



November 18, 2025

Via Electronic Filing

Sasha Bergman
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: Round 4 Reply Comments

In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon-Free Standard under Minn. Stat § 216B.1691
Docket No: E999/CI-23-151

Dear Ms. Bergman:

Central Minnesota Municipal Power Agency, doing business as Central Municipal Power Agency/Services (CMPAS) provides these Reply Comments in response to the Notice for Comment issued on September 12, 2025 in this docket and in response to the additional Notice for Comment issued on October 17, 2025.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the service list for this docket. Please contact me at (763) 710-3932 or jaya@CMPAS.org with any questions regarding this filing.

Sincerely,

Jay D Anderson
Chief Executive Officer
Central Minnesota Municipal Power Agency/Services

cc: Service List

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

Katie J. Sieben
Joseph Sullivan
Hwikwon Ham
John A. Tuma
Audrey Partridge

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Commissioner

IN THE MATTER OF AN INVESTIGATION
INTO IMPLEMENTING CHANGES TO THE
RENEWABLE ENERGY STANDARD AND THE
NEWLY CREATED CARBON FREE STANDARD
UNDER MINN. STAT. § 216B.1691
Docket No. E002/CI-23-151

Round 4 Reply Comments of
Central Municipal Power
Agency/Services

Introduction

Central Minnesota Municipal Power Agency, doing business as Central Municipal Power Agency/Services (CMPAS), appreciates the Minnesota Public Utilities Commission's (Commission) October 17, 2025 Notice of Comment¹ for the issue CMPAS introduced into the record in its October 15, 2025 response to Commission Order Point 1C². In these Reply Comments, CMPAS adds to the record in response to the October 17, 2025 Notice of Comment and replies to the comments of other parties regarding the September 12, 2025 Notice of Comment about offramps for the Carbon Free Standard (CFS) under Minn. Stat. § 216B.1691, subd. 2b. CMPAS appreciates the chance to submit these comments and looks forward to future opportunities for input.

¹ *In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691*, Docket No. E-999/CI-23-151. Minnesota Public Utilities Commission, Notice of Comment. October 17, 2025.

² *In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691*, Docket No. E-999/CI-23-151. Response to Order Point 1C. Central Municipal Power Agency/Services. October 15, 2025.

Selected Topics Open for Comment:

1. In light of the statutory changes made by H.F. No. 7, are any additional clarifications necessary regarding the off-ramp process outlined in the Commission’s March 19, 2010 Order in Docket No. E-999/CI-03-869?

Expanding the Requirement to include Reference to Additional Credit Types

CMPAS supports the concept recommended in Initial Comments from several parties³ to expand the requirement to include reference to Alternative Energy Credits (AECs) and/or equivalent Environmental Attribute Credits (EACs).

Ensure that utilities of all sizes continue to have a clear process for submitting rate impact information as part of any petition for delay or modification.

Regarding rate impacts as a statutory ground for modifying or delaying a standard obligation, multiple commenters have recommended that Order Points 7 and 8 from the March 19, 2010 Order in Docket No. E-999/CI-03-869 (“Order Points”) may no longer be necessary⁴, citing evidence such as resource planning processes and the subsequent passage of Minn. Stat. § 216B.1691, subd. 2e as places where rate impact information is already considered.

CMPAS recognizes that some consolidation or update may be helpful for many larger utilities but asks that, at minimum, the concept in the bold underlined part below from Order Point 7⁵ is retained and updated to clearly include the CFS:

“7. The Commission clarifies that it will use the proceedings and methods discussed in section V of this order to track the rate and reliability effects of the Renewable Energy Objectives and Standards. **The Commission will accept voluntary filings on the rate impact of the Renewable Energy Objectives and Standards in the biennial compliance reports filed by utilities not required to file resource plans** [emphasis added].”

CMPAS makes this request because eliminating these Order Points in entirety makes the entire offramp process less clear for utilities not required to file a resource plan under Minn. Stat. § 216B.2422, subd. 2 than for all other utilities serving retail customers in Minnesota. Consider:

- 1) Minn. Stat. § 216B.1691, subd. 2e, which concerns reporting on costs of CFS compliance, does not apply to utilities not required to file a resource plan under Minn. Stat. § 216B.2422, subd. 2. Extirpating the text from Order Point 7 in entirety means

³ *In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691*, Docket No. E-999/CI-23-151. Round 4 Initial Comments submitted by Minnesota Power, Xcel Energy, and Minnesota Department of Commerce, October 27-28, 2025.

⁴ *In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691*, Docket No. E-999/CI-23-151. Round 4 Initial Comments submitted by Minnesota Power and Xcel Energy, October 27-28, 2025.

⁵ *In the Matter of Detailing Criteria and Standards for Measuring an Electric Utility’s Good Faith Efforts in Meeting the Renewable Energy Objectives Under Minn. Stat. § 216B.1691*, Docket No. E-999/CI-03-869. Minnesota Public Utilities Commission Order. March 19, 2010.

the procedural vehicle through which rate impact data can be submitted by these smaller utilities is no longer clearly stated in any current Commission Order or docket.

- 2) The March 19, 2010 Commission Order identifies, as part of the rationale for their Order Points, that some utilities in Minnesota are too small to file resource plans⁶. The manners of considering rate impact data, and the types of rate impact data the Commission at that time preferred to consider for these utilities are largely contained within Order Points 7 and 8 from the March 19, 2010 Order since there are no other dockets or orders establishing such processes or Commission preferences for these utilities.

While CMPAS requests to keep the bold underlined text from Order Point 7 at minimum, CMPAS optionally also indicates that if the Commission still has a preference about the types of rate impact data considered for any requests for delay or modification of the CFS, such as the forward-looking, long-term, information the Commission preferred in Order Point 8 of its 2010 Order, CMPAS recommends such preferences are stated somewhere within any Commission Order regarding the offramp process for the CFS. The purpose of such text is clear and simple: to provide an explicit record on the process and type of data for small utilities who do not have other applicable Commission Orders or dockets already stating these preferences.

2. Should the Commission approve Central Municipal Power Agency/Service's request for extended duration of Environmental Attribute Credits associated with certain wind projects?

Regarding the commissions September 12, 2025 Request for Comment, CMPAS adds the following to the record:

CMPAS members are small and only a few of these projects will make a vast impact for members. For example, a hypothetical 4 MW utility contracting for a 0.7 MW share of a 12 MW wind project is like a 4,000 MW utility undertaking a 914 MW wind project. In other words, it's a massive undertaking proportionally, and whether to pursue such undertaking is a significant decision for a municipal utility's board, council, or commission to make, especially if the utility does not need many new resources to serve its own load until the early or mid-2030s. In contrast to choosing to acquire new resources on a timeline the utility has actively chosen, these utilities have less control over the timing of available opportunities for these older smaller wind farms because they are a function of the wind asset's age or existing contract expiration dates instead.

Extending the duration of Environmental Attribute Credits has a nontrivial impact on the value of choosing to acquire these older wind assets now instead of waiting until the 2030s, when

⁶ *In the Matter of Detailing Criteria and Standards for Measuring an Electric Utility's Good Faith Efforts in Meeting the Renewable Energy Objectives Under Minn. Stat. § 216B.1691*, Docket No. E-999/CI-03-869. Minnesota Public Utilities Commission Order. March 19, 2010. Page 9.

the utility might need more new resources. At that time, nearly all the currently operating small transmission-interconnected assets will already have retired, and CMPAS is concerned small utilities will find it extremely difficult to build new transmission-interconnected resources of the same size.⁷

⁷ CMPAS believes it is less likely for greenfield, newly constructed wind assets under 20 MW in size to be transmission-interconnected in future years instead of distribution system interconnects. CMPAS believes there are several indications supporting this rationale, most importantly of which are the potential for transmission interconnection costs to be prohibitive for projects of this size and a difficulty in finding developers who prioritize projects of this scale over larger assets.