

November 21, 2017

Daniel P. Wolf, Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place East, Suite 350  
Saint Paul, MN 55101

RE: Xcel Energy's Renewable Development Fund (RDF) Annual Report, Tracker Account True-Up, and Request for 2018 Rider Factor, PUC Docket Number: E-002/M-17-712  
Metropolitan Council Districts 7 & 8  
Metropolitan Council Review File No. 21632-2

Dear Mr. Wolf:

In the matter of Crown Hydro Renewable Development Account (RDF) grant contract (AH-01), the Metropolitan Council respectfully requests that the Minnesota Public Utilities Commission review and terminate the grant contract in accordance with Minnesota Laws 2017, Chapter 94, Article 10, Section 29.

Crown Hydro proposes to site its project at the Upper St. Anthony Falls Lock and Dam, which is incompatible and inconsistent with the Metropolitan Council-approved master plan for Central Mississippi Riverfront Regional Park. Significant public and private investment has been made in revitalizing the riverfront in downtown Minneapolis in the sixteen years since the Crown Hydro grant was awarded. Additionally, the State of Minnesota and Metropolitan Council have provided bond dollars as well as Parks and Trails Legacy Funds toward the recreational development of Central Mississippi Riverfront Regional Park.

The Metropolitan Council oversees long range planning for the Regional Parks System in the seven-county Twin Cities metropolitan area and is directed by Minnesota Statutes to develop a long-range system and policy plan that governs the Regional Parks System. The Metropolitan Council works with ten regional park implementing agencies to acquire and develop the Regional Parks System and to implement the 2040 Regional Parks System Plan, which is a component of the 2040 Regional Parks Policy Plan (RPPP). The 2040 RPPP includes a policy to "[p]rotect public investment in acquisition and development by assuring that every component in the system is able to fully carry out its designated role as long a need for it can be demonstrated." The System Protection section of the 2040 RPPP details mechanisms to protect the integrity of the Regional Parks System and of individual components of the System.

Central Mississippi Riverfront Regional Park, which is owned and operated by the Minneapolis Park and Recreation Board, is a component of the Regional Parks System and is governed by the 2040 RPPP. Central Mississippi Riverfront Regional Park is located on both sides of the Mississippi River between the Plymouth Avenue Bridge and the Interstate 35W Bridge. It is one of the most popular regional parks in the System, with an estimated 2,182,400 visits in 2016 (Annual Use Estimate of the Regional Parks System for 2016, Metropolitan Council). Visitors are drawn to the regional park for its unique recreational, cultural, and historic attractions along the riverfront in downtown Minneapolis. Upper St. Anthony Falls and the Stone Arch Bridge are key features within the regional park and prominent elements of the riverfront's history. The Stone Arch Bridge was converted to a bicycle and pedestrian bridge in 1994.

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The Metropolitan Council approved the Minneapolis Park and Recreation Board's Central Mississippi Riverfront Regional Park Master Plan on October 26, 2016. The master plan was designed around interpreting the cultural and historic resources of the area, providing recreational opportunities, and restoring and enhancing natural resources. The Upper St. Anthony Falls Lock and Dam, on which the Crown Mill Hydroelectric Plant is proposed to be located, is within the Metropolitan Council approved boundaries of Central Mississippi Riverfront Regional Park. One of the formative moves outlined in the master plan calls for the Minneapolis Park and Recreation Board to collaborate with the U.S. Army Corps of Engineers and the National Park Service to create a visitor's center on the lock and dam structure. The master plan envisions the building to include an orientation center, interpretation, classroom, restrooms, food concessions, and a patio. The proposed Crown Hydro project is incompatible with the regional park's master plan and impedes the ability of the Metropolitan Council and the Minneapolis Park and Recreation Board to implement the 2040 Regional Parks System Plan.

Minnesota Laws 2017, Chapter 94, Article 10, Section 29 requires that a grant recipient transfer any grant funds that remain unexpended to the clean energy advancement fund account if all of the following conditions are met:

- (1) the grant was awarded more than five years before the effective date of this section;
- (2) the grant recipient has failed to obtain control of the site on which the project is to be constructed;
- (3) the grant recipient has failed to secure all necessary permits or approvals from any unit of government with respect to the project; and
- (4) construction of the project has not begun.

The project associated with Crown Hydro Renewable Development Account (RDF) grant contract (AH-01) meets the statutory threshold described above, since the grant was awarded 16 years ago, Crown Hydro has failed to obtain control of the site, has failed to secure all permits or approvals for the project, and therefore has not commenced with construction of the project.

The project's incompatibility with the master plan for Central Mississippi Riverfront Regional Park coupled with the Metropolitan Council's authority to protect the integrity of the Regional Parks System as outlined in the 2040 RPPP significantly affects the viability of the proposed project site and Crown Hydro's ability to obtain site control and permits for that project site in the future. Therefore, the Metropolitan Council respectfully requests that the Minnesota Public Utilities Commission review and terminate the Crown Hydro Renewable Development Account (RDF) grant contract (AH-01) and require the grant recipient to transfer unexpended grant funds to the clean energy advancement fund account.

Sincerely,



Lisa Beth Barajas, Manager  
Local Planning Assistance

CC: Gary L. Cunningham, Metropolitan Council District 7  
Cara Letofsky, Metropolitan Council District 8  
Michael Schroeder, Minneapolis Park and Recreation Board  
Michael Larson, Sector Representative  
Raya Esmaili, Reviews Coordinator