

The Commission met on **Thursday, September 23, 2021**, with Chair Sieben and Commissioners Means, Schuerger, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

E-015/M-21-257

In the Matter of Minnesota Power's Electric Vehicle Charging Infrastructure Investment

Commissioner Schuerger moved that the Commission:

1. Approve Minnesota Power's proposed plan to develop and own 16 direct-current fast-charging (DCFC) stations, with the following modifications.
2. Require Minnesota Power to consider the use of Open Charge Point Interface (OCPI) compatible chargers to the extent practicable, and require Minnesota Power to provide an explanation if OCPI-compatible chargers are not selected.
3. Include disability accessibility in Minnesota Power's site host criteria for at least one charger parking space at each DCFC charging site, and require a compliance filing within 30 days of the Commission's order in this docket documenting the company's site host application and demonstrating inclusion of accessibility for disabled persons in the application criteria.
4. Require that Minnesota Power include in its next Transportation Electrification Plan following issuance of the Commission's order, and in subsequent Transportation Electrification Plans, a section that addresses divestment issues and identifies possible divestment strategies.
5. Require Minnesota Power to file an updated electric vehicle (EV) retail tariff within 90 days of the Commission's order that reflects the midpoint of DCFC charging rates in Minnesota. Require Minnesota Power to provide supporting documentation of third-party charging rates. Delegate authority to the Executive Secretary to approve, via notice, the new tariff if no interested parties or Commission staff object or file an intent to object within 30 days of the filing.
6. Require Minnesota Power, with its annual report filing, to conduct a review of DCFC rates in Minnesota and provide evidence its retail rates result in bills that are within the range of third-party charging providers. If Minnesota Power proposes changing the rate, delegate authority to the Executive Secretary to approve, via notice, the rate change if no interested parties or Commission staff object or file an intent to object within 30 days of the filing.

7. Require Minnesota Power to file an updated EV retail tariff within 90 days of the Commission's order that lowers the energy charges for Level 2 charging to reflect residential or regional Level 2 midpoint tariff rates. Delegate authority to the Executive Secretary to approve, via notice, the new tariff if no interested parties or Commission staff object or file an intent to object within 30 days of the filing.
8. Approve Minnesota Power's proposed revenue accounting.
9. Approve Minnesota Power's request for deferred accounting, but place the following limitations on the deferred accounting authorization:
 - a. Only capital costs and depreciation costs related to the actual EV capital investment may be accrued in the deferred account.
 - b. Only the project revenue requirements, including operation and maintenance costs, that are clearly incremental to those approved in the company's rate case proceeding in Docket Nos. E-015/GR-19-442 and E-015/M-20-429 (and not Minnesota Power labor expenses already built into base rates) will be considered eligible to be reviewed for eventual recovery.
 - c. Minnesota Power may not accrue in the deferred account a return on its capital expenditures associated with the proposal.
 - d. Minnesota Power may not accrue in the deferred account property taxes related to the proposal unless the Company can show that actual total property taxes are higher than total property taxes built into base rates.
 - e. In its next general rate case filed after November 1, 2021, Minnesota Power must address how it intends to handle and budget for future EV programs.
 - f. Deferred accounting is granted only for costs incurred between the issuance of the Commission's order approving the pilots and the onset of the test year in Minnesota Power's rate case filed after November 1, 2021.
10. Require Minnesota Power to provide the following information and data to the greatest extent practicable. Where Minnesota Power is not able to do so, it shall explain why. Reports shall be filed on an annual basis throughout the pilot as part of Minnesota Power's Annual EV report in Docket No. E-015/M-15-120, with a copy filed in the present docket. Where applicable, include data in spreadsheet (.xlsx) format. Delegate authority to the Executive Secretary to establish final report formatting, clean up any inconsistencies between various existing reporting requirements in individual dockets, and modify reporting requirements via notice after input from stakeholders.
 - a. DCFC and Level 2 Charging Stations

- i. Location of each charging site, including the number of chargers and ports, including port capacity
 - ii. Customer service and technical assistance needs
 - iii. Operation and maintenance costs
 - iv. Number of renewable energy credits retired
 - b. Revenues
 - i. Energy revenues
 - ii. Demand revenues
 - iii. Fixed fee revenues
 - c. For each site, on a monthly basis:
 - i. Energy consumption (kWh) for each period of Minnesota Power's rate schedule
 - ii. Coincident peak demand, at the Midcontinent Independent System Operator (MISO) system peak and the Minnesota Power system peak, including the time of day at which the peak occurred
 - iii. Non-coincident peak demand, including the time of day the peak occurred
 - iv. Number of charging events, times, and durations, to the extent available
 - d. A discussion on interoperability of installed charging equipment, including on any communication, billing, or access issues
 - e. Spending by category included in its deferred account for future recovery
 - f. Any external grant money secured that contributes towards project costs.
11. Where not otherwise noted, require Minnesota Power to submit a compliance filing consistent with the Commission's decision in this matter no later than 30 days after the issuance of the order.

The motion passed 5–0.

IP-7046/WS-20-860

In the Matter of In the Matter of the Application for a Site Permit Amendment to Decommission the Existing Chanarambie and Viking Wind Facilities and Construct the 120-Megawatt Northern Wind Facility in Murray County, Minnesota

Commissioner Tuma moved that the Commission:

1. Issue the proposed draft site permit attached to the briefing papers which incorporates the modifications proposed by the Department of Commerce, Energy Environmental Review and Analysis unit.
2. Authorize Commission staff to modify the draft site permit to correct typographic and formatting errors, improve consistency, and ensure agreement with the Commission's final order in the matter, as necessary.

The motion passed 5–0.

E-002/CN-08-510

In the Matter of In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for a Certificate of Need for Additional Dry Cask Storage at Prairie Island Nuclear Generating Plant in Goodhue County.

Chair Sieben moved that the Commission take no action on the request of Northern States Power Company d/b/a Xcel Energy to change the type of waste storage technology until a supplement to the 2009 Prairie Island Final Environmental Impact Statement has been issued in accordance with Minnesota Statutes section 116D.04 and Minnesota Rule 4410.3000 as recommended by the Department of Commerce, Energy Environmental Review and Analysis unit.

The motion passed 5–0.

E-015/M-21-28

In the Matter of the Petition by Minnesota Power for Approval of its Industrial Demand Response Product C Contracts.

Chair Sieben moved that the Commission take the following actions:

1. Approve the eight Product C agreements in the January 4 and January 6 proposal and establish a pilot based on those agreements.

2. Approve the Amendment to Minnesota Power's Rider for Large Power Demand Response Service to change the allowed contract period from "three or five years" to "between three and six years."
3. Establish a Pilot Program for Demand Response Product C based on the proposed contracts including the following:
 - a. The proposed Product C agreements will be used as a six-year pilot program.
 - b. The existing three capacity sales will be used as the sole source to fund the Product C pilot.
 - c. The Company will not enter into any additional Product C agreements or Product C capacity sales agreements until an evaluation of the pilot was completed by the Commission, or during the pilot program term, whichever comes first.
 - d. The Company will conduct the pilot for six years and will evaluate the program, make a compliance filing regarding the below metrics, and make proposals for replacement including options for transitioning to a program that provides MP system capacity net benefits by no later than the end of year 4 to determine if it should initiate additional capacity sales to fund future Product C offerings.
 - e. The Company shall make annual evaluations beginning in March 2023 that include the following metrics:
 - i. Number of curtailments;
 - ii. MWs curtailed;
 - iii. Testing and certification completed;
 - iv. Savings impact to customers measured as parts of the total bill;
 - v. Description of whether this program is cost-effective relative to comparable generation assets;
 - vi. A discussion on whether there are any rate impacts within the rate class or across other rate classes;
 - vii. The status of MISO accreditation for Product C demand response;
 - viii. An explanation of MP's capacity position and the impact the Product C capacity sales and demand response have had on that position, including how the sale of LRZ credits and addition of Product C demand response affects MP's planning reserve margin;

- ix. Has Product C limited the ability of the Company to apply any of its other demand response programs for the benefit of their distribution system?
 - x. What impact has Product C had on enrollment in Product A or any other available demand response program?
 - xi. A description of any realized environmental benefits of Product C;
 - xii. A quantified analysis of the impact Product C demand response has had on retaining large power customers; and
 - xiii. A thorough accounting of administrative costs.
4. Establish the following requirements for Product C offerings:
- a. Non-participating customers must be held harmless for Customer's failure to curtail or there is not sufficient funds in the three existing capacity sales agreements to cover the cost of the pilot.
 - b. Require MP to explain Product C's impact on Resource Adequacy in future Integrated Resource Plans.
 - c. In the upcoming rate case, MP shall identify any cost allocation impacts caused by Product C and explain the ratemaking treatment and implications of the program in detail.
 - d. Recover all administrative costs from participating customers or through the funds made available by the three existing capacity sales.
5. Minnesota Power shall file the pertinent details of any and all of its bilateral contracts that exceed one year or 50 MW, such as the duration, price, and amount of capacity and associated energy to be purchased or sold, within 30 days after the contracts are signed.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: October 6, 2021



Will Seuffert, Executive Secretary