



STATE OF MINNESOTA PUBLIC UTILITIES COMMISSION

Date: February 7, 2011

Public Comments Received by the Public Utilities  
Commission for week ending: 2-4-2011

Docket Number: 08-1075

**\*\*COMMENTS RECEIVED AFTER DEADLINE\*\***

08-1075

**From:** Carrie.Kirscht [mailto:Carrie.Kirscht@target.com]  
**Sent:** Tuesday, February 01, 2011 8:38 AM  
**To:** Info, Energy (COMM)  
**Subject:** Flaw in tiered gas pricing

Please review the administration of tiered gas pricing by Centerpoint energy. In theory, the tiered pricing is sound. However, this is based on the assumption that billing periods are equal. However, not only are they not equal, the longest billing period occurs during the coldest month and the shortest during the summer.

This means that customers stand less chance of benefitting on the low end (usage is already minimal during the summer), but have a disproportionately greater chance of reaching the higher tiers in the winter. This unfairly penalizes a consumer whose daily use is even and within "normal limits", yet pays exorbitantly high rates simply because Centerpoint has elected to make the billing period 33-34 days.

To remedy this situation, the ranges need to be adjusted for the length of the billing period.

Thank you.

08-1075

**Rice, Robin (PUC)**

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**From:** LUKEN, DARLENE L - Minneapolis, MN [darlene.l.luken@usps.gov]  
**Sent:** Friday, January 28, 2011 6:53 PM  
**To:** staff, cao (PUC)  
**Subject:** New gas rates - complaint

I cannot believe that people whos gas usage is high are being billed at a higher rate as a means of conservation! I am a 34 year homeowner.

I live in a large, older home in Minneapolis and have done everything possible to reduce my consumption of gas as it is very expensive.

I cannot conserve anymore other than an indoor temperature of 40 degrees. This rate increase has nothing to do with conservation.

I am being forced to sell.....I am frustrated.....

Darlene Luken  
2312 Pillsbury Avenue  
Minneapolis MN 55404-3216

08-1075

**Rice, Robin (PUC)**

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**From:** mara lewandowski [pmlewanowski@hotmail.com]  
**Sent:** Monday, January 31, 2011 12:05 AM  
**To:** #PUC\_Public Comments  
**Subject:** IBR rate structure - oppose

I don't like the tiered rate structure increasing the therm cost per usage. When I drive my car I pay for a gallon of gas at a fixed rate whether I drive 5 miles or 100. The cost of one therm should stay the same, no matter how many used.

This is a bad system forced upon us without consult or warning. Please return to the former system of charging 1 rate per therm.

Mara Lewandowski  
Bloomington MN

08-1075

**Rice, Robin (PUC)**

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**From:** Phil and Karin Ilg [ilg@bevcomm.net]  
**Sent:** Monday, January 31, 2011 8:21 PM  
**To:** staff, cao (PUC)  
**Subject:** Tiered gas prices

I'll be brief so I don't sound irrational to you.

Nice job with the "decoupling" and "inverted block pricing," very inventive way to screw people like me.

This joke only came to be on a 3 to 2 vote of the PUC so don't plan on have it sticking around long.

Phil Ilg

P.S. I can't wait to get your marketing department approved pablum in response, but if I'm even luckier I'll get no response at all.

08-1075

**Rice, Robin (PUC)**

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**From:** Jim Branstad [jimbranstad@cccinternet.net]  
**Sent:** Tuesday, February 01, 2011 10:07 AM  
**To:** #PUC\_Public Comments  
**Subject:** 08-1075

I'm writing to draw your attention to the unfair practice of tiered billing that Center Point energy is currently using. Their explanation for the tiered billing is to encourage energy conservation, which I'm all for and have been doing in my own home for a number years. I have a 2 story home built in 1923 that has been insulated and I use a programmable thermostat that I set at 68 degrees during the day and 65 degrees at night. There is only so much you can do for cost efficiently to an older home.

According to Center Point the first 30 therms on the billing are charged at a rate below cost and the next tier is at about cost and the additional tiers are at a rate above cost. Therefore I am subsidizing new energy efficient homes because they don't get to the higher tiers. My bill for January had 53% in the top two tiers and .86% in the bottom tier. I'm fortunate in that I can afford my heat bill, however there are many elderly homeowners in our community that need to keep there thermostats much higher than I do that struggle paying their heat bills.

Thank you for your web site and making a forum available to draw your attention to these issues.

Jim Branstad  
213 2nd Ave. S  
St. James, Mn 56081

08-1075

**Rice, Robin (PUC)**

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**From:** Grant Hiesterman [gwhiesterman@gmail.com]  
**Sent:** Wednesday, February 02, 2011 9:53 AM  
**To:** #PUC\_Public Comments  
**Cc:** granthiesterman@hiesterman.com  
**Subject:** Docket # 08-1075  
**Attachments:** Hiesterman\_CeneterPt.pdf

Dear Commissioners and Staff:

I am writing to voice an urgent complaint regarding the energy (gas) pricing "experiment" currently utilized by CenterPoint Energy.

The more natural gas a resident utilizes, the higher the cost per unit.

CenterPoint informs me that this is to raise our awareness and engineer us to a more conscious conservative approach to our energy use.

On our most recent bill, the first 30 therms were charged at \$0.17/therm then increased to \$0.80/therm as our use increased. This is not only unfair, it is insane.

It is analagous to two cars getting fuel at the gas station. The car that needs 10 gallons pays \$3.00 per gallon. The car that needs 25 gallons pays \$6.00 per gallon...for the same gas!

We rent a 1940s single family home in Bloomington and keep the thermostat of our gas, hot water baseboard heat at 68 F. Our latest bill was \$539.00 for one month (Current Total Charges).

We have two expectations and request your help:

1. CenterPoint Energy discontinue their current "experiment."
2. Refund or credit the overage we paid by being placed in a higher rate tier.

Thank you for taking time to read this complaint.

You may reach me at the number below for any additional information.

Regards,  
Grant

Grant W. Hiesterman  
324 W. 102nd Street  
Bloomington, MN 55420  
612-386-8359

"A short pencil is better than a long memory."



Always There.®

QUESTIONS OR COMMENTS?

CenterPoint Energy
PO BOX 1144
MINNEAPOLIS MN 55440-1144
(Address not for bill payment)
Monday - Friday Call 7 a.m. - 6 p.m.
Bill info 612-372-4727
Moving 612-372-4720
Credit 612-372-4680
CenterPointEnergy.com

DID YOU KNOW?

Join Budget Plan now and spread your natural gas payments evenly throughout the year. Join now by paying exactly \$63.00 by the due date shown. Your future gas Budget Plan payment will be \$63.00. Thank you.

HeatShare helps those in need. Your contribution shares the warmth - literally. See this issue of TouchPoint on how to make a one-time or monthly contribution using our form.

Keep this part of your bill

Customer name GRANT W HIESTERMAN
JANET K HIESTERMAN
Account number 5448911-7
Billing date 01/13/2011
Date due 02/10/2011
Total amount due \$ 415.85

ACCT SUMMARY
Previous balance \$79.28
Payment 12/15/2010 -52.00
Payment 01/07/2011 -150.00
Balance forward \$122.72
Current billing 538.57
Total amount due \$415.85

SERVICE ADDRESS
324 W 102nd St
Bloomington MN 55420-5256

YOUR GAS USAGE
34 Day billing period 12/07/2010 to 01/10/2011
Current reading 01/10/2011 3790
Previous reading 12/07/2010 3214
Metered usage 576 CCF X Therm factor of 0.99862 = Therms used in 34 days = 576
Next meter reading 02/10/2011
Next billing date 02/11/2011

YOUR BILL IN DETAIL
Basic charge \$8.00
Delivery charge 576 therms @ \$0.17533/THM 100.99
Gas Affordability PRG 576 therms @ \$0.00490/THM 2.82
\*Cost of gas
0-30 therms 30 therms @ \$0.41033/THM 12.31
31-110 therms 80 therms @ \$0.57813/THM 46.25
111-165 therms 55 therms @ \$0.72473/THM 39.86
166-200 therms 35 therms @ \$0.75314/THM 26.36
Over 200 therms 376 therms @ \$0.80314/THM 301.98
Total current charges \$538.57

29628

Avg daily gas use: This period this yr 16.9 therms; this period last yr 8.3 therms Page 1 of 1 Avg daily temp: This period this year 15°F; this period last year 24°F



Always There.®

CENTERPOINT ENERGY
PO BOX 1144
MINNEAPOLIS MN 55440-1144

Account number 5448911-7
Date due 02/10/2011
Total amount due \$ 415.85
Amount paid \$

CENTERPOINT ENERGY
PO BOX 4671
HOUSTON TX 77210-4671



00029628 01 AV 0.335 1

GRANT W HIESTERMAN
JANET K HIESTERMAN
324 W 102ND ST
BLOOMINGTON MN 55420-5256



1100038377153 007200000544891175000000415850000000630030



08-1075

**Rice, Robin (PUC)**

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**From:** John Schommer [jschommer.creative@royalbf.com]  
**Sent:** Friday, February 04, 2011 12:51 PM  
**To:** #PUC\_Public Comments  
**Subject:** tiered pricing comments

We just received our gas bill and it was over \$400.00. We have read that natural gas prices are down from last year but now to encourage us to conserve, they have instituted tiered pricing.

Since we bought our house in 1979, we have made 2 additions as we raised our family of 6 children. Within the past 10 years, we have installed a new more energy efficient furnace, energy efficient windows, upgraded insulation, set back thermostats and sealed all of the spaces where air leaks from the living space up into our attic.

Yes, someday when the housing market recovers, we will sell and move to a smaller house but as we near retirement, we can't afford to take a huge loss on the home we have put so much into. We don't have the option of not heating our house but do keep the areas we aren't in set down into the 60's.

I think it is extremely unfair of a regulated utility to arbitrarily decide that by charging us more to heat our house that somehow this will encourage us to reduce our energy consumption!

We are trying our best to make it through these tough times by saving where we can and being responsible consumers but charging us more is not going to reduce our consumption! It is arbitrary and totally unfair to people such as ourselves!

John Schommer  
15839 Tonkewood Drive  
Minnetonka MN, 55345

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