



BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

121 7th Place East, Suite 350
St. Paul, MN 55101-2147

In the Matter of an Investigation Into
Implementing Changes to the Renewable
Energy Standard and the Newly Created
Carbon Free Standard Under Minn. Stat. §
216B.1691

PUC Docket No. E999/CI-23-151

REPLY COMMENT

The Ramsey/Washington Recycling & Energy Board (“R&E”) submits this reply comment to the Minnesota Public Utilities Commission in response to the Commission’s October 31, 2024 Notice of Comment Period and Updated Timeline seeking comments on five topics:

1. When and how should utilities report preparedness for meeting upcoming CFS requirements?
2. By which criteria and standards should the Commission measure an electric utility’s compliance with the CFS?
3. What considerations should the Commission take into account regarding the double counting of Renewable Energy Credits (RECs) to meet multiple requirements?
4. How should net market purchases be counted towards CFS compliance?
5. Are there other issues of concerns related to this matter?

R&E submits this reply comment specifically in support of Xcel Energy’s initial comments filed January 29, 2025 (“Xcel Initial Comments”)¹ on the following topics:

2. By which criteria and standards should the Commission measure an electric utility’s compliance with the CFS?

¹ In the Matter of an Investigation Into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard Under Minn. Stat. § 216B.1691, Docket No. E999/CI-23-151, INITIAL COMMENTS (Jan. 29, 2024) (eDocket No. 20251-214582-01).



3. What considerations should the Commission take into account regarding the double counting of Renewable Energy Credits (RECs) to meet multiple requirements?

As further discussed in this Comment, R&E supports Xcel's proposal for a Commission-established methodology to track CFS compliance, similar to the current system used to track Renewable Energy Standard ("RES") compliance. R&E supports Xcel's suggested modifications to this methodology to account for partially carbon free generation and the ability for one REC to be used in a given year for compliance with both the Eligible Energy Technology Standard ("EETS") and CFS.

I. INTRODUCTION AND BACKGROUND

R&E is a joint powers board between Ramsey and Washington counties ("Counties") that is tasked with overseeing management of solid waste generated in the Counties, including maximizing waste reduction and material reuse, and ensuring the highest rate of quality recycling.² R&E owns and operates the Recycling & Energy Center ("R&E Center") in Newport, MN. Approximately Four Hundred Thousand (400,000) tons of municipal solid waste ("MSW") are delivered to the R&E Center each year where the waste is processed to remove recyclable materials and then converted into refuse derived fuel ("RDF"). RDF is then used as fuel at Xcel's RDF Plants in Red Wing and Mankato, MN to generate electricity. In 2023, the 331,000 tons of RDF produced at the R&E Center and delivered to two RDF Plants produced enough electricity to power more 13,450 homes per year. In addition, 13,185 tons of recyclable materials were recovered from the trash, and an estimated 99,500 fewer metric tons of carbon dioxide were produced than if the trash had been landfilled.³ Only about 12 percent of the MSW delivered to the R&E Center is sent to local landfills.

² Who We Are and What We Do, RAMSEY/WASHINGTON RECYCLING & ENERGY, <https://recyclingandenergy.org/who-we-are-and-what-we-do/> (last visited Mar. 11, 2025).

³ *Id.*



Because Commission decisions on compliance with the CFS could impact the future of Xcel's RDF Plants, R&E respectfully submits this reply comment in support of Xcel's Initial Comments on the following topics.

II. ARGUMENT

A. CFS Compliance Methodology Should Be Established Using the Existing M-RETS Compliance Framework as a Foundation

R&E supports Xcel's proposed methodology for CFS compliance that builds upon a reliable system already in place. The Midwest Renewable Energy Tracking System (M-RETS) is a Commission approved tracking system that has efficiently and effectively been used to track EETS compliance for over 15 years. A unique REC is issued per MWh of eligible generation and then registered on M-RETS, where it can then be retired to satisfy compliance with the EETS. The existing M-RETS compliance framework provides a proven foundation that can be modified to track CFS compliance.

B. Minn. Stat. § 216B.1691, subd. 4 Is Clear That One REC May Be Used to Satisfy Multiple Standards

Minn. Stat. § 216B.1691, subd. states "... a credit may be used to satisfy both the carbon-free energy standard obligation under subdivision 2g and either the renewable energy standard obligation under subdivision 2a or the solar energy standard obligation under subdivision 2f, if the credit meets the requirements of each subdivision..."⁴ This means that one credit could be used in a given year for compliance with either the EETS/Solar Standard (SES) or the CFS, or with both the CFS and the SES/EETS. It is important to ensure that any credit tracking system used is equipped to handle tracking and retiring credits for compliance across these multiple standards.

⁴ *Id.*



III. CONCLUSION

The above comments support building on proven practices to accommodate the emerging landscape of compliance with the CFS.

Dated: March 19, 2025

Respectfully submitted,

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Board

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