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January 31, 2020

**VIA EMAIL AND FEDERAL EXPRESS**

Steven M. Kahl, Executive Secretary  
 North Dakota Public Service Commission  
 600 East Boulevard  
 Bismarck, ND 58505-0480

RE: QUARTERLY CONSTRUCTION PROGRESS REPORT  
 ADVANCE PRUDENCE—1,550 MW WIND PORTFOLIO &  
 304.2 MW DAKOTA RANGE WIND APPLICATION  
 CASE NOS. PU-17-120 AND PU-17-372

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy, provides the following quarterly construction progress report in compliance with the North Dakota Public Service Commission’s December 6, 2018 ORDER ON SETTLEMENT in the above-referenced cases.

**Q4 2019 REPORT**

Below is an update on the activity for each approved project during October, November and December of 2019.

**Foxtail (150 MW, ND)**

The project achieved commercial operation during December of 2019. This is a shift from September 2019 due to significant weather impacts slowing construction.

Below are the Q4 2019 completed milestones:

12/20/2019	Wind Turbine final commissioning complete.
12/31/2019	Foxtail achieved Commercial Operations.

**Blazing Star I (200 MW, MN)**

The project is on track for commercial operation in February 2020. This is a slight shift from the original expectation of December 2019 due to significant weather impacts and late main power transformer deliveries.

Below are the Q4 2019 completed milestones:

11/13/2019	First main power transformer was commissioned.
12/18/2019	Vestas released to begin commissioning process.
12/31/2019	75 <sup>th</sup> mechanical completion certificate issued.

**Blazing Star II (200 MW, MN)**

The project is on track for commercial operation in December 2020. This is a shift from the original expectation of September 2020, due to the site permit approval process and our request for an amended site permit to incorporate a change in technology, which is still ongoing. As a result of that process, we had to shift our construction activities back from 2019 to 2020.

In addition to the later-than-anticipated commercial operation date, we have also made a change to the turbine technology that will be used for this project. Following passage of the Tax Cuts and Jobs Act, we negotiated the right to use Vestas’s larger V150 turbines at Blazing Star II, which are 4 MWs each rather than 2 MWs. We explained in our May 2018 letter to the Commission in this docket that using the V150s allowed us to achieve the same number of MWs for the project using fewer turbines and lower overall capital costs. We also noted, however, that additional permitting would be required to accommodate the modified turbine layout and potentially also the additional hub height of the V150 turbines. As we worked through those permitting issues throughout late 2018 and 2019 and discussed various permitting approaches and timelines with the Department of Commerce, we ultimately determined that implementation of the V150s at Blazing Star II would be challenging and likely infeasible to be installed in time to qualify for 100 percent of the federal Production Tax Credits. We therefore reverted to using a combination of V110 and V120 turbines, consistent with all of our other self-build projects. This change in turbine type resulted in additional capital costs, however, the V120 turbines have improved capacity factors relative to the V150, which partially offset the additional capital on a Levelized Cost of Energy basis.

Below is the Q4 2019 completed milestone:

12/05/2019	Minnesota PUC verbal approval of the Site Permit Amendment.
12/16/2019	Construction activities commenced on the collector substation.

**Freeborn (200 MW, MN & IA)**

The site permitting approval process has taken longer than either Invenergy or the Company anticipated. As a result, we experienced delays in our contracting that exposed us to additional costs. This has also resulted in scheduling-related cost pressures on the project. Several construction activities scheduled to occur in 2019 had to shift back to 2020 due to the absence of an approved site permit. That said,

we continue to believe the project is on track for a commercial operation date of December 2020.

Below are the Q4 2019 completed milestones:

11/25/2019	Pre-construction Meeting took place with the Minnesota Public Utilities Commission Staff and Department of Commerce Staff for the O&M Building and Substation construction.
12/19/2019	The Minnesota Public Utilities Commission verbally approved the Site Permit Amendment filed under Docket No. IP 6946/WS 17-410.

**Crowned Ridge I (200 MW, SD, Power Purchase Agreement)**

The commercial operation date for this project has shifted from December 2019 to January 2020. The size of this project has been reduced from 300 MW to 200 MW due to extensive interconnection cost assessments.

Below are the Q4 2019 completed milestones:

12/26/2019	Initial Synchronization and Test Energy production began
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**Crowned Ridge II (200 MW, SD, Build-Own-Transfer)**

The project is currently forecasted for commercial operation in fourth quarter 2020. This represents a shift in our initial expectation regarding commercial operation (from fourth quarter 2019). The size of this project has been reduced from 300 MW to 200 MW due to extensive interconnection cost assessments.

There were no completed milestones for Q4 2019.

**Lake Benton II (100 MW, MN, Build-Own-Transfer)**

The commercial operation date was November 15, 2019.

Below are the Q4 2019 completed milestones:

11/15/2019	Commercial Operation Date declared. Project is fully commissioned and providing energy to NSP
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**Glen Ullin Energy Center, previously known as Clean Energy #1 (106.08MW, ND, Power Purchase Agreement)**

The project achieved Commercial Operation on December 19, 2019.

Below is the Q4 2019 completed milestone:

12/19/2019	Commercial Operation Date achieved. Project is fully commissioned and providing energy to NSP.
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**Dakota Range I and II (302.4 MW, SD)**

The project is on track for commercial operation in December 2021.

Below is the Q4 2019 completed milestone:

11/15/2019	Engineering design started for main power transformers.
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Please feel free to contact me at (701) 241-8632 or [dave.sederquist@xcelenergy.com](mailto:dave.sederquist@xcelenergy.com) should you have any questions.

Sincerely,



DAVID H. SEDERQUIST  
SR. CONSULTANT, REGULATION & FINANCE