

The Commission met on **Tuesday, January 6, 2015**, with Chair Heydinger, and Commissioners Boyd and Lipschultz.

The following matters were taken up by the Commission:

ENERGY FACILITIES AGENDA

PL-9/CN-14-916

In the Matter of the Application of Enbridge Energy, Limited Partnership for a Certificate of Need for the Line 3 Replacement Project in Minnesota from the North Dakota Border to the Wisconsin Border

Chair Heydinger moved to take the following actions:/

1. Approve the notice plan proposal subject to the modifications recommended by the Department in its reply comments and response letter, and as further modified by Commission staff regarding additional notice to certain active pipeline dockets.
2. Approve the requested variance to Minn. R. 7829.2560, subp. 1, to allow filing of the certificate of need application immediately upon completing implementation of the notice plan.
3. Approve the exemptions to the certificate of need content rules as requested by Enbridge in its original notice plan, as supplemented by Enbridge's reply comments.
4. Approve and adopt the proposed orders as modified by the Department in its response letter.

The motion passed 3 – 0.

E015/TL-14-21

In the Matter of the Application of Minnesota Power for a Route Permit for the Great Northern Transmission Line Project in Roseau, Lake of the Woods, Beltrami, Koochiching and Itasca Counties, Minnesota

Commissioner Lipschultz moved to take no action on route alternatives to be evaluated in the environmental impact statement, and to approve the issuance of the generic route permit template attached to the briefing papers.

The motion passed 3 – 0.

ENERGY AGENDA

E015/M-14-675

Request by Minnesota Power for Approval of Light Emitting Diode Rates for Street Highway Lighting Service

Commissioner Boyd moved to adopt the Department recommendation to approve Minnesota Power's petition with modifications.

The motion passed 3 – 0.

E002/M-14-615

Request by Northern States Power Company d/b/a Xcel Energy for Approval of a Feeder Cable and Ductline Operations and Maintenance Lease Agreement with Seagate Technology, Inc.

Commissioner Lipschultz moved to adopt the Department's recommendation to approve the proposal and requested variances.

The motion passed 3 – 0.

E001/M-14-757

Interstate Power and Light Company's Request for Approval of its 2015 Renewable Energy Recovery Adjustment

Commissioner Boyd moved to adopt the Department's recommendation to approve the petition.

The motion passed 3 – 0.

E,G002/S-14-922

In the Matter of Northern States Power Company's Request for Approval of its 2015 Capital Structure Prior to Issuing Securities

Commissioner Lipschultz moved to take the following actions:

1. Adopt the Department's recommendation agreed to by the Company, to:
 - Approve NSP-MN's requested 2015 capital structure; this approval to be in effect until the 2016 Capital Structure Order is issued.
 - Approve a ± 10 percent range around NSP-MN's common equity ratio of 52.1 percent (i.e., a range of 46.89 to 57.31 percent).

- Approve NSP-MN’s short-term debt issuance not to exceed 15 percent of total capitalization at any time while the 2015 Capital Structure is in effect.
 - Approve NSP-MN’s total capitalization contingency of \$549 million (i.e., a total capitalization of \$10,500 million, including the \$549 million).
 - Continue the variance authorizing NSP-MN to enter into multi-year credit agreements and issue associated notes thereunder, but require NSP-MN to also continue to report on its use of such facilities, including:
 - how often they are used,
 - the amount involved,
 - rates and financing costs, and
 - the intended uses of the financing.
 - Approve NSP-MN’s request to issue securities provided that the Company remain within the contingency ranges or does not exceed them for more than 60 days.
 - Require NSP-MN to obtain the Commission’s preapproval of any issuance expected to result in the Company remaining outside the contingency ranges for more than 60 days.
 - Approve NSP-MN’s flexibility to use risk-management instruments that qualify for hedge accounting treatment under ASC No. 815.
 - Require, in its next capital structure filing, NSP-MN to include an exhibit providing a general projection of capital needs, projected expenditures, anticipated sources, and anticipated timing, with the understanding that such exhibit is not intended to require dollar-for-dollar (commitments) on the uses identified in the exhibit or to limit issuances to project specific financing. The exhibit need not list short-term, recurring security issuances. Require, in its next annual capital structure filing, NSP-MN to include a report of actual issuances and uses of the funds from the prior year. The report will be for information purposes only and need not cover short-term recurring security issuances.
 - Require, within 20 days of each non-recurring security issuance, NSP-MN to file for informational purposes only an after-the-fact report providing the following information: 1) the type of security issued; 2) the total amount issued; 3) the purpose of the issuance; 4) the issuance cost associated with the security issuance; and 5) the total cost of the security issuance, including details such as interest rate or cost per share of common equity issued.
2. Additionally, require NSP to file its request for approval of its 2016 securities issuances no later than November 1, 2015.

The motion passed 3 – 0.

E-148, E-228/SA-14-824

In the Matter of the Joint Request of Delano Water, Light and Power Commission and Wright-Hennepin cooperative Electric Association to Modify Electric Service Territory Boundaries

Commissioner Boyd moved to take the following actions:

1. Approve the requested service territory transfer of the thirteen parcels identified in the Department's December 19, 2014 comments from the Cooperative to the Municipal;
2. Allow the Municipal to serve-by exception three meters in the area to be served by the Cooperative; and
3. Allow the Cooperative to serve-by-exception one customer in the area to be served by the Municipal.

The motion passed 3 – 0.

E-002/CN-12-1240

In the Matter of the Petition of Northern States Power Company to Initiate a Competitive Resource Acquisition Process

Commissioner Lipschultz moved to deny Ecos Energy LLC's petition for intervention and its petition to submit a resource proposal.

The motion passed 3 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: March 4, 2015



Daniel P. Wolf, Executive Secretary