

The Commission met on **Thursday, February 16, 2012**, with Acting Chair Reha and Commissioners Boyd and Wergin present for the first three items. Commissioner O'Brien joined the meeting commencing with item 4.

The following matters were taken up by the Commission:

ENERGY AGENDA

E-002/M-11-1007

Petition for Approval of the Renewable Development Fund Annual Report, Tracker Account True-up, and Request for New 2012 Rate Rider Factor

Commissioner Boyd moved to do the following:

1. Grant the proposal of Northern States Power Company d/b/a Xcel Energy (Xcel) to set the Renewable Development Fund (RDF) rate rider factor to \$0.000479 per kilowatt-hour (kWh) for 2012.
2. Approve the parties' joint proposal regarding the definition and application of the five percent administrative cost cap:

Actual and Forecasted Calculation. For informational purposes, the administrative cap percentage will be calculated based on actual and forecasted administrative expenses and grant project disbursements from 2004 to, and including, the second forecasted year in each new annual RDF rate rider filing. Total administrative costs will be divided by total grant project disbursements to compute the overall administrative cap percentage.

Actual Only Calculation. For compliance purposes, the same computation as described above will be applied but only for actual administrative expenses and grant project disbursements from 2004 to, and including, the most recent year in which actual costs have been reported.

3. Direct Xcel to identify at the time of its initial filing any actual numbers that have changed from a previous report, with a complete justification.
4. Require Xcel to provide in its future RDF annual reports an attachment similar to the Attachment 9 spreadsheet included with the comments of the Minnesota Department of Commerce (the Department) instead of Attachment 9, Schedule 8, filed by Xcel, with the addition of the annual and cumulative RDF liability as provided in Attachment 9, Schedule 8, filed by Xcel. Direct Xcel to link the revised Attachment 9, Schedule 8, to all other supporting spreadsheets.

The motion passed 3 – 0.

TELECOMMUNICATIONS AGENDA

P-421/C-07-370

In the Matter of Qwest Corporation's Conversion of UNEs to Non-UNEs

P-421/C-07-371

In the Matter of Qwest Corporation's Arrangement for Commingled Elements

Commissioner Wergin moved to approve the proposed interconnection amendment language and direct CenturyLink to make it widely available and to advertise the amendment language on its website.

The motion passed 3 – 0.

P-421, et al./PA-10-456

In the Matter of the Joint Petition for Approval of Indirect Transfer of Control of Qwest Operating Companies to CenturyLink

P-421, et al./C-11-684

In the Matter of the Complaint by the Joint CLECs against Qwest and CenturyLink Regarding OSS Implementation

Commissioner O'Brien joined the meeting but, having missed part of the discussion, declined to vote on this matter.

Commissioner Wergin moved to order CenturyLink to enter negotiations with the Joint CLECs¹ and the Department with the intent of examining how CenturyLink can facilitate voluntary individual competitive local exchange carrier (CLEC) transition to CenturyLink's Maintenance Ticketing Gateway (MTG) prior to the 30-month moratorium approved in the Merger Order.² Each party shall authorize representatives to negotiate commitments on its behalf and shall send these representatives – along with technical experts – to four negotiating sessions within the span of one month. The parties shall then notify the Commission of the progress of negotiations no later than April 1, 2012.

¹ Eschelon Telecom of Minnesota, Inc. d/b/a Integra Telecom and Integra Telecom of Minnesota (Integra); McLeodUSA Telecommunications Services L.L.C. d/b/a PAETEC Business Services; tw telecom of minnesota llc; Popp.Com; US Link, Inc., d/b/a TDS Metrocom, LLC; and Velocity Telephone, Inc.

² See *In the Matter of the Joint Petition for Approval of Indirect Transfer of Control of Qwest Operating Companies to CenturyLink*, Docket No. P-421, et al./PA-10-456, Order Accepting Settlement Agreements and Approving Transfer of Control Subject to Conditions (March 31, 2011).

Commissioner Boyd proposed amending the motion to state that the Commission shall act on this matter as soon as possible after April 1, 2012.

Commissioner Wergin accepted the proposal.

The amended motion passed 3 – 0.

Commissioner Wergin moved to order CenturyLink to develop a failover plan for review and approval by the Commission by May 1, 2012. The plan must describe in full detail all software, hardware, tasks, deadlines and operational procedures. The plan must be reviewed and tested by the third-party expert who has been agreed upon by the parties (retained at CenturyLink's expense) and shown to be effective and sufficient in the provision of a seamless transfer of functions in the event of a failure of CenturyLink's Mediated Access for Electronic Bonding and Trouble Administration (MEDIACC)/Customer Electronic Maintenance and Repair (CEMR) System.

The motion passed 3 – 0.

Commissioner Wergin moved to order CenturyLink to develop a disaster recovery plan for review and approval by the Commission by May 1, 2012. The plan must describe in full detail all software, hardware, tasks, deadlines and operational procedures. The plan must be reviewed and tested by the third-party expert who serves in the analysis of the failover plan as well (retained at CenturyLink's expense) and shown to be effective and sufficient for the mitigation of harm in the event of a MEDIACC/CEMR failure.

Acting Chair Reha proposed amending the motion to authorize the Executive Secretary to vary the May 1, 2012 date upon the request of all parties.

Commissioner Wergin accepted the amendment.

The amended motion passed 3 – 0.

ENERGY ITEM

E,G-999/CI-11-851

In the Matter of the Review of Utility Practices Regarding Establishment of an Changes in Responsibility for Utility Bill Payment

PULLED – RESCHEDULED for FEBRUARY 23, 2012

ENERGY FACILITIES AGENDA

IP-6866/WS-11-831

In the Matter of the Applications for a Large Wind Energy Conversion System Site Permit for the 40 MW Getty Wind Project in Stearns County

Commissioner Boyd moved that the Commission:

1. Make a preliminary determination that a draft site permit may be issued;
2. Amend or modify the proposed draft site permit for the Getty Wind Project for distribution and public comment;
3. Authorize EFT staff to implement the public participation process found in Minn. Rules, part 7854.0900;
4. Allow for public comment on the siting issues related to this docket (Docket No. 11-831) to be taken at the public hearing on the Certificate of Need for this project (Docket No. 11-471).

The motion passed, 4-0.

ET-2, E-015/CN-10-973

In The Matter of the Application of Great River Energy and Minnesota Power for a Certificate of Need for a 115 kV High Voltage Transmission Line in St. Louis and Carlton Counties

Commissioner Wergin moved that the Commission:

1. Extend the time period for the certificate of need decision;
2. Find that the Environmental Assessment in this matter adequately addresses the issues identified in the Environmental Assessment Scoping Decision;
3. Find that the Applicant has met the statutory and rule criteria for a certificate of need;
4. Grant a certificate of need to the Applicants for the Savanna transmission line project and associated facilities in St. Louis and Carlton Counties; and
5. Incorporate the changes to the decision options and edits to the briefing papers submitted by Commission staff on February 16, 2012.

The motion passed, 4-0.

ET-2,E-015/TL-10-1307

In the Matter of the Application for a HVTL Route Permit for the Savanna 15 kV Transmission Line Project

Commissioner Boyd moved that the Commission approve and adopt the Findings of Fact, Conclusions of Law and Order for the GRE/MP's Savanna HVTL project which:

1. Determine that the environmental assessment and record created at the public hearing address the issues identified in the EA Scoping Decision;
2. Designate the proposed HVTL (to include the Goodell Alternative Route Segment and Marlow Alternative Alignment) route, Savanna Switching Station, and modifications to the Cedar Valley and Cromwell Substations as the routes/sites for the construction/implementation of the Savanna HVTL project and associated facilities; and
3. Issue a HVTL Route Permit, with appropriate conditions, to GRE/MP.

The motion passed, 4-0.

IP-6844/WS-10-438

In the Matter of the Prairie Wind Energy, LLC Application for a Large Wind Energy Conversion System Site Permit for the 100 MW Prairie Wind Energy Project in Otter Tail County

IP-6844/CN-10-429

In the Matter of the Application of Prairie Wind Energy, LLC for a Certificate of Need for the 100 MW Wind Project in Otter Tail County

Commissioner Wergin moved that the Commission deny the requests for contested case proceedings.

Motion passed 4-0.

IP-6844/CN-10-429

In the Matter of the Application of Prairie Wind Energy, LLC for a Certificate of Need for the 100 MW Wind Project in Otter Tail County

Commissioner Reha moved that:

1. The Commission hereby find that the Environmental Report for the Project adequately address the Scoping Decision of the Department.
2. The Commission find that the Prairie Wind Energy, LLC has met the statutory and rule criteria for a certificate of need and therefore grant a certificate of need for the 100 MW Wind Project in Otter Tail County.

Motion passed 4-0.

IP-6844/WS-10-438

In the Matter of the Prairie Wind Energy, LLC Application for a Large Wind Energy Conversion System Site Permit for the 100 MW Prairie Wind Energy Project in Otter Tail County

Commissioner Wergin moved that:

1. The Commission adopt the Department's Findings of Fact, Conclusions of Law and Order proposed for the 100 MW Prairie Wind Energy Project and associated facilities in Otter Tail County.
2. The Commission issue the proposed LWECS Site Permit for the Prairie Wind Energy Project to Prairie Wind Energy, LLC.

Motion passed 4-0.

E-002, ET-2/TL-09-1056

In the Matter of the Application for a Route Permit for the Fargo to St. Cloud 345-kV Transmission Line Project

Commissioner Boyd moved to deny reconsideration of the December 19, 2011 Order Denying Petitions.

The motion passed 4-0.

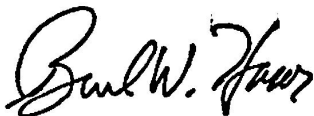
IP-6701/WS-08-1233

In the Matter of the AWA Goodhue, LLC 78 Megawatt Large Wind Energy Conversion System in Goodhue County, Minnesota

PULLED

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: April 4, 2012



Burl W. Haar, Executive Secretary