



Your Touchstone Energy® Partner



July 2, 2015

Daniel P. Wolf, Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul, Minnesota 55101

**Re: Dakota Electric Association Petition to  
Implement a Solar Option for Wellspring  
Docket No. E-111/M-15-\_\_\_**

Dear Mr. Wolf:

Dakota Electric Association (Dakota Electric or Cooperative) submits the attached Petition requesting Minnesota Public Utilities Commission (Commission or MPUC) approval to implement a solar energy option in the Cooperative's Optional Renewable Energy (Wellspring) Rider.

If you or your staff have any questions regarding this petition, please contact me at (651) 463-6258.

Sincerely,

/s/ Douglas R. Larson

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Douglas R. Larson  
Vice President of Regulatory Services  
Dakota Electric Association  
4300 220<sup>th</sup> Street West  
Farmington, MN 55024  
651-463-6258  
dlarson@dakotaelectric.com

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

IN THE MATTER OF A  
DAKOTA ELECTRIC ASSOCIATION PETITION  
TO IMPLEMENT A SOLAR OPTION FOR WELLSPRING

DOCKET No. E-111/M-15-\_\_\_\_\_

**SUMMARY**

On July 2, 2015, Dakota Electric Association (Dakota Electric or Cooperative) submitted a petition requesting Minnesota Public Utilities Commission (Commission or MPUC) approval to implement a solar energy option in the Cooperative's Optional Renewable Energy (Wellspring) Rider.

STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger  
Nancy Lange  
Dan Lipschultz  
John Tuma  
Betsy Wergin

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

IN THE MATTER OF A  
DAKOTA ELECTRIC ASSOCIATION PETITION  
TO IMPLEMENT A SOLAR OPTION FOR WELLSPRING

DOCKET NO. E-111/M-15-\_\_\_\_\_

**PETITION OF DAKOTA ELECTRIC ASSOCIATION**

**I. Introduction**

Dakota Electric Association (Dakota Electric or Cooperative) submits the following Petition requesting Minnesota Public Utilities Commission (Commission or MPUC) approval to implement a solar energy option in the Cooperative's Optional Renewable Energy (Wellspring) Rider.

**II. Filing Requirements**

Pursuant to Minn. Stat. § 216B.16, subd. 1 and Minn. Rule 7829.1300, Dakota Electric provides the following required general filing information.

**1. Summary of Filing (Minn. Rule 7829.1300, subp.1)**

A one paragraph summary accompanies this Petition.

**2. Service on Other Parties (Minn. Rule 7829.1300, subp. 2)**

Pursuant to Minn. Rules 7829.1300, subp. 2, Dakota Electric eFiles this Petition on the Minnesota Department of Commerce – Division of Energy Resources and the Office of Attorney General – Residential Utilities and Antitrust Division.

**3. Name, Address and Telephone Number of Utility (Minn. Rule 7829.1300, subp. 4(A))**

Dakota Electric Association  
4300 220th Street West  
Farmington, MN 55024  
(651) 463-6212

**4. Name, Address and Telephone Number of Utility Attorney (Minn. Rule 7829.1300, subp. 4(B))**

Eric F. Swanson  
Winthrop & Weinstine  
225 South Sixth Street, Suite 3500  
Minneapolis, Minnesota 55402-4629

**5. Date of Filing and Date Proposed Rate Takes Effect (Minn. Rule 7829.1300, subp. 4(C))**

This Petition is being filed on July 2, 2015. Minn. Rule 7825.3200 requires that utilities serve notice to the Commission at least 90 days prior to the proposed effective date of modified rates. The proposed Wellspring solar option will take effect upon Commission approval.

**6. Statute Controlling Schedule for Processing the Filing (Minn. Rule 7829.1300, subp.4(D))**

This Petition is made pursuant to Minn. Stat. § 216B.16. Dakota Electric's proposed addition of a solar option in the Optional Renewable Energy Rider falls within the definition of a "Miscellaneous Tariff Filing" under Minn. Rules 7829.0100, subp. 11. Minn. Rules 7829.1400, subp. 1 and 4 specify that comments in response to a miscellaneous filing be filed within 30 days, and reply comments be filed no later than 10 days from the expiration of the original comment period.

**7. Utility Employee Responsible for Filing (Minn. Rule 7829.1300, subp. 4(E))**

Douglas R. Larson  
Vice President of Regulatory Services  
Dakota Electric Association  
4300 220<sup>th</sup> Street West  
Farmington, MN 55024  
651-463-6258  
dlarson@dakotaelectric.com

### **8. Impact on Rates and Services (Minn. Rule 7829.1300, subp. 4(F))**

The proposed solar option for the Optional Renewable Energy Rider (marketed as Wellspring) will not affect existing tariffed rates. The proposed Wellspring solar option is a new service that will be a pass-through of charges from our wholesale power supplier Great River Energy.

The additional information required under Minn. Rule 7829.1300, subp. 4(F) is included throughout this Petition.

## **III. Petition**

### Background

Dakota Electric's Optional Renewable Energy Rider (marketed as Wellspring) was originally approved by the Minnesota Public Utilities Commission on April 22, 1997 in Docket No. E-111/M-97-178. In coordination with Great River Energy (GRE), the Wellspring renewable program has for years given our member-consumers the option to purchase blocks of wind energy to offset their conventional energy use. The Wellspring monthly rate per 100 kWh block of renewable energy is a pass-through of the wholesale charge from GRE. To date, the renewable energy provided for Wellspring has been associated with wind energy.

### Wellspring Solar

The new solar component of Wellspring works the same as the original wind-energy option, which is designed to offer member-consumers who want to support renewable energy the opportunity to do so without having to build or install anything on their property. Members are able to purchase any quantity of renewable energy through Wellspring up to their total annual usage.

The addition of solar to this program will take advantage of the new solar resources Great River Energy has installed at its headquarters in Maple Grove as well as the smaller demonstration arrays at 19 of its member cooperatives across Minnesota. Since the electricity generated by Great River Energy's solar resources cannot be directly delivered

to homes or businesses, those who participate in Wellspring are actually purchasing renewable energy credits (RECs).

Through Wellspring, members can purchase solar energy in 100 kWh blocks for \$2.00 for each block that will be charged as an additional amount on their bill. The \$2.00 charge is a direct pass-through of the wholesale rate that GRE will charge to Dakota Electric for this service.

#### Proposed Wellspring Rate Schedule

Attached are two versions of the Wellspring rate schedule. Revision 14 is the version of the Optional Renewable Energy Rider that was approved by the Commission in our most recent general rate case (Docket No. E-111/GR-14-482). Revision 15 is a redline version of the Wellspring Rider that implements the requested solar option. The proposed Revision 15 tariff changes 1) add wording to clarify that there will now be two renewable resource options for Wellspring and 2) establishes the monthly charge per 100 kWh block for Wellspring Solar.

#### Annual Regulatory Filings

Dakota Electric proposes to continue the annual filing associated with Wellspring. This annual filing will now 1) update the respective charges for both the wind and solar options and 2) document whether there were any over- or under-recovery of costs associated with Wellspring in the prior year that need to be reflected as a true-up component in the coming year.

#### **IV. Conclusion**

Based on the information provided in this filing, Dakota Electric requests Commission approval to implement a Wellspring solar option.

If you or your staff have any questions regarding this petition, please contact me at (651) 463-6258.

Dated: July 2, 2015

Respectfully Submitted,

/s/ Douglas R. Larson

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Douglas R. Larson  
Vice President of Regulatory Services  
Dakota Electric Association  
4300 220<sup>th</sup> Street West  
Farmington, MN 55024  
651-463-6258

SCHEDULE 90  
OPTIONAL RENEWABLE ENERGY RIDER

Availability

Available to any member taking service concurrently under another rate schedule. This rate is for the purchase of energy from renewable sources such as wind, biomass and solar. Members requesting service under this optional rider must remain on the rider for a minimum of 12 months. Service is subject to the established rules and regulations of the Association.

Subscription Requirement

Members desiring to participate in the Optional Renewable Energy Rider will specify either a fixed or a variable monthly amount of renewable energy (in one or more 100 kWh blocks) that they will purchase. The fixed monthly subscription level may not exceed a member's lowest actual or estimated monthly consumption level. Under the variable monthly subscription, the member will automatically purchase the maximum number of 100 kWh blocks or renewable energy each month that does not exceed the member's actual consumption level for that month.

Monthly Rate

Renewable Energy (per 100 kWh)	\$0.4000
Plus Applicable Taxes	

The monthly renewable energy rate will consist of the wholesale power cost for this service plus any over- or under-recovery balance from the prior year. This monthly renewable energy rate will be shown as a separate line item on a member's bill. This charge per 100 kWh is in addition to the applicable rate schedule currently serving the member.

Rate Adjustments

The monthly rate will be adjusted under the following two circumstances. First, the rate will change to reflect changes in wholesale power costs associated with this service. Dakota Electric will file such wholesale rate adjustment calculations with the Minnesota Public Utilities Commission prior to implementing the rate revision. Second, the monthly rate will include any over- or under-recovery of renewable energy costs approved for recovery under this rider. In early January each year, Dakota Electric will submit a filing to the PUC documenting any change in wholesale power costs and any over- or under-recovery of renewable energy costs for the prior calendar year.

Taxes

The rates set forth are based on taxes as of January 1, 2009. The amount of any increase in existing or new taxes on the transmission, distribution or sales of electricity allocable to sales hereunder, excluding real and personal property taxes already recovered through the RTA, shall be added to the above rate as appropriate.

Terms of Payment

The above charges are net. Balances over \$10.00 not received by the Association by the next scheduled billing date will have an interest charge of 1.5 percent or \$1.00, whichever is greater, added to the balance.



SCHEDULE 90  
OPTIONAL RENEWABLE ENERGY RIDER

Availability

Available to any member taking service concurrently under another rate schedule. This rate is for the purchase of energy from wind and solar renewable sources. Members requesting service under this optional rider must remain on the rider for a minimum of 12 months. Service is subject to the established rules and regulations of the Association. Deleted: such as wind, biomass and solar

Subscription Requirement

Members desiring to participate in the Optional Renewable Energy Rider will specify the type of resource and either a fixed or a variable monthly amount of renewable energy (in one or more 100 kWh blocks) that they will purchase. The fixed monthly subscription level may not exceed a member's lowest actual or estimated monthly consumption level. Under the variable monthly subscription, the member will automatically purchase the maximum number of 100 kWh blocks or renewable energy each month that does not exceed the member's actual consumption level for that month.

Monthly Rate

<u>Wind Renewable Energy (per 100 kWh)</u>	<u>\$0.40</u>	Deleted: 00
<u>Solar Renewable Energy (per 100 kWh)</u>	<u>\$2.00</u>	
Plus Applicable Taxes		

The monthly renewable energy rate will consist of the wholesale power cost for this service plus any over- or under-recovery balance from the prior year. This monthly renewable energy rate will be shown as a separate line item on a member's bill. This charge per 100 kWh is in addition to the applicable rate schedule currently serving the member.

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Terms of Payment

The above charges are net. Balances over \$10.00 not received by the Association by the next scheduled billing date will have an interest charge of 1.5 percent or \$1.00, whichever is greater, added to the balance.

Deleted: 7/2/14

Deleted: GR-14-482

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**Certificate of Service**

I, Cherry Jordan, hereby certify that I have this day served copies of the attached document to those on the following service list by e-filing, personal service, or by causing to be placed in the U.S. mail at Farmington, Minnesota.

**Docket No. E-111/M-15-\_\_\_\_**

Dated this 2nd day of July, 2015

/s/ Cherry Jordan

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Cherry Jordan

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Corey	Hintz	chintz@dakotaelectric.com	Dakota Electric Association	4300 220th Street Farmington, MN 550249583	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List