October 5, 2018

## VIA ELECTRONIC FILING

Mr. Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 Seventh Place East, Suite 350 Saint Paul, MN 55101-2147

## Re: In the Matter of the Application of Nobles 2 Power Partners, LLC for a Certificate of Need for an up to 260 MW Nobles 2 Wind Project and Associated Facilities in Nobles County MPUC Docket No. IP6964/CN-16-289

Fredrikson

Dear Mr. Wolf:

Nobles 2 Power Partners, LLC ("Nobles 2") provides the enclosed Reply Comments that were filed today in MPUC Docket No. E015/M-18-545 ("PPA Docket") in response to the Minnesota Department of Commerce, Division of Energy Resources ("DOC-DER") September 21, 2018 Comments ("DER Comments") regarding Minnesota Power's petition for approval of the 250 MW Nobles 2 Power Purchase Agreement ("PPA"). These Reply Comments are being filed in this docket due to DOC-DER's letter filed on September 29, 2018 whereby it changed its prior recommendation of approval and indicated that the Commission should deny Nobles 2's application for a certificate of need ("CN") based on misperceptions of actions taken by Nobles 2 and Minnesota Power in the PPA Docket.

First, DOC-DER's revised recommendation for denial of Nobles 2's CN application is not based on the facts and findings established in this record. Most importantly, Nobles 2 submitted its application for a CN relying on a two-pronged analysis of need; i.e., the need for Nobles 2 to deliver power under the Minnesota Power PPA and the need for Nobles 2 to deliver renewable energy to the larger marketplace, even if the Minnesota Power PPA is not approved by the Commission. In its original comments, filed on June 27, 2018, on Nobles 2's CN application, DOC-DER agreed with Nobles 2 that there is a need for the Nobles 2 project in Minnesota that is separate and distinct from the need to deliver power under the Minnesota Power PPA and recommended the Commission approve Nobles 2's CN application.

Second, as demonstrated in these Reply Comments, Nobles 2 negotiated with Minnesota Power

Attorneys & Advisors main 612.492.7000 fax 612.492.7077 www.fredlaw.com Attorneys & Advisors 200 South Sixth Street, Suite 4000 Minneapolis, Minnesota 55402-1425 Mr. Daniel P. Wolf October 5, 2018 Page 2

in good faith to preserve a PPA that was jeopardized by significant changes in federal tax policy and higher than expected interconnection costs. As fully discussed in the attached Reply Comments, any suggestion that Nobles 2 engaged in improper behavior during the PPA negotiations is entirely unfounded.

We respectfully ask that the Commission consider the dual-pronged factual record supporting the merits of Nobles 2's CN application, as DOC-DER did in its June 27, 2018 comments, and find that there is a need for the Nobles 2 project, with or without the Minnesota Power PPA.

In accordance with the Commission's revised Procedures for Handling Trade Secret and Privileged Data, Minn. R. 7829.0500, and Minn. Stat. Ch. 13, Nobles 2 has designated as **NONPUBLIC or TRADE SECRET** certain commercially sensitive information in the attached Reply Comments, *i.e.*, pricing, negotiated contract terms, and cost information, which, if released, would have a detrimental effect on Nobles 2 by providing potential competitors and others with valuable information not otherwise readily ascertainable and from which these persons would obtain economic value. Nobles 2 has taken reasonable precautions to protect the confidentiality of this information in order to maintain its competitiveness within the marketplace, and, therefore, this information is trade secret, as defined by Minn. Stat. § 13.37, subd. 1(b).

Given the need to include nonpublic information, Nobles 2 has prepared and is e-filing both nonpublic and public versions of these Reply Comments.

A copy of this filing was e-filed today on behalf of Nobles 2 Power Partners, LLC through <u>www.edockets.state.mn.us</u> and is also being served upon the persons on the Official Service List of record.

Sincerely,

/s/ Jeremy P. Duehr

Jeremy P. Duehr Attorney at Law Direct Dial: 612.492.7413 Email: jduehr@fredlaw.com

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