

The Commission met on **Thursday, August 2, 2012**, with Commissioners Boyd, O'Brien, Reha, and Wergin present.

The following matters were taken up by the Commission:

TELECOMMUNICATIONS AGENDA

P-999/M-12-449

In the Matter of a Petition by the Department of Commerce to Order Discontinuance of Service to Revoked Carriers and Carriers that have Relinquished their Certificates of Authority

Commissioner Wergin moved that the Commission require:

1. All local exchange and interexchange carriers to discontinue service arrangements enabling the carriers identified in Attachment A to the Department's August 1, 2012 comments to provide Minnesota intrastate telecommunications services to end-user and wholesale customers;
2. With special emphasis, carriers who find that end-user or wholesale customers will be affected by the discontinuance must contact the Department within 7 days of the date of this Order. The Department will notify the carrier within 3 business days if the discontinuance may proceed, if there must first be a transition plan approved by the Department, or if the matter is to be further addressed by the Commission prior to discontinuance;
3. All local exchange and interexchange carriers to not engage in any new service arrangements for the provision of services that enable the identified carriers to provide intrastate telecommunications service to end-user or wholesale customers effective immediately, unless this Order is suspended by another Commission Order.

The motion passed, 4 – 0.

ENERGY FACILITIES AGENDA

ET-2/TL-11-867

In the Matter of the Route Permit Application of Great River Energy for the Parkers Prairie 115 kV Transmission Line Project in Otter Tail County

Commissioner O'Brien moved that the Commission:

1. Determine that the environmental assessment and record developed addresses the issues identified in the environmental assessment scoping decision.

2. Approve and adopt the proposed Findings of Fact and Conclusions of the Energy Facilities Permitting Unit of the Department of Commerce (EFP), including modifications recommended by Great River Energy, with which the EFP concurred in its July 19, 2012 reply comments.
3. Designate the route, as described by the EFP in its July 19, 2012 reply comments, to permit use of an alignment that utilizes both sides of County State Aid Highway 6 and crosses from the south to the north side of the highway at 555th Avenue.
4. Authorize use of a 300-foot route width eastward from 555th Avenue.
5. Direct Great River Energy to continue working with landowners on the alignment.
6. Require Great River Energy to file a summary of the discussions on the alignment and identify the final selected alignment in its Plan and Profile.
7. Issue a high-voltage transmission line route permit, with appropriate conditions, as amended by the EFP to Great River Energy for the Parkers Prairie 115 kV Transmission Line Project, including all associated facilities.

The motion passed 4 – 0.

ET-2/TL-11-915

In the Matter of the Route Permit Application by Great River Energy for the Enterprise Park to Crooked Lake 115 kV Transmission Line Project in Anoka County

Commissioner Boyd moved that the Commission:

1. Determine that the environmental assessment addresses the issues identified in the environmental assessment scoping decision.
2. Approve and adopt the proposed Findings of Fact and Conclusions as amended by the Energy Facilities Permitting Unit of the Department of Commerce (EFP).
3. Designate the route as described by the EFP for the construction of the Enterprise Park to Crooked Lake 115kV transmission line project, including associated facilities.
4. Issue a high-voltage transmission line route permit, with conditions as amended by the EFP, to Great River Energy.

The motion passed 4 – 0.

E002/TL-09-1448

In the Matter of the Route Permit Application for the CapX 2020 Hampton-Rochester-La Crosse 345 kV Transmission Line

No action was taken.

ENERGY AGENDA

E,G-999/M-12-587

In the Matter of the Minnesota Office of Attorney General Antitrust and Utilities Division's Petition for a Commission Investigation Regarding Criteria and Standards for Multiyear Rate Plans under Minn. Stat. 216B.16, Subd. 19.

Commissioner Wergin moved that the Commission:

1. Open an investigation into establishing terms, conditions, and procedures for multiyear rate plans;
2. Direct all utilities to file, by October 15, 2012, a non-binding notice of intent as to their plans for filing multiyear rate plans before December 31, 2013.
3. Direct utilities that have indicated they intend to file multiyear rate plans, as set forth in Ordering Point 1, to file substantive initial comments on establishing terms, conditions, and procedures for multiyear rate plans by no later than October 15, 2012. Other parties wishing to file comments shall also file initial comments by October 15, 2012. Comments should address, but are not limited to, the following questions:
 - A. When the utility plans to file a multiyear rate plan;
 - B. A description of how a multiyear rate plan will work;
 - C. An explanation of how a multiyear rate plan may improve the regulatory process in Minnesota;
 - D. A description of the ratepayer benefits of a multiyear rate plan (e.g., incentives for cost control, and a moratorium on new riders/deferred accounting petitions);
 - E. Proposals of the utility as to how to evaluate substantial completeness of filings;
 - F. The treatment of riders during and at the end of a rate case relating to a multiyear rate plan; and
 - G. Any recommendations from the parties as to issues related to a multiyear rate plan the Commission should include for analysis in a rate case.
4. Request parties wishing to file reply comments to do so by no later than November 15, 2012.

5. Delegate authority to the Commission's Executive Secretary to modify and vary procedures and deadlines, including the procedures and deadlines in this and subsequent orders, for the duration of this proceeding.

The motion passed, 4 – 0.

E999/CI-09-1449

In the Matter of an Investigation of Whether the Commission Should Take Action on Demand Response Bid Directly into the MISO Markets by Aggregators of Retail Customers (ARCs) under FERC Orders 719 and 719-A.

Commissioner Boyd moved that the Commission:

1. Accept the compliance filings of Interstate Power and Light, Minnesota Power, Otter Tail Power, and Xcel Energy.
2. Require Interstate Power and Light, Minnesota Power, Otter Tail Power, and Xcel Energy to expand their investments in cost-effective demand response. This expansion may include working with ARCs, when doing so can expand demand-response participation, cost-effectiveness, or both.
3. Require Interstate Power and Light, Minnesota Power, Otter Tail Power, and Xcel Energy to, and invite the Department and other interested parties to, file additional comments concerning the docket's subject matter. Comments shall be filed no later than November 1, 2012.
4. Require utilities to include in their comments:
 - a. A concise quantitative summary of the demand-response resources the utility had at the beginning of 2010 versus what demand-response resources it has now. This summary should also include a narrative about the actions the utility has taken since 2010.
 - b. A summary of what actions the utility expects to take in the next two years in regard to demand response, including whether other utilities' demand response projects may work and what steps can be taken to utilize demand response in MISO's ancillary services market.
 - c. A summary of the interactions that each utility has had with ARCs, especially in regards to whether an ARC has expressed interest in operating a demand-response program for the utility.
 - d. A narrative updating the Commission about developments concerning the implementation of, and legal challenges to, FERC Order 745.

5. Request that the Department include in its comments an update on how the investor-owned utilities used demand-response to respond to the historically high electric demands during the summer of 2012. The update should include:
 - a. How much each utility dispatched interruptible load and other DSM resources during the peak.
 - b. How many customers were interrupted or controlled.
 - c. How much (estimated) load was shed.
 - d. Whether there were any difficulties encountered.
 - e. What went well.
 - f. How demand response contributed to or detracted from reliability in reacting to record heat in 2012.

The motion passed 4 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: September 26, 2012



Burl W. Haar, Executive Secretary