



Novel Energy Solutions
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February 24, 2015

—Via Electronic Filing—

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

RE: COMMENTS COMMUNITY SOLAR GARDENS
DOCKET
No.E002/M-13-867

Dear Mr. Wolf:

Novel Energy Solutions respectfully submits the following comments in response to Xcel Energy's February 10, 2015 comments on the Community Solar Garden program and concerns of "utility-scale" sizing of project applications.

We have electronically filed this document with the Minnesota Public Utilities Commission. Please contact me at duane.hebert@novelenergy.biz or 507-961-3350 if you have any questions regarding this filing.

Sincerely,

Duane Hebert
Novel Energy Solutions



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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 THE PETITION OF NORTHERN STATES POWER
COMPANY FOR APPROVAL OF ITS PROPOSED COMMUNITY SOLAR
GARDENS PROGRAM
DOCKET
No.E002/M-13-867

COMMENTS:

Overview

Novel Energy Solutions supports in part, and neither supports nor opposes portions of Xcel Energy's comments in their February 10, 2015 filing. These comments follow the structure of Xcel's filing.

Operational Consideration

Novel Energy Solutions supports Xcel Energy's concern over the potential manipulation of the Community Solar Garden program for the purpose of creating "utility-scale" projects by disguising them as multiple 1MW-sized Community Solar Gardens. We support Xcel Energy's assertion that the Section 10 Interconnection tariff requires requests to not exceed 10MW, and systems greater than 10MW will be referred to MISO.

Novel Energy Solutions previously expressed concerns over the use of the Section 10 process as a way to circumvent the Section 9 Solar*Rewards Community application process. Based on comments and statements at CSG Workgroup meetings and other discussions it is a distinct probability that several of the 10MW or larger Community Solar Garden applications started as Section 10 Interconnection applications prior to the opening of the Solar*Rewards Community application process. While Novel Energy Solutions applauds efforts to gain a competitive advantage, efforts to manipulate the system or take advantage of loopholes provides unfair competitive advantages that could be damaging to the Community Solar Garden as a whole, and raise questions amongst policy makers on the integrity of the program.

Xcel Energy did not dispute the solar industry request to allow multiple 1MW-sized to be placed together for the benefit of "coupling". Novel Energy Solutions supported this request within the confines of the Section 10 tariff. Novel Energy Solutions would not have been supportive of this request if it had been understood that this request was for the purpose of blatantly circumventing existing tariffs or the community solar garden application process.



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Novel Energy Solutions supports efforts to follow existing tariffs and prevent circumvention. We support multiple 1MW or less-sized Community Solar Gardens in the same location up to the Section 10 tariff amount of 10MW. We urge additional review of any solution through consideration of ways in which some in the industry may attempt to circumvent the final determination on this issue.

Legislative Intent

Novel Energy Solutions makes no assertion of knowing the Legislative intent on the formation of the Community Solar Garden program. The established rate structure for the various categories of subscribers is a positive mechanism to help incentivize access to Community Solar Gardens by as many people as possible. Others have argued that was the intent of the Legislature. The current structure allows those of us in the industry to match our business intentions with the values we bring to the communities we serve. Those intentions and values will vary business to business.

Rate Pressure

Novel Energy Solutions has not fully analyzed Xcel Energy's claim that efforts to circumvent the Section 10 tariff mentioned above will somehow lead to increased rate pressure. We suggest that absent any empirical data on the impact of Community Solar Gardens on rates this argument is premature and is merely conjecture.



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Aligning with the Public Interest

Novel Energy Solutions believes the public interest is served through advancement of access to solar energy as a renewable energy resource. Aligning efforts to move away from the current electric generation and distribution model to the model of the future will be the difficult part. We can only speculate Xcel Energy's proposal related to the rate structure. Novel Energy Solutions suggests any consideration of changes in rate structure, interconnection requirements, application or other changes to the current Section 10 or Section 9 process take into consideration those of us in the industry who have abided by all timelines, rules and regulations including waiting for the Solar*Rewards Community program to start accepting applications, and ensuring those applications remained under the 10MW size found in the Section 10 tariff.

Novel Energy Solutions is a regular participant in the Community Solar Garden Workgroup. We appreciate the opportunity to share the opinion of a smaller Minnesota-based company looking to expand the use of renewable energy and all of its benefits throughout the State of Minnesota. We support using the Workgroup as a means to make recommendations to clarify or refine program rules and/or interpretations. We raise caution that not all businesses in the industry have the same resources and capacity to make their voices heard equally. We ask that this be a consideration as part of these deliberations.



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Conclusion

Novel Energy Solutions supports efforts to improve and strengthen the Community Solar garden program and expedite its implementation. We look forward to continued efforts to allow input from all stakeholders.

Dated: February 24, 2015

Duane Hebert

Novel Energy Solutions

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