

December 23, 2025

**VIA E-FILING**

Sasha Bergman  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
Saint Paul, MN 55101

The Honorable Megan J. McKenzie  
Court of Administrative Hearings  
600 North Robert Street  
P.O. Box 64620  
Saint Paul, MN 55164

**RE: In the Matter of the Application of Crane Energy Storage LLC for a Site Permit for the up to 200 MW Crane Energy Storage Project in Olmsted County, Minnesota  
Docket No. IP-7148/ESS-24-406**

**In the Matter of the Application of Sandhill Energy Storage LLC for a Site Permit for the up to 200 MW Sandhill Energy Storage Project in Olmsted County, Minnesota  
Docket No. IP-7149/ESS-24-407**

**CAH Docket No. 25-2500-40988**

Dear Ms. Bergman and Judge McKenzie:

Crane Energy Storage LLC (Crane Storage) and Sandhill Energy Storage LLC (Sandhill Storage) (together, Applicants) respectfully submit reply comments for the above-referenced matters. These comments focus primarily on: updates on Power Purchase Agreements (PPAs) for the Projects; the Minnesota Public Utilities Commission (Commission) Energy Infrastructure Permitting (PUC-EIP) recommendations on updates to the Decommissioning Plan, comments explaining changes to the sample site permit and Draft Site Permits to reflect changes in law, and comments on Applicants' commitment to accommodate Minnesota Department of Natural Resources' (MDNR) preference for a 10-foot fence height; and MDNR comments on fence height and the Environmental Assessment (EA), and its recommendation to continue coordination with the Vegetation Management Plan Working Group (VMPWG) to refine the Projects' Vegetation Management Plan (VMP). Laborers' International Union of North America (LIUNA) and the International Union of Operating Engineers Local 49 (IUOE Local 49) also commented at the public hearings indicating that the Projects will bring jobs to the area for the members, along with other local economic benefits.

## **1. Power Purchase Agreements**

Crane Storage entered into a PPA with Xcel Energy for all 200 megawatts (MW) of nameplate capacity. Xcel Energy included the Crane Project in its October 31, 2025 Petition requesting

approval for solar and battery energy storage system (BESS) capacity.<sup>1</sup> As noted in Xcel Energy’s Petition, the Crane Project is part of “the first set of new resources proposed to meet system needs identified in [Xcel Energy’s] Integrated Resource Plan,” which was approved by the Commission in April 2025. Crane Storage will be part of a slate of projects that “will reduce carbon emissions, create jobs and economic benefits, and provide necessary capacity and energy to serve [Xcel Energy’s] customers.” The Crane Project was selected through a Commission-approved acquisition process, and an independent auditor confirmed that the process was fairly and consistently run.

Sandhill Storage also entered into a PPA with Xcel Energy for all 200 MW of nameplate capacity. Xcel Energy included the Sandhill Project in its December 3, 2025 Petition requesting approval for projects in support of the company’s resource needs.<sup>2</sup> Like the Crane Project, Xcel Energy describes the Sandhill Project as part of a portfolio that, “represent[s] an investment that will deliver numerous benefits to our customers while providing the capacity and energy needed to serve them safely, reliably, and affordably” and “reflect[s] a strategic commitment to Minnesota’s energy future.”

## **2. PUC-EIP Recommendations for Decommissioning Plan, Draft Site Permits, and Fence Height**

PUC-EIP submitted comments with recommendations for updates to the Decommissioning Plan, changes to bring the Draft Site Permits in line with updates to governing law, and comments on fence height.<sup>3</sup>

PUC-EIP recommended updates to the Decommissioning Plan before construction, including updates to the discussion of scheduled updates, updates to the Project description, updates to reflect where generation will be used, updates to reflect a preliminary list of permits required for decommissioning, and updates to clarify responsibilities, including by identifying the beneficiary of the financial assurance. The Applicants appreciate the recommendations and will make these updates and provide them as required before construction.

PUC-EIP comments also explained changes between the sample site permit and the Draft Site Permits to reflect changes in the law and the addition of special conditions, and added corrections

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<sup>1</sup> *In the Matter of Xcel Energy’s 2024 Wind, Solar, Storage, and Hybrid Request for Proposals*, Petition – Solar & Storage Portfolio, Docket No. E002/M-24-230 (Oct. 31, 2025).

<sup>2</sup> *In the Matter of Northern States Power Company’s, d/b/a Xcel Energy, Petition for Approval of Generator Projects for MISO’s Expedited Resource Addition Study (ERAS)*, Petition – Proposed Generator Projects for MISO Expedited Resource Addition Study (ERAS), Docket No. E002/RP-24-67 (Dec. 3, 2025).

<sup>3</sup> PUC-EIP Hearing Comments (Dec. 16, 2025) (eDocket No. [202512-225911-01](#)).

to a few sections of the proposed Draft Site Permits to conform with changes in applicable law. The Applicants agree with PUC-EIP that the Site Permits for the Projects should reflect changes in law and agree that the PUC-EIP changes are reasonable and accurate.

Last, PUC-EIP noted that Applicants plan to accommodate MDNR's preference for a 10-foot fence height while continuing to develop a site plan to minimize visual impacts, and supported the Applicants' security fencing plans.

### **3. MDNR Comments**

MDNR submitted comments acknowledging that the Applicants' planned security fencing design is consistent with its recommended fence height.<sup>4</sup> MDNR also commented that the EA adequately addressed MDNR's concerns regarding loggerhead shrike, lighting, wildlife-friendly erosion control, and dust control, and supporting the inclusion of conditions related to lighting, wildlife-friendly erosion control, and dust control in the Draft Site Permits. Lastly, MDNR recommended continued coordination with the VMPWG to refine the Projects' VMP, and supported the inclusion of a special condition in the Draft Site Permits directing coordination with the VMPWG.

The Applicants appreciate MDNR's comments, and agree that the EA adequately addressed the issues raised in scoping, including those discussed by MDNR. The Applicants agree that the conditions in the Draft Site Permits are reasonable and supported by the record, and will continue to coordinate with the VMPWG on the Projects' VMP.

### **4. Union Comments**

IUOE Local 49 commented that projects like Crane Storage and Sandhill Storage are important to the over 15,000 heavy equipment operators, mechanics, and stationary engineers that are members of IUOE Local 49.<sup>5</sup> A representative from LIUNA Minnesota and North Dakota, a construction union of about 14,000 members, commented to express strong support for these Projects because they are "exciting and innovative energy projects that will generate great work opportunities for the local workers."

The Applicants appreciate the comments of IUOE Local 49 and LIUNA and reiterate their commitment to solicit bids from Engineering, Procurement, and Construction (EPC) contractors and will prioritize EPC contractor bids that utilize local, union construction personnel to the greatest extent feasible.

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<sup>4</sup> MDNR Comments (Dec. 16, 2025) (eDockets No. [202512-225931-01](#)).

<sup>5</sup> In-Person Public Hearing Tr. at 21:3–22:2 (December 2, 2025).

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The document referenced above has also been electronically filed today through [www.edockets.state.mn.us](http://www.edockets.state.mn.us). A copy of this filing is also being served upon the persons on the Official Service Lists of record.

Please let me know if you have any questions regarding this filing.

Sincerely,

FREDRIKSON & BYRON, P.A.

*/s/ Jeremy P. Duehr*

Jeremy P. Duehr  
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**In the Matter of the Application of Crane Energy Storage LLC for a Site Permit for the up to 200 MW Crane Energy Storage Project in Olmsted County, Minnesota**

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### **CERTIFICATE OF SERVICE**

Breann L. Jurek certifies that on the 23rd day of December 2025, she e-filed a true and correct copy of the Reply Comments of Crane Energy Storage LLC and Sandhill Energy Storage LLC, on behalf of Crane Energy Storage LLC and Sandhill Energy Storage LLC via eDockets ([www.edockets.state.mn.us](http://www.edockets.state.mn.us)).

Said document was also served on the Official Service Lists of record on file with the Minnesota Public Utilities Commission and as attached hereto.

Executed on: December 23, 2025

*Signed: /s/ Breann L. Jurek*

\_\_\_\_\_  
Fredrikson & Byron, P.A.

60 South Sixth Street, Suite 1500

Minneapolis, MN 55402

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1	Leakhen	Au	lau@fredlaw.com	Fredrikson & Byron, P.A.		60 South Sixth Street, Suite 1500 Minneapolis MN, 55402 United States	Electronic Service		No	24-406 Official CC Service List
2	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission	121 7th Pl E Ste 350 St. Paul MN, 55101 United States	Electronic Service		Yes	24-406 Official CC Service List
3	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	24-406 Official CC Service List
4	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	24-406 Official CC Service List
5	Monika	Davis	monika.davis@merjent.com			1 Main Street Suite 300 Minneapolis MN, 55414 United States	Electronic Service		No	24-406 Official CC Service List
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9	Joseph	Finocchiaro	jfinocchiaro@tenaska.com	Sparrow Energy Storage LLC		412 W 15th Street, Fl 15 New York NY, 10011 United States	Electronic Service		No	24-406 Official CC Service List
10	Jacques	Harvieux	jacques.harvieux@state.mn.us		Public Utilities Commission	121 7th Place East Suite 350 Saint Paul MN, 55101-2147 United States	Electronic Service		No	24-406 Official CC Service List
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15	Kevin	Pranis	kpranis@liunagro.com	Laborers' District Council of MN and ND		81 E Little Canada Road St. Paul MN, 55117 United States	Electronic Service		No	24-406 Official CC Service List
16	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	24-406 Official CC Service List
17	Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix & Associates		7400 Lyndale Avenue South Suite 190 Richfield MN, 55423 United States	Electronic Service		Yes	24-406 Official CC Service List
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19	Onur	Usmen	ousm@cisc.dk	Crane Energy Storage LLC c/o Copenhagen Infrastructure Service		200 S. Wacker Drive, Suite 1600 Chicago IL, 60606 United States	Electronic Service		No	24-407 Official CC Service List