

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben  
Valerie Means  
Matthew Schuerger  
Joseph K. Sullivan  
John A. Tuma

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

Zac Ruzycki  
Manager, Power Supply Planning  
Great River Energy  
12300 Elm Creek Boulevard  
Maple Grove, MN 55369-4718

SERVICE DATE: September 15, 2020

DOCKET NO. ET-2/RP-17-286

In the Matter of Great River Energy's Request for an Extension for Filing its Next Integrated Resource Plan

The above entitled matter has been considered by the Commission and the following disposition made:

- 1. Approved Great River Energy's (GRE) request to extend the due date for its next Integrated Resource Plan from April 1, 2021 to April 1, 2022.**
- 2. Required GRE to submit an interim report by April 1, 2021 that discusses any changes to its need for and procurement of resources as compared to the information provided in the Cooperative's May 11, 2020 Notice of Changed Circumstances and June 26, 2020 Extension Request as well as any other information that the Cooperative believes would be helpful to the Commission and parties.**

**This decision is issued by the Commission's consent calendar subcommittee, under a delegation of authority granted under Minn. Stat. § 216A.03, subd. 8 (a). Unless a party, a participant, or a Commissioner files an objection to this decision within ten days of receiving it, it will become the Order of the full Commission under Minn. Stat. § 216A.03, subd. 8 (b).**

The Commission agrees with and adopts the recommendations of the Department of Commerce, which are attached and hereby incorporated into the Order. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION



Will Seuffert  
Executive Secretary

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July 27, 2020

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
Saint Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**  
Docket No. ET2/RP-17-286

Dear Mr. Seuffert:

Attached are the Comments of the Minnesota Department of Commerce, Division of Energy Resources (Department), in the following matter:

Great River Energy Request for an Extension for Filing its Next Integrated Resource Plan

The Petition was filed on June 26, 2020 by:

Zac Ruzycki  
Manager, Power Supply Planning  
12300 Elm Creek Boulevard  
Maple Grove, MN 55369-4718

The Department recommends that the Minnesota Public Utilities Commission (Commission) **approve** Great River Energy's request to extend the filing of its next Integrated Resource Plan from April 1, 2021 to April 1, 2022. The Department is available to answer any questions that the Commission may have in this matter.

Sincerely,

/s/ CHRISTOPHER T. DAVIS  
Analyst Coordinator

CTD/ja  
Attachment



## Before the Minnesota Public Utilities Commission

### Comments of the Minnesota Department of Commerce Division of Energy Resources

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#### I. INTRODUCTION

On November 28, 2018, the Minnesota Public Utilities Commission (Commission) accepted Great River Energy's (GRE or the Cooperative) 2018-2032 integrated resource plan (IRP) and required the Cooperative to submit its next IRP by April 1, 2021. Specifically, the Commission's Order stated:

1. The Commission accepts GRE's 2018-2032 resource plan.
2. GRE shall file its next resource plan no later than April 1, 2021, with the expectation that GRE will engage in full collaboration with the parties and the CEO by more than making presentations, but also by consulting with them on what is to be analyzed and how.
3. Advise GRE to procure average annual energy savings of 122,228,338 kWh (1.00 percent scenario).
4. In its next resource plan, GRE shall:
  - A. Evaluate the cost-effective retirement of each of its coal plants, including Coal Creek and Spiritwood, using an appropriate capacity expansion model which must include Commission-approved externality costs and carbon dioxide regulatory costs in its analysis.
  - B. Provide an analysis that models increased energy efficiency including the costs of both supply and demand side resources.
  - C. Produce a load forecast that reflects the most current trends influencing electric consumption; and
  - D. Provide a more in-depth discussion of how the distribution members of GRE handle their 5 percent renewable self-supply options.
5. For all future resource plans, GRE shall:
  - A. Make clear both the transmission impacts and the broader societal impacts of any unit retirement scenarios;

- B. Consider a more systematic approach to modeling and include information that makes clear the type of resource added in the scenarios;
- C. Limit modeling such that the resulting expansion plans are achievable; and
- D. Include some DSM cost sensitivity analysis, which includes the following:
  - Talk with the Department about the use of levelized savings of DSM before filing its next IRP;
  - Do not include electric utility infrastructure costs and impacts in its DSM scenario analysis;
  - Provide narrative summaries and cost and energy savings projections of its EUI projects;
  - Include sensitivity cost analysis for each DSM scenario by varying the assumed annual cost increases; and
  - Show more clearly how different data sets relate to each other and consider using the workbook provided by the Department.

On May 11, 2020 GRE submitted a *Notice of Changed Circumstances* (NOCC) in which the Cooperative stated it would take the following actions:

- Retire the 1,151-megawatt (MW) Coal Creek Station in the second half of 2022;
- Add 1,100 MW of wind energy purchases by the end of 2023;
- Modify the 99-MW, coal and natural gas-fueled Spiritwood Station power plant to be fueled primarily by natural gas by the end of 2022; and
- Install a 1-MW, long-duration battery demonstration system.

On June 26, 2020, Great River Energy (GRE) requested a one-year extension to file its next IRP, which is currently scheduled to be filed on April 1, 2021. GRE requested the deadline be extended to April 1, 2022 to allow for an analysis that includes recently announced plans to shut down GRE's Coal Creek Station (CCS) generating facility, a more refined forecast of the load impacts to GRE as a result of this plant closure, and a stakeholder process. GRE stated that extending the deadline of its next IRP to April 1, 2022, would provide GRE with time to implement the portfolio transition identified in its May 11 NOCC, more opportunity to work with stakeholders on development of the next IRP, and ultimately present the Commission with an IRP reflecting these transformative changes.

On July 10, 2020, the Commission issued a *Notice of Comment Period* on GRE's extension request, seeking comments on whether the Commission should grant GRE's request to extend the filing date for its next IRP from April 1, 2021 to April 1, 2022.

## II. DEPARTMENT ANALYSIS

When reviewing GRE’s extension request, the Department considered whether the Cooperative would maintain a reliable system in the next several years and whether there were any other matters that the Commission may want to address before April 2022 such that GRE should submit an interim report.

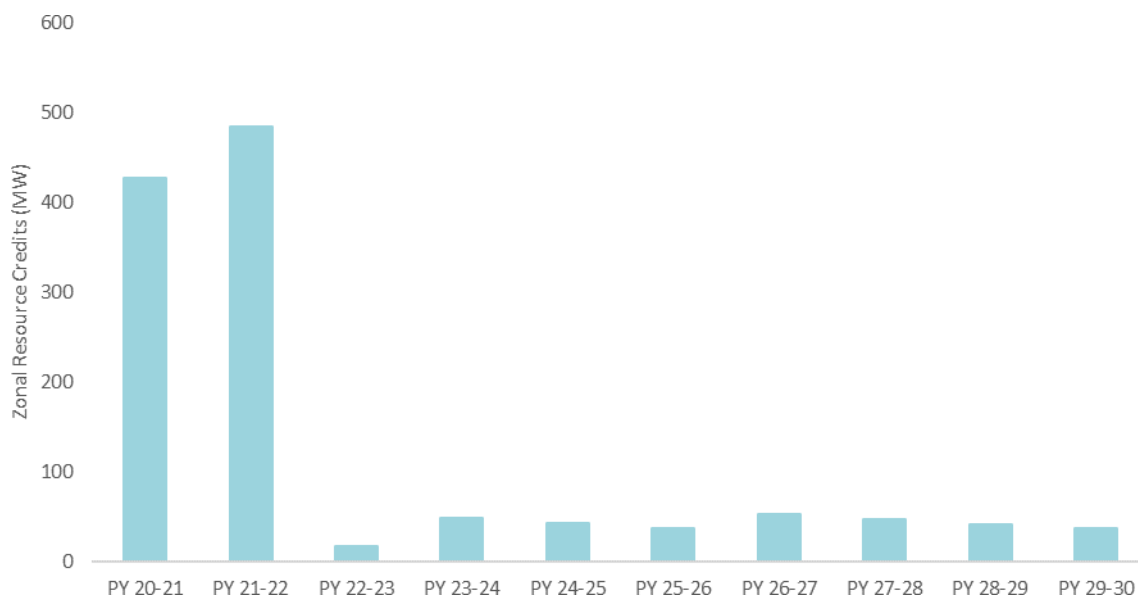
### A. RELIABILITY

GRE stated that it will continue to meet the Midcontinent Independent System Operator’s (MISO) resource adequacy requirements after the shutdown of CCS with the following transition plan:

- Close the 1,151-MW Coal Creek Station in the second half of 2022.
- Add 1,100 MW of wind energy purchases by the end of 2023.
- Pursue capital projects at GRE’s existing peaking generators to increase accredited capacity.
- Modify the 99-MW coal and natural gas based Spiritwood Station power plant to be fueled primarily by natural gas.
- Add capacity purchases from the bilateral market in the short-term to serve a small portion of the portfolio need.
- Identify future demand response program expansions with potential to offset capacity needs.

In its extension request, GRE provided the following figure depicting the Cooperative’s net capacity position to its MISO Planning Reserve Margin Requirement (PRMR) after shutdown of CCS in late 2022.

**Figure 1: GRE’s Net Capacity Position to Its MISO PRMR After CCS Shutdown**



In DOC IR 8, the Department asked GRE to clarify how its business transition plan provided the results shown in Figure 1 above. In its response, GRE included details on the amount and timing of resources that the Cooperative considers trade secret. Upon review of GRE's trade secret IR response, the Department agrees that the Cooperative's proposed a plan capable of providing a reliable system through 2030. Consequently, the Department concludes that granting GRE's extension request is not likely to result in reliability concerns.

*B. INTERIM REPORT FROM GRE*

When a utility requests an extension on filing its IRP the Commission often requests that the utility file an interim report that provides, for example, updates on the procurement of previously identified resource needs, and any stakeholder processes, or other research conducted. The Department recommends that by April 1, 2021, GRE submit an interim report identifying any changes, if any, to its need for and procurement of resources as compared to the information provided in the Company's May 11, 2020 NOCC and June 26, 2020 Extension Request.

**III. CONCLUSION AND RECOMMENDATIONS**

The Department recommends that the Commission approve GRE's request to extend the due date for its next IRP from April 1, 2021 to April 1, 2022. In addition, the Department recommends that the Commission require GRE to submit an interim report by April 1, 2021 that discusses any changes to its need for and procurement of resources as compared to the information provided in the Company's May 11, 2020 NOCC and June 26, 2020 Extension Request as well as any other information that the Cooperative believes would be helpful to the Commission and parties.

/ja

## **CERTIFICATE OF SERVICE**

I, Robin Benson, hereby certify that I have this day, served a true and correct copy of the following document to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States mail at St. Paul, Minnesota.

### **Minnesota Public Utilities Commission ORDER**

Docket Number: **ET-2/RP-17-286**

Dated this **15th** day of **September, 2020**

/s/ Robin Benson

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