

The Commission met on **Thursday, September 19, 2019** with Chair Sieben and Commissioners Means, Schuerger, and Tuma present.

The following matters were taken up by the Commission:

IP-7006/CN-19-309

In the Matter of the Application of Buffalo Ridge Wind Energy, LLC for a Certificate of Need for the 109.2 MW Large Wind Energy Conversion System in Lincoln County

This item was pulled from the agenda.

IP-7006/WS-19-394

In the Matter of the Application of Buffalo Ridge Wind Energy, LLC for a Site Permit for the 109.2 MW Large Wind Energy Conversion System in Lincoln County

This item was pulled from the agenda.

E-015/M-11-409

In the Matter of Minnesota Power's Petition for Approval of a Rider for Customer Affordability and Residential Electricity

Commissioner Tuma moved that the Commission:

1. Approve the proposed modification to the affordability discount of a flat \$15 per month discount for LIHEAP-eligible customers who are seniors, disabled and legacy CARE participants.
2. Allow the proposed discount on household electric bills for LIHEAP-eligible customers within 3 percent of household income, be applied as a percentage discount on monthly bills.
3. Authorize Minnesota Power to use auto enrollment for the flat \$15 per month discount component of the program and an annual application process for the affordability discount component, on a first-come, first-served basis.
4. Approve the first-come, first-served affordability discount enrollment be limited by available program funding.
5. Authorize Minnesota Power to change the grace period deadlines for LIHEAP eligibility determination for the CARE program from May 31 to May 1.
6. Allow Minnesota Power to continue to administer the CARE program internally and recover administrative costs.

7. Accept Minnesota Power's annual report on its rider for its CARE program.
8. Accept Minnesota Power's proposal to increase the surcharge using its cost allocation methodology to calculate the charge.
9. Require Minnesota Power to file, within 10 days, a compliance filing and set a program implementation date of January 1, 2020.

The motion passed 4-0.

E-015/S-19-170

In the Matter of the Petition of Minnesota Power for Approval of 2019 Capital Structure and Permission to Issue Securities

Commissioner Schuerger moved that the Commission:

1. Approve Minnesota Power's filing with a \$5.235 billion total capitalization, \$480 million capital contingency, a common equity ratio of 56.4%, and an allowed equity band of +/- 10% of the approved CER, from 50.76% to 60.24%.
2. Approve issuance of short-term debt up to 15% of total capitalization, and flexibility to issue securities provided that ALLETE remains within the CER band and the approved capitalization including contingency, or does not exceed them for more than 60 days. Require Minnesota Power to obtain prior approval for issuance of any securities that would result in a CER outside the approved range or a total capitalization exceeding its approved cap for more than 60 days.
3. Approve continuation of a variance to Minn. R. 7825.1000, supb. 6, to allow ALLETE to continue to treat borrowing under multi-year credit agreements as short-term debt.
4. Require Minnesota Power to include the following in future capital structure filings:
 - a. An exhibit showing a general projection of capital needs, projected expenditures, anticipated resources, and anticipated timing, with the understanding that such exhibit is not intended to require dollar-for-dollar information on the uses identified in the exhibit or to limit the issuances to project specific financing.
 - b. a report of actual issuances and uses of the funds from the prior year.
 - c. a schedule comparing its actual capital investments with the capital investments projected by Minnesota Power in its previous capital structure filing.
 - d. the Company's investment plan for at least the next five years.

5. Require Minnesota Power to file, within 20 days after a security issuance, details on the specific purposes for the individual issuances, the type, timing, amounts, cost of issuance (including price per share for common equity issuances), and interest rates. Require Minnesota Power to file an informational update within 20 days of becoming aware of any significant change in ALLETE's or Minnesota Power's credit ratings and outlook, or if it undertakes any corporate restructuring.

The motion passed 4-0.

P-999/PR-19-8

In the Matter of Annual Certification related to Eligible Telecommunications Carriers' Use of the Federal Universal Service Support required pursuant to C.F.R 54.313

Commissioner Means moved that the Commission:

1. Certify that all of the petitioning ETCs listed in the Department's Attachment 1, Part A, have used federal high cost universal service support received in 2018, and will use Federal High Cost Universal Service Support received in the coming year, only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.
2. Certify that all of the petitioning ETCs listed in staff's "Recommended to Certify" table as having affirmed use of federal high costs universal service support received in the coming year only for the provision, maintenance, and upgrading of facilities and services for which the support is intended.
3. Require companies serving tribal lands to fully cooperate with the Department, the Tribes, and the Commission to comply with Section 54.313 (a)(5), using form 481 to ensure that tribal engagement occurs in the future.
4. Beginning in 2020, require FCC form 481 filings by companies filing under 47 C.F.R 54.313, for state certification, to be e-filed with the Commission, in addition to the affidavit required in Docket No. 18-8.

The motion passed 4-0.

E-002/M-13-867

In the Matter of the Petition for Approval of Northern States Power Company d/b/a Xcel Energy's Community Solar Garden

Commissioner Tuma moved that the Commission:

1. Deny Xcel's appeal, affirm the Department's April 23, 2019 determination and find that Geronimo's Snowdrop and BHE's Vega projects do not exhibit characteristics of a single

development and are not co-located. This is conditioned upon the filing of a compliance filing, within 10 days of this order, asserting the following:

- a. The community solar garden operator does not have any formal or informal, direct, or indirect common debt, equity, umbrella sales arrangement or revenue-sharing arrangement, or any other arrangement of any nature with the owner of the adjacent garden or any affiliate of the owner of the adjacent garden.
- b. The community solar garden and the adjacent garden are separate independent developments with separate owners, permitted separately, leased separately, interconnected separately, constructed separately, and owned and operated separately. They will never share in any equipment or permanent debt financing. They will never have any common subscription marketing arrangement. The marketing efforts to obtain subscribers will be wholly independent of one another with no plan to share subscribers. The sites have separate interconnection applications, single lines, and site plans. They are not dependent on the other in any way.
- c. The community solar garden and the adjacent garden may be interconnected at the same point of interconnection, but each project is separately applying for and paying for interconnection of the other.
- d. That the lease is not in default or that the owner of the adjacent garden is no longer the holder of the lease. This annual compliance requirement does not apply if Geronimo can document that the lease arrangement would prohibit the owner of the neighboring community solar garden from gaining ownership upon any possible future default.
- e. Geronimo must immediately notify Xcel and the Commission of any changes to this information.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: May 6, 2020



Will Seuffert, Executive Secretary