Transmitted Via Email

July 18, 2026

Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Dear Commissioners:

Subject: Public Comment: Environmental Review: Cottage Grove Battery Energy Storage System (BESS), eDocket 26-184

Thank you for opening eDocket 26-184 for the Cottage Grove Battery Energy Storage System (BESS) and providing an environmental review for public comment.

The Battery Energy Storage System (BESS) is new to Minnesota. A BESS does not produce new energy; a BESS only stores power for later use.

These are the areas that require attention:

- The protection and safety of the Cottage Grove Fire and Public Safety personnel in the event of a thermal runaway. Thermal runaway is mentioned in many of the other BESS projects as well as news articles. At Permittee expense, Cottage Grove Fire and Public Safety personnel must be provided with ongoing up-to-date training, tools and the hazard equipment needed in the event of a thermal runaway. *(See Fire Safety Concerns - New York Moratorium below.)*

- For the long-term protection and safety of the Cottage Grove community, adopt a site permit condition for Permittee to provide financial assurances for a decommissioning and environmental remediation fund as well as any other “insurance language” granted to Midwater BESS at the 7.16.26 Midwater BESS PUC Meeting, eDocket 24-295, for the battery energy storage system.

- Protect the community’s drinking water / ground water.

- The Cottage Grove BESS is not owned by Xcel Energy. NSP has a Power Purchase Agreement (PPA) with LSP CG Storage, LLC., a part of Panamint Capital. Battery storage will be purchased from Panamint LLC using the PPA (eDocket E002/CN-23-212; E002/RP-24-67) (eDocket document date 3.04.2026). Provide the Cottage Grove BESS with the same financial assurances for a decommissioning and environmental remediation fund as well as any other "insurance language" as those provided to Midwater BESS at the 7.16.26 Midwater BESS PUC Meeting, eDocket 24-295, for the battery energy storage system.   *See below: Panamint Capital - Who is Panamint?*

- Include a link to the NSP/Xcel Power Purchase Agreement (PPA) with LSP CG Storage, LLC, (eDocket E002/CN-23-212; E002/RP-24-67) to this Cottage Grove BESS eDocket 26-184.

Please ensure that the appropriate steps are taken to protect the community, its people and the environment.

Thank you.

Respectfully,

Bonnie Matter,
Cottage Grove MN Resident
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Fire Safety Concerns:
New York State has the most BESS installations in the U.S. New York City and multiple states have implemented moratoriums. "Thermal runaway" is a concern voiced in many of the BESS eDockets. Reasons for why should be explored to insure that everything possible has been done to mitigate and protect our communities and the Fire and Public Safety personnel.

NY City considers six-month ban on Battery Energy Storage Systems dated January 13, 2026
https://ctif.org/news/ny-city-considers-six-month-ban-battery-energy-storage-systems

New York leads US in BESS moratoriums, recent data shows dated March 13, 2026
https://www.energy-storage.news/new-york-leads-us-in-bess-moratoriums-recent-data-shows/

New York State Battery Energy Storage System Guidebook
https://www.nyserda.ny.gov/All-Programs/Clean-Energy-Siting-Resources/Battery-Energy-Storage-Guidebook Dated February 2026

Battery Energy Storage Systems: Main Considerations for Safe Installation and Incident Response, US Environmental Protection Agency
https://www.epa.gov/electronics-batteries-management/battery-energy-storage-systems-main-considerations-safe#battery-energy-storage-systems-overview

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Panamint Capital - Who is Panamint?

5.25.26 The primary LLC associated with the Cottage Grove facility is PanCentral CGC Holdings, LLC. This entity serves as a "special purpose vehicle" (SPV) that owns both the existing Cottage Grove Cogeneration plant and the Cottage Grove Battery Energy Storage (BESS) project.

Panamint Capital: https://panamintcapital.com/

There are also specific entities tied to the ownership and management of the site:

- LSP-Cottage Grove, L.P.: The specific project entity that closed a $165.9 million refinancing in June 2025.
- Littletown Holdings LLC: An entity owned by the management team of Panamint Capital LLC that shares ownership of the LSP-Cottage Grove partnership.
- Ultra Capital, LLC: A fund management firm that provides equity for the project and acts as a primary partner to Panamint Capital.
- QIC Private Infrastructure Debt Partner

Panamint's Who's Who: QIC (uses HoldCo financing); PanCentralCGC Holdings LLC (an SPV) and the owner; Ultra Capital (financing sponsor); Panamint Capital (financing sponsor), QIC was the sole lead arranger and lender in the financing. Ultra Capital and Panamint Capital are sponsors to the financing, with Ultra providing equity capital and Panamint providing management services; Littletown Holdings LLC (parent company is Panamint Capital); Panamint Capital backers (a minority interest from Global Atlantic Financial Group, a subsidiary of KKR & Co)

https://panamintcapital.com/wp-content/uploads/2026/04/QIC-PDI-Cottage-Grove-financing-press-release-MMS2926-FINAL-1.pdf
https://panamintcapital.com/wp-content/uploads/2026/01/Energy-Investor-Targets-1.8GW.pdf
https://www.qic.com/News-and-Insights/QIC-completes-US$33-million-debt-financing-in-support-of-Cottage-Grove-Battery-Energy-Storage-System

Global Infrastructure Partners (GIP), a part of BlackRock and **PGIM Private Capital** were the purchasers of the notes and **Mizuho** acted as LC issuing bank. **White & Case LLP** served as counsel to the issuer and **Morgan Lewis & Bockius LLP** served as counsel to the purchasers and LC issuer. **PEI Global Partners** served as exclusive financial advisor to the issuer on the transaction LSP-Cottage Grove, L.P., which is wholly owned by funds managed by Ultra Capital, LLC and Littletown Holdings LLC, an entity owned by the management team of Panamint Capital LLC, and receives Management Services from Panamint Capital.
https://www.prnewswire.com/news-releases/ultra-capital-and-panamint-capital-complete-165-9-million-refinancing-for-cottage-grove-cogeneration-302470250.html

7.2.25 Basin Electric enters tolling agreement with Panamint Capital - Start date December 2027. 15 year tolling agreement. Will buy the natural gas used to operate the plant and will receive electricity generated to help meet the cooperative's energy needs.
https://www.basinelectric.com/news-center/news-briefs/Basin-Electric-enters-tolling-agreement-with-Panamint-Capital

Definitions:
Xcel Energy Power Purchase Agreement (PPA) is a long-term contract between Xcel Energy and an independent power developer or a commercial customer. Under this agreement, one party generates electricity from a specific facility (often a renewable source like wind or solar) and Xcel agrees to purchase that energy at a predetermined rate over a set period. (eDocket E002/CN-23-212; E002/RP-24-67)

HoldCo financing is a structural financing strategy where debt or equity is raised at the holding company (parent) level, rather than by the underlying operating subsidiaries (OpCos). It allows sponsors to raise capital or fund acquisitions by using equity pledges and distribution rights as collateral.

Special Purpose Vehicle: A Special Purpose Vehicle (SPV)—also called a Special Purpose Entity (SPE)—is a distinct, legally separate subsidiary created by a parent company to isolate financial risk, carry out a specific business purpose, or securitize assets