

August 14, 2025

Mike Bull Interim 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 Docket No. ET6125/RP-25-266

Dear Mr. Bull:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

Notice of Changed Circumstance and Request for an Extension.

An updated petition was filed by Basin Electric Power Cooperative on July 3, 2025.

The Department recommends **approval** and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Sydnie Lieb, Ph.D.
Assistant Commissioner, Department of Regulatory Affairs

SR/ad Attachment



Comments of the Minnesota Department of Commerce

Docket No. ET6125/RP-25-266

I. INTRODUCTION

Basin Electric Power Cooperative (Basin or the Cooperative) is an electric wholesale power supplier. As of June 2025, the region served by Basin and its 139 member cooperatives includes all or portions of nine states: Montana, Wyoming, Colorado, New Mexico, North Dakota, South Dakota, Nebraska, Minnesota, and Iowa. Of Basin's cooperative members, 13 deliver power within Minnesota and 12 are headquartered in Minnesota.¹

In 2008 Basin filed its first Integrated Resource Plan (IRP) under Minn. Stat. § 216B.2422, subd. 2. In 2012, the Minnesota Legislature amended Minn. Stat. § 216B.2422 by adding subdivision 2b establishing an Optional IRP (O-IRP) for certain cooperatives. At the time Basin qualified for filing an O-IRP and has done so annually since that time. However, Basin now indicates that the Cooperative no longer qualifies for an O-IRP and, therefore, must file a regular IRP.

II. PROCEDURAL BACKGROUND

June 27, 2025	Basin filed a Notice of Changed Circumstance and Request for an Extension to create a process resulting in the Cooperative filing a full IRP on October 1, 2027.
July 3, 2025	Basin filed an updated Notice of Changed Circumstance and Request for an Extension. The updated filing is to be used in place of the June 26, 2025 initial filing. ²
July 17, 2025	The Commission issued a notice of comment period. ³

According to the Notice the following topics are open for comment:

¹ By both measures Minnesota represents around 9 percent of Basin's system.

² In the Matter of Basin Electric Power Cooperative's Notice of Changed Circumstance and Request for an Extension, Petition, June 27, 2025, Docket No. ET6125/RP-25-266, (eDockets), 20257-220633-01. (Hereinafter, "Updated Petition").

³ In the Matter of Basin Electric Power Cooperative's Notice of Changed Circumstance and Request for an Extension, Notice, July 17, 2025, Docket No. ET6125/RP-25-266, (eDockets), <u>20257-221106-01</u>. (Hereinafter, "Notice").

- Should the Commission grant Basin Electric's request to extend its IRP filing until October 1, 2027?
- If the Commission grants the Cooperative's request, should the Commission require interim filings?
- Are there other issues or concerns related to this matter?

III. DEPARTMENT ANALYSIS

A. STATUTORY CRITERIA

Minn. Stat. § 216B.2422, subd. 2b establishes two criteria for a cooperative generation and transmission utility to qualify for an Optional IRP (O-IRP):

For the purposes of this subdivision, a "cooperative" means a generating and transmission cooperative electric association that has at least 80 percent of its member distribution cooperatives located outside of Minnesota and that provides less than four percent of the electricity annually sold at retail in the state of Minnesota. A cooperative may, in lieu of filing a resource plan under subdivision 2, elect to file a report to the commission under this subdivision.

Historically Basin and Dairyland Power Cooperative are the two entities that have filed O-IRPs. As indicated above, about 9 percent of Basin's cooperative members are headquartered in and/or deliver power within Minnesota. Thus, Basin meets the 80 percent located outside of Minnesota criterion. The second statutory criterion is that the cooperative provide "less than four percent of the electricity annually sold at retail in the state of Minnesota." In the Updated Petition, Basin provided the following percentages of the electricity sold at retail in Minnesota:

- 2022—3.84%;
- 2023—4.10%;
- 2024—not available until November 2025.^{4, 5}

Basin's forecast is that the Cooperative will be just below the 4% threshold in 2024 and above the 4% threshold in 2025. The Updated Petition concludes that, "[u]nless there is significant load growth throughout Minnesota, Basin Electric is likely to continue to be above the four percent retail sales threshold and no longer eligible to elect to submit an O-IRP."

⁴ Basin calculates the percentage of Minnesota retail sales based upon U.S. Energy Information Administration data regarding state energy profiles. Data for 2024 is not available at this time.

⁵ Updated Petition at 4.

⁶ Updated Petition at 4.

⁷ Updated Petition at 4

B. BASIN'S PROPOSAL

The Updated Petition notes that Minn. Stat. § 216B.2422 does not provide a procedural process for a cooperative to transition from an O-IRP to a full IRP. Therefore, Basin concludes that this situation constitutes a changed circumstance under Minn. R. 7843.0500, supb. 5.8 The Department agrees with Basin that Minnesota Statutes do not provide a O-IRP to full IRP transition process and that using the changed circumstances provision of Minnesota Rules is a reasonable approach in this instance.

Basin proposes the following schedule as a O-IRP to full IRP transition process:

- 1. July 2025 File O-IRP and the Updated Petition, proposing to submit a full IRP on October 1, 2027.
- Fall 2025 Commission agenda hearing on the Updated Petition and, if requested, present at a Commission Planning Meeting on Basin's O-IRP.
- 3. July 1, 2026 File Interim O-IRP and current Basin forecasted Minnesota retail load.
- 4. Spring and Summer 2027 Conduct stakeholder outreach.
- 5. October 1, 2027 File a full IRP.

Basin provides the following reasons for this transition process:

- 1. Basin has not filed a full IRP since 2008;9
 - Basin will need significant staff time to develop a full IRP in accordance with the Commission's IRP rules and the requirements of Minnesota Statutes.
- 2. Basin's Minnesota retail electric load has fluctuated around the four percent threshold;
 - the July 1, 2026 update will provide the Commission information regarding whether Basin has continued to have Minnesota retail sales above the four percent threshold.
- 3. In addition to load growth and new generation and transmission assets, there are numerous law and policy changes at the federal level and in the nine states Basin provides service to its members;
 - Basin needs time to incorporate these changes into a full IRP.
- Basin is currently adding new generation and transmission assets to its fleet, conducting Request for Proposals (RFPs) to add new resources to meet significant load growth, and complying with state requirements;

⁸ Minn. R. 7843.0500, supb. 5.

⁹ See Docket No. ET6125/RP-08-846.

- o Basin needs time to incorporate these changes into a full IRP.
- 5. Basin is not planning at this time to add any new Minnesota-based resources that would require a Certificate of Need;
 - the Commission's IRP order is unlikely to be used as evidence in a Commission proceeding.¹⁰
- 6. The proposed process will provide Basin the opportunity to conduct IRP-specific stakeholder outreach with its Minnesota member cooperatives and the communities they serve, and other key stakeholders;
 - while Basin does ongoing outreach Basin has not done so as part of the O-IRP process and needs time to do this for a full IRP.¹¹

Overall, Basin requests under Minn. Rules 7829.3200 that the Commission vary Minn. Rules 7843.0300 to grant Basin Electric an extension until October 1, 2027 to submit a full IRP using the procedural path shown above.

C. REVIEW OF BASIN'S PROPOSAL

Basin requests a variance to Minn. R. 7843.0300¹² to modify the filing date requirement for a full IRP. Minn. Rules 7829.3200 contains the requirements for granting a variance:

- A. enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
- B. granting the variance would not adversely affect the public interest; and
- C. granting the variance would not conflict with standards imposed by law.

Basin states that the requirements for a variance are met as follows:

- A. to require a full IRP immediately upon Basin not being eligible for an O-IRP would impose an excessive burden on the Cooperative;
- B. Basin's IRP will continue to be advisory and the 2025 O-IRP provides similar information to what the Commission has received since the enactment of the O-IRP Statute; and
- C. the variance would not conflict with standards imposed by law as the IRP filing due dates are a Commission rule and have typically been set in Commission IRP orders. 13

¹⁰ See Minn. R. 7843.0600.

¹¹ Updated Petition at 7-8.

¹² Note that this rule establishes an IRP filing schedule of every two years. See Minn. R. 7843.0300.

¹³ Updated Petition at 5.

The Department agrees with Basin that requiring the immediate filing of a full IRP is not feasible and also that the criteria for granting a variance to Minn. Rules 7843.0300 have been met.

The Department recommends that the Commission approve Basin's proposed variance and approve Basin's proposed process.

D. ADDRESSING THE NOTICE

The first issue specified in the Notice is "Should the Commission grant Basin Electric's request to extend its IRP filing until October 1, 2027?" The Department recommends the Commission grant Basin's request.

The second issue specified in the Notice is "If the Commission grants the Cooperative's request, should the Commission require interim filings?" The Department recommends the Commission require the interim filings specified by Basin.

The third issue specified in the Notice is "Are there other issues or concerns related to this matter?" The Department has no other issues.

IV. DEPARTMENT RECOMMENDATIONS

Based on analysis of the Updated Petition and the information in the record, the Department has prepared recommendations, which are provided below. The recommendations correspond to the subheadings of Section III above.

C. REVIEW OF BASIN'S PROPOSAL

- approve Basin's proposed variance; and
- approve Basin's proposed process

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. ET6125/RP-25-266

Dated this 14th day of August 2025

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP		50 S 6th St Ste 1500 Minneapolis MN, 55402-1498 United States	Electronic Service		No	RP-25-266
2	Brian	Bell	bell.brian@dorsey.com	Dorsey & Whitney LLP		50 South Sixth St. Suite 1500 Minneapolis MN, 55402 United States	Electronic Service		No	RP-25-266
3	William	Black	bblack@mmua.org	MMUA		Suite 200 3131 Fernbrook Lane North Plymouth MN, 55447 United States	Electronic Service		No	RP-25-266
4	B. Andrew	Brown	brown.andrew@dorsey.com	Dorsey & Whitney LLP		Suite 1500 50 South Sixth Street Minneapolis MN, 55402-1498 United States	Electronic Service		No	RP-25-266
5	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	RP-25-266
6	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Attorney General -	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	RP-25-266
7	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	RP-25-266
8	Allen	Gleckner	gleckner@fresh-energy.org	Fresh Energy		408 St. Peter Street Ste 350 Saint Paul MN, 55102 United States	Electronic Service		No	RP-25-266
9	Jenny	Glumack	jenny@mrea.org	Minnesota Rural Electric Association		11640 73rd Ave N Maple Grove MN, 55369 United States	Electronic Service		No	RP-25-266
10	Benjamin	Hertz	bhertz@bepc.com	Basin Electric Power Cooperative		1717 E Interstate Ave Bismarck ND, 58503 United States	Electronic Service		No	RP-25-266
11	Casey	Jacobson	cjacobson@bepc.com	Basin Electric Power Cooperative		1717 East Interstate Avenue Bismarck ND, 58501 United States	Electronic Service		No	RP-25-266
12	Becky	Kern	bkern@bepc.com	Basin Electric Power Cooperative		1717 E Interstate Ave Bismarck ND, 58501 United States	Electronic Service		No	RP-25-266
13	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	RP-25-266

#	First Name	Last Name	Email	Organization Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
14	Jean	Schafer	jeans@bepc.com	Basin Electric Power Cooperative	1717 E Interstate Ave Bismarck ND, 58501 United States	Electronic Service		No	RP-25-266
15	Laurie	Williams	laurie.williams@sierraclub.org	Sierra Club	Environmental Law Program 1536 Wynkoop St Ste 200 Denver CO, 80202 United States	Electronic Service		No	RP-25-266