



January 5, 2024

*Via edockets*

Mr. Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 East Seventh Place, Suite 350  
Saint Paul, MN 55101

RE: Metropolitan Council Comments on Docket E002/M-13-867 Xcel Proposal to Move ARR-ERA Community Solar Gardens to Value of Solar Rates

Dear Mr. Seuffert:

The Metropolitan Council is the regional policy-making body, planning agency, and provider of essential services in the seven-county Twin Cities metro area. Our mission is to foster efficient and economic growth for a prosperous region. The Council urges the Commission to reject Xcel Energy's proposal to substantially increase the cost to community solar garden subscribers by switching the Applicable Retail Rate (ARR) bill credit to a Value of Solar (VOS) bill credit.

The Council has 142 separate community solar garden subscriptions totaling approximately 24.6 megawatts accounting for about 3% of Xcel's community solar garden portfolio. The Council led the development of three community solar gardens on its wastewater treatment plant properties. The Council developed these solar gardens to allow the Council and other government entities to participate in the community solar garden program and benefit from the economics of environmental stewardship.

Fundamental to the Council's decision to be a leader in the community solar garden program was the rate structure in its community solar garden contracts and the bill credit based on the ARR. The Council must be a responsible steward of its ratepayer and public funds. In determining that the community solar garden program was consistent with this obligation, the rate and credit structure was critical. Xcel's proposed decrease in the bill credit turns these assumptions on their head. It further sends a message that the Council cannot rely on these programs as designed and should reconsider future investments in community solar despite the critical and immediate importance of shifting to no/low carbon energy.

The economic impact of Xcel's proposed change on the Council and by extension the Council's ratepayers and residents of the Metropolitan Area is significant. For example, if the bill credit had been changed to VOS in 2022, it would have increased the cost to the Council in 2022 alone by over \$1,030,000 or approximately 17%. Most of the Council's community solar garden subscriptions (approximately 20 MW) are for Metropolitan Environmental Services' (MCES) energy needs. MCES is primarily funded by its ratepayers (local governments that receive wastewater services from the Council). If Xcel's proposal is adopted, the Council will be forced to pass on these cost increases to its ratepayers which will in turn be passed on to the residents of the Metropolitan Area.

The community solar garden program as originally designed, is an innovative program with proven benefits. The Council is proud to be an early and leading participant. The Council urges the Commission to reject Xcel's proposal and to retain the current credit based on the ARR. Adopting Xcel's proposal will

not only have the significant economic impacts discussed above, but it will also send a message to the Council that it should reconsider being an early adopter of these types of programs even though they are essential to the region's future.

The Council respectfully requests the opportunity to address the Commission when this docket is scheduled for an agenda meeting.

Sincerely,

*Philip Walljasper*

[Philip Walljasper \(Jan 5, 2024 18:23 CST\)](#)

Philip Walljasper  
Interim Regional Administrator  
Metropolitan Council

cc: Charles Zelle, Metropolitan Council Chair