

The Commission met on **Thursday, October 14, 2010**, with Commissioners Boyd, Pugh, Reha and Wergin present.

The following matters were taken up by the Commission:

### **TELECOMMUNICATIONS AGENDA**

#### **P-421/C-10-1000**

#### **In the Matter of the Complaint by Wikstrom Telephone Co. Against Qwest Corporation Pursuant to the Parties' Interconnection Agreement**

Commissioner Wergin moved that the Commission:

1. Find that the matter is within the Commission's jurisdiction;
2. Find that there are reasonable grounds to investigate the matter;
3. Serve the complaint and require Qwest to file an answer within 20 days; and
4. Allow interested parties to file comments and replies pursuant to Minn. Rules, part 7829.1900, subps. 2 and 3.

The motion passed, 4-0.

### **ENERGY AGENDA**

#### **IP-6846/WS-10-798**

#### **In the Matter of an Application of Lake Country Wind Energy, LLC for a 41 Megawatt Large Wind Energy Conversion System in Kandiyohi and Meeker Counties**

Commissioner Pugh moved that the Commission:

1. Make a preliminary determination that a draft site permit may be issued;
2. Approve the proposed draft site permit for distribution and public comment;
3. Authorize EFP staff to implement the public participation process outlined in Minnesota Rules, part 7854.0900.

The motion passed, 4-0.

**E-106, 122/SA-10-926**

**In the Matter of a Petition for Approval of a Service Territory Agreement between Mille Lacs Energy Cooperative and Lake Country Power**

Commissioner Reha moved that the Commission approve the petition.

The motion passed, 4-0.

**G-022/S-10-281**

**In the Matter of the Petition of Greater Minnesota Gas, Inc. for Approval of 2010 Capital Structure, Permission to Issue Securities, and Compliance with Financial Integrity Order**

Commissioner Wergin moved that the Commission:

1. Partially grant the petition and approve items 1, 3, and 4 of the Company's request and all of the OES recommendations, except numbers 4, 7, 10, 11, and 12;
2. Remind Greater Minnesota Gas of its obligation to file updates on the Dakota County matter and direct it to file, within 60 days, a request for approval of capital structure, providing at least:
  - a. The actual capital structure of Greater Minnesota Synergy, Inc., as of a specific past date (i.e. December 31, 2009)
  - b. The actual capital structure of Greater Minnesota Gas, Inc., as of the same date
  - c. Documentation establishing the reality of these two capital structures
  - d. An estimate of these two capital structures as of December 31, 2010.
  - e. A narrative of the transactions made or anticipated to be made relating the capital structure at the two different points of time
  - f. An explanation of how the capital structure of Greater Minnesota Gas relates to its investment in rate base
3. Approve any issuance of additional equity during the pendency of this docket.

The motion passed 4-0.

**E-001/M-10-294**

**In the Matter of a Petition by interstate Power Company for Approval of its 2009 CIP Tracker Account, DSM Financial Incentive and CIP Adjustment Factor**

Commissioner Pugh moved that the Commission:

1. Approve IPL's 2009 CIP tracker account, as summarized in OES Table 1 (in the OES comments filed September 27, 2010, page 3).

2. Approve a 2009 DSM financial incentive for IPL of \$14,163 to be included in the Company's CIP tracker no sooner than the issue date of the Order in this matter.
3. Approve a CIP adjustment factor of \$0.00061 per kWh for IPL. The Commission authorizes IPL to begin collecting the new CIP adjustment factor on the first billing cycle in the next full month after Commission approval, conditioned upon submitting a compliance filing within 10 days of this meeting that includes a calculation of a revised factor to reflect the implementation date, and revised tariff sheets.
4. Require IPL to propose a CIP adjustment factor in its 2011 filing that will put the Company on the path to reduce its CIP tracker balance to \$0 by the end of 2012.
5. Approve a variance of Minnesota Rules pts. 7820.3500 and 7825.2600 to permit the Company to combine the CIP adjustment factor with the FCA on customer bills.
6. Require IPL to notify its customers on an annual basis of the change in the CIP adjustment factor through a message on its bill. Approve IPL's proposed bill message as follows:  
IPL recovers the costs of its energy efficiency programs in Minnesota through a conservation costs recovery adjustment (CCRA). The CCRA is an annual adjustment subject to Minnesota Public Utilities Commission approval. Based on energy efficiency costs in 2009, the revised 2010 CCRA, as approved by the Commission, will be \$0.00061 per kWh, effective *Month, day, 2010*.
7. Strongly encourage IPL to work with the Commission's Consumer Affairs Office (CAO) to add a sentence to the end of the bill message notification above or a bill insert timed with the bill message notification, advising customers on how they might learn more about IPL's energy conservation programs.
8. Approve IPL's proposal to use the bill language above for its gas bills, revised to include the CCRA for the gas utility approved in Docket No. G-001/M-10-295.

The motion passed, 4-0.

**~~E-017/M-10-220~~**

***PULLED***

**In the Matter of a Petition by Otter Tail Power Company for Approval of its 2009 CIP Tracker Account, DSM Financial Incentive and CIP Adjustment Factor**

**E-002/M-10-883**

**In the Matter of the Petition of Northern States Power Company, a Minnesota Corporation, for a Variance to the Billing Errors Rule**

Commissioner Wergin moved that the Commission approve the variance request and one time modification of Xcel's Billing Errors Tariff.

The motion passed 4-0.

**G-022/GR-09-962**

**In the Matter of the Application of Greater Minnesota Gas, Inc. for Authority to Increase Rates for Natural Gas Service in the State of Minnesota**

Commissioner Reha moved that the Commission:

1. Require Greater Minnesota Gas, Inc. (GMG) to file its entire tariff within 10 days of the Commission's determination concerning this Compliance Filing;
2. Defer any decision regarding GMG's proposed base cost of gas to Docket No. G-022/MR-10-949;
3. Require GMG to resubmit the Conservation Improvement Program (CIP) tracker account (including rates, revenues, expenses, and ending balance) for the entire period that interim rates were in effect within 10 days after final rates become effective; and
4. Authorize GMG to implement new, final base rates on November 1, 2010 based on the prorated method.

The motion passed, 4-0.

**G-022/MR-10-949**

**In the Matter of the Petition of Greater Minnesota Gas, Inc. for Approval to Establish a New Base Cost of Gas to Coincide With the Implementation of Final Rates in Docket No. G-022/GR-09-962**

Commissioner Reha moved that the Commission approve Greater Minnesota's new base cost of gas, as filed.

The motion passed, 4-0.

**E-017/M-03-30**

**In the Matter of a Request by Otter Tail Power Company for Approval of the company's Annual Fuel Clause Adjustment True-up**

Commissioner Pugh moved that the Commission approve the compliance report and the new annual true-up debit of 0.3 mills per kWh.

The motion passed, 4-0.

**E-001/PA-05-1272**

**In the Matter of the Joint Application for Approval and Consent of Interstate Power and Light Company and FPL Duane Arnold, LLC, Requesting that the Minnesota Public Utilities Commission Allow Interstate Power and Light to Sell and Transfer Ownership Interest in the Duane Arnold Energy Center to FPL Energy Duane Arnold**

**E-999/AA-07-1130**

**In the Matter of the Review of the 2006-2007 Annual Automatic Adjustment Reports and Annual PGA True-ups**

Commissioner Wergin moved that the Commission approve the rate recoverability of purchased power costs in connection with the February 2007 refueling.

The motion passed, 4-0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: OCTOBER 27, 2010**



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**Burl W. Haar, Executive Secretary**