

The Commission met on **Thursday, October 10, 2013**, with Chair Heydinger, and Commissioners Boyd, Lange, and Wergin present.

The following matters were taken up by the Commission:

## **TELECOMMUNICATIONS AGENDA**

### **P-6896/M-12-1101**

#### **In the Matter of the Petition of Blue Jay Wireless, LLC for Designation as an Eligible Telecommunications Carrier in Minnesota**

Commissioner Wergin moved to take the following actions:

1. Find that Blue Jay is a common carrier and has committed to provide the voice telephony services required by 47 C.F.R. § 54.101.
2. Find that, by virtue of the FCC's waiver, Blue Jay is not required to offer services using its own facilities or a combination of its own facilities and resale of another carrier's services.
3. Find that Blue Jay has filed information describing the terms and conditions of its Lifeline voice telephony plan.
4. Find that Blue Jay meets the advertising requirement of 47 CFR § 54.202(a)(2), subject to the condition that within 30 days of the Commission's Order, Blue Jay must submit a formal advertising and outreach plan identifying the types of media through which it intends to advertise the availability of Lifeline service and stating the anticipated frequency of such advertising.
5. Find that Blue Jay meets the emergency-functionality requirements of 47 CFR § 54.202(a)(2).
6. Find that Blue Jay meets the consumer-protection requirement of 47 CFR § 54.202(a)(3).
7. Find that Blue Jay meets the requirement to file an informational tariff, subject to the condition that within 30 days of the Commission's Order, Blue Jay must file an informational tariff as recommended by the Department. Blue Jay must also ensure that the Terms and Conditions applicable to Minnesota customers, posted on its website do not conflict with the terms and conditions included in its Minnesota informational tariff. Further, Blue Jay must notify the Commission and the Department, in writing, immediately upon any change to the Lifeline offering terms, conditions, or rates, or if it seeks to withdraw its Lifeline offering or any portion thereof, Blue Jay must submit a revised tariff or customer service agreement page to reflect such changes.
8. Find that Blue Jay has demonstrated that it is financially and technically capable of providing Lifeline service.

9. Find that Blue Jay will meet the criterion that it is not in arrears for 911 payments upon a showing that it has obtained certification from the Minnesota Department of Public Safety (DPS) that it is not in arrears for amounts owed to the 911 emergency telecommunications service account in the special revenue fund. Absent such a showing, Blue Jay agrees that it shall not offer Lifeline service to customers in Minnesota.
10. Find that Blue Jay's proposed rates for its Lifeline service are in the public interest and that, going forward, Blue Jay shall be required to offer, in Minnesota, (i) the highest number of free minutes of usage offered in any jurisdiction by Blue Jay, and (ii) supplementary minutes at the lowest price offered in any other jurisdiction in which Blue Jay provides wireless Lifeline service provided that the available support is the same.
11. Find that Blue Jay will meet the Public Safety Answering Points Certification criterion upon a showing by Blue Jay that it has obtained certification of its handsets. Absent such a showing, Blue Jay shall not offer service to Lifeline customers in Minnesota.
12. Find that the Commission need not set a date certain for review of Blue Jay's ETC designation and that Blue Jay's ETC designation need not be limited to one year.
13. Blue Jay shall meet the following conditions:
  - a. If Blue Jay determines that it cannot reasonably serve a Lifeline-qualified consumer, it will report the unfulfilled request to DOC and the Commission within 10 days after making such a determination.
  - b. Blue Jay shall comply with the collection and remittance provisions of Minn. Stat. §§ 403.11 and 237.52.
  - c. Blue Jay shall provide customers with access to usable phones. Frequent static or other interference on the line, lack of clarity, dropped calls, inability to place a call, or receive a call under normal circumstances are not acceptable. If the buttons on phones are too small to use, for example, Blue Jay shall provide customers an opportunity to try a different make or model. Blue Jay must make hearing-aid compatible handsets available to Lifeline-qualified customers, at no charge.
  - d. Policies regarding repair, maintenance, replacement of handsets, batteries, and chargers and options to purchase handsets must be clear to consumers, and available to consumers who do not have web access. Blue Jay shall provide detailed information in writing, at the time of enrollment, of repair and replacement policies for phones and accessories (batteries, chargers) and purchase options.

- e. Blue Jay shall offer instruction manuals to consumers and make them available upon request. It is not unreasonable to require that instruction manuals be provided to customers at the point of sale. If Blue Jay finds such a requirement burdensome, it shall make clear to customers, at the time of enrollment, the process for obtaining a manual.
  - f. Blue Jay shall provide its customers access to customer service without lengthy hold-times and without use of air-time minutes.
  - g. To the extent that Blue Jay conducts, or employ agents to conduct, in-person distribution events, it shall provide consumers with access to information, via telephone as well as website, on all Minnesota distribution events, locations, and times..
14. Take no action regarding OAC's request for information regarding the number QWERTY-keyboard handsets that Blue Jay will distribute.
  15. Approve Blue Jay' petition for ETC designation for Lifeline services subject to the terms and conditions set forth above.

The motion passed 4-0.

~~P-999/C-12-1136~~

**In the Matter of Commission Investigation into Interexchange Carrier Intrastate Access Recovery Fees**

**PULLED**

### **ENERGY AGENDA**

**IP-6701/CN-09-1186**

**In the Matter of AWA Goodhue Wind, LLC's Application for a Certificate of Need for a 78 MW Wind Project and Associated Facilities in Goodhue County**

**IP-6701/WS-08-1233**

**In the Matter of the Application of AWA Goodhue Wind, LLC for a Site Permit for a 78 Megawatt Large Wind Energy Conversion System Project in Goodhue County**

**E-002/M-09-1349**

**E-002/M-09-1350**

**In the Matter of Northern States Power Company's Request for Approval of Power Purchase Agreements with Goodhue Wind, LLC**

Commissioner Wergin moved to take the following actions:

1. Accept New Era Wind's request to withdraw its Certificate of Need extension request and take no further action and close the docket.
2. Revoke the site permit and close the docket.
3. Close the Power Purchase Agreement dockets.

The motion passed 4-0.

**G-007,011/D-13-442**

**In the Matter of the Request by Minnesota Energy Resources Corporation for its Annual Review of /Depreciation Rates for 2013**

Commissioner Boyd moved to take the following actions:

1. Accept MERC's filed Annual Review of Depreciation Rates Filing but not require MERC to implement the rates and depreciation parameters contained within;
2. Find that the approved depreciation rates and parameters from its five-year Depreciation Certification Study as approved in Docket No. G-007,011/D-12-533 (subject to its pending compliance filing) are reasonable and appropriate in place of a separate 2013 Annual Review of Depreciation Rates; and
3. Require MERC's 2013 Annual Review of Depreciation Rates be filed on or before June 1, 2014 using December 31, 2013 balances.

The motion passed 4-0.

**G-001/AI-13-623**

**In the Matter of the Request by Minnesota Energy Resources Corporation for Approval of a Tax Allocation Agreement**

Commissioner Boyd moved to approve MERC's proposed updated Tax Allocation Agreement.

The motion passed 4-0.

**G-004/M-13-334**

**In the Matter of Great Plains Natural Gas Co.'s, A Division of MDU Resources Group, Inc., Request for Approval of its Proposed 2012 Conservation Improvement Program Tracker Account, Including a Proposed Conservaiton Cost Recovery adjustment and a Proposed Demand Side Management Financial Incentive for 2012**

Commissioner Wergin moved to take the following actions:

1. Approve Great Plains' proposed 2012 DSM financial incentive of \$114,763 to be included in the Company's CIP tracker account no sooner than the issue date of the Commission's *Order* in the present docket;
2. Approve the Company's 2012 CIP tracker account, as provided in the Company's *Petition* and summarized in Table 1 of the Briefing Papers for this docket; and
3. Approve Great Plains' proposed CCRA of \$0.1023 per Dth for all customer classes and require that the CCRA approved by the Commission be effective within 10 days of the issue date of the *Order* in the present docket, conditioned on the Company submitting, within 10 days of the *Order*, a compliance filing with the relevant tariff sheets and necessary calculations that comply with the Commission's determinations; and
4. Require Great Plains to include the following bill message in the billing month immediately following the date of the *Order* in the present docket:

Great Plains recovers the cost changes in its energy conservation programs from the base established in 2007 in Minnesota through a Conservation Cost Recovery Adjustment (CCRA) subject to MN Public Utilities Commission approval. A CCRA of \$0.1023 per dk as shown in the Resource Adjustment above is effective. Learn more about reducing your energy use by visiting our website at [www.gpng.com](http://www.gpng.com) or calling us at 1-877-267-4764.

The motion passed 4-0.

#### **E-001/M-13-240**

#### **In the Matter of the Request by Interstate Power and Light Company for Approval of the Company's Electric Conservation Cost Recovery Adjustment and 2012 Electric Demand Side Management Financial Incentive**

Commissioner Wergin moved to take the following actions:

1. Approve IPL's proposed electric 2012 DSM financial incentive of \$1,373,538 and allow the company to book this amount in its tracker account;
2. Approve IPL's 2012 electric CIP tracker account, as summarized in Table 1 in the Briefing Papers; and
3. Approve IPL Electric's proposed 2013/2014 CCRA of (\$ 0.00022) per kWh.

The motion passed 4-0.

**G-001/M-13-241**

**In the Matter of the Request by Interstate Power and Light Company for Approval of the Company's 2012 Conservation Cost Recovery and Adjustment and 2012 Natural Gas Demand Side Management Financial Incentive**

Commissioner Boyd moved to take the following actions:

1. Approve IPL's 2012 DSM linear financial incentive of \$20,097 to be included in the Company's CIP tracker account no sooner than the issue date of the Commission's *Order* in the present docket;
2. Approve IPL's 2012 gas CIP tracker account, as provided in the Company's *Petition* and summarized in Table 1 of the Briefing Papers;
3. Approve IPL's proposed revised gas CCRA of (\$0.0135) per therm for all Minnesota customer classes, to be effective on the first billing cycle in the next full month after Commission approval, conditioned on the Company submitting, within 10 days of the issue date of the *Order* in the present docket, a compliance filing with the relevant tariff sheets and necessary calculations that comply with the Commission's determinations; and
4. Require IPL to include the following Department-recommended bill message (with the appropriate date) in the billing month immediately following the date of the *Order* in the present docket:

The motion passed 4-0.

**G-002/M-13-248**

**In the Matter of the Petition on by Northern States Power Company, a Minnesota Corporation, for Approval of a Proposed 2012 Gas Demand Side Management Financial Incentive; the Conservation Cost Recovery Contained in its Conservation Improvement Program Tracker Account for its Natural Gas CIP; and a Proposed gas CIP Adjustment Factor**

Commissioner Boyd moved to take the following actions:

1. Approve Xcel's proposed 2012 gas DSM financial incentive of \$2,682,879 and allow Xcel to include the incentive in the Company's gas CIP tracker account no sooner than the issue date of the Commission's *Order* in the present docket;
2. Approve Xcel's 2012 gas CIP tracker account, as provided in the Company's *Petition* and summarized in Table 1 of the DOC September 5, 2013 comments;

3. Allow Xcel to implement its revised proposed gas CIP Adjustment Factor of \$0.19529 per dekatherm (Dth) beginning in the first billing cycle in the next full month after Commission approval, conditional on the Company submitting, within 10 days of the issue date of the Order in the present docket, a compliance filing with tariff sheets and necessary calculations that comply with the Commission's determinations in this matter;
4. Approve Xcel's proposed bill message with the modifications that the October 1, 2013 effective date and gas CIP Adjustment Factor listed in the bill message be updated in the compliance filing to reflect the Commission's determinations of the effective date and approved rate; and
5. Continue to require Xcel to account for, on a monthly basis, any CIP costs that are not recovered from flexible rate customers due to rate discounting, and to provide this information in the Company's annual CIP tracker account and DSM financial incentive filings.

The motion passed 4-0.

**E-015/M-13-215**

**In the Matter of Minnesota Power's 2012 Conservation Improvement Program Consolidated Filing**

Commissioner Wergin moved to take the following actions:

1. Approve Minnesota Power's 2012 CIP Tracker Account Activity as summarized in Table 1 of the Briefing Papers;
2. Approve a 2012 DSM incentive for Minnesota Power of \$7,105,410;
3. Approve a variance of Minnesota Rules, Parts 7820.3500 and 7825.2600 to permit the Company to combine the COA with the FCA on customer bills; and
4. Approve a CPA of \$0.004062 per kWh starting with the first billing cycle following Commission approval.

The motion passed 4-0.

**E-017/M-13-171**

**In the Matter of Otter Tail Power Company's 2012 Demand Side Management Financial Incentive Project and Annual Filing to Update the CIP Rider**

Commissioner Boyd moved to take the following actions:

1. Approve Otter Tail's CIP tracker account as summarized in Table 1 of the Briefing Papers;
2. Approve a 2013/2014 CCRA for the Company of \$0.00175;
3. Approve an incentive of \$2,681,575 for Otter Tail's 2012 CIP achievements; and
4. Grant Otter Tail a variance to Minnesota Rules, Part 7820.3500(K) and a variance to Minnesota Rules, Part 7825.2600 for one year after the issue date of this Order.

The motion passed 4-0.

**E002/M-13-624**

**In the Matter of the Petition of Northern States Power Company for Approval of an Amendment to the Laurentian Energy Authority I, LLC Power Purchase Agreement**

Commissioner Wergin moved to take the following actions:

1. Conclude that, but for Minn. Stat. § 216B.2424, it would not be in the best interest of Xcel ratepayers' for Xcel to purchase power from Laurentian at a rate of \$109.20 per MWh while the cities of Hibbing and Virginia, owners of Laurentian Energy Authority, purchase power from Minnesota Power at a much lower rate per MWh.
2. Approve Xcel's petition to amend the Second Amended and Restated Biomass Power Purchase Agreement between Xcel and Laurentian Energy Authority in light of Minn. Stat. § 216B.2424.
3. Require Xcel to perform an audit and maintain documentation for periods when fuel costs exceed \$3.40 per MMBTU.

The motion passed 4 – 0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: November 6, 2013**



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**Burl W. Haar, Executive Secretary**