

April 5, 2021

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
Saint Paul, Minnesota 55101-2147

RE: **Response Comments of the Minnesota Department of Commerce, Division of Energy Resources**  
Docket No. G008/M-21-96

Dear Mr. Seuffert:

Attached are the Response Comments of the Minnesota Department of Commerce, Division of Energy Resources (Department), in the following matter:

The Petition of CenterPoint Energy Minnesota Gas for Approval of a Variance from Minnesota Rule 7820.5300 Determination of Delinquency Related to its Automatic Bank Draft Plan for Customer-Selected Due Dates.

The Department recommends that the Minnesota Public Utilities Commission (Commission) **approve CenterPoint Energy Minnesota Gas's Petition, with modifications**. The Department is available to answer any questions that the Commission may have in this matter.

Sincerely,

/s/ GEMMA MILTICH  
Financial Analyst, CPA

GM/ja  
Attachment



**Before the Minnesota Public Utilities Commission**

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**Response Comments of the Minnesota Department of Commerce**  
**Division of Energy Resources**

Docket No. G008/M-21-96

**I. INTRODUCTION**

On January 29, 2021, CenterPoint Energy Minnesota Gas (CenterPoint or the Company) filed a petition (Petition) requesting that the Minnesota Public Utilities Commission (Commission) grant the Company a continued variance to Minnesota Rule 7820.5300. The requested variance is applicable to the Company's AutoPay program and would allow CenterPoint to continue to print the customer-selected withdrawal date as the due date on AutoPay customer bills, even if the customer's chosen withdrawal date is more than five days before to their next billing date.

The Minnesota Department of Commerce, Division of Energy Resources (Department) filed initial Comments in this matter on March 8, 2021. These Comments discussed potential modifications to CenterPoint's Petition and requested that the Company provide additional information in Reply Comments.

On March 18, 2021, CenterPoint submitted Reply Comments with the additional information requested by the Department as well as commentary on the potential Petition modifications discussed in the Department's March 8, 2021 Comments. The Department appreciates the Company providing the information as requested.

**II. DEPARTMENT ANALYSIS**

The Department provides the following discussion to address the information provided by CenterPoint in the Company's March 18, 2021 Reply Comments as well as to make our final conclusions and recommendations in this matter.

Minnesota Rule 7820.5300 governs the determination of bill payment delinquency for utility customers and, in subp. 2, stipulates that "[t]he utility may print a due date on the bill which is not more than five days before the next scheduled billing date." In its initial Petition, CenterPoint requested an indefinite variance from Minnesota Rule 7820.5300, subp. 2, to accommodate the Company's bill printing convention for its AutoPay program customers.<sup>1</sup> Granting CenterPoint's requested extension to its variance from Minnesota Rule 7820.5300, subp. 2 would allow the Company to continue to print the customer-selected withdrawal (payment) date as the due date on bills, even if the customer's chosen withdrawal date is more than five days prior to their next billing date.

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<sup>1</sup> Petition, page 1.

Minnesota Rule 7829.3200 provides three conditions that must be met in order for the Commission to grant a variance to a Minnesota rule:

- Enforcement of the rule will impose an excessive burden upon the applicant or others affected by the rule.
- Granting the variance will not adversely affect the public interest.
- Granting the variance will not conflict with standards imposed by law.

On page 4 of its initial Petition, CenterPoint provided supporting reasoning, consistent with the Company's reasoning in prior related petitions,<sup>2</sup> to demonstrate that its rule variance request meets the three criteria required for Commission approval. In its previous orders granting CenterPoint a variance to 7820.5300, subp. 2,<sup>3</sup> the Commission found that the Company's requests, supported by the same arguments included in the current Petition, met the conditions set forth in Minnesota Rule 7829.3200.

As discussed on pages 4 – 6 of the Department's March 8, 2021 Comments, the Department came to the following conclusions regarding CenterPoint's request and the three criteria outlined in Minnesota Rule 7829.3200:

- Enforcement of Minnesota Rule 7820.5300, subp. 2, would not require that CenterPoint assume the burden of modifying its standard billing form to include both a withdrawal date and a due date. CenterPoint would be in compliance with the rule if it simply stopped printing customer-chosen withdrawal dates as due dates on the bills of AutoPay customers, and instead printed due dates that are determined in the same manner as for non-AutoPay customers.
- It is unclear whether printing AutoPay customer bills with a due date determined in the same manner as due dates for non-AutoPay customers would impose an excessive burden (in the form of confusion) on AutoPay customers. If printing withdrawal dates, which are really payment dates, as due dates creates more confusion than simply printing actual due dates on customer bills, then granting the variance would adversely affect the public interest.
- Minnesota Rule 7820.3500, item G, requires that electric and gas utility bills contain "the date on which the bill will become delinquent." In its bill form changes filing in Docket No. G008/M-14-753, CenterPoint indicated that the portion of its customer bill form labeled "DATE DUE" reflects the date required by Minnesota Rule 7820.3500, item G.<sup>4</sup> For AutoPay customers, however, the Company is printing the customer-selected withdrawal date in the "DATE DUE" section of the customer's bill. That is, for AutoPay customers, the customer bill does not reflect

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<sup>2</sup> Docket Nos. G008/M-05-603, G008/M-09-769, and G008/M-15-397.

<sup>3</sup> *Id.*

<sup>4</sup> See CenterPoint's September 2, 2014 filing in Docket No. G008/M-14-753 at page 10 (table labeled "7820.3500 Billing Content") and at page 21 (Appendix B).

the date on which the bill will become delinquent. Therefore, the Company's current variance request conflicts with the requirement set forth in Minnesota Rule 7820.3500, item G.

In addition, the Department noted that the standard billing form included in CenterPoint's Rate Book contains the phrase "Enroll in AutoPay today. See form on the back of this stub." The Department requested that CenterPoint explain in Reply Comments whether this note is printed on the bill of AutoPay customers, and, if it is, (1) whether that creates confusion for AutoPay customers, and (2) whether the statement can be modified on the bills of AutoPay Customers to communicate something to effect of "You are currently enrolled in AutoPay with a self-selected payment date that falls on or before you bill due date." In its March 18, 2021 Reply Comments, the Company provided the following response:

AutoPay program customers do not have the phrase "Enroll in AutoPay today. See form on the back of this stub". Instead AutoPay program customers see a section labeled "Has your AutoPay bank account changed?". This section walks the AutoPay customers through the process of how to update their bank account information for AutoPay.<sup>5</sup>

The Department appreciates CenterPoint providing this information and concludes that the printed messages referenced above for AutoPay customer bills are reasonable.

Because granting CenterPoint's requested variance to 7820.5300, subp. 2, would conflict with Minnesota Rule 7820.3500, item G, we continue to propose, as in our March 8, 2021 Comments, the following alternatives for Commission action:

(1) Grant CenterPoint a variance to both Minnesota Rule 7820.3500, item G, and Minnesota Rule 7820.5300, subp. 2. This option would eliminate the requirement for CenterPoint to include on AutoPay customer bills the date on which the bill will become delinquent as well as permit CenterPoint to continue to print the customer-selected withdrawal (payment) date as a due date on AutoPay customer bills, even if the customer's chosen withdrawal date is more than five days before their next billing date. Because this alternative introduces a new rule variance in addition to the Company's requested variance, the Department would prefer that, if the Commission chooses this alternative, a temporary (six-year), rather than indefinite, variance be granted.

(2) Deny CenterPoint's request for a variance to Minnesota Rule 7820.5300 and require that CenterPoint print the date on which the bill will become delinquent in the "DATE DUE" section of all customer bills, including AutoPay customers. This option would put CenterPoint in compliance with the relevant Minnesota rules and eliminate the need for a variance.

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<sup>5</sup> CenterPoint's March 18, 2021 Reply Comments, page 2, Docket No. G008/M-21-96.

CenterPoint indicated that it supports the Department's option (1), including the Department's recommendation that the rule variances be granted for a temporary six-year period. The Company expressed concern about the Department's option (2), stating that "... customers may confuse the due date with the date of withdrawal and an unexpected overdraft of the customer's funds could occur as a result."<sup>6</sup>

The Department does not have a strong preference between the two options for Commission action that we have suggested. Therefore, we continue to offer both of the alternatives for the Commission's consideration.

Additionally, consistent with our March 8, 2021 Comments at pages 6 - 7, the Department continues to recommend that the Commission permit CenterPoint to discontinue its annual AutoPay program compliance reports.

### III. CONCLUSION AND RECOMMENDATIONS

Based on our review, the Department concludes that CenterPoint's request for a variance to Minnesota Rule 7820.5300 conflicts with Minnesota Rule 7820.3500, item G, and therefore does not meet all of the criteria required for granting a rule variance. The Department recommends that the Commission:

- Grant CenterPoint a six-year variance to both Minnesota Rule 7820.3500, item G, and Minnesota Rule 7820.5300, subp. 2. This option would eliminate the requirement for CenterPoint to include on AutoPay customer bills the date on which the bill will become delinquent as well as permit CenterPoint to continue to print the customer-selected withdrawal (payment) date as a due date on AutoPay customer bills, even if the customer's chosen withdrawal date is more than five days before their next billing date. (*CenterPoint preferred, Department does not object*)

#### OR

- Deny CenterPoint's request for a variance to Minnesota Rule 7820.5300 and require that CenterPoint print the date on which the bill will become delinquent in the "DATE DUE" section of all customer bills, including AutoPay customers. This option would put CenterPoint in compliance with the relevant Minnesota rules and eliminate the need for a variance. (*Department does not object*)
- Permit CenterPoint to discontinue its annual AutoPay program compliance reports.

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<sup>6</sup> *Id.*

## **CERTIFICATE OF SERVICE**

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce  
Response Comments**

**Docket No. G008/M-21-96**

**Dated this 5<sup>th</sup> day of April 2021**

**/s/Sharon Ferguson**

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Steven	Clay	Steven.Clay@CenterPoint Energy.com	CenterPoint Energy Minnesota Gas	505 Nicollet Mall  Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-96_M-21-96
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400  St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-96_M-21-96
Seth	DeMerritt	Seth.DeMerritt@centerpointenergy.com	CenterPoint Energy Minnesota Gas	505 Nicollet Mall  Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-96_M-21-96
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_21-96_M-21-96
Erica	Larson	erica.larson@centerpointenergy.com	CenterPoint Energy	505 Nicollet Avenue P.O. Box 59038 Minneapolis, Minnesota 55459-0038	Electronic Service	Yes	OFF_SL_21-96_M-21-96
Amber	Lee	Amber.Lee@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall  Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_21-96_M-21-96
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_21-96_M-21-96
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350  Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_21-96_M-21-96