

The Commission met on **Thursday, May 6, 2010**, with Chair Boyd and Commissioners O'Brien, Pugh, Reha and Wergin present.

The following matters were taken up by the Commission:

ENERGY AGENDA

E-999/M-09-602

In the Matter of the 2009 Minnesota Biennial Transmission Projects Report

Commissioner Pugh moved to do the following:

1. Accept the 2009 Minnesota Biennial Transmission Projects Reports as filed by the Minnesota Transmission Owners (MTO) and Northwestern Wisconsin Electric Company.
2. Regarding the 2011 Minnesota Biennial Transmission Projects report,
 - A. Grant a variance to the public participation requirements of Minn. Rules, part 7828.0900.
 - B. Require the MTO to improve its transmission planning web page and provide a separate section in the report to discuss the MTO's outreach efforts to local governments as suggested by the Office of Energy Security (OES) of the Minnesota Department of Commerce (the Department) as well as to renewable energy developers.
 - C. Require further discussion of the system considerations affecting the timing of a proposal to replace the 230 kilovolt (kV) transmission line extending from Minnesota Valley to Blue Lake with two 345 kV lines strung on a single set of towers (the Corridor Upgrade Project).
 - D. Require further discussion of the wisdom of "strategic planning" and indicate which projects should be considered for such designation.
 - E. Require a revised "gap analysis" – that is, an estimate of the amount of additional capacity for generating electricity from renewable sources, and additional transmission capacity for transmitting that electricity to customers, are needed to meet Minnesota's Renewable Energy Standards, Minn. Stat. § 216B.1691, and comparable policies in neighboring states.
3. Decline at this time to establish a target date for the MTO's Corridor Upgrade project.
4. Encourage the MTO to meet and consult with renewable energy developers.

The motion passed 5 – 0.

G-002/M-05-393

In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of a Fixed Bill Option Tariff and Rule Variance

G-008/M-05-602

In the Matter of the Petition of CenterPoint Energy for Approval to Continue the No Surprise Bill and Revise the No Surprise Bill Tariff to Allow for the Inclusion of Planned Rate Increases in the Bill

G-002/CI-07-541

In the Matter of a Commission Investigation into Xcel Energy's Fixed Monthly Payment Pilot Program

G-008/CI-07-542

In the Matter of a Commission Investigation into CenterPoint Energy's No Surprise Bill Program

Commissioner Pugh moved to do the following:

1. Find that Northern States Power Company d/b/a Xcel Energy (Xcel) is not entitled to recover any stranded costs (or foregone revenue) associated with the early exit of federal Low Income Home Energy Assistance Program (LIHEAP) participants from its Fixed Monthly Payment Pilot program.
2. Clarify that Xcel may not request leave to resume marketing its Fixed Monthly Payment Pilot program in the future as part of these dockets, but may only do so if it submits a new application, subject to public comments and normal Commission procedures for new filings.
3. Close Docket Nos. G-002/CI-07-541 and G-002/M-05-393.
4. Find that the Commission did not address the stranded cost recovery issue when it issued its Order Modifying Prior Orders, Suspending Authority to Offer Fixed Bill Programs, Allowing LIHEAP Customers to Immediately Opt Out of Fixed Bill Programs, and Other Relief (July 16, 2007) requiring CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas (CenterPoint) to allow LIHEAP customers to withdraw from the program under the terms of the No Surprise Bill (NSB) tariff retroactive to the start of the 2006-2007 program year without being subject to exit costs, penalties or fees.
5. Find in this order that the estimated \$13,766 in unrecovered gas costs associated with LIHEAP customers leaving the NSB program ahead of schedule are stranded costs and should be refunded to CenterPoint's system customers in CenterPoint's next annual reconciliation (true-up) of its purchased gas adjustment.
6. Find, in this order, that the Commission does not authorize recovery of any other costs, stranded or labeled otherwise, or any foregone revenue, that may be associated with customers leaving CenterPoint's NSB program.

7. Clarify that CenterPoint may not request leave to resume marketing its fixed bill programs in the future as part of these dockets, but may only do so if it submits a new application, subject to public comment and normal Commission procedures for new filings.
8. Close Docket Nos. G-002/CI-07-542 and G-008/M-05-602.

The motion passed 5 – 0.

G-008/M-07-1641

In the Matter of the 2007 Quarterly Service Quality Reports of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas

G-008/M-08-396

In the Matter of the 2008 Quarterly Service Quality Reports of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas

G-008/M-09-390

In the Matter of the 2009 Quarterly Service Quality Reports of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas

G-007,011/M-07-1642

In the Matter of the 2007 Gas Service Quality Standards Reports of Minnesota Energy Resources Corporation

G-007,011/M-08-396

In the Matter of the 2008 Gas Service Quality Standards Reports of Minnesota Energy Resources Corporation

G-007,011/M-09-488

In the Matter of the 2009 Gas Service Quality Standards Reports of Minnesota Energy Resources Corporation

G-999/CI-09-409

In the Matter of a Commission Investigation into Gas Utility Service Quality Standards

Chair Boyd moved to do the following:

1. Accept CenterPoint's 2006 Quarterly Service Quality Report compliance filing in Docket No. G-008/M-06-1485, *In the Matter of the 2006 Quarterly Service Quality Reports of CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas.*
2. Accept CenterPoint's Quarterly Service Quality Reports for –
 - a. 2007 in Docket No. G-008/M-07-1641,
 - b. 2008 in Docket No. G-008/M-08-396, and
 - c. 2009 in Docket No. G-008/M-09-390.
3. Accept Minnesota Energy Resources Corporation's gas service quality standards reports for –

- a. 2007 in Docket No. G-007,011/M-07-1642,
 - b. 2008 in Docket No. G-007,011/M-08-396, and
 - c. 2009 in Docket No. G-007,011/M-09-488.
4. Direct OES to consult with each utility in these dockets to seek agreement regarding a service quality proposal for that utility, and to return a list of resolved and unresolved issues for Commission consideration.

Commissioner O'Brien offered a friendly amendment to address natural gas service quality on a utility-by-utility basis and require each natural gas utility that does not currently report natural gas service quality (*i.e.*, Xcel; Interstate Power and Light Company; Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc.; Greater Minnesota Gas, Inc.) to submit a proposal for natural gas service quality reporting for 2010 and beyond within 45 days of the Commission issuing its order.

Chair Boyd declined to amend the motion.

The motion passed 5 – 0.

TELECOMMUNICATIONS AGENDA

P-999/M-10-5

In the Matter of DOC/TAM's 2009 Annual Report

P-999/M-10-212

In the Matter of DOC/TAM's FY 2011 Proposed Budget and Surcharge Recommendation

Chair Boyd moved to do the following:

1. Accept the 2009 Annual Report filed by the Department on behalf of Telecommunications Access Minnesota (TAM) pursuant to Minn. Stat. § 237.55.
2. Approve the proposed budget for Fiscal Year 2011 for TAM filed pursuant to Minn. Stat. § 237.52.
3. Approve the proposal to increase the surcharge to \$0.10 per month for each wired and wireless access line and connection in Minnesota, and direct local telecommunications service providers to reflect the surcharge established by the Commission in their tariffs.

The motion passed 5 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: JUNE 9, 2010

A handwritten signature in cursive script that reads "Burl W. Haar". The signature is written in black ink and is positioned above a horizontal line.

Burl W. Haar, Executive Secretary