minnesota power
AN ALLETE COMPANY

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May 8, 2025

VIA E-FILING
Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of a Commission Inquiry into a Framework for Proactive Distribution Grid Upgrades and Cost Allocation for Xcel Energy
Docket No. E002/CI-24-318
INITIAL COMMENTS

Dear Mr. Seuffert:

The Minnesota Public Utilities Commission issued a notice on October 25, 2024 establishing the Proactive Grid Upgrade Workgroup. Minnesota Power participated in this workgroup and appreciated the opportunity to engage in discussions about current paradigms in proactive distribution planning. While not currently experiencing the issues necessitating this framework, the Company recognizes the value in planning for such challenges in the future and provides its comments in the attached filing.

Please contact me at (218) 355-3178 or jmccullough@mnpower.com with any questions related to this matter.

Respectfully submitted,

Jess McCullough
Public Policy Advisor

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Attach.

I AM ZERO INJURY.
Together we choose to work safely for our families, each other, and the public. We commit to be injury-free through continuous learning and improvement.

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of a Commission Inquiry into a Framework For Proactive Distribution Grid Upgrades and Cost Allocation for Xcel Energy	Docket No. E002/CI-24-318 **INITIAL COMMENTS**

I. INTRODCTION

On October 25, 2024 the Minnesota Public Utilities Commission (or, "Commission") issued a notice establishing the Proactive Grid Upgrade Workgroup. Minnesota Power (or, "the Company") participated in this workgroup along with 10 other organizations. The Company appreciates the opportunity to engage in this substantive discussion to thoughtfully and proactively develop tools for upgrading the distribution grid. While Minnesota Power does not currently experience the issues necessitating the development of this framework, the Company addresses those items open for comment put forth in the Commission's April 7, 2025 Notice of Comment (or, "Notice") below.

II. TOPICS OPEN FOR COMMENT

1. **Should the Commission establish a framework for Proactive Distribution Grid Upgrades for Xcel Energy?**

Yes. Minnesota Power is supportive of the clarification of process that a framework of this nature can provide. However, the Company supports a framework that prioritizes flexibility as distribution technologies and demand for distributed energy resources (or, "DER") grow and change.

2. **Which requirements from the Draft Proactive Distribution Upgrade Framework, as outlined in Attachment A, should the Commission adopt?**

The Company supports Commission selection of the following requirements as proposed in the draft framework filed as Attachment A to the Commission's April 7 Notice:

- A.2
- A.5
- A.7
- A.9
- A.10
- A.12
- A.14
- B.2
- B.8
- B.15
- C.1-C.4
- C.6
- C.9
- C.10 (all)
- D.1-D.5
- G.15
- H.1-H.2
- J.1
- J.3
- J.5
- J.6
- J.14-J.16
- K.1
- L.1
- M.1
- M.3-M.6

3. Does the Draft Framework address the following topics from the Commission's September 16, 2024 Order in Docket E002/M-23-452?

Yes. The Company believes that the Draft Framework developed by the workgroup provides adequate decision options for all the topics established in the Commission's September 16, 2024 Order.

4. Should the Commission establish Phase 2 of the Proactive Distribution Grid Upgrade Proceeding as proposed in Attachment B, and if so, what should the scope and timeline be?

Yes. The Company supports a second phase of the Proactive Distribution Grid Upgrade Proceeding as proposed in Attachment B of the Commission's April 7, 2024 Notice. The Company supports the schedule put forth in Decision Option 1 under Timing in the attachment.

5. Are there other issues or concerns related to this matter?

Not at this time.

III. CONCLUSION

Minnesota Power appreciates the opportunity to provide these comments and participate in the Proactive Grid Upgrade Workgroup. As penetration of distribution level technologies continues to advance, a current and flexible policy landscape will only increase in importance. The Company notes that as development on the distribution system expands across the state, additional flexibility may be required to meet the needs of developers and utilities in rural or industrial contexts.

If you have any questions regarding this filing, please contact me at 218.428.9846 or jmccullough@mnpower.com.

Date: May 8, 2025

Respectfully submitted,

Jess McCullough
Public Policy Advisor II
Minnesota Power
30 W Superior Street
Duluth, MN 55802

STATE OF MINNESOTA	)	AFFIDAVIT OF SERVICE VIA
	)ss	ELECTRONIC FILING
COUNTY OF ST. LOUIS	)	

I, Tiana C. Heger of the City of Duluth, County of St. Louis, State of Minnesota, hereby certify that on the 8th day of May, 2025, I electronically filed a true and correct copy of Minnesota Power's Initial Comments in **Docket No. E002/CI-24-318** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on eDocket's Official Service List for this Docket were served as requested.

Tiana Heger