

November 16, 2021

*Via Electronic Filing*

Will Seuffert

Executive Secretary

Minnesota Public Utilities Commission 121 7th Place E., Suite 350

St. Paul, MN 55101

**RE: Docket 20-891 / In the Matter of the Petition of Xcel Energy for Approval of the Acquisition of Solar Generation at Xcel Energy's Sherburne County Site**

Dear Mr. Seuffert:

The Institute for Local Self-Reliance (ILSR) respectfully submits the following reply comments on the proposed Sherco solar project.

Procedurally, ILSR's initial comments in April were early, but the content of the comments seems to be dead on and in alignment with other commenters. The carefully structured (rigged?) bidding process for the proposed Sherco Solar project seems to have checked every box of concern in ILSR's initial comments:

- **A Poorly Structured Bidding Process:** As noted in Nov. 10 comments by the Office of the Attorney General (OAG), "Xcel placed restrictions on its solar request for proposals ("RFP") that undermined the competitive process and stifled participation...Xcel estimated an open solar RFP would have received bids for 46 projects totaling over 7,000 MW in capacity. Xcel's restrictive RFP received third-party bids for just 2 projects totaling 525 MW in capacity."
- **Resulting Unreasonable Costs:** Put bluntly by the Department of Commerce in their Nov. 10 comments, "the proposed Project is not cost effective."

- **A Disproportionate Benefit for Shareholders:** The OAG found the stark disparity between benefits for customers and workers and those for shareholders so significant they repeated it: “the Sherco Solar project would provide roughly [TRADE SECRET DATA BEGINS ... ... TRADE SECRET DATA ENDS] times more stimulus for shareholders than it would provide in wages for workers.”

ILSR does support the premise of the Nov. 10 comments by LiUNA, that an Xcel-owned project can provide the benefit of union employment and intersect with Xcel’s apprenticeship programs meant to encourage participation in the solar workforce by underrepresented groups. If these benefits have a cost premium, it may be reasonable to ask customers to pay them, but these costs ought to be reasonable and transparent. This bidding process didn’t allow for a reasonable comparison due to the unnatural restrictions Xcel Energy placed upon bidders, and the paucity of comparative bids.

ILSR shares the opinion of the OAG and the Department, that Xcel should start the bidding process over, to obtain proposals for utility-scale solar projects with more reasonable costs.

Thank you for the opportunity to comment and for this important conversation; we appreciate that there has not been any legislative preemption of this regulatory process.

Sincerely,

/s/

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