

The Commission met on **Thursday, August 4, 2011**, with Acting Chair Reha and Commissioners Boyd and O'Brien present.

The following matters came before the Commission:

## **TELECOMMUNICATIONS AGENDA**

### **P-421,5981/IC-11-429**

**In the Matter of the Joint Application for Approval of the Unbundled Loops Used to Provide xDSL Services Amendment to the Interconnection Agreement between tw telecom of minnesota llc and Qwest Corporation**

### **P-421,6422/IC-11-448**

**In the Matter of the Joint Application for Approval of the Unbundled Loops Used to Provide xDSL Services Amendment to the Interconnection Agreement Between XO Communications Services, Inc., and Qwest Corporation**

Commissioner Boyd moved to do the following:

1. With respect to Docket No. P-421,5981/IC-11-429,
  - Approved the proposed amendment to the interconnection agreement between Qwest Corporation (Qwest) and tw telecom of Minnesota llc, and
  - Find that the Commission's decision approving the amendment does not prejudice, prevent, or limit the Commission's consideration or determination of issues in Docket No. P-421/CI-09-1066, In the Matter of a Commission Investigation into *Qwest Corporation's Provision of Network Elements to CLECs and into Related Marketing Practices Targeting CLEC Customers*.
  
2. With respect to Docket No. P-421,6422/IC-11-448,
  - Approved the proposed amendment to the interconnection agreement between Qwest and XO Communications Services, Inc., and
  - Find that the Commission's decision approving the amendment does not prejudice, prevent, or limit the Commission's consideration or determination of issues in Docket No. P-421/CI-09-1066, In the Matter of a Commission Investigation into *Qwest Corporation's Provision of Network Elements to CLECs and into Related Marketing Practices Targeting CLEC Customers*.

The motion passed 3 – 0.

**P-421,6237,5096/M-11-572**

**In the Matter of Request for Approval to Change Assumed Names**

Commissioner O'Brien moved to approve the addition of the *doing business as* (d/b/a) or assumed name to the following companies:

Existing Name:

Qwest Corporation

Qwest LD Corp.

Qwest Communications Company, LLC

Assumed Name:

Qwest Corporation d/b/a CenturyLink QC

Qwest LD Corp. d/b/a CenturyLink LD

Qwest Communications Company, LLC  
d/b/a CenturyLink QCC

The motion passed 3 – 0.

**ENERGY AGENDA**

**E-290,001/SA-11-299**

**In the Matter of the Joint Petition of the City of Owatonna and Interstate Power and Light Company for Approval of their Settlement Agreement Concerning a Change in their Service Territory Boundaries and Related Compensation**

Commissioner O'Brien moved to approval of the petition contingent on provision of the information indicated in the May 3, 2011 comments of the Minnesota Department of Commerce (the Department).

The motion passed 3 – 0.

**E-002/M-11-588**

**In the Matter of the Request of Northern States Power Company to Accept its Final Compliance Report and Cancel the Customer Buyback Program**

Commissioner O'Brien moved to accept the final report and cancellation of the Customer Buyback Program of Northern States Power Company d/b/a Xcel Energy (Xcel) and required Xcel to include in its September 1, 2011 compliance filing in Docket No. E-999/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 under FERC Orders 719 and 719-A*, potential replacement program options that it intends to further develop with its customers and the Department.

The motion passed 3 – 0.

**E-002/M-11-187**

**In the Matter of an Interconnection Agreement between Northern States Power Company d/b/a Xcel Energy and the U.S. Department of Veterans Affairs – St. Cloud Medical Center**

Commissioner Boyd moved to do the following:

1. Approve Xcel’s proposed amendments to its standard interconnection agreement, except for Xcel’s proposal to delete the following language from Section XII (E):
  - 2) The interconnection and services provided under this Agreement shall at all times be subject to the terms and conditions set forth in the tariff schedules and rules applicable to the electric service provided by Xcel Energy, which tariff schedules and rules are hereby incorporated into this Agreement by this reference.
  - 3) Notwithstanding any other provisions of this Agreement, Xcel Energy shall have the right to unilaterally file with the MPUC, pursuant to the MPUC’s rules and regulations, an application for change in rates, charges, classification, service, tariff or rule or ay agreement relating thereto.
2. Require Xcel to include the amended agreement in Xcel’s Minnesota Rate Book.

The motion passed 3 – 0.

**E-111/M-11-393**

**In the Matter of a Request of Dakota Electric Association to Implement a Communication Fee for Schedules 70 and 71**

Commissioner Boyd moved to approve Dakota Electric Association’s proposal to implement a Communications Fee for its Schedule 70 & 71 customers.

The motion passed 3 – 0.

**E-015/M-11-311**

**In the Matter of Minnesota Power's Petition for Approval of a Pilot Rider for Large Light and Power Time-of-Use Service**

Acting Chair Reha moved to do the following:

1. Approve Minnesota Power’s request for a pilot rider, as proposed, for a time-of-use rate for Large Light and Power Service customers with peak loads greater than 10,000 kilowatts.

2. Require Minnesota Power to submit a copy of its Pilot Rider For Large Light And Power Time-Of-Use Service in a compliance filing within fifteen days of the Commission's Order in this docket.
3. Require Minnesota Power to submit a Large Light and Power Service time-of-use rate pilot evaluation report, as described in Minnesota Power's filings, no less than sixty days after the first customer takes service under this rider completes one year of time-of-use service on this rider. This report shall contain the analysis proposed by Minnesota Power, and, at a minimum, contain the following items recommended by the Department:
  - the number of customers who participated,
  - the amount of load participating and non-participating customers shifted from on-peak to off-peak hours,
  - the amount of revenue charged under the pilot Rider compared to the amount that would have otherwise been charged to the participating customers,
  - the Company's observations and any lessons learned about the implementation,
  - whether or not Minnesota Power proposes to continue with the pilot,
  - whether or not Minnesota Power believes any changes are needed to the Rider,
  - whether or not Minnesota Power would consider implementing the time-of-use rates for a larger group of customers,
  - whether any such broader implementation would require customers of a certain size to participate, and
  - any other observations Minnesota Power believes would be helpful.
4. Require Minnesota Power to include in its first evaluation report an estimate of any changes in Minnesota Power's costs to serve its Large Light and Power Service time-of-use customer(s) that are a direct result of the Large Light and Power Service time-of-use rates.
5. Require Minnesota Power to include in its first evaluation report an estimate of any changes in Minnesota Power's costs to serve its non-time-of-use Large Light and Power Service customers that are a direct result of the Large Light and Power Service time-of-use rates.
6. Require Minnesota Power to notify the Commission within fifteen days after the first customer starts service under this rider.
7. Require Minnesota Power to address the feasibility (e.g. metering and billing limitations) of providing time-of-use cost of service information for the Large Light and Power Service customer class in its first Large Light and Power Service time-of-use rate pilot evaluation report.

The motion passed 3 – 0.

**G-004/PA-10-873**

**In the Matter of the Petition of Great Plains Natural Gas Company for Approval of the Sale of the Redwood Falls Propane Air Peaking Plant**

**G-004/M-09-1262**

**In the Matter of a Request by Great Plains Natural Gas Company for Approval of its 2009-1010 Demand Entitlements**

**G-004/M-10-1164**

**In the Matter of a Request by Great Plains Natural Gas Company for Approval of its 2010-2011 Demand Entitlements**

Commissioner Boyd moved to do the following:

1. Approve the filing in Docket No. G-004/M-09-1262 as complying with the Commission's Order Accepting Demand Entitlement Filings, Requiring Consultation, and Requiring Other Action (September 30, 2010) and determine that the cost of the South District demand entitlements should be reduced by \$29,941 effective March 1, 2010, and the reduction will continue until the effective date of interim rates in the next general rate case of Great Plains Natural Gas (Great Plains).
2. Allow Great Plains to withdraw its petition in Docket No. G-004/PA-10-873, *In the Matter of the Petition of Great Plains Natural Gas Company for Approval of the Sale of the Redwood Falls Propane Air Peaking Plant*.
3. In Docket No. G-004/M-10-1164 --
  - A. Accept Great Plains' proposed design-day method and resulting reserve margins for the 2010-2011 heating season for the South District and the North District, with the caveat that issues raised by the Department, including the use of 1995-1996 and 1996-1997 data, will be addressed in the upcoming discussions between the Department and Great Plains concerning Great Plains' design-day method.
  - B. Accept Great Plains' proposed recovery via the purchased gas adjustment of associated demand costs effective November 1, 2010, for the South District and the North District.
  - C. Require Great Plains to discuss in its upcoming 2011-2012 demand entitlement filing, which is to be submitted by November 1, 2011, the steps Great Plains has taken to replace capacity under the North District agreement with more reasonably priced capacity.
  - D. Accept Great Plains' updated estimated revenue requirements analysis (which includes estimated annual operations and maintenance costs of \$7,642) for the Montevideo facility.

- E. Direct Great Plains to reduce its annual South District demand costs by \$29,009 to offset the estimated Montevideo peak facility costs that are currently being recovered in base rates, with the reduction continuing until the effective date for interim rates in Great Plains' next rate case.

The motion passed 3-0.

**E-T2,E015/TL-11-318**

**In the Matter of the Application by Great River Energy and Minnesota Power for a HVTL Route Permit for the Little Falls 115 kV Transmission Project**

Commissioner Boyd moved to do the following:

1. Accept the high voltage transmission line (HVTL) route permit application submitted by Great River Energy and Minnesota Power for the Little Falls 115 kilovolt (kV) Transmission Project as complete and authorize the Department's Energy Facilities Permitting (EFP) staff to process the application under the alternative review process pursuant to Minnesota Rules, parts 7850.2800 to 7850.3900.
2. Authorize the EFP staff to name a public advisor in this case.
3. Determine that based on the available information an advisory task force is not necessary.

The motion passed 3 – 0.

**E-002/CN-11-332**

**In the Matter of the Application of Xcel Energy for a Certificate of Need for the Southwest Twin Cities (SWTC) Bluff Creek – Westgate Transmission Line Upgrade**

Commissioner Boyd moved to approve the proposed notice plan, including –

1. the variance to the Notice time frames set out in Minn. Rules, part 7829.2550, subp. 6, for the implementation plan, and
2. expanding the notice corridor from a width from 500 to 1000 feet in the area between Sparrow Road and Highway 101.

The motion passed 3 – 0.

**IP-6838/CN-10-80**

**In the Matter of the Application of Prairie Rose Wind, LLC for a Certificate of Need for an up to 200 MW Project & Associated Facilities in Pipestone & Rock Counties in Southwestern Minnesota**

Commissioner Boyd moved to do the following:

1. Decline to order a contested case proceeding.
2. Find that the Environmental Report adequately addresses the issues identified in the Environmental Report Scoping Decision.
3. Grant Prairie Rose Wind, LLC (Prairie Rose) a Certificate of Need for up to 200 megawatts (MW) for the Prairie Rose wind project and associated facilities.
4. To document that the electricity to be generated by Prairie Rose is needed, direct Xcel to file in this docket Xcel's resource plan from Docket No. E-002/RP-07-1572, *In the Matter of Northern States Power company d/b/a Xcel Energy's Application for Approval of its 2008-2022 Resource Plan*, and its proposed resource plan from Docket No. E-002/RP-10-825, *In the Matter of Xcel Energy's 2011-2025 Integrated Resource Plan*.

The motion passed 3 – 0.

**IP6838/WS-10-425**

**In the Matter of the Application of Prairie Rose Wind, LLC for a Large Wind Energy Conversion System Site Permit for the 200 MW Prairie Rose Wind Farm in Rock and Pipestone Counties**

Commissioner Boyd moved to do the following:

1. Adopt the Findings of Fact, Conclusions of Law, and Order proposed for the 200 MW Prairie Rose Wind Farm and associated facilities in Rock and Pipestone Counties.
2. Issue the Proposed Large Wind Energy Conversion System (LWECS) Site Permit for the Prairie Rose Wind Farm to Prairie Rose Wind, LLC, amended at paragraph 4.15 as follows:

Collector lines that carry electrical power from each individual transformer associated with a wind turbine to an internal project interconnection point ~~may be overhead or shall be buried underground~~ unless the shallow bedrock precludes such treatment. Collector lines shall be placed within or adjacent to the land necessary for turbine access roads unless otherwise negotiated with the affected landowner(s).

The motion passed 3 – 0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: September 28, 2011**

A handwritten signature in black ink, reading "Burl W. Haar". The signature is written in a cursive style with a large initial "B".

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**Burl W. Haar, Executive Secretary**