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March 29, 2010

PUBLIC DOCUMENT

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **PUBLIC Reply Comments of the Minnesota Office of Energy Security**
Docket Nos. IP6830/CN-09-1186, E002/M-09-1349, E002/M-09-1350, and
E002/M-07-1558

Dear Dr. Haar:

Attached are the **PUBLIC** reply comments of the Minnesota Office of Energy Security (OES) in the following matters:

Goodhue Wind, LLC's Application for Certificate of Need (CN): Goodhue Wind Project;

and

Northern States Power Company d/b/a Xcel Energy's Request for Approval of Power Purchase Agreements (PPAs) with Goodhue Wind, LLC.

The CN petition was filed on October 15, 2009 by:

Christina K. Brusven
Attorney for Goodhue Wind, LLC
200 S. Sixth St., Suite 4000
Minneapolis, MN 55402

The PPA petitions were filed on November 24, 2009 by:

Timothy J. Edman
Manager, Regulatory Administration
Xcel Energy
414 Nicollet Mall
Minneapolis, MN 55401

The OES recommends that the Commission:

- determine the C-BED status of Goodhue Wind;
- approve or reject without prejudice the certificate of need depending on Goodhue Wind's C-BED status and cost impact;
- require Xcel to file, within 60 days, a proposal to comply fully with the Commission's Order regarding wind resources, as discussed herein, and
- require Xcel to provide, in its PPA petitions, estimates of the premium for C-BED energy as discussed herein.

The OES is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ STEVE RAKOW
Rates Analyst

/s/ CHRISTOPHER SHAW
Rates Analyst

SR/CS/ja
Attachment



PUBLIC DOCUMENT

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

PUBLIC REPLY COMMENTS OF THE
MINNESOTA OFFICE OF ENERGY SECURITY

DOCKET NOS. IP6830/CN-09-1186, E002/M-09-1349, E002/M-09-1350
and E002/M-07-1558

I. INTRODUCTION

A. BACKGROUND

1. Exemption and Completeness Stage

On October 15, 2009, Goodhue Wind LLC (GW or the Company) filed with the Minnesota Public Utilities Commission (Commission) the Company's *Request for Exemption from Certain Application Content Requirements and Request for Variance of Time Period for Filing Exemption Request*, (Exemption Petition) in order to obtain a timing variance and exemptions from certain data requirements of Minnesota Rules part 7849. The Exemption Petition indicated that GW intended to request a certificate of need (CN) for a 78 MW wind energy conversion facility (Project).

Also on October 15, 2009, GW filed the Company's *Application for Certificate of Need: Goodhue Wind Project* (CN Petition). At the time the CN Petition was submitted, GW had not yet found a buyer for the electricity generated at the proposed Project. At that time GW's website (www.goodhuewind.com) stated that National Wind, LLC (NW) is the managing partner and developer for GW's Project. However, the response to OES Information Request No. 13 stated that NW is not the managing partner and the website was subsequently modified.

On November 12, 2009, Goodhue Wind Truth (GWT) filed comments on the merits of the Exemption Petition, on the CN Petition's completeness, and on other issues.¹

¹ To see the comments filed in this proceeding, go to <https://www.edockets.state.mn.us/EFiling/search.jsp>. Under "Basic search" select 09 for the year and type the appropriate number for the relevant docket, e.g. 1186 for the certificate of need.

On November 16, 2009, the Minnesota Office of Energy Security (OES)² filed comments on the merits of the Exemption Petition and the completeness of the CN Petition.

GWT filed additional comments regarding GW's project on November 19 and 20, 2009. Mr. Rick Conrad and Ms. Mary Gale filed comments on GW's project at the same time.

On November 25, 2009, GW filed reply comments on the merits of the Exemption Petition, on the CN Petition's completeness, and on other issues.

On December 2, 2009, Northern States Power Company, a Minnesota Corporation (Xcel), filed petitions for approval of two Power Purchase Agreements (PPAs) between GW and Xcel pursuant to Xcel's C-BED tariff. Also on December 2, 2009, the OES filed a procedural proposal recommending that the Commission request comments regarding whether GW's project meets the criteria for a CN exemption under Minnesota Statutes §216B.1691, subd. 9.

On December 7, 2009, Mr. Rick Conrad filed comments regarding the Exemption Petition's request for a variance.

On December 17, GWT filed further comments on GW's Project; the comments were also filed in the PPA dockets (see below). At the Commission's December 17, 2009, meeting, the Company stated a preference for a CN proceeding, the OES did not object, and the Commission thus made no determination as to whether the project should be exempted from a certificate of need requirement.

On December 30, 2009, the Commission issued an Order which:

- approved GW's Exemption Petition;
- approved a variance to the 45-day timing requirement in Minnesota Rules 7849.0200, subpart 6;
- determined that the Petition was complete;
- initiated the review process; and
- delegated scheduling authority to the Commission's Executive Secretary.

2. *Comment Stage*

On January 4, 2010, the Commission issued its *Notice of Comment Periods* (CN Notice), indicating that comments are due February 12, 2010 and reply comments are due March 12, 2010. The date for reply comments was later extended to March 26, 2010 at the request of the OES.

² To clarify matters, throughout these comments reference to "the OES" should be understood to refer to the OES's energy regulation and planning staff and not the energy facilities permitting staff or the State Energy Office staff.

On January 19, 2010, GWT filed comments on the issues regarding C-BED status and other matters.

On January 22, 2010, GW filed an update announcing that, to facilitate project financing, Goodhue Wind and American Wind Alliance formed a new limited liability company, AWA Goodhue, LLC (AWAG). In addition, Goodhue Wind, LLC changed its name to GW Community Holdings, LLC.

Between January 25, 2009 and February 12, 2010, comments were received from several members of the public, all of whom appear to reside in or near Goodhue, Minnesota:

1. Ann Buck (Goodhue, MN);
2. Mary Brickzin-Gale (Goodhue, MN);
3. Steve Groth (Goodhue, MN);
4. Helen McNamara (Belle Creek Township, Minnesota); and
5. Rick Conrad (no address given).

The public comments expressed concerns regarding the project. Among the issues discussed by the public comments were:

- not all wind should come from industrial facilities such as GW's project;
- setback distances are outdated and should be increased;
- the Minnesota Renewable Energy Standard should not determine whether to issue a CN;
- wind CNs should not go ahead while health issues remain unresolved;
- existence of transmission created the project;
- the land is more valuable for agriculture than energy; and
- energy conservation and solar are better alternatives for meeting energy needs.

On February 12, 2010, GWT filed a petition for intervention, a petition for a contested case, and a notice of appearance. These documents requested the Commission to order a contested case and were also filed in the related PPA dockets (see below).

On February 12, 2010, the OES filed comments on the proposed project. The OES comments noted that, if the project was not a C-BED project, other more cost-effective alternatives existed for meeting the RES; as a result the OES recommended that the Commission reject the CN Petition if the Commission determines that the project is not a C-BED project. If the Commission determines that the project is C-BED, then the OES analysis in the PPA proceedings and in Table 1 in the CN comments should apply.

B. POWER PURCHASE AGREEMENT DOCKETS BACKGROUND

On November 20, 2009, Xcel filed two petitions (Docket Nos. E002/M-09-1349 and E002/M-09-1350) for approval of PPAs between Xcel and GW. The petitions requested that the Commission

allow Xcel to recover the wind project's costs under Minnesota Statute §216B.1645. The PPAs are filed under Minn. Stat. §216B.1612. The PPAs each pertain to 39 megawatts (MW) of wind generation located in Goodhue County for a total of 78 MW of wind generation.

During the course of the PPA proceedings comments were received from several members of the public. Most of these comments were filed prior to the date on which the OES filed its comments (which are discussed below):

1. Deb Tutewohl (Goodhue, MN);
2. Abby Tutewohl (Goodhue, MN);
3. Randy & Deb Tutewohl (Goodhue, MN);
4. Randy Tutewohl (Goodhue, MN);
5. Daniel Stussy (Zumbrota, MN);
6. Dana Sills (Red Wing, MN);
7. Scott and Melody Ryan (Goodhue, MN);
8. Patricia and Richard Morrissey (Goodhue, MN);
9. Bruce and Marie McNamara (Goodhue, MN);
10. Jennifer Loos (Goodhue, MN);
11. Rick Conrad (no address given);
12. Ann Buck (Goodhue, MN);
13. Chris Buck (Goodhue, MN);
14. Steve Groth (Goodhue, MN); and
15. Paul Reese (Goodhue, MN).

The public comments raised a variety of issues; none supported the project. The issues generally were similar to the issues raised during the CN proceeding outlined above.

In addition, subsequent to the filing of the OES comments, several individuals developing C-BED projects or representing businesses involved in C-BED projects provided letters that were substantially the same:

1. M. A. Mortenson Company (Minneapolis, MN);
2. Westwood Professional Services (Eden Prairie, MN);
3. Carstensen Contracting Inc. (Pipestone, MN);
4. Ryan Companies (Minneapolis, MN);
5. Adams Wind (Minnesota);
6. Ulk Wind Farm and Community Wind North (Minnesota);
7. Danielson Wind (various addresses in Minnesota);
8. West Stevens Wind (Minnesota);
9. Norfolk Wind Energy (various addresses in Minnesota);
10. High Country (various addresses in Minnesota and Wisconsin);
11. Goodhue Wind (various addresses in Minnesota);

12. Root River Energy (various addresses Minnesota, Iowa, North Carolina and California);
13. Lake County Energy (various addresses in Minnesota); and
14. Little Rock Wind (various addresses in Minnesota and Alaska); and
15. Project Not Specified—various addresses in Minnesota, Iowa, and Wisconsin.

Each of the letters made the same two points; first that the OES was suggesting changes to a clear, prior rule for determining C-BED eligibility. The second point was that it is appropriate to continue to include within the definition of “other local entities” all Minnesota based businesses. Using narrower definitions would make it impossible for most wind projects to qualify as C-BED and limit the development of projects throughout the State.

On January 19, 2010, GWT submitted additional comments. GWT claimed that the project does not qualify as C-BED and that the site map contains errors.

On February 12, 2010, two comments were filed. First, the OES filed comments outlining questions for the Commission to consider and recommending that the Commission consider the OES comments in the companion CN proceeding as well as further information which would be provided by other parties. Specifically, the OES recommended that the Commission consider comments on the interpretation of the term “local entities” as used in Minn. Stat. §216B.1612, along with other comments in the CN proceeding. The OES noted that, if the Commission determines that the project qualifies as a C-BED project, then “Xcel is pursuing the most cost-effective C-BED resources available to the Company at this time. Further, Xcel’s ratepayers would be appropriately protected from the financial and operations risks of the PPAs and the curtailment provisions of the PPAs are appropriate. If the Commission determines that the project qualifies as a C-BED project, the Commission should also consider OES comments in the CN docket comparing C-BED and non-C-BED projects.” The OES indicated that, if the Commission determines that the project is not C-BED, then the Commission should consider the OES comments in the CN proceeding.

Also on February 12, AWAG filed comments reiterating the corporate re-organization and providing AWAG’s position on C-BED eligibility and the reasonableness of the PPAs.

On February 18, 2010, Xcel filed a corrected version of the two petitions for the PPAs.

On February 22, 2010, three reply comments were filed. First, National Wind provided comments identifying the same two issues as pointed out by other wind developers, as listed above. Second, AWAG filed comments stating that:

- the C-BED statute is not intended to limit projects to local forms of ownership and other participation;
- the C-BED and non-C-BED rates in the PPAs are reasonable; and
- GWT has not provided sufficient reasons for a contested case.

Third, Xcel filed comments stating that:

- Xcel agrees that the Commission is the final decision-maker on C-BED eligibility;
- it would be helpful if the OES and the Commission could clarify in this docket how C-BED status will be determined for future projects; and
- if the Commission determines that the Goodhue project meets C-BED eligibility criteria it need not address whether Goodhue is reasonable compared to non-C-BED resources.

On February 24, 2010, Xcel filed proposed amendments to the as-yet unapproved PPAs with GW's Project.

On February 26, 2010, the Commission issued a Notice indicating that comments on the proposed amendments are due March 15, 2010 and reply comments are due March 29, 2010.

On March 15, 2010 the OES filed comments indicating that the OES did not oppose any of the proposed amendments, because the amendments did not alter original conclusions and recommendations of the OES.

On March 22, 2010 a summary of the Zumbrota Township annual meeting and two resolutions passed by Zumbrota Township were filed.

C. OES REPLY COMMENTS

As can be seen in the lengthy history reiterated above, a large number of participants have been involved in the proceedings and numerous issues have been raised. The OES limits its reply comments to the following five specific issues:

1. the proper definition of certain terms in the C-BED statute (M.S. §216B.1612);
2. the use of trade-secret designations by GW;
3. GWT's request for a contested case;
4. the proper cost analysis and the consequences of that analysis in these proceedings;
and
5. The application of Minnesota Rules 7849.0120 to two resolutions passed by the voters of Zumbrota Township.

II. OES ANALYSIS

A. DEFINITION OF C-BED TERMINOLOGY

1. Background

The Legislature created a statutory preference for utilities to purchase power from C-BED projects, under certain circumstances, rather than requiring strictly that utilities purchase the

lowest cost power for distribution to retail ratepayers. *See* Minn. Stat. § 216B.1612, subd. 5. For this reason, it is important that the C-BED statute be properly interpreted and applied.

The AWAG project is the first C-BED project to come specifically before the Commission for a determination on the reasonableness of the PPA as well as the determination on whether the project qualifies as C-BED. Previously, the Commission approved all C-BED projects (which had not been withdrawn from consideration) within the automatic 30-day approval process prescribed by statute. In none of those proceedings had the public filed comments contesting whether the project should be considered as C-BED; as a result, the preliminary determination of C-BED status by the State Energy Office of the OES was never contested. In addition, none of the previous C-BED projects was large enough to require a certificate of need. The analysis required in a certificate of need is more extensive than the requirements for the automatic 30-day approval process.

As explained in the OES initial comments on the PPAs, AWAG did not request a C-BED determination letter until after the PPA's had been submitted to the Commission.

2. Statutory Analysis

Upon review of the requirements of the C-BED statute, the OES determined that the term “local entities” as used in Subd. 2 (g)(2) is ambiguous. As noted in the initial comments of the OES, the term “local entities” is not defined in section 216B.1612 or elsewhere in Chapter 216B. A statute is ambiguous if it is reasonably susceptible to more than one interpretation. AWAG concludes that the term refers to any entity located anywhere in the state of Minnesota; another interpretation suggested by some commenters is that the Legislature intended the term “local entity” to refer only to an entity located within closer proximity to a proposed project. Yet another possibility, as discussed in initial comments, is that local entities throughout the state could be considered, but greater weight could be given to entities located within close proximity to the proposed project.

The OES notes that, as the Commission is aware, legislation is under consideration to define C-BED terms and processes further. The OES is confident that the Commission will consider these legislative changes as appropriate. However, because the law has not yet been changed, the OES provides the analysis below under current law.

3. Statutory Interpretation

It is necessary to interpret Minnesota Statutes in deciding the issues in this proceeding. There are two key provisions in the law to interpret. The first is Minnesota Statute §216B.1612, subd. 2(g)(2), which states that a C-BED project, among other things:

...demonstrates that at least 51 percent of the gross revenues from a power purchase agreement over the life of the project will flow to qualifying owners and other local entities.

The second provision is Minnesota Statute §216B.1612, subd. 1 which states:

A tariff shall be established to optimize local, regional, and state benefits from renewable energy development and to facilitate widespread development of community-based renewable energy projects throughout Minnesota.

To interpret these statutes as they currently exist, the OES provides the following guidance for interpreting statutes. Minn. Stat. §645.16 provides in part that:

The object of all interpretation and construction of laws is to ascertain and effectuate the intention of the legislature. Every law shall be construed, if possible, to give effect to all its provisions.

Minn. Stat. §645.17 further provides that:

In ascertaining the intention of the legislature the courts may be guided by the following presumptions:

- (1) the legislature does not intend a result that is absurd, impossible of execution, or unreasonable;
- (2) the legislature intends the entire statute to be effective and certain.

The OES provides the following information regarding the term “local entity.”

a. Common Definition

Minn. Stat. §645.08 requires that words and phrases are construed according to rules of grammar and according to their common and approved usage. The Merriam-Webster Dictionary defines “local” as:

- 1: characterized by or relating to position in space: having a definite spatial form or location.
- 2 a: of, relating to, or characteristic of a particular place: not general or widespread
b: of, relating to, or applicable to part of a whole
- 3 a: primarily serving the needs of a particular limited district.

Thus, in common usage the term “local” refers to a limited geographically location. The question in interpreting Minnesota Statute §216B.1612 is how close is “local?” This is the key issue for the Commission to consider under the three options outlined in this record:

1. If “local” means benefits anywhere in Minnesota, then the Commission should apply equal weights to benefits to all Minnesota entities receiving benefits. (AWAG interpretation)
2. If “local” means benefits only to the entities closest to Goodhue County, then the Commission should give weights of zero for benefits accruing to entities located outside of an area near Goodhue County, which may include surrounding counties. (Interpretation by local landowners who are not part of the project)
3. If “local” means that benefits anywhere in Minnesota count but benefits closer to the project count more, then the Commission should adjust the weights according to the relative benefits in greater Minnesota and in the local community. (Generic model)

AWAG argues that the term “other,” as used in the statutory phrase “qualifying owners and other local entities,” is critical in determining the scope of the term “local.” Under AWAG’s reading, use of the term “other” requires the same geographical restrictions to apply to “local entities” as “qualifying owners.” This argument supports giving at least some benefit to entities outside of the area near Goodhue, under either Option 1 or Option 3 above. However, the term “other” could just as reasonably be a legislative acknowledgment that the local entities and qualifying owners are likely to be from the same geographical area, which appears to be the preferred interpretation of some commentators and would support the interpretation under Option 2 above. In the case of AWAG’s proposed project, the qualifying owners are primarily from Goodhue County. Thus, use of the term “other” provides little guidance on the Legislature’s intended meaning of the term “local.”

b. Effect on Qualifying Owner Provisions

The C-BED statutes provide specific criteria defining a qualifying owner. Subd. 2(c) states:
"Qualifying owner" means:

- (1) a Minnesota resident;
- (2) a limited liability company that is organized under chapter 322B and that is made up of members who are Minnesota residents;
- (3) a Minnesota nonprofit organization organized under chapter 317A;
- (4) a Minnesota cooperative association organized under chapter 308A or 308B, including a rural electric cooperative association or a generation and transmission cooperative on behalf of and at the request of a member distribution utility;
- (5) a Minnesota political subdivision or local government including, but not limited to, a municipal electric utility, or a municipal power agency on behalf of and at the request of a member distribution

utility; the office of the commissioner of Iron Range resources and rehabilitation; a county, statutory or home rule charter city, town, school district, or public or private higher education institution; or any other local or regional governmental organization such as a board, commission, or association; or

(6) a tribal council.

Qualifying owners are restricted from owning more than 15 percent of a C-BED project under subd. 2(g)(1) of the C-BED statute. Under the C-BED statute, an LLC that has members in another state, or a Minnesota corporation with shareholders potentially located around the world, would not qualify as a “qualifying owner” and would not be subject to the 15 percent ownership restriction. AWAG’s interpretation implies that the Legislature intended to create more restrictions on an LLC whose members are all Minnesota residents than on an LLC with members in other states or a corporation with shareholders worldwide. Specifically, this interpretation means that Minnesota-only LLCs would be limited to owning 15 percent of a project while entities with out-of-state members or owners would not be subject to such a restriction.

The Legislature was very specific when formulating the requirement of a “qualifying owner.” It is difficult to reconcile the specificity of the criteria for “qualifying owner,” with the breadth of AWAG’s interpretation of the term “local entities,” when the only resulting “benefit” of qualifying as a “qualifying owner” is further restriction of ownership to no more than 15% of the project.

AWAG interprets Minnesota law to mean that an LLC that has members in another state, or a Minnesota corporation with shareholders potentially located around the world would be considered to be equal to a qualifying owner when determining whether the project meets the provision that 51 percent of revenues from the PPA must flow to qualifying owners and other local entities. While the Commission may determine that AWAG’s interpretation that the term “local entities” is correct, other interpretations are noted in the initial comments of the OES.

c. Legislative History

AWAG cites to comments made by Representative Torrey Westrom on the floor of the Minnesota House of Representatives for support of its interpretation. The OES has attached a transcript of that exchange to these comments as Attachment B to allow the Commission to determine whether the exchange provides guidance on the proper interpretation of the term “local entities.” Moreover, as noted above, there is currently discussion at the Legislature regarding the terms in statute, which may clarify the intentions of Minnesota Statute §216B.1612.

4. Interpretation of Minn. Stat. § 216B.162, Subd. 7(c)

Subdivision 7(c) of the C-BED statute provides that:

A qualifying owner, or any combination of qualifying owners, may develop a joint venture project with a nonqualifying renewable energy project developer. However, the terms of the C-BED tariff may only apply to the portion of the energy production of the total project that is directly proportional to the equity share of the project owned by the qualifying owners.

The OES notes that at least one member of the public, Paul Reese, submitted comments in the PPA dockets interpreting this provision as limiting the portion of a proposed project that qualifies as C-BED to the percentage of equity share of the project owned by qualifying owners.

The OES interprets subdivision 7(c) as applying only to a situation in which an otherwise C-BED qualifying project develops a joint venture project with a non-C-BED project. However, the OES notes that this provision may be capable of more than one meaning and the Commission may interpret this provision differently than the OES. The OES further notes that under the GW proposal the ownership percentage flips at some point during the contract term. If subdivision 7(c) applies to AWAG, it is not clear whether the equity share before or after the flip should be applied.

B. USE OF TRADE-SECRET DESIGNATION

Included with the OES initial comments was AWAG's response to OES Information Request No. 1. Most of the information included in that response was marked as being trade secret under Minn. Stat. §13.37. The OES requested that AWAG explain why data labeled "Development Period Uses" and "Potential Recipient(s)" and a chart showing ownership structure were considered to be trade secret. In response, AWAG explained that it considered the names of potential recipients who do not yet have executed contracts with AWAG to be trade-secret information under the Minnesota Government Data Practices Act and that AWAG could suffer actual or potential economic harm if the names of these potential recipients became known to others prior to completion of negotiations and execution of final agreements. However, AWAG also explained that it does not consider the information labeled "Development Period Uses" and certain other information to be trade secret and provided an updated table and chart that reveals the information AWAG considers to be public. The OES has attached AWAG's explanation and the updated table and chart to these comments as Attachment C.

C. REQUEST FOR CONTESTED CASE

On February 10, 2010, GWT filed its *Petition for a Contested Case—Siting, Certificate of Need Docket and Power Purchase Agreement Dockets*, requesting a contested case in IP6701/WS-08-1233, IP6701/CN-09-1186, E002/M-09-1349, and E002/M-09-1350.

First, GWT references Minnesota Rules 7854.0900, which governs public participation in site permits for large wind energy conversion systems. These rules provide two criteria to be met:

- the person requesting the contested case hearing has raised a material issue of fact; and
- holding a hearing would aid the Commission in making a final determination on the permit application.

Second, GWT references Minnesota Rules 7850.2600, that allow the Commission to hold a joint hearing to consider both siting and need issues on large electric power generating plans and high voltage transmission lines.³ Thus, OES understands that GWT has requested a contested case hearing on the siting issues and that, through the joint hearing clause, GWT requests that the CN and PPA dockets be included in the contested case.

GWT claims the following items to be disputed material facts:

- misrepresentations of turbine sites and wind-right acquisitions;
- if sited as proposed, the Project would have an impact on local residents and property that cannot be mitigated;
- this Project is not C-BED as defined under Minnesota law;
- the Project should not be used by Xcel or any other buyer for compliance with the Renewable Energy Standard; and
- AWAG and Xcel did not take into account all costs associated with this project, particularly costs of transmission interconnection.

In response, Xcel's February 12, 2010 reply comments stated:

We do not believe that issue by itself lends itself to a contested case fact finding endeavor. It appears that the Commission is being asked to make its judgment on how to interpret the C-BED statute given the ownership structure Goodhue Wind has presented and past precedent. We do not believe further fact finding will address that issue.

In addition, AWAG's February 12, 2010 reply comments claimed that GWT did not point to any facts which are in dispute. Therefore, AWAG concludes that the petition for a contested case should be summarily dismissed. To support this argument AWAG states that GWT relies on an old prospectus that has been withdrawn and, therefore, does not represent the Project. AWAG continues by stating that the only issue regarding C-BED status is the correct legal interpretation of Minnesota Statutes §216B.1612 (g)(2).

The OES responds to the petition for a contested case as follows. First, the OES (Energy Regulation and Planning) has not participated in the siting docket (Docket No. IP6701/WS-08-1233) and, therefore, has no comment on the request as it pertains to siting. Second, the OES understands that the Commission may choose to refer any CN proceeding to a contested case

³ It is not clear to OES that Minnesota Rules 7850 applies to this proceeding.

process if, for example, the Commission believes there are material facts in dispute. Third, the OES will continue to participate in the proceedings regarding the PPAs and CN in whatever forum the Commission deems is most appropriate.

D. OES'S COST ANALYSIS

1. Correction

During analysis of Xcel's petition for a CN for the Pleasant Valley—Byron 161 kV transmission line (Docket No. E002/CN-08-992) the OES discovered that the transmission cost adjustment that OES applied in our comments in this GW docket was related to Xcel's Grand Meadow project rather than Xcel's Nobles project. Upon review of the MISO queue data, OES concludes that Xcel's original transmission cost estimate is the most appropriate cost to use at this time. Therefore, the OES corrects errors in Table 1 on page 9 of our February 12, 2010 comments. The corrected Table 1 is shown below.

Table 1: GW Versus the Alternative

[XCEL TRADE SECRET DATA HAS BEEN EXCISED]

2. Reply to AWAG

The OES provides the following responses to AWAG's February 22, 2010 reply comments to ensure that the record before the Commission is clear and accurate.

On page 10 of its reply comments, AWAG states "In this docket, the OES finds that if the project qualifies for C-BED, the PPA rate is reasonable." To be clear, the OES comments in Docket Nos. E002/M-09-1349 and E002/M-09-1350 state at page 10:

... the OES concludes that Xcel is pursuing the most cost-effective C-BED resources available to the Company.

The Commission may view this statement as a basis to conclude that, if the project qualifies as C-BED, the C-BED rate in this proceeding may be reasonable. However, on a going-forward basis, because Xcel has not followed through adequately in meeting the requirements of the Commission's June 19, 2009 Order in Docket No. E002/M-07-1558 (discussed below) there are issues about the premiums being paid for C-BED projects, which at a minimum should be addressed on a going-forward basis.⁴ The OES addresses this issue further below.

On page 11 of its reply comments, AWAG states, "But what Goodhue can verify is that there is no legal or policy rationale that requires comparing the costs of an IPP wind project to the costs of a wind project owned and operated by a vertically-integrated utility company." The OES

⁴ Specifically, the OES notes that to say that Xcel is pursuing the most cost-effective C-BED resources is not the same thing as saying the C-BED PPA rate (the premium) is reasonable. It could be the case that the premium for the most cost-effective C-BED resource is not reasonable.

notes that there is basis for this comparison. For example, Minnesota Statutes §216B.1612 subd. 5 specifically states that utilities subject to the RES:

... must take reasonable steps to determine if one or more C-BED projects are available that meet the utility's cost and reliability requirements, applying standard reliability criteria, to fulfill some or all of the identified need at minimal impact to customer rates.

Nothing in this section shall be construed to obligate a utility to enter into a power purchase agreement under a C-BED tariff developed under this section. (Emphasis added.)

A policy question for the Commission, then, is how to assess what “minimal impact” means. The C-BED statute cannot reasonably be read to mean that C-BED resources can be acquired at any price, as that reading would conflict with other provisions of law, including Minnesota Statute §216B.03 which requires that rates be reasonable, and the renewable energy standard, or RES, (Minnesota Statute §216B.1691) which provides an “off-ramp” allowing utilities not to meet the RES if renewable energy costs are too high.

A reasonable way to determine a “utility’s cost requirements” and “minimal impact to customer rates” is to compare the cost of a C-BED project to the cost of a non-C-BED alternative. That comparison focuses on the incremental difference in the cost of a C-BED project (over and above that of a utility build). Thus, it is a method to measure minimal impact on rates; using the cost of a utility build represents a measure of the utility’s cost requirements. Further, as noted in the OES’s initial comments, the comparison with Xcel’s project actually gave the benefit of the doubt to AWAG. Moreover, as the OES’s PPA Comments explained at page 4:

The OES concludes that a review of Xcel’s general plan to acquire renewable resources is best conducted in an IRP or other resource acquisition proceeding. OES notes that this C-BED proposal requires a Certificate of Need from the Commission. Therefore the OES has further analyzed Xcel’s proposed acquisition of energy from the Project in the Certificate of Need filing in Docket No. IP6701/CN-09-1186.

Because the circumstances of this proceeding are different than in previous C-BED proceedings since CN proceedings have more detailed, comprehensive analytical requirements including analysis of alternatives, the OES provided additional analysis in the instant CN proceeding that is not typically provided in a PPA review. It is important for the Commission to consider this information. The Commission may, however, use other information to assess the policy question of whether there is a “minimal impact.”

The statute also clarifies that utilities are under no obligation to purchase any particular quantity of C-BED projects. Thus, if a C-BED project has more than a “minimal impact,” the utility is not under an obligation to “enter into a power purchase agreement under a C-BED tariff.” Thus, as noted above, the fundamental policy question before the Commission is how much more expensive a C-BED project can be and still be considered to have a “minimal impact.”

On page 11 of its reply comments, AWAG states “Just last June, the Commission concluded that in filling out its renewable portfolio, Xcel’s best approach is to acquire one-third of its renewable resources through C-BED, one-third through non-C-BED IPP purchases, and one-third through utility ownership.” AWAG inaccurately summarizes the Commission’s Order. The Commission’s June 19, 2009 *Order Approving Target Portfolio Allocation Within Xcel’s Renewable Energy Plan* (Target Order) in Docket No. E002/M-07-1558 states at page 9:

On the basis of the record, the Commission will approve Xcel's portfolio allocation targets placing equal reliance on power from IPPs, C-BED projects, and utility-owned projects.

All parties have noted that this allocation could result in needless costs if Xcel were to begin picking projects solely on the basis of their ownership structures, and refrain from comparing the cost-effectiveness of a C-BED project with an IPP contract or utility-owned generator, for example. Fortunately, Xcel denies that it intends to acquire resources in this manner. ... To clarify this matter, the Commission will direct Xcel to evaluate all potential resources on an equivalent basis, regardless of the resources' ownership structures.

Thus, in Docket No. E002/M-07-1558 Xcel denied that the Company intended to acquire resources in a manner that picked projects solely on the basis of their ownership structures. However, that is precisely what Xcel did in the instant proceeding through implementing a bidding process seeking C-BED projects without any consideration of either a utility-owned resource or purchase from a non-C-BED IPP as a cost check. As noted above, in approving Xcel’s allocation targets, the Commission’s Order relied upon Xcel’s representation about cost checks as a means to avoid incurring the needless costs that all parties were concerned about. In this proceeding, Xcel failed to implement the promised cost checks and it fell to the OES in the CN proceeding to provide such cost checks. Such cost checks would help the Commission assess the issue noted above regarding “minimal impacts.”

The OES addresses two related statements in AWAG’s comments. First, on page 11 of AWAG’s reply, AWAG states that the non-C-BED PPA rate is [**TRADE SECRET DATA HAS BEEN EXCISED**] the non-C-BED rate of the recently approved PPAs in Dockets Nos. E002/M-09-1366 and E002/M-09-1367. Second, on page 12 of its reply comments, AWAG states, “The OES’ conclusion that the project’s non-C-BED rate is above market seems, like its suggested weighting scheme, wholly arbitrary.” The OES addresses first the statements pertaining to the non-C-BED rate and then the comment about weighting.

AWAG's statement comparing its price to the prices in the above dockets is not entirely accurate. AWAG's C-BED price is [TRADE SECRET DATA HAS BEEN EXCISED] C-BED price submitted for approval and AWAG's non-C-BED price is [TRADE SECRET DATA HAS BEEN EXCISED] non-C-BED price submitted for approval when compared on an average price basis. Xcel's comparison of the C-BED project was done on an average price basis. The OES acknowledges that the costs of the AWAG project, both C-BED or non-C-BED, on a levelized or net present value basis (NPV), are [TRADE SECRET DATA HAS BEEN EXCISED]. This fact is consistent with the conclusion in the PPA dockets that "Xcel is pursuing the most cost-effective C-BED resources available to the Company." However, the OES did not analyze the previous C-BED dockets as non-C-BED projects since there were no comments from the public challenging whether the project was C-BED; nor was there any concurrent CN proceeding. As a result, the alternatives analysis and the questions about the non-C-BED options were not present in previous C-BED proceedings due to differing circumstances in those dockets.

As the OES explained in the instant CN docket, the most appropriate alternative for comparison of non-C-BED prices would be to a project selected through a Commission-approved competitive bidding process. Such a process would produce the overall least-cost project. Out of necessity, the OES selected a project from Xcel's utility-owned wind acquisition process, which is not a Commission-approved competitive bidding process and thus may result in higher-cost projects. An Xcel-build project is a reasonable measure for the utility's cost requirements; there is nothing arbitrary in this comparison.⁵ In fact, the Commission Order cited above directed Xcel to make such comparisons and it is clear that Xcel represented that it would include consideration of such an alternative but failed to do so. The OES merely implemented, to the best of our ability, what Xcel previously promised to do and the Commission directed Xcel to do.

Regarding weighting, the OES notes that all potential weighting schemes, including AWAG's proposal to give equal weights to benefits flowing to anyone located anywhere in the state, and other proposals in this proceeding which imply that no weight should be given to any benefits outside of the immediate area, have a certain amount of arbitrariness. The appropriate question for the Commission is not whether weights are arbitrary but what weights would best accomplish the various legislative goals. Certainly, the Commission may approve the weights proposed by AWAG, or they may use another set of weights or other considerations which may arise from the Legislature.

On page 12 of its reply comments, AWAG states:

The Xcel/Goodhue PPAs, like other PPAs, were based on a wide range of factors, including cost of capital, commodity prices, risk profiles, transmission costs, curtailment risk, ability to efficiently monetize federal incentives, and a host of other market factors.

⁵ The analytical process the OES used was standard and not arbitrary. The OES selected a reasonable alternative, updated the data on the alternative based upon more recent information, and compared the costs of the two projects. Such comparisons are standard alternatives analysis which OES has performed in countless CN and resource plan proceedings.

Unfortunately it does not appear that the OES took any of these other considerations into account.

This statement is incorrect. While details of the OES cost analysis include data designated by Xcel as trade secret under Minn. Stat. §13.37 and, thus, are not available for AWAG to review, the OES can clarify for AWAG that OES's cost calculations took directly into account several of the factors listed by AWAG because these factors were inputs to the cost calculations. Other factors listed by AWAG are built into the OES's cost calculations indirectly through the price inputs for projects. The OES also implemented a change in cost calculations regarding the curtailment risk profile. Finally, the OES notes that these comments, above, correct an error OES discovered in the calculations.

Further, the OES agrees that non-price provisions that protect Xcel's ratepayers against potential financial and operational risks are a vital consideration in determining the reasonableness of any proposed PPA. The OES's discussion of those risks as well as the risks of curtailment is found on pages 11-13 of the OES's initial comments in the PPA dockets. Thus, the OES analysis in these proceedings used all of the relevant information to make informed recommendations for the Commission to consider in deciding the issues.

3. Reply to Xcel

Xcel's reply comments state at page 3:

... we believe the Commission should first address the C-BED status of the Goodhue Wind project as part of these PPA dockets. If the Commission determines that the Goodhue project meets C-BED eligibility criteria, and concurs with OES and the Company that Goodhue is a cost-effective C-BED resource, it need not address whether Goodhue is reasonable compared to non-C-BED resources.

In response, the OES refers to its response above to AWAG. The OES also notes that Xcel has not adequately kept its promise to avoid "acquiring resources in a manner that picked projects solely on the basis of their ownership structures." The March 14, 2008 Supplemental Reply Comments of OES in Docket No. E002/M-07-1558 stated the on-going concern of the OES regarding acquisition of the optimal, least-cost renewable resources:

...the Office reminds Xcel that Minn. Stat. 216B.1691 clearly states that two of the three provisions that the Commission must use to determine whether Xcel's Plan is in the public interest involve, "(2) maintaining the reliability of the state's electric power grid; and (3) minimizing cost impacts for ratepayers." (emphasis added) As such, as Xcel seeks cost recovery for future acquired energy in fulfillment of this Renewable Energy Plan and its RES obligation, the Office will expect to see a clear showing of

minimized or optimized pricing on acquired renewable assets or contracts. When this was discussed with the Company, Xcel acknowledged that the Company had the burden for making this showing and intended to do so in the future.

While Xcel implemented a bidding process for C-BED projects, the Commission's Order relied upon Xcel's representation that Xcel intended to continue comparing the cost-effectiveness of C-BED projects with IPP contracts or utility-owned projects. Xcel simply failed to include any such comparison, so the OES implemented the comparison that Xcel promised earlier. A lack of such comparison would make it difficult for the Commission to determine the effects of proposals on Xcel's ratepayers.

The Commission put Xcel on notice regarding cost issues in previous dockets. Specifically, regarding cost recovery the Target Order states at page 9:

Whatever method Xcel uses for selecting its resources, Xcel must be able to demonstrate to the Commission's satisfaction that Xcel selected the most cost-effective resource options in order to recover the costs of its resource options from ratepayers.

The Commission's Target Order warned Xcel that cost recovery was dependent upon a demonstration that Xcel selected the most cost-effective options. The Target Order also directed Xcel to select options on an equivalent basis (with due consideration given to policy objectives and other considerations). Xcel has selected options in the 2009 C-BED RFP at costs that are significantly higher than the cost of the options selected in the "Xcel turnkey" process. Thus, the policy question remains as to the effects on ratepayers.

An additional policy question pertains to the effect on the renewable industry of higher-cost power. When utilities obtain higher cost power, the demand and ability of ratepayers to pay for renewables in general and C-BED projects in particular decreases. Thus, higher cost power may affect the utilities' ability to meet the statutory goals regarding renewable energy.

The OES notes that the Commission has considerable information in this proceeding and the related PPA proceedings to decide whether or not the premiums for the AWAG project would have a "minimal impact" on ratepayers. Overall, the Commission may or may not decide that the effects on ratepayers' bills are minimal and may or may not reflect a reasonable premium to advance the C-BED policy goal in statute. In either case, it is important to know what the overall effects have been to assess whether to continue on the current path. For further information, Trade-Secret Attachment A to these comments provides an estimate of the premiums that are being paid by ratepayers for C-BED projects which the OES recommends that the Commission consider in its decisions.

To assist the Commission in the future in deciding the amount of premium that can be paid for a C-BED project and still have a "minimal impact," the OES recommends that the Commission require Xcel to provide, in 60 days, a filing showing how Xcel will fully comply with the

Commission's Target Order and abide by the commitments Xcel made in that Order. The OES is unaware of any manner in which Xcel can meet the requirements of that Order and Xcel's commitments other than to begin an all-source renewable bidding process, where C-BED, non-C-BED and utility-owned projects would compete with each other to set out the least-cost ways to meet the Minnesota RES. Such a process would provide the comparative relative costs of all options available to Xcel to meet the RES and assist in answering questions about the impacts on ratepayers of various options. It would still be necessary for the Commission to decide the level at which the impacts on ratepayers of C-BED premiums is no longer "minimal."

The petition should also explain how Xcel intends to balance the appropriate factors of Minnesota Statutes §§216B.1691, subd. 10 and 216B.1612, subd. 5:

- promoting rural economic development;
- reliability;
- minimizing cost; and
- acquiring CBED projects at a minimal cost impact.

Further, in the meantime, the Commission should require Xcel to provide, in the Company's PPA petitions, an estimate of the premium for C-BED PPAs⁶ based on a comparison of the proposed C-BED price to the Xcel's own high end estimate of the levelized cost of Xcel's Nobles project used in OES's cost comparison as presented in Table 1 above. This comparison is based on the information available at this time; a better estimate of the premiums paid for C-BED energy would be to compare the results of winning C-BED and non-C-BED bids in an Xcel all-source renewable bid process.

4. OES CN Recommendation

The OES recommendation in our February 12, 2010 comments read as follows:

Because the proposed Project does not have a reasonable cost for ratepayers under the non-C-BED pricing when compared to a wind alternative which gives the project significant benefit of the doubt, the OES concludes that that proposed Project does not meet the criteria established in Minnesota Rules 7849.0120 B. Therefore, if the Commission determines that the project is not C-BED, the OES recommends that the Commission reject the Petition and not issue a certificate of need to GW for the 78 MW project. If the Commission determines that the project is C-BED, the OES recommends that the Commission consider the analysis in the companion PPA dockets and Table 1 in these comments for information about C-BED pricing prior to deciding whether to grant the CN.

⁶ Presumably, there would not be a premium paid for non-C-BED projects.

The OES discussed this recommendation with Geronimo Wind Energy (GWE), developer of the Paynesville Wind project (Docket No. IP6830/CN-09-1110). Geronimo was concerned that this recommendation would be applied by OES to GWE's project. The OES believes there may be other developers with similar concerns. Therefore, OES wishes to make clear that this recommendation is situation-specific. In this docket, AWAG has a PPA with Xcel that is premised on the certificate of need case. Therefore, comparison to an Xcel-build alternative is reasonable. However, if a particular CN case (such as GWE's) is not supported by a PPA with a utility it would not be possible to compare that CN facility to any particular utility's self-build alternative. Therefore, the OES concludes that another option for the Commission is to reject the CN Petition without prejudice so that the applicants could re-file the CN Petition in a situation where a comparison to an Xcel-owned alternative would not be reasonable.

E. RESPONSE TO ZUMBROTA TOWNSHIP

OES notes that Zumbrota Township sent a public comment letter on March 22, 2010. The letter included two resolutions passed by the voters of Zumbrota Township. One resolution recommended "a ½-mile setback from homes of residents who are not participating." The second resolution recommended "a 1-year moratorium of Large Wind Conversion Systems."

Regarding these two resolutions passed by Zumbrota Township, OES notes that Minnesota Rules 7849.0120 states:

A certificate of need must be granted to the applicant on determining that:

...the record does not demonstrate that the design, construction, or operation of the proposed facility, or a suitable modification of the facility, will fail to comply with relevant policies, rules, and regulations of other state and federal agencies and local governments.

OES concluded from documents filed in the related wind siting proceeding (Docket No. IP6701/WS-08-1233) that a portion of Zumbrota Township is within the proposed project's boundary. It appears that the proposed project will fail to comply with the policies of Zumbrota Township unless construction within Zumbrota Township is begun after March 9, 2011 and a ½-mile setback from homes of Zumbrota Township residents who are not participating is added as a condition of the CN. However, since the issue was raised through the public comment process after comments were issued, OES recommends that the Commission allow AWAG to file supplemental comments regarding the issue of compliance with Minnesota Rules 7849.0120 D and Zumbrota Township's policies as expressed in the resolutions so that full development of the record on this point is possible.

III. OES RECOMMENDATION

If the Commission determines that the AWAG's project is C-BED and that it has a minimal impact on rates, the OES recommends the Commission:

- approve the PPAs;
- approve the CN;
- require Xcel to provide, in 60 days, a filing showing how Xcel will fully comply with the Commission's Target Order and abide by the commitments Xcel made in that Order. At a minimum, this filing should discuss an all-source renewable bidding process, where C-BED, non-C-BED and utility-owned projects would compete with each other to set out the least-cost ways to meet the Minnesota RES. The petition should also explain how Xcel intends to balance the appropriate factors of Minnesota Statutes §§216B.1691, subd. 10 and 216B.1612, subd. 5:
 - promoting rural economic development;
 - reliability;
 - minimizing cost; and
 - acquiring CBED projects at a minimal cost impact; and
- require Xcel to provide, in the Company's PPA petitions an estimate of the premium for C-BED petitions based on a comparison of the proposed C-BED price to the Xcel's own high end estimate of the levelized cost of Xcel's Nobles project used in OES's cost comparison as presented in Table 1 above. This information should be updated when the results of a competitive bidding process is known.

If the Commission determines that AWAG's project is not C-BED or that it does not have a minimal impact on rates, the OES recommends the Commission:

- reject the PPAs;
- reject the CN without prejudice;
- require Xcel to provide, in 60 days, a filing showing how Xcel will fully comply with the Commission's Target Order and abide by the commitments Xcel made in that Order. At a minimum, this filing should discuss an all-source renewable bidding process, where C-BED, non-C-BED and utility-owned projects would compete with each other to set out the least-cost ways to meet the Minnesota RES. The petition should also explain how Xcel intends to balance the appropriate factors of Minnesota Statutes §§216B.1691, subd. 10 and 216B.1612, subd. 5:
 - promoting rural economic development;
 - reliability;
 - minimizing cost; and
 - acquiring CBED projects at a minimal cost impact; and

- require Xcel to provide, in the Company's PPA petitions an estimate of the premium for C-BED petitions based on a comparison of the proposed C-BED price to the Xcel's own high end estimate of the levelized cost of Xcel's Nobles project used in OES's cost comparison as presented in Table 1 above. This information should be updated when the results of a competitive bidding process is known.

/ja

Attachment A

The OES attempted to estimate the rate increase that ratepayers have been subject to due to Xcel's failure to select the overall most cost-effective wind resources per the Commission's direction in its Order in Docket No. E002/M-07-1558. OES calculated the difference between the C-BED price for each PPA resulting from the 2009 C-BED RFP and the Nobles project for 20 years. The OES then calculated the present value of that stream and the percent increase it represents. The results are shown in Table 2 below.

Table 2: 2009 C-BED RFP vs. Xcel⁷

[TRADE SECRET DATA HAS BEEN EXCISED]

As can be seen, the 2009 C-BED RFP PPA's represent an increase in cost of about **[TRADE SECRET DATA HAS BEEN EXCISED]** over the best estimate for the Xcel-build alternative. If Xcel signs 500 MW of C-BED PPAs (Xcel's announced goal) at the same average premium, the cost increase for ratepayers would be **[TRADE SECRET DATA HAS BEEN EXCISED]**. (This increase may understate the premium if there are no cost checks, since the C-BED industry has an incentive to charge as much as possible for wind if there is no cost discipline.) The question is whether this amount would reflect a minimal impact on ratepayers.

⁷ Calculations for the Adams, Danielson, Winona, and Woodstock projects – all developed by Juhl Wind. [Docket Nos. E002/M-09-1366, E002/M-09-1367, E002/M-09-1247, and E002/M-09-1055] and Goodhue – developed by National Wind, are based upon the C-BED price.

- Non Public Document – Contains Trade Secret Data
 Public Document – Trade Secret Data Excised
 Public Document

AWA Goodhue, LLC

Docket Nos.: IP6701/CN-09-1186, E002/M-09-1349 and E002/M-09-1350

Response To: Steve Rakow Information Request No. 14

Date Received: February 26, 2010 Response Date: March 8, 2010

| Request No. | |
|-------------|--|
| 14 | <p data-bbox="406 693 1372 766">Please provide a transcript of the May 27, 2007 Minnesota House floor session cited in Goodhue's February 22, 2010 reply comments at Footnote 9 on page 7.</p> <p data-bbox="406 798 544 829">Response:</p> <p data-bbox="406 871 1404 1071">Attached is a partial transcript of the House Floor debate discussing the C-BED portions of SF145. (Please note that there was a typo in the date referenced in Footnote 9 of AWA Goodhue's reply comments. The correct date of the debate is May 20, 2007.) The audio recording of the entire Floor Session from May 20, 2007 lasted over 5 hours and is available on the Minnesota House of Representatives website at:</p> <p data-bbox="406 1102 1234 1144"><u>http://www.house.leg.state.mn.us/htv/archivesHFS.asp?ls_year=85</u>.</p> <p data-bbox="406 1176 1347 1239">Representative Westrom's comments regarding the C-BED portion of SF145 appear on pages 5-6 of the attached transcript.</p> |

1:16:53-1:22:33

Madam Speaker Messages from the Senate.

Clerk Message from the Senate. This is the Hilty motion. Madam Speaker, I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on House File 145, an act relating to energy. The Senate has re-passed that bill in accordance with the recommendation and report of the Conference Committee. The Conference Report is addressed to the Honorable James P. Metzen, President of the Senate, the Honorable Margaret Anderson Kelliher, Speaker of the House. We, the undersigned conferees for Senate File 145, report that we have agreed upon the items in dispute and recommend as follows. The report is signed by all five conferees on the part of the Senate and all five conferees on the part of the House. Hilty moves that the report of the Conference Committee on Senate File 145 be adopted and that the bill be re-passed as amended by the Senate.

Madam Speaker I recognize the author, Rep. Hilty, who will explain the report.

Rep. Hilty Thank you, Madam Speaker. Members. Senate File 145 is the Next Generation Energy Act. And Members, I believe that that is an appropriate title for this bill. You recall when the bill passed the House, I described it as, as close as we could come to an actual committee bill. That certainly has been the case. There are three major elements in the bill: a conservation and efficiency article that represents an enormous amount of work through stakeholder meetings and countless hours of conversation with everyone involved in this and the part of Rep. Kalin. There's a community-based economic development piece developing rural wind and other renewable initiatives that represent comparable amounts of work on the part of Rep. Peterson, and then there's the global warming climate change piece dealing with how to deal with carbon emissions that Rep. Ruud worked on throughout the session and I think that all three of these elements of the bill have been brought to a very satisfactory conclusion. There was total agreement on the conservation and efficiency piece between the House and the Senate. We had some issues to iron out in the community-based economic development which I think we did very satisfactorily. Our concern was to maintain as much as we could advantages to the small rural wind developers and I think that that has been accomplished in this bill. In the climate change portion of the bill as I'm sure Members that were paying attention at the time recall, there was a major issue in the bill as it went out of the House regarding a moratorium on the construction of new large energy facilities, also known as coal plants. And I think we reached a very satisfactory compromise with Senate that was the major sticking point and how we have arranged this now. As the bill began in the House, we had a moratorium on the construction of new power plants until the Department of Commerce and the Pollution Control

Agency came up with a plan for the – for how the State would deal with curtailing carbon emissions. What we ended up with is exactly the opposite of that. Instead of a prohibition until we have what amounts to a prohibition unless. As it stands right now, there is no prohibition on certificates of need but what there is, is a requirement for the plan to be in place by August 1 of 2009 and if the plan at that time is not in place, then there would be a prohibition on the issuances of certificates of needs for new coal-burning power plants. I think that everyone that was concerned with this issue, all the stakeholders, the utilities, the environmental groups, labor, I can't think of anyone that has not had a hand in putting this bill together, have been satisfied with the outcome. I think it's a good bill and I don't think it's inappropriate considering the contents of this bill to quote our late friend, Willard Munger, "It's a good bill. Vote for it."

Madam Speaker

Is there any discussion? Is there any discussion of the Conference Committee report? Rep. Kalin.

* * *

1:24:58-1:28:00

Rep. Peterson

Thank you Madam Chair and Members. The second part of this package of priority for the Governor is a Community-Based Energy Development. It's a two-year-old statute and quickly, it follows the desire and what is happening in corn ethanol to keep it as local as best we can with gross revenue over a 20-year power purchase agreement of 51% flowing to the local community. We remove a tariff rate that was done in 2005. Utilities must take reasonable steps to identify and work with C-BED partners. Partnerships have been developed and strengthened I guess between the utilities and the community partners and identifies specifically what utilities specifically one that's shown the most interest is Xcel to their cost recovery and the utility ownership and the guidelines around C-BED, non-C-BED and independently produced power. Now I think there's a good relationship there and those involved will have to stay paying attention to the plans that these utilities make as they go in front of the Public Utility Commission. It's not a mandate or a standard for a certain amount of community energy. They lack some technical things. Reliability administrator goes back to the Department of Commerce as the person who did the wind study earlier in the year. There's issues on size determination and county permitting which has been a little bit of a sticking point as to who says what about these projects in rural Minnesota. Importantly, there's a sweet spot study which is just called to identify the areas in the five transmission zones in Minnesota that there would be transmission room on the existing grid and with some less expensive upgrades to get the renewable energy center percentages agreed upon and implemented on time, and that will continue and we're going to have lots of meetings and discussions and technical review on that. We're setting up an advisory task force is the Senate

language taken from Sen. Rosen, a good idea because it's only a two-year-old statute and we need to keep scrutinizing it such that we get a handle on what community energy is because this is a dynamically changing market and we need to pay attention in Minnesota if we want to be involved. Interconnection evaluations – some of the stuff isn't exactly that intuitive nor interesting after midnight but all you actually get on the grid is not that easy to figure out so we're going to be working more on that and quickly at the end it does not just apply to wind power like it originally did in 2005. It applies to all energy technologies that we list underneath the renewable energy standard . . .

* * *

1:33:14-1:33:59

Rep. Ozment

Thank you Madam Speaker. I'd just like to thank Rep. Hilty for constructing a very fine bill here and every interest group that I have spoken to, whether it's been the utilities or the environmental groups or the energy groups, have all expressed their appreciation for this compromise development. I also want to let the membership know that the provisions that are in here that have been the initiations – or initiatives of Gov. Pawlenty, that his administration is very appreciative of the cooperative efforts that Rep. Hilty and others have put forward in that to develop this bill and so I think this particular bill really deserves our support. Thank you very much Rep. Hilty.

* * *

1:34:58-1:50:30

Rep. Westrom

Madam Speaker. Would Rep. Peterson yield?

Madam Speaker

He yields.

Rep. Westrom

Rep. Peterson, regarding the C-BED language, and I missed just the very beginning of your introduction but is it my understanding that the C-BED coalition, George Crocker and Dan Juhl and the folks that they represent and other renewable energy or wind energy advocates are in favor of this revised C-BED language and second question, you can answer it all at once, there was a 35% threshold of local benefit. Is that threshold still in there? I know there was some pressure – some that wanted to lower that a little bit more but can you just give me a recap of those and the support is out there unanimous or is there some groups or people with concerns on this?

Madam Speaker

Rep. Peterson.

Rep. Peterson

Thank you Madam Chair and Rep. Westrom and you're the original author of the bill in 2005 so I'm glad we're talking about C-BED. That means

somebody else knows what it is. So your question. I had some negotiations with the Senate and the 35% you're referring to and the language underneath it that we discussed last week, that was lost in the conference and we are to a point where we're going to demonstrate that 51% gross revenue over the life of the project flows to qualifying owners or other local entities so and then the other portions that we discussed last week, they did drop out of the bill before you here today and I did speak with Mr. Crocker at length and some of the others and they believe this is a workable bill that we shook hands and nodded on. Over the interim, we'll see how this goes before we come back to session next year, I guess.

Madam Speaker Rep. Westrom.

Rep. Westrom Madam Speaker, Rep. Peterson. What about the community partnership provision that some groups out there were trying to carve out a new provision? Is that language in the bill or I wasn't clear on your answer? Has that been added or is that something that's going to be discussed in the next year?

Madam Speaker Rep. Peterson.

Rep. Peterson Thank you Madam Chair, Rep. Westrom. Thanks for remembering our conversation. That did not get into the bill this year. I felt and I went back and forth a little bit with Sen. Rosen about the percentage and the number and it ultimately was an amendment offered but withdrawn in the conference and I think that the community participation idea might have merits if those who are proposing a portion of that style I guess of operation and setup _____ find a percentage of participation at least in my opinion that's stable because I felt it fluctuated too much over the length of this legislative session and I didn't think it was yet fully developed in order to get in. Thank you.

Madam Speaker Rep. Westrom.

Rep. Westrom Madam Speaker, Rep. Peterson. Thank you. If I could just ask you one more question in relation to the first one but I wasn't 100% sure that it sounded like all the groups were satisfied with the revised number of 51% for local benefits. Is - can you just give me a little more assurance that the groups are unequivocally supporting or is there some reservation by some yet because of these changes? The whole idea behind C-BED as you know and you've been a very strong advocate for it as well, is to make sure Minnesotans own and have the benefit inuring to their communities and themselves who live in our state, pay taxes in our state, try to feed their families in our state and I'm just - can you just touch on that a little bit more, Rep. Peterson? I was wondering in your answer if maybe there are some that are lukewarm or maybe neutral to making these changes, not real

happy about it? Is that a mischaracterization or is that kind of the case?

Madam Speaker

Rep. Peterson.

Rep. Peterson

Thank you Madam Chair and Rep. Westrom. I believe the people who brought the idea to you when you were chair of the Regulated Industries Committee are the people you mentioned early on. They are okay with this version this year. I haven't had any I guess negative assessment of this specifically from that group from Southwest Minnesota that you're familiar with that helped develop this idea in '05. I would say if you're wondering who might be lukewarm, it might be those equity investors or partners that wanted in on the community partnership language that did not get in this year. They might have wanted some access to this percentage and I specifically, you know, decided that if I could, I would let the community partnership piece develop a little bit more and firm itself up as to what percentage of payment they're willing to make to the local owners and participants and communities and I felt it fluctuated too wide and loose I guess this legislative session. So, I believe they might be a little lukewarm to it but from your intent from the original statute as you passed it in 2005, I believe those that helped develop it are satisfied with this bill because underneath it there's opportunity, there's sweet spots _____ that we're going to continue, could have a lot of beneficial attributes to it as it moves forward and the RAS percentages pick up opportunities for installation of projects in a disbursed fashion across the State of Minnesota which with Xcel's interests in C-BED, I think we have an opportunity. And those partners that you are wondering about, I do believe it's correct to say that they are pleased with this bill.

Madam Speaker

Rep. Westrom.

Rep. Westrom

Thank you Madam Speaker. Thank you Rep. Peterson for working on that provision and holding the language to the intent of benefiting the Minnesotans and communities that we all live in. That is very important because as you know there's a lot of money in utilities and generation because we all need it. We all need our computers to run. We all need the light switches to work. We all need the refrigerators to have constant electricity and so C-BED is a great concept to provide part of the ownership and production of energy to have those benefits staying within our state, feeding the state coffers because there's new taxes paid on the revenues versus some models that we've seen, Members, have a lease payment being paid to one landowner and all the rest of the dollars floating out of the state to a company that's very sizeable and is in here for one reason. It's one reason to make money off of a law we have in the State of Minnesota or an opportunity we have in the State of Minnesota and we have a wind resource. We have great opportunities to have some of those dollars stay in the State of Minnesota and so I'm pleased that we've been able to keep that provision strong and not erode it and it's always amazing that there's

groups that come forward because they all of a sudden see the cache, see the opportunity. Well, we want that opportunity to stay with our residents in the entire State of Minnesota and it's not just rural residents because there's many citizens in the Twin Cities area that are investors in some of these projects and can be investors in these projects in the future. In fact, we would encourage that because we need capital and one person alone usually can't bring the capital to the table but the more we can have that capital and that investment and return flowing back to people that live right here in Minnesota, that means they're paying income tax on it. That means they might be creating a job with that income. They might be feeding their family with that income. They might not be on welfare because of that income. There's lots of benefits and that's what C-BED is about and we need to continue to keep that as a viable provision for Minnesota residents as well as entrepreneurs that might want to help contribute to the production of energy and renewable energy in the State of Minnesota. So that is a good provision. Unfortunately, there's some other provisions that are I think clinkers in this bill but Rep. Peterson, I appreciate your work on the C-BED and working keeping me apprised of different negotiations and I'm glad to see that prevailed in the bill and, Members, I just wanted to use this also as a helpful opportunity to inform some of you that maybe were just elected and haven't heard a whole lot about C-BED but Community-Based Energy Development is what it stands for and we're going to continue that as a policy in the State of Minnesota to benefit our state citizens.

Madam Speaker

Rep. Berns.

Rep. Berns

Thank you Madam Speaker. I thought it would be the appropriate time Members for my Al Gore impression. Are you ready? Here it goes. Do you want to see it again? I want to first thank Chair Hilty. I thought he did an outstanding job. I was a member of the Conference Committee and great negotiator and brought back many, many things for the House. I also want to thank members of my caucus, Reps. Simpson, Gunther, Magnus and Beard, I appreciate you getting me up to speed on this issue. I did not serve on the committee and I had a lot to learn and I very much appreciate you letting me know what was important to members of our caucus in the end. Real question: why do you want to vote for this bill? Why should you vote for this bill? First, Rep. Peppin, your nuclear energy study is in. We fought for the House position there and won it. Second, Representative from Manitoba, we got your language in as well. Rep. Brod, that went in the final report. Most importantly, we have a good conservation element to this program. I know Rep. Kalin worked very hard on that. We didn't have to make any changes because it had been worked out. And there's something I've learned as a freshman. It's very good to have peace in the valley on that. Bring people together. I know Rep. Kalin worked hard on that. I think that's a very good provision of the bill. Members, you might not know. Rep. Aaron Peterson, outstanding negotiator for C-BED. We got a lot of his language in as well. It's good for local communities and it

encourages investment in wind as Rep. Westrom told us. And finally and most importantly, this is a good bill because of Rep. Ruud's addition on the global warming and climate change. I know we had a very lengthy debate on that. I don't want to get into it here but this is a win-win provision. Members, we have one of the largest power companies in Minnesota, Xcel Energy, their business plan. Their business plan is no more carbon. Their business plan is not to invest in coal power plants. That is – shows the changing – it shows the changing world we live in. They're investing in wind, they're investing in hydropower and I think that shows you where we're going as a society. We have a win-win decision on the global warming. I know it was very controversial. This does protect rate payers and it also protects us all and our kids. In Minnesota we have a great tradition of leading on all sorts of things, whether it be our education system, our safety net, our – the way we treat people. We treat everyone with respect here and we're going to lead just like we led on the renewable energy standard, we're going to lead in energy and we're going to lead on the global warming mitigation act. This is historic legislation. I am very proud to get a chance to vote yes for this bill and I would encourage you all to do the same thing. Thank you.

Madam Speaker There being no further discussion, all those in favor of the motion to adopt the Conference Committee report on Senate File 145, say aye.

Reps Aye.

Madam Speaker Those opposed say nay.

Reps No.

Madam Speaker The motion prevails. The Clerk will give the bill its third reading as amended by Conference.

Clerk Third reading Senate File 145 as amended by Conference.

- Non Public Document – Contains Trade Secret Data
 Public Document – Trade Secret Data Excised
 Public Document

AWA Goodhue, LLC

Docket Nos.: IP6701/CN-09-1186, E002/M-09-1349 and E002/M-09-1350

Response To: Steve Rakow Information Request No. 8

Date Received: February 22, 2010 Response Date: March 3, 2010

| Request No. | |
|-------------|--|
| 8 | <p>Regarding the spreadsheet provided with your response to OES Information Request No. 1 in Docket Nos. IP6701/CN-09-1186, E002/M-09-1349, and E002/M-09-1350, please explain in detail why the columns labeled “Development Period Uses” and “Potential Recipient(s)” are considered by Goodhue Wind to be trade secret information under the Minnesota Government Data Practices Act.</p> <p>Response</p> <p>AWA Goodhue does not consider information in the column labeled “Development Period Uses” to be trade secret.</p> <p>AWA Goodhue does consider certain information contained in the column labeled “Potential Recipient(s)” to be trade secret. Specifically, AWA Goodhue considers the names of potential recipients that have not yet executed contracts with AWA Goodhue to be trade secret information under the Minnesota Government Data Practices Act.</p> <p>In accordance with Minn. Stat. § 13.37, subd. 1(b), the names of these potential contractors are “trade secret information” because AWA Goodhue has taken reasonable steps to protect the secrecy of the information, and AWA Goodhue could suffer actual or potential economic harm if the names of these potential recipients became known to others prior to completion of negotiations and execution of final agreements. For example, AWA Goodhue is currently negotiating financing terms with various institutions and believes that its negotiations could be negatively affected if the financial institutions knew the other parties AWA Goodhue was also negotiating with.</p> <p>For clarity, AWA Goodhue has attached a revised PUBLIC version of the relevant spreadsheet listing known contractors and excising all other trade secret information.</p> |

Response by: Christy Brusven

List sources of information:

Title: Counsel for AWA Goodhue, LLC

Department: _____

Telephone: 612-492-7412

AWA Goodhue, LLC

1/25/2010 REVISED 2/25/10 to show additional PUBLIC data

PUBLIC DOCUMENT - Trade Secret Data Excised

CBED Analysis

| Sources | Amount (no discount) | Percent | Amount (NPV) | Percent |
|--|---|---------|---------------------|---------|
| PPA Rate (Xcel) | | | | |
| PPA Revenue | | | | |
| Total Sources | | | | |
| Development Period Uses | | | Amount (NPV) | |
| Accounting | Potential Recipient(s) | | | |
| Engineering | Mayer Hoffman McCann (Hennepin) | | | |
| Legal | Excel Engineering (Anoka), CEG (Dakota) | | | |
| Management Fee | Fredrikson and Byron (Hennepin) | | | |
| Development Fee | National Wind (Hennepin) | | | |
| Development Fee | GW Community Holdings, LLC - National Wind (Hennepin) | | | |
| Permitting and Environmental | GW Community Holdings, LLC - Qualifying Owners Only (primarily Goodhue) | | | |
| Lease Payments | Westwood (Hennepin) | | | |
| | Various MN Landowners (primarily Goodhue) | | | |
| Construction Uses | | | Amount (NPV) | |
| Balance of Plant (Construction) | (Hennepin) or (Pipestone) | | | |
| Legal | Fredrikson and Byron (Hennepin) | | | |
| Debt Origination Fee | (Ramsey), (Hennepin), (Hennepin) | | | |
| Interest During Construction | (Ramsey), (Hennepin), (Hennepin) | | | |
| Operating Period Uses | | | Amount (NPV) | |
| Operations and Maintenance | (Yellow Medicine), (Pipestone) | | | |
| Turbine Warranty and Repairs | | | | |
| Transmission Maintenance | (Yellow Medicine), (Pipestone) | | | |
| Asset Management Contract | (Goodhue) | | | |
| Lease Payments | Various MN (Ramsey), (Hennepin), (Hennepin) | | | |
| Term Loan Interest | (Hennepin), (Hennepin) | | | |
| Debt Origination Fee | (Ramsey), (Hennepin), (Hennepin) | | | |
| Distribution to Local Members | GW Community Holdings, LLC - Qualifying Owners Only (primarily Goodhue) | | | |
| Residual Value | GW Community Holdings, LLC - Qualifying Owners Only (primarily Goodhue) | | | |
| Total Local and Qualifying Uses | | | | |
| Percent of Total PPA Revenues | | | | |
| Percent of Total PPA Revenues (Net Residual Value) | | | | |

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NOTES

- Nameplate Capacity (MW)
- Net Capacity Factor (2010-2030)
- O&M Local Content (%)
- Warranty Period Local Content (%)
- Discount Rate

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 Public Document

AWA Goodhue, LLC

Docket Nos.: IP6701/CN-09-1186, E002/M-09-1349 and E002/M-09-1350

Response To: Steve Rakow Information Request No. 10

Date Received: February 22, 2010 Response Date: March 3, 2010

| Request No. | |
|-------------|--|
| 10 | <p>Please explain in detail why the information regarding the ownership and the activities of AWA Goodhue LLC, as depicted in Attachment 1, page 11 of 14 of the February 12, 2010 comments of the Office of Energy Security in Docket Nos. E002/M-09-1349 and E002/M-09-1350 are considered by Goodhue Wind to be trade secret under the Minnesota Data Practices Act.</p> <p>Response</p> <p>AWA Goodhue considers certain information contained in Attachment 1 to be trade secret. Specifically, AWA Goodhue considers respective ownership interests of participants to be trade secret information under the Minnesota Government Data Practices Act. AWA Goodhue has taken reasonable steps to protect the economic terms of the contracts and other agreements as private. AWA Goodhue could suffer actual or potential economic harm from its competitors or others if the trade secret information became known to others.</p> <p>AWA Goodhue was able to revise the PUBLIC version of Attachment 1 to show the public information and excise all other trade secret information. The revised PUBLIC version of Attachment 1 is attached.</p> |

Response by: Christy Brusven

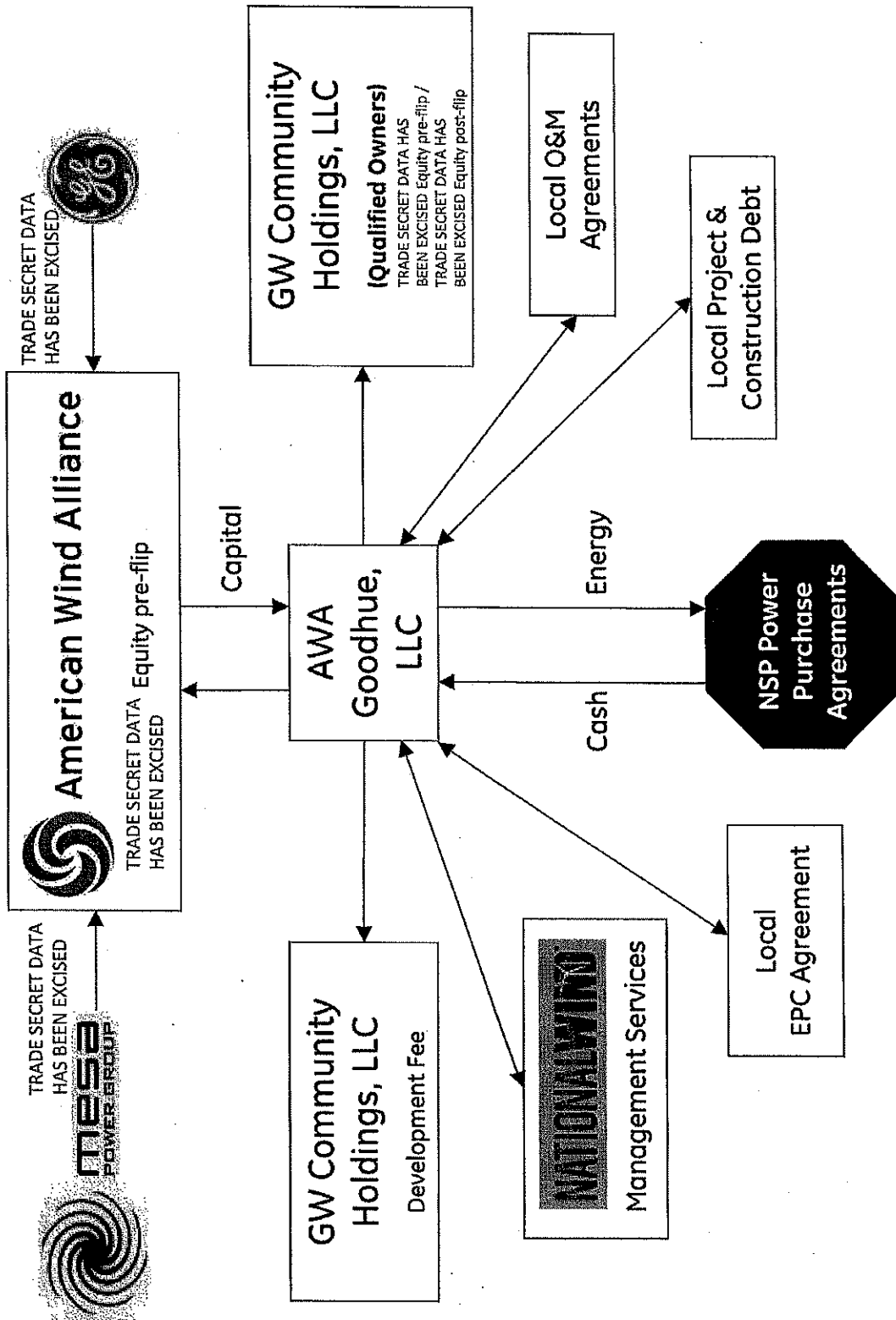
List sources of information:

Title: Counsel for AWA Goodhue, LLC

Department: _____

Telephone: 612-492-7412

AWA Goodhue, LLC



CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Office of Energy Security
Public Reply Comments**

**Docket No. IP6830/CN-09-1186;
E002/M-09-1349;
E002/M-09-1350; and
E002/M-07-1558**

Dated this 29th of March, 2010

/s/Sharon Ferguson

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| Peter | Reinarts | preinarts@myclearwave.net | Olmsted Wind Truth | 11748 Hwy 30 SW Hayfield, MN 55940 | Paper Service | No | OFF_SL_9-1186_Official |

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| Mark | Lindquist | | The Minnesota Project | 1026 North Washington Street New Ulm, MN 56073 | Paper Service | No | OFF_SL_9-1349_09-1349 |

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| James M. | Strommen | jstrommen@kennedy-graven.com | Kennedy & Graven, Chartered | 470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402 | Paper Service | No | OFF_SL_9-1349_09-1349 |

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| Steven | Bosacker | | City of Minneapolis | City Hall, Room 301M 350 South Fifth Street Minneapolis, MN 554151376 | Paper Service | No | OFF_SL_9-1350_09-1350 |
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| Richard | Savelkoul | rsavelkoul@felhaber.com | Felhaber, Larson, Fenlon & Vogt, P.A. | 444 Cedar St Ste 2100 St. Paul, MN 55101-2136 | Paper Service | No | OFF_SL_9-1350_09-1350 |
| Ken | Smith | ken.smith@districtenergy.com | District Energy St. Paul Inc. | 76 W Kellogg Blvd St. Paul, MN 55102 | Electronic Service | No | OFF_SL_9-1350_09-1350 |
| Ron | Spangler, Jr. | rlspangler@otpc.com | Otter Tail Power Company | 215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496 | Electronic Service | No | OFF_SL_9-1350_09-1350 |
| Byron E. | Starns | byron.starns@leonard.com | Leonard Street and Deinard | 150 South 5th Street Suite 2300 Minneapolis, MN 55402 | Paper Service | No | OFF_SL_9-1350_09-1350 |
| James M. | Strommen | jstrommen@kennedy-graven.com | Kennedy & Graven, Chartered | 470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402 | Paper Service | No | OFF_SL_9-1350_09-1350 |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|-----------------------------------|----------------------|--|--------------------|-------------------|-----------------------|
| Eric | Swanson | eswanson@winthrop.com | Winthrop & Weinstine | 225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629 | Paper Service | No | OFF_SL_9-1350_09-1350 |
| SaGonna | Thompson | Regulatory.Records@xcelenergy.com | Xcel Energy | 414 Nicollet Mall FL 7 Minneapolis, MN 554011993 | Electronic Service | Yes | OFF_SL_9-1350_09-1350 |
| Lisa | Veith | | City of St. Paul | 400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102 | Paper Service | No | OFF_SL_9-1350_09-1350 |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|-------------|------------|----------------------------------|--------------------------------------|--|--------------------|-------------------|-------------------|
| Julia | Anderson | Julia.Anderson@state.mn.us | Office of the Attorney General-DOC | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131 | Electronic Service | Yes | OFF_SL_7-1558_1 |
| Tim | Barth | | Marathon Petroleum Company | P.O. Box 3128 Houston, TX 77253 | Paper Service | No | OFF_SL_7-1558_1 |
| William A. | Blazar | bblazar@mnchamber.com | Minnesota Chamber Of Commerce | Suite 1500 400 Robert Street North St. Paul, MN 55101 | Paper Service | No | OFF_SL_7-1558_1 |
| Christopher | Clark | christopher.b.clark@xcenergy.com | Xcel Energy | 5th Floor 414 Nicollet Mall Minneapolis, MN 554011993 | Paper Service | No | OFF_SL_7-1558_1 |
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 500 Saint Paul, MN 551012198 | Electronic Service | Yes | OFF_SL_7-1558_1 |
| John | Flumerfelt | N/A | Calpine Corporation | 717 Texas, Suite 1000 Houston, TX 77002 | Paper Service | No | OFF_SL_7-1558_1 |
| Michael | Franklin | mfranklin@mnchamber.com | Minnesota Chamber Of Commerce | 400 Robert Street North Suite 1500 St. Paul, MN 55101 | Electronic Service | No | OFF_SL_7-1558_1 |
| Edward | Garvey | garveyed@aol.com | | 32 Lawton Street St. Paul, MN 55102 | Paper Service | No | OFF_SL_7-1558_1 |
| Elizabeth | Goodpaster | bgoodpaster@mncenter.org | MN Center for Environmental Advocacy | Suite 206 26 East Exchange Street St. Paul, MN 551011667 | Paper Service | No | OFF_SL_7-1558_1 |
| Burl W. | Haar | burl.haar@state.mn.us | Public Utilities Commission | Suite 350 121 7th Place East St. Paul, MN 551012147 | Electronic Service | Yes | OFF_SL_7-1558_1 |
| John | Lindell | agorud.ecf@state.mn.us | Office of the Attorney General-RUD | 900 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | Yes | OFF_SL_7-1558_1 |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|------------|-----------------------------------|----------------------------|---|--------------------|-------------------|-------------------|
| Andrew | Moratzka | apm@mcmlaw.com | Mackall, Crouse and Moore | 1400 AT&T Tower 901 Marquette Ave Minneapolis, MN 55402 | Paper Service | No | OFF_SL_7-1558_1 |
| Michael | Sarafolean | MSarafolean@gerdauameristeel.com | Gerdau Ameristeel US, Inc. | 4221 W Boy Scout Blvd Ste 600 Tampa, FL 33607 | Paper Service | No | OFF_SL_7-1558_1 |
| Beth H. | Soholt | bsoholt@windonthewires.org | Wind on the Wires | Suite 203 1619 Dayton Avenue St. Paul, MN 551046206 | Paper Service | No | OFF_SL_7-1558_1 |
| SaGonna | Thompson | Regulatory.Records@xcelenergy.com | Xcel Energy | 414 Nicollet Mall FL 7 Minneapolis, MN 554011993 | Electronic Service | No | OFF_SL_7-1558_1 |