

**STATE OF MINNESOTA  
PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger	Chair
David C. Boyd	Commissioner
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Betsy Wergin	Commissioner

**In the Matter of Xcel Energy Energy’s Plan  
for a Community Solar Garden Program  
Pursuant to Minn. Stat. §216B.1641**

**Docket No. E-002/M-13-867**

**Comments of TruNorth Solar, LLC**

TruNorth Solar LLC respectfully submits the following comments:

- A. Issues on which the Commission sought comments in its Notices issued October 9, 2014 and January 28, 2015 in this docket.**
- a. None.
- B. Replies to any comments filed in the docket to-date.**
- a. TruNorth Solar agrees with items I, II, III, IV from MNSEIA’s April 28, 2015 comments. We are equally aware of these engineering and interconnection delays from Xcel Energy. TruNorth has also experienced similar difficulty obtaining clarity on estimated interconnection costs and study fees creating unnecessary uncertainty going into the interconnection process.
- b. TruNorth Solar believes that Xcel Energy’s interconnection delays are directly related to the large volume of common-coupled and large-scale projects being submitted by solar developers to the Solar\*Rewards Community program. These large projects, e.g., 10, 20, or 15 co-located 1-MW CSGs, submitted as several 1 MW CSGs in a common-coupled situation, are complex and create delays from an engineering study and interconnection review perspective. Additionally, as proposed, these “super-sized” gardens are inconsistent with intent of the CSG program and statute.

- c. Without a pragmatic and transparent solution to resolve the sizing of common-coupled CSGs and the process by which Xcel Energy is able to review applications for interconnection, TruNorth has great concerns that the program will result in further delays, litigation, and essentially the blocking of 1MW<sub>ac</sub> CSGs that undoubtedly *are* consistent with the program and statutory intent.
- d. We believe that if co-located and common-coupled projects greater than 10 MW<sub>AC</sub> in size are allowed to move forward, engineering study timelines will dramatically delay the small CSGs, e.g., 1 MW<sub>AC</sub> in size which *are* consistent with the intent of the program and law. The result is that very few or even no community solar projects may be built in the 2015 and 2016 construction season. This would be a disaster for the local economy (no construction= no jobs) and bad for Xcel Energy customers who are counting on these projects and their local benefits.
- e. TruNorth Solar also believes that the ARR+REC rate ordered by the commission unfairly compensates for the energy produced by systems benefiting from the natural economies of scale over 10 MW<sub>AC</sub>.

**C. Whether and when there should be a transfer from the Applicable Retail Rate (ARR) to the Value of Solar (VOS) rate as the bill credit for Community Solar Gardens (CSGs) and whether an adder is necessary to provide a rate that will reasonably allow for the creation, financing, and accessibility of solar gardens.**

- a. TruNorth believes that certainty and fair value for energy produced is crucial to developing financeable community solar. We know that there is growing momentum and investor confidence to make these projects financeable with the ARR methodology.
- b. However, there is an uneven playing field given the amount of co-located projects in excess of 10 MW resulting in a very challenging market place in which to sell subscriptions (i.e., corporate subscribers see the false opportunity to “go-big” with a 10 MW to 50 MW CSG because such projects offer more cost savings than are reasonable with the intent of the program and law).
- c. Additionally, considering the size and location in the context of their respective communities, these super-sized gardens are also beginning to create angst within local governments in the metro area over-whelmed by the size and scale of these larger projects. This creates further unnecessary barriers, e.g., NIMBYism, for developers of smaller and integrated CSGs within the community fabric.

TruNorth asks that the PUC impose a 10MW limit to co-locating CSGs. This is consistent with the DOC, other small developers of CSGs, and the Section 10 tariff. And it would still allow for fair value under the ARR + REC for distributed-sized energy sources. Without these limits, those who have pursued distributed community solar projects consistent with the spirit and intent of the law will be unfairly harmed.

Should the Commission decide that co-located projects over 10MW in size are allowable, TruNorth Solar suggests that the Commission allow Xcel Energy to review these projects through a competitive bid process similar to the competitive solicitation process used by Xcel Energy for large utility-scale solar procurements and its Colorado Solar\*Rewards Community program for larger CSGs.

TruNorth Solar also recommends that the PUC solidify through an order that the ARR+REC be utilized through December 31<sup>st</sup> 2016 for reasons of clarity, certainty and fair value for the distributive energy produced. This is critical for project financing, construction, and long-term operability.

Respectfully submitted,

TruNorth Solar, LLC