

The Commission met on **Thursday, June 25, 2015**, with Chair Heydinger and Commissioners Lange, Lipschultz, Tuma, and Wergin present.

The following matters came before the Commission:

ENERGY FACILITIES AGENDA

IP-6688/WS-08-973

In the Matter of the Application of EcoHarmony West Wind, LLC for a Large Energy Conversion System Site Permit for the 116 (280) Megawatt EcoHarmony West Wind Project in Fillmore County

Commissioner Tuma moved to revoke the Harmony Wind Project Site Permit for a Large Wind Energy Conversion System in Fillmore County for failure to comply with material conditions of the site permit.

The motion passed 5-0.

IP-6723/WS-09-360

In the Matter of the Application of Morgan Wind Acquisition Group, LLC for a Large Energy Conversion System Site Permit for the 31.5 Megawatt Morgan Wind Project in Redwood and Brown Counties

Commissioner Wergin moved to revoke the Morgan Wind Project Site Permit for a Large Wind Energy Conversion System in Redwood and Brown Counties for failure to comply with material conditions of the site permit.

The motion passed 5-0.

IP-6824/WS-09-830

In the Matter of the Application of West Stevens Wind, LLC for a Large Energy Conversion System Site Permit for the 20 Megawatt West Stevens Wind Project in Stevens County

Commissioner Lange moved to revoke the West Stevens Wind Project Site Permit for a Large Wind Energy Conversion System in Stevens County for failure to comply with material conditions of the site permit.

The motion passed 5-0.

IP-6830/WS-10-49

In the Matter of the Application of Paynesville Wind, LLC for a Large Energy Conversion System Site Permit for the 95 MW Paynesville Wind Farm in Stearns County

Commissioner Lipschultz moved to revoke the Paynesville Wind Project Site Permit for a Large Wind Energy Conversion System in Stearns County for failure to comply with material conditions of the site permit.

The motion passed 5-0.

TELECOMMUNICATIONS AGENDA

P-6927/NA-14-507

In the Matter of the Application of Midwest Cable Phone of Minnesota, LLC for Authority to Provide Telephone Service in the State of Minnesota

P-6927/PA-14-513

In the Matter of the Petition of Comcast Corporation and Midwest Cable Phone of Minnesota, LLC for Approval to Transfer Regulated Customers and Assets

P-6907/M-15-318

In the Matter of the Joint Petition of Midwest Cable, Inc., Midwest Cable Phone of Minnesota, LLC, and the Minnesota Department of Commerce for Confirmation of Eligibility for TAP Reimbursement

Commissioner Tuma moved to take the following actions:

- Approve the Withdrawal of the Petition, Application, and Settlement Agreement and Relinquishment of Conditional Authority filed by Comcast Corporation and Midwest Cable Phone of Minnesota, LLC, in Docket Nos. P-6927/NA-14-507 and P-6927/PA-14-513, and close the dockets.
- Approve the Joint Withdrawal of Petition Regarding TAP Reimbursement and VoIP Service filed by Midwest Cable, Inc., Midwest Cable Phone of Minnesota, LLC, and the Minnesota Department of Commerce (Department) in Docket No. P-6907/M-15-318, and close the docket.

The motion passed 5-0.

P6854/M-15-138

In the Matter of Zayo Group's Request to Discontinue Telecommunications Service to Dunnell Telephone Company

This matter was removed from the Commission's agenda.

E-002/M-13-867

In the Matter of the Petition of Northern States Power Company, dba Xcel Energy, for Approval of Its Proposed Community-Solar-Garden Program

Commissioner Lipschultz moved to adopt sections 2.2 and 2.3 of the partial settlement agreement as applicable generally to the community-solar-garden program of Northern States Power Company d/b/a Xcel Energy (Xcel), with the following caveats, modifications, or clarifications:

1. Make editorial changes so that the document reflects the character of a Commission order rather than a private agreement.
2. Revise section 2.2(a)(i) to replace “September 1, 2015” with language providing for 90 days following the “deemed-complete date” but no less than 90 days from the date of this order.
3. Modify section 2.2(a)(v) to reflect the Department’s recommendation that the engineer be selected or approved by the Department to ensure neutrality, with the cost divided equally between Xcel and the community-solar-garden applicant.
4. Revise section 2.2(c) to strike the sentence that refers to a category of solar gardens called “Non-Statutory Community Solar Gardens.”
5. Revise section 2.2(c) to incorporate the process set forth in Minn. Stat. § 216E.021(b) for resolving disputes over the aggregate size of co-located gardens, such that any disputes are addressed first to the Commissioner of Commerce and, failing that, that they be brought to the Commission.

Commissioner Tuma moved to amend Commissioner Lipschultz’s motion to adopt a 10 megawatt (MW) cap on solar-garden co-location, with a 50% residential-subscription requirement, for applications deemed complete as of June 16, 2015.

Commissioners Lipschultz and Tuma withdrew their motions.

Commissioner Lange moved to adopt sections 2.2 and 2.3 of the partial settlement agreement as applicable generally to Xcel’s community-solar-garden program, with the following modifications:

1. Revise section 2.2(c) to strike the sentence that refers to a category of solar gardens called “Non-Statutory Community Solar Gardens.”
2. Revise section 2.2(a)(i) to provide that garden applications not yet deemed complete shall have 90 days from the date they are deemed complete to meet three of the preceding seven milestones.

3. Revise section 2.2(a)(v) to reflect the Department's recommendation that the engineer be selected or approved by the Department to ensure neutrality, with the cost divided equally between Xcel and the community-solar-garden applicant.

The motion passed 5-0.

Chair Heydinger moved that in the event of a dispute as to the aggregate size of co-located solar gardens, a party may request that the Commissioner of Commerce make a size determination. The Commissioner shall make that determination within 30 days. Parties that disagree may request a determination by the Commission.

The motion passed 5-0.

Chair Heydinger moved to take the following actions:

1. Approve Xcel's calculation of the Applicable Retail Rate (ARR) filed in its March 2, 2015 ARR compliance filing.
2. Find Xcel's calculation of the Value of Solar (VOS) rate as filed in its March 2, 2015 VOS compliance filing and as updated according to the Department's April 30, 2015 reply comments is correct.
3. Take no action on a transition from the ARR to a VOS rate.
4. Take no action on an appropriate adder to apply in conjunction with a VOS rate.
5. Take no action on whether to adjust the current ARR.
6. Take no action on an incentive-design framework for bill-credit rates.
7. Take no action on bill-credit rates for co-located projects going forward.
8. Take no action on location-based incentives.
9. Require Xcel to make compliance filings and/or tariff proposals for the above decisions within 30 days of the Commission's order.
10. Require Xcel, as part of its monthly updates to the Commission in this docket, to do the following:
 - a. Identify each instance in which an application was deemed incomplete or otherwise returned to the applicant for additional information, the additional information being sought from the applicant, and the amount of additional time taken for processing the application as part of the Company's monthly program updates to the Commission.

- b. Identify each instance in which the Company has not met a Section 10 tariff interconnection process timeline, or has otherwise restarted the timeline (i.e. if the process grants Xcel 15 days for preliminary engineering review, and the Company requests additional information from the applicant on day 14, the time permitted for review is reset for another 15 days at that point), and the reason for not meeting or restarting the timeline.
11. Direct the Department to devise an application-tracking process in cooperation with the Company and all solar-garden applicants and to provide the Commission and parties with an application-processing schedule in a compliance filing within 60 days of the Commission's order. The Department is authorized to investigate situations in which application-processing timelines are not reasonably met.

Commissioner Wergin moved to amend Chair Heydinger's motion to adjust the ARR going forward by eliminating the customer charge from the formula.

Commissioners Lange, Lipschultz, Tuma, and Wergin voted in favor of the motion.

Commissioner Tuma moved to reconsider the previous vote.

Commissioner Tuma's motion passed 4–1. Commissioner Wergin voted against the motion.

On reconsideration, Commissioner Wergin's motion failed 1–4. Chair Heydinger and Commissioners Lange, Lipschultz, and Tuma voted against the motion.

Chair Heydinger's motion passed 5–0.

Chair Heydinger moved to take the following actions:

1. Require Xcel to purchase renewable energy credits (RECs) associated with unsubscribed energy under a REC payment as follows: \$0.01/kWh for unsubscribed energy regardless of garden size.
2. Take no action on REC payments for Solar*Rewards and Made in Minnesota gardens in years 11–25.
3. Pursuant to Minn. Stat. § 216B.25, modify the Commission's April 7, 2014 Order Rejecting Xcel's Solar-Garden Tariff Filing and Requiring the Company to File a Revised Solar-Garden Plan to allow for the use of an escrow agreement for deposits made and facilitate the transfer of deposits currently held by Xcel into escrow upon the applicant's request and at the applicant's cost.

The motion passed 5–0.

Chair Heydinger moved to take the following actions:

1. Require Xcel to continue its current set of monthly reporting requirements but to add those recommended by the Department, as follows:
 - a. Identify each instance in which an application was deemed incomplete or otherwise returned to the applicant for additional information.
 - b. Identify each instance in which the Company did not meet a Section 10 tariff interconnection-process timeline, or otherwise restarted the timeline, and the reason for not meeting/restarting timeline.
2. Require Xcel to provide a breakdown by customer class of solar-garden subscribers and update this breakdown quarterly.
3. Clarify that Xcel is still required to meet the compliance reporting required beginning 18 months after the first garden begins operation (from the April 7 order, Ordering Point 23) and the requirement to report back to the Commission by September 1, 2015, on the progress toward certification of smart inverters and other relevant barriers to the broader installation and use of smart inverters for solar gardens (from the April 7 order, Ordering Point 24).

The motion passed 5–0.

Commissioner Tuma made the following motion:

In order to expedite the development process and to provide clarity for land-use planning for community solar gardens (CSGs), the Commission is of the position that to the extent required by law all CSGs are subject to zoning, building, or land-use rules, regulations, or ordinances promulgated by regional, county, local, and special-purpose governments where they are located. The Commission encourages the Commissioner of Commerce pursuant to section 216E.021 to find that CSGs by their statutory structure do not qualify as large electric power generation plants subject to the Commission's siting authority.

Commissioner Tuma withdrew his motion.

Commissioner Tuma made the following motion:

In the event that a community solar garden (CSG) is developed on land used to provide the critical infrastructure of wastewater treatment and drinking water (critical infrastructure) or on land owned by the public entity responsible for the critical infrastructure for which they are a subscriber to that particular CSG that is adjacent or in close proximity to the critical infrastructure, Xcel must conduct a feasibility study to determine whether energy produced by the CSG can be reasonably and effectively used as backup generation for the critical infrastructure in the rare event of a critical failure of power. This feasibility study for the critical infrastructure backup power shall be done as part of the interconnection process as outlined in the Commission's orders, Xcel's tariffs, and the partial settlement agreement. Xcel must provide the results to the public entity with authority over the critical infrastructure and the site developer.

Commissioner Tuma withdrew his motion.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: September 9, 2015

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive, flowing style.

Daniel P. Wolf, Executive Secretary