DIRECT TESTIMONY AND SCHEDULES
AAKASH H. CHANDARANA

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF NORTH DAKOTA

NORTHERN STATES POWER COMPANY ADVANCE PRUDENCE – BIOMASS PPAS APPLICATION	CASE NO. PU-17-____
NORTHERN STATES POWER COMPANY DEFERRED ACCOUNTING – BIOMASS PPAS APPLICATION	CASE NO. PU-17-____

Policy Testimony

Exhibit __ (AHC-1)

June 30, 2017

8 PU-17-270 Filed 06/30/2017 Pages: 24
Prefiled direct testimony of Aakash H. Chandarana
Northern States Power Company
Dave Sederquist

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I. INTRODUCTION AND QUALIFICATIONS

Q. PLEASE STATE YOUR NAME AND TITLE.

A. My name is Aakash H. Chandarana. I am the Regional Vice President for Rates and Regulatory Affairs for Northern States Power Company-Minnesota (NSP or Xcel Energy or the Company). In this role, I am responsible for the Company's regulatory filings with the utility commissions in Minnesota, North Dakota, and South Dakota, including proceedings related to rates, resource planning, and service quality filings.

Q. PLEASE DESCRIBE YOUR QUALIFICATIONS AND EXPERIENCE.

A. Prior to joining Xcel Energy, I was a partner at the Briggs and Morgan, P.A. law firm. My practice focused on the energy industry, primarily the state and federal regulation of utilities. I represented utilities in commercial transactions involving generation interconnection agreements, power purchase agreements, and other related types of transactions. I also assisted my clients in regulatory proceedings, including state electric rate cases, and transmission interconnection disputes at the Federal Energy Regulatory Commission.

In 2013, I joined Xcel Energy as its Lead Assistant General Counsel – Regulatory North. In that role, I was the lead regulatory attorney for the Company's operations in Minnesota, North Dakota, South Dakota, Wisconsin, and Michigan. In January 2015, I assumed my current role. Exhibit ___ (AHC-1), Schedule 1 summarizes my qualifications.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to provide support for our request for an Advance Determination of Prudence (ADP) for Xcel Energy's Biomass power purchase agreement (PPA) cost-savings transactions. This consists of three transactions that relate to our biomass portfolio and will reduce costs for our customers: (1) the Benson Power (Fibrominn) PPA Termination and Acquisition for Subsequent Shutdown; (2) the Pine Bend Biogas PPA Early Termination; and (3) the Hennepin Energy Recovery Center (HERC) PPA Extension and Restructuring (collectively, the Proposed Transactions). I also provide support for our request for authorization for deferred accounting for some the costs of our Proposed Transactions.

II. THE BIOMASS PPA PROPOSED TRANSACTIONS

Q. PLEASE DESCRIBE XCEL ENERGY'S BIOMASS PPA PROPOSED TRANSACTIONS.

A. The Company is entering into a series of transactions that are intended to help optimize our biomass portfolio and significantly drive down costs for our customers. In total, we estimate that our Biomass PPA Proposed Transactions will save customers over $377 million net present value (NPV) over the next eleven years.

Our initiative is composed of the following transactions:

(1) *Benson Power (f/k/a Fibrominn)*: We are proposing to terminate our existing PPA with Benson Power for the output of the 55 MW Benson Power turkey litter fueled generating facility; acquire the

Benson Power facility; and shut it down. We estimate that this transaction will provide net savings of approximately $345 million NPV.

(2) *Pine Bend Biogas*: We are proposing to terminate our existing PPA for the output of the 12 MW Pine Bend biogas facility in exchange for a margin earning agreement that sets the date of termination. We estimate that this transaction will provide net savings of $5 million.

(3) *HERC*: We are proposing to restructure the PPA for the output of the 33.7 MW HERC waste-to-energy facility, in recognition of HERC's right to extend the PPA at fair market value. The PPA restructuring provides certainty to the Company in lieu of potential litigation over the existing PPA and is expected to provide overall savings of approximately $27 million when compared against continuing under the existing PPA.

Company witness Mr. Greg Chamberlain provides additional information regarding the key terms of these transactions. Company witness Mr. P.J. Martin discusses the economic analyses that supports the proposed transactions in his Direct Testimony.

Q. WHY IS NSP PURSUING THESE TRANSACTIONS?

A. To save our customers money. The PPAs at issue in this Application are considerably above current market prices as well as the cost of most other resources in the NSP System's generating portfolio. NSP initiated negotiations with the purpose of eliminating these costly PPAs in order to save money for customers and optimize NSP's portfolio.

Q. WHAT PROMPTED THE COMPANY TO EXAMINE ITS BIOMASS PORTFOLIO?

A. NSP was notified that the owners of the Benson Power facility were looking to sell it. The Company decided to take the opportunity to analyze the potential benefits of purchasing the plant and shutting it down rather than continuing to purchase power under the existing PPA terms. The Company determined that purchasing the plant, shutting it down, and replacing the energy in the market would save NSP customers hundreds of millions of dollars over the remaining term of the PPA.

Q. WHAT DROVE THE EXAMINATION OF THE PINE BEND AND HERC PPAS?

A. The significant cost savings that customers would realize if the Benson Power facility was purchased and closed encouraged us to reevaluate the remainder of our biomass portfolio to determine whether other PPAs could be terminated or amended in order to provide more savings to ratepayers. The Company determined that early termination of the Pine Bend PPA and amendment of the terms of the HERC PPA could substantially reduce energy costs.

Q. IS THE COMPANY PURSUING OTHER OPPORTUNITIES SIMILAR TO THE PROPOSED TRANSACTIONS?

A. We believe that it is worthwhile to pursue opportunities as they may arise to drive down costs for our customers. For example, we are currently negotiating the potential termination of our biomass PPA with the Laurentian Energy Authority. Should we reach agreement with Laurentian, we will also bring that transaction to the North Dakota Public Service Commission (Commission).

Q. ARE THE PROPOSED TRANSACTIONS CONSISTENT WITH THE CURRENT REGULATORY AND STATUTORY FRAMEWORK FOR BIOMASS FACILITIES?

A. Yes. The Benson Power facility was built pursuant to Minnesota's statutory Biomass Mandate, which I discuss in more detail later in my testimony. The continued emergence of more economic and efficient sources of renewable energy, such as wind and solar, as well as the low cost of natural gas has prompted legislators and regulators to reexamine the practicality of biomass energy production. These factors prompted the Company to work with the Minnesota legislature to make practical, cost saving changes to the 1994 legislation that contains the Biomass Mandate. The Benson Power transaction proposed in the Company's Application is consistent with those recent amendments.

The Pine Bend and HERC facilities were built pursuant to the federal Public Utilities Regulatory Policies Act (PURPA). PURPA does not restrict the Company from buying out or amending the Pine Bend or HERC PPAs.

Q. WILL THE PROPOSED BIOMASS TRANSACTIONS REQUIRE REGULATORY APPROVAL OUTSIDE OF NORTH DAKOTA?

A. Yes. All of the transactions are subject to the approval of the Minnesota Public Utilities Commission (MPUC). We filed a Petition for Approval of the biomass transactions with the MPUC on June 30, 2017—the same day we filed our Application in this Case.

The Company will also be filing for approval of the Benson Power transaction from the Federal Energy Regulatory Commission (FERC) under Section 203 of the Federal Power Act. Upon taking ownership of the Benson Power facility, the Company will file Attachment Y (Notification of Generation Resource/SCU/Pseudo-tied Out Generator Change of Status) with MISO regarding the proposed closure of the Benson Power facility.

Q. DO THE GOVERNING CONTRACTS ADDRESS APPROVAL BY THE COMMISSION AS A CONDITION PRECEDENT TO CLOSING?

A. Yes. The agreements governing each transaction contemplate obtaining the approval of the Commission prior to closing. Because the Pine Bend and HERC agreements do not, by themselves, trigger the Company's ADP obligation, the requirement to obtain Commission approval is not absolute—as it is in the Benson Power contract. That said, the Company chose to present the transactions as a package and, accordingly, have brought them forward for Commission approval.

Q. WHAT ARE THE EXPECTED SAVINGS TO THE COMPANY'S NORTH DAKOTA CUSTOMERS AS A RESULT OF THE PROPOSED TRANSACTIONS?

A. The following chart summarizes the expected savings for all NSP customers, and, more specifically, for North Dakota customers.

Table 1: Estimated Savings of Proposed Transactions

	Nominal Dollars in Millions				NPV Dollars in Millions			
	System			ND	System			ND
Transaction	Current	Proposed	Savings	Savings	Current	Proposed	Savings	Savings
Pine Bend	15.4	8.8	6.6	0.4	12.3	7.1	5.2	0.3
HERC	89.1	56.2	32.9	1.8	71.5	44.9	26.6	1.5
Fibrominn	771.6	292.0	479.6	26.3	561.2	215.6	345.6	19.0
Total	876.1	357.0	519.1	28.5	645.0	267.6	377.4	20.7

North Dakota customers should save a total of $21 million NPV as a result of NSP's proposed biomass transactions. The Direct Testimony of P.J. Martin provides a detailed description of our cost savings analysis and calculations.

III. EVOLUTION OF THE COMPANY'S BIOMASS PORTFOLIO

Q. HOW DID THE COMPANY'S BIOMASS PORTFOLIO DEVELOP?

A. For over thirty years, Xcel Energy has been developing its biomass portfolio. As the service provider for five states with large agricultural and timber product industries, development of biomass fueled generation has been an interest of the Company and our stakeholders. To that end, the Company has developed a portfolio of biomass projects totaling approximately 180 MW.

Different projects were acquired pursuant to different laws and programs. We acquired our first several biomass projects under our obligation to purchase the output from qualifying facilities as required by PURPA. We then acquired three more biomass contracts under Minnesota's Biomass

Mandate. Finally, our last biomass contracts were acquired under the auspices of the Minnesota Renewable Development Fund (RDF) program.

Q. WHAT ROLES DO THE BIOMASS PPAS PLAY IN THE NSP SYSTEM?

A. The Company believes that fostering emerging technologies is in our customers' best interest. We are a leader in wind generation due, in part, to our early adoption of the technology. By being an early adopter in the past, we are now positioned to add additional wind generation to our system and materially drive down customer costs. Unlike wind, biomass fueled generation has not emerged as an economic renewable generation alternative.

Q. PLEASE DESCRIBE THE PURPA PROJECTS.

A. Starting in the 1980s, the Company entered into a series of hydroelectric and biomass PPAs that arose generally under PURPA and state implementing statutes. PURPA allows a "qualifying facility" to require a utility such as Xcel Energy to purchase the output of the facility at the utility's "avoided cost." PURPA was designed, in part, to promote small power production and the potential use of alternative fuels. Two of the PPAs that are part of the current restructuring arose out of the Company's purchase requirements under PURPA, namely the Pine Bend and HERC PPAs. Additionally, the WM Renewables (MN Methane) PPA was also added to Xcel Energy's biomass portfolio under PURPA.

While PURPA allows the owner of a qualifying facility to force utilities to purchase power at the "avoided cost," it does not preclude the owner and a utility from negotiating terms of or terminating a PPA. Accordingly, the bilateral agreements between NSP and the biomass facilities covered by PURPA are permitted under the statute.

Q. PLEASE DESCRIBE THE MINNESOTA BIOMASS MANDATE?

A. A significant amount of the Company's biomass power additions have been driven by Minnesota legislative requirements arising out of the Company's nuclear power program. In 1994, the Minnesota Legislature passed the Prairie Island Cask Storage Authorization Act. Through the Act, the Minnesota Legislature required the Company to acquire biomass resources (the Biomass Mandate) in exchange for being allowed to continue the operation of its nuclear power plants. This legislation was essential to the Company's continued operation of its Prairie Island nuclear power station. The Company was running out of space to store spent nuclear fuel and needed authority to construct on-site spent nuclear fuel storage. Without statutory authorization to construct on-site storage, Prairie Island would have been forced to cease operations.

While the 1994 legislation authorized the necessary on-site spent nuclear fuel storage, it also mandated that the Company construct and operate, or contract to obtain, 125 MW of installed capacity generated by farm grown closed-loop biomass. The legislation also included a wind-energy mandate as well as other obligations on NSP in exchange for the right to keep the Prairie Island nuclear power plant operational.

Q. HOW DID NSP COMPLY WITH THE BIOMASS MANDATE?

A. After the initial Biomass Mandate legislation was passed, the Company sponsored a series of competitive processes to seek qualifying projects to help satisfy the mandate. The Company encountered difficulties in finding projects that were financially viable or cost-effective, given the state of technology at the time. We encountered situations where projects were proposed that, for one reason or another, were not able to advance to commercial operation.

In an effort to facilitate compliance, the Minnesota legislature modified the Biomass Mandate each legislative session for several years. This helped vendors refine their proposals in an effort to advance projects capable of achieving commercial operation. Since initial enactment of the Biomass Mandate in 1994, the biomass statute (Minn. Stat. § 216B.2424) has been amended fifteen times, including (1) a reduction of the total biomass capacity requirement from 125 MW to 110 MW, and (2) amendment of the definition of biomass to refine and expand the acceptable fuel sources. Many of the statutory amendments over the years were driven by the challenges the industry encountered in developing feasible projects given the state and cost of the technology at the time.

The Company met its requirements under the Biomass Mandates by entering into PPAs with Benson Power (Fibrominn's successor in interest), the Laurentian Energy Authority, and St. Paul Cogeneration. These three contracts meet the 110 MW Biomass Mandate. NSP's Proposed Transactions include terminating the Benson Power PPA, purchasing the facility, and shutting it down.

Q. ARE THE TRANSACTIONS INVOLVING PPAS SUBJECT TO THE BIOMASS MANDATE ALLOWED BY THE STATUTE?

A. In the most recent legislative session, Minn. Stat. § 216B.2424 was amended to add subdivision 9. This section provides that the MPUC may approve an amended PPA, the early termination of a PPA, or the purchase and closure of a biomass facility if: (1) all contracting parties agree to the terms and conditions of the amended/terminated PPA/ purchase and closure of a facility; and (2) the action is in the best interest of the customers. We supported these legislative changes in Minnesota as we believed it would provide an opportunity for the Company to pursue cost savings that would positively impact customers in all of our states. A copy of these legislative changes is provided as Attachment A to our Application.

Q. WHAT BIOMASS PROJECTS WERE INITIATED UNDER THE MINNESOTA RDF?

A. The 1994 Minnesota Prairie Island Cask Storage Act also established the Minnesota Renewable Development Fund (RDF). As part of the RDF, the Company administers a grant program that is intended to help support the development of renewable energy projects utilizing nascent stage technologies. Two biomass PPAs – one with Rahr Malting for the KODA Energy Facility and one with Diamond K Dairy for their biodigester project – have become part of Xcel Energy's biomass portfolio through the RDF program.

Q. DO ANY OF THE PROPOSED TRANSACTIONS AFFECT FACILITIES CREATED UNDER THE MINNESOTA RDF?

A. No. The Proposed Transactions do not implicate any RDF projects.

Q. FOR REFERENCE, PLEASE SUMMARIZE THE DIFFERENT ASPECTS OF THE COMPANY'S BIOMASS PORTFOLIO.

A. Table 2, below, identifies the contracts making up the Company's biomass portfolio, their size, under which program they were acquired, their North Dakota recovery status, and if they are included in the Company's Proposed Transactions.

Table 2: Biomass Portfolio

Project	Size	Program Acquired	ND Recovery Status	Proposed Transaction?
Benson Power (Fibrominn)	55 MW	MN Biomass Mandate	Subject to Refund	Yes
KODA Energy	12 MW	RDF	Subject to Refund	No
WM Renewable Energy	4.7 MW	PURPA	Subject to Refund	No
HERC	33.7 MW	PURPA	No Restrictions	Yes
Laurentian Energy Authority	35 MW	MN Biomass Mandate	Subject to Refund	No
Pine Bend	12 MW	PURPA	Subject to Refund	Yes
Diamond K Dairy	0.35 MW	RDF	No Restrictions	No
St. Paul Cogeneration	25 MW	MN Biomass Mandate	Subject to Refund	No

Q. HOW HAS THE COMMISSION ADDRESSED THE COMPANY'S BIOMASS PPAS IN THE PAST?

A. The Commission has allowed the Company to recover the costs of all of its biomass contracts since their inception. In the Company's 2013 test year rate case (Case No. PU-12-813), Commission Advocacy Staff raised issues with six key biomass contracts: (1) KODA Energy LLC, (2) WM Renewable Energy (MN Methane), (3) Pine Bend, (4) Benson (Fibrominn), (5) Laurentian Energy Authority I, and (6) St. Paul Cogeneration. Pursuant to the Negotiated Agreement approved by the Commission on March 29, 2016, in Case Nos. PU-12-813. *et al.*, the Company is currently recovering the cost of these six biomass PPAs subject to a potential fifty percent refund which is triggered if the Company fails to construct a gas-fired power plant in eastern North Dakota by the end of 2025. The remaining biomass PPAs have not been singled out for scrutiny and are being recovered by the Company with no conditions.

Q. ARE THERE SPECIFIC CONSIDERATIONS RELATING TO NORTH DAKOTA'S TREATMENT OF THE COMPANY'S BIOMASS PPAS?

A. Yes. Pursuant to the Negotiated Agreement approved by the Commission in Case No. PU-12-813, if Xcel Energy does not complete construction of a gas-fired power plant in eastern North Dakota by 2025, it will have to refund 50 percent of the revenues collected from North Dakota customers that exceed the revenues that would have been collected if North Dakota customers had paid an adjusted system average cost for power instead of purchasing the power from specific biomass facilities. If the transactions move forward, both the price of power paid by North Dakota customers and the amount of the potential refund will be affected.

Q. PLEASE PROVIDE A BRIEF DISCUSSION OF THE HISTORY OF THE REFUND PROVISION OF THE NEGOTIATED AGREEMENT.

A. In 2016, the Company and Commission Advocacy Staff entered into a First Revised Negotiated Agreement (Negotiated Agreement) that addressed the biomass PPAs at issue in this Application, among others.[1] In the Negotiated Agreement, we agreed to either (i) build or have located in eastern North Dakota a natural gas-fired electric generation facility with the capacity of at least 200 MW by the end of 2025, or if the facility is not in service by that time (ii) refund to its North Dakota customers 50 percent of the revenues collected from North Dakota customers that exceed the revenues that would have been collected if North Dakota customers had paid an adjusted system average cost for fuel, and energy, and associated capacity for the six biomass PPAs identified in the Negotiated Agreement. The Benson Power and Pine Bend PPAs were named in the agreement.

Q. WILL THE COMPANY COMPLETE THE NORTH DAKOTA FACILITY BY 2025?

A. The Company is in the process of developing its next Integrated Resource Plan, which it will file with the Commission in February 2019. Through this work, we hope to identify opportunities to meet our commitment.

Q. HOW WOULD THE PROPOSED TRANSACTIONS AFFECT THE REFUND?

A. Even if the refund required by the Negotiated Agreement is triggered in the future, it would still be in North Dakota customers' best interest for the Company to move forward with the Proposed Transactions. The cost to North Dakota customers of continuing with the existing PPAs above the system average cost of fuel has been estimated to be approximately $53 million from 2016 through 2025, the period covered by the refund provisions of the Negotiated Agreement. This would result in a potential refund of $26.5 million from NSP if the North Dakota electric generation

[1] *See N. States Power Co. 2013 Elec. Rate Increase Application*, Case Nos. PU-12-813, *et al.*, ORDER APPROVING FIRST REVISED NEGOTIATED AGREEMENT (Mar. 9, 2016).

facility is not completed by 2025. As a result, the net cost to North Dakota ratepayers over that period would be $26.5 million.

If the Company moves forward with the proposed biomass transactions, the cost to North Dakota customers of the remaining biomass PPAs would drop to $38 million from 2016 to 2025. If the refund becomes applicable, North Dakota customers would receive $19 million from the Company and the net cost to the ratepayers would drop to $19 million net of the refund.

In sum, providing an ADP for our Proposed Transactions will benefit North Dakota customers regardless of whether NSP meets the 2025 electric generation facility deadline provided for in the Negotiated Agreement. If NSP finishes construction by that date, the cost to customers associated with the biomass PPAs will drop from $53 million to $38 million, a savings of $15 million. If the facility is not completed by 2025, the biomass PPAs' cost to customers, net of the refund from NSP, will drop from $26.5 million to $19 million, a savings of $7.5 million. In either event, customers will realize savings from our cost-saving initiative and these savings will be realized sooner than 2025.

Q. HOW ARE THE PROPOSED TRANSACTIONS IMPLICATED IN THE COMPANY'S RESOURCE TREATMENT FRAMEWORK (RTF) PROCEEDING?

A. As part of the RTF proceeding, the Company has proposed, as one option, to allocate the costs, energy, capacity, and other benefits of all of the biomass contracts to the remainder of the NSP System and not our North Dakota customers. In the event this option became a reality, the HERC restructuring would still impact our North Dakota customers while the remaining Proposed Transactions would be moot with respect to our North Dakota customers.

IV. REQUEST FOR DEFERRED ACCOUNTING

Q. HOW DOES THE COMPANY INTEND TO RECOVER THE COSTS ASSOCIATED WITH THE PROPOSED TRANSACTIONS?

A. The costs of the proposed biomass transactions are reasonable and prudent to achieve the resultant net cost savings. While the ADP statute, N.D.C.C. § 49-05-16, makes clear that the finding of prudence is binding for ratemaking purposes, it does provide for timely rate recovery of the costs of the prudent resource additions. The Company intends to seek to recover the North Dakota share of these costs in future proceedings, most likely a rate case of a fuel cost recovery rider filing.

Q. IS THE COMPANY MAKING ANY REQUEST WITH RESPECT TO THE COSTS OF THE PROPOSED TRANSACTIONS AT THIS TIME?

A. Yes. So as not to delay our ability to execute on the Proposed Transactions, the Company is requesting authority for deferred accounting so that the Company can create a regulatory asset and defer recognizing the costs of the Proposed Transaction when they occur so that they can be recovered in the future.

Q. WHY DOES THE COMPANY PROPOSE DEFERRED ACCOUNTING FOR THE COSTS THROUGH CREATION OF A REGULATORY ASSET?

A. The costs associated with purchasing and shutting down the Benson Power facility and terminating the Pine Bend PPA are above and beyond both what the Company has budgeted for normal utility operations and what was reflected in the costs of service to set current rates. It would be inappropriate to expense these costs as they occur due to the nature and materiality of the expenses. These one-time extraordinary expenditures are most appropriately accounted for through the creation of a regulatory asset. Failure to obtain deferred accounting treatment would force the Company to write off these costs in the year in which they occur, signaling no support for the Proposed Transactions.

The size and magnitude of these transactions--the purchase of Benson Power and the payments to Pine Bend--are sufficiently large that they could potentially require the Company to file a rate case and the Company does not have excess earnings to offset the higher costs. The Commission has previously allowed deferred accounting when the amounts are sufficiently large that they could accelerate the timing of a rate case, and when the utility does not have excess earnings that should first be used to offset the higher costs.

Q. FOR WHAT COSTS IS THE COMPANY SEEKING A DEFERRAL?

A. The Company is requesting that it be authorized to accumulate the costs incurred with purchasing and shutting down the Benson Power facility and terminating the Pine Bend PPA in a regulatory asset in Account 182.3. The Company also requests that it be allowed to include a cost of capital return on the asset. The costs to be deferred in the regulatory asset for Benson Power relate to the North Dakota share of costs necessary to terminate the PPA, acquire the plant, and shut it down, and also the North Dakota share of the O&M costs necessary to run the plant as it is shut down in an orderly fashion. The costs to be deferred in the regulatory asset for the Pine Bend PPA relate to the North Dakota share of the termination payment of $1,050,000. The Company will propose mechanisms to recover these costs sometime in the future.

Q. WHY IS THE COMPANY NOT SEEKING DEFERRED ACCOUNTING TREATMENT FOR THE HERC TRANSACTION?

A. As a restructuring of a PPA, recovery of the costs of the HERC transaction are authorized for recovery through our FCR Rider. Consequently, there is already a real-time recovery mechanism available for this transaction. The same is not true with respect to the costs of the other Proposed Transactions.

V. PRUDENCE OF THE CUSTOMER COST-SAVING INITIATIVE

Q. ARE THE PROPOSED TRANSACTIONS PRUDENT?

A. Yes. The Company's Proposed Transactions are prudent. Our analysis, with its conservative assumptions, shows that the Proposed Transactions will result in significant cost savings to customers from both a long-term perspective and a near-term rate impact perspective. We anticipate that North Dakota customers will save, conservatively, approximately $21 million. Based on our analyses, we believe that it is prudent, reasonable and in our customers' best interests for the Commission to grant an ADP for the Proposed Transactions.

VI. PRESENTATION OF WITNESSES

Q. WHO ARE THE WITNESSES FOR THE COMPANY IN THIS PROCEEDING?

A. In addition to my Direct Testimony, the Company sponsors the following witnesses:

- Mr. P.J. Martin discusses the economic analyses and expected cost savings that we expect to achieve by undertaking our Proposed Transactions.
- Mr. Greg Chamberlain discusses the key terms of the Proposed Transactions.

VII. CONCLUSION

Q. DOES THIS CONCLUDE YOUR PRE-FILED DIRECT TESTIMONY?

A. Yes, it does.

Aakash H. Chandarana
Regional VP, Rates and Regulatory Affairs
NSP

Aakash Chandarana is Regional Vice President of Rates and Regulatory Affairs – Minnesota. He is responsible for Xcel Energy's regulatory filings with the utility commissions in Minnesota, North Dakota, and South Dakota.

Chandarana joined Xcel Energy in 2013 as Lead Assistant General Counsel – Regulatory North where he was the lead regulatory attorney for Xcel Energy's operations in Minnesota, North Dakota, South Dakota, Wisconsin, and Michigan. He represented Xcel Energy in regulatory proceedings and handled most issues related to rate cases, nuclear issues, fuel costs, depreciation, renewable energy, and resource planning. In January 2015, he was promoted to his current role. He has more than 10 years of experience in energy and regulation.

Chandarana serves on the Finance Board of the Boys and Girls Club. He also is a member of the Minnesota State Bar Association.

Prior to joining Xcel Energy, Chandarana was a partner at the law firm of Briggs and Morgan where his practice focused on the energy industry. He represented utilities in commercial transactions involving generation interconnection agreements, power purchase agreements, and regulatory proceedings.

Chandarana received his B.A. in biology and business management from Washington University in St. Louis and his law degree from Washington University in St. Louis School of Law.

STATE OF NORTH DAKOTA
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APPLICATION

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DEFERRED ACCOUNTING – BIOMASS PPAS
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VERIFICATION

STATE OF MINNESOTA)
)ss.
COUNTY OF HENNEPIN)

Aakash H. Chandarana, being first duly sworn on oath, deposes and says that he is the Regional Vice-President of Rates and Regulatory Affairs for Applicant Northern States Power Company, a Minnesota corporation, in the above-captioned matter, that the testimony and schedules submitted in the above-captioned matter under his name were prepared under his direction, that he knows the contents thereof, and that the same is true and correct to the best of his knowledge and belief.

Aakash H. Chandarana

Subscribed and sworn to before me on this 29th day of June, 2017.

CYNTHIA D. HARRINGTON
Notary Public, State of Minnesota
My Commission Expires
January 31, 2020

Notary Public
My Commission Expires: 1-31-2020