

The Commission met on **Tuesday, September 13, 2011**, with Commissioners Anderson, Boyd, O'Brien, Reha and Wergin present.

The following matters were taken up by the Commission:

ENERGY AGENDA

E-002/M-11-490

E-002/M-07-675

In the Matter of the Petition for Approval of a Power Purchase Agreement and Renewable Development Fund Grant Agreement with Slayton Solar, LLC

Commissioner Reha moved that the Commission:

1. Approve the proposed Power Purchase Agreement with Slayton;
2. Approve the proposed Grant Contract;
3. Approve the cost recovery requested by Xcel;
4. Find that the renewable energy generated by the Project is eligible for Minnesota's REO/RES; and
5. Require Xcel to report, in its AAA reports, whether Xcel obtains any revenue from any source as a result of the PPA, and if so, to itemize any such revenues by source and amount.

The motion passed, 5-0.

G-001/M-07-1397

In the Matter of the Petition of Interstate Power and Light Company, a Wholly Owned Subsidiary of Alliant Energy Company, for Approval of Changes in the 2007-2008 Demand Entitlement to Serve the Company's Firm Customers

Commissioner Boyd moved that the Commission:

1. Accept Interstate's Minnesota system demand entitlement level and allow the PGA recovery associated with the requested changes effective November 1, 2007; and
2. Require that producer demand and storage costs (including FDD) be classified as commodity costs effective November 1, 2011.

The motion passed, 5-0.

G-001/M-08-1298

G-001/M-01-264

G-001/M-10-1155

In the Matter of the Petition of Interstate Power and Light Company, a Wholly Owned Subsidiary of Alliant Energy Company, for Approval of Changes in the 2008-2009 Demand Entitlements to serve the Company's Firm Customers;

In the Matter of the Petition of Interstate Power and Light Company, a Wholly Owned Subsidiary of Alliant Energy Company, for Approval of Changes in the 2009-2010 Demand Entitlements to serve the Company's Firm Customers;

In the Matter of the Petition of Interstate Power and Light Company, a Wholly Owned Subsidiary of Alliant Energy Company, for Approval of Changes in the 2010-2011 Demand Entitlements to Serve the Company's Firm Customers.

Commissioner Boyd moved that the Commission:

1. Accept Interstate's Minnesota system demand entitlement level in Docket G-001/M-08-1298;
2. Allow the Purchased Gas Adjustment recovery associated with the requested changes effective November 1, 2008, in Docket G-001/M-08-1298;
3. Accept Interstate's Minnesota system demand entitlement level in Docket G-001/M-09-1264;
4. Allow the Purchased Gas Adjustment recovery associated with the requested changes effective November 1, 2009, in Docket G-001/M-09-1264;
5. Accept Interstate's peak-day analysis and proposed level of demand entitlement in Docket No. G-001/M-10-1155;
6. Allow the proposed recovery of associated demand costs through the monthly Purchase Gas Adjustment effective November 1, 2010, in Docket G-001/M-10-1155
7. Effective with its November 2011, system demand entitlement filing, require Interstate to revise its methodology, including the interruptible use forecast, to one that determines a more realistic forecast and that takes into account changing customer consumption levels; and
8. Require Interstate, in its November 2011 filing, to provide a plan to reduce its entitlements to a reasonable amount based on its revised forecast methodology (as required by 7A above). The November 2011 filing should address the appropriate reserve margin for its Minnesota system and describe its recallable and non-recallable release strategy. Interstate shall be placed on notice that if it does not reduce its entitlements, it may be subject to denial of cost recovery due to imprudence.

The motion passed, 5-0.

E-002/M-08-440

In the Matter of Xcel Energy's Petition for a Determination of Entitlement to Renewable Attributes of Energy Purchases Pursuant to Renewable Energy Requirements

Commissioner Reha moved that the Commission deny on the merits the petitions for reconsideration of the Commission's June 2, 2011 Order, and reaffirm the decisions made in its June 2, 2011 Order.

The motion passed, 5-0.

TELECOMMUNICATIONS AGENDA

P-999/PR-11-329

In the Matter of Annual Certifications Related to Eligible Telecommunications Carriers' Use of the Federal Universal Service Support

Commissioner Wergin moved that the Commission:

1. Certify, based on the information provided, that all of the petitioning ETCs will use Federal High-Cost USF support received in 2011 only for the provision, maintenance and upgrading of facilities and services for which the support is intended;
2. Find that the amount of USF support received by an ETC the previous year is public information and require each affected ETC to make a filing within 20 days indicating their agreement and intent to comply with that finding.

The motion passed, 5-0.

P-405/AR-11-562

In the Matter of Frontier Communications of Minnesota's Proposal to Join an Existing AFOR Plan of its Corporate Affiliate Citizens Telecommunications of Minnesota

Commissioner Reha moved to do the following:

1. Require Frontier Communications of Minnesota, Inc. (Frontier), to file within 15 days of the order a modified investment plan incorporating the telecommunications goals of Minn. Stat. § 237.011 and the broadband goals of Minn. Stat. § 237.012, and require the Minnesota Department of Commerce (the Department) to respond to Frontier's investment proposal within 15 days of the filing by Frontier.
2. In light of the continuously changing competitive telecommunications marketplace and federal regulations, require Frontier to modify Section IV.I, p. 11, of its plan, "Changes Related to Access Charge Reductions" thus:

"In the event the Minnesota Public Utilities Commission mandates a reduction in the access charges Frontier may petition the Commission with a proposal to offset the revenue losses. The Commission may accept, reject or modify any such proposal. There is no obligation on the part of the Commission to approve an offset.

Nothing in this AFOR [alternative form of regulation] plan precludes Frontier from implementing any federally mandated or authorized changes related to access charges."

3. Delegate authority to the Executive Secretary to vary the timeline.

Commissioner O'Brien proposed to amend the motion to do the following

The parties can add additional essential items for a modified plan and, if they are unable to agree, can report separately on such essential modifications.

Commissioner Reha accepted the proposed amendment.

Commissioner Boyd proposed to bifurcate the motion and vote separately on Reha's proposal and O'Brien's proposal. Commissioner Reha accepted the proposal, removing O'Brien's proposed language from the pending motion.

The Commissioners proposed three additional amendments to the motion.

- Commissioner Boyd proposed to amend paragraph 1 to add a reference to other relevant statutes.
- Chair Anderson proposed to amend paragraph 2 to direct Frontier to amend its proposed AFOR in a manner substantially consistent with the language set forth below paragraph 2.
- Commissioner O'Brien proposed to add a preamble stating, "Before addressing the acceptance, rejection or modification of the pending AFOR...."

Commissioner Reha accepted these amendments.

The motion passed 4 - 0; Commissioner O'Brien abstained.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: September 28, 2011



Burl W. Haar, Executive Secretary