

Public Document

May 29, 2014

VIA E-Filing and U.S. Mail

Dr. Burl Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Heartland Consumers Power District RES Compliance Report for 2013

RE: In the Matter of a Renewable Energy Certificate Retirement and Reporting for
Compliance Year 2013
Docket No. E-999/PR-14-12

In the Matter of Commission Consideration and Determination on Compliance
with Renewable Energy Standards
Docket Number E-999/M-14-237

In the Matter of the Green Pricing Verification Filing Process
Docket No. E-999/PR-02-1240

Dear Dr. Haar:

Heartland Consumers Power District (Heartland) provides this 2013 RES Compliance Report as demonstration of its compliance with Minn. Stat. § 216B.1691 in regard to the above referenced dockets. This report is composed of two attachments; Attachment A is the REC Retirements and Biennial Compliance Report and Attachment B is the REC Sales and Purchases Report.

This filing has been submitted electronically by e-filing and copies have been served on those on the appropriate service lists for this compliance filing. Please contact me at njones@hcpd.com or at 605-256-6536 if you have any questions regarding this filing.

Respectfully submitted,

/s/ NATE JONES
Nate Jones, Market Operations Manager

Enclosures
cc: Service List

Instructions

Minnesota Public Utilities Commission
DOCKET NO. E999/PR-14-12
DOCKET NO. E999/PR-14-237

Minnesota Department of Commerce
DOCKET NO. E999/PR-02-1240

Renewable Energy Certificate Retirement Report for
RENEWABLE ENERGY STANDARDS and GREEN PRICING PROGRAMS
Attachment A: REC Retirements & Biennial Compliance Reporting

For the Reporting Period:
January 1, 2013 - December 31, 2013

Instructions

note: items in red indicate changes in reporting from previous year

Due: June 1st, 2014

Complete the following worksheets and e-file in **Excel (XLS or XLSX)** format:

- Worksheet A.1, Utility Info
- Worksheet A.2, Renewable Energy Standard Retail Sales
- Worksheet A.3, Green Pricing Program Retail Sales
- Worksheet A.4, RES & Green Pricing REC Retirements
- Worksheet A.5, Biennial Compliance Reporting**

To e-file, login, or register, at: <https://www.edockets.state.mn.us/EFiling/home.jsp>

for directions on how to e-file, see: <http://www.commerce.state.mn.us/eDocFile/eFilingHelp.html>

For questions about Renewable Energy Certificate retirement or compliance with Renewable Energy Standards, contact Susan Mackenzie at 651-201-2241 or at susan.mackenzie@state.mn.us .

For questions about Green Pricing or about filling out this spreadsheet, send an email to:

DG.Energy@state.mn.us.

For questions about e-filing, contact Karen Santori at 651-539-1530 or at karen.santori@state.mn.us .

Yellow cells - Information provided by utility

Pink cells - Calculated data

Green cells - Headers and instructions

Blue cells - Lists of codes

Biennial Compliance reporting

Please report the following items in compliance with the PUC May 28, 2013 Order in Docket No. E999/M-12-958

Ordering Point

4.A. & 5.H. the year through which the utility can maintain compliance with its current renewable portfolio

2029 Represents year current wind PPA expires.

4.B. & 5.I. Projected compliance for the current plus three (3) upcoming years.

Year	actual/projected MN retail sales (MWhs)	RES Req. (%)	RES Req. (MWhs)	Projected Resources (MWhs)	Projected Surplus/ (Deficit) (MWhs)
2013	643,180	12	77,182	126,692	49,510
2014	646,219	12	77,546	136,469	58,923
2015	647,698	12	77,724	132,089	43,636
2016	436,308	17	74,172	128,107	43,070

5.E.2 & 5.F. Identify other State Renewable Standards or Objectives to which the utility is subject, and the percentage of renewable energy allocated to meet the renewable requirements.

State	REO Req.	Apportionment of renewable energy	
2013 SD	0%	10,729	All Numbers include supplemental portion of the load for State Universities in South Dakota. Heartland has a commitment to provide the State Universities in SD with 100% renewable energy above their WAPA allocations. apportionment of renewable energy should reflect each state's percentage of total system sales.
2014 SD	0%	10,865	
2015 SD	10%	33,464	
2016 SD	10%	34,054	

5.E.3 (i) The status of the utility's renewable energy mix relative to the objective & standards.

Heartland Consumers Power District projects adequate renewable energy resources to meet both the Minnesota Renewable Energy Standard and the South Dakota Renewable Energy Objective given its current customer base and projected load.

5.E.3(ii) Efforts taken to meet the objective and standards

Heartland was not initially included in the definition of "electric utility" under §216B.1691 - Renewable Energy Objectives. In 2007, the statute was revised to include Heartland and Heartland was eventually ordered by the Minnesota Public Utilities Commission to comply with the RES in their November 12, 2008 Order. As such, Heartland executed a PPA with Wessington Wind LLC, now Wessington Springs Wind Energy Center, in order to meet Minnesota's renewable energy objectives and RES requirements. Given Heartland's current customer base and projected retail load served in Minnesota, Heartland will be able to meet each milestone of Minnesota's RES and South Dakota's REO solely from the 20 year PPA it executed for the output of the Wessington Springs Wind Energy Center.

5.E.3(iii) Obstacles encountered or anticipated in meeting the objective or standards

Heartland hasn't, nor anticipates, encountering any obstacles to complying with MN Statute §216B.1691 for future periods.

5.E.3(iv) Potential solutions to the obstacles

Heartland hasn't, nor anticipates, encountering any obstacles to complying with MN Statute §216B.1691 for future periods, and such, doesn't have any solutions to offer.

5.G. List any renewable generation facilities expected to become operational during the upcoming year

Facility Name	type	Capacity (MW)	Cap. Factor (%)	Expected Comm'l Operation Date

5.K. **Identify efforts taken to adequately protect against undesirable economic impacts on ratepayers, including, but not limited to keeping customer's bills and the utility's rates as low as practicable, given regulatory and other constraints.**

Heartland provides wholesale electric service to primarily small rural communities and is acutely aware of the economic impacts of increasing electric rates to the end use consumers. By statute, Heartland provides its customers with cost based rates and keeps its margins and financial metrics lean. Heartland has secured a portfolio of both long-term renewable and baseload resources to meet its customer base load serving needs and renewable objectives/standards each year. In planning for the future, Heartland has been faced with surplus energy and upward rate pressure. Heartland has negotiated long-term firm sales contracts with several regional utilities to sell a portion of its surplus power and alleviate market exposure and upward rate pressure.

Instructions

Minnesota Public Utilities Commission
DOCKET NO. E999/PR-14-12
DOCKET NO. E999/PR-14-237

Minnesota Department of Commerce
DOCKET NO. E999/PR-02-1240

Renewable Energy Certificate Retirement Report for
RENEWABLE ENERGY STANDARDS and GREEN PRICING PROGRAMS
Attachement B: REC Sales and Purchases

For the Reporting Period:
January 1, 2012 - December 31, 2013

Instructions

note: items in red indicate changes in reporting from previous year

Due: June 1st, 2014

Complete the following worksheets and e-file in **Excel (XLS or XLSX)** format:

Worksheet B.1, Utility Info

Worksheet B.2, RECs Bought and Sold During the Reporting Period

To e-file, login, or register, at: <https://www.edockets.state.mn.us/EFiling/home.jsp>
for directions on how to e-file, see: <http://www.commerce.state.mn.us/eDocFile/eFilingHelp.html>

For questions about Renewable Energy Certificate retirement or compliance with Renewable Energy Standards, contact Susan Mackenzie at 651-201-2241 or at susan.mackenzie@state.mn.us .

For questions about Green Pricing or about filling out this spreadsheet, send an email to:
DG.Energy@state.mn.us.

For questions about e-filing, contact Karen Santori at 651-539-1530 or at karen.santori@state.mn.us .

Yellow cells - Information provided by utility

Pink cells - Calculated data

Green cells - Headers and instructions

Blue cells - Lists of codes

