

The Commission met on **Tuesday, March 5, 2019**, with Commissioners Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

IP-6961/WS-16-686

In the Matter of the Application of Blazing Star Wind Farm, LLC for a Site Permit for the up to 200 Megawatt Blazing Star Wind Project in Lincoln County, Minnesota

Commissioner Tuma moved to do the following:

1. Grant the request of Northern States Power Company d/b/a Xcel Energy (Xcel) to amend the Blazing Star Wind Farm Site Permit to reflect the change in turbine technology by amending Section 2.0 and replacing the maps identified in Section 3.1.
2. Issue a revised site permit.
3. Require Xcel with 30 days to communicate with all landowners and neighbors how to access the layout studies recently filed regarding the project, how to contact Xcel, and how to file complaints with the Commission on a form approved by the Executive Secretary.

The motion passed 3–0.

IP-6981/CN-17-306

In the Matter of the Application of Dodge County Wind, LLC for a Certificate of Need for the 170 MW Dodge County Wind Project and Associated Facilities in Dodge, Steele, and Olmsted Counties, Minnesota

IP-6981/WS-17-307

In the Matter of the Application of Dodge County Wind, LLC for a Site Permit for the 170 MW Dodge County Wind Project and Associated Facilities in Dodge and Steele Counties, Minnesota

IP-6981/TL-17-308

In the Matter of the Application of Dodge County Wind, LLC for a Route Permit for the 345 kV High-Voltage Transmission Line Associated with the Dodge County Wind Project in Dodge and Olmsted Counties, Minnesota

Commissioner Tuma moved to do the following:

1. Take no action concerning the amendments to the Site Permit and Certificate of Need applications.

2. Develop routes for inclusion in the Environmental Impact Statement that efficiently connect the proposed Dodge County Wind Substation to the existing Byron Substation paralleling either the existing 69 kilovolt (kV) line or the railroad using the existing 161 kV transmission line (including the deviation from the railroad right-of-way in Dodge Center to avoid impacts on the airport) each running through the cities of Dodge Center, Kasson, and Byron. In examining these routes, there must be consideration of the feasibility of double-circuiting with the existing transmission lines where practical.
3. Issue the draft site permit proposed by the Energy & Environmental Analysis division of the Minnesota Department of Commerce (Department) as the draft site permit.
4. Authorize Commission staff to modify the draft site permit to correct typographic and formatting errors, improve consistency, and ensure agreement with the Commission's final order in the matter.

The motion passed 3–0.

E-999/CI-16-521

In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established Under Minn. Stat. § 216B.1611

E-111/M-18-711

In the Matter of Dakota Electric Association's Compliance with August 13, 2018 Order Establishing Updated Interconnection Process and Standard Interconnection Agreement

E-017/M-18-712

In the Matter of Otter Tail Power Company's Compliance with August 13, 2018 Order Establishing Updated Interconnection Process and Standard Interconnection Agreement

E-015/M-18-713

In the Matter of Minnesota Power's Compliance with August 13, 2018 Order Establishing Updated Interconnection Process and Standard Interconnection Agreement

Commissioner Schuergger moved to do the following:

1. Approve the Minnesota Distributed Energy Resource Interconnection Process (MN DIP) and Minnesota Distributed Energy Resource Interconnection Agreement (MN DIA) attached to the Commission's November 30, 2018 Notice.

Affirm changes to the MN DIP and MN DIA require Commission approval, including how it is adopted by Dakota Electric Association (Dakota Electric or DEA), Otter Tail Power Company (Otter Tail Power), and Minnesota Power.

2. Approve the MN DIP – DEA and MN DIA – DEA as filed in the January 4, 2019 Compliance Filing with format corrections and Dakota Electric’s proposed modifications, but move MN DIP-DEA 1.1.5.1.5 to 1.1.5.2 consistent with the MN DIP, and amend MN DIP-DEA 1.1.5.1.4 as follows:

Signed Uniform Statewide Contract and either Attachment 2: Simplified Application or Attachment 3: Interconnection Application with the terms and conditions as found in Exhibit A of the Simplified Application which shall apply for projects eligible to replace the DIA with the Uniform Statewide Contract that do not qualify for the Simplified Process.

3. Require Dakota Electric Association to file a compliance filing within 10 days of this decision with the modified MN DIP-DEA, MN DIA-DEA and references updated in Schedule 55: Parallel Generation; Schedule 60: Standby Service; and Schedule 61: Distributed Generation.
4. Approve the MN DIP and MN DIA as filed in the January 4, 2019 Supplemental Filing modified to include a single title for the Interconnection Coordinator and a separate email for distributed generation that may be forwarded to the appropriate employee.
5. Require Otter Tail to make a compliance filing within 10 days of this decision, including:
 - A. At a minimum, the following tariff revisions consistent with the MN DIP/DIA: Section 11.01: Standby Service; Section 12.01-.03 Small Power Producer Rider; Section 12.04 Distributed Generation Service Rider; and
 - B. A copy of the MN DIP/MN DIA with Otter Tail Power’s contact information and fee amounts, and made consistent with the order.
6. Approve Minnesota Power’s request to extend the size threshold from 20 kWac to 40 kWac for when the Uniform Statewide Contract with the terms and conditions provided in MN DIP Attachment 2, Exhibit A replaces the MN DIA.
7. Require Minnesota Power to add language at MN DIP 1.1.5.1.4 to address the size threshold increase for when the Uniform Statewide Contract replaces the MN DIA.
8. Approve the November 13, 2018 filed revisions to Minnesota Power’s Rider for Parallel Generation (Sec. V, pp. 60.0, 60.7) with Minnesota Power’s proposed modifications from Information Request (IR) Response #1.

9. Approve the November 13, 2018 filed revisions to Minnesota Power’s Rider for Standby Service (Sec. V; p. 61.0), but replace the proposed edit “Minnesota Distributed Energy Resource Interconnect Agreement” with “Minnesota Power’s standard interconnection agreement.”
10. Approve the November 13, 2018 filed revisions to Minnesota Power’s Rider for Distributed Generation (Sec. V, 82.0-82.3) with Minnesota Power’s proposed modifications from IR Response #2, but replace the proposed edit “Minnesota Distributed Energy Resource Interconnect Agreement” at Sec. V, p. 82.0 with “Minnesota Power’s standard interconnection agreement.”
11. Approve the November 13, 2018 revisions to Minnesota Power’s Electric Service Regulations of Minnesota Power (Section VI, p. 3.9-3.10).
12. Require Minnesota Power to update the footers of the revised tariffs to show this docket and date only on pages of the tariff that included edits approved by the order.
13. Require Minnesota Power to file a compliance filing within 10 days of this decision that includes:
 - A. Rider for Parallel Generation, Rider for Standby Service, Rider for Distributed Generation, and Minnesota Power’s Electric Service Regulations of Minnesota Power consistent with this order, and
 - B. A copy of the MN DIP/MN DIA with Minnesota Power’s contact information and fee amounts, and made consistent with the order.

The motion passed 3–0.

G-004/GR-15-879

In the Matter of the Petition by Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc., for Authority to Increase Natural Gas Rates in Minnesota

Commissioner Sieben moved to do the following:

1. Require Great Plains Natural Gas Company (Great Plains) to refund \$54,456 to ratepayers using the revenue apportionment methodology proposed by the Minnesota Department of Commerce (Department) in Table 1 of these Staff Briefing Papers.
2. Order Great Plains to implement the refund using the allocation mechanism identified above in an amendment to its 2019 Revenue Decoupling Mechanism filing.

3. Order Great Plains to implement its process improvements as proposed in its initial comments, which are reproduced on page 5 of these Staff Briefing Papers.
4. Require Great Plains to continue to collaborate with the Department to assess internal controls and identify process improvements.

The motion passed 3–0.

G-011/M-18-460

In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval for Recovery of Natural Gas Extension Project Costs through a Rider and for Approval of a New Area Surcharge for the Pengilly Project

Commissioner Schuerger moved to do the following:

1. Determine that the Pengilly natural gas extension project will serve an inadequately or un-served area in Minnesota.
2. Determine that MERC’s Pengilly estimated project costs, both for the system of Minnesota Energy Resources Corporation (MERC) and for Northern Natural Gas upgrades, are reasonable and will be prudently incurred.
3. Approve MERC’s proposed Pengilly cost recovery through its 25-year new area surcharge (NAS) factors and its natural gas extension project (NGEP) rider factor set forth below:

MERC’s proposed Pengilly 25-year NAS Factors	
<u>Customer Classes</u>	<u>Monthly NAS Rider Surcharge</u>
Residential	\$24.70
Small Commercial and Industrial	\$46.82
Large Commercial and Industrial	\$117.07
Small Volume Interruptible	\$429.23
Large Volume Interruptible	\$481.27

4. Approve a regulatory asset for MERC to allow MERC to recover the remaining Pengilly costs in its base rates in the next rate case. MERC may charge the cost of short-term debt for the regulatory asset.
5. Direct MERC to work with the Commission’s Consumer Affairs Office to establish a NAS customer notice to be sent to all Pengilly customers.
6. Direct MERC to file annual reports on this project at the same time it files annual reports on its other NAS projects.

7. Direct MERC to, within 30 days, make a compliance filing including revised tariff sheets and customer notices consistent with the order.

The motion passed 3-0.

E-017/GR-15-1033

In the Matter of the Application of Otter Tail Power Company for Authority to Increase Rates for Electric Service in Minnesota


Commissioner Schuerger moved to do the following:

1. Accept the Supplemental Decoupling Analysis and Response of Otter Tail Power Company (the Company), filed June 20, 2018, as compliant with the Commission's order issued May 1, 2017.
2. Require the Company, as part of its initial filing in its next rate case, to include a pilot plan for a decoupling program for all but the market-rate customer classes, potentially for implementation, and shall discuss the merits of why it should or should not implement decoupling.
3. Require the Company to file, after consultation with stakeholders and the Department, a pilot plan for residential time-of-use rates in its next Minnesota rate case, or by March 1, 2020, if no rate case is filed in 2019.

The motion passed 3-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: September 18, 2019



Daniel P. Wolf, Executive Secretary