

MCGRANN SHEA CARNIVAL STRAUGHN & LAMB, CHARTERED

ATTORNEYS AT LAW

WILLIAM R. MCGRANN
DOUGLAS M. CARNIVAL
ROBERT O. STRAUGHN
PETER L. COOPER
KATHLEEN M. LAMB
JOHN R. SCHULZ
COREY J. AYLING
BRIAN L. SOBOL
SCOTT B. CROSSMAN

CARLA J. PEDERSEN
JOSEPH T. BAGNOLI
ROGER J. STELLJES
JEFFREY C. URBAN
KATHLEEN MICHAELA BRENNAN
CARL S. WOSMEK
JASON H. THOMAS
AMY L. COURT

CHRISTY E. LAWRIE

RETIRED
ANDREW J. SHEA

September 8, 2015

VIA ELECTRONIC FILING

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101

Re: In the Matter of the Petition of Northern States Power, d/b/a Xcel
Energy, for Approval of its Proposed Community Solar Program
Docket No. E-002/M-13-867
Our File No.: 63,409-0001

Dear Mr. Wolf:

Our firm represents Sunrise Energy Ventures, LLC ("Sunrise") in this matter. On behalf of Sunrise, I enclose for filing Sunrise Energy Ventures LLC's Comments on the Department of Commerce's Request for Clarification.

A copy of this letter and the accompanying document has been mailed or emailed to the persons on the current service list.

Please contact me if you have any questions.

Sincerely,


Kathleen M. Brennan

Enclosures

cc (w/encl.): Service List

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
John Tuma	Commissioner
Nancy Lange	Commissioner
Daniel Lipschultz	Commissioner
Betsy Wergin	Commissioner

In the Matter of the Petition of
Northern States Power, dba Xcel
Energy, for Approval of its
Proposed Community Solar
Program

Docket No. E-002/M-13-867

**SUNRISE ENERGY VENTURES LLC'S COMMENTS ON THE
DEPARTMENT OF COMMERCE'S REQUEST FOR CLARIFICATION**

SYNOPSIS

Sunrise Energy Ventures LLC ("Sunrise") appreciates the thoughtful analysis of the Department of Commerce (the "Department") in its Request for Clarification, and submits these comments in support of the Department's request. While Sunrise continues to urge the relief outlined in its Petition, the Department's approach provides a pragmatic alternative that is preferable to the status quo.

ARGUMENT

I. THE COMMISSION SHOULD GRANT THE DEPARTMENT'S REQUEST FOR CLARIFICATION.

The Department raised four aspects of the Commission's August 6, 2015 order (the "Order") and requested clarification: (1) the one-million dollar cap on costs of interconnection to Xcel Energy's distribution system; (2) the independent engineer;

(3) the Department's role as to application processing; and (4) allowing applicants to transfer ownership interests without losing their position in the queue. Sunrise supports clarification of these four components of the Order.

First, as to the interconnection costs, Sunrise also raised this issue in its Petition for Reconsideration, and a number of other filings have noted concern with this provision of the Order.¹ The Department's Request for Clarification detailed the pertinent provisions of federal and state law concerning interconnection requirements and treatment of costs. The Order should be revised to comport with these requirements. The Department's suggested revisions, on page 7-8 of its Request for Clarification, which remove the reference to the one-million dollar cap, provide a helpful solution to conform the Order to federal and state law. The Commission should adopt these proposed revisions.

Second, as to the proposed clarification of both the independent engineer and the Department's role in the reviewing the application processing, the Department raised important revisions. The delayed timing overall in implementing this program, and the specific failures to follow steps in the tariff approval process, are well-documented in the separate complaint filed by SunShare, LLC alleging violations

¹ *See, e.g.*, Sunrise Petition for Reconsideration, at 26; Comments in Response to Commission's August 10, 2015 Notice for Comments by SunShare, LLC, at 2 (Aug. 31, 2015) (requesting "expedited" review of interconnection practices); Comments of Kandiyo Consulting, LLC, at 4-5 (Aug. 31, 2015) (noting "the \$1 million cap on 'material upgrades' . . . has proven to create more ambiguity than clarity"); Comments in Response to the Commission's August 10, 2015 Notice for Comments by Fresh Energy Environmental Law & Policy Center at 3 (recommending that the Commission "eliminate the partial settlement's interconnection limit").

under Section 10 of the Tariff.² Sunrise has experienced similar delays in the application process. As noted by the Department and other commentators, of the over 400 applications filed on December 12, 2014, only one 40 kW project application has been approved for interconnection.³ The Commission should adopt the Department's requested clarification in these issues and ensure a timely and responsive application process.

Finally, Sunrise supports the Department's requested clarification as to allowing a reasonable period of time to comply with the Order's 5 MW co-location requirements. The Department specifically noted the ability of applicants to sell ownership interests without losing their place in the queue. This approach allows an orderly process that creates clarity for all participants. And this approach effectively preserves the rights of applicants and subscribers who relied upon the tariff and application process in completing their applications. Moreover, this approach does not prejudice other applicants in the queue, who remain in the same position pending this reasonable compliance period. Sunrise recommends that approved applicants be allowed to divest until the signing of the revenue contracts with Xcel Energy.

² Formal Complaint and Petition for Relieve by SunShare, LLC, No. 15-786 (Aug. 28, 2015).

³ Department Request for Clarification, at 11; Comments by Fresh Energy Environmental Law & Policy Center, at 2-3 (Aug. 31, 2015) (noting "interconnection issues related to the S*RC program are an issue with *current* applications . . . "); Comments by Kandiyo Consulting, LLC, at 5 (noting interconnection delays as a "major barrier to the wide-scale deployment of solar energy").

In addition, Sunrise supports specifically allowing a reasonable period of compliance with the Order in which an applicant may downsize its own completed application by relocating a portion of the approved project to comply with the 5 MW co-location requirements.⁴ As noted in Sunrise's Petition for Reconsideration,⁵ relocated facilities on the same substation as the initial application should maintain the current place in the interconnect queue for that substation. Relocated facilities that require a change to a different substation should be considered in the queue for applications deemed complete as of June 25th (the date of the Commission's decision as to the 5 MW co-location limit) for that substation. This approach allows a reasonable opportunity to comply with the Order, without prejudice to applications deemed complete when the Commission adopted the co-location restrictions. The principle of allowing a reasonable period of compliance, however the applicant determines to do so, whether by divesting or relocating, supports the applicants and subscribers who relied upon the tariff in completing their applications and in making financial commitments.

CONCLUSION

Sunrise supports the clarification of the Order sought by the Department of Commerce. The Commission should consider and adopt these clarifications in

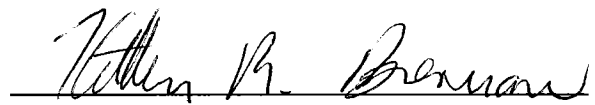
⁴ Sunrise Petition for Reconsideration, at 25-26.

⁵ *Id.* at 28-29.

conjunction with the relief requested and alternatives proposed in Sunrise's Petition for Reconsideration.

Dated: September 8, 2015.

McGRANN SHEA CARNIVAL
STRAUGHN & LAMB, CHARTERED



Corey J. Ayling (Reg. No. 157466)
Kathleen M. Brennan (Reg. No. 256870)
2600 U.S. Bancorp Center
800 Nicollet Mall
Minneapolis, MN 55402
Telephone: (612) 338-2525

Attorneys for Sunrise Energy Ventures, LLC