 2020-2034 Upper Midwest Integrated Resource Plan, Docket No. E002/RP-19-368

These reply comments are respectfully submitted on behalf of the Coalition of Utility Cities (“CUC”), an organization of eight member cities that host Minnesota’s largest power plants. The organization’s membership includes five communities that host or have hosted power plants owned and operated by Xcel Energy, including the cities of Becker, Granite Falls, Monticello, Oak Park Heights, and Red Wing.

As you are aware, Xcel’s “Alternate Plan,” filed today, June 25, 2021, removes the combined-cycle unit at the Sherco Plant from the company’s preferred plan. In light of recent discussions that have taken place within and surrounding this docket, this decision was not unexpected, but it is nonetheless devastating to the socioeconomic future of the City of Becker and the surrounding region. As the company notes in its filings, the full retirement of Sherco coal units combined with the decision not to construct the combined-cycle plant will mark the end of an era. By the time the final Sherco unit retires in 2030, Becker will have hosted a central power station for Xcel for nearly 55 years.

The CUC supported the construction of a combined cycle natural gas facility in our comments filed on February 11, 2021 because of the significant positive contribution the facility would make to the local economy. The combined cycle plant was also viewed as a central component in the city’s efforts to weather the socioeconomic impacts of retirement of all three Sherco coal units. Without it, the city will bear the full economic brunt of the retirement of the state’s largest coal plant.

The City of Becker and the CUC are still digesting the full economic consequences that Becker and Sherburne County will face. For now, we simply emphasize the following: if the Sherco combined cycle plant is not included in the final, approved plan, it is now more essential than ever that all stakeholders, including the Commission, Xcel Energy, and numerous other participants in this docket use every tool at your disposal to support communities like Becker.

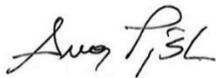
CUC’s February 11th comments outlined the significant contributions that large baseload facilities have on the communities that host them, through taxes, jobs, and myriad indirect benefits that extend beyond what can be quantified. These contributions are also well documented in the report entitled, “Minnesota’s Power Plant Communities: An Uncertain Future,” in which CUC participated with Center for Energy and Environment and other stakeholders.¹

¹ Audrey Partridge, Brady Steigauf, “Minnesota’s Power Plant Communities: An Uncertain Future,” Center for Energy and Environment, *available at* <https://www.mncee.org/minnesotas-power-plant-communities-uncertain-future>

With these socioeconomic impacts in mind, the Coalition is encouraged to see the extension of the Monticello Nuclear Plant still included in the Alternate Plan. Not only is this extension essential to support the local tax base, economy, and hundreds of jobs in the City of Monticello, extension is necessary to avoid the worst consequences to the region. While we often speak of the cities of Becker and Monticello as separate and distinct power plant host communities, the two cities are neighbors, and their local economies are intricately intertwined. As the crow flies, the distance between the Monticello Nuclear Plant and the Sherco Coal Plant is only about four miles. Simultaneous retirement of the two facilities would devastate the regional economy in ways that they may never fully recover from.

Finally, given the substantial nature of today's filing, the CUC would appreciate additional opportunity to review Xcel's Alternate Plan and provide additional comment. In the meantime, with any questions about these or prior comments, please contact CUC's policy and legislative consultant Shane Zahrt of Flaherty & Hood, P.A. at (651) 295-1123 or SAZahrt@flaherty-hood.com.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Greg Pruszinske".

Greg Pruszinske
President, Coalition of Utility Cities
Becker City Administrator