MINNESOTA PUBLIC UTILITIES COMMISSION

Minnesota Public Utilities Commission Ex Parte Communication Report

Date:	March 11, 2019
То:	Public Ex Parte Communication File
Case Name:	In the Matter of Xcel Energy's Tariff Revisions to Implement Updated DER Interconnection Process and Standard Interconnection Agreement in E999/CI-16-521
Docket No:	E002/M-18-714, E002/M-16-222 and E002/M-13-1015
From:	Michelle Rosier

RE: Permissible Ex Parte Communications Pursuant to Minn. Rules, Part 7845.7400.

1. Type of communication: Written/Phone

NOTE: In both instances, please notify the Maker of the communication that it has been submitted for inclusion in the record.

- 2. Maker of the Communication: Michelle Rosier to Jessica Peterson and James Denniston
- 3. Recipient of the Communication: Michelle Rosier
- 4. For communications involving the setting of interim rates or the review of compliance filings, the topic was: N/A
- 5. For all other permissible communications that are prohibited for the Commissioners under Minn. Rules, part 7845.7200, the substance of the communication was:

See below e-mails and phone call summary.

6. For oral permissible ex parte communications, has a copy of this memo been sent to the assigned Administrative Law Judge? N/A

From: Rosier, Michelle (PUC)
Sent: Thursday, March 07, 2019 3:16 PM
To: 'Peterson, Jessica K' <Jessica.K.Peterson@xcelenergy.com>; James Denniston (James.R.Denniston@xcelenergy.com) <James.R.Denniston@xcelenergy.com>
Subject: Question: 18-714 and 13-1015 IR Responses and Proposed Tariff Language

Jessie and Jim:

Could we schedule some time to talk this week or Monday before 1pm? I would like to discuss the Company's response to two MN PUC IRs to ensure I understand the proposed language at Section 9; Sheet No. 5 (Cogeneration and Small Power Production):

<u>APPLICATION OF THE MN DIP</u> To the extent that an application or interconnection is subject to the MN DIP, and there is any inconsistency between the provisions of this Section 9 and the MN DIP as set forth in the Section 10 tariff or the MN Technical Requirements, the provisions of the MN DIP and MN Technical Requirements shall control over the provisions of this Section 9 tariff.

When I read the Company's responses in these two IR responses, it seems contradictory, so I need to better understand why from your perspective it is not for the briefing papers.

IR responses:

1. PUC IR Response #1 (13-1015), pp. 1-4

2. <u>PUC IR Response #1</u> (18-714), pp. 1-2

I will file an ex parte communication on this discussion in the dockets. I appreciate your assistance in helping me understand the Company's position.

Thanks, Michelle

Conference call between Michelle Rosier, Jessica Peterson and James Denniston Friday, March 8, 2019; 1:00pm – 1:16pm

Commission staff started the call by providing context for the email request. Staff was concerned as written the red-lined edit at Section 9; Sheet No. 5 APPLICATION OF THE MN DIP could be interpreted in conflict with Xcel Energy's Responses to PUC Informational requests related to determining DER Capacity. In IR Response #1 (Docket No. E002/M-13-1015), the Company states the capacity determination for net metering eligibility was not necessarily the same as defined by the MN DIP. However, staff's understanding of the red-lined edit at Section 9; Sheet No. 5 APPLICATION OF THE MN DIP would be that if there was a conflict between the provisions of the net metering tariff and the MN DIP the MN DIP would control (i.e. be used to define capacity.) Staff suggested removal, rewording or additional wording for the red-lined edit may be necessary to address this potential inconsistency.

Xcel Energy confirmed the intent of the red-lined edit at Section 9; Sheet No. 5 APPLICATION OF THE MN DIP was meant to address interconnection process and requirements, and not change the definition of a qualifying facility. Two issues that may be different between the net metering (cogeneration and small

power production) tariff and MN DIP were identified: how capacity is determined and how a DER system is defined.

Xcel Energy will review the language and possibly offer a proposed amendment to the red-lined edit at Section 9; Sheet No. 5 APPLICATION OF THE MN DIP for further clarification consistent with the Company's position as articulated in the IR responses.

The call ended at 1:16pm.

From: Denniston, James R <James.R.Denniston@xcelenergy.com>
Sent: Monday, March 11, 2019 8:27 AM
To: Rosier, Michelle (PUC) <michelle.rosier@state.mn.us>; Peterson, Jessica K
<Jessica.K.Peterson@xcelenergy.com>
Subject: RE: Question: 18-714 and 13-1015 IR Responses and Proposed Tariff Language

Hi Michelle,

As a follow-up from our call on Friday, we believe that adding the yellow highlighted language below to our tariff sheet 9-5 would provide a clarification and better align the tariff wording with our intent.

APPLICATION OF THE MN DIP

To the extent that an application or interconnection is subject to the MN DIP, and there is any inconsistency between the provisions of this Section 9 and the MN DIP as set forth in the Section 10 tariff or the MN Technical Requirements, the provisions of the MN DIP and MN Technical Requirements shall control over the provisions of this Section 9 tariff. Notwithstanding this, for purposes of interpreting this Section 9 tariff the MN DIP or MN Technical Requirements will not control over the provisions of this Section 9 tariff that define the terms "Qualifying Facility" and "Generation System".

Thank you for calling this issue to our attention.

Jim