

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

Nancy Lange	Chair
Daniel Lipschultz	Commissioner
Matt Schuerger	Commissioner
Katie Sieben	Commissioner
John Tuma	Commissioner

In the Matter of the Petition for approval of Northern States Power Company, dba Xcel Energy, for approval of its Community Solar Garden Program

MINNESOTA SOLAR ENERGY INDUSTRIES ASSOCIATION'S NOTE ON XCEL ENERGY'S COMMUNITY SOLAR GARDEN PROGRAM

January 11, 2019

Docket No. E-002/M-13-867

NOTE FROM THE MINNESOTA SOLAR ENERGY INDUSTRIES ASSOCIATION

MnSEIA submits this note to highlight a discrepancy with an Xcel Energy filing in its December Reply Comments on the 2019 Value of Solar rate. Due to the nature of Reply Comments signaling the designated comment period, MnSEIA must post a filing that is outside of the allocated comment period in order to highlight the issue. We hope the Commission considers our note even though it is being posted after the traditional Notice and Comment process has ended.

On December 13, 2018 Xcel Energy filed its Reply Comments and an additional document titled "Reply Comments – Attachment A Live" (hereinafter "Attachment A").¹ In Attachment A there is a note that reads "Note: Environmental costs are based on 'Metro Fringe' values instead of 'Urban' values which have been used in previous VOS calculations."

On March 26, 2018 the Minnesota Public Utilities Commission explicitly ordered the following:

¹ REPLY COMMENTS ATTACHMENT A LIVE, XCEL ENERGY, Docket No. E-002/M-13-867, Doc. Id. 201812-148483-02 (Dec. 13, 2018).

The Commission finds that Xcel's service territory is primarily urban and, importantly, the vast majority of the Company's capacity is through company-owned plants or purchased power agreements for plants located in urban areas. The Commission finds that these factors strongly suggest that the Commission-approved urban environmental cost values should continue to be used to calculate the Company's avoided environmental costs. The Commission agrees with the Department's reasoning, and will require Xcel to make this change in its calculation of the 2018 VOS rate.²

The note in Attachment A runs contrary to the 2018 Commission Order. While our initial guess is that the note in Attachment A is an unintentional error, MnSEIA feels it is required to highlight this issue in the event that Metro Fringe values were in fact used in the 2019 VOS filing. If the note in Attachment A was made in error, we hope that Xcel Energy will file a new Attachment A for the record. But, if it is indeed the case that Xcel did reuse the Metro Fringe values, then we request that the Commission direct Xcel to recalculate the 2019 VOS with Urban values, because this is required by the March 2018 PUC Order.

Thank you for your consideration of this note.

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² ORDER APPROVING XCELS UPDATE TO THE 2018 SYSTEM-WIDE VALUE-OF-SOLAR TARIFF RATE WITH MODIFICATIONS, PUC, Docket No. E-002/M-13-867, Doc. Id. 20183-141380-01 at 6 (Mar. 26, 2018).