

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John Tuma	Commissioner

**In the Matter of a Petition of
Minnesota Power for the Approval of
the Acquisition of Solar Power to
Support Economic Relief and
Recovery**

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

March 25, 2021

Docket No. E015/M-20-828

Introduction

The Minnesota Solar Energy Industries Association (MnSEIA or the Association) is a 501(c)(6) nonprofit trade association that represents our state’s solar businesses, with 123 member companies, which employ over 4,200 Minnesotans.

Background

On May 20th, 2020, the Minnesota Public Utilities Commission (“Commission”) opened Docket 20-492, which sought to find ways that utilities may help the economic recovery of Minnesota from the COVID-19 pandemic.¹ Following this, on November 13, 2020, Minnesota Power filed a petition with the Commission seeking approval of their economic recovery project, roughly 20 MW of solar installation.² On February 9th, 2021, the Commission opened the docket for public comment.³ On February 16, 2021, the Commission filed an Order approving Minnesota Power’s expedited procedural timeline request and included further reporting requirements for Minnesota

¹ See NOTICE - NOTICE OF REPORTING REQUIRED BY UTILITIES, DOCKET NO. E,G-999/CI-20-492, Doc. Id. 20205-163345-01 (May 20, 2020).

² See INITIAL FILING--PETITION FOR THE APPROVAL OF THE ACQUISITION OF SOLAR POWER TO SUPPORT ECONOMIC RELIEF AND RECOVERY, DOCKET NO. E015/M-20-828, Doc. Id. 202011-168320-01 (November 13, 2020).

³ See NOTICE OF COMMENT PERIOD, DOCKET NO. E015/M-20-828, Doc. Id. 20212-170782-01 (February 9, 2021).

Power going forward.⁴ on March 15, 2021, Laborers’ International Union of North America Minnesota & North Dakota⁵, the Office of the Attorney General—Residential Utilities Division⁶ (“OAG”), and the Department of Commerce—Division of Energy Resources⁷ (“Commerce”), filed Comments.

Comments

MnSEIA supports the Petition of Minnesota Power (“Company”) to the Minnesota Public Utilities Commission (“Commission”) for approval of an expedited procedural timeline to allow the Company to pursue approximately 21 MW of utility-owned solar generation in Northern Minnesota, but our support is contingent on future biddable projects. This \$40 million investment in new solar capacity comes at an important time for recovery in Minnesota, and will stimulate the state’s economy through a surge in clean energy employment. In that respect, the Company’s petition meets the laudable goals set forth in the Commission’s request in Docket 20-492, and we support these projects so long as additional, biddable projects are also considered.

Part of our support for these projects stems from the Company’s choice to install locally-manufactured solar modules with local labor⁸, which will further benefit the employment of Minnesotans. Heliene modules are of the highest quality (Tier 1⁹), and represent the finest of Minnesota manufacturing. We also laud the Company’s commitment to employing local labor for these projects, which cuts directly to the Commission’s call to action.¹⁰ The quality of solar installation know-how in Minnesota is borne of experience in one of the country’s leading states for solar development. The Company’s procurement of Minnesota equipment and Minnesota labor will make the most of Minnesota’s solar resource.

⁴ See ORDER--ORDER APPROVING EXPEDITED PROCEDURAL TIMELINE, DOCKET NO. E015/M-20-828, Doc. Id. 20212-171003-01 (February 16, 2021).

⁵ See Comments on Minnesota Power’s Petition for Approval of the Acquisition of Solar Power to Support Economic Relief and Recovery & Inquiry into Utility Investment that May Assist in Minnesota’s Economic Recovery from the COVID-19 Pandemic, DOCKET NO. E015/M-20-828, Doc. Id. 20213-171917-01 (March 15, 2021).

⁶ See Office of the Attorney General—Residential Utilities Division, COMMENTS OF THE OFFICE OF THE ATTORNEY GENERAL, In the Matter of Minnesota Power’s Petition for Approval of the Acquisition of Solar Power to Support Economic Relief and Recovery, DOCKET NO. E015/M-20-282, Doc. Id. 20213-171904-01 (March 15, 2021). *Hereinafter* “OAG Comments.”

⁷ See PUBLIC Comments of the Minnesota Department of Commerce, Division of Energy Resources, DOCKET NO. E015/M-20-828, Doc. Id. 20213-171905-02 (March 15, 2021).

⁸ See Minnesota Power, INITIAL FILING--PETITION FOR THE APPROVAL OF THE ACQUISITION OF SOLAR POWER TO SUPPORT ECONOMIC RELIEF AND RECOVERY, DOCKET NO. E015/M-20-828, Doc. Id. 202011-168320-01 (November 13, 2020).

⁹ See Heliene Solar Modules, <https://heliene.com/about-us/>.

¹⁰ See NOTICE - NOTICE OF REPORTING REQUIRED BY UTILITIES, DOCKET NO. E,G-999/CI-20-492, Doc. Id. 20205-163345-01 (May 20, 2020).

Nonetheless, MnSEIA supports the use of competitive Requests for Proposals (RFPs) for new utility-needed additions of generation and capacity, which is lacking here. Such RFPs encourage an open and transparent process that balances the economic power of a monopoly utility and protects the interests of ratepayers. The competition from such RFPs ensures that projects of all kinds offer the best value and innovation that the state’s solar industries can provide. Furthermore, competitive bidding to third parties for the construction of new generation and capacity offers one of the relatively few chances in Minnesota’s vertically-integrated, monopoly utility market for non-utility actors to contribute. We are dismayed to see the lack of an RFP here.

These projects are not the first solar procurement in which Minnesota Power has eschewed a competitive RFP process. In 2015, the Company developed a 10 MW solar project at Camp Ripley without completing an RFP, and was reminded “of its obligation to use an open, competitive process, including consideration of numerous locations for future acquisitions of solar generation”¹¹ and ordered to do so for its next solar resource acquisition by the Commission.¹² The OAG¹³ and Commerce¹⁴ have also expressed concern with the lack of an RFP for these projects, and both see that lack as a reason to deny Minnesota Power’s petition.

We are also concerned that the projects described in this petition will meet Minnesota Power’s goals as set forth in the state Solar Energy Standard—perhaps stymying further investment in future solar generation that would otherwise be pursued through a competitive solicitation.¹⁵ We would further assert that one of the legislative goals of that Standard was to grow a state-wide solar industry that includes not only manufacturing and construction, but also development. That legislative goal should not be circumvented or forgotten through the approval of these projects, despite the urgency around COVID-19 relief efforts as outlined in Docket 20-492.

There are aspects of these projects that we like and respect, and there are elements that can be improved upon. So our general support for the projects comes with a request for future bidable projects. We hope the Commission will open a docket to explore what avenues are available for nearterm solar deployment that is both outside of these projects and open to competition from developers.

¹¹ See, Order Granting Petition in Part and Requiring Reevaluation of Solar Energy Adjustment Rider, DOCKET NO. E-015/M-15-773, Doc. Id. 20162-118609-01, at 6 (Feb. 24, 2016).

¹² *Id.* at 8.

¹³ See OAG at 9-12.

¹⁴ See Commerce at 2-3.

¹⁵ See Minnesota Power, PETITION FOR APPROVAL, In the Matter of a Petition of Minnesota Power for the Approval of the Acquisition of Solar Power to Support Economic Relief and Recovery, DOCKET NO. E015/M-20-828, Doc. Id. 20212-170707-02, at 3 (February 4, 2021).

Lastly, if the Commission were to deny Minnesota Power’s petition with an Order requiring a competitive bidding process—as suggested by the OAG¹⁶—then, MnSEIA believes, it would be in the public interest and in keeping with the genesis of this proceeding for that process to require local labor and materials.

MnSEIA recognizes the urgent need for economic recovery in Minnesota from the COVID-19 pandemic. Accordingly, MnSEIA supports this expedited petition and the specific tailoring of local labor and materials therein, with the requirement that at least 21 MW of additional solar MW be procured and placed in service by the end of 2022. We support the goals of this docket, and find that the Company’s proposal meets the compelling needs reflected in those goals.

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¹⁶ See OAG at 13.