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Xcel Energy

Data Request No. 1-16

Docket No.: EL20-026

Response To: South Dakota Public Utilities Commission

Requestor: Patrick Steffensen

Date Received: October 27, 2020

Question:

Refer to Attachment 9B.

- a. Provide a projection of the net wind benefit for Jeffers Wind and Community Wind North similar to what was provided for the projects in Attachment 12B. This projection should include an estimation of all costs and benefits to prove the net benefit to customers with the addition of these projects.
- b. Refer to the Community Wind North section of page 3. What would the Net Present Value of the Revenue Requirements be if the proxy price was used in the calculation?
- c. Did Xcel have to purchase both Jeffers Wind and Community Wind North or could Xcel have purchased one and not the other?

Response:

- a. Attachment 9B provides a similar projection of the net wind benefits for Jeffers Wind and Community Wind North as Attachment 12B. Compared to new wind projects, an additional benefit of repowered projects is the avoided cost of the existing PPA. The cost of the existing PPA or repowered PPA is shown on line 11 of Attachment 9B for Jeffers on the “Current PPA” and “Repower PPA” tabs. Energy above the amount expected under the current PPA and expected after the current PPA expires is priced at LMP similar to Attachment 12B. Likewise, energy above the cap of the repower PPA and expected after the repower PPA expires is priced at LMP similar to Attachment 12B.
- b. The current PPA tab of Attachment 9B provides a calculation of the present value of the revenue requirements that assumes the proxy price for generation associated with the existing PPA and a market price for any additional energy. The NPV of the revenue requirement is \$51.6M as shown on line 65 of the current PPA tab.

The repower PPA tab provides a similar calculation using the cap under the repower PPA and results in an NPV of \$51.7M.

- c. The Jeffers and Community Wind North projects are owned by the same developer and the PPAs and purchase options were negotiated together. However, there are separate Purchase & Sale Agreements for each project; closing on one is not dependent on the other.

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