

The Commission met on **Thursday, January 6, 2022**, with Chair Sieben and Commissioners Means, Schuerger, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

G-004/M-21-305

In the Matter of Great Plains Natural Gas Company's 2020 Conservation Improvement Program Tracker and Shared Savings Demand Side Management Incentive.

Commissioner Means moved that the Commission take the following actions:

1. Approve Great Plains Natural Gas Company's 2020 Conservation Improvement Program (CIP) tracker account, as summarized in Table 1 of the Department of Commerce's November 29, 2021, comments, resulting in a 2020 CIP tracker balance of (\$348,197).
2. Approve a 2022 Conservation Cost Recovery Adjustment (CCRA) rate of \$0.0895 per Dth, updated to account for a shorter recovery period, to be effective the first billing period after the issuance of this Order.
3. Require Great Plains Natural Gas Company to include the following bill message in the billing month immediately following the date of this Order:

Great Plains recovers the cost changes in its energy conservation programs from the base established in 2021 through a Conservation Cost Recovery Adjustment (CCRA) subject to MN Public Utilities Commission approval. A CCRA of [insert rate per dk is effective [insert effective date]. Learn more about reducing your energy use by visiting our website at www.gpng.com or calling us at 1-877-267-4764.

4. Require Great Plains Natural Gas Company to submit a compliance filing, within 10 days of the issue date of this Order, with revised tariff sheets reflecting the Commission's determinations in this matter.

The motion passed 5—0.

IP-6946/WS-17-410

In the Matter of the Application of Freeborn Wind Energy, LLC for a Large Wind Energy Conversion System Site Permit for the 84 MW Freeborn Wind Farm in Freeborn County.

Chair Sieben moved that the Commission deny the Madson Motion for Order to Show Cause and for Hearing, deny AFCL's Motion for Order to Show Cause, and order Xcel Energy to file the

results of the independent noise monitoring study of Madson's residence no later than February 1st, 2022.

The motion passed 5—0.

ET-2/TL-21-434

In the Matter of the Petition to Transfer a Portion of the Route Permit for the HVDC Transmission Line System and Associated Facilities in Minnesota.

Commissioner Tuma moved that the Commission take the following actions:

1. Approve the request for a partial transfer of the Construction Permit from Great River Energy to Nexus Line, LLC effective upon Great River Energy and Nexus Line, LLC notifying the Commission that the transactions contemplated by the Asset Purchase Agreement have closed and the Letter of Credit has been issued.
2. Accept Nexus Line, LLC's information as adequately explaining how it will notify the Commission in the event the parties materially modify the O&M agreement.
3. Approve Nexus Line, LLC's proposed permit condition as modified by staff:

"In the event the parties materially modify the O&M Agreement, Nexus Line, LLC shall notify the Commission of the change within 10 calendar days. The filing, which shall be submitted into Commission Docket No. ET-2/TL-21-434, shall describe the nature of the change(s) and include a copy of the amended O&M Agreement."

4. Accept Nexus Line, LLC's information as adequately explaining how it will notify the Commission if there are any changes regarding the O&M provider and how it will demonstrate the ability of the new provider to perform O&M duties.
5. Approve the Applicants' proposed permit condition:

"In the event the O&M Agreement is terminated, or a party provides notice of early termination of the O&M Agreement, Nexus Line, LLC shall notify the Commission of the change in O&M providers within 10 calendar days. The notification, which shall be submitted into Commission Docket No. ET-2/TL-21-434, shall describe the timing of the anticipated change in O&M providers, the entity providing O&M services following the change, and the qualifications of the new provider."

6. Accept the Applicants revised decommissioning plan submitted on November 29, 2021.

7. Require Nexus Line, LLC to file with the Commission the draft letter of credit within 3 days of the order approving transfer. Delegate to the Executive Secretary authority to work with the issuer and permittee to arrive at mutually acceptable terms of the letter of credit.
8. Require Nexus Line, LLC to file the letter of credit and terms of the letter of credit upon renewal annually. The filing should include a description of any changes to the terms when compared to the previous year.
9. Require Nexus Line, LLC to notify the Commission, and obtain Commission approval, prior to changing the form of, terms of, or parties to the decommissioning financial assurance. Commission approval may be conditioned on, among other things, the permittee providing the Commission with an independent third- party analysis regarding the permittee's ability to fund the financial assurance.
10. Approve Nexus Line, LLC's proposed language regarding filing updates with the Commission as modified by staff:

"Nexus shall e-file an updated the Decommissioning Plan every five years. The Commission may at any time request the Permittee to file a report with the Commission describing how the Permittee is fulfilling this obligation."

11. Accept Nexus Line, LLC's revised complaint procedures filed on November 29, 2021.
12. Require Nexus Line, LLC to add the Commission's Consumer Affairs Office contact information to Section I of the Revised Complaint Handling Procedures and resubmit revised complaint procedures reflecting this change.
13. Accept as sufficient the Applicants' filings regarding which generation resources GRE is currently using and is planning to use on the HVDC line and how those generation resource utilization levels will change as a result of the proposed transfer.
14. Require Nexus Line, LLC to provide more details about generation interconnected to an using the HVDC line upon any significant changes but no less than annually.
15. Accept the Applicants' filings as sufficient to demonstrate compliance with the requirements set out in Section 2 of the existing permit.
16. Amend the Permit section 2.3 related to HVDC line noise to better reflect compliance with current state noise requirements:

"The Permittee shall comply with noise standards established under Minn. R. Chapter 7030, at all times at all appropriate locations during operation of the permitted facilities. Construction and maintenance activities shall be limited to daytime working

hours to the extent practicable to ensure nighttime noise level standards will not be exceeded.”

17. Amend Permit Section 2.4 related to converter station noise to better reflect compliance with current state noise requirements:

“The Permittee shall comply with noise standards established under Minn. R. Chapter 7030, at all times at all appropriate locations during operation of the permitted facilities. Construction and maintenance activities shall be limited to daytime working hours to the extent practicable to ensure nighttime noise level standards will not be exceeded.”

18. Require GRE to undertake a noise study in coordination with DOC EERA and to file the results with the Commission within 120 days.

19. Amend Permit section 2.6 related interference to reflect current communication technologies and farming practices with the follow proposed language:

“If interference with radio or television, satellite, wireless internet, GPS-based agriculture navigation systems or other communication devices is caused by the presence or operation of the transmission line or converter station, the Permittee shall take whatever action is necessary to restore or provide reception equivalent to reception levels in the immediate area just prior to the construction of the line.”

20. Amend Nexus Line, LLC’s decommissioning plan to designate “The Minnesota Public Utilities Commission, or its designee” to serve as the beneficiary of the decommissioning financial assurance.

The motion passed 5—0.

Chair Sieben passed the role of chair to Commissioner Sullivan for the remainder of the meeting.

E-002/M-21-101

In the Matter of Xcel Energy's Petition for Load Flexibility Pilot Programs and Financial Incentive.

E-002/M-17-401

In the Matter of Commission Investigation to Identify Performance Metrics, and Potentially, Incentives for Xcel Energy's Electric Utility Operation.

Commissioner Schuerger moved that the Commission take the following actions:

1. Approve Northern States Power Company d/b/a Xcel Energy's (Xcel) revised Peak Flex Credit Rider (PFCR) pilot and tariff as modified in Xcel's Reply Comments, but modify Xcel's proposed PFCR as follows:
 - a. Direct Xcel to allow third-party aggregators to participate in a second tranche of the PFCR pilot targeting an additional 43 megawatts of demand-response capability, and to make a compliance filing within 60 days of the Order in this matter describing in detail how Xcel will engage/contract with aggregators and any other program adjustments that need to be made. Xcel will engage and consider input from parties that commented on the PFCR and aggregation in this proceeding before developing the compliance filing.
 - b. Direct Xcel to collect and report data about whether PFCR customers have one or more back-up power sources that they plan to use during demand reduction control events, and the fuel or technology that powers the customer's back-up power source.
 - c. Direct Xcel Energy to account for emissions and fuel costs associated with the back-up power source in cost-effectiveness testing.
 - d. Direct Xcel Energy to establish participation criteria to prevent participants from using a back-up power source that is more carbon-intensive than Xcel Energy's electricity mix during the pilot program's curtailment periods.
 - e. Direct Xcel to gather information about potential pilot participants' backup generation using the PFCR Application Form:
 - i. Does the customer have a backup generator or on-site distributed-energy resource that can be used for backup power?
 - ii. When did each unit go into service?
 - iii. Provide the fuel type, size, and run-time of each unit.

- iv. Does the generator(s) require an air permit(s)? If yes, provide the permit number(s).
 - f. For customers using or opting into the A15 rate schedule: Direct Xcel to pilot the PFCR in combination with Xcel's proposed general time-of-use (TOU) service rate being piloted in Docket No. E-002/M-20-86 rather than with the current default A15 rate.
 - i. Direct Xcel to, as part of its Implementation and Assessment Plan in this docket, propose a methodology for calibrating the bill credits under the PFCR pilot with the demand and volumetric charges general TOU service rate to be piloted through Docket No. E002/M-20-86.
 - g. Direct Xcel to allow qualified customers that receive an AMI meter during the pilot term, and those who already have compatible metering equipment, or bring their own, to enroll in the PFCR pilot.
 - h. Direct Xcel to include with the Implementation and Assessment plan an updated number of projected PFCR pilot participants per year and an estimate of the number of participants on the A14 rate schedule versus the forthcoming A15 pilot rate schedule per year.
 - i. Direct Xcel to conduct annual surveys of PFCR participants for each year of the pilot. The survey shall ask customers how many hours each backup generator was used during each PFCR curtailment event called in the survey year. Survey results shall be included in annual PFCR reports, or on another reporting schedule determined by the Commission.
2. Direct Xcel to file an updated PFCR Pilot Tariff reflecting approved modifications to the PFCR pilot within 30 days of the Commission's order.
3. Direct the Executive Secretary to request comments on:
- a. Whether the Commission should permit aggregators of retail customers to bid demand response into organized markets;
 - b. Whether the Commission should require rate-regulated electric utilities to create tariffs allowing third-party aggregators to participate in utility demand response programs;
 - c. Whether and how the Commission should verify or certify aggregators of retail customers for demand response or distributed energy resources before they are permitted to operate; and,

- d. Whether any additional consumer protections are necessary if aggregators of retail customers are permitted to operate.

The motion passed 4—1, with Commissioner Means opposed.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: January 26, 2022

A handwritten signature in black ink, appearing to read "Will Seuffert", with a long horizontal flourish extending to the right.

Will Seuffert, Executive Secretary