

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
Nancy Lange
Dan Lipschultz
John 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 2014 SOLAR ENERGY
STANDARD ANNUAL REPORT

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

I. INTRODUCTION

On April 25, 2014, the Commission issued its *Order Clarifying Solar Energy Standard Requirements and Setting Annual Reporting Requirements* in Docket No. E-999/CI-13-542 (April 25th Order). The Commission delegated authority to the Executive Secretary to issue a notice listing the reporting requirements as outlined in the April 25th Order.

The Commission issued a Notice on April 21, 2014, establishing content requirements for 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 utilities' SES annual reports.

On October 23, 2014, the Commission issued its October 23rd Order, establishing additional content requirements for utilities' solar SES annual reports beginning June 1, 2014, and every June 1 thereafter, through 2020. In response to the Commission Notice and October 23rd Order, IPL provides the following 2014 SES Annual Report:

II. 2014 SES ANNUAL REPORT

The Commission's Notice and October 23rd Order directed utilities to provide the following information:

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

IPL had retail sales of 857,399,422 kilowatt hours (kWh) in 2014.

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

IPL had 9,944,350 kWh excluded customer sales in 2014.

Please see **Trade Secret** Table 1 below, which provides a list of current customers IPL is excluding from its SES obligations under 216B.1691, subd. 2f(d)(1) and (2).

Table 1: IPL Customers Excluded from SES Obligations

Customer	Statutory Category	NAICS Code	2014 Consumption (kWh)
[TRADE SECRET DATA BEGINS			

			TRADE SECRET DATA ENDS]
Total			9,944.350

- 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 in 2014.

- 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 is 9,944,350 kWh.

- 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 in 2014. IPL has never had any solar PV units registered in M-RETs, and thus no S-RECs were generated in 2014 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 to meet the 1.5 percent SES requirement; therefore, an estimated capacity of 7.1 megawatts (MW) would be the estimated amount of solar generation IPL would need to meet this requirement. Please see Table 2 below, which provides the calculation for this amount. The calculation is based on using a capacity factor (CF) of 21.4 percent¹.

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

$\frac{13,334,800 \text{ kWh}}{(8,760 \text{ hrs. per year})(0.214 \text{ CF})} = \frac{13,334,800 \text{ kWh}}{1,875 \text{ hrs. per year}} = 7,112 \text{ KW or } 7.1 \text{ MW}$

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 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.

¹ Used average capacity factor from 2008-2014 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 2008-February 2014, U.S. Energy Information Administration, released April 22, 2014, and current Table 6.7.B. issued April 27, 2015.
http://www.eia.gov/electricity/monthly/epm_table_grapher.cfm?t=epmt_6_07_b.

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

IPL is evaluating the installation of community solar, utility-scale solar, developer-owned and operated solar with power purchase agreements, along with purchases in the S-REC market.

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

IPL has two customers enrolled in the Made in Minnesota rebate program with a combined capacity of 48.63 kW. The projects came online in 2015 and have not yet been registered in M-RETs, therefore no production of kWh or SRECs from solar were counted toward the SES in 2014.

9. 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 and Minnesota service territories. Please see Table 3 below, which provides a summary of the solar generation located in these states. In total, IPL has 1,151 customers with more than 19 MW of installed solar generation. IPL anticipates growth of solar generation in both states.

Table 3: IPL Solar PV Generation as of May 1, 2015

Financial Arrangement	Minnesota		Iowa	
	Number of Customers	Total Rated Nameplate Capacity (KW)	Number of Customers	Total Rated Nameplate Capacity (KW)
Net Metering	15	146	940	16,914
Parallel	0	0	45	1,263

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.

Power Purchase Agreement	0	0	5	964
Totals	15	146	990	19,141

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

IPL has not purchased or sold any S-RECs to meet the SES.

- 11. 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 in 2014 or any prior year, thus IPL's response to parts a through f of this question is zero.

III. CONCLUSION

WHEREFORE, IPL respectfully submits this 2014 SES Annual Report.

DATED this 1st day of June, 2015.

Respectfully submitted,

Interstate Power and Light Company

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