

October 23, 2017

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. IP6964/CN-16-289

Dear Mr. Wolf:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Application of Nobles 2 Power Partners, LLC for a Certificate of Need for the up to 260 MW Nobles 2 Wind Project and Associated Facilities in Nobles County, Minnesota.

The petition was filed on October 13, 2017 by:

Christina K. Brusven
Fredrikson & Byron, P.A.
200 South Sixth Street, Suite 4000
Minneapolis, MN 55402

The Department recommends that the Minnesota Public Utilities Commission (Commission) **find the application to be complete** and is available to answer any questions the Commission may have.

Sincerely,

/s/ STEVE RAKOW
Analyst Coordinator

SR/ja
Attachment

Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. IP6964/CN-16-289

I. INTRODUCTION

A. EXEMPTION

On April 5, 2016, Nobles 2 Power Partners, LLC (Nobles or the Company) filed the Company's *Request for Exemption From Certain Certificate of Need Application Content Requirements* (Exemption Petition). Specifically, Nobles requested that the Commission grant full or partial exemptions to Minnesota Rules:

1. 7849.0240, subp. 2 (B): Promotional Activities;
2. 7849.0250, subp. B (1) – (5): Description of Certain Alternatives;
3. 7849.0250 (C) (1) – (9): Details Regarding Alternatives;
4. 7849.0250 (C) (7): Effect of Project on Rates System-wide;
5. 7849.0250 (D): Map of Applicant's System;
6. 7849.0270: Peak Demand and Annual Consumption Forecast;
7. 7849.0280: System Capacity;
8. 7849.0290: Conservation Programs;
9. 7849.0300: Consequences of Delay;
10. 7849.0330: Transmission Facilities; and
11. 7849.0340: No-Facility Alternative.

On April 15, 2016, the Minnesota Department of Commerce, Division of Energy Resources (Department) filed comments regarding the Exemption Petition.

On May 25, 2016, the Minnesota Public Utilities Commission (Commission) issued an order approving the Exemption Petition with conditions.

B. CN PETITION

On October 13, 2017, Nobles filed its *Application of Nobles 2 Power Partners, LLC for a Certificate of Need for the up to 260 MW Nobles 2 Wind Project and Associated Facilities in Nobles County, Minnesota* (Petition). Below are the comments of the Department regarding the completeness of the Petition.

II. DEPARTMENT ANALYSIS

A. MINNESOTA STATUTES

1. *Governing Statutes*

Minnesota Statutes § 216B.2421, subd. 2 (1) defines as a large energy facility “any electric power generating plant or combination of plants at a single site with a combined capacity of 50,000 kilowatts or more and transmission lines directly associated with the plant that are necessary to interconnect the plant to the transmission system.” Further, Minnesota Statutes § 216B.243, subd. 2 states that, “no large energy facility shall be sited or constructed in Minnesota without the issuance of a certificate of need by the Commission.” The Petition indicates that the Nobles plans to construct a Large Wind Energy Conversion System (LWECS) of up to 260 megawatts (MW) in the townships of Bloom, Larkin, Leota, Lismore, Summit Lake, and Wilmont in Nobles County, Minnesota. Therefore, a Certificate of Need (CN) is required.

2. *Potential Exemption*

The Department notes that Minnesota Statutes § 216B.243 subd. 9 provides an exemption for facilities approved by the Commission as needed to meet the renewable energy standard of Minnesota Statutes § 216B.1691. However, the Petition’s cover letter states that:

It is also important to note that the Nobles 2 PPA [Purchased Power Agreement] includes a condition precedent that the Commission approve MP’s [Minnesota Power’s] entire *EnergyForward* Resource Package. Given that the Commission has not yet approved the Nobles 2 PPA, this Application does not limit the forecasted need for the Project to the need identified by the Commission for MP to procure 100-300 MW of wind or the need identified in MP’s request for approval of the Nobles 2 PPA. This Application also demonstrates how this Project is needed to meet the Renewable Energy Standard (“RES”) and other clean energy requirements in Minnesota and neighboring states.

Therefore, the Department concludes that Nobles is not seeking an exemption under Minnesota Statutes § 216b.243 subd. 9.

B. COMPLETENESS REVIEW

Minnesota Rules, parts 7849.0240 to 7849.0340 contain the filing requirements for a certificate of need application for a large electric generating facility. The Department reviewed the Petition for completeness considering the rule requirements and exemptions granted by the Commission in its April 28, 2016 Order. The Department concludes that Nobles met the completion requirements. Below is a table listing, for each filing requirement, whether an exemption was granted and/or the location within the Petition where the relevant information can be found.

Table 1: Filing Requirements and Location

MN Rule	Subpart	Short Description	Full or Partial Exemption	Petition Page Number(s)
7849.0240	1	Need Summary		5-8
7849.0240	2 (A)	Additional Considerations: Facility Description		8
7849.0240	2 (B)	Additional Considerations: Alternatives	X	N/A
7849.0240	2 (C)	Additional Considerations: Detailed Data		9
7849.0250	A (1-5)	Description of Project		1, 21-22
7849.0250	B (1-5)	Description of Alternatives	X	23-27
7849.0250	C (1-9)	Details Regarding Alternatives	X	Appendix C, 30-32
7849.0250	D	Map of Applicant's System	X	Figures 1, 2
7849.0270	1 - 5	Peak Demand and Annual Consumption Forecast	X	MP 2015 IRP
7849.0280	A - I	System Capacity	X	MP 2015 IRP
7849.0290	A -F	Conservation Programs	X	MP 2015 IRP
7849.0300		Consequences of Delay	X	N/A
7849.0320	A - K	Facility Information		40-46
7849.0330	A - G	Transmission Facilities	X	N/A
7849.0340	A - C	No Facility Alternative	X	26-27

The Department notes that the Commission granted Nobles' Exemption Petition with the conditions proposed by the Department. In turn, the Department recommend that, should Nobles enter into a power purchase agreement or similar arrangement with a Minnesota utility prior to submitting its CN application, the Company provide relevant information regarding the purchasing utility's system for Minnesota Rules 7849.0270, 7849.0280, and 7849.0290. In this case, Nobles referred to the purchaser's (ALLETE, Inc. doing business as Minnesota Power) most recent resource plan. Considering the volume of the data, the Department agrees with Nobles that referring to the relevant Document ID numbers in edockets is sufficient for purposes of completeness.

C. PROCESS REVIEW

During the completeness review process, the Department also makes a recommendation regarding the proper process to use for the Petition. The Department does not anticipate significant disputes in this proceeding. Thus, the Department does not request that the Commission order a contested case proceeding. Reliance on the Commission's normal process of formal comments and reply comments will be sufficient to develop the issues in this proceeding. That said, the Department has no objection to a Commission-ordered contested case if parties demonstrate significant contested material facts and/or raise controversial issues.

III. DEPARTMENTRECOMMENDATION

The Department recommends that the Commission find the application to be complete. The Department also recommends that the Commission evaluate the Petition using the Commission's comment process.

/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. IP6964/CN-16-289

Dated this 23rd day of October 2017

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_16-289_CN-16-289
Christina	Brusven	cbrusven@fredlaw.com	Fredrikson Byron	200 S 6th St Ste 4000 Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_16-289_CN-16-289
Ian	Dobson	Residential.Utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_16-289_CN-16-289
Kate	Fairman	kate.frantz@state.mn.us	Department of Natural Resources	Box 32 500 Lafayette Rd St. Paul, MN 551554032	Electronic Service	No	OFF_SL_16-289_CN-16-289
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_16-289_CN-16-289
Travis	Germundson	travis.germundson@state.mn.us		Board of Water & Soil Resources 520 Lafayette Rd Saint Paul, MN 55155	Electronic Service	No	OFF_SL_16-289_CN-16-289
Kari	Howe	kari.howe@state.mn.us	DEED	332 Minnesota St, #E200 1ST National Bank Bldg St. Paul, MN 55101	Electronic Service	No	OFF_SL_16-289_CN-16-289
Ray	Kirsch	Raymond.Kirsch@state.mn.us	Department of Commerce	85 7th Place E Ste 500 St. Paul, MN 55101	Electronic Service	No	OFF_SL_16-289_CN-16-289
Karen	Kromar	karen.kromar@state.mn.us	MN Pollution Control Agency	520 Lafayette Rd Saint Paul, MN 55155	Electronic Service	No	OFF_SL_16-289_CN-16-289
Susan	Medhaug	Susan.medhaug@state.mn.us	Department of Commerce	Suite 280, 85 Seventh Place East St. Paul, MN 551012198	Electronic Service	No	OFF_SL_16-289_CN-16-289

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Debra	Moynihan	debra.moynihan@state.mn.us	MN Department of Transportation	395 John Ireland Blvd MS 620 St. Paul, MN 55155-1899	Electronic Service	No	OFF_SL_16-289_CN-16-289
Bob	Patton	bob.patton@state.mn.us	MN Department of Agriculture	625 Robert St N Saint Paul, MN 55155-2538	Electronic Service	No	OFF_SL_16-289_CN-16-289
Jay	Regnier	jay.regnier@prcwind.com	PRC Wind	618 2nd Ave SE Minneapolis, MN 55414	Electronic Service	No	OFF_SL_16-289_CN-16-289
Cynthia	Warzecha	cynthia.warzecha@state.mn.us	Minnesota Department of Natural Resources	500 Lafayette Road Box 25 St. Paul, Minnesota 55155-4040	Electronic Service	No	OFF_SL_16-289_CN-16-289
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_16-289_CN-16-289