COMMERCE DEPARTMENT

March 18, 2020

Mr. Will Seuffert Executive Secretary Minnesota Public Utilities Commission 121 Seventh Place East, Suite 350 St. Paul, Minnesota 55101

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources;** Docket Nos. E999/PR-20-12 and E999/M-20-283

Dear Mr. Seuffert,

On March 10, 2020, the Minnesota Public Utilities Commission (Commission) issued a *Notice of Comment Period* in the above-referenced dockets. The Commission seeks comment on whether AEP Energy Partners, Inc. (AEPEP), the new wholesale provider to Brainerd Public Utilities, is subject to the Renewable Energy Standard (RES) requirements set forth in Minn. Stat. §216B.1691. The Minnesota Department of Commerce, Division of Energy Resources (Department) offers the following comments.

Minn. Stat. §216B.1691, Subd. 2a requires electric utilities to "generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers or the retail customers of a distribution utility to which the electric utility provides wholesale service" for compliance with the RES standards. An electric utility is defined by Minn. Stat. §216B.1691, Subd. 1 as "a public utility providing electric service, a generation and transmission cooperative electric association, a municipal power agency, or a power district."

AEPEP, while a wholesale energy provider, is not a public utility, generation and transmission cooperative, municipal power agency, or a power district; therefore, AEPE does not meet the definition of any of the entities subject to the RES statute under Minn. Stat. §216B.1691, Subd. 1. In addition, Brainerd Public Utilities does not appear to fall under the definition of an electric utility subject to the RES either. The Department is aware of another instance in which a municipal utility has generation that falls outside the RES requirements. For example, only the portion of Rochester Public Utility's (RPU's) retail sales that is supplied by the Southern Minnesota Municipal Power Agency (SMPPA) is subject to the RES; the portion of RPU's sales that is served by their own generation is not subject to the RES.

The Department concludes that AEP Energy Partners, Inc. is not subject to the RES, nor is Brainerd Public Utilities. Subjecting either entity to the RES would require a statutory change to Minn. §216B.1691. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/Susan L. Peirce Rates Analyst Coordinator

SLP/ar

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CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce Comments

Docket No. E999/PR-20-12 and E999/M-20-283

Dated this 18th day of March 2020

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Derek	Bertsch	derek.bertsch@mrenergy.c om	Missouri River Energy Services	3724 West Avera Drive PO Box 88920 Sioux Falls, SD 57109-8920	Electronic Service	No	OFF_SL_20-12_PR-20-12
Richard	Burud	rgburud@msn.com	Southern Minnesota Energy Cooperative	31110 Cooperative Way Rushford, MN 55971	Electronic Service	No	OFF_SL_20-12_PR-20-12
LORI	CLOBES	lclobes@mienergy.coop	MiEnergy Cooperative	31110 COOPERATIVE WAY PO BOX 626 RUSHFORD, MN 55971	Electronic Service	No	OFF_SL_20-12_PR-20-12
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-12_PR-20-12
Curt	Dieren	curt.dieren@dgr.com	L&O Power Cooperative	1302 S Union St Rock Rapids, IA 51246	Electronic Service	No	OFF_SL_20-12_PR-20-12
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-12_PR-20-12
Ronald J.	Franz	ronald.franz@dairylandpow er.com	Dairyland Power Cooperative	3200 East Ave S PO Box 817 La Crosse, WI 546020817	Electronic Service	No	OFF_SL_20-12_PR-20-12
Casey	Jacobson	cjacobson@bepc.com	Basin Electric Power Cooperative	1717 East Interstate Avenue Bismarck, ND 58501	Electronic Service	No	OFF_SL_20-12_PR-20-12
Nate	Jones	njones@hcpd.com	Heartland Consumers Power	PO Box 248 Madison, SD 57042	Electronic Service	No	OFF_SL_20-12_PR-20-12
Ted	Kjos	tkjos@mienergy.coop	MiEnergy Cooperative	31110 Cooperative Way PO Box 626 Rushford, MN 55971	Electronic Service	No	OFF_SL_20-12_PR-20-12

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Brian	Krambeer	bkrambeer@mienergy.coo p	MiEnergy Cooperative	PO Box 626 31110 Cooperative W Rushford, MN 55971	Electronic Service ay	No	OFF_SL_20-12_PR-20-12
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Ben	Nelson	benn@cmpasgroup.org	СММРА	459 South Grove Street Blue Earth, MN 56013	Electronic Service	No	OFF_SL_20-12_PR-20-12
Samantha	Norris	samanthanorris@alliantene rgy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_20-12_PR-20-12
Generic Notice	Residential Utilities Division	residential.utilities@ag.stat e.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-12_PR-20-12
John	Richards	johnrichards@nweco.com	Northwestern Wisconsin Electric Company	104 S. Pine St. Grantsburg, WI 54840	Electronic Service	No	OFF_SL_20-12_PR-20-12
Robert K.	Sahr	bsahr@eastriver.coop	East River Electric Power Cooperative	P.O. Box 227 Madison, SD 57042	Electronic Service	No	OFF_SL_20-12_PR-20-12
Christopher	Schoenherr	cp.schoenherr@smmpa.or g	SMMPA	500 First Ave SW Rochester, MN 55902-3303	Electronic Service	No	OFF_SL_20-12_PR-20-12
Кау	Schraeder	kschraeder@minnkota.com	Minnkota Power	5301 32nd Ave S Grand Forks, ND 58201	Electronic Service	No	OFF_SL_20-12_PR-20-12

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Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-12_PR-20-12
Audra	Skalet	askalet@mienergy.coop	MiEnergy Cooperative	31110 Cooperative Way PO Box 626 Rushford, MN 55971	Electronic Service	No	OFF_SL_20-12_PR-20-12
Trevor	Smith	trevor.smith@avantenergy. com	Avant Energy, Inc.	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_20-12_PR-20-12
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Scott	Magnuson	smagnuson@bpu.org	Brainerd Public Utilities	N/A	Electronic Service	No	OFF_SL_20-283_Official
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