



CENTRAL MINNESOTA MUNICIPAL POWER AGENCY

459 South Grove Street Blue Earth, Minnesota 56013 507-526-2193

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May 30, 2014

Dr. Burl Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
Saint Paul, MN 55101-2147

VIA E-FILING

Re: In the Matter of Renewable Energy Certificate Retirement and Reporting for  
Compliance Year 2013  
Docket No. E-999/PR-14-12

In the Matter of Commission consideration and Determination on Compliance with  
Renewable Energy Standards  
Docket No. E-999/M-14-237

In the Matter of the Green Pricing Verification Filing Process  
Docket No. E-999/PR-02-1240

**CMMPA Annual Compliance Report for 2013**

**Dear Dr. Haar**

Central Minnesota Municipal Power Agency (CMMPA) provides this 2013 RES Compliance Report to demonstrate compliance with Minn. Stat. § 216B.1691 in regard to the above referenced dockets and in response to the Public Utilities Commission Notice dated April 17, 2014 entitled "*Notice of Renewable Energy Certificate (REC) Retirement Process, Biennial Reporting Obligations, and Green Pricing Program Retirement*".

This filing includes two spreadsheet attachments. Attachment A – REC Retirements and Biennial Compliance Report and Attachment B – REC Sales and Purchases Report.

This compliance filing has been submitted electronically via e-filing. If there are any concerns or questions please contact me at [benn@cmmppa.org](mailto:benn@cmmppa.org) or at 507-526-2193.

Respectfully submitted,

Ben Nelson  
Scheduler

Instructions

**Minnesota Public Utilities Commission**  
**DOCKET NO. E999/PR-14-12**  
**DOCKET NO. E999/PR-14-237**

**Minnesota Department of Commerce**  
**DOCKET NO. E999/PR-02-1240**

**Renewable Energy Certificate Retirement Report for**  
**RENEWABLE ENERGY STANDARDS and GREEN PRICING PROGRAMS**  
**Attachment A: REC Retirements & Biennial Compliance Reporting**

**For the Reporting Period:**  
**January 1, 2013 - December 31, 2013**

**Instructions**

**note:** items in red indicate changes in reporting from previous year

**Due:** June 1<sup>st</sup>, 2014

Complete the following worksheets and e-file in **Excel (XLS or XLSX)** format:

- Worksheet A.1, Utility Info
- Worksheet A.2, Renewable Energy Standard Retail Sales
- Worksheet A.3, Green Pricing Program Retail Sales
- Worksheet A.4, RES & Green Pricing REC Retirements
- Worksheet A.5, Biennial Compliance Reporting**

To e-file, login, or register, at: <https://www.edockets.state.mn.us/EFiling/home.jsp>

for directions on how to e-file, see: <http://www.commerce.state.mn.us/eDocFile/eFilingHelp.html>

For questions about Renewable Energy Certificate retirement or compliance with Renewable Energy Standards, contact Susan Mackenzie at 651-201-2241 or at [susan.mackenzie@state.mn.us](mailto:susan.mackenzie@state.mn.us) .

For questions about Green Pricing or about filling out this spreadsheet, send an email to:

[DG.Energy@state.mn.us](mailto:DG.Energy@state.mn.us).

For questions about e-filing, contact Karen Santori at 651-539-1530 or at [karen.santori@state.mn.us](mailto:karen.santori@state.mn.us) .

Yellow cells - Information provided by utility

Pink cells - Calculated data

Green cells - Headers and instructions

Blue cells - Lists of codes

Minnesota Public Utilities Commission  
 DOCKET NO. E999/PR-14-12  
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Attachment A.1

Minnesota Department of Commerce  
 DOCKET NO. E999/PR-02-1240

**Renewable Energy Certificate Retirement Report for  
 Renewable Energy Standards and Green Pricing  
 Programs for the Reporting Period: January 1, 2013 - December 31, 2013**

REPORT YEAR	2013	DATE SUBMITTED	May 31, 2014
<b>FILING UTILITY INFORMATION</b>		<b>CONTACT INFORMATION</b>	
COMPANY ID #	3006	CONTACT NAME	Ben Nelson
COMPANY NAME	Central MN Municipal Power Agency	CONTACT TITLE	Scheduler
STREET ADDRESS LINE 1	459 South Grove Street	CONTACT TELEPHONE	507-526-2193
STREET ADDRESS LINE 2		CONTACT E-MAIL	<a href="mailto:benn@cmmmpa.org">benn@cmmmpa.org</a>
CITY	Blue Earth	<b>COMMENTS/NOTES</b>	
STATE	MN		
ZIP CODE	56013		

FILING FOR RENEWABLE ENERGY STANDARDS ON BEHALF OF:			
UTILITY NAME	UTILITY NAME	UTILITY NAME	UTILITY NAME
Blue Earth Light and Water			
Delano Municipal Utilities			
Fairfax			
Glencoe Light and Power			
Granite Falls			
Janesville			
Kasson			
Kenyon			
Mountain Lake			
Sleepy Eye			
Springfield			
Windom			

FILING FOR GREEN PRICING PROGRAMS ON BEHALF OF:			
UTILITY NAME	UTILITY NAME	UTILITY NAME	UTILITY NAME
Blue Earth Light and Water			
Delano Municipal Utilities			
Fairfax			
Glencoe Light and Power			
Granite Falls			
Janesville			
Kasson			
Kenyon			
Mountain Lake			
Sleepy Eye			
Springfield			
Windom			















**Biennial Compliance reporting**

Please report the following items in compliance with the PUC May 28, 2013 Order in Docket No. E999/M-12-958

Ordering Point

4.A. & 5.H. the year through which the utility can maintain compliance with its current renewable portfolio 2027

4.B. & 5.I. Projected compliance for the current plus three (3) upcoming years.

Year	actual/projected MN retail sales (MWhs)	RES Req.(%)	RES Req. (MWhs)	Projected Resources (MWhs)	Projected Surplus/ (Deficit) (MWhs)
2013	317296	12	38076	104358	66282
2014	323706	12	38845	89424	50579
2015	329394	12	39527	89424	49897
2016	335151	17	56976	89424	32448

5.E.2 & 5.F. Identify other State Renewable Standards or Objectives to which the utility is subject, and the percentage of renewable energy allocated to meet the renewable requirements.

State	RES Req.	Apportionment of renewable energy

apportionment of renewable energy should reflect each state's percentage of total system sales.

5.E.3 (i) The status of the utility's renewable energy mix relative to the objective & standards.

Currently, our agency is well ahead of the minimum requirement of the renewable energy standard. If no changes are made to the requirements, we will likely be compliant through 2027 without adding any additional resources to our portfolio, although we likely will be adding resources in the next few years.

5.E.3(ii) Efforts taken to meet the objective and standards

We are using a combination of member owned renewable resources and PPA's acquired through RFP's to meet our requirements

5.E.3(iii) Obstacles encountered or anticipated in meeting the objective or standards

The main issue we have is the price of Power Purchase Agreements. We also have concerns about transmission availability in the future and the costs of building the needed transmission to deliver the wind generation to the load centers and large cities. Wind has been largely responsible for the recent transmission facilities that are being built. Our transmission tariff costs have gone up by over 300% in the last 8 years and our future projections using Mid-continent Independent System Operator (MISO) approved MTEP (MISO Transmission Expansion Plan) show it will more than double again in the next 5 to 7 years when the currently planned large scale multi value projects (MVP) go in-service. Transmission tariff costs once represented less than 5% of our wholesale power cost but it will soon represent over 30% of our total wholesale power costs. Limits on the transmission grid and the ability to deliver power from the wind generators to load centers and large cities have also resulted in the value of our wind being undervalued in the market place relative to the cost we pay for our power elsewhere. As a result, we must consider the locational costs/LMP differentials in addition to the contract price of our wind when we are analyzing the true net cost of these resources. Also, the transmission limitations are resulting in increased MISO congestion charges for our other energy resources as well. Because of MISO's recent implementation of the Dispatchable Intermittent Resources (DIR) concept, we are now seeing increased curtailments because of excess wind generation at times of low load and most PPA's require the purchaser to pay for power even if it is not produced. This has caused our effective cost of wind to increase and the actual capacity factor of the wind to decrease.

5.E.3(iv) Potential solutions to the obstacles

Building the current MVP transmission projects will hopefully help with congestion costs and curtailment issues but it is also going to result in significant increases in our future transmission costs.

5.G. List any renewable generation facilities expected to become operational during the upcoming year

Facility Name	type	Capacity (MW)	Cap. Factor (%)	Expected Comm'l Operation Date
n/a				

5.K. Identify efforts taken to adequately protect against undesirable economic impacts on ratepayers, including, but not limited to keeping customer's bills and the utility's rates as low as practicable, given regulatory and other constraints.

We use RFP's to acquire as many bids as possible and then we perform economic analysis to compare the offerings in order to be able to choose the best option for our members. In the future we also plan on doing more LMP forecast modeling to better determine the best wind locations in an effort to avoid adverse LMP impacts. We also secure ARR's and FTR's whenever possible to help hedge congestion impacts, but these are not available for our wind projects which are energy only resources and do not have firm transmission delivery thus do not qualify for any capacity accreditation.



Instructions

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**DOCKET NO. E999/PR-02-1240**

**Renewable Energy Certificate Retirement Report for**  
**RENEWABLE ENERGY STANDARDS and GREEN PRICING PROGRAMS**  
**Attachement B: REC Sales and Purchases**

**For the Reporting Period:**  
**January 1, 2012 - December 31, 2013**

**Instructions**

**note:** items in red indicate changes in reporting from previous year

**Due:** June 1<sup>st</sup>, 2014

Complete the following worksheets and e-file in **Excel (XLS or XLSX)** format:

Worksheet B.1, Utility Info

Worksheet B.2, RECs Bought and Sold During the Reporting Period

To e-file, login, or register, at: <https://www.edockets.state.mn.us/EFiling/home.jsp>  
for directions on how to e-file, see: <http://www.commerce.state.mn.us/eDocFile/eFilingHelp.html>

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Attachment B.1

Minnesota Department of Commerce  
 DOCKET NO. E999/PR-02-1240

**M-RETS RECs Bought and Sold  
 During the Reporting Period: January 1, 2012 - December 31, 2013**

REPORT YEAR	2013	DATE SUBMITTED	May 31, 2014
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