



20 N. Wacker Drive, Suite 1301
Chicago, Illinois 60606
312.587.8390 Main Line
312.587.8391 Fax
www.mwalliance.org

November 30, 2023

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 East Seventh Place, Suite 350
Saint Paul, MN 55101-2147

RE: In the Matter of a Commission Investigation into Gas Utility Resource Planning

**In the Matter of a Commission Evaluation of Changes to Natural Gas Utility
Regulatory and Policy Structures to Meet State Greenhouse Gas Reduction Goals**

Docket Nos. E,G999/CI-21-565,G008,G002,G011/CI-23-117

Dear Mr. Seuffert,

The Midwest Energy Efficiency Alliance ("MEEA") respectfully submits these comments in response to the Minnesota Public Utilities Commission's investigation into gas utility resource planning. Specifically, these comments respond to the proposal of the Citizens Utility Board of Minnesota ("CUB Proposal") filed in docket G008,G002,G011/CI-23-117 on October 24, 2023.

The Midwest Energy Efficiency Alliance is a member-based, nonprofit organization promoting energy efficiency to optimize energy generation, reduce consumption, create jobs and decrease carbon emissions in all Midwest communities. Our members include energy efficiency-related businesses, manufacturers, local governments, utilities, academic institutions, researchers and advocacy groups. MEEA engages in energy efficiency policy and programs in 13 Midwest states, including Minnesota, where 79 of our 150+ members are headquartered or operating.

MEEA sees energy efficiency as the least-cost foundation of the clean energy economy, creating immediate energy savings, reducing utility costs and emissions, improving public health and grid resiliency, and lowering energy burdens.

Response to Commission Questions

- 1. Does the CUB proposal, to be filed October 24, 2023, in the instant docket, adequately capture the necessary components of a gas resource plan? If the**

components listed in CUB's proposal are insufficient, what else should be included in a gas resource plan?

We believe that the CUB Proposal captures the necessary components of a gas resource plan. We are glad to see that the CUB Proposal identifies the need to include demand-side resources, including energy efficiency, demand response and waste heat recovery, along with traditional and non-traditional supply-side options in the recommended resource options. Energy efficiency is a low-cost, low-risk resource that promotes both the reliability and resilience of our energy systems. MEEA has supported the inclusion of demand-side resources in capacity expansion modeling for electric IRPs across the region, and a similar approach is warranted for gas resource planning. This is essential to ensure system optimization and to keep up with rapidly changing markets and technologies.

We have a minor concern that using different terminology for long-term planning processes for electric and gas utilities could be a potential source of confusion for stakeholders, policy researchers and others. If CUB's proposed terminology – "long-term system plan" – is more appropriate for this process (as it has proposed), perhaps the process on the electric side should also be updated in the future to standardize terminology and practices where appropriate.

2. What existing or upcoming programs or policies should not be included in the gas resource plan? If possible, please explain which docket(s) would be a better fit for those matters. For instance, are there topics that would be more appropriately addressed within Docket No. G-999/CI-21-565 (Future of Gas docket)?

MEEA finds no programs or policies discussed in the CUB Proposal that would be a better fit in other dockets. We feel that the scope of the issues addressed in the CUB Proposal is appropriate for long-term gas system planning.

3. Should gas resource planning focus on supply and procurement exclusively, or also include infrastructure / distribution system planning? Please explain your answer.

MEEA agrees with the CUB Proposal that distribution system analysis is "integral to a gas utility's resource plan" (*part E.2.iv.b.*). Plans should include an analysis of the impacts of distribution system upgrades and compare those impacts to those from non-pipeline alternatives (NPAs), including energy efficiency, demand response and electrification, with a goal of reducing long-term costs for

utilities and their customers and avoiding the risks from possible stranding of infrastructure assets.

A literature review and regulatory framework recently published by Lawrence Berkeley National Laboratory¹ will provide valuable guidance on how Minnesota can address NPAs within natural gas long-term system planning. The literature review provides insight from established NPA regulatory policies in California, Colorado, New York and Rhode Island, while the framework presents a systematic approach for preliminary project screening, development of NPA portfolios and evaluation of those portfolios.

NPAs are especially important to reduce the risk of a scenario where a shrinking customer base of ratepayers unable to transition away from gas are left bearing the cost of unrecovered infrastructure. Investing in NPAs will help ensure that when infrastructure investments are made, they are appropriately sized and located to meet long-term needs without creating long-term burdens.

- 4. How should equity be incorporated into gas resource plans and the gas planning process? Consider the utility's ability to impact equity in terms of:**
- a. Distribution of burdens and benefits (for example, where new infrastructure is built)**
 - b. Participation in decision-making (for example, when, where, and how public meetings, listening sessions, etc. are held)**
 - c. Solutions that match how people want to live their lives (for example, matching utility programs and services to individual community needs and wants, rather than one-size-fits-all solutions)**
 - d. Redress for previous harms (for example, considering how to locate utility jobs and affordability programs in communities that have been impacted by environmental injustices or another systemic disinvestment).**

We believe that equity is a vital component of all future energy planning, regardless of energy type. A gas long-term system planning process that includes stakeholder participation, as CUB proposes, will help customers understand the impact of future plans on their communities and help ensure that the needs identified by community members are actively considered by their utility.

MEEA will further comment on Question #4 in the Reply Comment Period, as noted in the Amended Notice of Comment Period. We await publication of a

¹ Nelson, R., et al. 2023. *A Framework for Non-Pipeline Alternatives Analysis and Review of Existing Approaches*. <https://emp.lbl.gov/publications/framework-non-pipeline-alternatives>



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guidance document on Distributional Equity Analysis (DEA) that will inform our reply to this question and its sub-parts.

Thank you for this opportunity to comment in support of the CUB Proposal. MEEA looks forward to continuing to participate in this docket and as a stakeholder in future long-term gas system planning in Minnesota.

Sincerely,

Paige Knutsen, Executive Director

These comments reflect the views of the Midwest Energy Efficiency Alliance – a Regional Energy Efficiency Organization as designated by the U.S. Department of Energy – and not the organization's members or individual entities represented on our board of directors.