



NEWS RELEASE
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**Public Service Commission Determines Solar Energy Projects
Proposed by Xcel Energy are Not Beneficial for North Dakota**

BISMARCK, ND – The North Dakota Public Service Commission (PSC) today denied a request from Xcel Energy for an advance determination of prudence (ADP) for solar generation projects in Minnesota.

The Commission's determination to deny the request was based on the conclusion that that the power is not cost-effective and the high-cost generation would cause increased costs to North Dakota customers without corresponding benefits.

"Today's decision to deny Xcel Energy's ADP marks a first for the NDPSC," said Commissioner Brian Kalk, who holds the Electric Generation and Transmission portfolio. "I want to send a strong message to Xcel that in North Dakota we remain committed to the bedrock ratemaking principles of need and least cost planning."

Xcel Energy filed an application with the NDPSC in November 2014 for an ADP for a 187 MW solar energy portfolio. The projects were being proposed as a response to mandates passed in 2013 by the State of Minnesota that require the company to serve 1.5 percent of its retail customers with solar energy by the end of 2020 and establishes a 10 percent solar energy goal by 2030. In its application, NSP proposed the purchase of power from three separate solar projects located in Minnesota.

"Xcel was clear in their application that this energy isn't needed to meet customer demand and it isn't least cost. It is simply necessary to meet the Minnesota solar energy mandate – a policy choice by Minnesota leaders," said Commission Chairman Julie Fedorchak. "North Dakota customers shouldn't have to pay for policies they had no say in creating."

North Dakota law includes a process where utilities regulated by the Commission can file an ADP prior to adding a resource to get a determination from the Commission about whether the project is considered prudent and beneficial to the state. The ADP, if approved, provides assurance to the company in advance of acquiring new generation that they can charge the customer for it.

"We need to do all we can to make sure that the state of Minnesota's scheme to mandate very high-cost electricity is not paid for by North Dakotans who happen to receive service from Minnesota-based utilities," said Commissioner Randy Christmann.

The North Dakota Public Service Commission is a constitutionally created state agency with authority to permit, site and regulate certain business activities in the state including electric and gas utilities, telecommunications companies, power plants, electric transmission lines, pipelines, railroads, grain elevators, auctioneers, commercial weighing devices, pipeline safety and coal mine reclamation. For more information, contact the Public Service Commission at (701) 328-2400 or www.psc.nd.gov.

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