Xcel Energy®

MN ENERGY CONNECTION

INFORMATION SHEET
MINNESOTA

TRANSMISSION INFRASTRUCTURE TO SERVE CUSTOMERS IN THE UPPER MIDWEST



Xcel Energy is leading the clean energy transition with a plan to reduce carbon emissions while keeping bills affordable for customers. The proposed MN Energy Connection transmission line will deliver renewable energy to customers through the existing grid connection at the Sherco plant, which will retire coal operations by 2030. The new transmission line and renewable energy will help serve customers as part of a balanced energy mix that will reduce emissions, keep bills affordable, and ensure customers throughout the state have the energy they need to power their homes and businesses.

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

Certificate of Need

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

Route Permit application

The company worked closely with landowners, state agencies, and local officials to identify route options that would have the least impact to homes, agricultural operations, and other key land use and environmental issues.

Following more than a year of outreach with landowners and stakeholders, Xcel Energy filed an application for a Route Permit in September 2023 that included two main route options (known as the blue and purple routes) and several 'connector' routes that enable the Commission to select the overall route with the least impacts to the environment, including homes and agricultural operations.

Xcel Energy reviewed all route options that were suggested in the EIS scoping process and submitted testimony in September 2024 noting what it considers the least impactful route, which includes the majority of the blue route and several of the new route options suggested by landowners. While we have submitted testimony noting our preference, all route options will be reviewed by the Commission, which will make the final decision on which route the project will follow.

State review process values public input

Public meetings and hearings are held to develop a full record for the proposal, including 'scoping meetings' to identify what should be included in the Environmental Impact Statement (EIS). Members of the public and local governments can suggest additional route options for consideration during the scoping process. More than 70 route options were suggested during this process, and 68 of those were studied in the draft EIS.

Following the publication of the draft EIS on Oct. 8, 2024, the state scheduled public hearings to take comments on the draft EIS. As part of those hearings, an Administrative Law Judge will also ask for comments on the overall project, including the Certificate of Need and Route Permit application where landowners and stakeholders can make comments on the impact of any of the route options.





Example of double-circuit 345-kV structure

INFORMATION SHEET

MN ENERGY CONNECTION

Public hearings and comments

Public hearings are overseen by an Administrative Law Judge experienced in managing the review of public projects like the MN Energy Connection. Landowners, local officials, and other stakeholders can make verbal comments at the public hearing, or submit comments in writing. The written comment period is open until Nov. 25, 2024; information on how to submit comments is available at MNEnergyConnection.com or by reviewing the public notice about the hearings (also available on the website and at the hearings).

The Administrative Law Judge will manage the public hearings, which include opportunities to comment on the draft EIS and aspects of the overall project, including the Certificate of Need and route options under consideration.

Following the close of the comment period, the ALJ will review the entire record, including the initial application, public comments, testimony submitted and other key information. The ALJ will then draft a Findings of Fact and a report and recommendation for the Commission.

Public Utilities Commission Decision

The Commission will review the record, which includes the Xcel Energy application and testimony and public comments. Following a deliberation meeting, the Commission will decide if the Certificate of Need and Route Permit should be approved, which route should be approved, and any conditions Xcel Energy must meet as part of its approval. We expect this decision to occur in 2025.

Additional substations, renewable energy and natural gas plant

Substation locations

As part of the MN Energy Connection project, we will connect with the existing Sherco grid connection and the new Garvin Substation in Lyon County. We have also proposed new intermediate and voltage support substations at points along the project. The final route chosen by the Commission will help determine where those substations will be located, and we will work with nearby landowners to purchase property for those substations. In addition to providing voltage support, some of the substations may be able to accommodate additional renewable energy, and we have made some initial contacts with landowners to begin discussions about potential projects.

Renewable energy in southwest Minnesota

The MN Energy Connection project will initially connect 2,000 megawatts of new renewable energy to the grid, most of which is expected to be wind energy. Eventually, the project may connect up to 4,000 MW of renewable energy and battery storage to serve customers. We will use our traditional public request for proposal process to solicit future bids; the initial projects are currently under review by Xcel Energy and project participants.

Lyon County natural gas plant and Integrated Resource Plan settlement

As part of the company's 2019 Integrated Resource Plan, the Commission found that Xcel Energy would more than likely need 800 MW of 'firm dispatchable' energy that is always available to serve customers and initiated a process to identify the best resources for that process. Xcel Energy proposed to build two natural gas plants to meet that need, one in Fargo and one in Lyon County. In October 2024 a settlement was reached with Xcel Energy and many of the participating organizations to support a combination of new renewable energy, battery storage, extensions of existing natural gas plants, and construction of the Lyon County natural gas plant that would connect to the Garvin Substation. While a settlement has been reached, it still requires Commission approval, which is expected in 2025.

If approved, the natural gas plant would be begin construction in 2026 and be complete in 2028.

Contact:

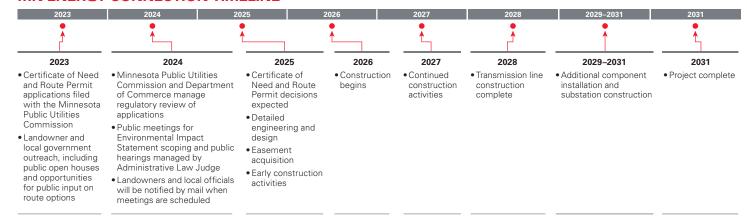
Web: MNEnergyConnection.com

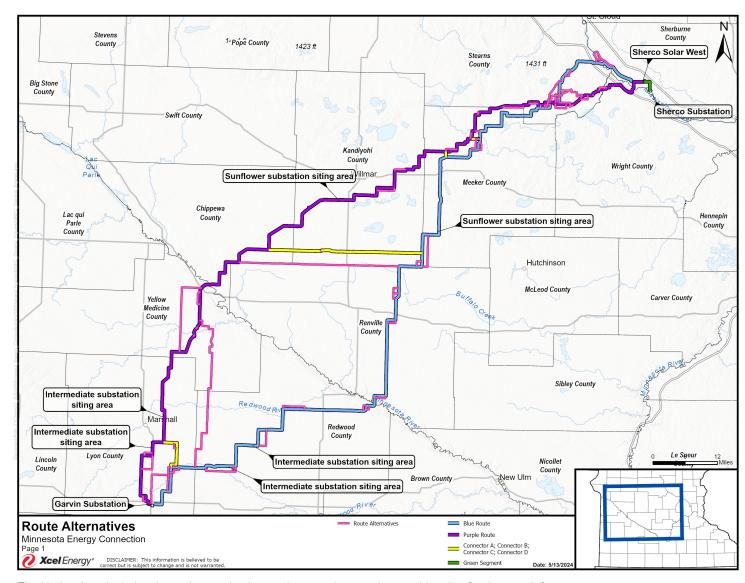
Phone: 888-292-4714

Email: MNEnergyConnection@xcelenergy.com

MINNESOTA

MN ENERGY CONNECTION TIMELINE





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