

Staff Briefing Papers

Meeting Date **November 13, 2025**

Agenda Item 1*

Company All Electric Utilities

Docket No. E999/PR-25-12
E999/PR-02-1240

In the Matter of Commission Consideration and Determination of Compliance with Minnesota's Renewable Energy Objectives for Year 2024; In the Matter of the Green Pricing and Verification Filing Process

Issues Should the Commission find that the Electric Utilities subject to Minnesota's Renewable Energy Objectives complied with their standard obligations for 2024?
Should the Commission take any additional actions?

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✓ **Relevant Documents**

Date

Otter Tail Power Company	1/31/2025
Xcel Energy	1/31/2025
PUC Notice	3/12/2025
Dairyland Power Cooperative	3/19/2025
Minnesota Power	3/20/2025
Heartland Consumers Power District	3/25/2025
Missouri River Energy Services	4/8/2025
Northwestern Wisconsin Electric	4/23/2025
Dairyland Power Cooperative	4/28/2025
Southern Minnesota Energy Cooperative	4/29/2025

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.



Relevant Documents

	Date
Southern Minnesota Energy Cooperative	4/30/2025
Delano Municipal Utilities	5/1/2025
Southern Minnesota Energy Cooperative	5/2/2025
Moose Lake Water and Light Commission	5/2/2025
East River Electric Power Cooperative, Inc.	5/8/2025
Basin Electric Power Cooperative	5/9/2025
L and O Power Cooperative	5/19/2025
Minnesota Power	5/23/2025
Southern Minnesota Municipal Power Agency	5/27/2025
Missouri River Energy Services	5/27/2025
Basin Electric River Cooperative	5/28/2025
Central MN Municipal Power Agency	5/28/2025
Northeastern Minnesota Municipal Power Agency	5/29/2025
Great River Energy and Other Utilities	5/30/2025
Otter Tail Power Company	5/30/2025
Minnkota Power Coop and Northern Municipal Power Agency	5/30/2025
Connexus Energy	5/30/2025
Minnkota Power Coop and Northern Municipal Power Agency	5/30/2025
Xcel Energy	6/2/2025
Minnesota Power	6/2/2025
Minnesota Municipal Power Agency	6/2/2025
Xcel Energy	7/24/2025
DOC DER, Comments	9/4/2025

BACKGROUND

I. Overview of Minn. Stat. §216B.1691

Minn. Stat. § 216B.1691 was originally passed in 2001, first as a “good faith effort” rather than a mandate. It was modified in 2003; in 2007 several additional modifications were made, including its revision into a mandate. The solar energy standard (SES) was added in 2013, and the carbon free and distributed solar energy standards (CFS and DSES) were included in 2023. The DSES and CFS compliance periods have not yet begun and therefore are not discussed in this record’s comments or this briefing paper. The 2023 changes also renamed the “Renewable Energy Standard” (RES) to the “Eligible Energy Technology Standard” (EETS). However, the 2023 modifications also expanded the definition of “electric utility” to include cooperative and municipal electric utilities that provide electric service and are not members of a generation and transmission cooperative electric association, a municipal power agency, or a power district.

Following the 2023 modifications, the Commission opened Docket No. E999/CI-23-151 to issue orders clarifying the implementation of the new legislation. Among other things, the Commission adopted an updated list of electric utilities subject to the legislation and clarified reporting requirements that are relevant to this current docket.

II. RES Reporting Obligations

For reporting year 2024, all electric utilities were required to generate or procure 20% of their electricity generated from eligible energy technologies to provide their retail customers in Minnesota, or the retail customers of a distribution utility to which the electric utility provides wholesale electric service. As listed below, next year that percentage will increase. The reporting obligations for the EETS (formerly RES) progress as follows¹:

- 1) 2012: 12 percent
- 2) 2016: 17 percent
- 3) 2020: 20 percent
- 4) 2025: 25 percent
- 5) 2035: 55 percent

III. The Current Proceeding

This is not a biennial compliance year. Therefore, unlike last year, reports do not include additional narrative from the utilities responding to the biennial reporting requirements

¹ H.F. 7 removed language from the RES that previously established a separate set of requirements for electric utilities that owned a nuclear generation facility as of January 1, 2007. Xcel was the only electric utility impacted by this modification.

outlined in Minn. Stat. § 216B.1691, subd. 3. In the previous biennial compliance year, there were no briefing papers and the Commission issued an informal order based upon the Department's comments.

UTILITY FILINGS

IV. EETS Compliance

Because the utility filings largely involve spreadsheets, some with technical details, staff instead provides the Department's tables below that helpfully summarize the required REC retirements for calendar year 2024.

The Department provided the following table in its comments indicating that all covered utilities met or exceeded their statutory requirements in retiring RECs for calendar year 2024:

Table 1. Department Summary of Utility 2024 EETS Compliance²

Utility	2024 MN Retail Sales MWhs	EETS Req. %	EETS Req. MWhs	RECs Retired
Basin Electric Power Cooperative	1,336,276	20%	267,255	267,256
Central Minnesota Municipal Power Agency	503,473	20%	100,695	100,695
Connexus Energy Cooperative	2,051,230	20%	410,246	410,246
Dairyland Power Cooperative	854,064	20%	170,813	170,813
East River Electric	1,133,986	20%	226,797	226,806
Great River Energy	7,911,250	20%	1,582,250	1,648,736
Heartland Power Cooperative	263,291	20%	52,658	52,659
L&O Power Cooperative	441,398	20%	88,280	88,281
Minnesota Power	8,844,509	20%	1,768,902	1,768,902

² The table is verbatim from the Department's comments, except that staff has changed the labels in the top row from "RES" to "EETS."

Minnkota Power Cooperative ³	1,835,561	20%	367,112	367,113
Minnesota Municipal Power Agency	1,838,215	20%	367,643	367,643
Missouri River Energy Services	1,643,350	20%	328,670	328,670
Moose Lake Water & Light Commission	33,466	20%	6,693	6,695
Northwestern Wisconsin Electric Company ⁴		20%		
Otter Tail Power	2,803,454	20%	560,691	560,691
Southern Minnesota Energy Cooperative	721,378	20%	144,276	144,276
Southern Minnesota Municipal Power Agency	2,682,830	20%	536,566	536,566
Xcel Energy	27,715,638	30%	8,314,691	8,314,692
TOTAL	62,613,369		15,294,238	15,369,740
REC Retirements as a percentage of Minnesota retail sales				24.5%

The Department stated that Alpha, Brewster, Ceylon, and Round Lake did not report in 2025. It reaffirmed its recommendation that each electric utility, including municipal electric utilities, be required to annually file a letter in Docket No. E999/PR-YR-12 notifying the Department

³ From the Department's comments, footnote 14: "Minnkota also reports on behalf of Northern Municipal Power Agency, which has the following ten Minnesota municipal utilities: Bagley Public Utilities, Baudette Municipal Utilities, Fosston Municipal Utilities, Halstad Municipal Utilities, Hawley Public Utilities, Roseau Municipal Utilities, City of Stephen Utilities, Thief River Falls Municipal Utilities, City of Warren Water and Light, Warroad Municipal Utilities."

⁴ From the Department's comments, footnote 15: "Northwestern Wisconsin Electric serves approximately 114 Minnesota customers with 2024 sales of 22,634 MWhs. The Commission permits NWECE to comply with its MN RES requirements with the submission of its Wisconsin RPS compliance report. The Company retired 26,090 RECs or 14.48% of its 3-year average Wisconsin retail sales of 180,183 MWhs. NWECE generated 32,219 MWh of renewable energy in 2024."

whether they will file on their own behalf the following year or if their power supplier will be doing so on their behalf. Further, the Department stated joint filing should be encouraged, with the same filing being sent as a notice to the supplier to clear up confusion and encourage compliance reporting.

V. SES Compliance

The Department provided the following table on SES compliance⁵:

Table 2. Department Summary of Utility 2024 SES Compliance

Utility	2024 MN Retail Sales MWhs	SES Exempt Retail Sales	Sales Subject to SES	Total SES Req.	Total Req.	Total SRECs Retired	Small Solar Carve-out	Total Small SRECs Retired.
Minnesota Power	8,391,264	5,580,433	2,810,831	1.5%	42,162	4,217	4,216	42,164
Otter Tail Power	2,720,096	68,583	2,651,513	1.5%	39,773	37,343	3,977	1,547
Xcel Energy	27,715,638	225,122	27,490,516	1.5%	412,438	427,358	41,236	41,236

OTP was and is the only utility not meeting the small SREC requirement for 2024 and also did not meet it in 2023 (but since has retired credits for 2023). For 2023, the Commission chose to defer a decision until 2026. In 2023, OTP agreed that going forward, it would file a short explanation for not meeting SES requirements in the given reporting year.⁶

VI. Staff Analysis

The Commission may choose to ask OTP to provide a short verbal summary on its SES progress at the agenda meeting.

As to SES compliance findings, staff has included language identical to that approved by the Commission in last year's docket, including the compliance year of 2026.

As to four small utilities not meeting the reporting requirement for REC retirements, staff supports the Department recommendation as a continuation of the previous year's reporting requirement. Commission staff attempted to find additional contacts for Alpha, Brewster, Ceylon and Round Lake but observes that because these are very small municipalities, the staff contacts listed publicly for them is very limited.

⁵ Table D, p. 7 of the Department's comments.

⁶ See OTP's August 13, 2024 Comments in Docket No. E999/PR-24-12.

DECISION OPTIONS

1. Find that all utilities subject to Minn. Stat. §216B.1691 have complied with the requirement to file a report, except for Alpha, Brewster, Ceylon, and Round Lake.
2. Find that Xcel Energy and Minnesota Power are compliant with the Solar Energy Standard (SES) for reporting year 2024. Defer a decision on Otter Tail Power's 2024 SES compliance until reporting year 2026, by which Otter Tail Power must resolve its small Solar Renewable Energy Credit (SREC) shortfall.