MINNESOTA
PUBLIC UTILITIES COMMISSION

Staff Briefing Papers

Meeting Date	**September 10, 2026**		**Agenda Item 1****
Company	All Electric Utilities		
Docket No.	E999/CI-23-151		
	In the Matter of an Investigation into Implementing Changes to the Renewable Energy Standard and the Newly Created Carbon Free Standard under Minn. Stat. § 216B.1691		
Issues	• What clarifications, if any, should the Commission make regarding carbon-free standard off-ramps under Minn. Stat. § 216B.1691, subd. 2b? • Are there any other issues the Commission should address?		
Staff	Danielle Winner	danielle.winner@state.mn.us	651-539-1084

✓ **Relevant Documents**	**Date**
Commission Order	July 2, 2026
Petition for Reconsideration and Clarification, Minnesota Large Industrial Group	July 22, 2026

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

BACKGROUND

When the Carbon-Free Standard ("CFS") was introduced into the Renewable Energy Objectives statute ("REO Statute") (Minn. Stat. § 216B.1691) in 2023, it was accompanied by amendments to other parts of the REO Statute. These amendments included changes to Minn. Stat. § 216B.1691, subd. 2b., which concerns modification or delay of a standard, colloquially referred to as "off-ramps." Prior to now, the Commission's most recent order concerning off-ramps was made in 2010 in Docket No. E-999/CI-03-869 and was specific to the Renewable Energy Standard ("2010 Order").

Staff issued a Notice of Comment on September 12, 2025 asking if, in light of the 2023 statutory changes, any additional clarifications were necessary regarding the off-ramp process outlined in the 2010 Order.

The Commission met on April 23, 2026 to discuss this matter, and on July 2, 2026 issued its *Order Revising Policies for Modifying and Delaying Implementation of Standards Under Minn. Stat. § 216B.1691 and Related Matters* ("July 2 Order"). That Order contained the following relevant Ordering Paragraphs:

> 1. In lieu of Ordering Paragraphs 4-10 of its Order Clarifying Criteria and Standards for Determining Compliance Under Minn. Stat. § 216B.1691 (March 19, 2010) in Docket No. E-999/CI-03-869, In the Matter of Detailing Criteria and Standards for Measuring a Utility's Good Faith Efforts in Meeting the Renewable Energy Objectives Under Minn. Stat. § 216B.1691, the Commission orders as follows:
>   A. The Commission clarifies that a petition to modify or delay a Standard under Minn. Stat. § 216B.1691 may be filed at any time, subject to the following restrictions.
>   1) Petitions to modify or delay a Standard governed by Minn. Stat. § 216B.1691, subd. 2b, must be filed in the context of a resource planning docket under Minn. Stat. § 216B.2422, unless the petitioner is a utility subject to the requirement to file resource plans.
>   2) A utility subject to the requirement to file resource plans may petition for a modification or delay outside of a resource planning docket, but —
>   a) should do so only for the reasons established in Minn. Stat. § 216B.1691, subd. 2b (5-8), and
>   b) the petition should explain why the need for modification or delay was not foreseen in the utility's resource plan filing.
>   […]
>   F. The Commission clarifies that intervenors in a resource plan

> proceeding who request information related to the rate impact of future compliance with Standards under Minn. Stat. § 216B.1691 are making a reasonable request for information under Minn. Rules, part 7843.0300, subp. 8, and that utilities must promptly respond.

On July 22, 2026, Minnesota Large Industrial Group ("MLIG") filed its Petition for Reconsideration and Clarification ("Petition") concerning the Commission's July 2 Order. No commenters filed answers to the Petition.

PETITION

I. Reconsideration

Broadly, MLIG is concerned about restrictions the Commission has placed upon off-ramp request petitions, and specifically, about the Commission's determination that only utilities may file off-ramp request petitions outside of a resource plan proceeding.

MLIG argued that there are errors in the Commission's underlying order that unnecessarily narrow which party may bring a petition to delay or modify implementation of the CFS. MLIG also argued that the Commission's Order runs into the following problems:

A. Plain Language

MLIG asserts that the Commission's Order violates the plain language of the REO statute by placing restrictions on off-ramp request petitions, and thus exceeds the Commission's statutory authority. Specifically, MLIG notes:

> The language of the statute states "[t]he commission shall modify or delay the implementation of a standard obligation, in whole or in part, if the commission determines it is in the public interest to do so," and directs certain factors to consider "**when requested to modify or delay implementation of a standard…**" Minn. Stat. § 216B.1691, subd. 2b (emphasis added by MLIG). Because no language in the statute narrows the eligibility of the party that may bring a petition under the statute, any limitations on who may bring a petition do not comport with statutory language.[1]

MLIG concluded that because no restrictions exist in the statutory language, the statute "unambiguously" allows any party to make an off-ramp request petition. MLIG noted that in its November 18, 2025 Reply Comments, it argued that the plain language of the CFS allows any

[1] Petition at 4-5.

party to bring a petition for an off-ramp request.[2]

MLIG further noted that 1) statutory language compels assessment of cost and competitiveness when evaluating off-ramp request petitions, and that ratepayers are the parties best suited to this type of assessment; 2) putting a restriction on customers seeking resource or action to address CFS-related costs harms the public interest; and 3) the statutory off-ramp is meant to protect customers, not utilities. MLIG argues that for these reasons, the statute does not support putting restrictions on customers seeking an off-ramp request petition.

B. Commission's Reasoning of Order vs. Outcome of Order

MLIG noted that the Commission's language acknowledges that an off-ramp request petition could be "an emergency modification or delay," but "effectively makes it so an intervenor could wait years for a utility to file an IRP before having the opportunity to seek relief, even in an emergency situation."[3] MLIG stated that by the time an IRP is filed, it may be too late to meaningfully mitigate CFS-compliance-related cost impacts.

C. Ripeness

MLIG noted that the Commission's decision is based on the idea that the private interest of parties seeking emergency off-ramps must be subordinated to the public interest in evaluating petitions within an adequate record (such as a resource plan). MLIG argues that this issue is not ripe for a determination because 1) it was not substantively addressed by other parties in the docket, and because 2) no such petition has yet been filed. To this latter point, MLIG offers that until a petition is filed, it is impossible to prejudge whether a petitioning party will bring a full record.

II. Clarification

MLIG requested clarification on the Commission's determination that requests for "information related to the rate impact of future compliance with Standards under Minn. Stat.§ 216B.1691" are reasonable and require a prompt utility response. MLIG stated that, based on its experience in the Minnesota Power Integrated Resource Plan docket (Docket No. E-015/RP-25-127), it would like clarification "as to the type of cost information the Commission will find relevant."[4] MLIG stated there is a dissonance between the July 2 Order and the determination in the MP resource plan docket, as MLIG would understand the July 2 Order to compel MP to provide the information MLIG had requested.

III. Answers

No answers were submitted in response to the Petition.

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[2] Petition at 2.
[3] Petition at 6.
[4] Petition at 2.

STAFF ANALYSIS

IV. Standard of Review

Per Minn. Stat. § 216B.27, subd. 3., the Commission "may reverse, change, modify, or suspend" its original decision if it determines that "the original decision, order, or determination is in any respect unlawful or unreasonable." Per Minnesota Rules 7829.3000, subparts 1-2, a party or a person may file a petition for reconsideration within 20 days of the date the order. Generally, the Commission will review petitions for reconsideration to determine whether the petition (i) raises new issues, (ii) points to new and relevant evidence, (iii) exposes errors or ambiguities in the underlying order, or (iv) otherwise persuades the Commission that it should rethink its decision.[5]

V. Discussion

A. Reconsideration

As to whether parties other than utilities may file off-ramp request petitions outside of resource plan proceedings, Staff notes that there are two questions:

- Who may file an off-ramp request petition; and
- When off-ramp request petitions may be filed.

MLIG stated that some parties' initial comments appear to imply that only utilities could bring petitions for delay, but MLIG believes the process is open to anyone impacted by the CFS.[6] In Briefing Papers, Staff provided the following context on this topic:[7]

> Although the Commission's 2010 Order did not specify which parties may file an off-ramp Petition, Staff notes that this was part of the record at the time. Ordering Paragraph 6 [of the 2010 Order] refers to Minn. Rules 7829.1300 (Miscellaneous Filings) and Minn. Rules 7829.1400 (Commission Action on Miscellaneous Filings; Comments), both of which contemplate non-utility parties making such filings. Provided the party filing an off-ramp petition meets the requirements of these rules, Staff finds no reason why a non-utility party would be barred from filing a request. In other words, Staff considers Ordering Paragraph 6 to adequately address who may file an off-ramp petition; however, the Commission may wish to

[5] *See*, for example, *In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota*, Docket No. E-002/GR-13-868, ORDER DENYING PETITIONS FOR RECONSIDERATION at 1 (July 13, 2015).
[6] Minnesota Large Industrial Group Comments, p. 3 (November 18, 2025) (hereinafter "MLIG 2026 Comments").
[7] Staff's April 9, 2026 Briefing Papers at 13.

provide further clarity.

In its July 2, 2026 Order, the Commission's Ordering Paragraph 1.C. provides:

> C. Petitions to modify or delay any Standard under Minn. Stat. § 216B.1691 must—
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> 1) comply with the service and filing requirements of Minnesota Rules 7829.1300, and
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> 2) follow the procedural track set forth in Minnesota Rules 7829.1400, except that the comment period will be extended to sixty days and the reply comment period will be extended to thirty days.

Staff concludes that since the Commission continued to reference Minnesota Rules 7829.1300 and 7829.1400, which do not place restrictions on non-utility parties making filings before the Commission, the Commission's current baseline is that any party may file a petition for an off-ramp request. Additionally, the Commission specifically contemplated non-utilities filing off-ramp petitions in IRPs.[8]

The question of *when* off-ramp requests must be filed was addressed by parties in the comment period. Staff summarized this information thusly:[9]

> While commenters were generally not opposed to the clarification that off-ramp requests may be filed at any time, many agreed that a resource plan proceeding is the best place to file a petition to modify or delay a standard. OTP noted that the statute does not preclude the Commission from evaluating requests filed at other times.
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> Minnesota Power specifically recommended that modification and delay requests made outside of a resource planning process should be reserved for those caused by the reasons established in Minn. Stat. § 216B.1961, subd. [2b (5-8)], namely:
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> (5) delays in acquiring sites or routes due to rejection or delays of necessary siting or other permitting approvals
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> (6) delays, cancellations, or nondelivery of necessary equipment for construction or commercial operation of an eligible energy technology facility
>
> (7) transmission constraints preventing delivery of service

[8] July 2 Order at 8.

[9] Staff's April 9, 2026 Briefing Papers at 23.

> (8) other statutory obligations imposed on the commission or a utility
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> Minnesota Power reasoned that these considerations may be less predictable and more likely to occur outside of IRP evaluation periods. […]
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> CEOs supported Minnesota Power's recommendation and further recommended that if a utility requests an off-ramp outside of an IRP, it should be required to explain why non-compliance was not foreseen in its IRP.

Staff did not provide further analysis on this topic.

Staff agrees with MLIG that the Commission's Order appears to go a step beyond recommendations in the record; while some parties agreed that it was best to restrict when off-ramp request petitions may be made *based on reasons for the request or restricting petitions to IRP proceedings*, parties did not appear to comment on whether off-ramp request petitions should be restricted *based on the filing party*.

Staff agrees with the Commission's determination that no party except for a utility is likely to provide enough of a complete record to make an off-ramp determination outside of a resource plan. Staff also does not want to encourage facetious filings that could take up Staff time and ultimately get delayed to a resource plan proceeding. However, Staff also agrees with MLIG's point that waiting for a resource plan is not aligned with the idea that non-utility parties may need to make an emergency request. Staff also agrees with the argument that a primary consideration in an off-ramp request should be the protection of ratepayer interests, and that restricting ratepayers in this way may not be in line with the public interest.

Ultimately, Staff concludes that the Commission would not be unreasonable to reconsider this aspect of its Order. MLIG did not provide preferred language amendments, and so if the Commission wishes to reconsider its decision, Staff recommends removing Ordering Paragraph 1.A.1) of the Commission's July 2 Order. Staff notes this still retains Ordering Paragraph 1.A.2), which provides restrictions based on subd. 2b (5-8), and to which non-utility petitioners would still be subject.

B. Clarification

As to the Commission clarifying what types of cost information it would consider relevant to future rate impact information requests, Staff advises caution.

To this point the Commission previously has previously made determinations on 1) backwards versus forward-looking data, 2) the rate impact studies required by subd. 2e, and 3) MLIG's request for data from MP in MP's current resource plan proceeding.

In terms of backwards vs. forward-looking data, the Commission has previously determined that it prefers forward-looking data, and while parties are not prohibited from introducing backwards-looking cost data into the record, there is a potentially negative benefit in requiring utilities to provide backwards-looking data. In Briefing Papers, Staff referred to the Commission's 2010 Order, which stated:

> [The utilities] stated their willingness to provide forward-looking cost comparisons between different resource choices, including, when relevant, resource choices that could require delay or modification of their Renewable Energy Standard obligations. They cautioned against being required to provide backward-looking data, however, saying that attempting to reconstruct hypothetical past costs quickly becomes speculative and onerous.[10]
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> …
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> The Commission concurs with the [Department] that forward-looking, long-term cost information is the most probative, reliable, and helpful in gauging the rate impacts of the Renewable Energy Standards. Both the Standards and the utility initiatives undertaken to meet them are long-term projects whose costs and rate impact must be examined primarily in the future and in the long term. While the costs of past projects, undertaken or forgone, may have some relevance - and parties should not be precluded from introducing such evidence - the Commission concurs with the utilities that compelling them to develop and produce such cost information carries costs and risks that normally exceed its value.[11]

The Commission has also declined to make any additional rate or cost impact reporting requirements beyond those required in Minn. Stat. § 216B.1691, subdivision 2e. However, the Commission has provided guidance for the 2e requirements,[12] and will be updating those requirements in a future round of comments in the instant docket, per Ordering Paragraph 3 in the Commission's July 2 Order.

The Commission has also declined to compel Minnesota Power to provide to the Large Power Intervenors (a similar group of industrial customers, but specific to Minnesota Power) class-specific, all-in rate increase projections in Minnesota Power's current resource plan proceeding, Docket No. E-015/RP-25-127. The Commission found that the nature of data requested was

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[10] 2010 Order, p. 9.

[11] 2010 Order, pp. 9-10.

[12] See Docket No. E-999/CI-11-852, *In the Matter of Utility Renewable Energy Cost Impact Reports Required by Minnesota Statutes Section 216B.1691, Subd. 2e*, and on January 6, 2015, the Commission issued its *Order Establishing Uniform Reporting System for Estimating Rate Impact of Minn. Stat. § 216B.1691*.

speculative and that requiring MP to provide such information would "likely expand the scope of this IRP and detrimentally shift the evaluation away from the appropriate resource selection issues to focus on customer service or financial issues that are more appropriately addressed in rate cases or relevant rider-recovery proceedings."[13] The Commission further noted that "the inherent inaccuracies that would permeate such all-in rate projections, combined with their specificity and precision, creates some risk that this type of speculative data may be misapplied or misrepresented in other contexts to detrimental effect, particularly if the Company generates the projections."[14] However, noting the benefits of transparency and access to relevant information generally, the Commission ordered that:[15]

> Minnesota Power must provide LPI with its rate model associated with the most recently approved rate case or work with LPI to enable LPI to produce its own rate projections in this resource plan docket.

Staff notes that making a determination on what types of rate and cost impact information would be relevant, as requested by MLIG, may be best determined on a case-by-case basis. In other words, this may be best determined in a similar manner as the MP resource plan, where if a utility does not provide information, the Commission can make a determination using the appropriate procedures.

Since the Commission has issued limited guidance on this topic so far and has had a resolution in the MP docket that involved a compromise solution, Staff does not see a compelling reason to provide more explicit information at this time. The default assumption under the Commission's July 2 Order is that requests are reasonable;[16] but in cases where a utility finds a request unreasonable or otherwise objects to providing information, this can be brought to the Commission for a determination. However, Staff advises that parties may wish to take note of the Commission's past orders regarding discovery disputes and refrain from making identical or very similar cost or rate impact information requests in future proceedings.

Staff therefore recommends denial of the request for clarification.

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[13] See Docket No. E-015/RP-25-127, *In the Matter of Minnesota Power's Application for Approval of its 2025-2039 Integrated Resource Plan*. Page 5 of the Commission's August 12, 2026 Order Denying Motion to Compel Information Disclosure.

[14] *Id.* at 5.

[15] *Id.* at 5-6 and Ordering Paragraph 2.

[16] July 2 Order, Ordering Paragraph 1.F.

DECISION OPTIONS

1. Deny the Petition.

2. Reconsider the July 2, 2026 Order by rescinding Ordering Paragraph 1.A.1).

3. Clarify the July 2, 2026 Order as follows:

    A. Determine that requests for information related to the rate impact of future compliance with Standards under Minn. Stat. § 216B.1691 are reasonable and require a prompt utility response.

    B. Clarify that [X] cost information is relevant to proceedings regarding compliance with Minn. Stat. § 216B.1691.