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February 18, 2022

- Via Electronic Filing -

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

RE: Extension Request In the Matter of Great River Energy's 2022-2036 Resource Plan DOCKET NO. E2/RP-22-75

Dear Mr. Seuffert:

Great River Energy ("GRE") submits to the Minnesota Public Utilities Commission (the Commission) these Reply Comments to the Comments received on GRE's request to extend the due date for the GRE 2022-2036 Integrated Resource Plan (IRP) to April 1, 2023.

In its Comments on February 9, 2022, the Minnesota Department of Commerce, Division of Energy Resources (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."<sup>1</sup>

GRE supports the recommendation from the Department, including the recommended October 2022 interim update.

Additional comments were filed by Clean Up the River Environment (CURE) on February 11, 2022. CURE recommends the Commission reject the extension request, and states:

"...it is the nature of electric cooperatives to continuously adapt their planned energy generation, based on shifting needs, availability, and costs. This in turn means that GRE will almost always be conducting contract negotiations or planning future energy requirements

<sup>&</sup>lt;sup>1</sup> Department Comments, page 2

when preparing an IRP. To allow GRE perpetual extensions, simply because planning decisions are not final, goes against the purpose of an IRP. Minn. Stat. § 216C.05, subd 1."<sup>2</sup>

While GRE does not disagree with the assertion that power supply planning and contract negotiations happen out of cycle with IRP filings, what differentiates this request is the magnitude of the power supply changes and their direct impact on the forecast. GRE and the Department concur that the resulting changes to the forecast are significant enough to warrant an extension until they can be properly reflected in a filing without requiring a time-consuming and repetitive supplemental filing, which would likely be required in early 2023 (on or around GRE's proposed extended due date). GRE is not requesting "perpetual extensions," but is instead suggesting a practical solution to provide the Commission and stakeholders with a meaningful IRP following unprecedented power supply changes.

Additionally, as stated in the original request, the extension would result in no impact to the short-term action plan.

In response to CURE's additional comments regarding the data to be submitted with an interim update, GRE also disagrees. The Department's recommendations on the information to be included in an interim update are appropriate and consistent with the scope of the full IRP. CURE appears to suggest types of information that go beyond the scope of the IRP and may relate to GRE's decision-making processes. For a summary of those processes generally and in relation to the sale of the high voltage direct current (HVDC) transmission line and related transactions (Transaction), GRE would direct the Commission to its August 11, 2021, Reply Comments in Docket No. ET2/TL-21-434:

"As a cooperative, GRE is owned by the 28 members GRE serves, and is governed by a board of directors that includes 24 directors, each of whom is a member of the board of directors of one of GRE's 20 all-requirements member cooperatives. GRE's member cooperatives are governed by their respective boards of directors, who are democratically elected by their member-consumers. GRE's member cooperatives provide GRE with direction and oversight at many levels, and work with GRE through regular meetings with member leaders, regional meetings and member staff working groups. Certain actions by GRE require the approval of GRE's members, as specified under GRE's governing documents and member contracts. The transfer of the HVDC System to Nexus is an action that requires member approval, which GRE received at a meeting of the members on July 30, 2021 (the July 30 Meeting). The July 30 Meeting was the culmination of lengthy and detailed deliberations by GRE, the GRE board and GRE's members, 1 member voted against the transfer, 1 member abstained, and 26 members voted in favor of the transfer of the HVDC System to Nexus. GRE was required to obtain the approval of 2/3 of its members for the transfer, and the member approval far exceeded the required threshold."<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> CURE Comments, page 3

<sup>&</sup>lt;sup>3</sup> GRE Reply Comments filed August 11, 2021, In the Matter of the Petition to Transfer a portion of the Route Permit for the HVDC Transmission Line System and Associated Facilities in Minnesota MPUC Docket No. ET2/TL-21-434. Due to amendments to the Transaction, the approval described in the August 11, 2021 GRE Reply Comments was re-confirmed by the members in February 2022.

For the reasons described above, GRE requests that the Commission grant the extension request, subject to the Department's recommendation for an interim filing due on October 3, 2022. If you have any questions regarding this filing, please contact Zac Ruzycki at (763) 445-6116 or <u>zruzycki@grenergy.com</u>.

Sincerely,

**GREAT RIVER ENERGY** 

Zac Ruzycki Director, Resource Planning