

The Commission met on **Thursday, January 20, 2022**, with Chair Tuma and Commissioners Means, Schuerger, and Sieben present.

The following matters were taken up by the Commission:

**E-278, 106/SA-21-804**

**In the Matter of the Joint Request of the City of Mountain Iron and Lake Country Power for Approval to Update Electric Service Territory Records**

Chair Tuma moved that the Commission

1. Approve the permanent service territory transfer from Lake Country Power to the City of Mountain Iron.
2. Request that the Minnesota Geospatial Information Office update the Commission's maps to reflect the service area designations as shown on the map in the petition.
3. Change the heading for Section III, Subsection A of the comments of the Minnesota Department of Commerce, Division of Energy Resources to read that that the transfer is from the cooperative to the municipal.

The motion passed 4-0.

**E-270, 139/SA-21-805**

**In the Matter of the Joint Request of Madelia Light and Power and South Central Electric Association for Approval to Update Electric Service Territory Records**

Chair Tuma moved that the Commission

1. Approve the permanent service territory transfer from South Central Electric Association to Madelia Light and Power.
2. Request that the Minnesota Geospatial Information Office update the Commission's maps to reflect the service area designations as shown on the map in the petition.

3. Change the heading for Section III, Subsection A of the comments of the Minnesota Department of Commerce, Division of Energy Resources to read that that the transfer is from the cooperative to the municipal.

The motion passed 4-0.

**E-015/M-21-790**

**In the Matter of Minnesota Power's Petition for Approval of a Variance to the Customer Service Rules Governing Billing Errors**

Chair Tuma moved that the Commission

1. Approve Minnesota Power's request for a billing error variance and authorize the requested refunds with the interest through the date of payment. Minnesota Power shall make a compliance filing within 14 days of the payment indicating the date of payment, total payment, and interest.
2. Establish a 30-day negative check off process for billing error variance requests from Minnesota Power and authorize Minnesota Power to provide refunds if no objections are filed within 30 days of a petition for a billing error variance.
  - a. Require the filing to include estimated interest to be paid through the date of estimated payment. MP shall make a compliance filing within 14 days of the payment indicating the date of payment, total payment, and interest.
  - b. Delegate to the Executive Secretary authority to issue a notice affirming the refunds.

The motion passed 4-0.

**E-999/CI-16-521**

**In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established under Minn. Stat. § 216B.1611**

Commissioner Schuerger moved that the Commission

1. Require Xcel Energy to phase out, for feeders and substations that are not clearly documented as capacity constrained, the "on-hold" practice of staying project timeframes to perform serial review of interconnection applications over the course of a year with quarterly compliance reporting.
2. Require Xcel Energy to expand its parallel processing to all Fast-Track projects within 30 days of this order, applied only to areas where there are no known capacity constraints.

3. For projects greater than 40 kilowatts (kW) in areas with no known capacity constraints, and in known capacity constraint areas when the project itself would not trigger the applicable known capacity constraint, require Xcel Energy within 30 days of this order to move the trigger to begin reviewing the next-in-queue project when the ahead-in-queue has begun the facilities study.
4. Require Xcel Energy to increase tracking and reporting of the following related to the parallel and serial processing of applicants in quarterly Minnesota Distributed Energy Resources Interconnection Process (MN DIP) reports:
  - a. Number of projects less than 40 kW and number greater than 40 kW that failed initial review screens, supplemental screens, and required upgrades,
    - i. Per quarter in the year before parallel screening was implemented and
    - ii. Per quarter after parallel screening was implemented;
  - b. Identify/tag applications screened in parallel;
  - c. Additional analysis on the potential impact to interconnection costs of switching to parallel and earlier trigger for serial processing;
  - d. Number and cost of restudies associated with moving serial review for next in queue; and
  - e. Impact on interconnection review timeframes.
5. Grant Xcel Energy a variance to MN DIP 1.8.3 to pilot mandatory cluster group studies for areas with three or more applications greater than 40 kW that cannot be reviewed in parallel.
6. Create a Working Group to discuss key topics of a cluster study convened by the Commission and Xcel Energy.
  - a. The Working Group will be conducted over a period of 120 days.
  - b. The Working Group will discuss and file a report with an issues matrix detailing all resolved and unresolved issues, a description of party positions and recommended decision options along with any references to record documentation on topics identified by updated guidelines and in-progress findings from Xcel Energy's mandatory group study project.
7. Direct Xcel Energy to provide the following reporting on any pilot Group Study processes it implements:

- a. A compliance filing six months after the order in this matter describing the participating applications, relevant feeder and substation characteristics, the time in which each phase of the study was completed, any group retention measures (deposits or penalties), the general cost allocation process used, and any disputes that arose.
  - b. A presentation at the next Solar\*Rewards Community stakeholder meeting that follows submission of this report, to be given by Xcel Energy with input from participating applicants about the process and lessons learned.
8. Require Xcel Energy to discuss any specific issues that arise as a result of reduced daytime minimum load on feeders with high distributed energy resources (DER) capacity, or specific issues related to DER and operational flexibility, in its quarterly compliance filings in this docket.
9. Deny Xcel Energy's MN DIP 1.9.1 edit.
10. Approve the cost-sharing proposal for Xcel Energy customers with less than 40 kW DER created by Fresh Energy, IREC, and TruNorth with a plan by the Xcel Energy to implement by the end of August 31, 2022, within 60 days of this Order, capping individual upgrades at \$15,000.
11. Request the Distributed Generation Workgroup propose an independent, unbiased technical review process and a queue or policy review process with the goal of reducing appeals to the Commission.
12. Require Xcel Energy to provide a detailed report of the costs incurred and technical rationale for each upgrade should Excel Energy seek cost recovery for distribution upgrades.
13. Direct Xcel Energy to stay implementation of the Affected System Study Agreement until a Comment Period regarding the following issues has concluded. Direct the Executive Secretary to give Notice of a Comment Period that addresses key issues, including the following:
  - a. Whether the Agreement between Xcel Energy and the Midcontinent Independent System Operator requires changes to MN DIP or to a tariff;
  - b. What those changes might be;
  - c. Whether any changes to the Agreement should be requested;
  - d. Whether any jurisdictional issues exist; and

e. Any other related issues.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: March 16, 2022**

A handwritten signature in black ink, appearing to read "Will Seuffert", with a long horizontal flourish extending to the right.

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**Will Seuffert, Executive Secretary**