

5/6/2015

Sam Villella
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Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, MN 55101-2147

Re: Docket 15-255

Commissioners-

I have been following the rate case with the People's Energy Cooperative closely as I am going through a similar situation. I first installed a solar PV system back in 2009. I am a member of Connexus Energy.

Last year, on my July 2014 bill a new charge appeared with no prior explanation or communication. In addition to the typical monthly \$11.50 "Cost of Basic Service" fee, there were charges for two additional "Cost of Basic Service" fees in the amount of \$2.65 each. My initial queries to the customer service department were met with confusion and lacked explanation. I was contacted and notified that the \$2.65 fee was due to the fact that I have solar panels and had been mistakenly charged twice and one of the fees would be credited back.

On my August 2014 bill, as promised, there was a credit for the \$2.65 which had been mistakenly charged twice. The new extra \$2.65 charge was now designated as a "Cost of Basic Service - Net Metering" fee. It has remained this way since.

I spoke to several representatives of Connexus Energy as well as my district representative on the Board of Directors pertaining to the additional fee. No adequate response was attained. In fact, my board representative said he was not at all familiar with the matter. I further asked why a grandfathering exemption was not offered and no explanation was given. This would make future distributed investments in wind and or solar very unpredictable if potential additional fees are able to be tacked on at the whim of a cooperative's board.

My understanding of the state statute 216B.164 seems quite clear, especially under Subd 3 as follows:

c) In setting rates, the commission shall consider the fixed distribution costs to the utility not otherwise accounted for in the basic monthly charge and shall ensure that the costs charged to the qualifying facility are not discriminatory in relation to the costs charged to other customers of the utility. The

commission shall set the rates for net input into the utility system based on avoided costs as defined in the Code of Federal Regulations, title 18, section 292.101, paragraph (b)(6), the factors listed in Code of Federal Regulations, title 18, section 292.304, and all other relevant factors.

The additional \$2.65 monthly "Cost of Basic Service - Net Metering" fee certainly seems **discriminatory** as it is only charged to net-metering members.

In the last six years, my "Cost of Basic Service" fee has risen from \$7.50/ month to \$12.50/ month plus the additional \$2.65 making it a total of \$15.15/ month. The usage fee has gone from 8.18 cents/ kWh to 11.9 cents/ kWh. It appears quite evident that this is clearly a case of the cooperatives not adhering to existing legislation.

Sincerely-

Sam Villella 763-226-0406