STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

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

In the Matter of a Commission Investigation on Grid and Customer Security Issues Related to Public Display or Access to Electric Distribution Grid Data. Docket Nos. E999/CI-20-800 and E002/M-19-685 MINNESOTA SOLAR ENERGY INDUSTRIES ASSOCIATION'S (MnSEIA) COMMENTS

April 30, 2021

Docket Nos. E002/M-19-685 and E002/M-20-800

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 125 member companies, which employ over 4,200 Minnesotans.

BACKGROUND

On November 1, 2019, Xcel Energy ("Xcel") filed their annual Hosting Capacity Analysis (HCA) Report with the Minnesota Public Utilities Commission (PUC or the "Commission").¹ The Commission received comments from the Interstate Renewable Energy Council Inc., Fresh Energy, the Minnesota Department of Commerce, Division of Energy Resources, and the City of Minneapolis, regarding among other things, the effectiveness and accuracy of Xcel's annual HCA.

¹ See INITIAL FILING--2019 HOSTING CAPACITY ANALYSIS REPORT, DISTRIBUTION SYSTEM – HOSTING CAPACITY ANALYSIS REPORT, DOCKET NO. E002/M-19-685, Doc. Id. 201911-157103-01 (November 1, 2019).

The COVID-19 pandemic delayed the docket for several months. The PUC issued their Order on July 31, 2020², approving Xcel's 2019 HCA, and setting further requirements for future HCAs. Xcel submitted a compliance HCA filing with the PUC on August 20, 2020³, and soon thereafter the PUC opened the docket for comments⁴. Following this docket, the Commission hosted 2 workshops exploring HCA updates and data security. The first workshop⁵ discussed Xcel's risk-benefit framework for HCA updates and its security platform for data, while the second workshop⁶ explored the sharing of data in other states and how the implementation of more frequent HCA updates or live HCA updates in those states could translate to Minnesota.

COMMENTS

I. <u>The Commission Should Direct Utilities to Provide Monthly Updates to HCA</u> <u>Reports</u>

While grid security is important to *all* stakeholders, we urge the Commission to be cautious about letting security concerns in this proceeding render the HCA entirely moot. Rather, MnSEIA hopes that this discussion will facilitate a future grid where security concerns and orderly, efficient deployment of distributed energy resources (DER) coexist and meet public policy goals.

Developers need access to current and accurate data about the distribution system to ensure that they are able to interconnect projects to the grid in a timely and efficient manner. The knowledge of feeder capacity, criteria violations, and load patterns facilitates interconnection where DER can provide the lowest cost and highest value to the grid. When data requests are delayed or when the data itself is outdated, developers' efforts can be seriously hampered, and can lead to suboptimal DER siting, additional project risk, and interconnection delays. The current flow of information from HCA reports neither keeps up with the growth of distributed generation on the Minnesota grid, nor provides all the information necessary to allow developers to identify high-value locations for DER.

² See ORDER ACCEPTING REPORT AND SETTING FURTHER REQUIREMENTS, In the Matter of Xcel's 2019 Hosting Capacity Analysis Report, DOCKET NO. E002/M-19-685, Doc. Id. 20207-165472-01 (July 31, 2020).

³ See COMPLIANCE FILING HOSTING CAPACITY ANALYSIS REPORT - UPDATED TABULAR RESULTS, DOCKET NO. E002/M-19-685, Doc Id. 20208-166045-01 (August 20,2020).

⁴ See NOTICE OF COMMENT PERIOD, In the Matter of a Commission Investigation on Grid and Customer Security Issues Related to Public Display or Access to Electric Distribution Grid Data, DOCKET NO. E002/M-19-685, Doc. Id. 202010-167790-02 (October 30, 2020).

⁵ See Hosting Capacity Analysis and Distribution Grid Data Security Workshop, Workshop 1 Summary, DOCKET NO. E002/M-19-685, Doc. Id. 20213-172192-01 (March 25, 2021).

⁶ See Hosting Capacity Analysis and Distribution Grid Data Security Workshop, Workshop 2 Summary, DOCKET NO. E002/M-19-685, Doc. Id. 20214-172695-01 (April 8, 2021).

MnSEIA agrees with the comments made by IREC⁷ and Fresh Energy⁸ that the current flow of information from the HCA is inadequate for the rapid changes that are occurring on Minnesota's electric grid. Many of our members have expressed concerns both about the reply time for requesting data and the relevancy of data. Receiving replies from utilities has not been a straightforward process. Developers have noted that requesting data from utilities will often take numerous attempts at communication, and there are long delays in reply times. Unfortunately, these delays can result in receiving outdated data that is less useful. These delays cut at the underlying purpose of having an HCA altogether; namely, receiving HCA and other data that is months old can severely hamper development.

Annual or biannual updates to the HCA are not sufficient to meet developer needs, and do not meet the Commission's stated goal that the HCA be useful in the interconnection process. This much lag returns outdated and irrelevant information. Monthly HCA updates, on par with the monthly updates that Xcel provides to its Public DG Queue report, are needed to provide the more current and relevant data that developers need to properly plan for optimal siting, interconnection budget, project budget, etc.

MnSEIA agrees with IREC's comments⁹ that in order to provide customers useful information—and meet the Commission's goal—the HCA should have monthly updates. The current flow of information and the relevance of this information has been insufficient to meet the state's clean-energy goals, or to reasonably allow for the commercial deployment of new DER categories, such as solar plus storage. Additionally, the Commission should establish guidelines around adequate response times and the relevancy of data requests from utilities to ensure developers are receiving the most accurate and relevant information.

We highlight the need for the HCA to be useful and timely in this venue because we strongly believe that the security concerns addressed below should be viewed in that light. A set of security parameters that is too restrictive will fail the larger purpose of the HCA exercise inasmuch as it would further slow updates and harm the usefulness of the report. Without frequent updates, the time to create and implement any and all security parameters would be wasted effort by the utilities, stakeholders, and Commission. Therefore, the security framework created here should be viewed in a light that makes frequent updates both feasible and up-to-date.

⁷ See COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC. ON XCEL ENERGY'S 2019 HOSTING CAPACITY ANALYSIS, DOCKET NO. E002/M-19-685, Doc. Id. 201912-158688 (December 30, 2019).

⁸ See COMMENTS OF FRESH ENERGY, In the Matter of Xcel Energy's Hosting Capacity Analysis Report, DOCKET NO. E002/M-19-685 Doc. Id. 201912-158682 (December 30, 2019).

⁹ See COMMENTS OF THE INTERSTATE RENEWABLE ENERGY COUNCIL, INC. ON XCEL ENERGY'S 2020 HOSTING CAPACITY ANALYSIS, DOCKET NO. E002/M-20-812, Doc. Id. 20214-172657-01 (April 7, 2021).

II. <u>The Commission Should Facilitate Access to DER-Relevant Data upon Request by a</u> <u>Bona Fide Developer</u>

While MnSEIA is mindful of the security concerns voiced by Xcel¹⁰ and Dakota Electric¹¹, we do not believe that either has demonstrated a legitimate grid-security issue that cannot be managed or mitigated by other measures.

MnSEIA asserts that the following information categories, each of which is already available to DER developers from Xcel, should remain publicly available:

- Actual Daytime Minimum Load at substation and feeder levels;
- Hosting Capacity Results (min. and max) at substation, feeder, and subsection levels;
- Distributed Generation and Storage (kW), in operation (by substation and feeder);
- Distributed Generation and Storage (kW), in queue (by substation and feeder).

In addition, the following categories of information are highly relevant to future DER development (e.g., under FERC Order 2222), but are not currently provided upon developer request:

- Forecasted Annual Peak Load at substation, feeder, and subsection levels;
- Actual Annual Peak Load at substation, feeder, and subsection levels;
- Load shapes (seasonal) at substation and feeder levels;
- Load shapes (hourly) at substation and feeder levels;
- Hosting Capacity Criteria Violations (substation and feeder level).

We thus respectfully request the Commission to direct the utilities to make each of the above data categories either: (1) public as via the HCA report; or (2) available upon request to a certified bona fide developer, i.e., for the purposes of planning a solar-plus-storage project or another type of DER project.

Please, see MnSEIA's Attachment 1 for further explanation of how public availability of the above data categories would serve the public interest, including be enabling utility customers and

 ¹⁰ See COMMENTS – RESPONSE TO NOTICE DISTRIBUTION GRID AND CUSTOMER SECURITY, DOCKET NOS. E002/M-19-685 AND E999/CI-20-800, Doc. Id. 20211-170472-02 (January 29, 2021).
¹¹ See DAKOTA ELECTRIC ASSOCIATION COMMENTS IN RESPONSE TO OCTOBER 30, 2020 NOTICE OF COMMENT PERIOD, In the Matter of a Commission Investigation on Grid and Customer Security Issues Related to Public Display or Access to Electric Distribution Grid Data, DOCKET NOS. E999/CI-20-800 and E002/M-19-685, Doc. Id. 20211-170472-02 (January 29, 2021).

DER developers to identify project location, sizing, and operational characteristics that maximize value to the utility distribution system and ratepayers in general.

III. <u>If the Commission Finds That Some Level of Non-Public Access is Necessary, Then</u> <u>the Commission Should Direct the Department of Commerce to Create a Single-Tier</u> <u>Certification System.</u>

MnSEIA and its members believe that a multi-tiered access structure for accessing data would over-complicate the process of obtaining DER-relevant data. A multi-tiered access structure has the possibility of becoming a "pay-to-play" system, or could be used to prevent smaller or new developers access to data. Burdensome fees or other arbitrary certifications—for example, engineering certifications—would act as unnecessary market barriers.

Access to timely and accurate hosting capacity data facilitates continued growth and efficient interconnection of DER on Minnesota's grid. Rather than setting up a multi-tiered access structure, MnSEIA believes the proper structure should be one that provides data access to anyone with a legitimate business reason and a demonstrated need to know. Finally, we believe that the utility should only be able to require a signed Non-Disclosure Agreement (NDA) for data requests that are so specific¹² (e.g., at the secondary level) to risk potential disclosure of load data that could be linked to an individual customer, or other such extenuating circumstances.

A. The Department of Commerce is best situated to certify an entity's need to know for accessing data.

The Department of Commerce—or, possibly, the Department of Labor and Industry—should certify DER developers that have an established and determined need to know hosting capacity data. The Department of Commerce is the best body to ensure fairness and equality in this certification process, because of its neutral position representing the public interest. Certification should be accessible to DER developers that seek it in good faith. A small one-time application fee and verification that the DER developer is in fact a DER developer—and therefore has a *bona fide* need to know—could be one reasonable approach. In addition to these rules, a required annual HCA security update and training session hosted by the Department would ensure that developers and utilities productively discuss these issues.

B. If the Commission does adopt a tiered access structure due to security concerns, it should ensure that the structure does not create barriers to *bona fide* data requests by DER developers.

¹² See Hosting Capacity Analysis and Distribution Grid Data Security Workshop, Workshop 1 Summary, DOCKET NO. E002/M-19-685, Doc. Id. 20213-172192-01 (March 25, 2021).

If the Commission believes that a tiered access system is the best solution to security concerns, MnSEIA believes that this tiered approach should only be implemented for data with higher security concerns. Tiered access should *not* be based on financial resources available, size of the developer, professional certification such as engineering certifications, or any semblance of a pay-to-play system. If a tiered access structure incorporates any of these mechanisms, then the goal will have effectively shifted from addressing security concerns to creating market barriers to entry.

Conclusion

The main concern shared by MnSEIA member-developers is the *present* lack of access to relevant and up-to-date data from utilities. The current system of providing annual hosting capacity analysis reports does not seem to comport with the rapid development and changes on Minnesota's electrical grid—and inadequately anticipates the needs of a future with more dynamic DER. Monthly updates to the HCA report would be a great step in the right direction for Minnesota, especially if paired with increased developer access to the other DER-relevant data categories called out above. MnSEIA hopes that even the present relevance and accuracy of the HCA will not regress under the guise of security.

Data security is a shared concern and responsibility. However, creating a multi-tiered system for accessing this information leaves too much room for system abuse and the creation of market barriers. Access to data should be granted to anyone that can show a legitimate business reason, while higher-risk or sensitive data should come with additional security requirements. If the Commission believes a tiered access system to be the best solution to security concerns, then it should be established in a way that truly focuses on security and not preventing or limiting developers from accessing data for not meeting certain market requirements.

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