

**Comments from International Union of Operating Engineers Local 49 and Laborers
International Union of North America-MN and ND**

September 9, 2024

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: In the Matter of the Commission Investigation into Gas Utility Resource Planning (23-117)

Dear Mr. Seuffert,

Thank you for the opportunity to provide proposed decision options for the Public Utilities Commission (Commission) consideration. As we have stated previously in this docket, we believe the Commission's previous order addresses most of the issues needed for the natural gas utilities to submit their first round of Integrated Resource Plans (IRPs). We are broadly aligned with the decision options proposed by the Center for Energy and Environment (CEE) which we believe are narrowly tailored to moving the process forward. However, we do not support four of the decision options and propose the below alternatives:

20H

We continue to support the use of Expansion Alternative Analysis (EAA) for 2-3 large expansion projects. We had originally understood this to mean that the largest 2-3 projects would be selected for EAA. However, we understand that other parties wish to see a larger selection of projects considered for EAA. We are concerned that the threshold proposed by CEE and the joint commenters would result in significant time and resources being used discussing and debating whether the utility selected the "right" 2-3 projects for EAA out of those above the threshold. We would encourage the Commission to consider the below compromise alternative decision option.

20H. \$1 million for MERC, \$3 million for Xcel Energy, \$5 million for CenterPoint Energy and a cap on 6 largest projects.

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Given that the Commission previously adopted criteria for resource plan evaluation in their previous order (Order Point 20), we do not believe this order point is necessary. We don't believe that EAA resources should be evaluated on a different criteria than other resources. Order Point 20 from the previous order could be amended to clarify that the adopted criteria applies to EAA's as well:

28. Order Point 20 is modified as follows:

Resource plans, including EAA resources, will be evaluated based on the characteristics of the available resource options and of the proposed plan as a whole. Resource options and resource plans will be evaluated on their ability to:

- a. Maintain or improve the safety, adequacy, and reliability of utility service.*
- b. Keep the customers' bills and the utility's rates as low as practicable, given regulatory and other constraints.*
- c. Minimize adverse socioeconomic effects and adverse effects upon the environment.*
- d. Enhance the utility's ability to respond to changes in the financial, social, and technological factors affecting its operations.*
- e. Limit the risk of adverse effects on the utility and its customers from financial, social, and technological factors that the utility cannot control.*
- f. Include cost-effective energy savings as the preferred energy resource.*

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We take no position on MERC's request for deferred accounting

CUB/CEE New A and B

We oppose CUB/CEE New A and B. We understand this proposal's intention is to be a technical clarification that ensures that resources are considered on a fair basis, including recognition of all costs for a given resource alternative. However, by striking the limitations placed on resource planning in order points 3 and 55 from the Commission's previous order, the proposal undoes a core component of the previous resource planning order that was critical to our support.

Thank you for the opportunity to provide comments and we appreciate the collaborative work of all stakeholders in the process. We thank the Commission for their ongoing recognition of the important role of workers in the process.

Sincerely,

Nathan Runke, Regulatory and Political Affairs Coordinator, International Union of Operating Engineers Local 49

Kevin Pranis, Marketing Manager, Laborers International Union of North America–Minnesota and North Dakota