

Revised Decision Options

Staff provides the following compiled set of revised decision options, compiling staff and party revisions, indicated in [teal](#).

IDP Decision Options

1. Accept Xcel Energy's 2019 IDP Report as in compliance with IDP reporting requirements. Acceptance of the 2019 IDP has no bearing on prudence or certification. (*Xcel, Department, ELPC/VS, CEEM, Fresh Energy*)
2. Require Xcel Energy to file Integrated Distribution Plans biennially going forward. The Company's next IDP no later than November 1, 2021. (*Xcel, Department, Fresh Energy*)
 - a. Require the Company to continue to file [an annual update of baseline financial data and non-wires alternatives analysis. \(Department – revised\)](#) ~~annually the following IDP requirements:~~
 - ~~i. Baseline Financial Data, IDP Requirements 3.A.26-30; and~~
 - ~~ii. Non Wires (Non Traditional) Alternatives Analysis, IDP Requirements E.1-2.~~
 - b. Require the Company to propose a Non-Wires Alternative Pilot by November 1, 2020 (*City of Minneapolis*)
 - c. [Allow the Company to annually seek certification of grid modernization investments \(Xcel Energy – revised\)](#)
3. Establish a new Xcel Energy IDP filing requirement as follows (*ELPC/VS, Minneapolis*):
[3F. Locational Reliability and Equity.](#)
 - a. *Xcel shall provide a map that illustrates the reliability of the Company's distribution system at a feeder-level.*
 - b. *Xcel shall describe how its proposed reliability investments will prioritize those portions of its system with poor reliability performance.*
 - c. *Xcel shall explain how its proposed reliability investments will advance equity across its service territory.*
4. Require Xcel Energy to provide detail on how the energy and climate goals of the Minnesota communities it serves, along with customer preference trends, [are reflected](#) in the DER Scenario Analysis of future IDPs. In particular, distribution generation planning should include consideration of local community [generation](#) goals, ~~such as local~~ and beneficial electrification. (*Minneapolis*) ([Staff Revision](#))

Long Range Investment Plan

5. Company shall develop a formal ISI Plan based on specific demonstrated needs and a clear articulation of expected reliability improvements. The ISI Plan should be filed with any future request for cost recovery or certification, or with Xcel's next IDP, whichever comes first. (*Fresh Energy, Minneapolis*)

Hosting Capacity, Interconnection, and Scenario Analysis

6. Establish a pathway towards use of the Hosting Capacity Analysis in interconnection review by adopting a goal of replacing the MN DIP's fast track screens with the HCA and requiring frequent updates, vetting of technical assumptions, and validation of results. *(IREC, ILSR, Minneapolis)*
7. Modify Xcel Energy's IDP Filing requirement at 3.C.3 as follows: *(ELPC/VS)*

3.C.3. Distributed Energy Resource Scenario Analysis. Provide a discussion of the processes and tools that would be necessary to accommodate the specified levels of DER integration, including whether existing processes and tools would be sufficient. Provide a discussion of the system impacts and benefits that may arise from increased DER adoption, potential barriers to DER integration, and the types of system upgrades that may be necessary to accommodate the DER at the listed penetration levels. Provide a discussion of whether external control through utility communication with smart inverters, above and beyond the autonomous functions associated with smart inverters, would be necessary to ensure the safe and reliable operation of the grid at the listed penetration levels.

Non-Wires Alternatives Analysis

8. Modify Xcel Energy's IDP filing requirement at 3.E.1 to reduce the cost threshold from two million to one million dollars. *(IPS Solar)*
9. Modify Xcel Energy's IDP Filing requirement at 3.E.1 as follows: *(ELPC/VS)*

3.E.1 Non-Wires (Non-Traditional) Alternatives Analysis. Xcel shall provide a detailed discussion of all distribution system projects in the filing year and the subsequent 5 years that are anticipated to have a total cost of greater than two million dollars. For each distribution system project satisfying those criteria, Xcel shall explain the hour(s) and day(s) during which an NWA would be called upon to deliver energy and demand, if an NWA were to defer or avoid the project. For any forthcoming project or project in the filing year, which cost two million dollars or more, provide an analysis on how non-wires alternatives compare in terms of viability, price, and long-term value. In determining how non-wires alternatives compare to forthcoming projects or projects in the filing year in terms of price, Xcel shall consider all revenue streams available to the non-wires alternative project. For projects that involve N-0 risks, Xcel shall issue a request for proposals soliciting NWA solutions addressing those risks.

10. Require Xcel to develop a Value of DER in the next IDP as part of a Commission-convened process to develop the value of DER for Minnesota *(IPS Solar)*

11. The Commission initiates a separate docket to address Xcel's Non-Wires Alternatives (NWA) analysis, and direct the Company to form a separate NWA Stakeholder Advisory Group that can inform and advance the Company's NWA analysis moving forward, including the Company's NWA screening criteria and investment deferral opportunity assessment. *(ELPC/VS, Minneapolis)*
- a. Direct Xcel Energy to form a separate NWA Stakeholder Advisory group to inform and enhance the Company's NWA analysis for future IDPs. This stakeholder advisory group should convene at least once before Xcel files its next IDP and Xcel should incorporate feedback and expertise from stakeholders and other jurisdictions that have experience with NWA analysis. *(Department – revised)*
 - b. Direct Xcel Energy to work with stakeholders to identify improved screening criteria for potential NWA projects. Modifications may include consideration of: *(Minneapolis)*
 - i. Project types: Such as including both capacity and health asset categories;
 - ii. Project timing: Following the Commission order more closely by including years 2 – 5 of the plan timeframe so as not to miss opportunities for energy storage and other distributed energy resources, which can be deployed quickly;
 - iii. Technology options and associated cost assumptions;
 - iv. \$2 million minimum cost threshold;
 - v. The NWA methodology and analytical assumptions;
 - vi. Issue an RFP for third-parties to identify NWA solutions and propose market-based project costs;
 - vii. Evaluation parameters:
 - 1. Expand the solutions evaluated to include additional NWA technologies using a portfolio approach, including energy efficiency, solar, energy storage, and demand side management deployed in combination with each other;
 - 2. In addition to competitive procurements, Xcel should consider opportunities to source NWAs through customer program offerings (for example, overlaying a geo-targeted incentive onto an existing customer demand response program);
 - 3. In future IDPs, Xcel should explore the opportunity to combine NWAs and wires solutions so that the latter can be right-sized and complemented by NWAs in instances where an NWA alone may be unable to meet the full need.

Stakeholder Meetings

12. Require Xcel Energy to allow any interested person to participate in stakeholder engagement meetings regarding its IDP and HCA *(IREC, Department, Minneapolis)*

13. Require Xcel Energy to engage stakeholders in further advancing the Company's NWA Analysis; including, but not limited to, screening criteria, analysis methodology and assumptions, NWA evaluation parameters. (*Staff interpretation of Department*)

AGIS-Related Filing Requirement Modifications

14. Establish a new Xcel Energy IDP filing requirement as follows: (*ELPC/VS, Fresh Energy, CUB*)

3.D.4. Rate Design Roadmap

Xcel shall provide a rate design roadmap that includes the following components:

- a. A summary of the Company's current advanced rate designs and demand management programs, advanced rate designs in development, and relevant industry best practices.
- b. A timeline for offering updated dynamic rates and/or demand management programs for all customer classes.
- c. Potential rate and program design strategies to support low-income participation in these offerings.
- d. A discussion of opportunities for utilizing distributed energy resources and/or beneficial electrification technologies in conjunction with planned dynamic rates and/or demand management programs.
- e. Enrollment mechanisms for convenient customer participation in the advanced rate offerings.
- f. Implementation plans for offering advanced rates, including education and outreach to customers.
- g. Evaluation plans for monitoring, verifying, and improving the effectiveness of advanced rate designs.
- h. A discussion of supportive programs (such as customer education) and enabling technologies (such as smart thermostats) that are associated with the Company's rate design strategy.

15. Require Xcel Energy engage stakeholders in at least two stakeholder meetings by May 2021 to inform a rate design roadmap. (*Fresh Energy*)

Staff recommends: **1, 2.a, 13**. Staff does not recommend: **3**. Staff takes no position on the other decision options.

AGIS Decision Options

Minn. Stat. 216B.2425 and MYRP

1. Determine Xcel Energy is not eligible for certification of distribution projects under Minnesota Statute 214B.2425 because the Company is no longer under a MYRP (*XLI*)

Standard for Certification

[Note: If the Commission wishes to address criteria for all future certification requests, rulemaking may be required. The Commission may wish to apply the suggested criteria to this specific case at this time.]

2. For certification requests of distribution system projects, the Commission will use the following criteria: (*Fresh Energy*)
 - a. The project is consistent with Minn. Stat. §216B.2425 Subd 2(e) and is necessary for modernizing the utility distribution system with respect to (i) enhancing system reliability, (ii) improving system security, and/or (iii) increasing energy conservation.
 - b. The project is a priority project above and beyond normal distribution projects, consistent with Minn. Stat. §216B.16 Subd. 7b(a)(1) and is appropriate to consider for current cost recovery through the transmission cost recovery (TCR) rider.
 - c. The information that the Commission requires to make its certification determination includes but is not necessarily limited to:
 - i. The utility has identified specific expected improvements in distribution system reliability, security, and/or energy conservation that would result from the project and how they will be achieved.
 - ii. The utility has identified specific metrics and evaluation methods that will be used to assess the project's performance and whether it has achieved the expected improvements.
 - iii. The utility has performed a detailed cost benefit analysis and provided supporting evidence for the estimated costs and benefit levels used in the calculation. This shall include a discussion of mechanisms that will be employed to maximize cost reductions and minimize cost increases.
 - iv. The utility has thoroughly considered the feasibility and costs and benefits of alternatives and has demonstrated that the proposed approach is preferable to alternatives.
 - v. Criteria that will be used by the utility to determine whether at any point it has become imprudent to bring the certified project to completion due to the project failing to meet its performance and/or cost expectations.

New Staff Decision Option 2.5

The Commission directs staff to open an investigation and solicit comments to determine whether rules for the certification of distribution grid modernization projects pursuant to Minn. Stat. sec. 216B.2425, including criteria for evaluating certification requests, should be adopted through the formal rulemaking process. As a starting point, staff should solicit comments on the following criteria, among other potential rules.

In determining whether to certify distribution grid modernization projects pursuant to Minnesota Statutes section 216B.2425, the Commission will consider the following factors:

1. The project is consistent with Minn. Stat. §216B.2425 Subd 2(e) and is necessary for modernizing the utility distribution system with respect to (i) enhancing system reliability, (ii) improving system security, and/or (iii) increasing energy conservation.
2. The project is a priority project above and beyond normal distribution projects, consistent with Minn. Stat. §216B.16 Subd. 7b(a)(1) and is appropriate to consider for current cost recovery through the transmission cost recovery (TCR) rider.
3. The information that the Commission requires to make its certification determination includes but is not necessarily limited to:
 - a. The utility has identified specific expected improvements in distribution system reliability, security, and/or energy conservation that would result from the project and how they will be achieved.
 - b. The utility has identified specific metrics and evaluation methods that will be used to assess the project's performance and whether it has achieved the expected improvements.
 - c. The utility has performed a detailed cost benefit analysis and provided supporting evidence for the estimated costs and benefit levels used in the calculation. This shall include a discussion of mechanisms that will be employed to maximize cost reductions and minimize cost increases.
 - d. The utility has thoroughly considered the feasibility and costs and benefits of alternatives and has demonstrated that the proposed approach is preferable to alternatives.
 - e. Criteria that will be used by the utility to determine whether at any point it has become imprudent to bring the certified project to completion due to the project failing to meet its performance and/or cost expectations."

AGIS Certification Determination

3. Certify the following components [*alternative: functional requirements*] of Xcel Energy's Advanced Grid Intelligence and Security (AGIS) Initiative. This certification does not imply either of the following: (1) any finding of prudence or reasonableness with respect to the recovery of costs in a petition for rider recovery under Minn. Stat. § 216B.16, subd. 7b(b); or (2) certification or approval of investments beyond AGIS [*alternative:*

approval of the specific AGIS investments not enumerated by the Commission]. (Staff interpretation of Xcel Energy, IPS Solar with Staff Alternative)

- a. AMI
 - b. FAN
 - c. FLISR
 - d. IVVO
 - e. Certification of these projects are made with the recognition, and acceptance from Xcel, that all future cost recovery will be conditioned on the company accomplishing Commission-approved metrics and performance evaluations for the certified projects. Any future proposals for cost recovery of investments certified in this Order must be accompanied by a proposal for specific metrics and evaluation methods, and a detailed plan describing how the company will maximize the benefits of the AGIS investments for ratepayers.
 - f. The Commission requests that the Department file a report by [November 1, 2020?], including recommendations on specific metrics, detailed methods for evaluating performance, and consumer protections or other conditions including cost caps, that should be applied to the certified projects. The report should be informed by a stakeholder process and will be made part of the record for any future cost recovery proceedings. Xcel must participate in the stakeholder process, which must be open to all interested parties, and fully cooperate with the Department.
 - g. When Xcel makes any future cost recovery proposal, in addition to requirements from previous orders, it must include 1) a discussion of mechanisms that will be employed to maximize cost reductions and minimize cost increases, and 2) a demonstration that the utility has thoroughly considered the feasibility, costs, and benefits of alternatives, and that the proposed approach is preferable to alternatives. In discussing the alternatives, Xcel should compare different types of the same technology, for example by comparing different AMI meters.
 - h. By certifying these projects, the Commission clarifies that it is not pre-judging whether costs will be recovered through riders or base rates. Certification will permit Xcel to request rider recovery in the future, which the Commission may approve or deny based on the facts available at that time. (Staff revision)
4. Deny certification of the following components of Xcel Energy AGIS Initiative at this time: *(XLI, Minneapolis, CUB, Fresh Energy, Department, ELPC/VS)*
- a. AMI
 - b. FAN
 - c. FLISR

d. IVVO

[and?]

e. Clarify cost recovery should be addressed in a MYRP or general rate case (*XLI, Minneapolis*)

CUB Alternative Decision Option A

Direct the Company to move forward with the advanced metering infrastructure (AMI) and field area network (FAN) investments

Conditions for Future Prudency Review of AGIS

[If approving AGIS certification or providing guidance for future prudency review (First or Second Path).]

5. Establish the following guidance on some, but not all, conditions the Commission will consider in a future prudency review of Xcel Energy's AGIS Initiative:
 - a. Advanced Metering Infrastructure
 - i. Conditioned on a commitment by Xcel to develop a Draft Rate Design Roadmap to be filed with the next IDP. (*Fresh Energy*) [see Decision Options 10, 11, or 13(H)(g) for details on a rate design roadmap]
 - b. Fault Location Isolation and Service Restoration
 - i. Future Certification or cost recovery proposals by Xcel for FLISR must:
 1. Calculate CMO savings using the ten most recent years of historical outage data, excluding outages caused by major storm events and other cases where FLISR is unlikely to have had an impact;
 2. Demonstrate that the FLISR deployment strategy focuses on feeders that have experienced recent mainline feeder outage events; and
 3. Include a revised cost benefit analysis reflecting the revised CMO savings and deployment strategy.
(Fresh Energy – revised)
 - c. Integrated Volt-Var Optimization
 - i. Conditioned on a commitment by Xcel to achieve a minimum 1.25% reduction in customer energy consumption and 0.7% reduction in NSP system peak demand as a result of IVVO technologies. (*Fresh Energy*)
 - d. AGIS Overall
 - i. Establish fixed and variable cost caps
 - ii. All revenues from the AGIS Initiative belong to ratepayers unless otherwise approved by the Commission. (*Department*)

- iii. Establish performance metrics from Tables 11 and 12 and Attachment B of Briefing Papers

CUB Alternative Decision Option B

Data Access Policies to Unlock Customer Value

- a. Customer data rights and terms for inadvertent data release
- b. Green Button Connect My Data implementation and enablement within 1 year of smart meter deployment
- c. Home Area Network functionality on “day 1” of smart meter deployment
- d. Format for providing customers with customer usage data and rate schedules
- e. Potential enhancements to Saver’s Switch, and the timing of any enhancements
- f. Third-Party Service and Data Sharing Plans including whether such plans would result in revenues that would offset costs or reduce rates

Further Proceedings on AGIS

[If Approving AGIS Certification (First Path)]

6. Require Xcel to file, in its performance metrics docket, any cost recovery proposals that it justifies based on improvements in the metrics developed in that docket. (*ELPC and Vote Solar*)
7. Require the Company to measure and report its progress on achieving the CBA benefits and underlying CBA assumptions for each AGIS investment in an annual report starting November 1, 2020 to be filed in this docket. (*Fresh Energy*)

OR

8. Accept Xcel Energy’s proposed metrics and reporting for AGIS implementation in an annual report starting May 2, 2022 as outlined in Table 12 of briefing papers. Additional metrics and reporting associated with future operational capabilities, produce or services enabled by AGIS will be developed in future proceedings (*Xcel Energy*)
9. Xcel shall submit a compliance filing within 30 days of this Order date providing baselines, targets and a plan for measuring, verifying and reporting on all of the top benefit categories and key CBA assumptions, as shown in Tables 10 and 11 of briefing papers. (*Fresh Energy*)
10. Xcel shall develop a Rate Design Roadmap to accompany the next IDP that describes how the Company will leverage AMI capabilities to support the Commission's and Xcel’s stated priorities. Xcel shall seek input from stakeholders on the development of the

Draft Rate Design Roadmap and host at least two stakeholder meetings by April 30, 2021. This roadmap should include the following components: (*Fresh Energy*)

- a. A summary of the Company's current advanced rate designs and demand management programs, advanced rate designs in development, and relevant industry best practices.
- b. A timeline for offering updated dynamic rates and/or demand management programs for all customer classes.
- c. Potential rate and program design strategies to support low-income customer participation in these offerings.
- d. A discussion of opportunities for utilizing distributed energy resources and/or beneficial electrification technologies in conjunction with planned dynamic rates and/or demand management programs.
- e. Enrollment mechanisms for convenient customer participation in the advanced rate offerings.
- f. Implementation plans for offering advanced rates, including education and outreach to customers.
- g. Evaluation plans for monitoring, verifying, and improving the effectiveness of advanced rate designs.

OR?

11. Direct the Company to produce a draft "roadmap" in a separate proceeding, such as docket E002/M-20-86, the Company would not oppose the following components: (*Xcel/ Energy alternative to Decision Option 10*)

- a. A summary of the Company's current advanced rate designs and demand management programs, advanced rate designs in development, and relevant industry best practices.
- b. A timeline for proposing advanced rates and/or demand management programs for all customer classes. A discussion on what should be discussed in petitions for rate design changes, including:
 - i. Whether program design strategies will be needed to support low-income customer participation in these offerings,
 - ii. Application to distributed energy resources
 - iii. Implementation plans, including education and outreach to customers.
 - iv. Evaluation plans

Staff Revised 11

Direct the Company to produce a draft rate design "roadmap" with input from stakeholders and file it with the Commission by October 1, 2020. in a separate proceeding, such as docket E002/M-20-86, the Company would not oppose the following components: Delegate authority

to the Executive Secretary to set scheduled and gather information on, or refer to the appropriate docket(s) the following:

- a. A summary of the Company's current advanced rate designs and demand management programs, advanced rate designs in development, and relevant industry best practices.
- b. A timeline for proposing advanced rates and/or demand management programs for all customer classes. A discussion on what should be discussed in petitions for rate design changes, including:
 - i. Whether program design strategies will be needed to support low income customer participation in these offerings,
 - ii. Application to distributed energy resources and beneficial electrification
 - iii. Implementation plans, including education and outreach to customers.
 - iv. Evaluation plans

CUB Alternative Decision Option C (Modified DO 11)

Direct the Company to produce a draft "roadmap" in a separate proceeding, such as docket E002/M-20-86, to include the following components:

- a. A summary of the Company's current advanced rate designs and demand management programs, advanced rate designs in development, and relevant industry best practices;
- b. A timeline for offering updated dynamic rates and/or demand management programs for all customer classes;
- c. Potential rate and program design strategies to support low-income participation in these offerings
- d. A discussion of opportunities for utilizing distributed energy resources and/or beneficial electrification technologies in conjunction with planned dynamic rates and/or demand management programs
- e. Enrollment mechanisms for convenient customer participation in the advanced rate offerings
- f. Implementation plans for offering advanced rates, including the effectiveness of advanced rate designs
- g. A discussion of supportive programs (such as customer education) and enabling technologies (such as smart thermostat) that are associated with the Company's rate design strategy.

[Commission guidance on conditions to inform future prudency review (Path Two)]

- 12. Condition certification of AGIS on the outcome of a 90-day comment period that allows stakeholders to propose and respond to proposed (or potentially new) conditions regarding ratepayer protections. Delegate to the Executive Secretary authority to set deadlines and issue notices to develop a supplemental record for Commission

consideration. *(Department)*

13. Refer Xcel's AGIS Initiative proposal (AMI, FAN, FLISR, IVVO) to the OAH for a contested case hearing for further record development. The referral should include consideration of the proposed costs associated with the Incremental System Investments and increased distribution system spending, as necessary, and as they relate to the AGIS Initiative. The evaluation should consider, under any criteria that may be established by the Commission, at a minimum: *(Department)*

[Alternatively, amend to limit scope and set timeframe for an expedited contested case. See Attachment B for alternative paths to address these issues:]

- A. Public interest determination for the AGIS Initiative
- B. Public input
- C. Delineation of project costs, scope, and expected functions, including but not limited to:
 - a. Clearly identified costs, including the following subcategories of Company costs:
 - i. Total revenue requirements on total-company and MN-jurisdictional bases (including identification of the MN jurisdictional allocator used)
 - ii. Incremental/new capital costs and depreciation lives and support for the depreciation lives
 - iii. Incremental expenses and revenue (all expenses and revenues not already in rates, including expenses that are in rates that will be reduced (i.e. all changes in expenses and revenues)
 - iv. Identification of any future AGIS Initiative-related investment costs that would be needed to maximize the potential of the AGIS Initiative as outlined in the IDP
 - b. Fixed cost recovery caps for AMI and FAN capital costs (no more than the lower of actual costs incurred or costs as proposed in Xcel's 2019 IDP)
 - c. Variable cost recovery caps, including O&M and labor, for AMI and FAN (no more than the lower of actual incurred costs or Xcel's variable costs as proposed in the 2019 IDP, applied on a per-meter basis)
- D. Impacts of distribution investments on transmission-level customers
- E. Cost allocation options, including outline of bill impacts for each customer class over an initial five-year period
- F. Pass-through methodology and/or development of a process or mechanism to pass the savings and revenues associated with the AGIS Initiative on to the Company's customers in a reasonable timeframe
- G. Other necessary conditions for customer value and ratepayer protection

- H. Specific plans and timelines for future customer offerings and system capabilities and their implications, including recommendations on whether Commission approval is required or warranted. Plans or timelines should include at a minimum, the following:
- a. Service Tier Plans: potential new options and pricing options for levels of system service expected to be enabled by the AGIS Initiative, including identification of the impacts on non-participant ratepayers, opt-out provisions, etc.
 - b. Remote Connect/Disconnect Procedures
 - c. Customer Notice Plan for AMI Installation
 - d. Customer Data Access Requirements and Rights, including Xcel's intentions regarding:
 - i. Customer data rights and terms for inadvertent data release
 - ii. Green Button Connect My Data after smart meter deployment
 - iii. Home Area Network functionality issues
 - iv. Format for providing customers with customer usage data and rate schedules
 - v. Potential enhancements to Saver's Switch, and the timing of any enhancements
 - vi. Third-Party Service and Data Sharing Plans including whether such plans would result in revenues that would offset costs or reduce rates;
 - e. Distributed Generation Interconnection Agreement and Process Modification
 - f. Metrics, Baselines, and Targets for System Performance: including baseline data for performance evaluation and reporting plan (or proposal for how advanced grid metrics will be tied to or incorporated into to the Commission's Performance Incentives Mechanisms proceeding) including a minimum 1.5% reduction in customer energy consumption from IVVO technologies
 - g. Advanced Rate Design Roadmap that offers a specific timeline and implementation strategy for advanced rate offerings to customers (including the 400 MW of demand response by 2023 as noted in Xcel's current Integrated Resource Plan, Docket No. E002/RP-19-368). The Advanced Rate Design Roadmap should include:
 - i. Xcel's current advanced rate designs and demand management programs
 - ii. A summary of industry best practices
 - iii. A timeline and implementation plan (including education and outreach) for the Company to offer updated dynamic rates for all residential and commercial customers (including, the introduction of time-varying rates), which should include demand response offerings
 - iv. Potential low-income rate reform options

- v. Enrollment mechanisms for convenient customer participation
- vi. Evaluation plans for monitoring, verifying, and improving the effectiveness of advanced rate designs
- vii. Opportunities for utilizing distributed energy resources and/or beneficial electrification technologies in conjunction with planned dynamic rates and/or demand management programs

[If the Commission seeks further information outside a contested case (Path Three)]

14. Delegate authority to the Executive Secretary to initiate supplemental record development including, but not limited to procedures such as a technical conference, to narrow the issues before the Commission in reviewing the AGIS Certification Request in establishing conditions for future cost recovery or performance with an anticipated Commission decision in September 2020. *(Staff interpretation of Xcel Energy's MERP-like process.) (Staff – revised)*

[and?]

- a. Include ratepayer and consumer protection conditions within scope

New Staff 14.5

90 days prior to a petition to seek rider recovery, Xcel Energy shall file preferred procedural paths forward with one option being a contested case. The Commission will make a procedural and scoping decision prior to the consideration of a rider recovery determination. The Executive Secretary is authorized to establish a comment and reply schedule prior to the procedural and scoping hearing.

APT Certification Determination

15. Certify the Advanced Planning Tool. This certification does not imply either of the following: (1) any finding of prudence with respect to the recovery of costs in a petition for rider recovery under Minn. Stat. § 216B.16, subd. 7b(b); or (2) certification or approval of any investments beyond those specifically associated with the APT. *(Xcel Energy, IPS Solar, Department)*

[With the modification identified below:]

- a. Limit cost recovery to a hard cost cap of \$4 million *(Department)*
- b. Recognize, beginning in 2020, the APT offers enhanced capabilities to consider DER adoption scenarios, hosting capacity, and non-wires alternatives; as well as more efficient planning, enhanced load forecasting, and better integration with the Company's other planning efforts. *(Staff interpretation of Department)*

16. Deny certification of the Advanced Planning Tool at this time.