Xcel Energy, labor, and clean energy groups reach consensus on proposal to accelerate the transition to a clean energy economy

ST. PAUL, MINNESOTA – Clean energy groups, LIUNA Minnesota & North Dakota, and Xcel Energy announced support today for a consensus proposal to accelerate the transition to a clean energy economy while creating high-quality local jobs in the solar industry.

The proposal includes Xcel Energy’s purchase of the Mankato Energy Center (MEC), retirement dates for the last coal power plants in Xcel Energy’s Upper Midwest portfolio, reducing the amount of coal burned in the short term, expanded energy efficiency efforts, and a major expansion of locally built solar electricity that would significantly reduce greenhouse gas pollution. Specifically, the proposal:

- Adds at least 3,000 megawatts of solar power to Xcel Energy’s system by 2030, nearly three times the amount of all solar capacity in Minnesota today (1,100 megawatts)
- Prioritizes creation of high-quality construction jobs and apprenticeship opportunities by maximizing the use of local skilled labor to build new solar installations
- Will retire the Allen S. King coal power plant in Bayport, Minnesota by 2028 and the Sherco 3 coal-fired generator in Becker, Minnesota by 2030
- Limits coal burning through seasonal operation of the Sherco 2 coal-fired generator until its retirement in 2023
- Includes an unprecedented amount of energy efficiency that will exceed Xcel Energy’s single-year energy savings record each year for the next decade

The proposal will be submitted to the Minnesota Public Utilities Commission who will decide if it complies with Minnesota laws, protects ratepayers, and is in the public interest.

“This historic proposal moves Minnesota toward a clean energy future,” stated Kevin Lee, Climate and Energy Program Director at the Minnesota Center for Environmental Advocacy. “This proposal would put Xcel Energy well on the path to meet its commitment to 100% carbon-free electricity by 2050 while creating good paying jobs in the solar industry.”

“Minnesota’s electric utilities have provided middle-class wages, health and retirement benefits to generations of Minnesota workers and their families,” said Tim Mackey, President of LIUNA Minnesota & North Dakota. “This proposal will help to ensure that we create the same kind of high-quality jobs as we move toward a clean energy future by prioritizing employment of skilled local labor and utilizing registered apprenticeship programs to train the next-generation workforce.”

“Today’s proposal from Xcel Energy to accelerate its transition from coal to clean renewable solutions like wind and solar is a landmark step for the company, our state and our climate. We look forward to working with all parties to ensure this transition results in good family supporting jobs and a clean
energy economy that works for all Minnesotans,” said Michael Noble, Executive Director of Fresh Energy.

“We are pleased to see Xcel Energy’s continued commitment to delivering renewable energy to its customers. The cost of solar has declined 88 percent since 2009, making the addition of solar to the Xcel Energy portfolio not only great for keeping our air and water clean, but also great for their customer’s pocketbooks,” said Clean Grid Alliance Executive Director Beth Soholt. “The renewable energy industry is ready, willing, and able to build these projects and work to ensure local skilled labor has the opportunity to access these great jobs. We look forward to helping Xcel Energy implement this historic proposal and get new renewable projects in the ground.”

“Xcel Energy was the first major utility in the United States to adopt a goal of 100% carbon-free electricity by 2050,” said James Gignac, Lead Midwest Energy Analyst for the Union of Concerned Scientists. “The proposal announced today shows the company’s commitment to responding to the urgent threat of climate change in ways that save customers money and promotes local economies and jobs.”

“We’re honored to be part of this unique proposal uniting Xcel Energy, clean energy nonprofits, and LIUNA, representing 12,000 regional construction workers and public employees,” stated Mike Bull, Director of Policy and External Affairs for CEE. “The unprecedented efficiency targets build on Xcel Energy’s already stellar performance, and are informed by Minnesota’s 2018 Energy Efficiency Potential Study, co-led by CEE. Their dedication to helping customers control energy costs is as extraordinary as their commitment to accelerating their clean energy transition.”

In addition to the groups listed above, the Sierra Club joined a portion of this agreement and is issuing a separate statement.

Xcel Energy’s forthcoming Integrated Resource Plan includes other elements outside of the consensus proposal announced today. Xcel Energy’s preferred alternative for the Integrated Resource Plan will be formally filed with the Minnesota Public Utilities Commission on July 1, 2019.

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