

May 1, 2020

**VIA ELECTRONIC FILING**

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 East Seventh Place, Suite 350  
St. Paul, MN 55101

RE: Lake Region Energy Services, Inc.  
Petition for Small Gas Utility Franchise Exemption  
Docket Nos. G6977/M-17-186; M-17-829

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**COMPLIANCE FILING  
ANNUAL COMPLIANCE REPORT (2020)**

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Dear Mr. Wolf and the Minnesota Public Utilities Commission:

Lake Region Energy Services, Inc. ("LRES") submitted Petitions for Exemption for Small Gas Utility on March 6, 2017 and on November 30, 2017 (the "Petitions"). The Commission issued its Orders granting the requests of LRES set forth in the Petitions. The Commission subsequently set forth a uniform set of annual compliance filing requirements in its Order dated November 9, 2018 (the "Order").

Contained within that Order was a requirement that LRES provide the following information on an annual basis:

1. Updated customer counts.
2. A statement that LRES does not discriminate between customers within and outside the municipalities served by LRES or, if LRES does set separate rates, the rationale for those separate rates.
3. Any municipality-approved rate changes that occurred in the prior year and when these changes went into effect.
4. All rate book changes in redlined and final revised rate book form.

5. A copy of the cold weather disconnection notice sent to customers, including how the notice was communicated and the date it was communicated.
6. A copy of any utility disconnection reports served to any of the municipalities as required by Minn. Stat. § 216B.0976.
7. A copy of the notice form sent to customers who are in arrears pursuant to the utility's obligation under Minn. Stat. § 216B.098.

This filing, and the exhibits attached hereto, are collectively intended to comply with the above-stated annual reporting obligation. Pursuant to the Order, LRES has indicated below where there has been no change in LRES's response since its last compliance filing.

**ANNUAL COMPLIANCE REPORT (2020)**

**1. Customer Counts By Customer Class**

LRES submits the following customer count, which is current as of December 31, 2019:

<b>Total Customers by Rate Class</b>	<b>Year End</b>
<b>Residential</b>	<b>593</b>
<b>Small Commercial</b>	<b>16</b>
<b>Large Commercial</b>	<b>5</b>
<b>Agricultural Heating &amp; Drying</b>	<b>10</b>
<b>Interruptible</b>	<b>10</b>
<b>Small Volume Transport</b>	<b>0</b>

**2. Non-Discrimination Statement**

Unchanged since last compliance filing. LRES does not discriminate between customers within and outside of the municipalities it serves. The rates established by LRES differ between classes of customers (*i.e.*, residential, commercial, industrial, interruptible, and small volume transport) but are uniform within each customer class whether a customer is located within or outside a municipality.

**3. Municipality-Approved Rate Changes Since Last Filing**

Unchanged since last compliance filing.

**4. Changes to Rate Book**

Unchanged since last compliance filing.

**5. Cold-Weather Disconnection Notices**

Unchanged since last compliance filing. A true and correct copy of the latest LRES newsletter is attached as Attachment A, which includes notice of the cold-weather disconnection rule.

**6. Municipality Disconnection Reports**

Unchanged since last compliance filing.

**7. Arrearage Notice Form**

Unchanged since last compliance filing.

**CONFIRMATION OF OBLIGATIONS**

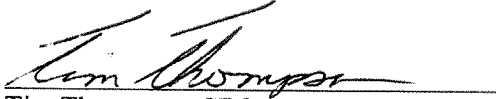
Also included in the PUC's Orders regarding the above-referenced petitions were reminders that LRES is obligated to comply with certain statutory and regulatory consumer protection requirements. At this time, LRES confirms its understanding of the following future filing requirements:

1. Report any subsequent changes in rates, tariffs, and contracts for services outside the Municipalities at least 30 days before implementation.
2. Notify the Commission should the customer base expand beyond the 5,000 customer threshold.
3. Comply with the DOC's Minnesota Natural Gas Utility Information Reporting (Minn. Rules 7610.0800-7610.0860).
4. Comply with Minn. Stat. § 216B.098 with respect to customer protections.
5. Comply with Minn. Stat. § 216B.0976 with respect to disconnections.

Should any questions or concerns arise following the submission of this Compliance filing, please do not hesitate to contact the undersigned.

[Separate Signature Page Attached]

Dated: May 1, 2020



Tim Thompson, CEO  
Lake Region Energy Services, Inc.  
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Respectfully submitted,



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