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Xcel Energy			
Docket No.:	EL17-032		
Response To:	South Dakota Public Utilities Commission	Data Request No.	1-3
Requestor:	Lorena Reichert		
Date Received:	October 17, 2017		

## Question:

Does Xcel Energy have any PPAs with QFs that are not subject to the standard rates for 100 kW or less? If so, are the rates determined based on a similar methodology as the standard rates?

## Response:

Under the Cogeneration and Small Power Production tariffs, the Company currently has no customers utilizing the E50 (Occasional Delivery Service) rate and two customers on the E52 (Time of Delivery Service) rate in South Dakota. These customers either have wind or solar installations. The purpose of the tariff is to have a generally available rate for the small power producer. Similar tariffs exist in other jurisdictions.

In the context of general QFs, the existence of a tariff does not preclude the small power producer from seeking a PPA as a QF. The Company does not have any PPAs for resources 100 kW or less.

NSPM does have PPA's with QFs that are not subject to the Small Power Producer tariffed rates. None of these QFs are in South Dakota. The contract terms are negotiated individually and dependent on the reason the resource is an obligation. These reasons include PURPA "put" requirements, state regulatory requirements and obligations, and Renewable Development Fund projects.

Contract negotiations with a PURPA "put" commences with the consideration of system avoided cost and need. As discussed in Docket No. EL16-037, PPAs with biomass project were procured pursuant to state regulatory requirements the emerged from a legislative compromise to allow the Company to continue its nuclear operations. The PPAs with RDF projects were also reviewed in Docket No. EL16-

037 and will be subject to further analysis in the Company's related proxy price proposal to be filed in January.

Note: Qualified Facility (QF) is a certification sought by the project developer from FERC.

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