June 2, 2025

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

Docket No. E002/CI-24-318: In the Matter of a Commission Inquiry into a Framework for Proactive Distribution Grid Upgrades and Cost Allocation for Xcel Energy

Executive Secretary Seuffert,

The Minnesota Solar Energy Industries Association ("MnSEIA") hereby submits its Reply Comments to the above-referenced docket.

Respectfully submitted,

/s/ Logan O'Grady, Esq.
Executive Director
MnSEIA
(P) 651-425-0240
(E) logrady@mnseia.org

/s/ Sarah Whebbe
Senior Policy and Regulatory Affairs Associate
MnSEIA
(P) 651-470-0347
(E) swhebbe@mnseia.org

STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION

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In the Matter of a Commission Inquiry into a Framework for Proactive Distribution Grid Upgrades and Cost Allocation for Xcel Energy

Reply Comments
Docket No. E002/CI-24-318

REPLY COMMENTS OF THE MINNESOTA SOLAR ENERGY INDUSTRIES ASSOCIATION

MnSEIA respectfully submits the following Reply Comments in response to the Minnesota Public Utilities Commission's *Notice of Comment Period*, issued April 7, 2025, and the Commission's *Notice of Extended Reply Comment Period* Issued May 16, 2025 in concerning the potential establishment of a framework for proactive distribution grid upgrades ("Framework") in Xcel Energy's service territory.

MnSEIA's reply comments (1) supplement its initial comments on the need for the Distributed Generation Engagement Group ("DGEG") proposed in decision option C.11 and (2) modifies its initial position on supporting a capacity reservation in Phase 1, to instead support further development of a capacity reservation in Phase 2.

1. **Stakeholder Workgroup Process Proposals**

MnSEIA provides these supplemental comments on the incremental benefits the DGEG workgroup proposed in C.11 could provide to the framework process. We appreciate the need to be mindful of resource constraints among stakeholders; if implemented this work group would require the participation and resources of MnSEIA and its member companies. We believe the workgroup provides value incremental to what C.10 provides in that it provides an opportunity for input and cross industry collaboration and dialogue beyond what can be accomplished in C.10, which only provides the opportunity for input in the form of written comments on initial forecasting and the proposed upgrade locations.

The broad language in C.11.c. which directs the Utility to "engage with the DGEG to collect input for prioritizing infrastructure upgrades at the planning stage an opportunity," enables an opportunity to collect stakeholder input on prioritizing infrastructure upgrades depending on whether upgrade costs are financable at a given location. Developers in the workgroup could also offer input on available land suitable for DG development, permitting issues in the region of the upgrade, and the potential for supply chain constraints and customer delays.

This input from DG Installers and Developers will support the Commission and the Utility in prioritizing infrastructure upgrades based on the likelihood that costs allocated to DG will be repaid by the collection of pro-rata fees.

2. **Capacity Reservation**

MnSEIA generally supports the concept of a capacity reservation when and where one is needed to ensure access to hosting capacity for DER interconnections at the location of the

upgrade. Upon further consideration of perspectives of comments made by other parties to this docket, MnSEIA supports moving the discussion about a capacity reservation to Phase 2.

The Phase 1 framework does not address front-of-meter solar and thus at this time forecasting would not be sufficiently comprehensive to justify the need for a capacity reservation at a given location. Moreover, as evidenced by the wide range of different capacity reservation proposals made by the workgroup, workgroup members require additional time to develop a capacity reservation framework that will balance equitable access to hosting capacity, while avoiding a poorly applied capacity reservation that delays uptake.

Thus, we remove our support for the decision options in Section L and respectfully request that the Commission consider the topic of a Capacity Reservation in Phase 2 of the framework.

L. Capacity Reservation	~~L.3, L.3.a, L.3.b, L.3.c, L.6, L.6.a, L.6.b, L.6.c.~~	Support, move to Phase 2 for further discussion.

CONCLUSION

MnSEIA appreciates the opportunity to submit these Reply Comments regarding the proposed framework for proactive distribution grid upgrades in Xcel Energy's service territory. We recommend the Commission establish the Framework, adopt the provisions MnSEIA identified support for in our initial comments, and initiate a Phase 2 Workgroup to complete a Proactive Framework.

Respectfully submitted,

/s/ Sarah Whebbe
Senior Policy and Regulatory Affairs Associate
MnSEIA
(P) 651-470-0347
(E) swhebbe@mnseia.org

CERTIFICATE OF SERVICE

I, Sarah Whebbe, hereby certify that on the 2nd of June, I e-filed with the eDockets system Reply Comments of the Minnesota Solar Energy Industries Association, and served copies on the attached list of persons by electronic filing.

/s/ Sarah Whebbe
Sarah Whebbe