



Comments from LIUNA Minnesota & North Dakota

April 30, 2021

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

RE: Xcel Energy Sherco Solar Acquisition

In the Matter of the Petition of Xcel Energy for Approval of the Acquisition of Solar Generation at Xcel Energy's Sherburne County Site.
PUC Docket Number: E-002/M-20-891

In the Matter of the Commission's Inquiry into Utility Investments that May Assist in Minnesota's Economic Recovery
PUC Docket Number: E, G-999/CI-20-492

Dear Mr. Seuffert,

LIUNA Minnesota & North Dakota ("LIUNA") offers the following comments regarding the process that the Public Utilities Commission should use to evaluate Xcel Energy's petition to build and operate a 460 megawatt ("MW") solar generation facility at the site of the utility's Sherburne County Generating Station ("Sherco").

We believe that Xcel's proposal qualifies for an exemption from the Certificate of Need ("CN") requirement: first, because the proposal is generally consistent with the utility's most recent Integrated Resource Plan ("IRP) and was developed using a modified Track 2 acquisition process; and second, because the proposal would help Xcel to meet state Renewable Energy Standard requirements. In the absence of material disputes over the facts, we recommend that the Commission evaluate the proposed investment using an informal process, which most easily allows for public participation and input. Finally, we believe that Xcel has provided adequate information on the proposal for the Commission to initiate an informal proceeding where supplemental Capacity Expansion Modeling can be used to develop a complete decision record.

The purpose of the CN statute is to protect ratepayers from bearing the cost and risk associated with unnecessary investments in generation capacity. In this case, however, it is clear that there is a need for additional solar capacity on the Xcel system to cost-effectively meet needs associated with future demand and retirement of existing power plants as well as state requirements. Xcel has, with the Commission's approval, made significant investments in low-cost wind energy. Investment in solar generation capacity would complement these investments by generating

zero-carbon energy during hours of peak demand when wind generation is typically at its lowest point.

Xcel's petition provides a clear framework for evaluating the benefits of the project to ratepayers and the State of Minnesota, including the allocation of benefits among jurisdictions. Further, Xcel's petition shows why timely consideration -- hopefully resulting in approval -- are necessary to fully capture the project's benefits, including high-quality local jobs and economic development opportunities. We ask the Commission to move forward expeditiously with its consideration of this proposal.

Kevin Pranis
Marketing Manager