



12300 Elm Creek Boulevard
Maple Grove, Minnesota 55369-4718
763-445-5000
greatriverenergy.com

To: Members of the House Climate and Energy Finance and Policy Committee
From: Stacey Fujii, Director, Governmental Affairs, Great River Energy
Date: February 20, 2023
RE: HF1386 (Hollins, DFL-St. Paul)

I am writing on behalf of Great River Energy to express concerns with HF1386. Great River Energy is a not-for-profit wholesale electric power cooperative which provides electricity to approximately 1.7 million people through its 27 member-owner cooperatives and customers. Through its member-owners and customers, Great River Energy serves two-thirds of Minnesota geographically and parts of Wisconsin.

We appreciate that Rep. Hollins has been willing to listen to our concerns and has made some changes to the original bill. However, there are still areas that Great River Energy and our members have great concerns.

Section 1: The changes still do not take into consideration that the energy storage could export energy at the same time as the distributed generation (DG) system. Perhaps, it is best to let the PUC take a look at these complexities rather than having statutory change that dictates something that could result in the distribution system being inadequately studied, or undersized for the combined export capacity of the DG system plus storage. Also, we do have concerns about creating a loophole to circumvent the current DG interconnection study process and/or shift interconnection costs to other utility customers.

We do appreciate the change in section 2 to apply only to “public utilities.” However, we do have some cases where Great River Energy owns a distribution substation. In order to correct this situation, we would suggest:

At line 2.2, “When replacing a feeder line with a feeder line of higher capacity, a public utility must install at the applicable distribution substation, for a substation that is owned one-hundred percent (100%) by the public utility, an energy storage system that is of sufficient capacity to insure customer safety and grid reliability.”

Section 4: We oppose section 4. Great River Energy is required to file a resource plan. The Public Utilities Commission’s order is advisory. However, this section seeks to include Great River Energy in the mandate. This directly usurps our cooperative’s Board of Directors authority to make all resource decisions. The legislature just passed, and the Governor signed into law the 100% carbon-free by 2040 standard. The new law was enacted to give utilities flexibility in meeting the standard. A mandate dictating a specific resource does not provide flexibility.

Great River Energy believes in storage technology which is why we are partnering with Form Energy for a large storage project. But, this is a pilot project. When technologies advance and become cost effective and when grid investments are made, utilities will invest in storage.



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Finally, section 7-9 seem to contradict the rest of the bill. Requiring a certificate of need (CON) for every 5MW storage project would slow down development and would seem to contradict the intent of the rest of the bill.

Again, we hope to Rep. Hollins to find reasonable solutions. Thank you for your consideration.