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July 30, 2015

— Via Email and Federal Express —

Mr. Darrell Nitschke, Executive Secretary
North Dakota Public Service Commission
State Capitol Building – 12th Floor
Bismarck, North Dakota 58505

Re: APPLICANT'S PROPOSED ORDER AND LATE FILED EXHIBITS
REQUEST FOR APPROVAL OF AN ADVANCE DETERMINATION OF PRUDENCE
(ADP) FOR A POWER PURCHASE AGREEMENT WITH AURORA SOLAR, LLC FOR
UP TO 100 MW OF SOLAR GENERATION (CASE NO. PU-15-095)

Dear Mr. Nitschke:

Northern States Power Company, doing business as Xcel Energy, submits to the North Dakota Public Service Commission in the above-referenced matter, the Company's Proposed Order and the following late filed exhibits:

NSP-LF1 – MISO Cost Benefit Analysis

NSP-LF2 – Minnesota Law and Goals, Dates – cheat sheet

*NSP-LF3 – How Does Solar Cost Flow to Wisconsin Company
(Wisconsin Interchange Agreement Whitepaper)*

*NSP-LF4 – Table 1, p. 10 update – (ND view of table 10)
(Fall 2014 Forecast, 2016-2030 Resource Plan Charts)*

NSP-LF5 – Advanced Determination of Prudence Issue Timeline

*NSP-LF6 – Minnesota Competitive Bid Process Overview
(force or impact of ND law)*

Darrell Nitschke
July 30, 2015
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An original and four (4) copies of the Proposed Order and late filed exhibits are being provided via Federal Express. Please contact me if you have any questions regarding this filing.

Sincerely,



DAVID H. SEDERQUIST
Sr. Consultant, Regulation & Finance

Enclosures

cc: Mike Diller
Illona Jeffcoat-Sacco
Victor Schock
Jack Schuh
Jerry Lein

Northern States Power Company
Case No. PU-15-95
Minnesota Statutory Requirements and Goals

Authority	Name	Description	Amount	Goal or Requirement	Date
Minn. Stat. § 3.8852(a) ¹	All Renewable Energy Goal	Become first state in the nation to use only renewable energy		Goal	
Minn. Stat. § 216B.1641 ²	Community Solar Garden	Xcel Energy is required to operate a community solar garden program ³		Requirement	Sept. 30, 2013
Minn. Stat. § 216B.1691, subd. 2a(b) ⁴	Renewable Energy Standard (RES) (Xcel Energy) ⁵	Required percentage of energy supply from renewable technologies	2010 – 15% 2012 – 18% 2016 – 25% 2020 – 30%	Requirement	
Minn. Stat. § 216B.1691, subd. 2f ⁶	Solar Energy Standard (SES)	In addition to RES requirements, an additional 1.5% of the	1.5% by the end of 2020	Requirement	2020

¹ “The framework and strategy should aim to make Minnesota the first state in the nation to use only renewable energy.”

² “The public utility subject to section 116C.779 shall file by September 13, 2013, a plan with the commission to operate a community solar garden program which shall begin operations within 90 days after commission approval of the plan.”

³ “Other utilities may file an application [for a community solar garden program] at their election.” Minn. Stat. § 216B.1641(a).

⁴ “An electric utility that owned a nuclear generating facility as of January 1, 2007, must meet the requirements of this paragraph rather than paragraph (a). An electric utility subject to this paragraph must generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota or the retail customer of a distribution utility to which the electric utility provides wholesale electric service so that at least the following percentages of the electric utility’s total retail electric sales to retail customers in Minnesota are generated by eligible energy technologies by the end of the year indicated:

- (1) 2010 15 percent
- (2) 2012 18 percent
- (3) 2016 25 percent
- (4) 2020 30 percent.

Of the 30 percent in 2020, at least 25 percent must be generated by solar energy or wind energy conversion systems and the remaining five percent by other eligible energy technology. Of the 25 percent that must be generated by wind or solar, no more than one percent may be solar generated and the remaining 24 percent or greater must be wind generated.”

⁵ Xcel Energy, as the owner of the Prairie Island and Monticello Nuclear facilities, is treated differently than other public utilities. Other public utilities’ RES requirements are governed by Minn. Stat. § 216B.1691, subd. 2a(a).

⁶ “In addition to the requirements of subdivisions 2a and 2b, each public utility shall generate or procure sufficient electricity generated by solar energy to serve its retail electricity customers in Minnesota so that by the end of 2020, at

Authority	Name	Description	Amount	Goal or Requirement	Date
		utility's total electric sales must be generated by solar energy, 10 % of the 1.5% must be from PV devices of 20 kW or less			
Minn. Stat. § 216B.1691, subd. 2f(c) ⁷	Solar Energy Goal	10% of retail electric sales in Minnesota generated by solar energy	10% of retail electric sales	Goal	2030
Minn. Stat. § 216B.2401; ⁸ § 216B.241, subd. 1c(b); § 216C.05, subd. 2(1) ⁹	Energy Conservation Goal	Achieve annual energy savings equal to at least 1.5% of annual retail electric sales	1.5% of retail electric sales	Goal	Annual
Minn. Stat. § 216B.241, subd. 1a	Energy Conservation Improvements	Xcel must spend and invest 2 percent of its gross operating revenues from services provided in the state on energy conservation	2% of gross operating revenues	Requirement	Annual

least 1.5 percent of the utility's total retail electric sales to retail customers in Minnesota is generated by solar energy. At least ten percent of the 1.5 percent goal must be met by solar energy generated by or procured from solar photovoltaic devices with a nameplate capacity of 20 kilowatts or less.”

⁷ “It is an energy goal of the state of Minnesota that, by 2030, ten percent of the retail electric sales in Minnesota be generated by solar energy.”

⁸ Minn. Stat. § 216B.2401 Energy Conservation Policy Goal.

The legislature finds that energy savings are an energy resource, and that cost-effective energy savings are preferred over all other resources. The legislation further finds that cost-effective energy savings should be procured systematically and aggressively in order to reduce utility costs for businesses and residents, improve the competitiveness and profitability of businesses, create more energy-related jobs, reduce the economic burden of fuel imports, and reduce pollution and emissions that cause climate changes. Therefore, it is the energy policy of the state of Minnesota to achieve annual energy savings equal to at least 1.5 percent of annual retail energy sales of electricity and natural gas through cost-effective energy conservation improvement programs and rate design, energy efficiency achieved by energy consumers without direct utility involvement, energy codes and appliance standards, programs designed to transform the market or change consumer behavior, energy savings resulting from efficiency improvements to the utility infrastructure and system, and other efforts to promote energy efficiency and energy conservation.

⁹ “It is the energy policy of the state of Minnesota that . . . annual energy savings equal to 1.5 percent of annual retail energy sales of electricity and natural gas be achieved through cost-effective energy efficiency.”

Authority	Name	Description	Amount	Goal or Requirement	Date
		improvements			
Minn. Stat. § 216B.241, subd. 1f	Facilities Energy Efficiency	More energy-efficient certified commercial buildings	1000 Energy-Star & 100 LEED or Green Globe	Goal	Dec. 31, 2010
Minn. Stat. § 216B.2422, subd. 2¹⁰	Resource Plan 50/75 percent renewable	A utility must include the least cost plan for meeting 50 and 75 percent of capacity through conservation and renewable energy resources		Required	
Minn. Stat. § 216B.2422, subd. 4; § 216H.02, subd. 1	Greenhouse Gas Emissions Reduction Goal	Reduce greenhouse gas emissions relative to 2005 base levels	15% by 2015 30% by 2025 80% by 2050	Goal	
Minn. Stat. § 216B.2424, subd. 5	Biomass Power Mandate	Xcel Energy must construct and operate, purchase, or contract to purchase 125 MW of biomass energy	125 MW	Required	By Dec. 31, 2002
Minn. Stat. § 41A.11; § 216C.05, subd. 2(3)¹¹	Twenty-five by Twenty-five	Derive 25 percent of the state's total energy used from renewable energy resources	25%	Goal	2025
Minn. Stat. § 216B.8109	Hydrogen Energy Economy goal	MN aims to use more hydrogen as a source of energy		Goal	
Minn. Stat. § 216C.05, subd. 2(2)¹²	Fossil Fuel Reduction goal	Reduce per capita use of fossil fuels by 15% by 2015	15% reduction	Goal	2015

¹⁰ “As a part of its resource filing, a utility shall include the least cost plan for meeting 50 and 75 percent of all or new and refurbished capacity needs through a combination of conservation and renewable energy resources.”

¹¹ “It is the energy policy of the state of Minnesota that . . . 25 percent of the total energy used in the state be derived from renewable energy resources by the year 2025.”

¹² “It is the energy policy of the state of Minnesota that . . . the per capita use of fossil fuel as an energy input be reduced by 15 percent by the year 2015, through increased reliance on energy efficiency and renewable energy alternatives.”