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mn.gov/commerce/energy

December 12, 2013

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comment on Notice of Changed Circumstances**
IP6830/CN-09-937

Dear Dr. Haar:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Pleasant Valley Wind, LLC's Petition for Changes to Certificate of Need Without Recertification or Further Hearing.

The Petitioner is:

Andrew J. Gibbons, Esq.
Leonard, Street and Deinard
150 South Fifth Street, Suite 2300
Minneapolis, MN 55402

The Department recommends the Commission **determine that the changes are acceptable without further hearings** and is available to answer any questions that the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ STEVE RAKOW
Rates Analyst

SR/It
Attachment



BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. IP6830/CN-09-937

I. INTRODUCTION

Minnesota Rules 7849.0400 subpart 2B states that: “A power plant capacity addition or subtraction smaller than the lesser of 80 megawatts or 20 percent of the capacity approved in a certificate of need issued by the commission does not require recertification.” Further, Minnesota Rules 7849.0400 subpart 2H states: “If an applicant determines that a change in size, type, timing, or ownership other than specified in this subpart is necessary for a large generation or transmission facility previously certified by the Commission, the applicant must inform the Commission of the desired change and detail the reasons for the change.”

Pursuant to Minnesota Rules 7849.0400, on November 22, 2013, Pleasant Valley Wind, LLC (Pleasant Valley or the Company) submitted the Company’s *Petition for Changes to Certificate of Need Without Recertification or Further Hearing* (Notice). The Notice indicated that the capacity of the 301 MW wind farm in Stearns County (Project) would be reduced by more than 60 MW (20 percent of the approved capacity)—by 101 MW.

On November 27, 2013, the Commission established December 12, 2013 as the due date for Comments on the Notice. Below are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) regarding the Notice.

II. DEPARTMENT ANALYSIS

A. *Overview*

The stated purpose of the Company's Notice was to provide the Commission the information that the size of the Project had changed. Regarding such a notice of Certificate of Need changes, Minnesota Rules 7849.0400 subpart 2H states:

The Commission shall evaluate the reasons for and against the proposed change and, within 45 days of receipt of the request, notify the applicant whether the change is acceptable without recertification. The Commission shall order further hearings if and only if it determines that the change, if known at the time of the need decision on the facility, could reasonably have resulted in a different decision under the criteria specified in part 7849.0120.

Thus, the Department evaluates the proposed change to the size to determine if the change "could reasonably have resulted in a different decision."

B. Size Change

Regarding size, Pleasant Valley's Notice at page two provides one main reason for the decrease the size; that is, the Company has signed a power purchase agreement for the Project:

Pleasant Valley Wind recently entered into a purchase and sale agreement for the Project. In connection with securing that purchase and sale agreement, Pleasant Valley Wind agreed to provide the Project with a reduced nameplate capacity of 200 MW. As Pleasant Valley Wind will construct the Project to meet, but not exceed, the terms of that agreement, Pleasant Valley Wind thus requires a corresponding reduction in the nameplate capacity specified in the CON for the Project. [footnote omitted]

Regarding size, the Department's February 12, 2010 comments (then the Office of Energy Security or OES) provided the following analysis:

Information submitted by the utilities subject to the Minnesota RES indicates that a minimum of between 2,400,000 and 3,700,000 MWh in additional renewable generation may be needed for all of the utilities to meet the 2012 RES. Based on this information and on the discussion above regarding forecasted renewable energy needs, the OES concludes that the proposed Project's size is not excessive and therefore is reasonable. [footnote omitted]

Page 1 of the Notice shows that Pleasant Valley now proposes a size of 200 MW for the Project. Given that the Minnesota renewable energy standard (see Minnesota Statutes §216B.1691 subd. 2a) requires an increasing percentage of renewable resources through 2025, the Department concludes that a Pleasant Valley size decrease, if known at the time of the need decision, could not reasonably have resulted in a different decision. Therefore, the Department recommends that the Commission determine that the change is acceptable without further hearings.

III. DEPARTMENT RECOMMENDATION

The Department recommends that the Commission determine that the change in size is acceptable without further hearings.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Comments**

Docket No. IP6828/CN-09-937 and IP6828/WS-09-1197

Dated this 12th day of **December, 2013**

/s/Sharon Ferguson

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