

**STATE OF MINNESOTA  
PUBLIC UTILITIES COMMISSION**

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

**REPLY COMMENTS of the  
MINNESOTA SOLAR ENERGY  
INDUSTRIES ASSOCIATION  
(MnSEIA)**

**October 1, 2021**

**Docket No. E999/CI-16-521**

**MnSEIA's COMMENTS**

The Minnesota Solar Energy Industries Association (MnSEIA) is a 501(c)(6) nonprofit trade association that represents our state's solar businesses, with 130 member companies, which employ roughly 4,000 Minnesotans.

**BACKGROUND**

On April 19, 2019, the Minnesota Public Utilities Commission (Commission) approved the Minnesota Distributed Energy Resources Interconnection Process<sup>1</sup> (MN DIP) in an Order in this and related dockets.<sup>2</sup>

On July 22, 2020, the Commission posted a request for members of the Distributed Generation Workgroup (DGWG) to provide feedback on what topics require a review after one year of implementation.<sup>3</sup>

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<sup>1</sup> See State of Minnesota, Distributed Energy Resources Interconnection Process (MN DIP) v.2.3, [https://mn.gov/puc/assets/MN%20DIP\\_tcm14-431769.pdf](https://mn.gov/puc/assets/MN%20DIP_tcm14-431769.pdf)

<sup>2</sup> See ORDER APPROVING TARIFFS WITH MODIFICATIONS AND REQUIRING COMPLIANCE FILINGS, In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established Under Minn. Stat. § 216B.1611, DOCKET NO. E-999/CI-16-521 (April 19, 2019).

<sup>3</sup> NOTICE - OF WORKGROUP MEMBERS SOLICITATION AND COMMENT PERIOD, PUC, Docket No. E999/CI-16-521, Doc. Id. 20207-165174-01 (July 22, 2020).

On July 16, 2021, a final report from the DGWG subgroup on group System Impact Studies was filed in Docket No. E999/CI-16-521.<sup>4</sup>

On May 11, 2021, DGWG subgroups' final reports and the MN DIP Review Slides for September 2020 – March 2021 were filed in Docket No. E999/CI-16-521.<sup>5</sup>

On August 18, 2021, the Institute for Local Self-Reliance (“ILSR”) filed comments.<sup>6</sup>

On or about August 25, 2021, multiple parties filed initial comments, including the Minnesota Department of Commerce Department of Energy Resources (“Commerce” or “the Department”),<sup>7</sup> All Energy Solar,<sup>8</sup> the Interstate Renewable Energy Council, Inc. (“IREC”),<sup>9</sup> Nokomis Energy (“Nokomis”),<sup>10</sup> Xcel Energy (“Xcel” or “the Company”),<sup>11</sup> Novel Energy

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<sup>4</sup> See Cluster Study Subgroup Report, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20217-176214-01 (July 16, 2021). Hereinafter “Cluster Study Subgroup Report.”

<sup>5</sup> See OTHER--DGWG SUBGROUP FINAL REPORTS, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20215-174052-02 (May 11, 2021). Hereinafter “DGWG Subgroup Reports.”

<sup>6</sup> See, Comments of the Institute for Local Self-Reliance, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177233-01 (August 18, 2021).

<sup>7</sup> See, Comments of the Minnesota Department of Commerce, Division of Energy Resources, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177393-02 (August 24, 2021).

<sup>8</sup> See, Comments of All Energy Solar, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177451-01 (August 25, 2021).

<sup>9</sup> See, Comments of the Interstate Renewable Energy Council, Inc., In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177449-01 (August 25, 2021). Hereinafter, “IREC Comments.”

<sup>10</sup> See, Comments of Nokomis Energy, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177448-01 (August 25, 2021).

<sup>11</sup> See, Comments of Northern States Power Company, d/b/a Xcel Energy, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177446-02 (August 25, 2021). Hereinafter, “Xcel Comments.”

Solutions (“Novel”),<sup>12</sup> Otter Tail Power Company,<sup>13</sup> the City of Minneapolis,<sup>14</sup> Minnesota Power,<sup>15</sup> Fresh Energy,<sup>16</sup> Dakota Electric Association,<sup>17</sup> and MnSEIA.<sup>18</sup>

### **COMMENTS**

MnSEIA appreciates the opportunity to comment further on the needs of interconnection customers using the State of Minnesota Distributed Energy Resources Interconnection Process (MN DIP), and further appreciates the comments of the various stakeholders that provided input during the first round of initial comments. Those comments made it clear that Xcel Energy has faced challenges in the implementation of MN DIP, and has applied policies that no other utility has. It is also clear that, for the time being, MN DIP works well in other utility territories. For those reasons, the Commission should make changes to MN DIP as applied to Xcel Energy so as to further the public policy goals of the animating statute, Minn. Stat. 216B.1611. Further Commission action, in addition to or parallel to MN DIP are also necessary.

The “on hold” status is not contemplated in MN DIP, but has been invented whole-cloth by Xcel Energy. The Commission should order Xcel to eliminate usage of the “on hold” process within a year of the Commission’s Order.

In order to do so, the Company will need to staff its engineering department appropriately to meet the level of demand for interconnection services that it faces—and will continue to face.

In order to clear the backlog of interconnection customers “on hold” on non-constrained feeders, Xcel should process the subsequent project in queue once the system impact study (SIS) for the

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<sup>12</sup> See, Comments and Request for Investigation, Novel Energy Solutions, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177445-01 (August 25, 2021). Hereinafter, “Novel Comments.”

<sup>13</sup> See, Comments of Otter Tail Power Company, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177443-02 (August 25, 2021).

<sup>14</sup> See, Comments of the City of Minneapolis, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177442-01 (August 25, 2021).

<sup>15</sup> See, Comments of Minnesota Power, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177439-01 (August 25, 2021).

<sup>16</sup> See, Comments Fresh Energy, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177431-06 (August 25, 2021). Hereinafter, “Fresh Energy Comments.”

<sup>17</sup> See, Dakota Electric Association Comments, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177424-02 (August 25, 2021).

<sup>18</sup> See, Comments the Minnesota Solar Energy Industries Association, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177433-01 (August 25, 2021). Hereinafter, “MnSEIA Comments.”

previous project is complete. This staggered approach is in keeping with the serial administration contemplated by MN DIP, and does not require changes to MN DIP. Rather, it requires a change to the utility's interpretation of MN DIP, which the Commission is in a position to order.

The backlog of projects on constrained feeders requires deeper reform. Group studies—which have been proposed and discussed in the Cluster Studies Subgroup of the Distributed Generation Working Group (DGWG)—are in theory a fair and efficient way to process long queues that will require costly upgrades. The subgroup did not agree on the parameters for a mandatory cluster study process, and Xcel's voluntary cluster study pilot failed to attract and retain participants. Unfortunately, Commission action is required to resolve this impasse. We respectfully request that the Commission order Xcel to propose a new mandatory group study process within 60 days of its Order. In order to meaningfully address deep queues on capacity-constrained feeders, such a proposed cluster study process should, at minimum: 1) contain timelines that present real savings as compared to the current MN DIP, 2) describe cost sharing mechanisms in sufficient detail, and, 3) otherwise be compliant with and governed by MN DIP. This cluster study process should ultimately be adopted as a rider to MN DIP after notice, a comment period comment, and a hearing.

Furthermore, transparency regarding what are termed “constrained feeders” requires oversight. Xcel has not made clear the definition of “constrained feeder,” or shown evidence of the constraints. The Commission should require Xcel to present in its Hosting Capacity Report the constraint for each constrained feeder on its list. The Commission should seek notice and comment on whether those feeders should be listed as “constrained” or removed from the list, and whether an alternative cost-sharing methodology should be mandated for creating capacity on those feeders.

## **I. Xcel Energy's Comments**

Xcel requests three changes made to the MN DIP—or rather, the MN DIP as applied to Xcel Energy—as a result of this proceeding.

First, the Company wishes to reserve 25% of available feeder capacity for small distributed energy resources (DER), while also making a unilateral change to its DER Technical Planning Limit (TPL). These proposed changes would dramatically reduce available capacity. These changes are also arbitrary and capricious. Furthermore, the unilateral change to the TPL would circumvent the stakeholder process and the role of the Commission.<sup>19</sup> The Commission should reject these changes.

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<sup>19</sup> See also, OBJECTION OF MINNESOTA SOLAR ENERGY INDUSTRIES ASSOCIATION, FRESH ENERGY & INTERSTATE RENEWABLE ENERGY COUNCIL TO IMPLEMENTATION OF XCEL'S DER TECHNICAL PLANNING LIMIT BEFORE COMMISSION REVIEW, In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521 (September 28, 2021).

Second, the Company requests that mandatory cluster studies be incorporated into the MN DIP as described in its August 25, 2021 filing. The Commission should instead direct Xcel to formulate a different process for cluster studies that incorporates stakeholder feedback, that falls within defined parameters, and that is resolved through a notice and comment period.

Third, Xcel requests that an alternative dispute resolution process be incorporated into the MN DIP. This request appears to be in addition to what was requested in the utility's compliance filing.<sup>20</sup> This additional proposal would also require a potential interconnection customer to divert any complaints from the Complaint process established with the Consumer Affairs Office (CAO) until the dispute has been attempted to be resolved within the MN DIP.

#### **A. Xcel's proposed changes to its DER TPL should be rejected**

Xcel notified the Commission and other stakeholders of changes it intends to make to the way its DER TPL is calculated, beginning October 1, 2021—the day of this filing. These changes implicate a stakeholder conversation that has been ongoing for approximately a year in the DGWG and other stakeholder workshops. Xcel would circumvent that stakeholder process, *and this notice and comment period entirely* by moving forward with this change. This usurpation of the process is offensive to the stakeholders. Moreover, it is internally inconsistent.

The Company introduces the change rather awkwardly by acknowledging both its participation in the stakeholder process and the feedback, but then it elides the role of the Commission:

During the DGWG, we proposed a DER planning limit. Our proposal at that time would have only used the equipment rating and it included a capacity reservation for small DER systems. Our approach has evolved, and we have parsed the technical from the policy aspects of this issue. We are implementing a DER Technical Planning Limit, and are requesting the Commission to address the small DER capacity reservation policy issue. Based on stakeholder feedback we have received, we are also going to include Daytime Minimum Load (DML) in the calculation.<sup>21</sup>

It is unclear why the Company seems to assert its authority to unilaterally change the TPL, but must ask the Commission to address the capacity reservation issue. It presents the former as a “technical” issue, and the latter as a “policy aspect”—but, this characterization ignores the role of the TIIR<sup>22</sup> in setting policy for technical interoperability requirements. Further, the Company

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<sup>20</sup>See Xcel Energy, COMPLIANCE FILING--DER DISPUTE PROCESS, In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of Amendments to its Natural Gas and Electric Service Quality Tariffs, Docket No. E,G-002/M-12-383, Doc. Id. 20216-174694-01 (June 1, 2021).

<sup>21</sup> See Xcel Comments , at 19.

<sup>22</sup> See *generally*, In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established Under Minn. Stat. § 216B.1611, Docket No. E-999/CI-16-521, Order Establishing Updated Technical Interconnection and Interoperability Requirements (January 22, 2020).

would have the Commission believe that the removal of DML from the calculation was based on stakeholder feedback, which suggests that the question of the TPL is a matter of *policy* subject to stakeholder processes like the DGWG and other workgroups. The Company's asserted reasoning here is nonsensical and disingenuous.

The Company asserts that it has the authority to unilaterally change its DER Technical Planning Limit simply by stating that it will do so throughout its filing. However, the Company slyly acknowledges that *it needs permission to make such changes*, by tucking the *proposed changes* to the TPL into its proposed mandatory cluster studies threshold:

Xcel Energy proposes a new MN DIP 1.9 to address DER Technical Planning Limit and mandatory cluster studies:

MN DIP 1.9 (Applicable to Xcel Energy only)  
Mandatory Cluster Study When DER Technical Planning Limit or Open DER Capacity Limit is Exceeded

At any time after an Interconnection Application has been deemed complete, but before a System Impact Study has begun, the Area EPS Operator may apply a screen for the DER Technical Planning Limit.

1.9.1 The overall DER Technical Planning Limit may be defined by the Area EPS Operator (e.g., the aggregate nameplate capacity of all DER installed or ahead in queue plus the project being studied may not be more than Daytime Minimum Load (DML) plus 80% of the equipment rating of either the substation transformer or feeder). [...]<sup>23</sup>

If the Company did not need Commission or stakeholder input, then the Company would not need to propose an amendment to MN DIP in this proceeding that, "The overall DER Technical Planning Limit may be defined by the Area EPS Operator." And yet, it has. This contradiction belies the Company's understanding that it has otherwise attempted to bypass the stakeholder process of workgroups, workgroup reports, notice, comment, and hearing.

The Company should be well aware that its proposal to reduce the TPL would be met with resistance by stakeholders, as similar proposals have been before. As it acknowledges, the Company first proposed changes to capacity planning limits in the 2020 Q4 Solar\*Rewards Community Stakeholder Workgroup Presentation.<sup>24</sup> At that time, the Company proposed to remove Daytime Minimum Load (DML) from the TPL. Stakeholders immediately questioned

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<sup>23</sup> See Xcel Comments (August 25, 2021), at Attachment B.

<sup>24</sup> See, Xcel Comments, Attachment A, Fresh Energy IR 27A and 39.

the need and rationale for such a change,<sup>25</sup> and others served information requests that sought to discover the reasoning behind such a change—and the impact it would have.

The average feeder’s capacity served by DML is 12.9%,<sup>26</sup> and accordingly the Company’s proposal in the Fall of 2020 would have reduced average available DER capacity by approximately that much. The 20% change to be implemented on October 1, 2021 will be significantly more limiting than that proposal.

That more drastic limitation of the distribution system’s DER capacity may be the real reason for the change in calculation, rather than stakeholder feedback. The Company’s attempt to make unilateral changes to DER capacity planning limits *during a notice and comment period about those very same DER capacity planning limits* demonstrates the Company’s disregard for stakeholder feedback and Commission oversight in this matter.

Xcel does provide some rationale for changing its proposed reduction in DER planning capacity—that is, subtracting a flat 20% of equipment instead of subtracting DML—but its rationale for the *reduction at all* consists of hand waving about “the necessary flexibility to operate and maintain our system and continue to provide all of our customers with high quality service.”<sup>27</sup> This assertion is insufficiently substantiated.

MnSEIA fully acknowledges that there are limitations to the capacity of a distribution system to incorporate DER—MnSEIA member companies with projects “on hold” on saturated feeders are acutely aware that those limits exist. We also acknowledge that the utility has a duty to meet standards of reliability. However, those duties should not be used as cudgels to circumvent stakeholder input and Commission oversight.

## **B. The Capacity Reservation is arbitrary and unnecessary**

Xcel proposes—and seeks Commission approval—to reserve 25% of available capacity on each feeder for small, on-site DER. While the stated intentions of this proposal seem to be rooted in equitable outcomes, the solution is too blunt, too arbitrary, and is unnecessary in the light of other proposed solutions.

## **C. Xcel’s proposal to fund Distribution System upgrades are a good step forward**

Xcel proposes to fund the necessary Distribution Upgrade costs for residential projects in the Solar\*Rewards program starting October 1, 2021, subject to a 30-day negative checkoff provision. This proposal would fund all “shared” system components (as described in MN DIA

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<sup>25</sup> See, Xcel Comments, Attachment A, Fresh Energy IR 28.

<sup>26</sup> *Id.* at IR 27.

<sup>27</sup> See Xcel Comments, at 18.

attachment 6) for Solar\*Rewards projects (which are size-limited to 40 kW), up to \$15,000. Xcel would begin tracking these expenditures January 1, 2022, and rate base them.<sup>28</sup>

MnSEIA applauds this proposal. These upgrades represent significant investments into the utility-owned distribution system, and Xcel's proposal to use ratepayer funds to make that investment acknowledges that fact. MnSEIA also recognizes Xcel's willingness to remove this particular barrier to DER adoption, and to improve the customer experience for Solar\*Rewards customers.

The Department has triggered the negative checkoff provision in the Solar\*Rewards docket, noting that reply comments in the instant docket would be the appropriate place to address this and other proposed solutions.<sup>29</sup> The importance of the notice and comment process to public policy questions like the MN DIP allows for ideas to circulate and be vetted by stakeholders. MnSEIA appreciates the Department's intervention here, and eagerly anticipates its reply to Xcel's proposal to fund shared distribution upgrade costs for Solar\*Rewards customers.

Utility funding of *all* system-side upgrades required for small projects would be the best alignment of interests, as these upgrades belong to the utility. There is statutory support for this policy too: "The commission may develop financial incentives based on a public utility's performance in encouraging residential and small business customers to participate in on-site generation."<sup>30</sup> Allowing the utility to rate base these upgrade costs encourages residential and small business customers to install distributed generation (DG) and DER, and recognizes the system-wide benefits of DG and DER.

Furthermore, because non-DER interconnection customers do not pay for utility-side "shared upgrades" for new service—e.g. customers building a new home or business—equal treatment of DER interconnection customers suggests that the utility pay for "shared upgrades" for interconnection customers as well.

In the absence of such a proposal that would cover all small DER, however, MnSEIA supports the cost-sharing proposal for small projects as proposed by Fresh Energy in initial comments.<sup>31</sup> Moreover, if Xcel's proposal to cover utility-side upgrades for Solar\*Rewards projects is not

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<sup>28</sup> See, Xcel Comments at 28.

<sup>29</sup> See, Comments of the Minnesota Department of Commerce, Division of Energy Resources, In the Matter of Updating the Generic Standards for the Interconnection and Operation of Distributed Generation Facilities Established Under Minn. Stat. § 216B.1611, Docket Nos. E999/CI-16-521, E002/M-13-1015 & E002/M-15-222, Doc. Id. 20219-178225-03,(September 24, 2021).

<sup>30</sup> Minn. Stat. 216B.1611, Subd. 2. (b).

<sup>31</sup> See, Fresh Energy, COMMENTS--ATT 2 - FRESH ENERGY, ALL ENERGY, TRUNORTH COST SHARE PROPOSAL, In the Matter of Updating Generic Standards for Utility Tariffs for Interconnection and Operation of Distributed Generation Facilities Under Minn. Stat. §216B.1611, Docket No. E999/CI-16-521, Doc. Id. 20218-177431-02 (August 25, 2021).



approved, then Fresh Energy's original proposal remains the best to reduce inequitable outcomes that stem from the current cost-causer approach.

If both Xcel's and Fresh Energy's proposals were approved by the Commission, the latter would apply only to non-Solar\*Rewards projects in Xcel territory under 40 kW, and calculations would accordingly have to be adjusted. In the future, absent legislation to the contrary, Solar\*Rewards funding will end after 2024, and regardless will drop by half to \$5 million in 2023, so the necessity of a cost-sharing mechanism for non-Solar\*Rewards projects will remain, even if the majority of small DER interconnections in Xcel territory fall within the Solar\*Rewards program through 2024.

MnSEIA does have concerns as to how the \$15,000 per interconnection customer was chosen by the Company, beyond what budgetary considerations were made, and should substantiate that decision before the Commission

#### **D. Cluster Studies**

Xcel proposes two kinds of mandatory Cluster Studies as a solution to deep queues: one for non-constrained feeders and substations, and one for constrained feeders and substations. The threshold for whether a feeder/substation is constrained is whether the projects in the cluster will exceed the Open DER Capacity Limit and/or the overall DER TPL.<sup>32</sup>

As MnSEIA noted in initial comments,<sup>33</sup> the subgroup did not agree on the parameters for a mandatory cluster study process, and Xcel's voluntary cluster study pilot failed to attract and retain participants. The proposed Cluster Study Guidelines<sup>34</sup> appear to be substantially the same as the proposal presented in the subgroup.<sup>35</sup>

MnSEIA agrees that cluster studies should "not only make the system upgrade costs more economically viable for the included projects, it will also facilitate a more fair process, so that one developer is not funding a significant capacity upgrade ends up allowing subsequent developers in the queue to interconnect with no costs."

Xcel's proposal, in that it appears to be substantially the same as what was proposed to the subgroup, which did not garner significant support from the other members of the subgroup, requires significant revision from the Commission. The goal of those revisions should be, at minimum, to 1) contain timelines that present real savings as compared to the current MN DIP, 2) describe cost sharing mechanisms, and, 3) otherwise be compliant with and governed by MN DIP.

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<sup>32</sup> See, Xcel Comments, at 25-26.

<sup>33</sup> See MnSEIA Comments, at 5.

<sup>34</sup> See Xcel Comments, Attachment C.

<sup>35</sup> See Cluster Studies Subgroup report, at Attachment A.

This cluster study process should ultimately be adopted as a rider to MN DIP after notice, a comment period comment, and a hearing.

### **E. Alternative Dispute Mechanisms**

Xcel refers to its two-track approach to alternative dispute resolution that it presented in Docket No. E,G002/M-12-383 (the Quality of Service Plan or QSP docket), in addition to new proposals.

MnSEIA has discussed at length the problems with the two-track solution proposed in the QSP docket.<sup>36</sup> In summary, the company's proposed solution deprives interconnection customers of the same rights that other customers have to note dissatisfactory customer service. That practice would be unnecessarily discriminatory, and would contravene the public policy goals of the interconnection statute.

Xcel's proposed changes to MN DIP would 1) prevent interconnection customers from noting a complaint until the dispute resolution process in MN DIP 5.3.8 has played out, and 2) impose an effective statute of limitations of one year on stale claims. The latter proposal is reasonable, may reduce spurious or retaliatory complaints, and should reduce administrative burdens on the CAO. MnSEIA supports this second part of Xcel's proposal.

As we have noted, however, deferring the ability of interconnection customers to make a complaint places them on a lower tier than other utility customers. The Commission should not adopt this first part of Xcel's proposal.

## **II. Fresh Energy's Comments**

Fresh Energy provided extensive, detailed comments on the various issues affecting Minnesota's interconnection customers, and potential changes to MN DIP. MnSEIA largely supports Fresh Energy's positions.

### **A. Screening recommendations**

Fresh Energy recommended that the Commission direct Xcel to expand its parallel screening process to include all Fast-Track DER Interconnection Applications, except those on capacity constrained feeders or substations, by January 1, 2022.<sup>37</sup>

Fresh Energy also recommended that the Commission direct Xcel to adopt an earlier System Impact Study ("SIS") trigger point for certain Study track projects no later than January 1, 2022. For the first four applicants in non-constrained queues, Xcel should commence the subsequent

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<sup>36</sup> See MnSEIA Comments, at 11-15.

<sup>37</sup> See, Fresh Energy Comments, at 8.

SIS within 1 business day of the ahead-in-queue project submitting to Xcel a signed Facilities Study Agreement.<sup>38</sup>

MnSEIA supports both of these specific recommendations, and they should be read in light of the goal the Commission should require Xcel to adopt of clearing non-constrained queues within one year of the Order.

### **B. Cost-sharing Upgrade Costs**

Fresh Energy partially anticipated Xcel's program to share the costs of interconnection upgrades for small DER projects, as discussed above. Without knowledge of what that proposal from Xcel would look like in its entirety, Fresh Energy expounded upon a cost-sharing mechanism that would entail interconnection customers paying a flat fee into a pool to be used by the utility to pay for "shared costs" as described by Attachment 6 of the MN DIA.

MnSEIA supports this proposal for < 40 kW, non-Solar\*Rewards projects, as modified to account for those costs and those costs only. In the alternative, if the Commission does not accept Xcel's proposal, MnSEIA supports Fresh Energy's cost-sharing proposal as is for small projects.

### **C. Group Studies**

Fresh Energy made two recommendations regarding Group Studies.

The first recommendation concerned reporting from Xcel's proposed voluntary pilot study on non-constrained feeders—which does not require a change to MN DIP. MnSEIA supports this recommendation that the Commission require such reports from any such Xcel pilot or program.

The second Fresh Energy recommendation was that the Commission direct Xcel to develop a Group System Impact Study and Group Facilities Study process that could be used at Known Capacity Constraint locations, alongside the stakeholders in the Cluster Studies subgroup. As the moderator of that Subgroup, and having been largely in agreement with Fresh Energy during that process, MnSEIA supports this recommendation.

### **D. DER Planning Limits and Capacity Reservations**

Fresh Energy recommended that Xcel discuss any issues that arise as a result of reduced DML on feeders with high DER capacity in its quarterly compliance filings in this docket.

Fresh Energy's analysis of Capacity Reservations grounded itself in the assertion that, "A capacity reservation would need to balance the interests of behind-the-meter and other DER, not

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<sup>38</sup> See, Fresh Energy Comments, at 14.

serve as a de facto cap on the market in certain areas and have sufficient justification for the specific amount to be reserved.”<sup>39</sup> MnSEIA agrees, and notes that Xcel’s blanket 25% reservation for small, customer-sited projects both *de facto* caps the market and bungles the balance of interests between behind-the-meter and other DER. It takes a machete to an operation that requires a scalpel.

Fresh Energy’s recommendations wield such a scalpel, in that a capacity reservation should a) account for expected DER growth and other anticipated changes in electrical conditions (perhaps Xcel’s LoadSEER tool would come in handy here); b) adjust the amount of the capacity reservation to the characteristics of each substation and feeder; and, c) require Xcel to justify each proposed reservation with documentation. MnSEIA supports these recommendations for a capacity reservation, in the event that one is adopted.

### **E. Dispute Resolution**

Fresh Energy recommended Commission approval of Xcel’s proposed DER Dispute Resolution process with the modification that customers with a complaint about a missed timeline may file a complaint with the CAO at the same time they complete Xcel’s Notice of Dispute Form.

Fresh Energy also recommended:

[...] that the Commission and Xcel provide information on the updated dispute process on relevant webpages, including a link to the Notice of Dispute Form and a statement that customers may file a complaint with the CAO after filing a Notice of Dispute Form with Xcel. For complaints regarding issues other than compliance with MNDIP timelines, customers can file a complaint with the CAO after the corresponding resolution period (10 business days for non-technical, 20 business days for technical disputes) if they are not satisfied with the response or resolution received.

[and] In future quarterly MN DIP compliance filings to the Commission, Xcel should provide:

- The number of nontechnical and technical dispute notices received that quarter
- The number of nontechnical and technical disputes resolved that quarter
- A breakdown of all dispute notices received that quarter by issue area
- A discussion of work planned, ongoing, or recently completed to address issues highlighted by nontechnical and technical customer disputes

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<sup>39</sup> FE Comments at 20.

- Any other relevant information.<sup>40</sup>

MnSEIA supports the transparency and reporting requirements that Fresh Energy proposes here, in the event that the Commission approves Xcel's underlying alternative dispute resolution proposal.

## **F. Known Capacity Constraints**

Fresh Energy had three recommendations to address Known Capacity Constraints. First, that Xcel be required to provide a full technical assessment of each Known Capacity Constraint location, outlining the technical issues being encountered and potential solutions, including estimated costs and timelines for the alternative solutions. Second, a reporting requirement that this assessment be submitted within two months of the Commission's Order, or as part of Xcel's 2021 Hosting Capacity Analysis, followed by a notice and comment period. Third, that the Commission require a third-party expert (perhaps through the Department of Commerce) to evaluate Xcel's assessment.<sup>41</sup>

MnSEIA supports these proposals. The sunlight they would shed on Xcel's otherwise opaque assessment of capacity availability would be a welcome turn.

## **G. Transparency Issues**

Fresh Energy made further suggestions to improve transparency into interconnection costs:

14. Fresh Energy recommends the Commission direct Xcel to begin providing customers with itemized cost estimates as part of Facilities Study results starting November 1, 2021.

15. Fresh Energy recommends the Commission direct all rate-regulated utilities to develop and publish on their websites a cost guide for typical DER upgrades by January 1, 2022, update it as needed, and notify the Commission in this docket whenever the guide has been updated.

16. Fresh Energy recommends that the Commission direct all rate-regulated utilities to publish an Accounting Treatment Guide for DER Interconnection Costs by January 1, 2022 to explain how they consider factors including depreciation, salvage value, and tax implications of contributions in aid of construction in costs assessed for interconnection.<sup>42</sup>

MnSEIA supports these recommendations.

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<sup>40</sup> See, Fresh Energy Comments, at 22-23.

<sup>41</sup> See, Fresh Energy Comments, at 28-29.

<sup>42</sup> See, Fresh Energy Comments, at 29.

### **III. IREC's Comments**

The Interstate Renewable Energy Council, involved as it has been in the creation of MN DIP, brought its experience in other states with much higher levels of DER penetration than found in Xcel's Minnesota territory to bear on the present docket. It notes that, "Minnesota is at a point of crisis in DER interconnection delays in Xcel's territory."<sup>43</sup> MnSEIA agrees with this observation, and welcomes IREC's experience and perspective as a valuable contributor to this process.

IREC requests the Commission take action on 4 items:

(1) reform Xcel Energy's study process by developing a clearly defined, mandatory group study process applicable in certain conditions, and to also consider adopting a parallel study process and a long-term effort to proactively upgrade the distribution system; (2) adopt a set upgrade fee for small projects; (3) reject Xcel's unfounded planning limits and capacity reservation caps which will likely hurt more than they help; and (4) clarify the accessibility of the CAO's complaint procedure to interconnection customers and require more work on improving the dispute resolution process.<sup>44</sup>

MnSEIA supports these principles and positions.

#### **A. Parameters for cluster or group studies**

IREC draws from experience in other states that have implemented successful cluster studies for large DER, and has developed a series of criteria that should form the elements of a group study process.<sup>45</sup> These elements were presented to the Cluster Studies Subgroup, but were not agreed to by the entirety of the subgroup.

While IREC declined to take a position on how various elements of the group study process be implemented in Minnesota, it does draw on its experience elsewhere to emphasize the necessity of the *mandatory* group study processes.

During the subgroup discussions, MnSEIA members had expressed concern with mandatory cluster studies—and other elements left up to the discretion of the area EPS operator, i.e. Xcel—in large part from a lack of trust in the utility to manage interconnection queues with speed and efficiency. This concern remains, but would be largely alleviated by designing the parameters of the process under the oversight of the Commission.

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<sup>43</sup> See, IREC Comments, at 4.

<sup>44</sup> See, IREC Comments, at 5.

<sup>45</sup> See, IREC Comments at 16-20.

The best-practice elements of a group study process as outlined by IREC should provide the basis for and guardrails around a group study process. MnSEIA echoes IREC in urging the Commission to order Xcel to propose such a process within 60 days of the order, and determine the applicable amendments to the MN DIP through a subsequent notice and comment period.

### **B. Transparency into what constraints exist on Xcel feeders**

IREC reiterated one of the conclusions of the subgroup—that the obstacles that face “constrained” feeders are opaque to stakeholders, and may be elusive even to Xcel. To that end, IREC recommended that:

There needs to be a public assessment of what constraints exist and what potential upgrades are needed for these feeders. Xcel has alluded to some conversations underway with the MISO, but has yet to point the stakeholders to evidence of those discussions or a timeline for when it may produce results. It may very well be that in some locations the upgrades necessary would truly be prohibitively expensive even under a group study scenario, but the only way to identify whether solutions, if any, are possible is to have a proper assessment of the constraints.<sup>46</sup>

This assessment, IREC contends (and MnSEIA agrees), would serve the purposes of the group study proposal in that it, “should help the Commission evaluate what solutions are necessary and begin the process of identifying an appropriate solution for those feeders, whether it be a group study process or some other option.”

### **C. On formula fees for small projects**

IREC supports Fresh Energy’s cost-sharing framework. IREC also provides examples of utilities in other states that have assumed the cost of system-side distribution upgrades for DER—in some cases, up to 1 MW. IREC provided data that shows a minimal ratepayer impact for the assumption of these costs, and evidence that interconnection is much quicker in those places.<sup>47</sup> The balance of interests here demonstrates a clear, equitable alternative to the cost-causer-pays model.

Consensus between parties on this issue demonstrates that the commission should adopt one or ideally both cost-sharing models proposed by parties for small projects—both Xcel’s proposal for Solar\*Rewards projects and Fresh Energy’s fee mechanism. The Commission might also consider ways in which one or both of these models may be scaled up to cover projects up to 1 MW.

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<sup>46</sup> *Id.*, at 21.

<sup>47</sup> *See*, IREC Comments, at 23-29.

#### **D. IREC does not support Xcel's proposed planning limits and capacity reservation proposals**

IREC responded to Xcel's proposal from the subgroups to subtract DML from its capacity calculation that the utility's with the assertion that the Company lowers "the amount of capacity on the system for DERs in a manner that is discriminatory, not in alignment with the MN DIP, and not necessary from a safety and reliability standpoint."<sup>48</sup>

Xcel has since moved away from the planning capacity limits proposed in the workgroup to a plan that is *more* discriminatory, *less* in alignment with the MN DIP, and *no more necessary* from a safety and reliability standpoint. IREC has joined Fresh Energy and MnSEIA in opposition to Xcel's plan to implement a new DER TPL on October 1, 2021.<sup>49</sup>

As IREC has asserted, "there needs to be a strong technical justification for such a significant potential reduction in capacity,"<sup>50</sup> and there has not been.

Following either planning limit that Xcel has proposed, the Company would prefer a capacity reservation that, as IREC has characterized it, would carve out "much more capacity than is likely to be needed for customer-sited systems on any feeder in the foreseeable future," and "would effectively shrink the pie rather than helping more customers directly invest in clean energy."<sup>51</sup> MnSEIA agrees with IREC that Xcel's capacity reservation is overbroad, unnecessary, and counterproductive.

#### **IV. Novel Energy Solutions' Comments**

Novel brings to these comments a wealth of experience developing community solar gardens ("CSGs"), and that experience informs their input. Novel suggests a handful of changes to the MN DIP, and requests that the Commission initiate an investigation as contemplated under Minn. Stat. § 216B.17 into Xcel's implementation of MN DIP.

##### **A. On queue speed**

The top issue for Novel, like most developers, is the speed at which the queue moves—and how Xcel's "on hold" status slows it down. Novel supports what others have termed "parallel" studies, where SIS were performed with the assumption that ahead-in-queue projects would move ahead with a signed MN DIA, despite the risk of restudies.

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<sup>48</sup> Id., at 29-30.

<sup>49</sup> See, OBJECTION OF MINNESOTA SOLAR ENERGY INDUSTRIES ASSOCIATION, FRESH ENERGY & INTERSTATE RENEWABLE ENERGY COUNCIL TO IMPLEMENTATION OF XCEL'S DER TECHNICAL PLANNING LIMIT BEFORE COMMISSION REVIEW, *supra*, note 6.

<sup>50</sup> See, IREC Comments at 31.

<sup>51</sup> Id., at 32.



Novel emphasizes the usefulness of “parallel” studies on feeders where there is little to no capacity constraint—where “on hold” is particularly unwarranted:

The use of “on hold” is particularly egregious in areas that are not capacity constrained and where queue churn is typically minimized. In those areas the same batch-study-like process used with pre-MNDIP should work as well as it did before. But the reliance on a serial review process means projects are waiting to get studied when the developer and Xcel both know that there is sufficient capacity to accommodate the project on the distribution system.<sup>52</sup>

In these instances, and in the unfortunate case where “on hold” is not disallowed, Novel would support suggestions that accelerate the queue, such as stepping up the trigger points when a SIS is triggered.

## **B. On cost-sharing**

Novel underlines three principles that undergird their response to the cost-causer-upgrade crisis that Xcel and the industry have begun to see in places like Northfield. First, customers have a right to their own load. Second, both customers and the utility are entitled to a reliable electrical system. Third, first-come-first-serve, while fair for a queue, is not a fair allocation of capacity. MnSEIA agrees with these principles.

Novel applies these principles to Xcel’s capacity carveout as proposed in the DGWG—when the utility proposed first to ignore or set aside DML before reserving 25% of the remainder for customer-sited DER—and finds that Xcel’s solution violates those principles. That is, eventually a cost-causer will come along that exceeds the capacity limit, on either side of the carveout.

MnSEIA notes that Xcel’s revised proposal, which includes DML but first sets aside 20% of capacity as part of its presumptive DER TPL, would also eventually violate these principles. In both cases, the 25%/75% division is arbitrary and unsubstantiated.

As a temporary approach, Novel would support a cost-sharing proposal as outlined by Fresh Energy, but would prefer to see it apply to projects up to 1 MW so as to apply to a broader segment of DG.

Novel characterizes all of these solutions as temporary “band-aid” approaches that do not solve the fundamental mismatch between the traditional load-growth model that Xcel’s distribution grid was built to serve and the modern, high-DER-penetration grid it is rapidly becoming. Novel

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<sup>52</sup> See, Novel Comments at 4, emphasis original.

suggests that real solutions lie in the Integrated Distribution Planning process, and calls for the utility to invest in its own distribution system.

### **C. Support for cluster studies, and request for investigation into constrained feeders**

Novel finds the cluster study pilot proposal that Xcel left the subgroup with to be reasonable, but is concerned that little could be learned from a pilot on *unconstrained* feeders—especially as those lessons may or may not be applied to constrained feeders that could backfeed onto the transmission system.<sup>53</sup> Novel makes the further observation that Xcel has not outlined a plan to access the needed information from MISO in these cases,<sup>54</sup> and points to a request made in the subgroup report that the Commission “consider ordering Xcel to provide the Commission with a full technical assessment of each of the capacity constrained locations that outlines what the constraints are and what the avenues are for addressing those constraints.”<sup>55</sup>

This latter request impacts most of the issues at work in this comment period, as other commenters have noted, and should be considered an essential outcome of these proceedings.

### **V. Conclusion**

MnSEIA acknowledges and lauds the contributions of *all* those that have commented in this proceeding, including those that we have not addressed directly. The work of the DGWG and associated subgroups—while not without friction—has produced viable solutions to the interconnection crisis the state faces in Xcel territory. Those with the most substantiated and widespread support include:

- 1) Cost-sharing mechanisms for small DER as proposed by Xcel Energy and Fresh Energy;
- 2) “Parallel” or “semi-parallel” processing of interconnection applications in order to clear queues on non-constrained feeders, and on constrained feeders until a viable cluster study process is implemented;
- 3) Further Commission oversight, through prompt notice and comment, of the design for a cluster or group studies process that employs industry best-practices;
- 4) Elimination of the erroneous “on hold” status;
- 5) Reporting and oversight into the actual constraints on Xcel’s “capacity constrained” feeders;
- 6) An alternative dispute mechanism that preserves the rights of interconnection customers as equal to non-interconnection customers.

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<sup>53</sup> See, Novel Comments at 7.

<sup>54</sup> *Id.* at 8.

<sup>55</sup> See, Cluster Study Subgroup report at 9.

MnSEIA appreciates the opportunity to comment on these issues that are so crucial to meeting the state's goals for the adoption of DER, and eagerly anticipates the solutions that will arise from this proceeding.

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Xcel Energy Information Request No. 11  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

In figure 1 of Xcel Energy’s August 25, 2021 comments the utility reports a 99% met deadline for Q1 2021 and a 98% deadline for Q2 2021 with total volumes of 1,915 and 1,958.

How are those volumes calculated?

Response:

These volumes are calculated using the totals from the reported milestones by quarter (Initial Completeness Review, Subsequent Completeness Review, Initial Engineering Review, Supplemental Review, System Impact Study, and Facilities Study). These reported milestones reflect Company-specific timeframes for these steps in the MN DIP, which is why we have focused our tracking efforts on these timeframes rather than others (such as witness testing).

We note the values below as filed in our Q2 Compliance Report. The data includes completed or expired milestones and is organized by milestone Start Date. This cannot be pulled with a single pivot from raw data because each milestone has unique and specific status characteristics. Additionally, we note that the “meets target” category also includes projects for which the Company extended the timeline, as allowed by MN DIP.

**Table 1: Q2 Compliance Filing – Milestone Volume by Stage**

	Stage	Exceeds Target	Meets Target	Total
Quarter 1	Initial Completeness Review	3	683	686
	Subsequent Completeness Review	3	428	431
	Simplified: Initial Engineering Review	2	502	504
	Fast Track: Initial Engineering Review	4	99	103

Quarter 2	Supplemental Review	1	107	108
	System Impact Study	3	34	37
	Facilities Study	1	45	46
	Total Q1 Volumes	17	1,898	1,915
	Initial Completeness Review	21	696	717
	Subsequent Completeness Review	4	327	331
	Simplified: Initial Engineering Review2	2	619	621
	Fast Track: Initial Engineering Review	2	85	87
	Supplemental Review	4	110	114
	System Impact Study	6	30	36
	Facilities Study	1	51	52
	Total Q2 Volumes	40	1918	1,958

The Company appreciates the request by MnSEIA and notes that this information is difficult to review as part of the data provided by the Company in our Q2 Compliance filing. We are actively looking for a better way to present or show this information so that it is more transparent in the future.

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Date: September 27, 2021

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Xcel Energy	Information Request No.	12
Docket No.:	E999/M-16-521	
Response To:	Minnesota Solar Energy Industries Association	
Requestor:	Peter Teigland	
Date Received:	September 17, 2021	

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Question:

In figure 1 of Xcel Energy's August 25, 2021 comments the utility reports a 99% met deadline for Q1 2021 and a 98% deadline for Q2 2021 with total volumes of 1,915 and 1,958. However in Xcel's Q1 – 2021 Compliance Filing filed on May 17, 2021 in Docket 16-521, the utility reports the following:

- In Figure 1 - 120 of the applications exceed the 20 day target, while 540 do not, resulting in an 82% on time result for this step;
- In Figure 2 - 61 of the applications exceed the Target Timeline while 563 do not, resulting in 90% on time result for this step;
- In Figure 3 - 32 of the applications exceed the Target Timeline while 90 do not, resulting in a 74% on time result for this step;
- In Figure 4 – 8 of the applications exceed the Target Timeline while 17 do not, resulting in 68% on time result for this step; and
- In Figure 5 – 16 of the of the applications exceed the Target Timeline while 27 do not, resulting in a 63% on time result for this step.
- When the data from the above Figures are aggregated it results in 237 instances where the utility exceeded its Target Timeline and 1,237 instances where it met its Target Timeline. This results in an 84% on time result.

Please explain how Xcel Energy can report a 99% met deadline for Q1 of 2021 in its comments, while the data from its Q1 2021 report shows only an 84% met deadline for the same period.

Response:

As explained in our Q2 Compliance Report, based on stakeholder feedback we have moved to a more granular view of Company compliance with individual milestones in order to focus on the Company's milestones. We provide several examples and differences between our data between reports on page 3 of our Q2 Compliance

Report. The 99% met deadline uses the same data set and information provided in the Q2 Compliance Report, but breaks out specifically the Company's compliance with MN-DIP timelines for its portion of the milestone timelines.

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Date: September 27, 2021

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Xcel Energy	Information Request No.	13
Docket No.:	E999/M-16-521	
Response To:	Minnesota Solar Energy Industries Association	
Requestor:	Peter Teigland	
Date Received:	September 17, 2021	

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Question:

In figure 1 of Xcel Energy's August 25, 2021 comments the utility reports a 99% met deadline for Q1 2021 and a 98% deadline for Q2 2021 with total volumes of 1,915 and 1,958. However in Xcel's Q2 – 2021 Compliance Filing filed on August 16, 2021 in Docket 16-521, the utility reports the following:

- In Figure 1 – 21 of the applications exceed the Target Timeline while 696 do not, resulting in 97% of the time result for this step;
- In Figure 2 - 4 of the applications exceed the Target Timeline while 327 do not, resulting in 99% on time result for this step;
- In Figure 3 - 2 of the applications exceed the Target Timeline while 619 do not, resulting in a ~100% on time result for this step;
- In Figure 4 – 2 of the applications exceed the Target Timeline while 85 do not, resulting in 98% on time result for this step; and
- In Figure 5 – 4 of the of the applications exceed the Target Timeline while 110 do not, resulting in a 97% on time result for this step.
- When the data from the above Figures are aggregated it results in 33 instances where the utility exceeded its Target Timeline and 1,837 instances where it met its Target Timeline. This results in a 98% on time result.

Please, verify that the above is how Xcel calculated its 98% on time number for Figure 1 of its August 25, 2021 comments.

Response:

We cannot verify the details noted above as it is not fully correct. The Company provides the Figure details below in Table 1. We further note, that Figures 6 and 7 were not included above.



**Table 1: Q2 Compliance Filing – Milestone Volume by Stage**

	Figure	Stage	Exceeds Target	Meets Target	Total	% meeting timeline
Quarter 2	1	Initial Completeness Review	21	696	717	97%
	2	Subsequent Completeness Review	4	327	331	99%
	3	Simplified: Initial Engineering Review	2	619	621	100%
	4	Fast Track: Initial Engineering Review	2	85	87	98%
	5	Supplemental Review	4	110	114	96%
	6	System Impact Study	6	30	36	83%
	7	Facilities Study	1	51	52	98%
		Total Q2 Volumes	40	1918	1,958	98%

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Xcel Energy	Information Request No.	14
Docket No.:	E999/M-16-521	
Response To:	Minnesota Solar Energy Industries Association	
Requestor:	Peter Teigland	
Date Received:	September 17, 2021	

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Question:

In the Q2 2021 Compliance Filing filed on August 16, 2021 Xcel Energy stated the following:

We believe that by providing in Attachment B these additional details and focusing on only the Company's milestones, further insight can be gained regarding timeliness between milestone requirements and MN DIP compliance. As a result, the graphics shown in Figures 1-7 and Tables 3-5 will differ from what was represented in the Q1 Report, which looked specifically at the entire timeline between application submission and approval of completeness review, which often involves milestones for both applicants and the Company.

In Xcel's Comments it notes that Xcel met deadlines for Q1 are 99% but are 98% for Q2.

Is it the position of the company that Q1's compliance report only appears to have an 84% met deadline number because of delays from the applicants, and that the utility would have met its compliance deadlines 99% of the time but for the applicants' own delays?

Response:

No. The data methodology in the Q1 report differs from the Q2 report in several ways. Please see MnSEIA Information Request No. 12.

One of these differences includes additional milestones driven by the installer as part of our Q1 compliance. So, time spent by both the applicant and the Company were included as being solely attributable to time spent by the Company. Our Q2 report shows on-time performance of only the Company. The difference between the two

numbers may be partially contributed to differing timelines, however further analysis would have to be conducted to confirm; given the other differences between the data.

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Xcel Energy Information Request No. 15  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

For the purposes of reporting in the Q2 2021 Compliance Filing, how did Xcel determine when actions by the applicants resulted in the timeline being exceeded versus instances when the utility's conduct alone resulted in the timeline being exceeded?

Response:

Applicant and Company timelines are separately tracked within our application portal based on the application status and assigned responsibility. As a result, an applicant exceeding a timeline does not impact the Company's timeline – the two are mutually exclusive for each milestone measured in our Q2 2021 Compliance Filing. The Q2 2021 Compliance Filing examines the Company's timeline compliance which is why our compliance details focused on specific milestones (Initial Completeness Review, Subsequent Completeness Review, Initial Engineering Review, Supplemental Review, System Impact Study, and Facilities Studies). Our Q2 2021 Compliance Filing did not examine other milestones (although these have been included in Attachment B) nor did we measure applicants' timelines in our summary data.

It should be noted that if an applicant exceeds their timeline, their application will automatically withdraw, unless they request an extension. The Company will often reinstate a withdrawn application upon the applicant's request if it doesn't have a material impact on the engineering queue (e.g., during the Completeness Review phase or when there is no application behind it in queue). If reinstating a withdrawn application would have a material impact, we require the applicant to submit a new application.

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Date: September 27, 2021

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Xcel Energy  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Information Request No. 16

Question:

What would the on-time figure look like for Xcel's Q2 report if the data was reported the same way as it was in the Q1 report?

Response:

Based on stakeholder response, the Company adjusted the methodology of our Q2 Report. Our Q1 data did not appropriately reflect the Company's on-time performance. As a result of our change, we presented the raw data with our Q2 report similar to what was presented in our Q1 report, but also in our Q2 report we provided data and analysis showing our on-time performance and milestone details. Analysis of milestones and performance based on these details was included in our Q2 report and absent from our Q1 report. Accordingly, the question does not align with the data analysis completed. Further, we provided the raw data for Q2 (in Attachment A) so stakeholders could perform their own analysis if desired.

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Xcel Energy	Information Request No.	17
Docket No.:	E999/M-16-521	
Response To:	Minnesota Solar Energy Industries Association	
Requestor:	Peter Teigland	
Date Received:	September 17, 2021	

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Question:

How many total extensions did Xcel request in Q1 2021 and in Q2 2021?

Response:

MN DIP 5.2.2 states “The Area EPS Operator shall make Reasonable Efforts to meet all time frames provided in these procedures. If the Area EPS Operator cannot meet a deadline provided herein, it must notify the Interconnection Customer in writing within three (3) Business Days after the deadline to explain the reason for the failure to meet the deadline, and provide an estimated time by which it will complete the applicable interconnection procedure in the process.”

We acknowledge that there have been applications for which the Company did not send a written notification to the Interconnection Customer within the allotted timeframe. However, since August 2020, the application portal now sends automatic email notifications to the interconnection customer and application agent upon an expired deadline for specific steps in the process to explain the reasoning for the missed deadline and provide the new estimated complete date (an additional five business days is our default). For larger applications that require advanced studies (e.g., community solar gardens), the Company will send a manual email with a more detailed explanation for the exceeded timeline.

Since August 2020, the interconnection customer and application agent should have received a notification regarding each exceeded timeline. Unfortunately, the Company does not have a good way to track the extension notifications sent prior to this date.

In Q1 2021, out of the 1,915 active milestones during this time frame, the Company provided notice of extensions for 46 of these milestones. In Q2 2021, out of the 1,958 active milestones during this time frame, the Company provided notice of extensions for 63 of these milestones.

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Date: September 27, 2021



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Xcel Energy Information Request No. 18  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

How many instances were there where the utility exceeded its Target Timeline without requesting an extension before the Target Timeline expired?

Response:

Please see MnSEIA Information Request No. 17.

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Preparer: Callie Walsh  
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Date: September 27, 2021

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Xcel Energy Information Request No. 19  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

How many instances were there where the utility exceeded its Target Timeline without requesting an extension at any point?

Response:

Please see MnSEIA Information Request No. 17.

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Preparer: Callie Walsh  
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Date: September 27, 2021

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Xcel Energy	Information Request No.	20
Docket No.:	E999/M-16-521	
Response To:	Minnesota Solar Energy Industries Association	
Requestor:	Peter Teigland	
Date Received:	September 17, 2021	

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Question:

The Q2 2021 Median Business Day for the Initial Review Step, as noted in Table 3 of the Q2 2021 Compliance Filing, is 21 days, which exceeds the 20-day Target Timeline. Figure 1 of the same document shows that 21 applications exceeded the MNDIP target, while 696 did not.

How can it be that Xcel is averaging 97% on time on the same step where the median exceeds the Target timelines?

Response:

The Company addressed this issue within a footnote within the Q2 2021 Compliance Report that read: “The Company has identified an issue with the Initial Engineering Review milestone day counter for Simplified Track applications within the online portal. Depending on the submitted date, the milestone often includes an additional business day in its calculation. The Company is working to rectify this issue with our IT Support team.”

For example, if the application was submitted at six o’clock on Tuesday, rather than count the first business day as Wednesday, it would count Thursday as the first business day. Since this includes an extra day, our portal currently recognizes 21 business days as on-time.

The Company is still working with our IT Support team to resolve this issue as quickly as we can and hope to be able to show the corrected information soon.

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Date:	September 27, 2021

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Xcel Energy Information Request No. 21  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

Attachment B to the Q2 2021 Compliance Filing is a large Excel spreadsheet. The document can be sorted in multiple ways. If the spreadsheet is set to only include projects with a 2021 start date, then there are 21,255 records found. If the spreadsheet is set to only include projects with a 2021 start date and that only include projects that exceed MN DIP targets, then the result is 3,656 projects.

Is it a correct interpretation of attachment B to interpret the above result as there were 21,255 project steps thus far in 2021 and of those 21,255 project steps that have thus far occurred in 2021 that 3,656 of those project steps exceeded the MN DIP Target, resulting in a total 2021 on time delivery rate of 83%? If not, please explain how attachment B can be toggled to determine the total 2021 on time delivery rate.

Response:

Please see MnSEIA Information Request No. 11. As noted previously, Attachment B cannot be toggled to provide the details requested here.

The Company appreciates the request by MnSEIA and notes that this information is difficult to review as part of the data provided by the Company in our Q2 Compliance filing. We are actively looking for a better way to present or show this information so that it is more transparent in the future.

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Preparer: Brandon Stamp  
Title: Regulatory Analyst  
Department: Customer Solutions  
Telephone: 612-337-2076  
Date: September 27, 2021

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Xcel Energy	Information Request No.	22
Docket No.:	E999/M-16-521	
Response To:	Minnesota Solar Energy Industries Association	
Requestor:	Peter Teigland	
Date Received:	September 17, 2021	

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Question:

Please explain how Attachment B can be used to determine instances where the applicant's own delay caused the utility to Exceed the MN DIP Target, as the Q2 2021 compliance filing alludes to.

Response:

The Company's Q2 2021 Compliance filing focuses on the milestones assigned to the utility. To determine instances where the application was delayed by several rounds of review or other applicant actions, further information would need to be added to Attachment B, definitions of each subset of milestones provided, and a general key created to decipher between differing milestone dates. The Company is reviewing how this may be accomplished for future reporting purposes.

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Preparer:	Brandon Stamp
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Xcel Energy Information Request No. 23  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

In Attachment B if the spreadsheet is set to include projects with a 2021 start date, that exceed the MNDIP target, and is set with the “Days Exceeding MN DIP Target” box from highest to lowest there are hundreds of instances where projects exceeded the MN DIP Target by over 100 days.

Is it a correct interpretation of attachment B to interpret the above as indicative of instances where timelines were exceeded by over 100 days?

Response:

Attachment B is a record of **all** MN DIP milestones, which includes both utility and applicant. In addition, there are milestones tracked in Attachment B that we do not report on within our Quarterly Compliance write-up. As first mentioned in our response to Information Request No. 11, the only reported milestones are Initial Completeness Review, Subsequent Completeness Review, Initial Engineering Review, Supplemental Review, System Impact Study, and Facilities Study.

In your example, the milestones that exceed the MN DIP target by over 100 days do not have **an end date populated** within the milestone record yet, and they do not fall within the reported milestones. In order to run our formulas within the report, we populate the blank end date field with the date the report was pulled (e.g. 8/13/2021).

Overall, the majority of the other milestones in Attachment B are not included and not relevant to the data reported in the Quarterly Compliance reports.

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Date: September 27, 2021

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Xcel Energy Information Request No. 24  
Docket No.: E999/M-16-521  
Response To: Minnesota Solar Energy Industries Association  
Requestor: Peter Teigland  
Date Received: September 17, 2021

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Question:

In instances where Xcel completes delivery of an earlier milestone in the MN DIP beyond tariffed timelines, but completes later milestones within the timeframe for that step—and where the delay created by the first milestone delays the latter milestone beyond the initially estimated date—how does Xcel report compliance with the latter milestone?

That is, when the aggregate timeline is pushed back by failure to meet an earlier milestone on time, does Xcel count later milestones as in or out of compliance with MN DIP?

Response:

Our milestone report, as found in our Q2 Compliance Report Attachment B, considers the milestone and the associated milestone timeline – the timelines hard coded into our application system does not adjust based on whether earlier milestones are/or are not made. For example, if the Company met the requirement for Study Analysis, this was based on the timeline required for that specific step as part of the MN DIP regardless if the Supplemental Timeline was met. In practice, we often attempt to make up for missed timelines in later steps, but that good-faith effort is not reflected in milestone timelines for subsequent steps.

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Preparer: Callie Walsh  
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Date: September 27, 2021