

The Commission met on **Thursday, October 30, 2014**, with Chair Heydinger and Commissioners Lange, Lipschultz, and Wergin present.

The following matters were taken up by the Commission:

## **ENERGY AGENDA**

### **IP-6853/WS-10-1240**

**In the Matter of the Application of Black Oak Wind, LLC for a Site Permit for a 42 Megawatt Large Wind Energy Conversion System in Stearns County**

### **IP-6866/WS-11-831**

**In the Matter of the Application of Getty Wind Company, LLC for a Site Permit for a 40 Megawatt Large Wind Energy Conversion System in Stearns County**

Commissioner Wergin moved to grant the amendments as requested by Black Oak Wind, LLC and Getty Wind Company, LLC in its petition, incorporating the permit language modifications and revised maps filed by the Minnesota Department of Commerce's Energy Environmental Review and Analysis (EERA) staff, and as provided in Attachments 10-1240-1 and 11-831-1 from the EERA's September 30, 2014 comments.

The motion passed 4-0.

### **PL-6668/CN-13-473**

**In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota**

### **PL-6668/PPL-13-474**

**In the Matter of the Application of North Dakota Pipeline Company LLC for a Pipeline Routing Permit for the Sandpiper Pipeline Project in Minnesota**

Chair Heydinger moved to deny reconsideration or rehearing of the August 25, 2014 Commission Order Accepting Route and System Alternatives for Evidentiary Development, Requiring Notice, and Setting Procedures.

The motion passed 4-0.

Chair Heydinger moved to clarify the record as follows:

Since the routing proceeding (PL-6668/PPL-13-474) was stayed orally on September 11, 2014, and by written order dated October 7, 2014, now the subject of separate petitions for reconsideration filed on October 27, 2014, no party is required to take further action on the order issued August 25, 2014, until the petitions filed on October 27, 2014, are addressed, or deemed denied by operation of law.

The motion passed 4-0.

**G-008/GR-05-1380**

**In the Matter of the Application of CenterPoint Energy for Authority to Increase Natural Gas Rates in Minnesota**

**G-002/GR-06-1429**

**In the Matter of the Application of Northern States Power Company, a Minnesota Corporation and Wholly Owned Subsidiary of Xcel Energy Inc., for Authority to Increase Rates for Natural Gas Service in Minnesota**

**G-007,011/M-07-1131**

**In the Matter of the Petition Submitted by Minnesota Energy Resources Corporation for Approval by the Minnesota Public Utilities Commission of a Gas Affordability Service Program**

**G-004/M-07-1235**

**In the Matter of the Petition by Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc., for Approval of a Gas Affordability Service Program**

**G-001/M-07-1295**

**In the Matter of a Petition Submitted by Interstate Power and Light Company Requesting Approval by the Minnesota Public Utilities Commission of a Proposed Natural Gas Affordability Program, Including a Cost Recovery Surcharge**

**G-022/CI-08-1175**

**In the Matter of Greater Minnesota Gas, Inc.'s Failure to File an Affordability Program Under Minn. Stat. § 216B.16, Subd. 15**

Commissioner Lipschultz moved to take the following actions:

1. Accept the calendar-year 2013 Gas Affordability Plan (GAP) annual compliance report (all dockets).
2. Direct all of the utilities that have gas affordability programs to file future annual GAP reports and future GAP evaluation reports as new miscellaneous filings with a new docket number for each new initial filing subject to the Commission's rules of practice and procedure.

The motion passed 4-0.

**G-004/M-07-1235**

**In the Matter of the Petition by Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc., for Approval of a Gas Affordability Service Program**

Chair Heydinger moved to take the following actions:

1. Require Great Plains Natural Gas Co. (Great Plains), a division of MDU Resources Group, Inc., to continue its GAP program as a pilot for an additional two years. Require

Great Plains to file an evaluation report by June 1 in the year the pilot program is due to expire. Require Great Plains to continue to file annual GAP compliance reports by March 31 of each year. Direct Great Plains to notify the Commission in an informational filing in the event of change of third-party administrator or significant change in its outreach program. Allow Great Plains to propose changes to the current program.

2. Require Great Plains to file a full report on the following in its next annual report on March 31, 2015:
  - an update on the number of customers enrolled and participating in the program,
  - an update about Great Plains' negotiations with potential alternative administrators for the program and the associated benefits and costs, and
  - other outreach methods that could/or have been employed by the Company to increase participation in the program.
3. Require Great Plains to submit revised tariff sheets that reflect the Commission's decision in this docket within ten days of the Commission issuing its order.

The motion passed 4–0.

**G-022/CI-08-1175**

**In the Matter of Greater Minnesota Gas, Inc.'s Failure to File an Affordability Program Under Minn. Stat. § 216B.16, Subd. 15**

Chair Heydinger moved to take the following actions:

1. Require Greater Minnesota Gas, Inc. (the Company) to continue its GAP for an additional year, and direct the Company to notify the Commission within 60 days of any changes it proposes to its third-party administrator or other aspects of its program.
2. Require the Company to submit revised tariff sheets reflecting the Commission's decision in this docket within ten days of the Commission issuing its order.
3. Require the Company to file an annual compliance report by March 31, 2015.

The motion passed 4–0.

**G-001/M-14-283**

**In the Matter of Interstate Power and Light Gas's 2013 Demand Side Management Financial Incentives and Annual Filing to Update the CIP Rider**

Commissioner Lipschultz moved to take the following actions:

1. Approve IPL's 2013 CIP tracker account as indicated at page two of the Department's June 20, 2014 comments.

2. Approve IPL's 2013 financial incentive for CIP achievements.
3. Approve the revised gas CCRA of \$0.0033 per therm for all IPL's Minnesota customer classes, to be effective in the month following the date of the order, conditioned on the Company submitting, within ten days of the order, a compliance filing with the relevant tariff sheets and supporting calculations implementing the order's decisions.
4. Approve IPL's proposed bill message with the modifications that the October 1, 2014 effective date and gas CIP Adjustment Factor listed in the bill message be updated in the compliance filing to reflect the Commission's determinations of the effective date and proposed rate.
5. Modify the carrying charge to be equal to the cost of short-term debt approved in the Company's 2010 electric rate case. The modification shall be effective in the month following the date of this order.

The motion passed 4-0.

**E-001/M-14-284**

**In the Matter of Interstate Power and Light Electric's 2013 Demand Side Management Financial Incentives and Annual Filing to Update the CIP Rider**

Commissioner Lipschultz moved to take the following actions:

1. Approve IPL's 2013 CIP tracker account as indicated at page four of the Department's July 23, 2014 comments.
2. Approve IPL's 2013 financial incentive for CIP achievements.
3. Set the CCRA at \$0.00281 as recommended by the Department and agreed to by the Company.
4. Approve the proposed bill message and require IPL to include the bill message in the month immediately following the date of the order in this docket.
5. Modify the carrying charge to reflect the cost of short-term debt established in the Company's last rate case, docket no. E-001/GR-10-276, effective in the first month following the date of the order.

The motion passed 4-0.

**E-002/M-14-287**

**In the Matter of Xcel Energy Electric's 2013 Demand Side Management Financial Incentives and Annual Filing to Update the CIP Rider**

Commissioner Wergin moved to take the following actions:

1. Approve Xcel's 2013 CIP tracker account as indicated at page two of the Department's July 14, 2014 comments with an ending balance of \$30,624,948.
2. Approve Xcel's 2013 financial incentive for CIP achievements.
3. Approve Xcel's 2013 Solar\*Rewards financial incentive for 2013 achievements.
4. Modify the carrying charge to reflect the Company's short-term cost of debt established in the Company's last rate case, docket no. E-002/GR-12-961, effective in the first month following the date of the order.
5. Set the CCRA at a level consistent with the terms of the order, subject to a compliance filing to be made by the Company within ten days of the date of the order, which shall take effect absent objection.

The motion passed 4-0.

**G-002/M-14-288**

**In the Matter of Xcel Energy Gas's 2013 Demand Side Management Financial Incentives and Annual Filing to Update the CIP Rider**

Chair Heydinger moved to take the following actions:

1. Approve Xcel's 2013 CIP tracker account as indicated at page four of the Department's July 15, 2014 comments.
2. Approve Xcel's 2013 financial incentive for CIP achievements.
3. Set the CCRA at a level consistent with the terms of the order, effective in the first month following the order, subject to a compliance filing to be made by the Company within ten days of the date of the order, which shall take effect absent objection.
4. Approve Xcel's proposed bill message with the modifications that the effective date and CIP Adjustment Factor listed in the bill message be updated in the compliance filing to reflect the Commission's determinations of the effective date and approved rate.
5. Modify the carrying charge to reflect the Company's short-term cost of debt established in the Company's last rate case, docket no. G-002/GR-09-1153, effective in the month following the date of the order.

The motion passed 4-0.

**G-004/M-14-358**

**In the Matter of Great Plains' 2013 Demand Side Management Financial Incentives and Annual Filing to Update the CIP Rider**

Commissioner Lange moved to take the following actions:

1. Approve Great Plains' 2013 CIP tracker account as indicated at page four of the Department's July 14, 2014 comments.
2. Approve Great Plains' 2013 financial incentive for CIP achievements.
3. Approve Great Plains' proposed bill message with the modifications that the effective date and gas CCRA listed in the bill message be updated in the compliance filing to reflect the Commission's determinations of the effective date and approved rate.
4. Modify the carrying charge to be equal to the two-year U.S. Treasury Bond rate as of October 29, 2014. This modification shall be effective in the month following the date of the order.
5. Approve Great Plains' proposed CCRA of \$0.0747 per Dth for all customer classes and require that the CCRA approved by the Commission be effective the billing month immediately following the issue date of the order in this docket, conditioned on the Company submitting, within ten days of the order, a compliance filing with the relevant tariff sheets and necessary calculations that comply with the Commission's determinations as proposed by the Company.

The motion passed 4-0.

#### **G-008/M-14-368**

#### **In the Matter of CenterPoint Energy's 2013 Demand Side Management Financial Incentives and Annual Filing to Update the CIP Rider**

Commissioner Wergin moved to take the following actions:

1. Approve CPE's 2013 financial incentive for CIP achievements.
2. Approve CPE's 2013 CIP tracker account as indicated at page five of the Department's July 16, 2014 comments.
3. Modify the carrying charge to reflect the Company's short-term cost of debt established in the Company's last rate case, docket no. G-008/GR-13-316. The modification shall be effective in the month following the date of the order.
4. Set the CCRA at the rate proposed by the Company as modified to be consistent with the terms of the order, effective in the first month following the order, subject to a compliance filing to be made by the Company within ten days of the date of the order, which shall take effect absent objection.
5. Approve CPE's proposed bill message with the modifications that the effective date and gas CCRA listed in the bill message be updated in the compliance filing to reflect the Commission's determinations of the effective date and approved rate.

The motion passed 4-0.

**ET-6125/RP-14-534**

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

Commissioner Lipschultz moved to acknowledge receipt of Basin's compliance report, find the report complete, clarify that the Commission is making no finding regarding the reliability of the utility's system, and close the docket.

The motion passed 4-0.

**ET-003/RP-14-572**

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

Commissioner Wergin moved to acknowledge receipt of Dairyland's compliance report, find the report complete, clarify that the Commission is making no finding regarding the reliability of the utility's system, and close the docket.

The motion passed 4-0.

**E-999/R-13-729**

**In the Matter of Possible Amendments to Rules Governing Cogeneration and Small Power Production, Minnesota Rules Chapter 7835**

Commissioner Lange moved to take the following actions:

1. Revise part 7835.4017 as follows and authorize staff to take the necessary steps to continue the rulemaking process:

**7835.4017 NET METERED FACILITY. BILL CREDITS.**

Subp. 1. Kilowatt hour credit. A customer with a net metered facility can elect to be compensated for net input into the utility's system in the form of a kilowatt-hour-credit on the customer's bill, subject to Minnesota Statutes, section 216B.164, subd. 3a, and the following conditions:

A) the customer is not receiving a value of solar rate under Minnesota Statutes, section 216B.164, subd. 10;

B) the customer is interconnected with a public utility; and

C) the net metered facility has a capacity of at least 40 kilowatt capacity but less than 1,000 kilowatt capacity.

Subp. 2. Notification to customer. A public utility must notify the customer of the option to be compensated for net input in the form of a kilowatt hour credit under subpart 1. The utility must inform the customer that if the customer does not elect to be compensated for net input in the form of a kilowatt hour credit on the bill, the customer will be compensated for net input at the utility's avoided cost rate, as described in the utility's tariff for that class of customer.

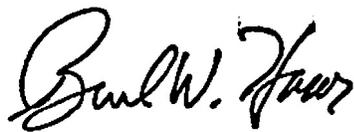
Subp. 3. End-of-year net input. A public utility must compensate the customer, in the form of a payment, for any net input remaining at the end of the calendar year at the utility's avoided cost rate, as described in the utility's tariff for that class of customer.

2. Delegate to the Executive Secretary the authority to execute documents necessary to proceed with rulemaking under the Administrative Procedure Act up to, but not including, rule adoption.
3. Delegate to Commissioner Lange the authority to approve any necessary, non-substantive edits to the draft prior to publication in the State Register.

The motion passed 4-0.

There being no further business, the meeting was concluded.

**APPROVED BY THE COMMISSION: December 24, 2014**



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**Burl W. Haar, Executive Secretary**