

## **NOTICE OF COMMENT PERIOD**

*Issued: March 31, 2016*

### **In the Matter of a Complaint of Larry Fagen against Minnesota Valley Cooperative Light & Power Association.**

**PUC Docket Number: E-123/CG-16-241**

**Comment Period:** Response from Minnesota Valley Cooperative Light & Power Association (Minnesota Valley) due April 21, 2016 at 4:30 pm  
Initial comment period closes May 23, 2016 at 4:30 pm  
Reply comment period closes June 2, 2016 at 4:30 pm

### **Information to be Included in Minnesota Valley's Response**

1. Are the Facts—as set out in pages 3-5 of the Complaint and the affidavits in Appendix B—accurate? If not, please explain which statements you dispute and why.
2. Please respond to each specific Claim (I-IV) listed in the Complaint.
3. If not included in the answer above, please describe the purpose of the \$650 fee referred to by Mr. Fagen, and show the details of how it is calculated.
4. Appendix A to this Complaint contains “Minnesota Valley’s Delivered Uniform Statewide Contract.” Is this the contract provided by Minnesota Valley to Mr. Fagen, and, if so, were agreements 2A and 4A pre-selected?
5. Agreement 2 B of the contract in Appendix A states that if the QF does not elect the kWh crediting method in A, then the QF will be compensated at the KWh rate calculated from the Cooperative’s “previous year’s average wholesale power cost figures.” Provide a calculation of the previous year’s average wholesale power cost rate that would have been applied to Mr. Fagen if that option had been chosen. Please include all figures used in the calculation.
6. According to Minnesota Valley’s Qualifying Facilities Report (filed February 25, 2016 in Docket 16-09), the Cooperative has 12 net metering customers. Of those 12 customers:
  - a. How many are credited for net generation under the “kWh carry forward” method?
  - b. How many are credited under the average retail cooperative energy rate?
  - c. How many are credited using the previous year’s average wholesale power cost rate?
7. Provide copies of any information given to members within the last 18 months through bill inserts, newsletters, the cooperatives website, or other means about additional fees, miscellaneous charges, or compensation options for cogeneration and small power production facilities.
8. Address any additional issues relevant to the Commission’s resolution of this dispute.

**Topics Open for Comment:**

- Is it permissible for a cooperative electric association to *require* a customer to be compensated using the “kWh carry forward” method, Minn. Stat. [§216B.164 Subd. 3\(f\)](#)?
- Does Minnesota Valley’s compensation option of “the kWh rate calculated from the Cooperative’s previous year’s average wholesale power cost figures” comply with Minn. Stat. §216B.164 Subd. 3(d) and Minn. Rules [7835.3300, Subd. 1](#)?
- If a customer installed a solar system prior to July 1, 2015 and expanded it after July 1, 2015, is all, part, or none of the combined system subject to the 2015 amendments to Minn. Stat. §216B.164?
- Is it permissible for a utility to waive or reduce other fees to encourage QFs to elect a specific method of compensation for excess energy, such as the kWh carry forward method?
- Any other docket-related issues or concerns.

**Project Background:** On March 22, 2016, the Minnesota Solar Energy Industries Project (MnSEIP) filed a Dispute for Resolution (Complaint) with the Commission on behalf of Larry Fagen, who is a member of Minnesota Valley. In December 2012, Mr. Fagen installed a 9.156 kW solar system on his property, with the intention of expanding the system in the future. On January 4, 2016, Mr. Fagen added 9.156kW onto his existing solar system.

Mr. Fagen claims the contract provided to him by Minnesota Valley was not the Uniform Statewide Contract, and that some options, including the method of compensation, were pre-selected. Mr. Fagen claims that Minnesota Valley informed him that if he did not accept compensation under the “kWh carry forward” method—under Minn. Stat. [§216B.164, subd. 3\(f\)](#)—he would be subject to a \$650 annual fee. Mr. Fagen requests that the contract be voided, and he be presented with a Uniform Statewide Contract.

Minn. Stat. §216B.164, subd. 5 and Minnesota Rules, Part 7835.4500, provide that in the case of a dispute between a utility and a qualifying facility, either party may request the Commission to determine the issue; the burden of proof is on the utility.

**Submit Public Comments:** Visit [mn.gov/puc](http://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 7<sup>th</sup> 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](http://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](http://mn.gov/puc), select *Search eDockets*, enter the year (16) and the docket number (241), select *Search*.

**Subscribe** to receive email notification when new documents are filed in this docket at [mn.gov/puc](http://mn.gov/puc), select *Subscribe*, and follow the prompts.

**Questions about this docket or Commission process and procedure?** Contact Commission staff, Andrew Twite, at [Andrew.Twite@state.mn.us](mailto:Andrew.Twite@state.mn.us) or (651) 201-2245.

**Change your mailing preferences:** Email [docketing.puc@state.mn.us](mailto:docketing.puc@state.mn.us) or call 651-201-2204

**This document can be made available in alternative formats (e.g., large print or audio) by calling 651-296-0406 (voice). Persons with hearing loss or speech disabilities may call us through their preferred Telecommunications Relay Service.**