

The Commission met on **Thursday, May 9, 2013**, with Chair Heydinger and Commissioners Boyd, Lange, and Wergin present.

The following matters were taken up by the Commission:

TELECOMMUNICATIONS AGENDA

P-999/M-12-1265

In the Matter of the Petition of Greater Twin Cities United Way for Assignment of the 2-1-1 Abbreviated Dialing Code

Commissioner Wergin moved to recognize GTCUW's current leadership role and issue an order designating GTCUW as the lead implementing agency for 2-1-1 service in Minnesota, with the exception of Clay County. The Commission ordered that to the extent another entity seeks designation in Minnesota as the lead implementing agency for 2-1-1 service in the future, it may petition the Commission to do so.

The motion passed 4-0.

P-999/M-13-137

In the Matter of Intercarrier Compensation Reform Required by FCC Order

Commissioner Boyd moved to approve the access charge filing procedures proposed by the Department of Commerce.

The motion passed 4-0.

ENERGY AGENDA

IP-6846/WS-10-798

In the Matter of Lake Country Wind Energy, LLC's LWECS Site Permit for a 41 Megawatt Large Energy Facility in Kandiyohi and Meeker Counties

Commissioner Wergin moved to take the following actions:

1. Issue the Department's proposed Amended Site Permit with two additional changes recommended by the Department and a correction to Section 6.4 requested by Lake Country Wind Energy, LLC.
2. Direct Lake Country Wind Energy, LLC to
 - A. File any biological surveys or studies conducted on this Project, including those not required specifically under this Permit, including the Fall 2012 Acoustic Bat Survey;

- B. File all biological and natural resource inventories or studies it has conducted or will conduct at least 30 days prior to the pre-construction meeting; and
- C. Work with the Department and the DNR to review turbine relocation requests consistent with Minn. Rule 7854.1000 and the terms and conditions of the Amended Site Permit for the 41 MW Lake Country Wind Project.

The motion passed 4-0.

E999/M-12-958

In the Matter of Commission Consideration and Determination on Compliance with Renewable Energy Obligations and Renewable Energy Standards

E999/CI-03-869

In the Matter of Detailing Criteria and Standards for Measuring an Electric Utility's Good Faith Efforts in Meeting the Renewable Energy Objectives Under Minn. Stat. §216B.1691

E999/PR-11-189

In the Matter of a Renewable Energy Certificate Retirement Report for Compliance Year 2010

E999/PR-12-334

In the Matter of a Renewable Energy Certificate Retirement Report for Compliance Year 2011

Commissioner Wergin moved to take the following actions:

1. Requirement to File Report

Find that Dairyland Power Cooperative, Interstate Power and Light, Missouri River Energy Services, East River Electric Power Cooperative Inc, Heartland Consumers Power District, Central Minnesota Municipal Power Agency, Otter Tail Power Company, Southern Minnesota Municipal Power Agency, Xcel Energy, Basin Electric Power Cooperative, L& O Power Cooperative, Great River Energy, Northwestern Wisconsin Electric, Minnkota Power Cooperative, Minnesota Power, and Minnesota Municipal Power Agency have complied with the requirement of Minn. Stat. §216B.1691 subd. 3(a) by reporting on their plans, activities, and progress with regard to REO-RES.

2. Compliance with the 2010 and 2011 Renewable Energy Objectives

Find that the 16 utilities enumerated above and subject to Minn. Stat. §216B.1691 have complied with the 2010 and 2011 objectives of seven percent.

3. **Future Compliance**

Find that the 16 utilities subject to Minn. Stat. §216B.1691 have submitted what appear to be reasonable plans to meet the renewable energy standards for 2012-2014. This finding does not imply that particular generation projects are counted under the REO- RES statute, but is a general finding that the plans filed by the companies demonstrate planned compliance, subject to confirmation of individual project eligibility through normal regulatory processes.

4. **Streamline Reporting Requirements**

Adopt the Department's February 25, 2013 recommendation to streamline reporting requirements as reflected on Attachment 1, modified to require:

- A. the year through which the utility can maintain compliance with its current renewable portfolio, and
- B. a chart showing projected compliance for the current year plus three (3) upcoming years, which projected Minnesota sales in MWh, the RES percentages for those years, projected RES needs, projected RES-eligible resources in MWh (or RECs), and projected surplus or deficit in MWh.
- C. any unbundled REC sales or purchases for the two preceding calendar years, including the number of RECs sold or purchased and the price paid for the RECs.

Attachment 1, Docket E999/M-12-958, UPDATED for renumbering purposes

Clean Version of Department Revised Reporting Requirements (Re-ordered for clarity and organization only)

1. The Commission clarifies that each utility subject to Minn. Stat. §216B.1691 must file its own individual biennial compliance report.
2. Northwestern Wisconsin Electric Company shall comply with the reporting requirements of Minn. Stat. §216B.1691. Northwestern Wisconsin Electric Company shall file the information it has supplied to the Minnesota Office of Energy Security under the time lines set forth herein and shall file its biennial compliance filing under the time lines set herein. At its discretion, the company may file the renewable energy compliance information it has provided to the Wisconsin Public Service Commission as the biennial compliance report required under this order.
3. Beginning with the next biennial reporting cycle, utilities shall file their biennial compliance reports at the same time they file their biennial reports with the Minnesota Office of Energy Security, but in no case later than June 1 in even numbered years. These reports shall be filed as miscellaneous tariff filings under the Commission's rules of practice and procedure.

4. Biennial compliance reports shall be clearly labeled, and preferably labeled “REO-RES Compliance Report.”
5. Biennial compliance reports shall contain at least all of the information set forth below:
 - a. total Minnesota retail sales in megawatt hours for each year relevant to compliance;
 - b. an accounting of what portion, if any, of the renewable energy identified in part d has been allocated to meet the renewable energy requirements of other states or the requirements of green pricing programs;
 - c. sections addressing the four categories of information required by statute:
 1. the status of the utility’s renewable energy mix relative to the objective and standards;
 2. efforts taken to meet the objective and standards;
 3. any obstacles encountered or anticipated in meeting the objective or standards; and
 4. potential solutions to the obstacles.
 - d. Any other State Renewable Standards or Objectives to which the utility is subject;
 - e. Any renewable generation facilities expected to become operational during the upcoming year, the type of facility, and the capacity and capacity factor of each facility;
 - f. Through what year the utility is in compliance with the Minnesota RES given its current renewable portfolio; (*staff recommended addition*)
 - g. A table showing projected compliance for the current year plus the next three years showing the utility’s projected Minnesota sales in MWh, the RES percentages for those four years, the projected RES needs in MWh for those years, projected RES-eligible resources in MWh, and projected surplus or deficit in MWh¹; (*staff recommended addition*)
 - h. Any unbundled REC sales or purchases for the two preceding calendar years, including the number of RECs sold or purchased and the price paid for the RECs; (*staff recommended addition*)

¹ See Table 8f at page 5 of MRES’s biennial compliance report in this docket for an example.

- i. Demonstrated reasonable efforts to adequately protect against undesirable economic impacts on ratepayers, including, but not necessarily limited to keeping the customers' bills and the utility's rates as low as practicable, given regulatory and other constraints. (*Addition based on JBI comments*)

The motion passed 4-0.

G-007,011/GR-10-977

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Commissioner Wergin moved to take the following actions:

1. Accept the PwC audit report as meeting the requirements of the Commission's July 13, 2012 order (ordering points 3 and 4);
2. Find that MERC's rates are over-collecting its revenue requirements by \$9,710; and
3. Require MERC to establish a regulatory liability and annually defer the \$9,710 with carrying costs for refund to customers in MERC's next rate case.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: June 12, 2013



Burl W. Haar, Executive Secretary