

FRYBERGER

— LAW FIRM —

JOHN R. GASELE
Duluth Office
jgasele@fryberger.com
218.725.6849

October 1, 2019

VIA E-FILING

Mr. Dan Wolf
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101

Re: *October 2019 Neutral Footprint Compliance Filing, In re Application Of Enbridge Energy, Limited Partnership For A Certificate Of Need For The Line 67 Station Upgrade Project – Phase 2, MPUC Docket No. PL9/ CN-13-153*

Dear Mr. Wolf:

Attached hereto for electronic filing is Enbridge Energy, Limited Partnership's October 1, 2019 Neutral Footprint Program compliance filing under the above-captioned docket. A certificate of service is also attached. This filing consists of the following parts:

	Public Documents	Trade Secret Documents
October 1, 2019 Neutral Footprint Filing	1 (this document)	-
Attachments A and B to the October 1, 2019 Neutral Footprint Filing	1	1

Please contact me if you have any questions regarding this filing.

Very truly yours,

/s/ John R. Gasele

FRYBERGER, BUCHANAN, SMITH & FREDERICK, P.A.

DULUTH
302 West Superior St, Ste 700
Duluth, MN 55802
p: (218) 722-0861
f: (218) 725-6800

SUPERIOR
1409 Hammond Ave., Suite 330
Superior, WI 54880
p: (715) 392-7405
f: (715) 392-7407

ST. PAUL
380 St. Peter Street, Suite 710
St. Paul, MN 55102
p: (651) 221-1044
f: (651) 221-1035

fryberger.com

**State of Minnesota
Before the
Minnesota Public Utilities Commission**

Katie Sieben
Dan Lipschultz
Matthew Schuerger
John Tuma
Valerie Means

Chair
Vice Chair
Commissioner
Commissioner
Commissioner

IN THE MATTER OF THE APPLICATION OF ENBRIDGE ENERGY, LIMITED PARTNERSHIP FOR A CERTIFICATE OF NEED FOR THE LINE 67 STATION UPGRADE PROJECT – PHASE 2	DOCKET No. PL9/ CN-13-153 NEUTRAL FOOTPRINT PROGRAM COMPLIANCE FILING October 2019
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INTRODUCTION

This filing presents Enbridge Energy, Limited Partnership’s (“Enbridge”) update on its Neutral Footprint Program (the “Program”) for the Line 67, Phase 2 project (the “Project”). The Project was permitted by the Commission on November 7, 2014, allowing Enbridge to upgrade the capacity of the pipeline from the 570,000 barrels per day (“bpd”) permitted under the Line 67, Phase 1 project, to 800,000 bpd.¹ The Commission conditioned the Project’s certificate of need on Enbridge complying with the Program, part of which includes replacing every kilowatt hour of electricity used to move the additional 230,000 bpd of capacity with a kilowatt hour of renewable power.² The Commission clarified that Enbridge is required to replace only non-renewable power consumed to comply with the Program’s kilowatt hour requirement in an order issued on August 18, 2017 (the “Order”).³ The Program also required the Project to be neutral with respect to trees cleared and acres impacted.

¹ Order Granting Certificate of Need, November 7, 2014, p. 31 (E-Docket ID 201411-104527-01).

² *Id.* at p. 32.

³ Order Clarifying Neutral Footprint Objectives and Requiring Compliance Filing, August 18, 2017, MPUC Docket PL-9/CN-13-153, p. 5 (E-Docket ID 20178-134854-01).

PROGRAM UPDATE

A. Tree for Tree and Acre for Acre Update

The Project is fully constructed, and Enbridge demonstrated compliance with the number of trees and acres impacted by the Project in 2017. These components of the Program remain unchanged.

B. Kilowatt for Kilowatt Update

Compliance with the kilowatt for kilowatt segment of the Program is an ongoing obligation. The Order requires Enbridge to track use of nonrenewable energy to operate the Phase 2 expansion of Line 67, as noted above. This calculation requires establishment of a baseline from which the incremental use of nonrenewable power can be determined.

The Project increased the capacity of Line 67 by 230,000 bpd. Accordingly, the amount of renewable generation used to offset power consumed by the Project should be that required to move 230,000 bpd. This is reflected in the Order, which required Enbridge to compare power use before implementation of the Project, when Line 67's capacity was 570,000 bpd, to that used to operate the Project.⁴ The Phase 1 expansion of Line 67 was in operation for only ten months, from September 2014 to the end of June 2015. Line 67 was not yet at the full permitted capacity during most of that period, as shown on Attachment A.⁵ Enbridge therefore established the baseline for calculating the total amount of incremental energy used to operate the Phase 2 expansion by using the average of the two months of that period that were closest in throughput to the permitted future capacity of Line 67, Phase 1. The baseline calculation is presented on Attachment A.

⁴ Order, p. 5, ¶ 2 (Filings regarding the kWh component of the Project “shall include a calculation of (a) the incremental increase in Enbridge’s energy consumption due to the Phase 2 project . . .”); *Order Granting Certificate of Need*, MPUC Docket No. PL-9/CN-12-590, August 12, 2013, p. 8. (E-Docket ID 20138-90205-01) (establishing the capacity of Line 67 at 570,000 bpd).

⁵ Attachments A and B contain trade secret information that is protected by the Minnesota Data Practices Act. The data has economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons and is subject to efforts by Enbridge to prevent public disclosure. The trade secret information includes actual pipeline throughput, energy consumption that can be used to calculate throughput, and information regarding the number of RECs that Enbridge must acquire to comply with the Program. Competitors could use this data to obtain economic advantages over Enbridge that would not otherwise be available. Enbridge maintains the data as a trade secret based on its economic value from not being generally known and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. Accordingly, Enbridge requests that the data included on Attachments A and B be treated as non-public data pursuant to Minn. Stat. § 13.37, subd. 1(b). All trade secret data has been excised from the public version of Attachments A and B.

The Order also provided Enbridge time to explore whether it would purchase or construct a renewable energy facility in Minnesota, or purchase and retire Renewable Energy Credits (“RECs”) to offset Line 67, Phase 2’s use of nonrenewable power.⁶ Enbridge currently plans to purchase RECs from the Midwest Renewable Energy Tracking System (“M-RETS”), the North American Renewables Registry (“NAR”), or the Electric Reliability Council of Texas (“ERCOT”) which operates Texas Renewables (“Texas Renewables”). All three entities allow the purchase and retirement of unique, trackable RECs created by generation of one megawatt hour of renewable generation.⁷ Use of these three systems will allow Enbridge access to all of the RECs required for each year of Project operations from a large number of renewable power projects.⁸ All three systems require each REC to have an individual serial number to facilitate tracking from generation through retirement.⁹ This eliminates any risk of dual-counting. In sum, all three systems are functionally the same, allowing RECs to be permanently retired to eliminate any risk of accidental double-counting.¹⁰ The three systems also operate using the same basic operating framework.¹¹ Texas Renewables serves the Texas market, but M-RETS and NAR both serve projects across the United States and Canada.¹² RECs can be transferred among the platforms, subject to some limitations and policies of each system.¹³ As discussed below, Enbridge anticipates purchasing and retiring a significant number of RECs annually for the life of the Project. Allowing Enbridge to utilize three REC marketplaces will provide Enbridge with flexibility to economically access a large pool of RECs to meet the Program requirements.

⁶ Order, p. 4.

⁷ See M-RETS Operating Procedures, 2014, p. 6 (describing M-RETS operation) (available online at <https://www.mrets.org/wp-content/uploads/2014/03/Operating-Procedures-.pdf>) (“M-RETS Procedures”); see also NAR Operating Procedures, November 2018, p. vii (definition of REC) and 1 (describing NAR tracking and retirement of RECs) (available online at <http://apx.com/wp-content/uploads/2018/11/NAR-Operating-Procedures-November-2018.pdf>) (“NAR Procedures”). ERCOT operates [texasrenewables.com](http://www.texasrenewables.com) as the mechanism by which RECs, defined under Texas law as one MWh of renewable energy physically metered and verified in Texas under §25.173(c)(13) of Substantive Rule 25 of the Public Utility Commission of Texas (available online at <http://www.puc.texas.gov/agency/ruleslaws/subrules/electric/25.173/25.173.pdf>) (Texas Rule 25), are registered, traded, and retired. See ERCOT Renewable Energy Credit Information (available online at <http://www.ercot.com/services/programs/rec>) (last visited September 24, 2019).

⁸ Each system has a broad geographic reach, but projects are required to report 100% of their renewable generation to only a single REC-tracking system. Projects located in one state, therefore, may be registered with M-RETS, Texas Renewables, or NAR.

⁹ M-RETS Procedures, p. 33; NAR Procedures, p. 5; Texas Rule 25, § 25.173(1)(3).

¹⁰ *Id.*

¹¹ See APX VCS Registry (<https://apx.com/registries/apx-vcs-registry/>) (last visited September 24, 2019).

¹² See North American Renewables Registry (<https://apx.com/registries/nar/>) (last visited September 24, 2019); see also Why Use M-RETS (<https://www.mrets.org/about/why-use-m-rets/>) (last visited September 24, 2019).

¹³ REC Imports & Exports (<https://www.mrets.org/registries/>) (last visited September 24, 2019).

The number of RECs Enbridge must purchase and retire for each year of operation of the Project to comply with the Program is included on the Trade Secret version of Attachment B, which is based on the most recent and accurate data from the utilities. The requirement is calculated by subtracting the Baseline value from the actual power used by the Project each month. The result represents the incremental increase in power used by the Project. Enbridge then subtracts the amount of power equal to the percentage of renewable energy supplied to Enbridge by Minnesota Power and Otter Tail Power. The percentage of renewable energy is equal to the amount each utility is required to produce to satisfy the Minnesota Renewable Energy Standard.¹⁴ The result is the non-renewable energy Enbridge used to operate the Project over the amount of power consumed by Line 67 prior to the upgrade. This is the number of RECs Enbridge will purchase and retire in order to satisfy its obligations under the Program.

C. Reporting Schedule

Enbridge also proposes a revised compliance filing system for the Program to make the reporting process more efficient for Enbridge and the Commission. The Order currently requires Enbridge to make two filings per year. Every October, Enbridge must provide the Commission with an update on compliance with the Program objectives, including the amount of power utilized by the Project over the Baseline and the amount of the incremental increase that comes from nonrenewable sources. Every November, Enbridge must provide the Commission with documentation demonstrating compliance with the kilowatt for kilowatt portion of the Program.¹⁵ Enbridge respectfully proposes that these two documents be combined into a single compliance filing with the Commission, to be submitted by March 15 of 2021 and annually thereafter. Each report would provide the amount of power above the Baseline that was used to operate the Project over the prior full calendar year, the amount of that power that came from nonrenewable sources, and the number of RECs purchased and retired to offset the amount of nonrenewable power used in the prior year. This single reporting system would ease the administrative burden on all parties and provide the Commission with a single source of information about the Program.

¹⁴ Enbridge does not use the actual amount of renewable generation in each utility's portfolio because the utilities may sell or otherwise make use of the RECs generated by their renewable generation in excess of the Minnesota Renewable Energy Standard.

¹⁵ Order, p. 5-6.

CONCLUSION

Enbridge remains compliant with the tree and acre components of the Program. Enbridge has also determined the baseline for power that would have been consumed by the expected operation of the Line 67, Phase 1 upgrade, and determined the number of RECs required to comply with the Program. Enbridge will begin purchasing and retiring RECs in order to meet the November 1, 2020 compliance date upon Commission approval of use of NAR and Texas Renewables in addition to M-RETS. Enbridge also requests that future compliance filings be streamlined as proposed above.

Dated: October 1, 2019

Respectfully Submitted:

By: /s/ John R. Gasele

Fryberger, Buchanan, Smith & Frederick, P.A.
John R. Gasele, Attorney Reg. No. 386700
700 Lonsdale Building
302 W. Superior Street
Duluth, MN 55802

Attorneys for Enbridge Energy, Limited Partnership.

MPUC Docket No. PL-9/CN-13-153

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

CERTIFICATE OF SERVICE

I, John R. Gasele, hereby certify that on the 1st day of October, 2019, I served true and correct copies of the attached Neutral Footprint Filing on all persons on the attached service list by electronic filing via e-dockets or U.S. mail, as indicated on the service list.

/s/ John R. Gasele
John R. Gasele

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Frank	Bibeau	frankbibeau@gmail.com	White Earth Band of Ojibwe	51124 County Road 118 Deer River, Minnesota 56636	Electronic Service	No	OFF_SL_13-153_Official
Paul	Blackburn	N/A	MN350	2104 Stevens Ave S Minneapolis, MN 55408	Paper Service	No	OFF_SL_13-153_Official
Paul	Blackburn	paul@paulblackburn.net		PO Box 17234 Minneapolis, MN 55417	Electronic Service	No	OFF_SL_13-153_Official
Tim	Bray	tim.bray@crowwing.us	Crow Wing County	16589 County Road 142 Brainerd, MN 56401	Electronic Service	No	OFF_SL_13-153_Official
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_13-153_Official
Randall	Doneen	randall.doneen@state.mn.us	Department of Natural Resources	500 Lafayette Rd, PO Box 25 Saint Paul, MN 55155	Electronic Service	No	OFF_SL_13-153_Official
Anna	Dyrdal	dyr-valley2@hughes.net		12744 180TH ST NW Thief River Falls, MN 56701	Electronic Service	No	OFF_SL_13-153_Official
Donovan	Dyrdal	dyr-valley@hughes.net		13142 180TH ST NW Thief River Falls, Minnesota 56701	Electronic Service	No	OFF_SL_13-153_Official
Peter	Erlinder	proferlinder@gmail.com	International Humanitarian Law Institute	325 Cedar St. Suite 308 St. Paul, MN 55101	Electronic Service	No	OFF_SL_13-153_Official
Annie	Felix Gerth	annie.felix-gerth@state.mn.us		Board of Water & Soil Resources 520 Lafayette Rd Saint Paul, MN 55155	Electronic Service	No	OFF_SL_13-153_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_13-153_Official
John R.	Gasele	kgasele@fryberger.com	Fryberger Buchanan Smith & Frederick PA	700 Lonsdale Building 302 W Superior St Ste 700 Duluth, MN 55802	Electronic Service	No	OFF_SL_13-153_Official
Arshia	Javaherian	arshia.javaherian@enbridge.com	Enbridge Energy	26 East Superior Street Suite 309 Duluth, MN 55802	Electronic Service	Yes	OFF_SL_13-153_Official
Cynthia	Johnson	cjohnson55802@yahoo.com		3228 Boundary Road Mahtowa, MN 55707	Electronic Service	No	OFF_SL_13-153_Official
Jon	Kingstad	kingstadlaw@pressenter.com	Law Firm of Jon Erik Kingstad	Lake Elmo Bank Bldg Ste 260 600 Inwood Ave N Oakdale, MN 55128	Paper Service	No	OFF_SL_13-153_Official
Winona	LaDuke	winonaladuke1@gmail.com	Honor the Earth	607 Main Avenue Callaway, MN 56521	Electronic Service	No	OFF_SL_13-153_Official
Eric	Lipman	eric.lipman@state.mn.us	Office of Administrative Hearings	PO Box 64620 St. Paul, MN 551640620	Electronic Service	No	OFF_SL_13-153_Official
Peter	Madsen	peter.madsen@ag.state.mn.us	Office of the Attorney General-DOC	Bremer Tower, Suite 1800 445 Minnesota Street St. Paul, Minnesota 551017741	Electronic Service	Yes	OFF_SL_13-153_Official
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	OFF_SL_13-153_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates	7400 Lyndale Ave S Ste 190 Richfield, MN 55423	Electronic Service	No	OFF_SL_13-153_Official
Kevin	Walli	kwalli@fryberger.com	Fryberger, Buchanan, Smith & Frederick	380 St. Peter St Ste 710 St. Paul, MN 55102	Electronic Service	No	OFF_SL_13-153_Official
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_13-153_Official