

The Commission met on **Friday, May 29, 2020** with Chair Sieben and Commissioners Means, Schuerger, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

E-002/M-19-666

In the Matter of Xcel Energy's Integrated Distribution Plan and Advanced Grid Intelligence and Security Certification Request

Commissioner Schuerger moved that the Commission take the following actions:

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 nor certification under Minn. Stat. § 216B.2425, subd. 3.
2. Require Xcel to file Integrated Distribution Plans biennially going forward. The Company's next IDP must be filed no later than November 1, 2021.
3. Require Xcel to continue to file an annual update of baseline financial data and non-wires alternatives analysis.
4. In the DER Scenario Analysis of future IDPs, require Xcel to provide detail on how, in aggregate, the energy and climate goals of the Minnesota communities it serves, along with customer preference trends, are reflected. In particular, distribution generation planning should include consideration of local community generation goals and beneficial electrification.
5. Require Xcel to allow any interested person to participate in stakeholder engagement meetings regarding its IDP and HCA.
6. Require Xcel to engage stakeholders in further advancing the Company's NWA Analysis, including, but not limited to, screening criteria, analysis methodology and assumptions, and NWA evaluation parameters.
7. Certify the following components of Xcel's Advanced Grid Intelligence and Security (AGIS) Initiative:
 - a. Advanced Metering Infrastructure (AMI)
 - b. Field Area Network (FAN)
8. State that certification of the projects in ordering paragraph 7 is made with the recognition, and acceptance from Xcel, that all future cost recovery will be based upon the Company accomplishing Commission-approved metrics and performance

evaluations for the certified projects. Require that any future proposals for cost recovery of investments certified in this Order 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.

9. Request 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.
10. When Xcel makes any future cost recovery proposal, in addition to requirements from previous orders, require Xcel to include:
 - a. a discussion of mechanisms that will be employed to maximize cost reductions and minimize cost increases, and
 - b. 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.
11. Clarify that, by certifying these projects, the Commission 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.
12. Require Xcel to produce a draft rate design “roadmap” with input from stakeholders and file it with the Commission by October 1, 2020. Delegate authority to the Executive Secretary to set schedules 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.
 - c. 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, and
 - iv. Evaluation plans.
13. Require Xcel Energy to file, 60 days prior to a petition to seek rider recovery for AGIS costs, 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.
14. Certify the Advanced Planning Tool and limit cost recovery to a cost cap of \$4 million unless Xcel can show by clear and convincing evidence that the costs were reasonable, prudent, and beyond their control. This certification does not imply 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 certification or approval of any investments beyond those specifically associated with the APT.
15. Recognize that, 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.

The motion passed 5—0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: October 7, 2020



Will Seuffert, Executive Secretary