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Public Service Commission of Wisconsin
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June 15, 2022

Mr. Cru Stublely
Secretary to the Commission
Public Service Commission of Wisconsin
4822 Madison Yards Way
Post Office Box 7854
Madison, WI 53707-7854

**RE: Application of Northern States Power Company - Wisconsin
Wisconsin for Approval to Acquire Ownership of the
Western Mustang Solar Electric Generating Facility Docket No. 4220-BS-100**

Dear Mr. Cru Stublely:

Northern States Power Company, a Wisconsin corporation, and wholly owned subsidiary of Xcel Energy, Inc. (NSPW) respectfully submits this letter to update the Commission on the status of the Western Mustang Solar Electric Generating Facility and estimated in-service date. As noted in NSPW's application filed in Docket No. 4220-BS-100 on October 27, 2020, NSPW requested approval to acquire, through a build transfer agreement, the 74 megawatt (MW) solar photovoltaic (PV) electric generating facility located in Pierce County, Wisconsin. In the application, approved by the Commission on July 13, 2021, NSPW noted an expected in-service date of fourth quarter of 2022.

As of the date of this letter, construction by the developer, Ranger Power, has not commenced on the Western Mustang project. Accordingly, the project will not meet the expected in-service date in the fourth quarter of 2022. The reasons for the delay in construction are due to supply chain challenges on both solar panels and generation interconnection equipment and the ongoing U.S. Department of Commerce's (DOC) anti-dumping circumvention investigation of solar cells from Southeast Asian countries.

The developer, Ranger Power, notified the Company of supply chain challenges earlier this year, and those challenges have progressively worsened over the course of the last several months and have been compounded by the DOC's investigation into potential trade violations from suppliers in Southeast Asian countries. Due to the DOC's investigation, suppliers in the targeted countries have largely ceased production of solar panels for U.S. projects resulting in the delay in construction of many solar projects including Western Mustang. Due to the halt in production of solar cells, inflationary challenges, and supply chain challenges, construction is delayed and there is a risk of significant price increases to the total cost of the project. Therefore, NSPW has placed the Western Mustang project on hold.

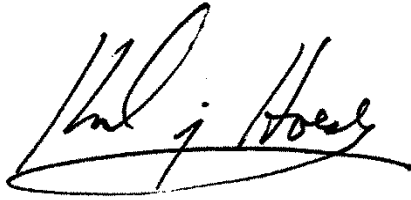
NSPW continues to be committed, however, to advancing solar in Wisconsin. While there has not yet been a preliminary determination related to the DOC's investigation, the Company is

working diligently to identify potential solutions that move the Western Mustang project forward. The Company has been actively advocating for the DOC's investigation to be resolved promptly, both directly and through industry organizations, and we are pleased to see President Biden's recent announcement that solar component imports will be protected from new tariffs for 24 months. Based on the most recent available supply information, the Company estimates the Western Mustan project will be in-service sometime after 2023. The Company will provide the Commission another update on this project before the end of 2022.

Lastly, NSPW's approved rate case 2022 – 2023 test year settlement agreement in Docket 4220-UR-125 included the revenue requirement of NSPW's ownership of the Western Mustang solar project with an expected in-service date in late 2022. While the settlement agreement did not explicitly include a deferral on a potential delay of this project, NSPW will defer all revenue requirement impacts for 2022 and 2023 related to this project as a regulatory liability to be addressed in the Company's next rate case proceeding. NSPW will make a separate AF docket filing in the next few weeks to address the requirements needed for the deferral proceeding. NSPW will address future recovery of the project in the next rate case proceeding.

If you need further information or questions, please contact me at (715) 737-4012 or karl.j.hoesly@xcelenergy.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Karl J. Hoesly". The signature is written in a cursive style with a large, sweeping underline that extends across the width of the signature.

Karl Hoesly
Regional Vice President, Rates & Regulatory Affairs