

The Commission met on **Wednesday September 4, 2013**, with Chair Jones Heydinger and Commissioners Boyd, Lange, O'Brien, and Wergin present.

The following matters were taken up by the Commission:

ENERGY AGENDA

PL-009/CN-13-153

In the Matter of the Application of Enbridge Energy, LP for a Certificate of Need for the Line 67 (Alberta Clipper) Station Upgrade Project – Phase 2 in Marshall, Clearwater, Itasca, Kittson, Red Lake, Cass, and St. Louis Counties

Commissioner Wergin moved to take the following actions:

1. Allow for inclusion of additional information in the application needs summary.
2. Accept the application as substantially complete as amended on August 16, 2013.
3. Refer the matter to the Office of Administrative Hearings for a contested case hearing. Request that the following issues be considered by the Administrative Law Judge as well as such other issues as may arise in the course of the contested case:
 - a. Are there contested issues of material fact?
 - b. Are the application and applicant's reply comments sufficient to proceed?
 - c. Was the applicant responsive to the Department's and others' request for additional information and analysis?
 - d. Are more granular and accurate data available for the forecast and need analyses?
 - e. To what extent should operational impacts of Line 67 be considered in determining need?
 - f. The Commission requests additional clarification and evaluation by the applicant, Department, and parties regarding the authority of state and local officials in relation to spill planning, monitoring, and response so that the Commission may determine the appropriate action in this docket.
4. Include the following items in the Order for Hearing:
 - a. The name and telephone number of the Commission employee designated to facilitate citizen participation in the process;

- b. A request that the Department of Commerce and Commission staff continue to study the issues and indicate during the hearing process its position on the reasonableness of granting a certificate of need to the Company;
- c. A requirement that the applicants facilitate in every reasonable way the continued examination of the issues by the Department of Commerce;
- d. A directive that Commission staff work with the Administrative Law Judge in selecting suitable locations for hearings on the application; and
- e. A directive that the applicants provide notice of the hearings in newspapers of general circulation at least ten days prior to the start of the hearings, that the applicant consult with Commission staff on the timing, text, and distribution of such ads prior to publication, and e-File confirmation of their publication

The motion passed 5-0.

E-002/CN-11-826

In the Matter of the Application of Xcel Energy and Great River Energy for a Certificate of Need for the SWTC Chaska Area 115 kV Transmission Line Rebuild Project in Carver and Scott Counties

Commissioner Boyd moved that the Commission take the following actions:

1. Find that the Environmental Assessment and record on this project are complete and address the Department's Scoping Decision.
2. Grant the Applicants a Certificate of Need for the Southwest Twin Cities Chaska Area Project.

The motion passed 5-0.

E-002/TL-12-401

In the Matter of the Application of Xcel Energy and Great River Energy for a Route Permit for the SWTC Chaska Area 115 kV Transmission Line Rebuild Project in Carver and Scott Counties

Commissioner Boyd moved that the Commission take the following actions:

1. Determine that the Environmental Assessment and the record address the issues in the Department's Scoping Decision.
2. Adopt the ALJ's Report with the modifications recommended by staff, including applying the terms and conditions for removing facilities in Route Segment 5a to the removal of facilities in Route Segment 3a.

3. Issue a high voltage transmission line route permit with conditions, and consistent with the modifications to the ALJ's Report, to Applicants for the route recommended by the DOC EFP.

The motion passed 5-0.

E-002/RP-10-825

In the Matter of Xcel Energy's 2011–2025 Integrated Resource Plan;

E-002/CN-12-1240

In the Matter of the Petition of Xcel Energy for Approval of the Competitive Resource Acquisition Proposal and Certificate of Need

E-002/M-13-603

In the Matter of the Petition of Xcel Energy for Approval of the Acquisition of 600 MW of Wind Generation;

E-002/M-13-716

In the Matter of the Petition of Xcel Energy for Approval of the Acquisition of 150 MW of Wind Generation; and

Chair Heydinger moved to take the following actions:

1. Find that Xcel's proposed acquisition of 750 MW of wind generation is a changed circumstance.
2. Require Xcel to file a Notice of Changed Circumstances in dockets E-002/RP-10-825 and E-002/CN-12-1240.
3. Grant the Joint Intervenors' petitions to intervene in dockets E-002/M-13-603 and E-002/M-13-716.
4. Find that further administrative proceedings beyond those already in process are not necessary.

The motion passed 5-0.

E-017/M-13-607

In the Matter of Otter Tail Power Company's Request for a Variance to the Billing Error Rules

Commissioner Boyd moved to approve Otter Tail's request for a variance to Minnesota Rules, part 7820.3800 and a one-time modification to its Billing Error Tariff requirements.

The motion passed 5-0.

G-008/M-10-1162

**In the Matter of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy
Minnesota Gas's, Request for Approval of Changes to Contract Demand Entitlement Units**

Commissioner Wergin moved to take the following actions:

1. Approves CenterPoint Energy's proposed level of demand entitlement without endorsing the Company's design-day methodology.
2. Approves the proposed recovery of associated demand costs effective November 1, 2010.
3. Approves CenterPoint Energy's proposed update in capacity-release revenue as a credit against demand costs.

The motion passed 5-0.

G-008/M-11-1078

In the Matter of CenterPoint Energy's Request for Changes in Demand Entitlements

Commissioner Wergin moved to take the following actions:

1. Approves CenterPoint Energy's proposed level of demand entitlements without endorsing its design-day methodology.
2. Allows CenterPoint Energy to implement the changes effective November 1, 2011.
3. Approves CenterPoint Energy's proposed update in capacity-release revenue as a credit against demand costs.
4. Approves CenterPoint Energy's proposed allocation of Tenaska storage costs between demand and commodity costs.
5. Approves the proposed accounting treatment for allocations of NGPL storage and supplier reservation fees between demand and commodity costs.
6. Requests that CenterPoint Energy file future annual demand entitlement filings by July 1 with the understanding that items will require adjustment through supplemental filings.

The motion passed 5-0.

G-008/M-12-864

**In the Matter of the Request of CenterPoint Energy Resources Corp., d/b/a/ CenterPoint
Energy Minnesota Gas for Approval of a Change in Demand Units Effective November 1, 2012**

Commissioner Wergin moved to take the following actions:

1. Approve CenterPoint Energy's proposed level of demand entitlement;
2. Accept the proposed changes to non-capacity items;
3. Accept the design-day level proposed by CPE; and
4. Approve the proposed demand costs with an effective date of November 1, 2012 or December 1, 2012, as implemented.

The motion passed 5-0.

E-015/M-12-1359

In the Matter of a Petition by Minnesota Power for a Modification to its Service Extension Tariff

E-015/M-95-1441

In the Matter of a Request by Minnesota Power for a Modification to its Service Extension Tariff

Commissioner Boyd moved to take the following actions:

1. Accept the Department recommendation as modified below in the bullet points and the MP embedded cost studies as satisfying 95-1441 Order Point 3 (a) – line extension cost allowance embedded cost study requirement, change MP's Section VI, page No. 4.1, Part IV tariff to reflect the following service line extension allowances, and allow MP the combine the General and Municipal Pumping Services:
 - \$615 for Residential Customer Service
 - Require MP to combine data from the two services and re-calculate the service line extension allowance for General Customer and Municipal Pumping Services within ten days of the Order's issuance.
 - \$30,000 for Large Light and Power Customer Service
2. Continue the current 95-1441 requirement to change the service line extension allowances when the average embedded costs change the line extension service allowances by 5% (or more) of any customer class, but in the event MP's costs have not changed, require MP to file an annual letter stating that the allowance have not changed by more than 5%.
3. Continue the requirement that MP, in its next rate case, include a fully embedded average cost study separated by single and three-phase service and by customer class to provide the cost basis for examining MP's extension policy.
4. Allow MP to continue to use the 1/3 cost of extension rule method to determine its GAR level and that MP satisfied the 95-1441 embedded cost study requirement.

5. Allow MP to continue to use \$30,000 as the maximum extension cost amount level eligible for a GAR payment and that MP satisfied the 95-1441 Order study requirement.
6. Allow MP to continue its current practice of including the Fuel Clause Adjustment revenues in its GAR calculations for customers.
7. Require MP to file a compliance petition revising its service line extension tariff reflecting changes in how MP will determine costs charged to customers.

The motion passed 5-0.

ET-6125/RP-13-562

In the Matter of Basin Electric Power Cooperative's Optional Integrated Resource Plan Compliance

Commissioner Wergin moved to acknowledge receipt of Basin's compliance report, find the report complete, and close the docket.

The motion passed 5-0.

Commissioner Wergin moved to take the following actions:

1. Request that Basin include in future reports a brief description of what will be found and link to resource plan-type information filed with WAPA, the South Dakota Public Service Commission, regional reliability organizations, or other similar entities.
2. Set initial comments at 30 days from the filing of the report with reply comments due 10 days later. Information requests may be issued within the initial and reply comment timeframes. If no comments are received on the report requesting Commission action, the docket shall be closed 60 days after the date of the initial filing. The Commission may alter this procedure by order at its discretion.

The motion passed 5-0.

ET-003/RP-13-565

In the Matter of Dairyland Power Cooperative's Optional Integrated Resource Plan Compliance

Commissioner Wergin moved to take the following actions:

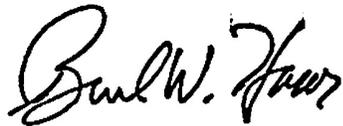
1. Find that Dairyland has at least 80 percent of its member distribution cooperatives located outside of Minnesota.

2. Find that Dairyland provides less than four percent of the electricity annually sold at retail in the State of Minnesota.
3. Acknowledge receipt of Dairyland's compliance report, find the report complete, and close the docket.
4. Request that Dairyland include in future reports a brief description of and link to resource plan-type information filed with other state Commissions, regional reliability organizations, or other similar entities.
5. Set initial comments at 30 days from the filing of the report with reply comments due 10 days later. Information requests may be issued within the initial and reply comment timeframes. If no comments are received on the report requesting Commission action, the docket shall be closed 60 days after the date of the initial filing. The Commission may alter this procedure by order at its discretion.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: November 13, 2013



Burl W. Haar, Executive Secretary