

Revised Decision Options

Xcel Google Data Center Petition – May 14, 2019 Commission Meeting
Redline Version

Retail Electric Service Agreement (ESA)

- A.1. Approve the ESA (*Xcel*) **AND/OR**
- A.2. Condition approval requiring Xcel to offer similar, renewable sourcing for other large, high load factor customers that commit to bringing new or expanded load of similar size to the Company's system (*DOC*) **OR**
- A.3. Do not approve the ESA

Ratemaking Treatment

- A.i. Approve cost recovery through the relevant ratemaking mechanism of the costs and expenses associated with obtaining the renewable energy required by the renewable sourcing plan throughout the term of the ESA. (*Xcel*) **OR**
- A.ii. Do not approve this form of cost recovery

Renewable Sourcing Plan¹

- B.1. Approve the renewable sourcing plan (*Xcel*) **AND/OR**
- B.2. Approve the proposed clean energy plan to use two wind PPAs, one with Dakota Range III, LLC and another to be announced, for purposes of Xcel's energy obligations to Google under the proposed ESA (*Xcel, DOC*) **AND/OR**
- B.3. Approve the proposed clean capacity plan of not adding clean capacity at this time with future additions to be reviewed by the Commission (*Xcel, DOC*) **AND/OR**
- B.4. Approve Xcel's request to "procure the additional renewable resources necessary to comply with its obligations under the ESA" (*Xcel, DOC*) **AND/OR**
- B.2~~5~~. Approve Xcel's proposed "negative check-off proposal" for future renewable resource acquisitions, on condition that any negative check-off filing by Xcel contain information regarding:
 - a Google-specific renewable energy credit forecast;
 - how the size, type, and timing of the need were determined;
 - the process (request for proposals, informal review, etc.) used for identifying the proposed project and how it was carried out; and
 - Xcel's evaluation of the factors that differentiated the proposed project from others (such as cost, interconnection queue, environmental impact, risks, etc.).(*Xcel, DOC*) **AND/OR**
- ~~B.3. Require Xcel to file annual compliance reports (in the Highly Confidential Trade Secret docket), detailing: (*Staff*)~~

¹ Staff note: Decision options B.2-B.5 were proposed by the Department, not by Xcel. However, even though Xcel did not include them in its requested Commission actions, the Department's recommendations are virtually the same as what Xcel is requesting overall, so staff included Xcel in the parentheses.

- ~~Google's data center annual load and REC forecasts~~ **AND/OR**
- ~~Strategist modeling data in preparation for additional resource acquisition~~ **OR**

- B.4. ~~Approve the renewable sourcing plan and future acquisition subject to other Commission conditions~~ **OR**
- B.5~~6~~. Do not approve the renewable resourcing plan.

Ratemaking Treatment

- B.i. ~~Grant a Commission determination~~ Approve Xcel's request that the costs associated with the renewable sourcing plan ~~are~~ can be recoverable, now and in the future, through either the Fuel Clause Rider or through future rate cases. (Xcel) **OR**
- B.ii. Take no action on Xcel's request for a Commission pre-determination that the costs associated with the renewable sourcing plan would be recoverable in the future. (DOC, Staff) (Staff note: This option was included in the Department's initial comments, but not its reply. As staff understands it, the Department no longer recommends this option.)

Competitive Response Rider (CRR) Agreement

- C.1. Approve the CRR Agreement. (Xcel, DOC) **OR**
- C.2. Do not approve the CRR Agreement

Ratemaking Treatment

- C.i. Approve Xcel's request to reflect the difference between the negotiated rate and the standard rate in the test year in a future rate case. (Xcel, DOC) **AND/OR**
- C.ii. Require Xcel to provide an updated overall and rate case incremental cost and benefit analysis for costs and revenues related to Google in any future rate case. (DOC) **AND/OR**
- C.iii. Require Xcel to provide in future rate cases when Xcel is including costs and revenues related to Google an update to both the overall Incremental Cost and Benefit Analysis and the Rate Case Incremental Cost and Benefit Analysis as recommended in the Department's February 15, 2019 Comments. (DOC) **AND/OR**
- C.iv. Require Xcel to make a compliance filing showing that other ratepayers would not be harmed and that changes would not result in double recovery of costs. (DOC) **AND/OR**
- C.v. Require Xcel to keep the Commission fully informed in advance if the Company intends to exercise its options under the agreements. (DOC) **AND/OR**
- C.vi. Approve Xcel's proposed FCA recovery treatment for Google, with the protection that a net loss would require a review in the annual fuel clause review with a recovery determination made at that time. (DOC) **OR**
- C.vii. Make other ratemaking treatment arrangements for the CRR Agreement as the Commission sees fit.

C.viii. Upon a change to Google's rider rates during the term of the agreement, require Xcel Energy to make a filing showing how other ratepayers would not be harmed and support that such a change would not result in double recovery of costs, and to seek waivers in the event they are required. *(Xcel addition provided to staff.)*

Competitive Response Rider (CRR) Tariff

- D.1. Approve the amendments to the CRR Tariff. *(Xcel)* Approve the proposed CRR Tariff language regarding changing the minimum demand threshold and changing the maximum duration. *(DOC)* **OR**
- D.2. Do not approve the CRR Tariff changes.

Interconnection Agreement (IA)

- E.1. Approve the Interconnection Agreement. *(Xcel)* **AND/OR**
- E.2. Condition approval such that Xcel offers similar interconnection pricing structures to other large, high load factor customers bringing new or expanded load of comparable size. *(DOC)* **OR**
- E.3. Do not approve the Interconnection Agreement.

Ratemaking Treatment

- E.i. ~~Approve Xcel's request for a one-time waiver of Tariff sections (Sections 5.1B, 5.2, and 5.3) requiring the customer to bear the costs of installation or upgrades to interconnection facilities.~~ Approve Xcel's proposed recovery of the interconnection costs and of Xcel's requested one-time waiver of Xcel's tariff provisions related to customer contributions for the interconnection of Google. ~~*(Xcel, DOC)*~~ **OR**
- E.ii. Do not approve the one-time waiver. **AND/OR**
- E.iii. Approve the requested ratemaking treatment of Xcel Energy's costs associated with the facilities used to provide electric service to the Becker data center at transmission voltage. *(Xcel)* ~~Approve Xcel's proposed recovery of the interconnection costs and of Xcel's requested one-time waiver of Xcel's tariff provisions related to customer contributions for the interconnection of Google, require Xcel to make a compliance filing showing how other ratepayers would not be harmed and demonstrating that the change would not result in double recovery of costs.~~ *(DOC)* **OR**
- E.iv. Make other ratemaking treatment arrangements for the Interconnection Agreement as the Commission sees fit. **AND/OR**
- E.v. If additional tariff modifications or waivers are necessary, require Xcel to make any such modifications as part of a later compliance filing.

New Renewable Rate Offering

- F.1. Instruct Xcel to work with interested stakeholders to expand on the opportunity exemplified by this project through the development of an offering based on the offering in this petition. *(Fresh Energy, City of Minneapolis)* **AND/OR**

- F.2. Direct Xcel to work with stakeholders to propose a carbon neutral, economic development tariff, with an all-electric requirement or option, to be made available to other customers as well. (*City of Minneapolis*) **OR**
- F.3. Take no action regarding a new renewable rate offering.

Staff Option

- G.1. Require Xcel to provide annual compliance filings providing the most recent data center load forecast and Renewable Energy Credit forecast. Require Xcel to conduct ~~capacity expansion~~ modeling showing the size, type, and timing of any expected incremental renewable energy Xcel might pursue as part of its renewable sourcing plan. **AND/OR**
- G.2. Grant authority to the Executive Secretary to set deadlines for the annual compliance filings or any other dates that need to be set.