



Minnesota Solar Energy Industries Association

We Move Minnesota Solar + Storage Forward

October 3, 2024

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

**Re: In the Matter of the Interconnection Ombudsperson Surcharge
Docket No. E002/M-24-248**

Executive Secretary Seuffert,

Please find here the Reply Comments of the Minnesota Solar Energy Industries Association on the topic of the Interconnection Ombudsperson Surcharge. These comments reflect the views of our organization and interested members related to the issue raised, and the topics discussed, in the Minnesota Public Utilities Commission's Notice of Comment Period issued on August 2, 2024, with an extension filed August 13, 2024, in the above-referenced docket.

Sincerely,

/s/ Logan O'Grady, Esq.

Executive Director

MnSEIA

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**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

Katie Sieben	Chair
Hwikwon Ham	Commissioner
Valerie Means	Commissioner
Joseph Sullivan	Commissioner
John Tuma	Commissioner

**In the Matter of the Interconnection
Ombudsperson Surcharge**

REPLY COMMENTS of MnSEIA

October 3, 2024

Docket No. E002/M-24-248

INTRODUCTION

The Minnesota Solar Energy Industries Association (“MnSEIA”) is a nonprofit trade association that represents Minnesota’s solar and storage industry. With over 170 members, ranging from rooftop installers to non-profit organizations, manufacturers, cooperative utilities, and many others, our diverse force of members employ over 5,000 Minnesotans. MnSEIA submits these Reply Comments in response to the comment period opened by the Minnesota Public Utilities Commission (“Commission”) in the docket cited above on August 2, 2024, and extended on August 13, 2024.

BACKGROUND

On May 24, 2024, Governor Walz signed into law SF 4942, the annual Omnibus Agriculture, Commerce, Energy, Utilities, Environment, and Climate appropriations bill for 2024. Article 6 Section 54 required the Commission to establish an Interconnection Ombudsperson position in the Consumer Affairs Office at the Commission (“Ombudsperson”) to “**assist applicants seeking to interconnect distributed generation**

projects to utility distribution systems under the generic statewide standards developed by the commission under section 53.”¹

This position is to be funded by a \$50 surcharge collected by Xcel Energy, Minnesota Power, and Otter Tail Power (the “utilities”) on all interconnection applications by the owner of a distributed generation facility in Minnesota². The legislation also established an annual cadence for the Commission to review the collection of this surcharge, to ensure that the position is fully funded and that account reserves do not exceed 10% of the amount needed for funding the Ombudsperson position.

On August 2, 2024, the Commission issued a Notice of Comment Period, listing the following topics open for comment:

Issue: What actions should the Commission take to establish procedures on funding provisions for the interconnection ombudsperson position?

Topic(s) Open for Comment:

- Utility comment should include tariff language on the ombudsperson fee and a narrative explanation of how the utility is collecting, tracking, and remitting fees to the Commission consistent with the legislation.

- What process should the Commission establish to report and track surcharges collected by public utilities and remitted to the Commission, and adjust the surcharge as needed?

- Should the Commission establish an annual cadence to review the ombudsperson surcharge and adjust the surcharge as needed?

¹ Minnesota Law 2024, Ch. 127, Art. 42, Sec. 54 (2024 Legislation).

² *Notice of Comment Period*, State of Minnesota Public Utilities Commission, Dkt. 24-248 (August 2, 2024), pg. 2. Emphasis added

- Are there other issues or concerns related to this matter?

The deadline for utility comments was August 12, 2024, with Initial Comments due on September 12, 2024, and Reply Comments due on October 3, 2024. Otter Tail Power Company and Xcel Energy submitted comments on August 12. Minnesota Power asked for an extension until August 16. This extension was granted by the Commission and Minnesota Power's comments were then submitted on August 15. The Minnesota Department of Commerce ("Department")'s comments were submitted on September 9. MnSEIA submitted initial comments on September 12.

REPLY COMMENTS

MnSEIA appreciates the opportunity to comment on this topic. Our reply comments will add more detail on how we suggest classifying and recording the funding of this position, in order to ensure it is both sufficiently consistent across all utilities, and sufficiently flexible to ensure it responds to the demands of the position.

MnSEIA respectfully proposes, upon review of the comments of both the Department and the utilities, as well as correspondence with members and stakeholders, the addition of the Interconnection Ombudsperson Surcharge to the Minnesota Distributed Energy Resource Process (MNDIP), but its specific amount should be set in this docket by the Commission.

MnSEIA respectfully submits the proposed language below, to add the Interconnection Ombudsperson Surcharge to Section 1.5.1 of the MNDIP, and consequently the MNDIP Interconnection Application. MnSEIA's proposed changes are marked in red.

MN DIP Section 1.5.1: MnSEIA Proposed Language

1.5.1 The Interconnection Customer shall submit an Interconnection Application to the Area EPS Operator, together with the processing fee or deposit specified in the Interconnection Application. Additional fees or deposits for the interconnection process shall not be required, except as otherwise specified in these procedures. Application form templates are available in Attachment 2 Simplified Application Form and Attachment 3 Interconnection Application Form. The Area EPS Operator's tariff shall include specific fees for Simplified Process, Fast Track Process, ~~and Study Process~~, **and Interconnection Ombudsperson Surcharge if applicable**, consistent with:

1.5.1.1 The processing fee for the Simplified Process Application shall be up to \$100.

1.5.1.2 For certified, Fast Track Process eligible applications, the processing fee shall be up to \$100 + \$1/kW. For non-certified Fast Track Process eligible applications, the processing fee shall be up to \$100 + \$2/kW.

1.5.1.3 For an Interconnection Application that is not eligible or does not apply for Simplified Process or Fast Track Process, the processing fee shall be a down payment not to exceed \$1,000 plus \$2.00 per kW toward the deposit required for the study(s) under Section 4 Study Process.

1.5.1.4 Each Interconnection Application shall include the Interconnection Ombudsperson Surcharge, if applicable, as determined annually by the Commission in Docket 24-248.

1.5.1.~~4~~5 Interconnection Applications shall contain a single line diagram and site diagram. A signature from a professional engineer licensed in Minnesota shall be required when: 1) Certified equipment is greater than 250 kW; or 2) non- certified equipment is greater than 50 kW.

We do not recommend adding the \$50 surcharge amount itself to the MNDIP, given that the surcharge is designed to be altered each year by the Commission, as needed, to reflect the issues and parties who are utilizing the Ombudsperson's resources. The MNDIP, in contrast, is

intended to generally be a relatively static document that does not change yearly in order to ensure consistency and predictability for utilities, installers, and consumers. Therefore, MnSEIA recommends that it is appropriate to include the existence of the surcharge in the MNDIP, but given the latitude of the Commission to alter the fee as needed, it would be needlessly burdensome and complex to amend the MNDIP itself each year. In conversation with the Department of Commerce after the submission of initial comments, we reached agreement as to the suitability of an approach like this. We also think that this flexibility of surcharge assessment is reasonable, so that if appropriate, utility customers who are not utilizing the time and resources of the Ombudsperson can have reduced or adjusted surcharges.

In addition, MnSEIA strongly recommends the inclusion of the surcharge in the Interconnection Application to ensure that the collection of the surcharge is properly and formally documented, at the time the application is submitted. Doing so has the potential to reduce erroneous complications or delays caused by the implementation of the surcharge. At the current moment, inconsistent surcharge collection tracking from the utilities for interconnection applications has resulted in applications being put on hold despite having already remitted the \$50 surcharge to the utility, as well as a significant lack of clarity or consistency in communication³. Therefore, in order to ensure that a position designed to streamline Minnesota interconnection does not further delay the interconnection process, we request the Commission include the Interconnection Ombudsperson Surcharge in the standard Interconnection Application for both transparency and consistency.

³ Attachment A: MN Solar Communications with Xcel Energy, Customer Examples 1-5

CONCLUSION

MnSEIA appreciates the opportunity to submit these comments, and the Commission's establishment and hiring of the Interconnection Ombudsperson, and looks forward to working with the Ombudsperson going forward. The establishment of the ombudsperson position represents an opportunity to expedite solar deployment through a deeper, stronger, and expedited regulatory process on interconnection disputes of all kinds.

Therefore, we request that the Commission take all possible effort to ensure that this position and the surcharge that funds it remain adaptable to needs and lessons discovered in the future, both in terms of duties and financing.

/s/ Logan O'Grady, Esq.
Executive Director
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(P) 651-425-0240
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/s/ Curtis Zaun, Esq.
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s/ David Moberg
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They will not process our application without this fee.

Customer example #1 – Took Xcel Energy 2 different people (all in same portal chatter) and 40 business days to confirm the ombudsperson fee.

App created 7/22 & ombudsperson check mailed out.

7/30 – Xcel requests proof of ombudsperson fee

“MN Program Admin

Open MN Program Admin Preview

(Xcel Energy)

[July 30, 2024 at 2:09 PM](#)

Actions for this Feed Item

@Leah Johnson (MN Solar) To continue your application and have it "Deemed Complete," please remit a \$50 fee by check or wire to Xcel Energy using the following methods:

Wire Transfer:

Xcel Cash Management Department:

Bank: Wells Fargo Bank, N.A. | City/State: San Francisco, CA

Routing/ABA: 121-000-248

Acct No: 31966 | Acct Name: NSPM

Check:

Xcel Energy DER Interconnections

P.O. Box 59

Minneapolis, MN 55440-0059.

A wire transfer is preferred, especially if you are submitting Ombudsperson fees for multiple applications. Please make sure to include all application applications in the memo/detail. Please include a copy of the wire confirmation or image of the check upon sending in this thread so our team can process as quickly and efficiently as possible.

This fee is required through recent legislation to help pay for a Commission’s Consumer Affairs Office (CAO) Ombudsperson who will have the role of facilitating the efficient and fair resolution of DER interconnection disputes at the MN Public Utilities Commission.

Let us know if you have further questions. Thanks. CT”

7/30 – Leah uploads proof of check.

[Leah Johnson](#)

Open Leah Johnson Preview

(MN Solar)

2 months ago

Actions for this Feed Item Comment

Please see attached. 😊

7/30 – Xcel replies confirming receipt of ombudsperson fee.

[MN Program Admin](#) (Xcel Energy)

2 months ago

@Leah Johnson (MN Solar) Thank you. CT

MnSEIA Reply Comments
Attachment A
MN Solar Interconnection Application –
Interconnection Ombudsperson Surcharge Delays

8/12 – email from Xcel.. requesting the fee they already approved seeing on 7/30.

“Greetings,

Your application 05848810 is missing information. Please review the following instructions to complete your application below, and re-submit your application for approval within 5 Business Days.

Comments from Approvers: Approver 3 Comment: Missing ombudsperson fee. CTPV Production meter, if applicable, with ownership noted (utility or customer)Main service entrance, all meter locations, disconnects, transformers, proposed and existing DER systems

Thank you,
Xcel Energy”

8/13 – Leah response in chatter

[Leah Johnson](#) (MN Solar)

[August 13, 2024 at 10:53 AM](#)

Actions for this Feed Item

On July 30th this app was rejected for this same reason “proof of ombudsperson”. I sent proof and it was confirmed 5 days ago and now it’s rejected again for the same reason??

Please check the comments to see the already confirmed ombudsperson fee and confirm that this completeness review is still due today (8/13), as all necessary documents have been provided.

9/16 – FINALLY get a response from xcel

[MN Program Admin](#) (Xcel Energy)

16 days ago

Actions for this Feed Item Comment

Hi @Leah Johnson (MN Solar), the application has passed the Initial Engineering Reviews and the Interconnection agreement was just sent out. Thanks! -CX

Customer example #2 – Took Xcel Energy 7 business days to confirm the ombudsperson fee, before the application would even be looked at.

9/9/24

[Leah Johnson](#) (MN Solar)

[September 9, 2024 at 11:46 AM](#)

Actions for this Feed Item

ombudsperson fee

9/18/24

[CO SR Admin](#) (Xcel Energy)

MnSEIA Reply Comments
Attachment A
MN Solar Interconnection Application –
Interconnection Ombudsperson Surcharge Delays

14 days ago
Actions for this Feed Item Comment
[@Leah Johnson](#) (MN Solar) thank you! LC

Customer example #3 – Took Xcel Energy 15 business days to confirm the ombudsperson fee, before the application would even be looked at.

9/5/24 – Xcel request proof of fee

[MN Program Admin](#) (Xcel Energy)
[September 5, 2024 at 3:38 PM](#)

Actions for this Feed Item

[@Leah Johnson](#) (MN Solar) To continue your application and have it "Deemed Complete," please remit a \$50 fee by check or wire to Xcel Energy using the following methods:

Wire Transfer:

Xcel Cash Management Department:
Bank: Wells Fargo Bank, N.A. | City/State: San Francisco, CA
Routing/ABA: 121-000-248
Acct No: 31966 | Acct Name: NSPM

Check:

Xcel Energy DER Interconnections
P.O. Box 59
Minneapolis, MN 55440-0059.

A wire transfer is preferred, especially if you are submitting Ombudsperson fees for multiple applications. Please make sure to include all application applications in the memo/detail. Please include a copy of the wire confirmation or image of the check upon sending in this thread so our team can process as quickly and efficiently as possible.

This fee is required through recent legislation to help pay for a Commission's Consumer Affairs Office (CAO) Ombudsperson who will have the role of facilitating the efficient and fair resolution of DER interconnection disputes at the MN Public Utilities Commission.

Let us know if you have further questions. CT

9/5/24 – Leah responds providing proof.

[Leah Johnson](#)

Open Leah Johnson Preview
(MN Solar)
a month ago

Actions for this Feed Item Comment
please see attached.

9/26/24 – Xcel confirms receipt of proof.

Customer example #4 – Took Xcel Energy 17 business days to confirm the ombudsperson fee, before the application would even be looked at.

8/15 - Xcel requests proof of fee

“[Hope Turvaville](#) (Xcel Energy)

[August 15, 2024 at 2:06 PM](#)

Actions for this Feed Item

Hello [@Leah Johnson](#) (MN Solar) -

*To continue your application and have it "Deemed Complete," please remit a **\$50 fee** by check or wire to Xcel Energy using the following methods:*

Wire Transfer:

Xcel Cash Management Department:

Bank: Wells Fargo Bank, N.A. | City/State: San Francisco, CA

Routing/ABA: 121-000-248

Acct No: 31966 | Acct Name: NSPM

Check:

Xcel Energy DER Interconnections

P.O. Box 59

Minneapolis, MN 55440-0059.

A wire transfer is preferred, especially if you are submitting Ombudsperson fees for multiple applications. Please make sure to include all application applications in the memo/detail. Please include a copy of the wire confirmation or image of the check upon sending in this thread so our team can process as quickly and efficiently as possible.

This fee is required through recent legislation to help pay for a Commission's Consumer Affairs Office (CAO) Ombudsperson who will have the role of facilitating the efficient and fair resolution of DER interconnection disputes at the MN Public Utilities Commission.

Let us know if you have further questions.

8/15 – Leah responds providing proof.

[Leah Johnson](#)

Open Leah Johnson Preview

(MN Solar)

2 months ago

Actions for this Feed Item Comment

Please see attached.

9/9 - Xcel confirms receipt of proof.

- [MN Program Admin](#) (Xcel Energy)23 days ago

[@Leah Johnson](#) (MN Solar) Thank you. STL

Customer example #5 – Took Xcel Energy 34 business days to confirm the ombudsperson fee, before the application would even be looked at.

8/2 – Leah provides proof of Ombudsperson.

[Leah Johnson](#) (MN Solar)
[August 2, 2024 at 3:02 PM](#)
Actions for this Feed Item
OMBUDSPERSON FEE

9/19 - Xcel confirms receipt of proof.

[MN Program Admin](#) (Xcel Energy)

13 days ago

Actions for this Feed Item Comment

MPUC Ombudsperson Fee has been submitted. Application can move forward. cw