



Minnesota Center for Environmental Advocacy

Using law, science, and research to protect Minnesota's environment, its natural resources, and the health of its people.

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May 2, 2016

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101

Re: *In the Matter of Establishing an Estimate of the Costs of Future
Carbon Dioxide Regulation on Electricity Generation under Minn.
Stat. § 216H.06
PUC Docket No. E-999/CI-07-1199
Related Docket No. E-999/CI-15-708*

Dear Mr. Wolf,

The Clean Energy Organizations (“CEOs”) reply to comments submitted by others in this docket to emphasize the significance and value of reevaluating the way that external regulatory cost estimates interact in light of increasing knowledge of Carbon Dioxide (“CO₂”) regulations. Although Minnesota’s state plan for implementing the Clean Power Plan (“CPP”) has not been issued yet, the CPP includes state emission reduction targets. Based on this knowledge, the Commission is in a position to determine an appropriate proportion of emissions likely to be regulated. The interaction may be complex, but the Commission can determine a reasonable proxy that will guide a more realistic estimate of these costs.

Minnesota Power suggested in comments that the Commission should not address this issue because the regulatory and external cost estimates are distinct. We agree. But the current application of these two values, sequentially by year, does not accurately account for their distinct purposes.

In Docket No. 15-690 (Minnesota Power’s Integrated Resource Plan (“IRP”)), CEOs suggested that a technical workgroup to establish “best practices” in IRPs could create efficiencies in the long run. CEOs suggest that such a docket could also address the issue of a reasonable interaction between regulatory and external cost estimates.

Sincerely,
/s/ Christine B. Hottinger
Christine B. Hottinger
Attorney for Clean Energy Organizations