

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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Chair
Commissioner
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In the Matter of Xcel Energy's Petition for a
Determination of Entitlement to Renewable
Attributes of Energy Purchases Pursuant to
Renewable Energy Requirements

ISSUE DATE: September 9, 2010

DOCKET NO. E-002/M-08-440

ORDER DETERMINING OWNERSHIP
OF RENEWABLE ENERGY CREDITS
FOR POWER PURCHASE
AGREEMENTS MADE PURSUANT TO
STATE WIND AND BIOMASS
STATUTES AND THE FEDERAL
PUBLIC UTILITY REGULATORY
POLICY ACT

PROCEDURAL HISTORY

On April 16, 2008, Northern States Power Company d/b/a Xcel Energy (Xcel) petitioned the Commission to declare that Xcel owns the renewable energy credits (RECs) associated with 46 specific purchase power agreements (PPAs) entered into pursuant to: 1) the 1978 federal Public Utility Regulatory Policy Act (PURPA),¹ and 2) Minnesota's 1994 Wind and Biomass Mandates.² Xcel's petition states that these PPAs, entered into prior to 2001, do not specify ownership treatment of RECs by their terms, and requests that the Commission find that in purchasing renewable energy for the purpose of statutory compliance, any such energy purchases include the environmental attributes, or RECs, associated with the energy.

Following comments from interested parties, the matter came before the Commission on July 1, 2009. Xcel reported progress in negotiations with some parties, and asked the Commission to grant additional time for negotiations to continue. On July 24, 2009, the Commission issued an Order Requiring Negotiations and Reporting, directing Xcel to file with the Commission, by October 15, 2009: 1) copies of any settlements negotiated resolving the claims to the RECs arising from the 46 PPAs at issue; 2) a list of the independent power producers with whom it has not been able to reach resolution; and 3) a list of parties to any of the 46 PPAs that allege to have sold the renewable energy credits to third parties.

¹ Minnesota implemented PURPA through Minn. Stat. § 216B.164.

² Minn. Stat. §§ 216B.2423 and 216B.2424.

On October 15, 2009, Xcel filed a report on the progress of its negotiations with respect to ownership of the RECs associated with the 46 PPAs. Xcel indicated that it had yet to reach settlement regarding any of the RECs, and asked the Commission to rule on the matters.

On February 11, 2010, the parties again met with the Commission to discuss the progress of the negotiations. The Commission subsequently issued an Order, dated March 2, 2010, requiring the parties to continue with their efforts to resolve as many of the matters as possible within 90 days.

Xcel subsequently updated the Commission on the progress of the negotiations between the parties, reporting that four settlement agreements had been reached and approved by the Commission, and that two additional settlements had been reached and were awaiting Commission consideration.

On August 17, 2010, the Commission met to consider the matter.

FINDINGS AND CONCLUSIONS

I. Background

Minn. Stat. § 216B.1691, the Renewable Energy Statute (RES) , directs electric utilities to supply a portion of their retail customers' demand for electricity in Minnesota with electricity generated from renewable sources of energy. This portion increases over time. By 2020, for example, Xcel must acquire 30 percent of the energy needed to serve its Minnesota retail customers from renewable energy sources.³

The RES also directs the Commission to establish a program of tradable credits for electricity generated from qualifying renewable sources.⁴ Such a program would permit a utility with access to relatively inexpensive sources of renewable energy to acquire more renewable electricity than the RES requires, and to sell its surplus renewable energy credits to another utility that lacked access to such sources. In this manner, utilities could minimize their compliance costs while continuing to achieve, in aggregate, the levels of renewable generation specified in statute. To make this system effective, however, the statute requires a credit-tracking system⁵ to ensure that each credit is used only once.⁶

The Commission formally initiated the process of establishing a REC trading program in 2004,⁷ and issued initial protocols for a multi-state Midwest Renewable Energy Tracking System

³ Minn. Stat. § 216B.1691, subd. 2a(b).

⁴ Minn. Stat. § 216B.1691, subd. 4.

⁵ Minn. Stat. § 216B.1691, subd. 4(d).

⁶ Minn. Stat. § 216B.1691, subd. 4(a).

⁷ *In the Matter of a Commission Investigation into a Multi-state Tracking and Trading System for Renewable Energy Credits*, Docket No. E-999/CI-04-1616 (October 9, 2007).

(M-RETS) in 2007.⁸ As part of those protocols, the Commission directed that "all generating units to be used to meet the [RES], starting with the 2009 compliance year, shall be registered with M-RETS."⁹ M-RETS will not register a facility unless the facility signs a form verifying who owns the renewable attributes of the energy generated by that facility, to avoid the possibility of the renewable attributes being counted twice (by the generator and by the purchasing utility).

Among the questions to be resolved in the process of creating M-RETS, Xcel asked the Commission to identify the owners of the RECs associated with certain PPAs that lack explicit terms on the issue. The Commission declined to address the issue in the context of promulgating the M-RETS program's initial protocols and instead directed parties to pursue negotiations.¹⁰

II. This Proceeding

In this proceeding, Xcel has asked for a Commission determination that it has the legal rights necessary to possess, use and dispose of any renewable energy credits arising from the production of renewable energy that it purchased under 46 power purchase agreements. The power purchase agreements at issue are older contracts that were developed prior to the creation of a defined market for RECs, and do not explicitly address the treatment of the renewable attributes separate and apart from the renewable energy being purchased.

The Commission initially asked interested parties to comment on a variety of legal and factual issues affecting its potential deliberations in this docket. The Commission received one or more comments or reply comments from the following entities:

- Barron County, Wisconsin
- Dairyland Power Cooperative
- Dakota and Goodhue Counties
- Fibrominn, LLC
- Gas Recovery Systems, LLC
- Gerdau Aneristeel US, Inc. and Marathon Petroleum Company, LLC
- Great River Energy
- the City of Hastings
- Hennepin County, on behalf of the Hennepin Energy Resource Center (HERC)
- Kas Brothers Wind Farm, LLC and Olsen Windfarm
- Lake Benton Power Partners, LLC and Neshkoro Power Associates, LLC
- Minnesota Chamber of Commerce

⁸ *Id.*, Order Approving Midwest Renewable Energy Tracking System Under Minn. Stat. § 216B.1691, subd. 4(d) and Requiring Utilities to Participate in M-RETS, Docket No. E-999/CI-04-1616 (Oct. 9, 2007); Order Establishing Initial Protocols for Trading Renewable Energy Credits, Docket Nos. E-999/CI-04-1616 and E-999/CI-03-869 (December 18, 2007).

⁹ *Id.*, Order Establishing Initial Protocols for Trading Renewable Energy Credits (December 18, 2007) at 13.

¹⁰ *Id.*, Ordering Paragraph 4.

- Office of Energy Security of the Minnesota Department of Commerce (OES)
- Mission Funding Zeta
- Otter Tail Power Company
- City of St. Cloud
- St. Paul Cogeneration, LLC
- Viking Wind Partners
- Wind on the Wires
- Xcel
- Xcel Large Industrials

III. Commission Jurisdiction To Decide Ownership of RECs In Power Purchase Contracts Predating REC Trading System

Several parties initially raised questions regarding the Commission's jurisdiction to determine the ownership of renewable energy credits in the power purchase contracts at issue. In support, these parties largely relied on mandatory dispute resolution provisions contained in the language of individual power purchase agreements with Xcel, which require that mediation or arbitration be used to decide disputes arising under the contracts.¹¹

After consideration, the Commission concludes that it has the authority to determine who owns the renewable energy credits arising under the power purchase agreements in this docket. In this, the Commission shares the view of the Federal Energy Regulatory Commission (FERC), that states, in creating renewable energy credits, have the power to determine who owns the RECs in the initial instance, and how they may be sold or traded.¹²

In Minnesota, the State Legislature has granted authority to the Commission to determine the standards and criteria by which to track a utility's compliance with the RES and to establish a REC trading system. This broad grant of authority necessarily includes the authority to determine how the renewable energy credits can be used and by whom -- so as to prevent double counting of the credits.

Renewable energy credits are creatures of statute, and are heavily imbued with the public interest. They are central to state energy regulatory policy, and exist only to serve critical state energy goals. They were created as a regulatory tool for measuring and monitoring utilities' compliance with their statutory obligations to secure specified percentages of generation supplies from renewable sources. As such, they are part of a complex and detailed regulatory regime established by statute and under Commission control and guidance long after the PPAs in question in this docket were executed.

RECs, therefore, are not creatures of contract, conferring free-standing property rights. Indeed none of the 46 PPAs at issue in this Docket specifically refer to renewable energy credits. The

¹¹ Other contracts state that the Commission will resolve disputes arising under the PPAs.

¹² FERC Docket No. EL-03-133-000, *Order Granting Petition for Declaratory Ruling*. American Ref-Fuel Co. et. al., 105 FERC ¶ 61,004 (October 1, 2003).

decision as to who owns the RECs, therefore, cannot be delegated to contractual arbitration clauses agreed upon without anticipation of these subsequent statutorily-created regulatory credits. Parties lack the authority to remove the issue of REC ownership from the regulatory process.

Finally, Xcel's costs are ultimately borne by the Minnesota ratepayers, and the Commission is charged with protecting ratepayer interests. The Commission will therefore proceed to address the issues raised herein.

IV. Xcel Power Purchase Negotiations To Date

A. Negotiations Approved by the Commission

To date, the Commission has been asked to consider, and has approved, four power purchase agreement settlements arising out of the 46 contracts referenced in this Docket regarding the ownership of renewable energy credits:

1. WM Renewable Energy, LLC (3.2 MW Landfill Gas)¹³
2. Neshkoro Power Associates (2.8 MW Hydro)¹⁴
3. Kas Brothers Windfarm, LLC (1.5 MW Wind)¹⁵
4. Olsen Brothers Windfarm, LC (1.5 MW Wind)¹⁶

These matters are unaffected by, and specifically excluded from the Commission determinations made in this Order.

B. Negotiations Awaiting Commission Approval

Xcel recently filed with the Commission two additional power purchase agreement settlements regarding the ownership of renewable energy credits, which have not yet been decided by the Commission:

1. Project Resources Wind Projects/Viking Group¹⁷ (12 MW Wind), filed July 23, 2010

¹³ Docket No., E-002/M-10-161 (April 30, 2010).

¹⁴ Docket No. E-002/M-10-500 (August 8, 2010).

¹⁵ Docket No. E-002/M-313 (August 13, 2010).

¹⁶ Docket No. E-002/M-314 (August 13, 2010).

¹⁷ This group consists of eight wind generation facilities, each rated at 1.5 MW, and located in Murray County, Minnesota. The counterparties include: North Ridge Wind Farm, LLC; Moulton Heights Wind Power Project, LLC; Buffalo Ridge Wind Farm, LLC; Vindy Power Partners, LLC; Muncie Power Partners, LLC; Wilson-West Wind Farm, LLC; Viking Wind Farm, LLC; and Vandy South Project, LLC. The Viking Group involves separate contracts which were treated as one group for the purposes of the settlement proposed in Docket No. E-002/M-10-820.

2. Pine Bend (12 MW Landfill Gas), filed July 23, 2010¹⁸

These two matters are unaffected by, and specifically excluded from the Commission decisions made in this Order.

C. Ongoing Negotiations Requesting Additional Time

At the Commission hearing on this matter, counterparties to two of the power purchase agreements entered into pursuant to the Wind or Biomass statutes – Lake Benton Power Partners and Fibrominn -- requested the opportunity to continue to attempt completion of ongoing settlement negotiations with Xcel with regard to ownership of the renewable energy credits associated with the contracts. The parties, with the concurrence of Xcel, have requested to be excluded from all aspects of the Commission's Order.

The Commission concurs with this request, and will grant the parties an additional 90 days from the date of this Order to complete their negotiations and file settlement agreements with the Commission. Resolution of the ownership of RECs pursuant to these two power purchase agreements is specifically excluded from the decisions made in this Order.

V. Remainder of the PPAs at Issue in this Proceeding

The Commission has not in this proceeding undertaken a review of each of the 46 individual PPAs at issue. The parties have suggested several means by which to analyze and perhaps differentiate the power purchase agreements for purposes of establishing who owns the RECs: Xcel has urged a pure policy analysis to the dispute; various generators, including St. Paul Cogenerators, have suggested an individual contract analysis and examination of the terms of the dispute resolution provisions contained in the contracts; and the OES proposed an examination of the statutory scheme under which the contracts were initially approved.

After consideration of the arguments of the parties, the Commission concludes that an analysis of the regulatory scheme and statutory structure surrounding the formation of these contracts, which were all negotiated prior to the regulatory creation of tradable credits that has spawned these issues, is the most reasonable and produces the most cohesive results. The Commission will therefore proceed to examine those PPAs arising under the Wind and Biomass Mandates separately from those arising under PURPA.

VI. Power Purchase Agreements Arising Under the Wind and Biomass Mandate

A. Statutory Background

In 1994, Minnesota enacted two legislative changes to promote renewable energy that contained Xcel-specific requirements -- the Wind Mandate (Minn. Stat. § 216B.2423) and the Biomass Mandate (Minn. Stat. § 216B.2424).

¹⁸ Docket No. E-002/M-10-822.

The Wind Mandate requires Xcel to construct and operate, purchase or contract to construct and operate (1) 225 megawatts of electric energy installed capacity generated by wind energy conversion systems within the state by December 31, 1998; and (2) an additional 200 megawatts of installed capacity so generated by December 31, 2002.

The Biomass Mandate requires Xcel to construct and operate, purchase, or contract to construct and operate (1) by December 31, 1998, 50 megawatts of electric energy installed capacity generated by farm-grown closed-loop biomass scheduled to be operation by December 31, 2001; and (2) by December 31, 1998, an additional 75 megawatts of installed capacity so generated scheduled to be operational by December 31, 2002. Both mandates have been revised several times.

B. Positions of the Parties

Xcel asserts that it entered into the Wind and Biomass power purchase agreements because it was required to obtain energy from a renewable source to fulfill its regulatory quotas. Xcel states that the PPAs explicitly require that the energy provided come from the specified renewable energy source; the pricing structure of the contracts – which established premium pricing of the energy over and above the marginal market cost of energy¹⁹ -- was set accordingly. Xcel argued that the environmental attributes associated with the renewable energy it is obligated to purchase cannot be separated from the energy itself, and that the RECs must transfer to it as the purchasing utility, to realize the benefit of paying the premium pricing.

The OES agreed with Xcel's analysis, reasoning that the Commission would never have approved these contracts if it had not been understood that the right to claim the power as renewable – which is what a REC is – did not belong to the Company and its ratepayers. Xcel's need to claim the power as renewable was the only reason the contracts were approved, since they almost invariably carried extra costs associated with generating renewable energy.

St. Paul Cogenerators and other generators claimed that their power purchase agreements were not silent as to the ownership of RECs. While acknowledging that its PPA does not specifically mention RECs, St. Paul Cogenerators asserts that its PPA specifically grants to the seller, under Section 5.11.1 of the contract, the benefits of "other credits" which take effect after the execution of the contract.

C. Commission Action

The Commission concurs with Xcel and the OES that for the unsettled power purchase agreements entered into under the Wind and Biomass Mandate statutes, Xcel owns the renewable energy credits, unless a generator can demonstrate that the power purchase agreement at issue is not silent as to REC ownership and explicitly provides otherwise.

¹⁹ Xcel argues that its ratepayers pay more for the energy purchased pursuant to these PPAs than they would for energy produced by a natural gas or coal facility.

With the creation of the system of tradable RECs, a new property right has essentially been established; the tradability of the RECs makes them akin to stand-alone personal property, separate and distinct from the generation to which they are attached. As has been amply demonstrated in this proceeding, RECs are valuable economic entities.²⁰

The PPAs that are the subject of this proceeding, entered into in order to satisfy the Wind and Biomass Mandates to construct or purchase certain amounts of renewable energy, have already been treated as renewable PPAs. Energy purchased without these renewable attributes would not have satisfied the statutory requirements, and the Commission would have been unlikely to approve a contract if it had not been understood that the rights to claim the generation as renewable did not belong to the purchasing utility and its ratepayers.

These power purchase agreements almost invariably carried extra costs associated with generating renewable energy, and both buyers and seller knew that the only reason Xcel was paying a premium for renewable energy, as opposed to paying less for fossil-fuel energy, was so that it could claim this energy as fulfilling statutory renewable energy obligations. As noted by the OES, a renewable generation owner must choose whether to sell their energy and environmental attributes together as “green” for RES compliance, or to sell the generic energy without the renewable distinction at the marginal price and separately sell the environmental attributes in the voluntary market. Both the generators and Xcel knew or should have known that Xcel was buying the right to claim the renewable energy – whether that right is called an environmental attribute or a REC – when it bought the energy.

The Commission therefore finds that any economic value associated with meeting the statutory renewable energy obligations under these PPAs passed to Xcel.

The Commission notes, however, that certain generators, such as St. Paul Cogenerators, have claimed in this proceeding that their power purchase agreements are not silent, but in fact address REC ownership, and that such benefit should not be accorded to Xcel. The Commission hereby reserves the right to further address the ownership of RECs in a power purchase agreement entered into pursuant to the Wind or Biomass Mandates, if a generator can establish that the particular power purchase agreement at issue is not silent as to REC ownership, so as to confer the ownership of the RECs to the generator.

VII. Power Purchase Agreements Arising Under PURPA

A. Statutory Background

The federal Public Utility Regulatory Policy Act (PURPA) was passed as part of the 1978 National Energy Act in response to the energy crisis of the late 1970’s and with a goal of encouraging more efficient generation development. Under PURPA, electric utilities were required to purchase energy offered by Qualifying Facilities (QFs), regardless of whether the power was needed. These

²⁰ Xcel could sell the RECs from any generation for which it owns the RECs, although the benefit would go to its ratepayers, who paid for the generation to which they are attached; conceivably, a utility could choose to buy generation without the RECs, if the utility had surplus renewable generation on its system and simply wanted the generation *as* generation.

facilities were defined as cogenerators (generating units that simultaneously produce electricity and steam) and small power producers (maximum size of 80 MW and using a waste or renewable energy source as their primary fuel input).

Subsequently, the Federal Energy Regulatory Commission (FERC) issued regulations requiring utilities to purchase QF energy and capacity at rates equal to the utility's avoided cost. Avoided cost was defined as the incremental energy and capacity cost the utility would have incurred but for the purchase from the QF. While some QFs were renewable in nature (small hydro, wind), the price paid to QFs did not take the renewable aspect of the facility into account or differentiate between fuel sources. A wind QF and a gas-powered cogenerating plant and a small hydro facility would all be paid the same avoided cost price under the FERC regulations.

Twelve of the 46 original power purchase agreements²¹ that were the subject of Xcel's petition in this matter were entered into pursuant to the federal Public Utility Regulatory Policy Act.²² The PURPA PPAs at issue in the current docket fall under both the QF category of cogenerators (e.g., the HERC facility) and renewable small power producers (e.g., small hydroelectric dams).

B. Positions of the Parties

In its petition, Xcel argued that the energy it purchased under the power purchase agreements was priced above the marginal market price for generic energy, and thus, included the renewable attributes associated with the energy. The Company asserted that in all of the PPAs at issue in this Docket, Xcel was paying premium pricing -- in contrast to the marginal market cost of energy. Because of the pricing structure, Xcel argued that the environmental attributes associated with the renewable energy cannot be separated out from the energy itself and retained by the generators.

Other parties, including Hennepin County on behalf of HERC and Wind on the Wires disagreed with Xcel, relying on the decision of the Federal Energy Regulatory Commission which found that FERC's avoided cost regulations did not contemplate the existence of RECs and that the avoided cost rates for capacity and energy sold under contracts entered into pursuant to PURPA did not convey the RECs, in the absence of an express contractual provision.²³ Further, Hennepin County argued that the avoided cost pricing under its PPA was exactly the same price for electricity as Xcel pays to run its most cost-effective coal-fired generation source – Sherco III.²⁴

²¹ Barron Light and Water Dept, Byllesby, Eau Galle Renewable Energy Co., Inc., Hastings Utilities Depot, Hennepin Energy Resource Recovery (HERC), Lac Courte Oreilles Band of Lake Superior, Landfill Power Flying Cloud, Minnesota Methane LLC, Neshkoro, Pine Bend, and City of St Cloud Hydro.

²² Three of the twelve PURPA PPAs are not subject to this order due to Commission approved settlements (Neshkoro and Wm Renewable (Minn. Methane) or settlements awaiting Commission approval – Pine Bend.

²³ FERC Docket No. EL-03-133-000, *Order Granting Petition for Declaratory Ruling*. American Ref-Fuel Co. et. al., 105 FERC ¶ 61, 005-61,004 (October 1, 2003).

²⁴ Hennepin County filed a motion for summary disposition regarding ownership of the RECs associated with its PPA.

While agreeing with Xcel's position in its initial comments, the OES ultimately recommended that the Commission find that the PPAs entered into prior to the passage of the Wind and Biomass Mandates in 1994 and priced at avoided cost do not include any renewable attributes, or RECs. The OES further reasoned, however, that if Xcel paid more than avoided cost to purchase the power, it would appear that Xcel purchased and ratepayers paid for, more than energy.

C. Commission Action

Having carefully considered the issues raised, the Commission concurs with the OES, Wind on the Wires, and Hennepin County, and finds that the RECs arising under the unsettled PURPA power purchase agreements must be treated differently from those created by virtue of Wind and Biomass Mandates. This is so because power purchased by utilities pursuant to PURPA power purchase agreements was purchased to meet statutory demands entirely different from that purchased pursuant to Renewable Energy Mandates.

Minnesota's legislation implementing PURPA (Minn. Stat. § 216B.164, subd. 1) explains that PURPA was intended to give the maximum possible encouragement to cogeneration and small power production consistent with protection of ratepayers and the public. PURPA achieves this goal by requiring utilities to interconnect with and purchase power from qualifying generation facilities, including certain co-generation and small power producing facilities, regardless of whether the electricity is produced with renewable or non-renewable fossil fuel technologies. Thus, under PURPA, the form of fuel for the qualifying generation facilities is simply not an issue in PURPA power purchase agreements.

After review of the positions of the parties, the Commission concurs with the findings of FERC:

RECs are relatively recent creations of the States. . . . They exist outside the confines of PURPA. PURPA thus does not address the ownership of RECs. And the contracts for sales of QF capacity and energy entered into pursuant to PURPA, likewise do not control the ownership of the RECs (absent an express provision in the contract).²⁵

In its decision on rehearing,²⁶ FERC clarified that the standard PURPA price for energy – the avoided cost rate – is set based on the value of electricity from a fossil generator, and does not include any additional value for the severable environmental attributes of the power. FERC noted that to obtain QF status, a cogeneration facility must produce electricity as well as useable thermal output, but that the price paid for that electricity does not take the thermal output into consideration, but merely pays for the avoided cost of the electricity. FERC concluded that if the thermal output of a cogeneration QF is separately saleable, the renewable attributes of a small power production QF are similarly separate.

²⁵ *Id.*

²⁶ FERC Docket No. EL-03-001, *Order Denying Rehearing* (April 15, 2004). American Ref-Fuel Co. et. al., 107 FERC ¶ 61,016 (2004).

The Commission finds such reasoning persuasive, and concludes that avoided cost rates for capacity and energy sold under contracts entered into pursuant to PURPA do not convey renewable energy credits to the purchaser of the energy – here, Xcel. Instead, for the power purchase agreements entered into under PURPA, the generators own the RECs absent contractual provisions to the contrary.

VIII. Miscellaneous Compliance Requirements

Finally, the Commission will order Xcel to file the following within 90 days of this Order:

- A list of the power purchase agreements still in dispute, and stating whether any disputes were in arbitration proceedings, in court proceedings, or returning to the Commission for further evaluation;
- A list of the disposition of renewable energy credits in power purchase agreements that have been resolved; and
- A numerical analysis and quantification of the ratepayer impact from power purchase agreements resolved through this docket.

The Commission will also require Xcel to file quarterly updates regarding the progress of those PPAs which remain in dispute, and to serve a copy of the Commission's Order on all parties to the 46 PPAs that were the subject of this Docket.

ORDER

1. The Commission authorizes Xcel to continue negotiations regarding the Lake Benton and Fibrominn power purchase agreements, and to file settlements, if any, with the Commission within 90 days of the Commission decision herein.
2. The Commission finds that for the remaining power purchase agreements referenced in this docket entered into pursuant to the Wind or Biomass Statutes (Minn. Stat. 216B.2423 and 216B.2424) Xcel owns the renewable energy credits, unless a generator can demonstrate that the PPA at issue is not silent as to the renewable energy credit ownership.
3. The Commission finds that for the remaining power purchase agreements entered into pursuant to PURPA (Minn. Stat. § 216B.164), the generators own the renewable energy credits.
4. Xcel shall file the following within 90 days of this Order:
 - A. A list of the power purchase agreements still in dispute, including whether any disputes are in arbitration proceedings, in court proceedings, or returning to the Commission for further evaluation;

- B. A list of the disposition of renewable energy credits in power purchase agreements that have been resolved; and
 - C. A numerical analysis of the ratepayer impact from newly settled power purchase agreements resolved through this docket.
5. Xcel shall file quarterly updates regarding the progress of those power purchase agreements still in dispute.
 6. Xcel shall promptly serve a copy of the Commission Order on all parties to the 46 power purchase agreements at issue in this Docket.
 7. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary



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