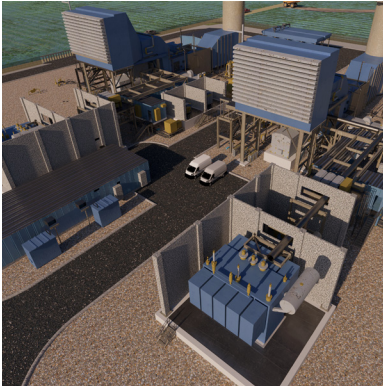


# LYON COUNTY GENERATING STATION

## SOUTHWEST MINNESOTA ENERGY INVESTMENTS TO SERVE UPPER MIDWEST CUSTOMERS



Artistic rendering of a natural gas plant similar to what is proposed for the Lyon County Generating Station

Xcel Energy is preparing to construct a new 420 megawatt (MW) natural gas-fired power plant adjacent to a new substation in Lyon County, Minnesota. The Lyon County Generating Station will connect to the proposed Minnesota Energy Connection transmission line, which will run from the existing Sherburne County Generating Station (Sherco) site near Becker to the new Garvin Substation in Lyon County.

Together, the projects are part of our plan to help ensure reliable service by adding more than 2,200 MW of always-available resources, such as natural gas plants, to supply power when solar and wind energy are not available and during peak demand on the hottest days and coldest nights.

Xcel Energy will work closely with neighboring landowners, local officials and other stakeholders as the project is developed. Construction is expected to take place from 2026–2028.

### Energy infrastructure delivers local benefits

Southwest Minnesota is home to some of the most productive wind energy resources in the country. Xcel Energy has made significant investments to take advantage of this low-cost renewable resource for 25 years.

The new generating station, transmission lines and future renewable energy projects represent billions of dollars in new investments in the region.

- Tens of millions of dollars in new lease payments for landowners hosting renewable energy projects.
- Approximately \$300 million in local tax revenue from renewable energy and natural gas plant operations over the 40-year life of the project.
- Hundreds of construction jobs to build the power plant, transmission lines and new renewable energy.

### Project background — Lyon County Generating Station

In 2021, the Minnesota Public Utilities Commission (MPUC) approved Xcel Energy's plan to retire all coal power plant operations in the region and add significant amounts of new renewable energy. The plan included adding 800 MW of always-available "firm dispatchable energy" to be called on when wind and solar are not available and in times of peak demand on the hottest and coldest days.

The MPUC directed Xcel Energy and other stakeholders to evaluate options, including natural gas, battery storage and other technologies, and propose a plan to best meet the firm dispatchable energy needs. Xcel Energy, the Minnesota Department of Commerce, clean energy organizations, labor unions and energy developers participated in the review, which considered electric system planning, project costs, the environment, public involvement, regulatory issues, existing and planned land use, land rights and engineering considerations to arrive at the most promising combination of projects.

The review, which was overseen by an administrative law judge resulted in the approval of several projects, including the MPUC's directive to Xcel Energy to propose the Lyon County Generating Station through its formal certificate of need and site permit process.

### Permitting process

Xcel Energy filed applications for all permits required to construct and operate the Lyon County Generating Station, including a certificate of need, a site permit and those related to air, water and waste.

- In May 2025, we filed applications for a certificate of need and a site permit with the MPUC for approval to construct the facility. The application provided information about construction, operations, noise, air quality and other issues of interest to neighboring landowners and local governments.
- In June 2025, we filed an application with the Minnesota Pollution Control Agency (MPCA) for a Title V air permit. The MPCA will conduct a public process to review and approve construction and operation of the facility.
- The air permit will limit the number of hours the plant can run each year, likely about 20% of the hours in a calendar year. We expect to operate the plant as needed to reliably serve customers throughout the region. The number of hours each year will be based on the needs of customers and energy available at any one time.

### The Lyon County Generating Station is a key part of our Upper Midwest Energy Plan

Xcel Energy is committed to delivering clean, reliable, safe electric service while keeping costs low for customers. We are pursuing a plan that will reduce carbon emissions 85% by 2030 (compared to 2005 levels) and achieve our vision to deliver 100% carbon-free electricity by 2050.

The strategy will support renewables with always-available electricity generation resources to ensure the reliability our customers depend on. The proposed plan calls for extending the use of Xcel Energy's two carbon-free nuclear plants while adding more wind and solar energy, battery energy storage systems, and always-available sources of electric generation capacity, such as natural gas plants.

For more information please contact us by phone at **612-330-6540** or via email at **[LyonCountyStation@xcelenergy.com](mailto:LyonCountyStation@xcelenergy.com)**.

