

April 15, 2016

The Honorable Jeffrey Oxley Administrative Law Judge 600 North Robert Street P.O. Box 64620 St. Paul, MN 55164-0620

VIA ELECTRONIC SERVICE

Re: In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota

PUC Docket No.: E-002/GR-15-826

OAH Docket No.: 19-2500-33074

Dear Judge Oxley,

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In connection with the above-captioned docket enclosed please find the Petition to Intervene filed on behalf of the Institute for Local Self-Reliance. Also attached is an affidavit of service.

Sincerely,

John Farrell

BEFORE THE MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

600 Robert Street PO Box 64620 St. Paul, Minnesota 55164-0620

In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota PETITION TO INTERVENE OF THE INSTITUTE FOR LOCAL SELF-RELIANCE

MPUC Docket No. E-002/GR-15-826 OAH Docket No. 19-2500-33074

The Institute for Local Self-Reliance ("ILSR") hereby petitions to intervene and to be made a party to the above-captioned proceeding pursuant to Minn. Rule, Part 1400.6200.

- 1. ILSR is a nonprofit organization that provides innovative strategies, working models and timely information to support environmentally sound and equitable community development. ILSR's Energy Democracy Initiative use data and analysis to identify policies that allow widespread participation and ownership in the energy system to the economic benefit of all, even as the grid transitions to cleaner energy sources.
- 2. ILSR has filed comments on numerous cases at the Minnesota Public Utilities Commission, representing how best to create an environment to take advantage of cost savings from deploying distributed energy. Our research has helped lay the economic understanding for the costs and values of distributed energy, including the state's value of solar statute. In addition, ILSR uses its expertise to empower ordinary citizens and communities like Minneapolis to identify new and

worthwhile relationships with their energy companies to creating a cleaner, more affordable, and equitable energy future.

- 3. ILSR's is interested in intervenor status because of the strong relationship between rates and rate design and the incentives for customers to invest in energy efficiency, distributed energy such as rooftop solar, and flexible demand. Rates and rate design also strongly determine ability to access energy services by income, and while clean energy and energy efficiency traditionally have system-wide benefits, the benefits of participation are too frequently not available to ratepayers with low or fixed incomes. In particular, rate design issues such as fixed charges, minimum bills, inverted block rates, and time of use are particularly powerful motivators of customer behavior and may help or hinder the customer's ability to participate.
- 4. ILSR is also interested in how the potential use of revenue from proposed rates will have long-term implications for grid design favoring large, centralized infrastructure versus grid design that maximizes efficient and flexible use of existing resources, and encourages use of both utility and private capital to meet those needs. Infrastructure decisions, and the rate structure used to fund them, will impact our electric grid for a generation.
- 5. ILSR also seeks to facilitate community input into the docket, from communities with an interest in more ownership over the decisions affecting them. Already, ILSR has helped with Community Power to organize more than 100 public

comments on community solar. We also work with many organizations as part of an energy equity coalition in the Twin Cities that can offer valuable context for the impacts of rates and rate design on the ability of all customers to take advantage of energy savings opportunities from efficiency to community solar. We are part of the energy advisory committee to the Clean Energy Partnership in Minneapolis, with an opportunity to share perspective and test pilots of new customer-centric, distributed-energy-friendly rate design concepts.

- 6. ILSR's interests are not adequately represented by other parties. While other intervenors are interested in broad principles of rate design and the intersection between rates and grid modernization, ILSR brings several unique perspectives:
 - a. From its work with the City of Minneapolis Partnership, with its goal of getting 75 percent of renters, homeowners, and rental property owners to participate in an energy retrofit program.
 - b. From its work with the the City of Minneapolis Partnership, with a goal of reducing or eliminating disparities in energy affordability (as a measure of energy cost relative to income) by lowering energy costs through conservation, efficiency, and distributed generation, and not simply lowering rates.
 - c. Of its own, of an electricity system that is designed to maximize the public benefit of energy infrastructure for its customers, including their ability to have choices and ownership over their energy use.

The Institute for Local Self-Reliance, therefore, respectfully requests to intervene in this matter, with all rights of a party.

Respectfully submitted,

اه/ John F⁄arrell

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ifarrell@ilsr.org

Date April 15, 2016

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the official service list in Docket No. E-002/GR-15-826 at the Minnesota Public Utilities Commission, on this 15th day of April, 2015.

John Farrell