

July 15, 2021

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
Saint Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**  
Docket No. E999/PR-21-12

Dear Mr. Seuffert:

On June 1, 2021, utilities submitted their annual compliance filings detailing compliance with Minnesota's Renewable Energy Standard (RES) and Solar Energy Standard (SES). Attached please find the Minnesota Department of Commerce, Division of Energy Resources (Department) comments on utility compliance with the SES requirements set forth in Minn. §216B.1691. The Department notes that it previously filed comments on RES compliance in a letter dated July 2, 2021.

The Department recommends the Commission find the utilities in compliance with the Solar Energy Standard and is available to answer any questions the Commission may have.

Sincerely,

/s/ SUSAN L. PEIRCE  
Rate Analyst Coordinator

SLP/ja  
Attachment



## Before the Minnesota Public Utilities Commission

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### Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E999/PR-21-12

#### I. BACKGROUND INFORMATION

Minn. Stat. §216B.1691 was amended by the 2013 Legislature to require public utilities to generate or procure 1.5 percent of their Minnesota retail electric sales from solar energy by 2020. The statute also requires utilities to meet a portion of their solar energy standard (SES) requirement from small solar facilities (small solar carve-out). The statute required Xcel Energy to obtain at least 10 percent of the 1.5 percent SES requirement from solar facilities 20 kW of capacity or less.

The 2017 Minnesota Legislature amended the SES Statute to require Otter Tail Power Company (OTP) and Minnesota Power (MP) to obtain 10 percent of their 1.5 percent SES requirement from solar facilities with 40 kW of capacity or less. In addition, the SES statute now permits MP and OTP to apply individual customer solar garden subscriptions of less than 40 kW towards their small solar carve-out requirement. The statute permits utilities subject to the SES to exclude retail sales to the mining, paper mill and wood products manufacturing industries from the calculation of their SES requirement.

The 2018 Minnesota Legislature amended the SES Statute to raise the facility size associated with the small solar carve-out from 20 kW to 40 kW for Xcel Energy, consistent with the requirement for MP and OTP.

On January 29, 2021, the Minnesota Public Utilities Commission (Commission) issued an Order<sup>1</sup> accepting the utilities 2019 compliance reports, and modifying future reporting requirements and combining the RES and SES annual compliance reports.

On June 1, 2021, utilities submitted their annual compliance reports detailing compliance with the RES and SES requirements, as well as providing information on their green pricing programs.

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<sup>1</sup> *In the Matter of Utilities' Annual Reports on Progress in Achieving the Solar Energy Standard, Order Accepting Reports and Modifying Future Reporting Requirements, Docket No. E999-M-20-464, January 29, 2021.*

## II. REPORTING REQUIREMENTS

Three utilities, Xcel Energy, Minnesota Power and Otter Tail Power, are subject to the SES requirements. Reporting requirements include:

- The total Minnesota retail sales for the compliance year, and the total amount of Minnesota retail sales excluded from the SES requirement.
- Annual solar generation on the utilities' system for the compliance year, including the total number of units registered in M-RETS to that utility and solar renewable energy credits (SRECs) generated from those units;
- Solar generation should be broken down into the following categories:
  1. facilities with 40 kW capacity or less;
  2. eligible community solar garden (CSG) subscriptions; and
  3. facilities over 40 kW.

## III. DEPARTMENT ANALYSIS

The Department has reviewed the annual SES compliance reports and concludes that they comply with Commission Order's. The 2020 reporting year is the first year in which utilities are required to retire SRECs to meet compliance with the SES. In its April 25, 2014 Order<sup>2</sup>, the Commission adopted:

a four-year shelf life for all SRECs coming on-line between the effective date of the statute and January 2020, to commence in January 2020. In other words, an SREC's shelf life will be established as if generation had occurred in 2020, plus the four subsequent years. All SRECs created after January 2020 will have a shelf life of four years.

As a result of this finding, utilities are able to retire SRECs towards their 2020 SES compliance that were generated any time after the SES statute became law to the present.

Table 1, below, summarizes the utilities SES compliance.

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<sup>2</sup> *In the Matter of the Implementation of Solar Energy Standards Pursuant to 2013 Amendments to Minnesota Statutes, Section 216B.1691, Order Clarifying Solar Energy Standard Requirements and Setting Annual Reporting Requirements, Docket No. E999/CI-13-542, April 25, 2014.*

**Table 1: Summary of SES Compliance**

	<b>Xcel</b>	<b>Minnesota Power</b>	<b>Otter Tail Power</b>
Total MN Retail Sales	28,134,437	7,889,945	2,564,650
SES Excl. Retail Sales	130,279	4,999,280	69,973
SES Retail Sales Oblig.	28,004,158	2,890,666	2,494,677
<b>SES Requirement:</b>			
Total SRECs Req. 1.5%	420,063	43,360	37,421
Small SREC Req 0.15%	42,007	4,336	3,743
Non-small SREC Req	378,057	39,024	33,679
<b>SRECs Retired toward SES</b>			
Total SRECs retired	422,017	43,360	41,164
Small SRECs retired	42,202	4,336	3,743
Total non-small SRECs ret.	379,815	39,024	37,421

The Department notes that the utility’s detailed the SRECs coming from the solar facilities less than 40 kW, but did not explicitly report the total SRECs retire toward compliance from CSG subscriptions. The Department recommends that in the future, the utilities include the total number of SRECs retired from CSG subscriptions as part of their reporting.

The Department concludes that the utilities have complied with the SES requirement for 2020.

**IV. DEPARTMENT RECOMMENDATION**

The Department recommends the Commission find Xcel Energy, Minnesota Power and Otter Tail Power complied with the 2020 SES requirements.

/ja

## **CERTIFICATE OF SERVICE**

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce  
Comments**

**Docket No. E999/PR-21-12**

**Dated this 15<sup>th</sup> day of July 2021**

**/s/Sharon Ferguson**

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Derek	Bertsch	derek.bertsch@mrenergy.com	Missouri River Energy Services	3724 West Avera Drive PO Box 88920 Sioux Falls, SD 57109-8920	Electronic Service	No	OFF_SL_21-12_PR-21-12
Richard	Burud	rgburud@msn.com	Southern Minnesota Energy Cooperative	31110 Cooperative Way  Rushford, MN 55971	Electronic Service	No	OFF_SL_21-12_PR-21-12
LORI	CLOBES	lclobes@mienergy.coop	MiEnergy Cooperative	31110 COOPERATIVE WAY  PO BOX 626 RUSHFORD, MN 55971	Electronic Service	No	OFF_SL_21-12_PR-21-12
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400  St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-12_PR-21-12
Curt	Dieren	curt.dieren@dgr.com	L&O Power Cooperative	1302 S Union St  Rock Rapids, IA 51246	Electronic Service	No	OFF_SL_21-12_PR-21-12
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-12_PR-21-12
Ronald J.	Franz	ronald.franz@dairylandpower.com	Dairyland Power Cooperative	3200 East Ave S PO Box 817 La Crosse, WI 546020817	Electronic Service	No	OFF_SL_21-12_PR-21-12
Casey	Jacobson	cjacobson@bepc.com	Basin Electric Power Cooperative	1717 East Interstate Avenue  Bismarck, ND 58501	Electronic Service	No	OFF_SL_21-12_PR-21-12
Nate	Jones	njones@hcpd.com	Heartland Consumers Power	PO Box 248  Madison, SD 57042	Electronic Service	No	OFF_SL_21-12_PR-21-12
Ted	Kjos	tkjos@mienergy.coop	MiEnergy Cooperative	31110 Cooperative Way PO Box 626 Rushford, MN 55971	Electronic Service	No	OFF_SL_21-12_PR-21-12

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Brian	Krambeer	bkramber@mienergy.coop	MiEnergy Cooperative	PO Box 626 31110 Cooperative Way Rushford, MN 55971	Electronic Service	No	OFF_SL_21-12_PR-21-12
Sara G	McGrane	smcgrane@felhaber.com	Felhaber Larson	220 S 6th St Ste 2200  Minneapolis, MN 55420	Electronic Service	No	OFF_SL_21-12_PR-21-12
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Ben	Nelson	benn@cmpasgroup.org	CMMPA	459 South Grove Street  Blue Earth, MN 56013	Electronic Service	No	OFF_SL_21-12_PR-21-12
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351  Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_21-12_PR-21-12
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-12_PR-21-12
John	Richards	johnrichards@nweco.com	Northwestern Wisconsin Electric Company	104 S. Pine St.  Grantsburg, WI 54840	Electronic Service	No	OFF_SL_21-12_PR-21-12
Robert K.	Sahr	bsahr@eastriver.coop	East River Electric Power Cooperative	P.O. Box 227  Madison, SD 57042	Electronic Service	No	OFF_SL_21-12_PR-21-12
Christopher	Schoenherr	cp.schoenherr@smmpa.org	SMMPA	500 First Ave SW  Rochester, MN 55902-3303	Electronic Service	No	OFF_SL_21-12_PR-21-12
Kay	Schraeder	kschraeder@minnkota.com	Minnkota Power	5301 32nd Ave S  Grand Forks, ND 58201	Electronic Service	No	OFF_SL_21-12_PR-21-12

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350  Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-12_PR-21-12
Trevor	Smith	trevor.smith@avantenergy.com	Avant Energy, Inc.	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_21-12_PR-21-12
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7  Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_21-12_PR-21-12
Carol	Westergard	cwestergard@otpc.com	Otter Tail Power Company	215 S Cascade St  Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_21-12_PR-21-12