

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
Nancy Lange
Dan Lipschultz
John A. Tuma
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

IN THE MATTER OF UTILITIES' ANNUAL
REPORTS ON PROGRESS IN ACHIEVING
THE SOLAR ENERGY STANDARD

DOCKET NO. E-999/M-14-321

**INTERSTATE POWER AND LIGHT COMPANY'S 2015 SOLAR ENERGY
STANDARD ANNUAL REPORT**

COMES NOW, Interstate Power and Light Company (IPL), and in compliance with Minn. Stat. § 216.B1691, subd. 2f(g) and the Minnesota Public Utilities Commission's (Commission) *Notice of Reporting Requirement and Comment Period* issued on April 21, 2014 (April 21st Notice) and *Order Accepting 2013 Solar Energy Standard Reports and Requiring Additional Information in Next Reports* issued on October 23, 2014 (October 23rd Order), files with the Commission its 2015 Solar Energy Standard (SES) Annual Report.

I. INTRODUCTION

The Commission issued the April 21st Notice, establishing content requirements for public utilities' solar SES annual reports beginning June 1, 2014, and every June 1 thereafter, through 2020. Additionally, the Commission's Notice established a comment period to receive comments on public utilities' SES annual reports. The Commission issued the October 23rd Order, establishing additional content requirements for public

utilities' solar SES annual reports beginning June 1, 2014, and every June 1 thereafter, through 2020.

On July 31, 2015 IPL sold its Minnesota electric distribution assets to Southern Minnesota Energy Cooperative (SMEC) and ceased operating as a public utility in the state of Minnesota. As such, the SES standard (which applies to public utilities) does not apply to IPL after the sale. Therefore, the information contained in IPL's 2015 SES Annual Report reflects information from January 1, 2015 through July 31, 2015, and IPL will not file future SES annual reports.

In response to the April 21st Notice and October 23rd Order, IPL provides the following 2015 SES Annual Report, containing information through July 31, 2015:

II. 2015 SES ANNUAL REPORT

The Commission's April 21st Notice and October 23rd Order directed the public utilities that are subject to the SES standard to provide the following information:

1. Annual Minnesota retail sales for the previous calendar year.

IPL had retail sales of 485,440,261 kilowatt hours (kWh) through July 31, 2015.

2. Annual excluded customer sales for the previous calendar year.

IPL had 6,555,270 kWh excluded customer sales through July 31, 2015. Please see **Trade Secret** Table 1 below, which provides a list of customers IPL excluded from its SES obligations under Minn. Stat. § 216B.1691, subd. 2f(d)(1) and (2).

Table 1: IPL Customers Excluded from SES Obligations

Customer	Statutory Category	NAICS Code	Consumption through July 31, 2015 (kWh)
[TRADE SECRET DATA BEGINS			
Alamco Wood Products LLC	Wood Products Manufacturer	321214	1,378,800
Halcon Corporation	Wood Products Manufacturer	337211	1,739,000
Jonti Craft, Inc.	Wood Products Manufacturer	337122	2,164,200
Puzzle Craft	Wood Products Manufacturer	321999	437,680
Root River Hardwoods	Wood Products Manufacturer	321918	14,520
Tuohy Furniture	Wood Products Manufacturer	337211	1,258,750
			TRADE SECRET DATA ENDS]
Total			6,992,950

3. **A list of customers requesting exclusion from the requirements of the SES, the North American Industry Classification System (NAICS) code associated with their manufacturing activity, and their annual kWh usage.**

IPL did not have any customers request exclusion from the requirements of the SES through July 31, 2015.

4. **The total Minnesota retail sales for customers excluded from the SES requirement.**

As shown above in **Trade Secret** Table 1, the total Minnesota retail sales for customers excluded from the SES requirement was 6,992,950 kWh through July 31, 2015.

5. Annual solar generation on the utilities’ system for the previous calendar year, including the total number of units registered in Midwest Renewable Energy Tracking System (M-RETs) to that utility and the solar renewable energy certificate (S-RECs) generated in the past year from those units.

IPL did not have any kWh generated by solar generation on its system through July 31, 2015. IPL did not have any solar PV units registered in M-RETs, and thus no S-RECs were generated through July 31, 2015, or any prior year.

6. Estimated amount of solar generation (expressed as capacity) a utility would be required to meet the SES in 2020.

Item 6 of IPL’s *Initial Comments* filed with the Commission on August 14, 2013, in Docket No. E999/CI-13-542, established IPL’s estimated 2020 retail sales after exclusions at 888,992,000 kWh. Based on this figure, 13,334,880 kWh would be required for IPL to meet the 1.5 percent SES requirement—which translates to an estimated capacity of 5.6 megawatts (MW) of solar generation (see Table 2 below for the calculation)—had IPL retained its Minnesota electric distribution assets and remained subject to the SES standard. The calculation is based on using a capacity factor (CF) of 27.25 percent.¹

Table 2: IPL Solar Generation Capacity Calculation to Meet 2020 SES

$\frac{13,334,800 \text{ kWh}}{(8,760 \text{ hrs. per year})(27.25\% \text{ CF})} = \frac{13,334,800 \text{ kWh}}{2,387.10 \text{ hrs. per year}} = 5,586 \text{ kW or } 5.6 \text{ MW}$
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7. Estimated solar energy requirements to meet the SES in 2020.

Item 6 of IPL’s *Initial Comments* filed with the Commission on August 14, 2013, in Docket No. E999/CI-13-542, established IPL’s estimated 2020 retail sales after

¹ IPL used the average capacity factor from 2014-2015 provided by U.S. Energy Information Administration’s Electric Power Monthly, Table 6.7.B. Capacity Factors for Utility Scale Generators Not Primarily Using Fossil Fuels, January 2013-February 2016, U.S. Energy Information Administration, released April 04, 2016. http://www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_6_07_b

exclusions at 888,992,000 kWh. Based on this figure, 13,334,880 kWh would be required to meet the 1.5 percent SES requirement.

8. A short summary of ongoing efforts to obtain solar energy, including a brief summary of anticipated mix of project sizes for SES compliance.

Due to the aforementioned sale to SMEC, IPL is no longer pursuing solar energy solely for SES compliance.

9. A summary of progress towards compliance with the ten percent carve out for systems under 20 kW.²

As stated in IPL’s response to question 8, IPL is no longer pursuing solar energy solely for SES compliance.

10. A brief summary of the state(s) in which solar generation is located or anticipated to be located.

Solar generation is currently located in IPL’s Iowa service territory; please see Table 3 below for a summary. As of July 31, 2015 IPL had 1,019 customers with more than 19 MW of installed solar generation. IPL anticipates continued growth of solar generation in Iowa.

Table 3: IPL Solar PV Generation as of July 31, 2015

Financial Arrangement	Iowa	
	Number of Customers	Total Rated Nameplate Capacity (KW)
Net Metering	986	17832.40
Parallel	28	1103.51
PPAs	5	964.20
Totals	1019	19,900.11

² Pursuant to Minn. Stat. § 216B.1691, subd. 2f(a), each public utility shall generate or procure sufficient electricity generated by solar energy to serve its retail electricity customers in Minnesota so that by the end of 2020, at least 1.5 percent of the utility's total retail electric sales to retail customers in Minnesota is generated by solar energy. At least ten percent of the 1.5 percent goal must be met by solar energy generated by or procured from solar photovoltaic devices with a nameplate capacity of 20 kilowatts or less.

11. Purchases and sales of S-RECs to meet the SES.

IPL has not purchased or sold any S-RECs to meet the SES through July 31, 2015.

- 12. By June 1 of each year, utilities shall file SES annual reports in Docket 14-321. The SES annual reports shall also include a breakdown of S-RECs, identifying which credits were associated with each of the following:**
- a. Facilities receiving the Value of Solar Rate;**
 - b. Community Solar Gardens;**
 - c. Facilities under a net metering tariff;**
 - d. Utility-owned solar projects;**
 - e. Solar Facilities that have entered into a purchased power agreement with the utility; and**
 - f. Facilities receiving an incentive, such as Solar Rewards or Made in Minnesota.**

As stated in IPL's response to question 5 above, no S-RECs were generated through July 31, 2015, or any prior year, thus IPL's response to parts "a" through "f" of this question is none.

III. CONCLUSION

WHEREFORE, IPL respectfully submits its 2015 SES Annual Report.

DATED this 25th day of May, 2015.

Respectfully submitted,

Interstate Power and Light Company

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