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December 30th, 2021

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

Community Power respectfully submit into the record comments for Docket #E002/RP-19-368, E015/RP-21-33, and E-017/RP-21-339, RE: Institute for Local Self-Reliance and Vote Solar Request for Commission Consideration of Intervenor Modeling Costs in Utility Resource Plan Dockets.

1. **We strongly support the joint petition brought forward by Institute for Local Self-Reliance and Vote Solar requesting that the Commission order all public utilities subject to Integrated Resource Plan (IRP) filing requirements to acquire EnCompass modeling licenses for intervening organizations.** This access to equal footing on information and input assumptions are a critical component of not only deciding the *method* of procuring energy and *type* of energy chosen, but also for the fundamental *affordability* of our energy system.
2. **We are interested in the perspectives of other stakeholders and public comments about the best process for determining the outcome of this petition. However, in general we are wary of and would advise against the creation of a new docket to follow, and rather keep the discussion as one of several threads in each IRP docket.** We believe splintering dockets into subtopics can often silo issues too narrowly such that problems are not seen accurately or are diluted from their original context, while solutions and outcomes tend to be less holistic or at the root. Increased dockets also create more deadlines and subtopics to follow than Minnesotans and organizational stakeholders must follow, meaning issues are lost track of and/or capacity is drained. Certainly, there are times when subtopics can make a larger conversation more focused or manageable, but we do not believe that this is a topic that needs to be broken off at this point or perhaps at all.

### **Recent evidence of the need and benefit of expanded modeling licenses:**

**As demonstrated in Xcel's most recent IRP process**, competitive modeling<sup>1</sup> has the vital potential benefit of revealing not only cleaner and more resilient energy futures<sup>23</sup>, but billions of

<sup>1</sup> By competitive modeling we mean a process where other entities additional to a for-profit utility can model how to meet the public needs - entities including ratepayer advocates, organizations focused on democracy and strong local economies, technical experts on clean energy.

<sup>2</sup><https://www.sierraclub.org/minnesota/blog/2021/02/sierra-club-proposes-clean-energy-for-all-alternative-xcel-irp>

<sup>3</sup> <https://fresh-energy.org/xcelenergy-irp>



dollars in savings for ratepayers,<sup>4</sup> thanks to Citizens Utility Board, Sierra Club, and Fresh Energy's hard work and choice to dedicate resources toward that investigation. Though utilities like Xcel are already required to create and model various scenarios, they are *not* required to seek greatest benefit to ratepayers (let alone lowest greenhouse gas emissions, highest health benefits, greatest equity, greatest Minnesota small business benefits) and often have differing opinions about what "least cost" includes and have significantly different stakes in the matter than ratepayers. Local communities not only foot the bill nearly sight-unseen for what is purchased, but hold an existential threat of lost livelihoods and local economies, compromised physical/mental health, evictions, shut-offs, as well as the ripple impacts of a warming climate. The utility's primary existential threat is the end to an outdated business model based on *increasing energy usage and expansion of capital-intensive infrastructure* that is now deeply misaligned with the realities of technology capabilities, climate mitigation, healthy local economies and communities, basic affordability, not to mention the mandates to rectify the environmental racism and classism that has shaped the grid-based energy system since the beginning.

**As demonstrated in the near simultaneous 2021 rate increase requests from Xcel-gas, Xcel-electric, Centerpoint, and MN Power** alongside several "stay-out" proposals (all still amid a global pandemic, but now with waning government protections on evictions and shut-offs for ratepayers; and utility shareholder reports that appear to be fine if not great), the utilities need foundational checks on their spending and those must come at the planning level. What is prudent to plan to *build* and then to *bill* for?

The rate request process in particular this year in 2021 speaks to a larger need for a strengthened process of deciding what should be built and planned to spend money on in the planning (or IRP) stage of the energy system in order to have the outcome of fair, reasonable, and unsurprising rates. In late 2021, for example, the four rate requests submitted with weeks left in the year created a substantial unnecessary strain on capacity and false time urgency as staff who defend the public interest (across the Utilities Commission, the Department of Commerce, and Attorney General) were forced to make a rapid fire decision about "stay-out"

proposals. Though we cannot presume to know the intentions of the utilities who proposed "stay-outs" but it is reasonable to assume they were proposed as "deals" or "better offers," which under the utility-created time pressure of the January 1, 2022 interim rate adjustment begin to function a lot more like a threat. This decision strain rippled onto ratepayer advocates and regular intervenors also stretched across many issues with fewer resources, and for ratepayers there was functionally no time at all to hear about let alone weigh in on if these were in fact sweet deals, a lessened blow, or perhaps worrisome bait. Regulators, advocates, and

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<sup>4</sup> <https://cubminnesota.org/the-consumers-plan-1-billion-savings-with-cleaner-energy-for-xcel-customers/>



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ratepayers should never be backed into corners on big affordability decisions like this by either the process or actors in that process (e.g. utilities).

At this critical junction in history, It is essential to the public record and the public interest that different visions, assumptions, and outcomes be put on the table and compared frankly. What is appropriate for the utility to *plan to build* and then *feel entitled to bill for* in rate cases? If the questions dealt with in an IRP of “*what is being built*” “*who benefits*” and “*who bears the risks*” can have this robust competitive modeling process, then each cycle the “*what is justified cost*” (e.g. what are the rates) can become increasingly simpler. Most importantly, rate cases become an outflow of a better, more transparent resource-planning process where *all* options have been considered not locking ratepayers into the narrow future based on options the utility has pre-selected based on its definitions of “affordable” “just” and “reasonable.”

**In summary, we ask that the Commission support the petition and order all public utilities subject to Integrated Resource Plan (IRP) filing requirements to acquire EnCompass modeling licenses for intervening organizations. We also at this stage recommend that the petition is considered within the original IRP dockets and not separated into its own docket.**

Thank you very much for your work, and your consideration.

/s/ Alice Madden  
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