

Staff Briefing Papers

Meeting Date July 18, 2024

Agenda Item 2**

Company Northern States Power Co. d/b/a Xcel Energy

Docket No. E002/M-13-867
E002/M-23-335

In the Matter of Xcel Energy’s Community Solar Garden Program

In the Matter of Implementation of 2023 Legislative Changes to Xcel Energy Community Solar Garden Program

- Issues**
1. What action should the Commission take on the appeals of Department of Commerce’s co-location determinations filed by Enterprise Energy LLC’s and SunShare?
 2. Should the Commission order Xcel to allow the projects to continue in the interconnection process without losing their queue position?

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✓ Relevant Documents

Date

Enterprise Energy LLC, Co-Location Determination Appeal and Atts. A-D (Public and Trade Secret)	June 7, 2024
SunShare LLC, Co-Location Determination Appeal	June 7, 2024
Xcel Energy, Compliance Tariff Filing for LMI Accessible CSG Program	June 7, 2024
Xcel Energy, Response to Enterprise Energy Appeal	June 21, 2024
Xcel Energy, Response to SunShare Appeal	June 21, 2024

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

BACKGROUND

Minn. Stat. § 216B.1641 establishes Community Solar Garden (CSG) provisions that are required for Xcel Energy and may be used by other public utilities. Xcel Energy's tariff on the Legacy Community Solar Garden (Legacy CSG) outlines the process for co-location notice, determination, and appeal at [Sec. 9; Sheet Nos. 68.17-.19](#). The Department of Commerce (Department) is tasked with issuing a determination on initial co-location disputes, and that determination can be appealed to the Commission. The Commission is to consider the issues appealed based on the appeal and reply with no additional comment period.

On April 9, 2024, Xcel issued a Notice of Co-location regarding Enterprise Energy's 17 CSG applications in the Legacy CSG Program.

On April 17, 2024, Xcel issued a Notice of Co-Location regarding SunShare's 39 CSG applications in the Legacy CSG Program.

On May 1, 2024, SunShare and Enterprise Energy each appealed the Notice to the Department.

On May 8, 2024, Xcel Energy submitted a response to each co-location appeal to the Department.

On May 31, 2024, the Department of Commerce determined that 17 of Enterprise Energy's CSG applications are co-located in 5 groups under the Legacy CSG tariff. The same day, the Department determined 39 of SunShare's CSG applications were co-located at 9 projects under the Legacy CSG tariff.

On June 7, 2024, Enterprise Energy LLC and SunShare LLC each filed appeals of the Department of Commerce's co-location determinations with the Commission. Both developers request the Commission require Xcel to allow projects to continue in the interconnection process without losing their queue positions. Enterprise asks for a dismissal of the colocation determination. Sunshare asks for a ruling on "what is (or was) the appropriate path for projects intended for the LMI Accessible CSG Program that were seeking interconnection approval months after the CSG Statute had been amended but before Xcel Energy's preferred application portal for such projects was open and functioning."

On June 7, 2024, Xcel Energy filed a compliance tariff for the LMI Accessible CSG Program as required by the Commission's May 30, 2024, Order.

On June 21, 2024, Xcel Energy filed a response to each appeal requesting affirmation of the Department's decision and withdrawal of certain applications for the Legacy CSG Program and the interconnection queue.

See Attachment 1 to these briefing papers for a staff-compiled timeline from the record.

Staff Summary

Staff notes the crux of both appeals appears to be that the applicants sought to begin interconnection review for CSG projects intended for the LMI-Accessible CSG Program and were told by Xcel that, like all other applicants, they must use the Legacy CSG portal and be held to the Legacy CSG rules. Enterprise and SunShare are now concerned the co-location determinations will impact their interconnection queue position as it relates to securing an interconnection agreement for participation in the LMI-Accessible CSG Program. Xcel argues for the co-located projects above 1 MW to be withdrawn from the Legacy CSG Program and require new interconnection applications to be filed; whereas, SunShare and Enterprise Energy argue their projects should maintain their interconnection queue position and progress toward an interconnection agreement. Developers also take issue with the timing of the colocation questionnaires and Notice provided by Xcel.

Other Relevant Statutes, Orders and Tariffs

Minn. Stat. § 216B.1641 (CSG Statute), subd. 1 applies to Xcel's Legacy CSG Program. Minn. Stat. § 216B.1641, subd. 2-13 apply to the LMI-Accessible CSG Program. Minn. Stat. § 216B.1641, subd. 14 addresses the transition from the Legacy to the LMI-Accessible CSG Program for CSG applications as follows:

- (a) From May 25, 2023, to the date the commissioner begins allocating capacity under subdivision 7, but no later than December 31, 2023, a subscriber organization may submit a community solar garden project application to the utility for the legacy program under subdivision 1 or to the commissioner for the program under subdivisions 3 to 12.
- (b) The utility administering the legacy program under subdivision 1 must act in good faith to continue processing applications for the legacy program until December 31, 2023. An application for the legacy program that is approved on or before December 31, 2023, is eligible to become a community solar garden under subdivisions 3 to 12, provided the proposed community solar garden complies with subdivisions 3 to 12.

Minn. Stat. § 216B.1611 addresses statewide interconnection standards for distributed generation up to 10 MW operated in parallel with the utility's distribution grid. The Commission's Minnesota Distributed Energy Resources Interconnection Process and Agreement (MN DIP/MN DIA) and the accompanying Technical Interconnection and Interoperability Requirements (TIIR) are the statewide standards in effect. Co-location is not a topic and the capacity of a project for interconnection review is addressed in [MN DIP 5.14](#) and the [TIIR](#).

The Commission's May 30, 2024, Order addressed objections to Xcel's proposed LMI-Accessible CSG Program tariff regarding which portal to use for interconnection applications stating at par. 1 (Staff Note: "Non-Legacy" is the same as LMI-Accessible):

For non-legacy CSGs, Xcel must use its Distributed Generation portal for Interconnection Applications. Xcel may use or modify its existing CSG-specific portal once projects are allocated

capacity in the program by the Department.

The May 30, 2024, Order also addresses how the interconnection queue position is impacted by switching from the Legacy CSG Program to the LMI-Accessible CSG Program at par. 5 approving Xcel's tariff sheet no. 9-99.09, par. B which states in part:

2. If an applicant has filed a solar garden interconnection application for the Legacy CSG Program, and later submits and is awarded the same solar garden interconnection facility in the Department's Non-Legacy CSG Program. it will need to submit a new (second) interconnection application with the Company through the Company CSG Application Management System, and use that portion of this system that specifically pertains to the Non-Legacy Community Solar Garden Program. However, the timing for submitting a second interconnection application and withdrawing the Legacy CSG application with the Company can be after the Department has approved that application for the Non-Legacy CSG program, provided that the project has not already achieved commercial operation. **The project will only be approved by the Company to proceed in one CSG program option at a time ...** If the Interconnection Agreement has already been issued before the second application is submitted, then following the second application being deemed complete, the Interconnection Agreement will need a minor amendment to reflect the current application number. **The Company will endeavor to have the second application be in the same queue position as the first application. (Staff Emphasis)**

The Commission has several Orders addressing colocation for Xcel's Legacy CSG Program (staff summary in *italics*):

Figure 1: MN PUC Orders on Co-Location in Docket No. E002/M-13-867

Order Date	Topic
August 6, 2015	Order Adopting Partial Settlement as Modified. <i>Establishes 1 MW cap beginning after Sept. 25, 2015, and establishes Department's role in determination if dispute.</i>
December 15, 2015	Order Approving Tariffs as Modified and Requiring Filing. <i>Establishes list of characteristics of co-location.</i>
February 21, 2017	Order Denying Co-Location Appeals. <i>Commission agreed with Department's determination, denying Xcel's appeal and allowing multiple MWs on a site. Order states, in part, "a co-location determination is based on the totality of the circumstances in a particular case."</i>
December 21, 2017	Order Finding Co-Location But Granting Exception Subject to Conditions. <i>Commission overturned Department's determination noting criteria for colocation is the relationship of the projects during development not just ownership. Due to good faith and size of co-located projects, Commission granted an exception to the co-location limit with filing requirements on the developer.</i>
November 19, 2019	Order Affirming Decision of the Department of Commerce. <i>Commission agreed with Department that project was not co-located due to ownership and required compliance filing by developer.</i>

Order Date	Topic
May 29, 2020	Order Affirming Department Decision and Requiring Compliance Filing. <i>Commission denied Xcel's appeal noting Xcel's request to amend the standard interconnection agreement for all projects was not justified, but required reporting by the developer.</i>

Xcel Energy's tariff on co-location in the Legacy CSG Program for applications subject to the MN DIP is [Sec. 9; Sheet Nos. 68.17-.19.](#)

DISCUSSION

SunShare Appeal

SunShare has filed a co-location dispute for 39 CSG applications at 9 co-located sites totaling 39 MW. SunShare seeks "a ruling on what is (or was) the appropriate path for projects intended for the LMI Accessible CSG Program that were seeking interconnection approval months after the CSG Statute had been amended but before Xcel Energy's preferred application portal for such projects was open and functioning" and a Commission decision that Xcel process the interconnection applications in accordance with the MN DIP and the Commission's May 30, 2024, Order.

SunShare notes the Department began accepting applications for the LMI Accessible CSG Program in February 2024, and in accordance with the CSG Statute, requires that approved projects have a signed interconnection agreement. SunShare notes that, on October 11, 2023, Xcel communicated LMI Accessible Program applications were not allowed to use non-CSG DER interconnection applications but did not provide another portal, so SunShare took the only path available in Fall 2023 and submitted applications in the Legacy CSG portal.¹ SunShare alleges it was unreasonable to expect developers to wait nearly a year to submit interconnection applications when the LMI Accessible Program had 100 MW of capacity to allocate in 2024.

SunShare has committed \$3.9 million toward these applications for real estate rights and permitting and believes it would be in keeping with legislative intent to require Xcel to process the applications and allow them to retain their interconnection queue position.² Further, SunShare argues that the transition language in statute "specifically contemplated that developers would be able to begin developing projects in 2023 (including submitting them to Xcel Energy for study...[and]...[n]othing in the CSG Statute contemplates delaying....until Xcel Energy created a new application portal."³

SunShare points to the Commission's December 28, 2023, and May 30, 2024, orders as affirming Xcel's role in evaluating applications for the LMI-Accessible CSG Program is limited to

¹ SunShare Appeal, p. 3

² SunShare Appeal, p. 4

³ SunShare Appeal, p. 4

interconnection and it is otherwise the Department's purview to administer the program.

SunShare asks the Commission confirm Xcel inappropriately prohibited projects larger than 1 MW and intended for the LMI-Accessible CSG Program to apply for interconnection.

Xcel Response to SunShare

Xcel argues to reaffirm the Department's colocation determination and the Company's proposed treatment of SunShare's applications. If the Commission agrees with Xcel, only the first-in-queue 1 MW application for each co-located project/site would keep its interconnection queue position and the other CSG applications would be withdrawn and need to reapply – reducing SunShare's projects from 39 MW to 9 MW.

Xcel cautions that colocation dispute decisions “only apply to the specific projects subject to the dispute and their circumstances” and should not be used to address general program or policy issues.⁴ Xcel states the Company communicated to developers throughout Fall 2023 and early 2024 that Legacy CSG applications may transition to the LMI Accessible Program but must follow the Legacy CSG program rules, and to grant SunShare an exception to the colocation rules would be an unfair advantage compared to developers who followed Xcel's directive.⁵ Xcel notes consistent communication since August 2023 that the Company was not accepting interconnection applications for projects that intend to apply to the LMI Accessible CSG Program until a portal for those applications was launched.⁶ Xcel notes all 44.6 MW of applications accepted by the Department for the LMI-Accessible Program were first submitted through the Legacy CSG portal and complied with Legacy CSG tariff requirements. Xcel began accepting DER interconnection up to 5 MW for participation in the LMI-Accessible Program through the Company's Distributed Generation portal on May 16, 2024, in response to the Commission's April 4, 2024, hearing and subsequent May 30, 2024, Order directing the Company to do so.

Xcel highlights SunShare submitted the CSG applications prior to January 1, 2024, and that while Minn. Stat. 216B.1641, Subd. 14(b) allows for the transfer of Legacy CSG applications to the LMI-Accessible Program, SunShare's applications must meet the Legacy CSG tariff to be a valid application.⁷ Xcel's June 7, 2024, Tariff Filing (Sheet No. 9-99.09) describes how a Legacy CSG application can transition to the LMI-Accessible Program as it relates to subscriber information while remaining in the Legacy CSG portal.⁸

Xcel argues that SunShare seeks financial advantage over other developers by gaining early advantage to capacity in the interconnection process. Xcel states the Commission's May 30,

⁴ Xcel SunShare Response, p. 4

⁵ Xcel SunShare Response, p. 2

⁶ Xcel SunShare Response, p. 4, 6

⁷ Xcel SunShare Response, pp. 5-6

⁸ Xcel SunShare Response, P. 6 (see footnote 5)

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2024, Order was prospective requiring the Company to allow future interconnection applications to use the generic DG portal.

Xcel sent colocation questionnaires on October 25, 2023, (prior to application deemed complete) for one project and February 8, 2024, (during initial review) for the remaining projects. Xcel points out that the tariff has the Company check with the developer at two times during the application process: 1) on or about initial application completeness and 2) on or before date of commercial operation. Xcel argues the questionnaire was sent early in the review process and “the regulatory environment was fluid on CSG issues during this time period.” Xcel submitted the colocation notices on April 17, 2024 – two weeks after the Commission’s April 4 hearing.⁹ The Company continued to process the applications until the Department’s decision, but notes 29 of the 1 MW projects were located on capacity constrained feeders/substations and have been on hold awaiting sequential engineering study in the queue.

Enterprise Appeal

Enterprise Energy LLC filed an appeal of Department of Commerce’s co-location determination for 17 interconnection applications (less than 5 MW in aggregate). Enterprise Energy describes the central decision is “whether Xcel’s tariff for its Legacy program applies to CSG projects in the queue that are intended for the LMI-Accessible CSG Program.”

Xcel issued Notice of Colocation because applications were submitted before January 1, 2024, and are eligible for the Legacy CSG Program. Department affirmed in a Resolution of Colocation Dispute that under the Legacy CSG Program the applications were co-located and does not address eligibility with the new program. The Department’s Determination adds:

The Department’s role in resolving co-location disputes is narrowly circumscribed by precedential Commission orders. The questions of whether Xcel violated statute, MN DIP, and/or its tariffs are beyond the scope of this co-location dispute and should be brought separately before the Commission.

Enterprise Energy argues that between May 25, 2023, and May 16, 2024, Xcel Energy was required by the MN DIP to allow DER projects no larger than 10 MW to apply for interconnection but repeatedly prohibited interconnection requests by CSG developers unless those requests were 1 MW or less. Of note, on October 11, 2023, Xcel stated in an email to CSG Developers:¹⁰

... Developers cannot submit a non-CSG DER interconnection application (which is not submitted through the CSG Application Portal, and which is not submitted as a Non-Legacy CSG) and later attempt to transfer that non-CSG DER interconnection application (or its queue position) to a Non-Legacy CSG application (Page 6, Response). Our Application Portal cannot accommodate

⁹ Xcel SunShare Response, p. 8

¹⁰ Enterprise Appeal, p. 6

this type of transfer. All stakeholders have been apprised that we will not allow this, and most developers have relied on this communication and followed this procedure. It would be unfair and inconsistent to make exceptions.

Enterprise argues Xcel created its own rules in allowing some interconnection applications for CSG projects with queue positions prior to 2024 to proceed to the LMI-Accessible Program. The Department in the colocation determination agrees stating:

The Department objected to Xcel's tariff filing of January 5, 2024, which would have required interconnection applications for the LMI-accessible program to apply through a portal on Xcel's website, for the reason that Xcel had impermissibly interfered with the existing MN DIP process governing interconnection and may interfere with or complicate the Department's CSG program management. In its objection filed before the Commission, the Department reasoned further that it would be premature to have developers complete CSG applications with Xcel when the only prerequisite for an application with the Department is an interconnection agreement. The Commission agreed with the Department's reasoning at its April 4, 2024 Agenda Meeting, and verbally adopted a decision option that requires Xcel to revise its tariff so that its Distributed Generation Application Portal is used for interconnection applications. No decision option regarding prior violations of MN DIP by Xcel was considered or adopted.

Xcel Response to Enterprise Energy

Xcel's response to Enterprise's appeal is similar to the SunShare response and reiterates Xcel's concern that to grant the relief requested would give these developers an unfair financial advantage compared to other developers who followed Xcel's directive. Xcel argues the scope of the appeal is: whether the Company should have applied the 1 MW CSG size limit to the five sets of co-located projects submitted to the Legacy CSG program.¹¹

Xcel supports the Department's Decision which states, in part, that questions related to the MN DIP are beyond the scope of the co-location dispute and appeal. Xcel reiterates the Company worked in good faith throughout the Fall of 2023 to design and launch a separate LMI CSG portal by January 2, 2024, to accept interconnection applications that intended to apply to the LMI-Accessible CSG Program.

Xcel claims that because Enterprise Energy's applications were submitted to the Legacy CSG portal before January 1, 2024, the Legacy CSG program rules and tariff should apply and argues Minn. Stat. § 216B.1641, subd. 14(b) supports this interpretation. Xcel argues the Commission's May 30, 2024, Order is prospective and does not address the Legacy CSG program rules or application portal, and argues it would be inappropriate for the Commission to retroactively determine that certain Legacy CSG applications can be co-located. Xcel also claims it would be "impracticable and unreasonable" to not apply the co-location rules to these Legacy CSG applications only if they are not accepted into the LMI Accessible CSG program.¹²

¹¹ Xcel Enterprise Response, .pdf p. 6

¹² Xcel Enterprise Response, .pdf p. 9

If the Commission affirms the co-location determination, Xcel argues certain applications will be withdrawn and would need to submit new applications in the DG portal to begin the interconnection process with a new queue position determined by the new Deemed Complete date.¹³

Xcel notes that the co-location questionnaires were sent when the applications were still in the scoping phase of engineering study review and had not begun the System Impact Study (which began in Late February 2024 or later). Thus, Xcel argues that on February 4, 2024, when the questionnaire was sent the applications were still at or near the Deemed Complete stage¹⁴; however, Xcel also identified the applications were Deemed Complete between October – November 2023.¹⁵ Xcel argues the April 17, 2024, Notice of Co-location timing was appropriate because the regulatory environment was fluid on CSG issues during this time period and the Company sent the Co-Location Notices two weeks after the Commission’s April 4, 2024, hearing.

Lastly, Xcel acknowledges that during the bi-weekly calls between the Company and Enterprise regarding transition to the LMI Accessible CSG Program Company staff noted that in general Legacy CSG Deemed Complete before January 1, 2024, such as Enterprise’s projects, are eligible to apply to the LMI-Accessible CSG program but argues this is a separate issue and co-located applications are not valid Legacy CSG applications.

STAFF ANALYSIS

Parties agree that within the Legacy CSG program these projects are co-located and the tariff would apply if they remained in the Legacy CSG Program. (**Decision Option 1**)

A first order question on the disputed matters is whether a co-location appeal should address issues beyond the scope of the Legacy CSG tariff. Parties disagree on three matters: 1) how the interconnection application/queue position of co-located Legacy CSG applications that intend to apply for the LMI-Accessible CSG Program should be treated; 2) whether the timing of Xcel Energy’s colocation questionnaires and Notices was appropriate; and 3) whether Xcel was allowed to deny developers of potential LMI-Accessible CSG access to interconnection during the interim period between the CSG Programs. Staff’s perspective is the first two disagreements can be interpreted within the Legacy CSG program, but the latter is an issue for the MN DIP and/or the Department-administered LMI-Accessible CSG Program.

Lastly, if the Commission determines relief is warranted (**Decision Option 1.A**), then what relief must be considered (**Decision Options 2 or 3**). If the Commission determines Xcel is complying with tariff and Commission Orders, the Commission can affirm that with **Decision Option 1.B**).

¹³ Xcel Enterprise Response, .pdf p. 9

¹⁴ Xcel Enterprise Response, .pdf p. 10

¹⁵ Xcel Enterprise Response, .pdf p. 5

How to Treat Interconnection Applications

Enterprise and SunShare's projects were submitted through the Legacy CSG portal between May 25 and December 31, 2023, and paid both interconnection and Legacy program fees. Xcel does not cite tariff in support of their proposed treatment.

The Commission has two options:

- 1) Agree with the Developers that while some applications cannot participate in the Legacy CSG Program due to co-location all interconnection applications can proceed with current queue position through interconnection review (**Decision Option 1.A**); or
- 2) Agree with Xcel that in fairness to other developers the CSG applications, and associated interconnection applications, are withdrawn and must re-apply for interconnection and queue position (**Decision Option 1.B**).

In making this determination, the Commission may consider how to apply the Commission's May 30, 2024, Order which states that for LMI-Accessible CSGs Xcel must use its Distributed Generation portal for interconnection applications and may use or modify the existing CSG portal once projects are allocated capacity in the program by the Department.¹⁶

SunShare and Enterprise claim all of their applications would qualify under the 5 MW limit of the LMI-Accessible CSG Program. The Commission does not need to consider this as the Department is responsible for reviewing LMI-Accessible CSG Program applications.

Timing of Co-Location Questionnaires and Notices

Xcel argues that the February questionnaires and April Notices were timely and allowed by tariff. Developers question Xcel's timing and argue they have spent time and money in interconnection review.

Xcel's tariff allows for co-location review at two points: 1) on or about the time of initial application completeness, or 2) on or before the date of Commercial Operation.¹⁷ As noted in the record, for most of the applications, Xcel sent the colocation questionnaires a month or more after the application was deemed complete. Xcel notes for Enterprise's projects they were in the scoping phase of engineering study review and argues that was "about the time when the project was deemed complete."¹⁸ Staff notes the latter could be interpreted as at any point in the CSG review/approval process. That said, Xcel's tariffed Standard Contract for CSG defines "Date of Commercial Operation" as "the first day of the first full calendar month

¹⁶ [May 30, 2024 Order](#) (Docket No. E002/M-23-335) at order par. 1, p. 6

¹⁷ Sec. 9, Sheet No. 68.19

¹⁸ Xcel Enterprise Response, Att. A, p. 6

upon which commercial operation is achieved following completion of all Interconnection Agreement requirements and processes.”¹⁹

If the Commission determined the questionnaires were not sent at the Deemed Complete stage, Staff proffers that the Commission could require that Xcel reconsider colocation closer to the commercial operation stage; such as, after the interconnection agreement. This would allow the projects to stay in the Legacy CSG portal with their queue position through a signed interconnection agreement but grant Xcel the opportunity to prevent them from participating in the Legacy CSG Program after the interconnection agreement stage. If the Commission entertains this option, parties should be given a chance to offer oral argument.

Xcel’s Portal Decisions

If the Commission chooses to address the disputed treatment of interconnection applications in this proceeding, the core issue identified in these appeals is Xcel chose to require developers to submit interconnection applications in: 1) the Legacy CSG application portal or 2) wait for another portal to open in January 2024 (and then delayed until May 16, 2024 due to objections to the Company’s LMI-Accessible CSG Program tariff). The Commission’s April 4, 2024, decision and the corresponding May 30, 2024, Order clarified that the Company must use the DG interconnection portal for LMI-Accessible CSG applicants. The parties in this proceeding appear to dispute whether this directive applies only forward-looking or to applications submitted in the Legacy CSG portal before January 1, 2024.

From staff’s perspective, the seeming catch-22 created by Xcel not allowing interconnection applications from developers outside of a CSG portal is one of Xcel’s own making and does not limit the Commission’s determination. That said, in other dockets and new legislation, there is a focus on resolving capacity constraints of Xcel Energy’s feeders and substations because of impacts on timeframes for interconnection review of smaller distributed energy resources. Xcel’s decision to not allow speculative, larger interconnection applications for the new LMI-Accessible CSG program undoubtedly reduced the number of interconnection applications with queue positions which secures conditional (grid) capacity (MN DIP 1.8.1). Allowing speculative, larger applications may have exacerbated the interconnection review challenges and timeframes for smaller projects.

Relief Options

If the Commission agrees with SunShare and Enterprise (**Decision Option 1.A**), the next question is what relief should be provided (**Decision Options 2 or 3**) and this seems to be largely an administrative question for Xcel about which option works better with their application portal or process. Xcel Energy’s June 7 tariff filing (excerpt on page 3 of these briefing papers) appears to suggest **Decision Option 3** better aligns with Xcel’s tariff going forward. It may be worth asking Xcel to explain how they would implement each of these

¹⁹ Sec. 9 Sheet No. 71

options to ensure shared understanding of cost and timing impacts. Lastly, as written, the relief would apply to any Legacy CSG application that applied after the new legislation created the LMI-Accessible CSG Program (May 25, 2023) but before Xcel opened the DG interconnection portal to LMI-Accessible CSG **applications** (May 16, 2024) with a colocation determination. Staff understands at this time that only the 56 applications between SunShare and Enterprise would qualify for this relief, but the Commission may want to confirm that with Xcel. As highlighted by Xcel, granting such relief may raise new concerns with CSG developers who followed the direction provided by Xcel to wait to apply.

DECISION OPTIONS

1. Affirm the Department of Commerce's May 31, 2024, Co-Location Determination for SunShare and Enterprise Energy under the Legacy CSG Program. (Xcel, SunShare, Enterprise Energy).

[Select A or B. If A, select 2 or 3.]

- A. The Co-Location Determinations only apply to Legacy CSG Program participation, not interconnection queue position or LMI-Accessible CSG Program participation. (SunShare LLC, Enterprise Energy LLC)

[OR]

- B. The Co-Location Determinations allow only the first 1 MW in each co-located site to proceed with interconnection review with the remaining applications being withdrawn from Legacy CSG Program and Interconnection queue. (Xcel)

2. Require Xcel to allow co-located CSG applications, submitted in the Legacy CSG Portal between May 25, 2023 and May 16, 2024, that plan to transition to the LMI Accessible Program to proceed with current interconnection queue position and review. (SunShare)

[OR]

3. Require Xcel to transition interconnection applications for co-located projects, submitted in the Legacy CSG Portal between May 25, 2023 and May 16, 2024, from the Legacy CSG Portal to the DG Interconnection Portal while maintaining queue position and proceed with interconnection studies. (SunShare Alternative)

ATTACHMENT 1

Staff offers this summary of the timeline of the issues highlighted in these appeals.

Timeline of activities

<u>Date</u>	<u>Activity</u>
May 25, 2023	Minn. Stat. §216B.1641 amended to transition from Xcel's Legacy CSG Program to Department-administered LMI-Accessible CSG Program
August 28, 2023	Xcel files Response and Petition with proposed tariff modifications regarding transition from Legacy to LMI-Accessible CSG Program; including that Company will not accept interconnection applications for projects intending to apply for LMI-Accessible Program until a portal is established.
October 1 – November 26, 2023	Enterprise submits 17 interconnection applications in the Legacy CSG Portal.
October 9, 2023	Xcel reply comments state that any application submitted to Legacy CSG program prior to January 2024 as 1 MW cannot later combine with other projects for a 5 MW project under LMI Accessible CSG program and keep interconnection queue position.
October 11, 2023	Xcel communicates that during CSG program transition LMI Accessible Program applications were not allowed to use DG interconnection portal.
October 16 – December 11, 2023	Enterprise's 17 interconnection applications were deemed complete (see Att. C for timeline)
October 25, 2023	SunShare submits co-location questionnaire response stating intent to transition projects to LMI-Accessible Program
December 14, 2023 – January 10, 2024	SunShare Queue Dates
December 28, 2023	Commission issued its Order Implementing New Legislation Governing Community Solar Gardens addressing new statutory requirements in Minn. Stat. §216B.1641 including the transition from Xcel's Legacy CSG Program to the Low-to-Moderate Income (LMI) Accessible CSG Program for Xcel Energy administered by the Department of Commerce.
December 29, 2023	Xcel communicates the LMI-Accessible CSG Product/portal is delayed due to requirements in December 28, 2023, Order.
January 2, 2024	Xcel proposed date to launch LMI-Accessible CSG interconnection portal.
January 5, 2024	Department objected to Xcel Energy's compliance tariff for December 28, 2023, order.
January 23, 2024	Xcel sends Notice to stakeholders that the Company is not accepting interconnection applications that intend to be associated with LMI-Accessible CSG Program until new portal is launched.

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January 24, 2024	Xcel communicates update on LMI-Accessible CSG Product/portal delay due to January 18, 2024, objections to Xcel's tariff filing.
By January 25, 2024	Objections to Xcel compliance tariff for December 28, 2023, order; including which portal to use.
February 8, 2024	Xcel sends co-location questionnaires to SunShare and Enterprise Energy.
February 15, 2024	SunShare responds to questionnaire
February 22, 2024	Enterprise Energy responds to questionnaire
April 4, 2024	PUC Agenda Meeting where Commission determined issues in May 30, 2024, Order; including allowing applications to use DG portal.
April 9, 2024	Xcel issues Notice of Co-location regarding Enterprise's 17 applications
April 15, 2024	Xcel communicates CSG interconnection applications submitted to DG portal for LMI-Accessible Program are not being accepted.
April 17, 2024	Xcel issues Notice of Co-location regarding SunShare's 39 applications
May 1, 2024	SunShare and Enterprise dispute the Notices to Department of Commerce
May 8, 2024	Xcel responds to SunShare's and Enterprise's dispute
May 16, 2024	Xcel began to accept interconnection applications intended for LMI-Accessible CSG Program in the DG portal.
May 30, 2024	Commission issued another Order Implementing New Legislation Governing Community Solar Gardens which addressed objections raised to Xcel's proposed tariff implementing the LMI Accessible CSG Program. This Order (and the April 4, 2024, hearing) confirmed Xcel must accept interconnection applications for projects seeking to participate in the LMI-Accessible CSG Program in the Company's Distributed Generation Interconnection Portal.
May 31, 2024	Department issues Determinations that SunShare and Enterprise Energy both have projects that are co-located.