

NOTICE OF COMMENT PERIOD

Issued: November 4, 2016

In the Matter of a Commission Investigation into Fees Charged to Qualifying Facilities by Cooperative Electric Associations under the 2015 Amendments to Minn. Stat. § 216B.164, Subd. 3

PUC Docket Number/s: E999/CI-16-512

Comment Period: Initial comment period closes December 12, 2016 at 4:30pm
Reply comment period closes January 17, 2016 at 4:30pm

*Comments must be received by 4:30pm on the close date
Comments received after comment period closes may not be considered*

Project Background: On June 27, 2016, the Commission issued its *Order Opening Investigation, Delegating Authority and Finding that Tariffs Must be Approved Before Becoming Effective* in Dockets E999/PR-16-09, E121/CG-16-240, E123/CG-16-241 and E999/CI-16-512. The Order delegated to the Executive Secretary the authority to issue notices and establish procedures for the investigation. On August 19, 2016, the Commission requested that all Cooperative Electric Associations respond to a list of questions on qualifying facilities of less than 40-kilowatt capacity, any related fees under Minn. Stat. §216B.164, subd. 3 and the methodology used to support such fees. On September 19, 2016, Minnesota Rural Electric Association (MREA) filed its responses to the Commission's request. On October 12, 2016, Commission staff requested additional information from MREA, which was provided on October 28, 2016.

Topic/s Open for Comment:

- The fees charged to the customers of cooperative electric associations under Minn. Stat. §216B.164, subd. 3.
 - Should there be a different per kW rate for different DG fuel sources (i.e., wind, biogas, solar, etc.)?
 - Do the fees properly recover fixed costs not already paid for by the customer through the customer's existing billing arrangement?
 - Do the fees only recover the fixed distribution costs to the utility not otherwise accounted for in the basic monthly charge?
 - Are the fees discriminatory in relation to the costs charged to other customers of the utility?
 - Are the fees reasonable and appropriate for that class of customer?
 - Should there be a separate calculation for each rate class?

- Was the cost of service study used by MREA as support for the fees reasonable and appropriate?
- MREA's October 12, 2016 Responses to the Commission's September 19, 2016 list of questions.
- MREA's October 28, 2016 Responses to the Commission's Information Request No. 1. In determining a 3.5 kW allowance for residential customers, was it reasonable to remove all accounts from customer usage data with:
 - Less than 1 kWh of usage in each of the 12 reported monthly usage cycles?
 - Less than 1,000 kWh in total annual usage?
 - Greater than 3,000 kWh in any single month?
 - Greater than 20,000 kWh in annual usage?
- Any other related issues or concerns?

Submit Public Comments: Visit mn.gov/puc, select *Speak Up!*, find this docket, and add your comments to the discussion.

- *If you wish to include an exhibit, map or other attachment, please send your comments via U.S. Mail.*

Send U.S. Mail to Public Utilities Commission, 121 7th Place East, Suite 350, St. Paul MN 55101. Please include the Commission's docket number in all communications.

Filing Requirements: Utilities, telecommunications carriers, official parties, and state agencies are **required** to file documents using the Commission's electronic filing system (eFiling). All parties, participants and interested persons are encouraged to use eFiling: mn.gov/puc, select *eFiling*, and follow the prompts.

Full Case Record: See all documents filed in this docket via the Commission's website - mn.gov/puc, select *Search eDockets*, enter the year (*16*) and the docket number (*512*), select *Search*.

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Questions about this docket or Commission process and procedure? Contact Commission staff, Hanna Terwilliger, at Hanna.Terwilliger@state.mn.us or 651-201-2243 or Andrew Bahn, at Andrew.Bahn@state.mn.us or 651-201-2249

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