

## *A. Resource Plan Preferences*

- A1. Approve the Alternate Plan as detailed in Xcel's June 25, 2021, Reply Comments, including but not limited to the following elements:
- a. Xcel to retire Allen S. King plant in 2028 and Sherco Unit 3 in 2030.
  - b. Xcel to commence certificate of need and route permit proceedings for both the Sherco and King gen-tie transmission lines.
  - c. Xcel ownership of Sherco and King gen-tie lines plus renewable resources added on the lines up to the Company's current interconnection rights, which are approximately 2,000 MW for Sherco and 600 MW for King, as enumerated in d.i, e.i, and f. below
  - d. The acquisition of approximately of 1,300 MW of solar by 2026, including:
    - i. Approximately 720 MW of Company-owned resources to fully reutilize the Sherco Unit 2 interconnection, 460 MW of which could come from the proposed Sherco Solar project (Docket No. E002/M-20-891), if approved by the Commission; and
    - ii. An additional 600 MW of solar resources that would not be limited by interconnection location or ownership
  - e. Approve the need for approximately 600 MW of solar and 2,150 MW of wind, or an equivalent amount of energy and capacity from a combination of wind, solar and/or storage, between 2027 and 2032, to maximize the use of the Sherco gen-tie line
    - i. Including, the acquisition of approximately 1,300 MW of Company-owned wind, solar, and/or storage resources to fully reutilize the Sherco Unit 1 and Unit 3 interconnections
  - f. Approve the need for approximately 600 MW of Company-owned solar and/or storage resources, between 2028 and 2030, to maximize the use of the King gen-tie line and fully reuse the King interconnection
  - g. Require that any acquisition proceeding for surplus generation on the King and Sherco gen-tie lines, beyond the amount required to fully reuse the Sherco and King interconnections, be open to either Company-owned or non-Company-owned resources.
  - h. Approve plan to continue pursuing a 10-year extension for the Monticello Nuclear plant.
  - i. Xcel to repower resources needed to provide blackstart services in 2025 and 2026
  - j. Xcel to continue to acquire 400 MW of incremental demand response by 2023 as ordered in the Company's last resource plan (Docket No. E002/RP-15-21).

- k. Xcel to achieve increased levels of energy efficiency of at least 780 GWh of annual energy savings in each year of the plan.
- l. But not including specific approval of the Lyon County Combustion Turbine (CT) and Fargo CT.

(Revised by Xcel in their January 26 Letter. Replaces Decision Option A1 from the Jan 12 Joint Decision Options. Supported by Xcel, CEO, LIUNA, Local 49, Carpenters, and CUB except 1a.)

- A2. Find that it is more likely than not that there will be a need for approximately 800 MW of generic firm dispatchable resources between 2027 and 2029, some of which could be located in North Dakota, and requires that the Company include an evaluation of renewable resources and storage that can deliver the identified necessary grid attributes to meet this need in a future resource plan, certificate of need (CON) or applicable resource acquisition proceeding. This approximate 800 MW is incremental to any of the resources identified in Order Point A1.
- a. Here, firm dispatchable means a resource or combination of resources that is able to provide capacity, energy, and energy availability to meet load for extended durations of energy needs in the context of the system as a whole.
  - b. Other characteristics for a firm dispatchable resource that may be considered include the value from production capabilities during potential system restoration events of unknown durations, environmental impacts, costs, and the ability to foster integration of renewable resources.
  - c. The analysis of this likely need should be based on up-to-date systemwide modeling in order to (i) establish the capacity, energy, resource adequacy, energy availability, ancillary service, and reliability needs, and (ii) to quantify and compare the contribution of the electric system attributes from the different resource options considered to meet the identified grid needs.

(Revised by Xcel in their February 1 Letter. Replaces Decision Option A2 from the Jan 12 Joint Decision Options. Supported by Xcel, CEO, LIUNA, Local 49, Carpenters)

**NEW SIEBEN A36:**

- A36. Find the Sherco Combined Cycle plant is not a prudently incurred resource and not eligible for rate-recovery.

## *B. Resource Acquisition*

- B1. Require that Xcel consider and pursue opportunities to deploy renewable resources, storage technologies, and resources powered by hydrogen or clean fuel alternatives on a schedule faster than in its Alternate Plan, if such deployment would be cost-effective, maintain reliability, and aid in achieving compliance with decarbonization policies.  
(Joint Decision Options (Xcel, CEOs, LIUNA, IUOE Local 49, and the North Central States Regional Council of Carpenters))
- B8. Regarding resource acquisition, ~~Department Staff recommends that the Commission:~~
- a. Approve the Track 1 and Modified Track 2 bidding processes, as outlined in Department Staff's February 11, 2021, comments for the solar, wind and storage resources approved in Order Point A.1. Order the Track 2 (contested case) bidding process to acquire 800 MW of firm dispatchable resources approved in Order Point A.2.
  - b. Require that any RFP documents for peaking resources issued by Xcel be technology neutral.
  - c. Determine that the Commission-approved Track 1/Modified Track 2 bidding process applies in all instances where Xcel intends to acquire 100 MW of capacity for a duration longer than five years.
  - d. Cap any Right of First Offer (ROFO) provision made by Xcel at net book value.
- B15. For solar, wind and storage resources acquired through the Modified Track 2 process, Xcel shall provide an informational filing, prior to issuing an RFP, detailing its planned competitive bidding process including, at minimum, the following components:
- a. A list of independent auditors Xcel considered to oversee the bidding process, and a discussion of why the selected independent auditor was chosen.
  - b. The criteria that Xcel will use to evaluate proposals, including but not limited to consideration of socioeconomic impacts.
  - c. The planned text of the request for proposals.
  - d. The planned timeline for the issuance of the request for proposals, the allowed response time, the date upon which Xcel will submit its self-build proposal (if applicable), and the approximate timeline for Xcel 3 to submit its report to the Commission detailing the bid results, including the independent auditor's evaluation of the bid process.
  - e. Confirmation that the request for proposals will be published publicly and open to any interested developer.
  - f. Confirmation that bids for Power Purchase Agreements will be permitted, unless (1) the RFP is being issued exclusively for a need the Commission has stated may

be limited to Company-owned resources and/or (2) the resources are being procured consistent with applicable FERC or MISO requirements.

g. A contingency plan in the event of an unsuccessful bidding process.

(New Xcel, February 1 Letter, supported by LIUNA, Local 49, Carpenters)

B12. For future solar acquisition petition, Xcel shall include updated capacity expansion modeling, with forecasted rate impacts. For solar acquisition petitions that include more than one project, projects shall be modeled on an individual basis and as a total portfolio.

(Staff, Department – Jan 26)

### *C. Blackstart*

C1. Review Xcel's future blackstart needs in a future planning meeting or set of planning meetings.

(Xcel, CEO – Jan 26, LIUNA, Local 49, Carpenters; Department – Jan 26; Sierra/DSP – Jan 26; Mpls – Jan 26; CUB – Jan 26)

### *D. Filing for Next IRP*

D1. Require Xcel to submit its next IRP by ~~June~~ December 30, 2023.

(Xcel, CEO – Jan 26, LIUNA, Local 49, Carpenters, Department – Jan 26; CUB – Jan 26; Sierra/DSP – Jan 26; Mpls – Jan 26)

D1a. Direct Xcel to include an analysis of rate and bill impacts for the residential and commercial classes in its next IRP filing.

D6. Require Xcel to take local clean energy goals, in addition to state policy and existing incentives, into consideration in forecasting and modeling for the IRP.

(SRA; Mpls – Jan 26)

D13. Require Xcel to develop and/or improve base case adoption forecasts of the following technologies to include in its overall demand forecast for its next IRP filing, either through its Integrated Distribution System Plan proceedings, or through another stakeholder process.

a. Light, medium, and heavy-duty electric vehicle adoption

- b. Electric space heating adoption
  - c. Electric water heating adoption
  - d. Electrification of other end uses
  - e. Increased potential for demand response and load flexibility from an increase in electrification of the technologies in a – d
  - f. Distributed solar adoption, including customer sited, community solar gardens, and non-customer sited/non-CSG distributed solar
- (Staff; CEO – Jan 26)

D14. Require that Xcel's next IRP include a deeper analysis of storage options, including making solar-battery hybrids a resource option, and also a deeper analysis of the role of hydrogen and clean fuel alternatives in Xcel's resource mix.  
(Xcel, CEO – Jan 26, LIUNA, Local 49, Carpenters; CUB – Jan 26)

D18. Require Xcel to file a report in its next IRP explaining:

- a. Planned investments at the Prairie Island Nuclear Generation Plant.
- b. Any aging management issues that may arise from continued operation.
- c. Expectations regarding future nuclear workforce.
- d. Cyber-security issues or concerns, as plants move from analog to digital systems.
- e. True comprehensive cost-benefit analysis, which includes potential environmental and economic impacts to the PIIC and Treasure Island.
- f. Additional spent nuclear fuel generated over a 10- or 20-year period.
- g. How fuel stored on-site will be removed during the next IRP period
- h. Additional State permits, Certificates of Need, or federal licenses will be required.

(Prairie Island Indian Community, Department – Jan 26 letter; Sierra/DSP – Jan 26; Mpls – Jan 26; Community Power – Jan 27)

D19. Require Xcel to begin stakeholder discussions about the future of Prairie Island Nuclear Generation Plant (PINGP) immediately, and require Xcel to address the future of PINGP in its next resource plan.  
(City of Red Wing; Community Power – Jan 27)

D22. Reject Xcel's suggestion that additional limitations be placed on parties wishing to intervene in future IRP proceedings.  
(CUB; CEO – Jan 26; Sierra/DSP – Jan 26; Mpls – Jan 26; Community Power – Jan 27)

*NEW SIEBEN D23a:*

D23a. The Executive Secretary shall open a new docket regarding the remediation plans for Sherco County Generation Station site. Xcel shall conduct stakeholder meetings regarding the Sherco County Generation Station site with interested parties including the city of Becker, adjacent cities and townships, including Becker Township, Monticello, Sherburne, Goodhue and Wright counties, DOC, DNR, MPCA, CEE, CEO, the Minnesota Energy Transition Office, and labor unions. Xcel shall file by January 1, 2023 details describing updates on the site and stakeholder outreach and meetings.

D23. As part of Xcel's next resource plan filing; or, in any event, no later than December 31, 2023, if no resource plan has been filed by that time, the Company shall submit to the Public Utilities Commission and the City of Becker a detailed plan describing the Company's plans for the disposition of the Sherburne County Generating Station site, equipment and buffer property. This report should include, at a minimum:

- a. A detailed description and timeline of any demolition, environmental clean-up, or similar work that will be required by the impending retirement of Sherco Unit 2.
- b. To the extent possible, describe the Company's plans and a detailed timeline to decommission and demolish electric generating equipment related to Sherco Units 1 and 3.
- c. A detailed description of the timeline, estimated costs, and steps necessary to remediate pollution at the Sherco site.
- d. A section detailing how the Company is working to ensure that plans for site remediation, economic development, or future development and maintenance of power generation, transmission, or distribution infrastructure are consistent with the community's long-range planning and vision.
- e. A description of any ongoing efforts by the Company to evaluate future uses for the plant site, any buffer property owned by the Company, or any adjacent property, including a description of how the Company is involving interested stakeholders in those efforts.
- f. An update to the Commission on the status of efforts to support the City's and region's economic development efforts, including—to the extent possible—specific projects and investments the Company is assisting the City and region in attracting.
- g. ~~If the Commission approves Xcel's request in the current resource plan to construct a gen-tie line extending from the Sherco site, the city requests that Xcel also be required to~~ shall include a description of the company's efforts to work with local governments and other stakeholders to assess and account for local land use and planning impacts. Prior to the company initiating any

- additional regulatory process to determine the final length and route of the Sherco gen-tie line, Xcel shall consult with stakeholders to discuss the plans.
- h. Any other items the Commission or the Company see fit to include. If the information necessary to complete any of these items is not available to the Company at the time of each filing, the Company should detail the timeline on which it anticipates it will be able to provide the City and stakeholders with additional information.
  - i. ~~The City further proposes that Xcel be required to~~ shall file an update to the Commission annually between resource plan filings providing any new information on each of these items.

*NEW SIEBEN D24a:*

D24a. The Executive Secretary shall open a new docket on remediation plans for the Allen S. King Plant site. Xcel shall conduct quarterly stakeholder meetings regarding the King Plant site with interested parties including the city of Oak Park Heights, Washington County, DOC, DNR, MPCA, the National Park Service, CEOs, CEE, the Wild Rivers Conservancy, the Minnesota Energy Transition Office, and labor unions. Xcel shall file by January 1, 2023 and annually thereafter details describing stakeholder outreach and updates for the efficient demolition of the King Plant and remediation of the site and impacted land.

- D24. As part of the Company's next resource plan filing; or, in any event, no later than December 31, 2025 if no resource plan has been filed by that time, the Company shall file with the Public Utilities Commission and the City of Oak Park Heights, and interested stakeholders a detailed plan describing the Company's plans for the disposition of the King Plant site, equipment and buffer property. This report should include, at a minimum:
- a. The Company's plans, estimated costs, and a detailed timeline to decommission and demolish the electric generation facility.
  - b. A detailed description of the timeline and steps necessary to remediate pollution at the site of the electric generating plant.
  - c. A description of any ongoing efforts by the Company to evaluate future uses for the plant site, any buffer property owned by the Company, or any adjacent property, including a description of coordination with or involvement of the City and stakeholders in those efforts.
  - d. Update the Commission on the status of efforts to support the region and City's economic development efforts, including—to the extent possible—specific projects and investments the Company is assisting the City in attracting.
  - e. Update on conservation efforts to reflect the uniqueness of the site and surrounding property located in and along the St. Croix National Scenic Riverway.

- f. Any other items the Commission or the Company see fit to include.

*NEW SIEBEN D25:*

D25. The Executive Secretary shall open a new docket regarding workers at retiring generating facilities in Minnesota, including Sherco and King.

- a. Xcel shall work with the MN Department of Employment and Economic Development (DEED), the Energy Transition Office, IBEW and Center for Energy and the Environment (CEE) to develop a comprehensive plan for supporting transitioning workers, including skills inventories, training and education, worker placement and potential early retirement buy-out scenarios. The comprehensive plan should consider the measures outlined in the IBEW Local 23, 260 and 949 letters dated March 17, 2020 and March 21, 2021. Xcel shall file the plan with the Commission no later than December 31, 2022. The comprehensive plan should include an estimated budget of each measure, timeline for implementation, and a description of additional funding needed by DEED or the Energy Transition Office, if applicable, to implement the plan.
- b. Beginning on December 31, 2023, and annually thereafter, Xcel shall file a detailed update on its efforts to implement the plan in coordination with DEED, the Energy Transition Office, IBEW and CEE.