MN ENERGY CONNECTION

INFORMATION SHEET MINNESOTA

TRANSMISSION INFRASTRUCTURE TO SERVE UPPER MIDWEST CUSTOMERS



Xcel Energy is leading the clean energy transition with a plan that will reduce carbon emissions 85% by 2030 in pursuit of our vision of delivering 100% carbon-free electricity, and meeting Minnesota requirements to do so by 2040.

We'll accomplish these industry-leading goals by retiring coal plants in the Upper Midwest, continuing to operate our carbon-free nuclear plants and adding new wind and solar energy to serve customers. We can deliver this clean energy future while keeping bills affordable and ensuring reliable electricity for our customers throughout the region.

A key strategy to deliver new renewable energy while maintaining affordability is the proposed MN Energy Connection transmission line, a double-circuit 345-kilovolt (kV) project. The new infrastructure will connect new renewable energy in southwest Minnesota to the existing grid connections at the Sherco power plant, which will be retired by 2030.

Opportunities to participate

Minnesota requires two permit approvals before a project like this can be built: a Certificate of Need and a Route Permit, both of which will be reviewed by the Minnesota Public Utilities Commission.

Certificate of Need – The Certificate of Need was filed in March 2023 and determines if the new infrastructure is needed to serve Minnesota customers, and if the project is in the state and customers' interest. The Commission reviews information provided by Xcel Energy, including engineering studies, cost estimates, and other factors, including input from landowners, members of the public, and other interested stakeholders.

Route Permit – Xcel Energy worked with landowners, local governments, state agencies and other officials to identify potential routes, as well as ask for feedback on the impacts of route proposals. We filed an application for a Route Permit on October 30, 2023, kicking off the state's review process, which includes several opportunities for public input. State law requires at least two route options in a Route Permit application of this type; in addition to two end-to-end routes, we've also included 'connector' routes to enable the Commission to identify the least impactful route during its review.

In developing the route proposals we reviewed numerous factors, including planned and existing land use, proximity to homes and buildings, environmental issues such as lakes, wetlands, wildlife and avian habitat, and other factors. We presented potential route options to landowners at public open houses in winter and summer 2023, and reviewed hundreds of comments from landowners and other officials.

We expect the state's review process to take 15-18 months with a decision on both the Certificate of Need and Route Permit in early 2025. If approved, we would begin construction in late 2025 with the project placed in-service in late 2027 to meet Sherco retirement dates and energy needs in the late 2020s.

Voltage support substations

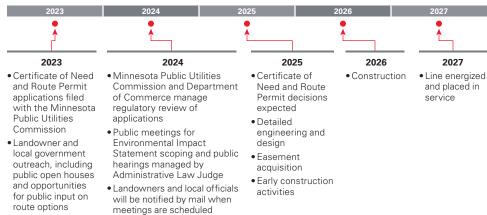
In addition to the substation in Lyon County that will connect new energy and the existing Sherco grid connection, we have also proposed to build two voltage support substations at points along the project. These substations will help maintain reliable electricity and system stability as we manage the large amounts of new variable, renewable energy that will connect to the project. The locations for these substations have not yet been identified; project maps show general locations where we will work with landowners to purchase property for the infrastructure.





Example of double-circuit 345-kV structure.

MN ENERGY CONNECTION TIMELINE

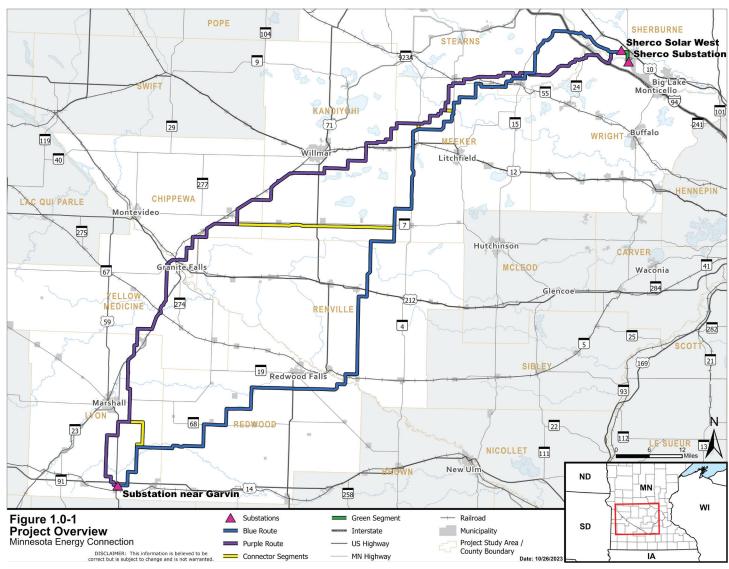


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The Notice Area includes the project end points and areas where under consideration for the new infrastructure

