

The Commission met on **Thursday, November 19, 2020**, with Chair Sieben and Commissioners Means, Schuerger, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

E-002/M-20-606

In the Matter of Northern States Power Company dba Xcel Energy-Electric's Petition Requesting Approval of Meter Services Pricing Association with Distributed Generation

Commissioner Schuerger moved that the Commission do the following:

1. Approve the proposed Distributed Energy Resources metering charges proposed by Northern States Power Company d/b/a Xcel Energy (Xcel) with the corrected tariff sheets presented in its September 14, 2020 Reply Comments.
2. Require Xcel to submit a compliance filing within 30 days of the Commission's order.

The motion passed 5–0.

E-017/AA-20-462

In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Forecasted Rates for its Energy Adjustment Rider

Commissioner Sullivan moved that the Commission do the following:

1. Authorize Otter Tail Power Company (Otter Tail Power) to implement its 2021 Fuel Clause Adjustment (FCA) forecast, based on revised forecasted sales of 4,885,326 megawatt-hours (MWh) and revised forecasted fuel costs of \$102,058,949.
2. If in December 2020 the Commission does not accept Otter Tail's rate case in Docket No. E-017/GR-20-719, *In the Matter of the Application of Otter Tail Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota*, then, effective January 1, 2021, authorize Otter Tail Power to begin using the Energy Adjustment Rider (EAR) rates reflected in Revised Attachment 1.1 of Otter Tail Power's Reply Comments.
3. If in December 2020 the Commission accepts Otter Tail Power's rate case in Docket No. E-017/GR-20-719, then, effective January 1, 2021, authorize Otter Tail Power to begin using the EAR rates reflected in Revised Attachment 1.2 of Otter Tail Power's Reply Comments.
4. Require Otter Tail Power to submit a compliance filing with revised tariff sheets and supporting calculations within 10 days of the Commission's order in this docket or, if

Otter Tail Power's rate case is accepted, with the interim rates compliance filing in Otter Tail's rate case in Docket No. E-017/GR-20-719.

The motion passed 5–0.

E-002/AA-20-417

In the Matter of Xcel Energy's Petition for Approval of its 2021 Annual Fuel Forecast and Monthly Fuel Cost Charges

Chair Sieben moved that the Commission do the following:

1. Authorize Xcel to implement its 2021 FCA forecast, based on revised forecasted sales of 26,988,067 MWh and revised forecasted costs of \$749,743,000.
2. Require Xcel, in its 2022 true-up filing and future filings, to identify the number and MWhs of planned outages that were originally classified as unplanned.
3. Require Xcel to submit a compliance filing with revised tariff sheets and supporting calculations within 10 days of the Commission's order in this docket for implementation effective January 1, 2021, or, if Xcel's rate case is accepted, with the interim rates compliance filing in Xcel's rate case, in Docket No. E-002/GR-20-723.

The motion passed 5–0.

E-015/AA-20-463

In the Matter of Minnesota Power's Petition for Approval of the Annual Forecasted Rates for its Rider for Fuel and Purchased Energy Charge

Chair Sieben moved that the Commission do the following:

1. Authorize Minnesota Power to implement its 2021 FCA forecast, based on forecasted sales of 8,187,964 kWh and forecasted fuel costs of \$216,381,920.
2. Require Minnesota Power, in its 2022 Fuel Forecast, to provide a more detailed and broken out sales forecast consistent with the information provided in Table 2 of the Department's Reply Comments, with the addition of a Lighting category and a definition for the "Other Miscellaneous" category.

The motion passed 5–0.

E-999/M-17-123

In the Matter of the Department of Commerce Workgroup on Wind and Solar Facilities

This item was removed from the Commission's agenda.

G-008/M-20-434

In the Matter of the Petition by CenterPoint Energy (CPE) to Introduce a Renewable Natural Gas Interconnection Tariff

Commissioner Schuerger moved that the Commission do the following:

1. Approve CPE's Interconnection Petition with modifications.
2. Approve the proposed Interconnection Feasibility Study Agreement (Exhibit A, Initial Petition) as filed by CPE.
3. Find that CPE's tariff applies to biogenic renewable natural gas, defined as "Pipeline compatible gaseous fuel that has been derived from the anaerobic biological decomposition of organic materials and has lower lifecycle carbon dioxide equivalent (CO₂e) emissions than geological natural gas."
4. Find that CPE must make a compliance filing for each interconnection, within thirty days of accepting the producer's renewable natural gas (RNG) into its system, with the following information:
 - a. the feedstock or feedstocks of the producer,
 - b. the total amount of RNG volumes expected to be provided by the producer,
 - c. the mix of end-uses of the digestate,
 - d. if known, the state(s) in which the entity or entities purchasing the RNG from the producer are located and the end-use for which the RNG is being purchased,
 - e. methane leakage control and mitigation measures employed by the producer at the production and upgrade facility,
 - f. an estimate of methane leakage for the producer along with a description of the methodology used to develop that estimate, and
 - g. a lifecycle analysis of the greenhouse gas emissions, including emissions associated with the upgrade facility, of RNG volumes provided by the producer, along with a description of the methodology used to develop the lifecycle analysis.

5. Find that CPE must make an annual compliance filing beginning February 1, 2022, with the following information:
 - a. the total number of interconnected RNG producers supplying RNG to the CenterPoint Energy system in the previous calendar year,
 - b. the amount of RNG volumes taken onto the CenterPoint Energy system each year in total and from each of those producers,
 - c. the mix of feedstock used by RNG producers connected to the CenterPoint Energy system and volumes provided to the system broken out by primary feedstock for the previous calendar year,
 - d. the mix of end-uses of the digestate for each producer interconnected to CenterPoint Energy's system,
 - e. the estimated methane emissions associated with the total amount of RNG received on the CenterPoint Energy system in the previous calendar year and by primary feedstock, and a description of the methodology for estimating methane emissions,
 - f. estimated lifecycle greenhouse gas emissions, including emissions associated with the upgrade facilities, of the RNG received on CenterPoint Energy's system in the previous calendar year in total and by primary feedstock compared to lifecycle emissions of geological natural gas on CenterPoint Energy's system, along with a description of the methodology for determining those lifecycle greenhouse gas emissions, and
 - g. updated information for each interconnected RNG producer using the same data points as included in the per-producer compliance filing described in decision option 2.
6. Find that the data and information provided through the RNG interconnection compliance filings will be used by the Minnesota Department of Commerce (Department) and the Commission to evaluate future utility proposals for additional investments in RNG in Minnesota and future program and tariff proposals for RNG in Minnesota.
7. Approve the proposed RNG Interconnection Agreement as filed by CPE.
8. Approve the proposed RNG Quality Standards, but require CenterPoint Energy to periodically update its gas quality standards upon consultation with stakeholders, DOC, and the Minnesota Office of Pipeline Safety and according to the best available science. Anytime there is a change to CPE's standards CPE shall notify the Commission. Starting with its annual report in 2022 CPE shall provide a report on its discussions with stakeholders on the standards.

9. Delete the Renewable Natural Gas Quality Standards (Section 17) from the proposed tariff, and direct CPE to ensure that any biogas interconnection or service is consistent with its obligations to provide safe and reliable service. CPE must maintain on its website the most up-to-date biogas quality standards and testing requirements for those injecting Biogas into the distribution system under their Renewable Natural Gas Interconnection Program.
10. Approve the RNG Interconnection Tariff but direct CPE to charge RNG customers the same non-gas margin as charged to interruptible transportation customers, less the conservation cost recovery charge, i.e., \$0.15748 per therm.
11. Direct CPE to include in its tariff an exit fee as follows:

If Customer suspends RNG production, Customer will pay an exit fee equal to the total cost of installing the RNG facilities, including main to connect to CenterPoint Energy's distribution system, and any costs for removal of facilities, less the initially paid contribution-in-aid-of-construction; any depreciation of facilities that has occurred between project inception and suspension of RNG production; and any cost for infrastructure that is utilized by other customers.
12. Direct CPE, within 90 days of the anniversary of this tariff, to file a report exploring the possibility of segmenting the market between small and large customers, and the practicability of Individual-Case-Based pricing for large customers. The report shall include the costs and revenues of each interconnecting customer.
13. Approve the other tariff changes indicated in Exhibit G of CPE's initial petition.
14. Direct CPE to track all actual costs separately for each RNG producer or developer that interconnects with CPE, and the total RNG received for each RNG producer or developer (in dekatherms).
15. Direct CPE to inform the Department and Commission if any affiliates are, or become, involved in any interconnection project; and explain whether the affiliate rules and regulations are implicated. If so, CPE shall seek Commission approval of the transaction. CPE shall also explain how any transactions with its affiliates would comply with Minn. R. 7825-1900 – 7825.2300 and Minn. Stat. § 216B.48 and the relevance of these regulations to all applicable projects.
16. Direct CPE to seek approval from the Commission prior to engaging in any RNG transactions for its fueling station.
17. Direct CPE to absorb any rebates or incentives used by CPE in its interconnection process as a shareholder expense.

18. Direct CPE to track and identify all the customers CPE adds (to lines built to accommodate RNG Interconnect Customers) and the associated costs and revenues, and provide a discussion and analysis in its next general rate case.
19. Direct CPE to make a compliance filing within 30 days of the order with a clean tariff, Interconnection Feasibility Study Agreement, and RNG Interconnection Agreement consistent with the decisions in this order, and delegate authority to the Executive Secretary to approve the tariff and agreements along with varying timeline.
20. Direct CPE to file a proposal, within 90 days of the Commission's order and prior to filing of a green RNG tariff, based on consultation with interested parties—including, at a minimum, the Center for Energy and the Environment, Fresh Energy, Minnesota Center for Environmental Advocacy, and the Sierra Club—in a new docket for 1) an accounting framework to evaluate and verify the carbon intensity of different RNG sources and validate its effectiveness in reducing carbon emissions; and 2) a threshold of carbon intensity that should be required for RNG interconnection producers.
21. Direct that CPE shall make a compliance filing in the first annual RNG interconnection report on February 1, 2022, describing how its RNG program is consistent with the information requested in the May 20, 2020 notice issued in Docket No. E,G-999/CI-20-492, *In the Matter of an Inquiry into Utility Investment that May Assist in Minnesota's Economic Recovery from the COVID-19 Pandemic*, as well as information in the level of utility and private investments in the program, and its impact on job creation or other economic development.

The motion passed 5–0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: December 16, 2020



Will Seuffert, Executive Secretary