

# Welcome!

## Stakeholder Engagement Workshop Meeting #6.5

### 2023-2043 Integrated Resource Plan, Southwestern Public Service Company

1:00 PM - 5:00 PM, Sept. 13, 2023

Read-ahead materials available at:

<https://gridworks.org/initiatives/xcel-sps/> or [Xcel Energy/Southwestern Public Service Company \(SPS\) – Gridworks](#),

**Note: this meeting is being recorded. A link to the recording will be included in the meeting summary and posted on the GRIDWORKS website.**

## The Agenda for this Meeting

|         |  |
|---------|--|
| 1:00 PM | Welcome, Meeting Purpose and Outcomes  |
| 1:10 PM | Review and Discussion of SoN (stakeholder and SPS elements)  |
| 2:15 PM | Break  |
| 2:30 PM | Next Steps in Consideration of SoN Input<br>Context and Guidance for Action Plan<br>Discussion of Action Plan Suggestions Received to Date |
| 3:45 PM | Break  |
| 4:00 PM | Action Plan Mapping Framework  |
| 4:45 PM | Summary of Next Steps, Meeting Feedback Request  |
| 5:00 PM | Adjourn  |

### **Purpose:**

- Assess level of agreement on SoN and
- Develop input to the Action Plan

### **Key outcomes:**

- Comparison of stakeholder and utility SoN elements, assessment of similarities and differences
- Collection of Action Plan suggestions

# We are Now In the Action Plan Phase of the Process

IRP Filing  
Oct. 13

May - June

- May 16
- June 1
- June 13 & 14

July – August

- July 6
- August 1 & 2
- August 29

September - October

- **Sept.13: 1 – 5 PM**
- **Oct 3: 1:30 – 3:30 PM**
- **Oct. 26: 2 – 3:30 PM**

1: Grounding and  
Statement of Need,  
Prepare for  
Modeling

2: Model Runs and  
Produce Action Plans,  
Check alignment with  
Statement of Need

3: Input to Action Plan  
& Process Feedback

# RULE REQUIREMENTS FOR STATEMENT OF NEED

## 17.7.3.10 STATEMENT OF NEED:

A. The statement of need is a description and explanation of the amount and the types of new resources, including the technical characteristics of any proposed new resources, to be procured, expressed in terms of energy or capacity, necessary to reliably meet an identified level of electricity demand in the planning horizon and to effect state policies.

B. The statement of need shall not solely be based on projections of peak load. The need may be attributed to, but not limited by, incremental load growth, renewable energy customer programs, or replacement of existing resources, and may be defined in terms of meeting net capacity, providing reliability reserves, securing flexible resources, securing demand-side resources, securing renewable energy, expanding or modifying transmission or distribution grids, or securing energy storage as required to comply with resource requirements established by statute or commission decisions.



## IRP Modeling Results

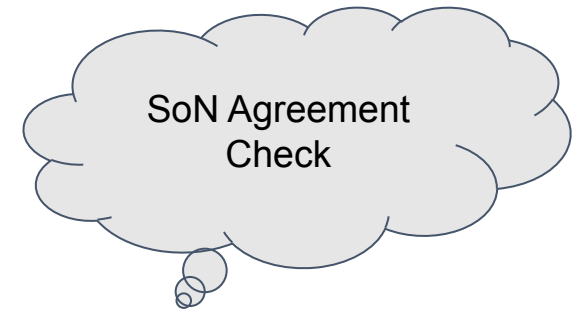
### Statement of Need Inputs

- All scenarios included a substantial build out of new renewable generation ranging from 4,281MW to 6,631MW of wind and solar generation between 2028 and 2030
- New dispatchable additions ranged from 1,043MW to 4,290MW during the same period
- Total resource additions ranged from 5,324MW to 10,211MW
- For context, SPS currently has ~7,500MW of installed capacity with an accredited capacity of 5,400 and a system peak of ~4,200MW

## SoN Elements - Stakeholders Resource Need Input

- There are resource needs by 2027 that are currently being addressed by the 2021 IRP Action Plan. SPS/Xcel Energy also has capacity need of \_\_\_MWs by 2028-2030, which requires commencement of the resource procurement process as soon as possible, under:
  - Description of level 1-3 modeling process, with details regarding the following:
    - Level 1 - Base case
    - Level 2 - Scenario X, modeled by increased Planning Reserve Margin
    - Level 3 (e.g. higher load)
- Based on generic pricing, Recommended/Preferred Portfolio has potential for:
  - \_\_\_ MW new clean energy
  - \_\_\_ MW from dispatchable (resource that can be called upon at anytime that is needed)
  - \_\_\_ MW storage
  - \_\_\_ MW Demand Side Resources

## Do Stakeholders Agree with the SPS Resource Need Analysis?



- Are the quantity and type of new capacity needs appropriate for the 2028-2030 timeframe?
  - 4281-6631 MW of variable renewable generation
  - 1043-4290 MW of dispatchable resources
- Do you agree with this characterization of the resource need?
- If you do not agree, please speak up, as we want to understand your views.



## A Reminder Regarding Other Stakeholder Input...

For the full document, see [Statement of Need ELEMENTS July 24.docx \(gridworks.org\)](#)

- The objectives we're trying to solve for:
  - Cost effective resource portfolio
  - Meet the RPS requirements
  - Meet projected load growth and secure replacement energy and capacity for retiring resources
  - Reliability and resiliency
  - Robust energy system that furthers diverse economic development in the state
  - Meet evolving resource adequacy requirements
  - Ensuring affordability to all SPS customers, including residential and low-income customers, as the system transitions
  - Providing a just and orderly transition for workforce, customers, and communities, including consideration of replacement generation in communities affected by accelerated retirements.
  - Engaging customers to help the utility reliably serve during grid constrained events

## Next Steps in Consideration of Stakeholder Input

SPS - please share your next steps in consideration of the stakeholder input to the IRP.

## Guidance Regarding the Action Plan

Per the IRP Rule, 17.7.3.11 utility's action plan shall:

- 1) detail the specific actions the utility shall take to implement the IRP spanning a three-year period following the filing of the utility's IRP;
- 2) detail the specific actions the utility shall take to develop any resource solicitations or contracting activities to fulfill the statement of need as accepted by the commission; and
- 3) include a status report of the specific actions contained in the previous action plan

## Action Plan Suggestions from Stakeholders

From the SoNIC – engage customers to help the utility reliably serve all during grid constrained events, including new rate structures.

Via email on 9/8 - The end result of any plan or recommended action should ensure reliability, affordability and resiliency. If affordability and dispatchability is not serious consider you haven't done your job.

I want to see SPS address in their action plan how they will ensure system reliability and resiliency. Affordability to consumers and a continued investment in our Local Communities.

...suggests that Xcel prioritize they will ensure system reliability and resiliency as well as continued expansion of and investment in the electrical grid serving Eddy County. Our county's industrial base continues to expand, and the infrastructure for the needs of this growth must be proactive to ensure its sustainability.

Analysis / study of how to reduce O&G connected load through voluntary program(s).

Analysis / study of interruptible tariff(s) for high-tech and other loads.



## SPS Suggested Action Plan Items

- Develop All Source RFP for resource need in the 2028-2030 time frame
- Engage Independent Evaluator per NMPRC rules
- Develop RFP bid evaluation documents, including reliability assessments and fuel security
- Select portfolio of resources for the 2028-2030 time frame based on bid evaluation
- File CCN/PPA approval

SPS is considering:

- Develop RFI for long-lead time emerging tech resources ahead of next IRP cycle
- Evaluate Demand Response options, including Interruptible Credit Option, and request regulatory approval where appropriate

# Proposed Framework for Action Plan Items



## Next Steps in the Process

- **Oct. 3: 1:30 PM – 3:30 PM**, Meeting #7 via Zoom. Focus is the Action Plan.
- Oct. 13 – IRP is filed by SPS.
- Oct. 26: 2 PM – 3:30 PM, Meeting #8. Focus is feedback on stakeholder process.

Gridworks report to the NM PRC is to be delivered by Jan. 31, 2024. It will include results of both NM IRP Facilitated Stakeholder Processes (SPS and PNM).

## Your Feedback is Critical

***...please:***



**Scan the QR Code to the right**

**OR**



**Visit this link:**

**[bit.ly/SPS-IRP-Feedback](https://bit.ly/SPS-IRP-Feedback)**

Feedback allows us to:

1. Measure effectiveness of this new process for the NM PRC
2. Improve Gridworks' facilitation effectiveness
3. Hear your concerns and suggestions





Thank you for attending.

Questions? Please contact Margie Tatro at:  
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or Deborah Shields at [INFO@gridworks.org](mailto:INFO@gridworks.org)



GRIDWORKS

Materials for this and future meetings available at: [Xcel Energy/Southwestern Public Service Company \(SPS\) – Gridworks](https://www.xcelenergy.com/initiatives/new-mexico-energy-planning/)

or

<https://gridworks.org/initiatives/new-mexico-energy-planning/>