

## Legislative Energy Commission Meeting Biomass Discussion

Dan Lipschultz | Commissioner  
September 14, 2017

### Applicability of New Law

- Applies to two projects
  - 35 MW Laurentian facility – PPA expires December 31, 2026
  - 50/55 MW Benson facility – PPA expires December 31, 2028

## Substance of New Law

- Gives Xcel three options, each subject to PUC approval
  - Replace current PPA with a new or amended agreement;
  - Terminate current PPA earlier than specified in the agreement;
  - Purchase and close the facility

## Statutory Standard

- All parties to PPA agree, and
- In best interest of Xcel's customers considering:
  - Customer savings from Xcel's proposed action (early termination or purchase & closure); and
  - Automatic adjustment charges to recover utility investments, expenses & costs associated with the early termination or closure

## Cost Recovery

- The PUC may approve rate schedule for automatic adjustment charges to recover associated investments, expenses, costs and earnings if the PUC determines that recovery of these costs is less than costs that would have been recovered if the utility had continued to purchase power under the PPA

## Xcel Petitions

- Petition to purchase & close Benson facility (June 30)
  - Expects closure early 2020 assuming early 2018 MPUC approval
- Petition to terminate the Laurentian PPA (July 14)
  - Termination contingent on MPUC and NDPSC approval by March 31, 2018

## Commission Process/Schedule

	Benson	Laurentian
<b>Xcel Petition</b>	June 30, 2017	July 14, 2017
<b>Department Analysis</b>	August 2, 2017	August 14, 2017
<b>PUC Notice of Comment</b>	August 4, 2017	August 18, 2017
<b>Initial Comment Deadline</b>	September 1, 2017	September 8, 2017
<b>Reply Comment Deadline</b>	September 15, 2017	September 18, 2017
<b>Commission Decision</b>	Fall of 2017	Fall of 2017

## List of Commenting Parties

### \*Benson

- Xcel Energy
- Minnesota Department of Commerce
- Minnesota Department of Natural Resources
- Associated Contract Loggers and Truckers of MN
- Minnesota Timber Producers Association
- Minnesota Turkey Growers Association
- North American Fertilizer & Beaver Creek Transport
- Huls Bros Trucking, Enberg Logging, & Pflipsen Trucking
- Benson Power Suppliers (group of 7 companies)
- 3 Individuals

\* Reply comments due September 15, 2017

### \*Laurentian

- Xcel Energy
- Minnesota Department of Commerce
- Minnesota Department of Natural Resources
- Laurentian Energy Authority

\* Reply comments due September 18, 2017