

October 15, 2021

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

Dear Minnesota Public Utilities Commission:

This summer the IPCC (Intergovernmental Panel on Climate Change) issued a **“Code Red” for humanity**. As the IPCC report documents, the damage driven by burning fossil fuels is now widespread and severe. The report specifically names methane, the primary component of fossil gas, as an extremely potent greenhouse gas--with eighty times more warming power than carbon dioxide pollution over the first 20 years.

We can’t afford to build new fossil gas-fired plants in a climate crisis. **Xcel Energy’s decision to remove the Sherco Combined Cycle plant from its alternative plan is a victory for our climate and Xcel customers. However, Xcel’s proposal to build two new gas-fired peaker plants undermines that progress.** The proposed peaker plants would burn fossil gas - releasing CO² into the atmosphere and leading to upstream emissions of fugitive methane, during its extraction (usually by fracking) and transportation of the fossil gas. Peaker plants emit more carbon emissions per kilowatt hour than combined cycle plants because they are less efficient and also **disproportionately emit health-damaging air pollutants – mainly ozone forming chemicals like nitrogen oxides (NOx) – that contribute to poor local air quality and harm public health.**

Not only would the peaker plants exacerbate the climate crisis, they would also fail to address reliability and risks to ratepayers. All energy resources are subject to outages during extreme weather events, including gas plants, **which experienced the absolute highest outage rate during the February 2021 storm due to equipment failures or fuel supply disruptions¹ the after effects of which Minnesotans are still paying for.** Instead of building new gas plants, Xcel should expand the use of renewable energy and storage resources to reduce the risks of increased costs to ratepayers and reliability.

Despite the climate, health, and cost impacts of fossil gas; despite three alternative plans presented by interveners that did not include *any* new fossil gas plants; and despite a Minnesota statute requiring consideration of non-fossil fuel alternatives, Xcel did not evaluate clean energy alternatives to the peaker plants for its proposed alternative plan. Xcel clearly sees the risk of fossil gas, as it withdrew its plans to build the Sherco CC due to widespread opposition, communicated to Colorado customers that it would not build new gas to avoid “stranded assets,” and its unregulated affiliate resold the Mankato Energy Center quickly after buying it.²

Ultimately, there is no need for the Commission to rush and decide now whether to let Xcel build two new gas power plants as these plants are not slated to go online until 2027 and 2029. This gives time for Xcel, stakeholders, the Commission, and the public to evaluate alternatives after this integrated resource plan (IRP).

¹ <https://www.nytimes.com/interactive/2021/02/19/climate/texas-storm-power-generation-charts.html>

² <https://tcbmag.com/xcel-energy-selling-mankato-energy-center-for-680-million/>

We, the undersigned, urge the MN PUC not to approve these peaker plants in this IRP. Minnesotans deserve a plan that reflects the scale of the climate crisis, protects customers and puts us on a path to 100 percent clean energy.

Sincerely,

Institute for Local Self Reliance

Native Sun

Solar Bear

Minnesota Interfaith Power and Light

MN350

Community Power

St. Paul 350

Izaak Walton League – Minnesota Division

Union of Concerned Scientists

Sierra Club

Land Stewardship Project

Honor the Earth

Minnesota Environmental Partnership

Clean Up the River Environment (CURE)