

The Commission met on **Thursday, October 18, 2012**, with Chair Heydinger and Commissioners O'Brien, and Wergin present.

The following matters were taken up by the Commission:

ENERGY AGENDA

E-015/GR-08-415

In the Matter of the Application of Minnesota Power for Authority to Increase Electric Service Rates for Minnesota

E-015/GR-09-1151

In the Matter of the Application of Minnesota Power for Authority to Increase Electric Service Rates in Minnesota

Commissioner Wergin moved that the Commission:

1. Require Minnesota Power to file revised tariffs that remove the amortization and recovery of the deferred MISO Schedule 16 and 17 costs consistent with both the Commission's order in the utility's 2009 rate case and Minnesota Power's commitment in that rate case;
2. Require Minnesota Power to issue refunds in the form of bill credits or otherwise to current customers for the deferred MISO Schedule 16 and 17 costs collected from May 2012 until the lower "base" rates go into effect; and
3. Require Minnesota Power to submit a compliance filing that reflects the Commission's decision within ten days of the Commission's order. Minnesota Power shall include in the filing revised tariff sheets that reflect the Commission's decision, a proposed effective date, a proposed customer bill message, and a refund plan. Minnesota Power shall file a refund report after the refund is completed. The parties shall file comments on the compliance filing (including the refund plan), if any, within ten days after the compliance filing has been made.

The motion passed, 3 – 0.

E-999/CI-07-1199

In the Matter of Establishing an Estimate of the Costs of Future Carbon Dioxide Regulation on Electricity Generation Under Minn. Stat. § 216H.06

Commissioner Heydinger moved that:

1. Utilities continue to use the current range of CO₂ cost estimates of \$9 to \$34 per ton of CO₂ for 2012 and 2013; and

2. Utilities begin applying the above range of CO₂ values in their resource planning as of 2017.

The motion passed, 3 – 0.

E-111/M-12-874

In the Matter of Dakota Electric Association's Petition to Implement an Electric Vehicle Rate

Commissioner Wergin moved that the Commission:

1. Approve Dakota Electric Association's proposed electric vehicle rate with the following modifications:
 - a. Remove the tariff language requiring participants to remain on the rate for a specific term.
 - b. Include the data privacy language proposed by the Company in its reply comments.
2. Require the Company, one year after tariff implementation, to file a report providing information on the number of customers taking service under the tariff and the amount of on-peak and off-peak charging.
3. Require the Company, as soon as completed and can be provided as a package, but no later than its one-year report, to file for informational purposes all tariff-related marketing materials distributed to members.

The motion passed 3 – 0.

E-015/M-12-233

In the Matter of Minnesota Power's Petition for Approval of a Temporary Rider for Residential Time-of-Day Rate for Participants of the Smart Grid Advanced Metering Infrastructure ("AMI") Pilot Project

Commissioner Wergin moved that the Commission:

1. Approve Minnesota Power's proposed PILOT RIDER FOR RESIDENTIAL TIME-OF-DAY SERVICE, delegating authority to the Executive Secretary to approve all customer notices and scripts submitted by Minnesota Power.
2. Require Minnesota Power to file with the Commission and receive Commission approval of any scripts Minnesota Power's customer service representatives will use to explain the rate.
3. Require Minnesota Power to file with the Commission and receive Commission approval of any written communications to customers about the proposed rate modification (the rate, who is most likely to benefit, possible risks of participating including complete and on-going financial impact disclosure).
4. Require Minnesota Power to submit for Commission approval a privacy policy in its Time of Day rate rider that explains in detail all data collected and all permissible uses of the unique customer energy consumption data that it collects through the Consumer

Behavior Study Plan, including how the data will be retained, and explains the protections against misuse of such data that Minnesota Power will implement.

5. Require Minnesota Power to submit a revised Tariff Sheet with the above modifications (and any necessary corrections) within 30 days of the final order.
6. Require Minnesota Power to submit a compliance filing identifying the effective date of the tariff.
7. Require Minnesota Power to submit Annual Reports beginning one year from commencement of the program its analysis, including customer participation, usage levels, narratives, and bill impacts under the Rider.
 - Minnesota Power must identify any under/over recoveries in its annual reports and adjust the Time of Day Rate to ensure revenue neutrality.
 - Minnesota Power must identify total complaints the Company receives, plus any other reporting requirements that will give the Commission data showing how Minnesota Power's customers were affected by the rate.
8. Require Minnesota Power to send a notice to any customer that subscribes to this rate that they may file a complaint with the Commission's Consumer Affairs Office (CAO), and the contact information for CAO. This notice must be sent with the first bill following the customer's subscription to the rate.
9. Clarify that approval of the filing does not extend to cost recovery of any unrecovered expenses, including but not limited to any revenue shortfall if Minnesota Power does not call enough critical peak hours to ensure revenue neutrality.

The motion passed 3 – 0.

E-999/CI-08-948

In the Matter of the Commission Consideration of Standards Related to Smart Grid Investments and Information under the Federal Independence and Security Act of 2007

Discussion heard; no action taken.

The meeting was adjourned.

APPROVED BY THE COMMISSION: November 14, 2012



Burl W. Haar, Executive Secretary