

The Commission met on **Tuesday, November 26, 2013**, with Chair Heydinger, and Commissioners Boyd, and Lange present.

The following matters were taken up by the Commission:

TELECOMMUNICATIONS AGENDA

P-6910/NA-13-496

In the Matter of the Application of Telco Experts, LLC for a Certificate of Authority to Provide Resold Local Exchange and Interexchange Services

Commissioner Lange moved to deny the application with prejudice.

The motion passed 3-0.

E-295,112/SA-13-818

In the Matter of the Joint Request of Princeton Public Utilities and East Central Energy for Approval of a Service Territory Agreement

Commissioner Boyd moved to take the following actions:

1. Approve the requested service territory transfer such that the City will provide retail electric service to an area designated as the Aero Business Park.
2. Update the Commission's maps to reflect the service area designations as shown on the maps in the Agreement.

The motion passed 3-0.

ENERGY AGENDA

E-017/M-13-977

In the Matter of Otter Tail Power Company's Petition for Approval of a Variance to the Customer Service Rules Governing Billing Errors

Commissioner Boyd moved to approve Otter Tail's request for a variance to Minn. R., part 7820.3800 and for a one-time modification to Otter Tail's Billing Adjustment Tariff requirements.

The motion passed 3-0.

E-017/M-13-916

In the Matter of the Annual Petition of Otter Tail Power Company for Updating the Composite Rate (Section 14.10, WAPA Bill Crediting Program) and the Request for Extension of the Related Accounting Variance

Commissioner Lange moved to take the following actions:

1. Approve OTP's composite rate as identified in its September 30, 2013 petition, effective January 1, 2014.
2. Grant OTP's request for a variance from Minnesota Rules in order to allow the Company to exclude the Washington Area Power Administration (WAPA) power allocation from the cost of energy.

The motion passed 3-0.

E-015/M-13-410

In the Matter of Minnesota Power's Petition for Approval of its 2013 Renewable Resources Rider Factor

Commissioner Lange moved to take the following actions:

1. Adopt the Department's recommendations and approve the Company's proposed 2013 Renewable Resource Rider Adjustment Factors, as amended in Minnesota Power's October 14, 2013 reply comments.
2. Direct the Company for all future RRR and other rider recovery filings, to remove capitalized internal costs when calculating the amount of AFUDC included in the rate base for rider recovery purposes, consistent with the terms of its prior rider filings.

The motion passed 3-0.

G-007,011/AI-10-783

In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of an Affiliated Interest Agreement

Commissioner Boyd moved to take the following actions:

1. Approve the proposed Agreement as approved by the Illinois Commerce Commission and the Public Service Commission of Wisconsin, including the Addendum.
2. Require MERC to terminate the affiliated interest agreement approved by the Commission in Docket No. G-007,011/AI-06-1052 upon the effective date of this Agreement.
3. Require MERC to file its non-IBS cost study by May 1, 2015.

4. Require MERC to file with the Commission billing reports showing its charges, as a Providing Party, to any Receiving Party to which it provided services under the Agreement during the preceding calendar year and billing reports showing its payments, as a Receiving Party, for service received from Providing Parties under the Agreement during the preceding calendar year by May 1 of each year.
5. Require MERC to file the annual internal audit report in this docket no later than July 1 of each audit year.
6. Require MERC to file the annual internal audit report in this docket no later than July 1 of each audit year.
7. Require MERC to file the annual updates to the cost study in this docket by May 1 of each applicable year.
8. Require MERC to file subsequent cost studies in this docket with the Commission by May 1 of each applicable year.
9. Require MERC to file a study with the Commission three years from the effective date of the Agreement providing information sufficient to enable the Commission to determine whether the Agreement should continue, be modified, or be discontinued.

The motion passed 3-0.

ET-2/TL-12-1245

In the Matter of the Application of Great River Energy for a Route Permit for a 115 kV Transmission Line Project in the Elko New Market and Cleary Lake Areas in Scott and Rice Counties

Commissioner Boyd moved to take no action.

The motion passed 3-0.

E-015/RL-13-805

In the Matter of the Minnesota Power Route Permit Application for the Canisteo HVTL Project in Itasca County

Commissioner Lange moved to take the following actions:

1. Accept the application as complete.
2. Appoint a Commission staff person as public advisor.
3. Take no action on an advisory task force at this time.

4. Grant a variance to Minn. Rules, part 7850.3700, subp. 3, to vary the ten-day timeline and request the Department of Commerce EERA to present draft route alternatives to facilitate Commission input into the Commissioner of the Department of Commerce 's environmental assessment scoping decision.
5. Refer the matter to the OAH for a summary proceeding requesting in the order that the OAH adapt the existing procedural framework set forth Minnesota Rules, part 7850.3800, to incorporate the following:
 - A. Request that the administrative law judge assigned to the matter emphasize the statutory time frame for the Commission to make final decisions on applications and to strongly encourage the parties and participants to adhere to a schedule that conforms to the statutory time frame.
 - B. Request that the administrative law judge ask the parties, participants, and the public to address whether the proposed project and any alternatives to the proposed project meet the selection criteria established in Minnesota Statutes, section 216E.03, subd. 7, and Minnesota Rules, part 7850.4100.
 - C. Request that prior to the public hearing, the Department of Commerce EERA submit to the administrative law judge its environmental assessment comments and analysis of the route alternatives using the selection criteria established in Minnesota Statutes, section 216E.03, subd. 7, and Minnesota Rules, part 7850.4100; evidence of compliance with environmental review procedures; and recommended permit language or specific provisions relative to permissible routes.
 - D. Request that the administrative law judge prepare a report setting forth findings, conclusions, and recommendations on the merits of the proposed project, alternatives to the proposed project, and a preferred route alternative, applying the routing criteria set forth in statute and rule; and provide comments and recommendations, if any, on the conditions and provisions of the proposed permit.
6. Direct staff to formally contact relevant state agencies to request their participation in the development of the record and public hearings under Minnesota Statutes, section 216E.10, subd. 3, and request that state agencies submit comments prior to the last day of the public hearing.

The motion passed 3-0.

E002/CN-11-332

In the Matter of the Application of Xcel Energy for a Certificate of Need for the Southwest Twin Cities Scott County – Westgate 115 kV Transmission Line Project;

E002/TL-11-948

In the Matter of the Application of Xcel Energy for a Route Permit for the Southwest Twin Cities Scott County – Westgate 115 kV Transmission Line Project

Chair Heydinger moved to take the following actions:

1. Find that the Environmental Assessment and the record created at the public hearing addresses the issues identified in the scoping decision as amended.
2. Take no action on the Certificate of Need.
3. Adopt the ALJ's Report with the modifications recommended by staff in Table 1 of the Briefing Papers.
4. Issue a high-voltage transmission line route permit consistent with appropriate conditions and following the Revised Highway 5 System Alternative Route.
5. Require Xcel, within 60 days of the date of this order, to file with the Commission a comparison of costs for underbuilding versus other construction alternatives for the route.

The motion passed 3 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: February 12, 2014



Burl W. Haar, Executive Secretary