



CITY OF SAINT PAUL
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August 10, 2020

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

RE: Docket Nos. CI-02-2034/M-12-383 In the Matter of the Request for Commission Finding Regarding the Customer Complaint Performance Service Quality Plan

Dear Mr. Seuffert:

The City of Minneapolis (“Minneapolis”) and City of Saint Paul thank the Commission for the opportunity to provide reply comments regarding Xcel Energy’s (“Xcel” or “the Company”) request to omit 129 customer complaints filed in 2019 from consideration in the Company’s Quality of Service Plan (“QSP”) performance evaluation.

The Cities of Minneapolis and Saint Paul understand that dozens of the customer complaints that Xcel requests be excluded originated with our residents who wished to install rooftop solar. A customer’s decision to invest in solar supports our local clean energy goals, including the 100% renewable electricity goal by 2030¹ and the 10% local generation goal by 2025² and City of Saint Paul’s goal to reach 50 MW of residential rooftop solar by 2030³. We rely on our exclusive electric utility, Xcel Energy, to assist us in achieving these goals.

In our Reply Comments, we respond to the Commission’s Additional Topic Open for Comment and comments filed by other parties.

Should the issue of complaints about Xcel’s compliance with the MN DIP be filed and addressed in another docket?

¹ [Resolution](#) adopting 100% renewable electricity community-wide by 2030.

² [Minneapolis Climate Action Plan](#). Jun 28, 2013.

³ [City of Saint Paul Climate Action and Resilience Plan](#). Dec. 2019.

We are pleased that the Department agrees that the interconnection complaints from customers should be reviewed⁴, however we disagree that interconnection customers should be treated differently under the QSP performance evaluation.

We request that the Commission evaluate all customer complaints, including those from customers with solar interconnection applications, as part of the QSP performance metrics established in this docket for reasons discussed in City of Minneapolis' initial comments. This customer-centered solution is grounded in the public interest and will allow for the most equitable treatment of all customers. The Consumer Affairs Office and the QSP performance metrics offer an important incentive to the utility to align its interest with that of the customers and the public good.

We note that in Xcel's expert witness testimony offered in November 2019, the witness recognized that Xcel customers are increasingly interested in solar, and that this is a consideration when addressing customer service:

16-21 CAN YOU ELABORATE ON THE COMPANY'S WORK TO IMPROVE THE
22 CUSTOMER EXPERIENCE AND HOW THAT IMPACTS THIS FILING?

23 A. Yes. We understand that many of our customers continue to want the same
24 things they have always wanted – safe, reliable, affordable electric service.
25 However, there is a growing segment of our customers whose expectations
26 are changing, in large part due to changes in technology. Customer
27 expectations continue to evolve rapidly in all areas involving utility service

17-1 and products. The following are becoming important considerations for our
2 customers:

- 3 • Emerging technologies – customers are increasingly interested in
4 evolving technologies, such as electric vehicles, home energy
5 management, battery storage, and solar.
- 6 • Clean energy – customer interest in renewable energy continues to
7 grow as prices decline.⁵

The expert witness goes on to say that Xcel wants “to be the trusted energy provider of all our customers and to do so we need to meet these demands,”⁶ which the Cities agree with and appreciate. The delays described by All Energy,⁷ Novel Energy Solutions,⁸ and SunDial Solar⁹ under this docket are of concern, and do not appear to be isolated issues within Xcel's review process.

Comments from All Energy contrast with Xcel's claim that no financial harm was done to its customers as a result of delays:

Not only do customers experience delays in their projects, but also increased costs or reduced incentives. The Federal Tax Credit reduced from 30% in 2019 to 26% in 2020. Xcel failed to meet many deadlines in 2019 causing projects to get pushed to 2020, thereby causing customers to lose

⁴ [MN Department of Commerce Comments](#) July 2, 2020. p. 3.

⁵ Docket 19-564 [Direct Testimony and Schedules Greg P. Chamberlain](#). Before the Minnesota Public Utilities Commission State of Minnesota In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota. Nov 1, 2019. p.16-17.

⁶ *Id.* p. 17.

⁷ All Energy Comments. Jul 1, 2020.

⁸ Novel Energy Solutions Comments. Jul 1, 2020.

⁹ Docket 20-492 and Docket 12-383. Sundial Energy Letter. Jul 29, 2020 and Aug 7, 2020.

out on 4% of their tax credit incentive. Had the deadlines been met on many of those projects, they would have qualified for the larger tax credit. Instead our company alone experienced over \$150,000 in penalties from our customers and the commitments that we made to them. Not all of the delays we experienced were due to Xcel delays but a significant percentage were. We made commitments to our customers based on rules that Xcel Energy agreed to follow in MN DIP. Ultimately, Xcel customers were delayed in their projects and we were penalized financially because of it¹⁰

In contrast, according to Novel Energy Solutions:

Novel Energy Solutions is measuring the current Interconnection Agreement (“IA”) delays in years and months, not days or weeks, Xcel has missed almost every IA deadline with NES. Based on the circumstances, it is now necessary for our business and our customers for Novel to seek relief outside of the relationship with Xcel. We have tried for over a year on numerous calls, e-mails (see Exhibit A) to address these issues with Xcel, but have had no material success. (Emphasis original)

...there is a real economic cost to these delays. We aren’t alone, as almost every other Minnesota solar company we’ve spoken with has told us that Xcel has also delayed their projects. The vast majority of our delays are measured in months or years (not weeks). (Emphasis original)

Under MN DIP, nearly 90% of our applications are behind schedule (most by months)

and

Many times, the day a study is due, we will receive a notice from Xcel stating that the project has been “Put on Hold” or is experiencing other difficulties. Sometimes, we receive no notification at all, and need to contact Xcel to inquire why a project has not met the deadline.¹¹

And Sundial Energy reports that:

We, and every Minnesota solar development company I have spoken with (nearly all of them) have expressed extreme frustration with Xcel missing deadlines, incorrectly reviewing plans, and sidelining projects for no reason. Our company has experienced, and continues to experience, incredibly onerous delays and missed deadlines for projects in Xcel’s interconnection process. We have dozens of projects which should have started months ago that are not yet through Xcel’s engineering review. This problem is not unique to Sundial – it is industry-wide. Xcel’s delays are causing serious economic hardships and preventing already-existing energy sector employees from returning to work.¹²

The Department noted that:

If Xcel’s actions as part of the interconnection process for one or more of those 129 Solar Rewards customers could be shown to have negative financial repercussions for those same customers, and that the two solar installers were filing complaints to highlight those negative impacts one could argue that a sufficient basis for a complaint might exist.¹³

While the Cities of Minneapolis and Saint Paul don’t agree that customers have to show proof of financial harm when making a complaint to the Consumer Affairs Office, we assert that there is financial harm to customers whose interconnections are delayed including:

¹⁰ Docket 12-383 [All Energy Comments](#) p. 2.

¹¹ Docket 12-383 [Novel Energy Solutions Comments](#). p. 2.

¹² Dockets 20-492 and 12-383. [Sundial Energy Letter](#). Jul 29, 2020 and Aug 7, 2020.

¹³ [MN Department of Commerce Comments](#). July 2, 2020. p. 4.

- lost revenue associated with on-site energy production;
- lost time and increased transaction costs associated with a project; and
- in some cases, reduced financial incentives from federal investment tax credits

The Department's role as a consumer protection advocate is important, and because of this, the Department's budget is, in part, derived from the customers it protects. We note that while the Department conducted some due diligence by inquiring of Xcel about the customer's complaints and financial harm, the Department did not report in initial comments whether they took the important step of inquiring directly with solar installation professionals and/or solar customers. Based on the record, we are uncomfortable with the conclusions that the Department reached in favor of Xcel's petition. **Considering the comments from multiple solar installation companies in this docket and the harm that would likely result if the petition were granted, we ask the Commission not to approve Xcel's petition to exclude solar customers from the 2019 QSP evaluation.** Our position is consistent with recommendations made within all other parties' initial comments in this record, with the exception of Xcel Energy and the Department.¹⁴

In summary, we stand by the customer's right to a positive interconnection experience, and we want solar developers who perform work in our cities to be able to count on a predictable, streamlined process. The CAO complaint process and the QSP evaluation are important consumer protections that help mitigate the imbalance of power between the utility and its customer and must be preserved.

The Cities of Minneapolis and Saint Paul appreciate the opportunity offer input on this important topic that impacts the equitable treatment of Xcel's customers and our residents. Thank you for your consideration.

Sincerely,



Mr. Kim W. Havey, LEED AP, AICP
Director, Minneapolis Division of Sustainability



Mr. Russ Stark
Chief Resilience Officer, City of Saint Paul

¹⁴ The Cities of Minneapolis and Saint Paul position is consistent with comments from All Energy Solar; Minnesota Solar Energy Industries Association; Novel Energy Solutions; IREC, ELPC, Fresh Energy, and Vote Solar filed in this record on Jul 1, 2020.

STATE OF MINNESOTA)
) ss. **CERTIFICATE OF SERVICE**
COUNTY OF HENNEPIN)

I, Kim W. Havey, of the City of Minneapolis, County of Hennepin, State of Minnesota, affirm that on the 10th day of August 2020, I served a copy of the following via e-mail and/or via U.S. Mail:

Comments of the Cities of Minneapolis and Saint Paul regarding Docket Nos. 12-383

at the last known mailing addresses and email addresses of said entities/individuals on the attached Service List. If by U.S. Mail, I placed said document in postage prepaid envelope and placed same in the U.S. Post Office in Minneapolis, Minnesota for delivery by the United States Postal Service.



Kim W. Havey

Electronic Service Members (Docket 12-383)

Last Name	First Name	Email	Company Name	Delivery Method	View Trade Secret
Allen	Michael	michael.allen@allenergysolar.com	All Energy Solar	Electronic Service	No
Beaton	Laura	beaton@smwlaw.com	Shute, Mihaly & Weinberger LLP	Electronic Service	No
Commerce Attorneys	Generic Notice	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	Electronic Service	Yes
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Johnson	Craig	cjohnson@lmc.org	League of Minnesota Cities	Electronic Service	No
Kaehler	Cliff	cliff.kaehler@novelenergy.biz	Novel Energy Solutions LLC	Electronic Service	No
Kenworthy	William	will@votesolar.org	N/A	Electronic Service	No
Klein	Brad	bklein@elpc.org	Environmental Law & Policy Center	Electronic Service	No
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Residential Utilities Division	Generic Notice	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	Electronic Service	Yes
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Electronic Service Members (Docket 02-2034)

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Commerce Attorneys	Generic Notice	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	Electronic Service	Yes

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Medhaug	Susan	Susan.medhaug@state.mn.us	Department of Commerce	Electronic Service	No
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