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October 14, 2019

—Via Email and U. S. Mail—

Steven M. Kahl, Executive Secretary
North Dakota Public Service Commission
State Capitol Building – 12th Floor
600 East Boulevard
Bismarck, North Dakota 58505

RE: UPDATE - 2020-2034 UPPER MIDWEST INTEGRATED RESOURCE PLAN
CASE NO. PU-19-220

Dear Mr. Kahl:

Northern States Power Company, doing business as Xcel Energy, provides this informational letter to the North Dakota Public Service Commission regarding our 2020-2034 Upper Midwest Integrated Resource Plan (IRP) filed in the above-referenced docket. Since our IRP was filed over three months ago, some changes have evolved within the resource planning landscape, and we wanted to inform the Commission and staff of a possible modeling update.

Some of the resource changes include the modeling of the Mankato Energy Center (MEC) as a purchased power agreement (PPA) rather than as a company-owned asset consistent with the Company's intended approach, the 200 MW reduction in size of our Crowned Ridge wind project due to the recent assignment of significant transmission upgrade costs to that project, and potential updates to our proposed acquisitions of two wind facility repowering projects (Mower and Longroad projects) pending the timing of regulatory decisions affecting those projects. In addition, we are also working with stakeholders in Minnesota to incorporate some of their input on our modeling assumptions around wind and solar accredited capacity, solar profiles, hourly price shapes, and other issues.

If our state regulators in Minnesota support a modeling update to incorporate these changes, the Company could provide updated modeling results in early December 2019.

In addition, we also note that we are in the final stages of procuring *EnCompass*, a new capacity expansion modeling tool. We anticipate installing *EnCompass* soon and training on it in the coming months such that we would be ready to discuss

this new modeling tool and provide a supplemental view for our resource plan in the first quarter of 2020. This discussion could cover a variety of topics, including (1) providing an overview of *EnCompass*, (2) highlighting the differences and improvements compared to our current modeling tool, and (3) describing the *EnCompass* results for our IRP. We also offer to provide a supplement to the IRP filing in the April 2020 timeframe based on *EnCompass* outcomes. This spring filing would supplement the record and represent a benchmark against our previous *Strategist* outcomes.

To accommodate the aforementioned updates, we have currently filed a request with the Minnesota commission to approve an extension of their IRP procedural schedule.

Thank you, and please contact me if you have any questions regarding this filing.

Sincerely,



DAVID H. SEDERQUIST
SR. REGULATORY CONSULTANT

cc: Pat Fahn