

Request for Committee Action

To: Intergovernmental Relations
Date: 9/17/2014
From: City Coordinator's Office
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File type: Action
Subcategory: Policy Position

Subject:

City of Minneapolis comments on Xcel Energy's 2016-2030 Resource Plan

Description:

Authorizing the City Coordinator's office to submit comments on Xcel Energy's 2016-2030 Resource Plan. Xcel Energy is required to submit a 15-year planning document to the Public Utilities Commission identifying customer energy needs and a resource plan to respond to those needs. This plan will significantly impact Minneapolis' ability to meet our Climate Action goals, including overall greenhouse gas reductions, renewable energy targets and energy efficiency goals.

Previous Actions:

Minneapolis Climate Action Plan – Adopted June 2013
Minneapolis Carbon Reduction Goal of 80% by 2050 – Adopted April 2014
Energy and Climate Policy Positions – Adopted August 21, 2015

Ward/Neighborhood/Address:

All Wards

Background/Analysis:

The Minnesota Public Utilities Commission has requested Reply Comments on Xcel Energy's proposed 2016-2030 Resource Plan by October 2nd, 2015. The Resource Plan is a 15-year planning document that Xcel Energy is required to submit to the Public Utilities Commission identifying customer electricity needs and a resource plan to respond to those needs. It forecasts anticipated electricity usage and the type and amount of necessary generating sources – such as wind, solar, and coal. The plan ultimately adopted by the Commission will significantly impact Minneapolis' ability to meet our Climate Action goals, including overall greenhouse gas reductions, renewable energy targets and energy efficiency goals.

Staff finds many items in the plan that we recommend the City support, including significant additions of renewable energy, continued investment in energy efficiency, and significant overall greenhouse gas emissions reductions. However, there are a number of ways we are recommending that the plan be improved, or areas that may need additional analysis before a final plan is adopted. The comments in the attached letter are organized around the following topics:

1. Minneapolis and Xcel Energy's commitment to a Clean Energy Partnership, the significant energy savings potential in the city, the importance of demand side management programs to the City's goals, and the selection of an energy savings goal.

2. The importance of overall carbon intensity of electricity from Xcel's system to meeting City goals, and comments on scenarios identified by other commenters with different generating mixes.
3. Providing certainty in the 2016-2030 Resource Plan about the future of Xcel's Sherburne County Generating Station (Sherco) coal-fired power plant Units 1 and 2 – the largest soot and carbon polluter in Minnesota.
4. Xcel's assumed adoption rates for distributed generation, like community and rooftop solar.
5. The need for continued focus on and options for consumers to be empowered users of the electrical energy system.
6. The importance of continuing to plan to meet the State's and City's goal to reduce greenhouse gas emissions 80 percent by 2050, and interactions between that goal and the 2016-2029 Resource Plan.

Financial Review:

No financial impact.

Attachments:

1. Public Reply Comments of the City of Minneapolis on Xcel Energy's 2016-2030 Resource Plan, Docket No. E002/RP-15-21