



414 Nicollet Mall  
Minneapolis, MN 55401

April 16, 2020

—Via Electronic Filing—

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101

RE: REPLY COMMENTS  
PLAN TO OFFER GENERATING RESOURCES INTO THE MISO MARKET ON A  
SEASONAL BASIS  
DOCKET NO. E002/M-19-809

Dear Mr. Seuffert:

Northern States Power Company, doing business as Xcel Energy, submits these Reply Comments in response to the March 31, 2020 and April 1, 2020 Comments regarding our plan to offer the Allen S. King Generating Station and Unit 2 of the Sherburne County Generating Station into the MISO market on a seasonal basis.

We have electronically filed this document with the Minnesota Public Utilities Commission, and a copy has been served on all parties on the attached service list.

Please contact me at [allen.krug@xcelenergy.com](mailto:allen.krug@xcelenergy.com) or Rebecca Eilers at [rebecca.d.eilers@xcelenergy.com](mailto:rebecca.d.eilers@xcelenergy.com) if you have any questions regarding this filing.

Sincerely,

/s/

ALLEN KRUG  
ASSOCIATE VICE PRESIDENT, STATE REGULATORY POLICY

Enclosures  
c: Service Lists

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph Sullivan	Commissioner
John A. Tuma	Commissioner

IN THE MATTER OF THE PETITION OF  
NORTHERN STATES POWER COMPANY  
FOR APPROVAL OF A PLAN TO OFFER  
GENERATING RESOURCES INTO THE  
MISO MARKET ON A SEASONAL BASIS

DOCKET NO. E002/M-19-809

**REPLY COMMENTS**

**INTRODUCTION**

Northern States Power Company, doing business as Xcel Energy, submits to the Minnesota Public Utilities Commission this Reply to parties' Comments regarding our proposed a plan to offer the Allen S. King Generating Station (King or the King Plant) and Unit 2 of the Sherburne County Generating Station (Sherco 2) into the MISO market on a seasonal basis.

We appreciate the thoughtful review and supportive comments submitted by parties. We believe the record reflects the potential benefits this proposal can have on customers and the environment. Below we provide brief Reply Comments in response to recommendations made by various parties in their Comments.

**REPLY COMMENTS**

**A. Requested Commission Action**

Our intent in bringing forward the proposed Unit Commitment Plan was to be open and transparent about possible impacts of the proposal before implementing the Plan and to provide the opportunity for parties to provide input in light of the possible risks. Most commenting parties expressed support for the Plan, citing the potential economic and environmental benefits, despite the potential risks. While the Department of Commerce – Division of Energy Resources recommends that the

Commission take no action on the proposed Plan, their analysis found that our seasonal commitment plan is reasonable. The Department also concluded that the difference between our seasonal commitment plan and economic commitment was minimal and that economic commitment would also be reasonable. We agree with the Department's conclusions; however, as we discussed in our Petition, our plan to operate the units on a seasonal basis provides greater certainty on plant operations. The additional certainty on operations will be beneficial as we manage the investment at the plants through their planned retirement dates.

In light of most parties' support for the Plan, the Company requests a determination from the Commission that our Unit Commitment Plan is reasonable. We believe that the Commission can signal this support without needing to formally approve the plan if they prefer to adopt the Department's recommendation to take no action.

## **B. Fuel Cost Recovery**

Several parties made recommendations regarding the Company's fuel cost treatment as a result of the Unit Commitment Plan. We accept the Department's position that it is premature to override the newly established fuel forecast process at this time, so early in the new process. Similarly, we believe it is premature to adjust the 2020 fuel costs to reflect the Unit Commitment Plan estimates at this time, as some parties recommended in Comments. We accept that the true-up of fuel costs will happen as part of the fuel forecast process at the conclusion of the 2020 forecast year. Our intent with our initial request regarding a true-up of fuel costs was to alert parties to our plans, including the risk that actual 2020 fuel costs could be higher than forecasted, and solicit feedback prior to implementation. We expect the new true-up process to provide the flexibility necessary to justify variations in fuel charges at the conclusion of the forecast year.

## **C. Reporting**

Several commenting parties made recommendations for specific reporting requirements. The Company has proposed annual reporting, which we believe to be the most valuable in assessing the Unit Commitment Plan. Reporting annually allows for parties and the Commission to review the impacts considering a full year of data. Month-to-month variations may not provide an accurate view of the annual impacts. Instead of proscribing specific reporting requirements, we recommend that the Commission direct the Company to work with parties to make sure we are able to provide the appropriate data needed for a full analysis.

We note that the Unit Commitment Plan is a new approach to operations of our plants. As we gain knowledge in the early years of implementation, we may find that assessment needs change over time. In addition, the value of reporting in this docket may lessen as time passes and as coal is phased out of the Company's system. To that end, we expect to revisit reporting requirements in the future.

### **CONCLUSION**

We respectfully request that the Commission determine our Unit Commitment Plan is reasonable and direct the Company to work with parties to establish reporting standards.

Dated: April 16, 2020

Northern States Power Company

## CERTIFICATE OF SERVICE

I, Lynnette Sweet, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

**DOCKET No. E002/M-19-809**

Dated this 16<sup>th</sup> day of April 2020

/s/

---

Lynnette Sweet  
Regulatory Administrator



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174  Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_19-809_Official List
James	Denniston	james.r.denniston@xcelenergy.com	Xcel Energy Services, Inc.	414 Nicollet Mall, Fifth Floor  Minneapolis, MN 55401	Electronic Service	No	OFF_SL_19-809_Official List
Rebecca	Eilers	rebecca.d.eilers@xcelenergy.com	Xcel Energy	414 Nicollet Mall - 401 7th Floor  Minneapolis, MN 55401	Electronic Service	No	OFF_SL_19-809_Official List
John	Farrell	jfarrell@ilsr.org	Institute for Local Self-Reliance	2720 E. 22nd St Institute for Local Self-Reliance Minneapolis, MN 55406	Electronic Service	No	OFF_SL_19-809_Official List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_19-809_Official List
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St  Saint Paul, MN 55102-2617	Electronic Service	No	OFF_SL_19-809_Official List
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St  Saint Paul, MN 55102	Electronic Service	No	OFF_SL_19-809_Official List
Bruce	Gerhardson	bgerhardson@otpc.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_19-809_Official List
Allen	Gleckner	gleckner@fresh-energy.org	Fresh Energy	408 St. Peter Street Ste 220 Saint Paul, Minnesota 55102	Electronic Service	No	OFF_SL_19-809_Official List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Janet	Gonzalez	Janet.gonzalez@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101	Electronic Service	No	OFF_SL_19-809_Official List
Michael	Hoppe	il23@mtn.org	Local Union 23, I.B.E.W.	932 Payne Avenue  St. Paul, MN 55130	Electronic Service	No	OFF_SL_19-809_Official List
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2950 Yellowtail Ave.  Marathon, FL 33050	Electronic Service	No	OFF_SL_19-809_Official List
Linda	Jensen	linda.s.jensen@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota Street  St. Paul, MN 551012134	Electronic Service	No	OFF_SL_19-809_Official List
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
Mark J.	Kaufman	mkaufman@ibewlocal949.org	IBEW Local Union 949	12908 Nicollet Avenue South  Burnsville, MN 55337	Electronic Service	No	OFF_SL_19-809_Official List
Thomas	Koehler	TGK@IBEW160.org	Local Union #160, IBEW	2909 Anthony Ln  St Anthony Village, MN 55418-3238	Electronic Service	No	OFF_SL_19-809_Official List
Michael	Krikava	mkrikava@taftlaw.com	TAFT Stettinius & Hollister, LLP	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W  Farmington, MN 55024	Electronic Service	No	OFF_SL_19-809_Official List
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	OFF_SL_19-809_Official List
Ryan	Long	ryan.j.long@xcelenergy.com	Xcel Energy	414 Nicollet Mall 401 8th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_19-809_Official List
Kavita	Maini	kmairi@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd  Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_19-809_Official List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E  St. Paul, MN 55106	Electronic Service	No	OFF_SL_19-809_Official List
Mary	Martinka	mary.a.martinka@xcelenergy.com	Xcel Energy Inc	414 Nicollet Mall 7th Floor Minneapolis, MN 55401	Electronic Service	No	OFF_SL_19-809_Official List
Brian	Meloy	brian.meloy@stinson.com	STINSON LLP	50 S 6th St Ste 2600  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
Joseph	Meyer	joseph.meyer@ag.state.mn.us	Office of the Attorney General-RUD	Bremer Tower, Suite 1400 445 Minnesota Street St Paul, MN 55101-2131	Electronic Service	No	OFF_SL_19-809_Official List
Stacy	Miller	stacy.miller@minneapolismn.gov	City of Minneapolis	350 S. 5th Street Room M 301 Minneapolis, MN 55415	Electronic Service	No	OFF_SL_19-809_Official List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022093	Electronic Service	No	OFF_SL_19-809_Official List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Andrew	Moratzka	andrew.moratzka@stoel.com	Steel Rives LLP	33 South Sixth St Ste 4200  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_19-809_Official List
Leann	Oehlerking Boes	lboes@mnpower.com	Minnesota Power	30 W Superior St  Duluth, MN 55802	Electronic Service	No	OFF_SL_19-809_Official List
Randy	Olson	rolson@dakotaelectric.com	Dakota Electric Association	4300 220th Street W.  Farmington, MN 55024-9583	Electronic Service	No	OFF_SL_19-809_Official List
Carol A.	Overland	overland@legalelectric.org	Legaletric - Overland Law Office	1110 West Avenue  Red Wing, MN 55066	Electronic Service	No	OFF_SL_19-809_Official List
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_19-809_Official List
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206  St. Paul, MN 551011667	Electronic Service	No	OFF_SL_19-809_Official List
Isabel	Ricker	ricker@fresh-energy.org	Fresh Energy	408 Saint Peter Street Suite 220 Saint Paul, MN 55102	Electronic Service	No	OFF_SL_19-809_Official List
Amanda	Rome	amanda.rome@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 5  Minneapolis, MN 55401	Electronic Service	No	OFF_SL_19-809_Official List
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750  St. Paul, MN 55101	Electronic Service	No	OFF_SL_19-809_Official List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350  Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_19-809_Official List
Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates	7400 Lyndale Ave S Ste 190  Richfield, MN 55423	Electronic Service	Yes	OFF_SL_19-809_Official List
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd  St. Paul, MN 55102	Electronic Service	No	OFF_SL_19-809_Official List
Byron E.	Starns	byron.starns@stinson.com	STINSON LLP	50 S 6th St Ste 2600  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	200 S 6th St Ste 470  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_19-809_Official List
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7  Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_19-809_Official List
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_19-809_Official List
Brian	Tulloh	btulloh@misoenergy.org	MISO	2985 Ames Crossing Rd  Eagan, MN 55121-2498	Electronic Service	No	OFF_SL_19-809_Official List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Thomas	Tynes	jjazynka@energyfreedomcoalition.com	Energy Freedom Coalition of America	101 Constitution Ave NW Ste 525 East  Washington, DC 20001	Electronic Service	No	OFF_SL_19-809_Official List
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	OFF_SL_19-809_Official List
Scott M.	Wilensky	scott.wilensky@xcelenergy.com	Xcel Energy	7th Floor 414 Nicollet Mall Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_19-809_Official List
Samantha	Williams	swilliams@nrdc.org	Natural Resources Defense Council	20 N. Wacker Drive Ste 1600 Chicago, IL 60606	Electronic Service	No	OFF_SL_19-809_Official List
Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine	225 South Sixth Street, Suite 3500  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List
Patrick	Zomer	Patrick.Zomer@lawmoss.com	Moss & Barnett a Professional Association	150 S. 5th Street, #1200  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_19-809_Official List