

December 20, 2021

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E002/C-21-786

Dear Mr. Seuffert:

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

Formal Complaint and Petition for Relief by Nokomis Energy LLC and Ole Solar LLC Against Northern States Power Company d/b/a Xcel Energy.

The Petition was filed on November 9, 2021 by:

Matthew Melewski
The Boutique Firm PLC
On Behalf of Nokomis Energy LLC & Ole Solar LLC
5115 Excelsior Blvd. #431
St. Louis Park, MN 55416

The Department recommends that the Minnesota Public Utilities Commission (Commission) **take jurisdiction of the complaint**. The Department may offer additional recommendations in reply. The Department is available to answer any questions that the Commission may have.

Sincerely,

/s/SUSAN L. PEIRCE
Rate Analyst Coordinator

SLP/ar
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E002/C-21-786

I. BACKGROUND INFORMATION

On November 9, 2021, Nokomis Energy LLC (Nokomis) filed a formal complaint against Xcel Energy (Xcel) alleging violations of the Minnesota Distribution Interconnection Process (MNDIP) regarding its Ole Solar LLC project (Ole Solar).

II. SUMMARY OF THE FILING

Ole Solar LLC, a wholly-owned subsidiary of Nokomis, is developing a 1 MW AC distributed generation project on the St. Olaf campus in Northfield, Minnesota. The project will be a 'behind-the-meter' project to serve the College's electricity needs, and is not anticipated to feed onto the grid. Nokomis filed an interconnection application on behalf of Ole Solar under the MNDIP Fast Track process. On July 13, 2021, Xcel notified Nokomis that the application failed certain initial review screens under MNDIP, and subsequently notified Nokomis on July 16th that as a result of the initial screening failure, Ole Solar's application was being placed on "temporary hold" in order to sequentially review applications ahead of it in the engineering queue. Xcel noted it may add 600 business days to the application timeline.

Xcel and Nokomis met pursuant to MNDIP Section 5.3.5 to discuss resolution of the complaint, and participated in a third-party mediation on October 25, 2021 in an attempt to resolve the issue. An agreeable resolution was not found as a result of either meeting.

On November 9, 2021, Nokomis filed its complaint with the Commission. Nokomis requests the Commission issue an order directing Xcel to resume processing the Ole Solar LLC application and find that a 600 business day delay is not "reasonable efforts" as required by the MNDIP process.

On November 18, 2021, the Minnesota Public Utilities Commission (Commission) issued a *Notice of Comment Period* seeking comment on its jurisdiction over the complaint, whether there are reasonable grounds to investigate the allegations and what procedures to use if an investigation is determined to be warranted.

II. DEPARTMENT ANALYSIS

The Commission has jurisdiction to investigate and resolve Nokomis' complaint regarding interconnection practices on its own motion under §216B.17. The MN DIP provides a dispute resolution process that permits a complainant to file a complaint before the Commission at any time.

Nokomis' complaint stems in part from changes resulting from the adoption of the MN DIP process. In the past when numerous DG projects were in queue at a particular location, Xcel would study the engineering impact of the first project in the queue, and then begin the study of subsequent projects in the queue with the assumption that the projects ahead in the queue were built. A change to the parameters of or the withdrawal of a project that was first in queue would necessitate an engineering restudy of the projects behind the first.

Under the MN DIP, Xcel is to maintain a single, administrative queue and may manage the queue by geographical region (i.e. feeder, substation etc.). The MN DIP also calls for interconnection applications to be studied serially, unless otherwise agreed to by Interconnection customers. Xcel has interpreted the provision to study interconnection applications serially to mean that it will study the first DG project in the queue and will not undertake the study of subsequent projects in the queue until the first project has a signed Interconnection Agreement. Northfield, where the Ole Solar project is proposed, has a large number of interconnection applications pending and a number of constrained distribution feeders.

The Department agrees with Nokomis that a 600 business day delay¹ is unreasonable. The issue of excessive delays in the review of interconnection applications by Xcel and recommendations for speeding up the process are extensively discussed in the pending Interconnection Docket (Docket No. E999/CI-16-521). Possible remedies including the requirement to use group or cluster studies is extensively discussed in the August 24 and October 1, 2021 comments in the Interconnection Docket (Docket No. E999/CI-16-521). Resolution of the interconnection concerns is currently pending before the Commission.

At this time, the Department recommends that the Commission find jurisdiction over the complaint. The Department may offer additional recommendations in reply after it has an opportunity to read Xcel's comments.

III. DEPARTMENT RECOMMENDATIONS

The Department recommends that the Commission find jurisdiction over the complaint.

/ar

¹ The Department estimates 600 business days to be approximately 2 years, 4 months.

CERTIFICATE OF SERVICE

I, Linda Chavez, hereby certify that I have this day served copies of the following document on the attached list of persons by electronic filing, 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 Nos. **E002/C-21-786**

Dated this **20th** day of **December 2021**.

/s/Linda Chavez

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-786_C-21-786
James	Denniston	james.r.denniston@xcelenergy.com	Xcel Energy Services, Inc.	414 Nicollet Mall, 401-8 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-786_C-21-786
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-786_C-21-786
Matthew	Melewski	matthew@nokomisenergy.com	Nokomis Energy LLC & Ole Solar LLC	2639 Nicollet Ave Ste 200 Minneapolis, MN 55408	Electronic Service	No	OFF_SL_21-786_C-21-786
Matthew	Melewski	matthew@theboutiquefirm.com	The Boutique Firm PLC	5115 Excelsior Blvd #431 St Louis Park, MN 55416	Electronic Service	No	OFF_SL_21-786_C-21-786
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-786_C-21-786
Daniel	Rogers	dan@nokomispartners.com	Nokomis	2639 Nicollet Ave Ste 200 Minneapolis, MN 55408	Electronic Service	No	OFF_SL_21-786_C-21-786
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-786_C-21-786
Brandon	Stamp	brandon.j.stamp@xcelenergy.com	Xcel Energy	401 Nicollet Mall Minneapolis, MN 55401	Electronic Service	No	OFF_SL_21-786_C-21-786
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	Yes	OFF_SL_21-786_C-21-786