

February 9, 2022

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

RE: Comments of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. ET2/RP-17-286

Dear Mr. Seuffert:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

In the Matter of the Great River Energy's 2022-2036 Integrated Resource Plan (IRP) Great River Energy's Request for an Extension to File its Next IRP

The Petition was filed on January 21, 2022 by:

Zac Ruzycki
Director, Resource Planning
Great River Energy
12300 Elm Creek Boulevard
Maple Grove, Minnesota 55369-4718

The Department recommends **approval with modifications** and is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ CHRISTOPHER T. DAVIS Rates Analyst Coordinator

CTD/ja Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. ET2/RP-17-286

I. INTRODUCTION

On June 26, 2020, GRE requested that the deadline for its next IRP be extended from April 1, 2021 to April 1, 2022. GRE explained that due to its recent announcement to shutdown the Coal Creek Station, additional time was necessary to work with stakeholders and develop of a new resource portfolio. On September 15, 2020, the Commission approved GRE's request.

On January 21, 2022, GRE filed a second extension request, which proposed a new filing date of April 1, 2023. GRE provided two main reasons why another full year is necessary to develop its IRP.

First, GRE stated that additional time is needed to update the IRP to accurately reflect the timing of the closing of GRE's planned sale of Coal Creek Station and the high-voltage direct-current (HVDC) transmission system to Rainbow Energy Center, LLC and Nexus Line, LLC, respectively (Sale Transaction). Upon the sale of Coal Creek Station, GRE's fixed obligation members' demand and energy quantities may be reduced in accordance with the processes set forth in GRE's contractual arrangements with those members. Extending the due date for the filing of the IRP past the closing of the Sale Transaction will allow the IRP to accurately reflect the extent and timing of any reduction of the fixed obligation members' purchases from GRE.

Second, GRE reached an agreement in principle with Apex Clean Energy for GRE's purchase of renewable energy from a 400-megawatt (MW) wind project (Discovery Wind) to be developed in McLean County, North Dakota. Discovery Wind is anticipated to be in commercial operation in 2025, and the wind energy it produces will be delivered to GRE in Minnesota over the HVDC transmission system. GRE's purchase of the output of Discovery Wind is subject to the approval of GRE's memberowners, who plan to consider the matter in February 2022.

II. NOTICE OF COMMENT PERIOD

On February 1, 2022 the Commission issued a Notice of Comment Period on GRE's Extension Request. The Commission's Notice identified the following topics open for comment:

1. Should the Commission approve Great River Energy's request for an extension to the due date for the filing of its Integrated Resource Plan (IRP) with the Commission from April 1, 2022 to April 1, 2023?

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Analyst assigned: Christopher T. Davis

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- 2. Should the Commission consider an alternative date for GRE to file its next IRP?
- 3. If a one-year extension is granted, should the Commission direct GRE to file an interim update?

III. DEPARTMENT ANALYSIS

The Department supports GRE's request for a one-year extension to file its next IRP April 1, 2022 for two reasons.

First, GRE has 20 "All Requirements" members and 8 "Fixed" members. According to GRE's contractual arrangements with the 8 Fixed members, the sale of Coal Creek triggers the ability of the 8 Fixed obligation members to reduce the demand and energy they purchase from GRE. The potential changes in GRE's forecast could be significant.

Second, due to the Department's involvement in several rate cases and other IRPs at this time, the Department would likely have to request one or more extension requests if the extension were not approved.

The Department recommends that the Commission grant GRE an extension on the due date for its next IRP to Monday, April 3, 2023. In addition, the Department recommends that the Commission require GRE to provide an interim update on issues impacting GRE's future IRP by Monday, October 3, 2022. At a minimum, the interim update should provide updated information concerning changes in Fixed Members' demand and energy purchases from GRE.

IV. DEPARTMENT RECOMMENDATION

The Department recommends that the Commission approve GRE's request for a one-year extension on filing its next IRP and require GRE file an interim update on October 3, 2022, conditioned upon the following: GRE provide an interim update on issues impacting GRE's future IRP by Monday, October 3, 2022. At a minimum, the interim update should provide updated information concerning changes in Fixed Members' demand and energy purchases from GRE.

CERTIFICATE OF SERVICE

I, Linda Chavez, hereby certify that I have this day served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

MINNESOTA DEPARTMENT OF COMMERCE – COMMENTS

| Docket Nos. | ET2/RP-17-286 |
|-----------------------|-----------------------------|
| Dated this 9th | day of February 2022 |
| /s/Linda Chav | ez |

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