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March 18, 2013

Burl W. Haar Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. G004/M-12-740

Dear Dr. Haar:

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

Demand Entitlement Filing (Petition) submitted by Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc. (Great Plains or the Company), to the Minnesota Public Utilities Commission (Commission).

The *Petition* was submitted on July 2, 2012 by:

Rita A. Mulkern
Regulatory Affairs Manager
Great Plains Natural Gas Co., A Division of MDU Resources Group, Inc.
400 North 4<sup>th</sup> Street
Bismarck, North Dakota 58501-4092

The Department recommends that the Commission **accept** Great Plains' *Petition* subject to its provision of additional information in *Reply Comments*.

The Department is available to answer any questions that the Commission may have in this matter.

Sincerely,

/s/ BRYAN J. MINDER

/s/ ADAM JOHN HEINEN

Rates Analyst

Rates Analyst

BJM/AJH/sm Attachment



# BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

# COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE DIVISION OF ENERGY RESOURCES

DOCKET NO. G004/M-12-740

# I. SUMMARY OF THE UTILITY'S PROPOSAL

Pursuant to Minnesota Rules part 7825.2910, subpart 2, Great Plains Natural Gas Co., a Division of MDU Resources Group, Inc. (Great Plains or the Company), filed a petition on July 2, 2012 with the Minnesota Public Utilities Commission (Commission) to change the levels of demand for the Company's South District and North District (*Petition*). For the South District, Great Plains proposes to reallocate 14 dekatherms (dk)/day of capacity for its South District customers served by Northern Natural Gas Company's (NNG or Northern) pipeline system to reflect NNG's annual 12-month firm throughput (TF-12) Base (TF-12B) and TF-12 Variable (TF-12V) reallocation, pursuant to NNG's tariff as approved by the Federal Energy Regulatory Commission (FERC).

For the North District, Great Plains requests that the Commission accept the introduction of a new 11.5 year contract that has supplied 13,000 dk/day of capacity since November 1, 2012. This contract would replace a more expensive long-term contract that expired on October 31, 2012. The Company would also continue to use the 2,000 dk/day of capacity on NNG that, in the past, has been used to meet the peak day demand of North District firm sales customers. The Company's proposal would increase the North District's proposed design day capacity by 159 dk/day from the 2011-2012 winter levels.

<sup>&</sup>lt;sup>1</sup> Great Plains' South District includes the following Minnesota communities: Belleview, Boyd, Clarkfield, Danube, Dawson, Echo, Granite Falls, Marshall, Montevideo, Redwood Falls, Renville, Sacred Heart, and Wood Lake. Great Plains' North District includes the following Minnesota communities: Breckenridge, Crookston, Fergus Falls, Pelican Rapids, and Vergas.

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The Minnesota Department of Commerce, Division of Energy Resources (DOC or the Department) discusses below the various effects on the Company's rates for different customer classes. However, Great Plains estimated that its proposal would:

- decrease rates for South District residential customers by \$0.3046 per dk or approximately \$26.87 per year for customers using 88.2 dk; and
- decrease rates for North District residential customers by \$2.3927 per dk or approximately \$248.36 per year for customers using 103.8 dk.

Great Plains requests that the Commission allow recovery of the associated demand costs in the Company's monthly Purchased Gas Adjustment (PGA) for each district effective November 1, 2012.

In Section II below, the Department analysis of the Company's requests for the South District and the North District includes the following areas:

- the proposed overall demand entitlement levels;
- the design day requirements;
- the reserve margins;
- the PGA cost recovery proposals; and
- other commitments made by Great Plains.

# II. THE DEPARTMENT'S ANALYSIS OF GREAT PLAINS' PROPOSAL

# A. PROPOSED OVERALL DEMAND ENTITLEMENT LEVELS

# 1. South District

For the South District, Great Plains proposed to change its demand entitlement portfolio based on NNG's annual reallocation of TF-12B and TF-12V services, per NNG's FERC-approved tariff.<sup>2</sup> Specifically, Great Plains requested approval of a decrease in TF-12B entitlements of 14 dk/day and an increase in TF-12V entitlements of 14 dk/day. There is no deliverability difference between TF-12B and TF-12V services, but TF-12B service is less expensive than TF-12V service. Table 1 below provides a comparison of the Company's current and proposed overall level of entitlements for the South District.<sup>3</sup>

<sup>&</sup>lt;sup>2</sup> Under its federally approved tariff, NNG is allowed to adjust a utility's assigned level of contracted capacity, based on the utility's usage of its NNG-based capacity over the previous five-month period (May through September).

<sup>&</sup>lt;sup>3</sup> The current entitlement levels provided in Table 1 and Table 3 are Great Plains' entitlement levels implemented in Docket No. G004/M-11-1075, which has not yet been considered by the Commission.

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Table 1: A Comparison of Great Plains' Current and Proposed Entitlements for the South District						
Current	Proposed					
Entitlement	Entitlement	Change	Percent			
(dk/day)	(dk/day)	(dk/day)	Change			
15,645	15,645	0	0%			

As indicated in Table 1, the Company's proposal would not result in any change to the overall demand entitlement level for the South District compared to the overall entitlement level proposed by the Company in the 2011 demand entitlement proceeding.<sup>4</sup> Great Plains noted that the changes to pipeline contracts (discussed below) will also affect the South District, since summer capacity agreements on the TransCanada/Viking system will no longer be used. Great Plains estimated that the termination of these summer capacity agreements would reduce demand charges to South District customers by approximately \$0.30 per dk, or 20.4 percent, from the June 2012 PGA.

# 2. North District

For the North District, Great Plains proposes to increase its seasonal capacity by 159 dk/day by replacing the existing capacity ProGas contract for 7,841 dk/day with a new capacity NNG contract for 8,000 dk/day effective November 1, 2012. Table 2 below provides a comparison of the Company's current and proposed overall level of entitlements for the North District.

Table 2: A Comparison of Great Plains' Current and Proposed Entitlements for the North District						
Current	Proposed					
Entitlement	Entitlement	Change	Percent			
(dk/day)	(dk/day)	(dk/day)	Change			
14,841	15,000	159	1.1%			

As indicated in Table 2, the Company's proposal would increase the overall demand entitlement level by 159 dk/day, or approximately 1.1 percent, for the North District compared to the overall entitlement level proposed by the Company in the 2011 demand entitlement proceeding.

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<sup>&</sup>lt;sup>4</sup> See Docket No. G004/M-11-1075.

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The Department analyzes below the proposed changes, the proposed design day requirements, and the proposed reserve margins for the South District and the North District.

# B. DESIGN DAY REQUIREMENTS

The Company used the same basic design day method that the Commission accepted in Docket No. G004/M-03-303. In the Company's 2007, 2008, and 2009 demand entitlement proceedings, the Department and Commission Staff expressed concerns that Great Plains' design day method might under-estimate the need for natural gas on a peak day for the South District and the North District.<sup>5</sup> In response to these concerns, the Commission made the following determination:

Accepted Great Plains' proposed design-day method and resulting reserve margins for the 2010-2011 heating season for the South District and the North District, with the caveat that issues raised by the DOC, including the use of 1995-1996 and 1996-1997 data, will be addressed in the upcoming discussions between the Department and the Company concerning Great Plains design-day method..<sup>6</sup>

The Department and Great Plains held several meetings regarding the design-day analysis and on June 27, 2012, Great Plains submitted its *Compliance Filing*. The Department reviewed the Company's *Compliance Filing*. While the concerns discussed by the Department and Commission Staff in previous demand entitlement filings (*e.g.*, small sample size) still exist, the practical effects of these concerns cannot be verified because a cold weather event similar to what occurred during the 1995-1996 and 1996-1997 heating seasons has not occurred since. These historical events are still relevant because the Commission has interpreted the design-day to mean the coldest day in the last 20 years; as such, these two events will remain the planning objective for several more heating seasons. Nonetheless, while concerns about sample size and changing weather patterns remain valid, and will continue to be factors in the Department's analysis of Great Plains' demand entitlement filings, because the Company's analysis produces results that are not unreasonable, the Department supports Great Plains' *Petition* as more fully explained below.

The Department discusses the Company's *Compliance Filing* below. Consistent with the analysis presented by the DOC in Docket No. G004/M-11-1075, the Department used two methods to gauge the reasonableness of the Company's design day amounts for the South District and the North District: 1) using data from the previous five heating seasons; and 2) using

<sup>&</sup>lt;sup>5</sup> The Department's concerns on this issue are discussed in detail in the following documents:

<sup>•</sup> the Department's July 2, 2008 Comments in Docket No. G004/M-07-1401;

<sup>•</sup> the Department's July 31, 2009 Comments in Docket No. G004/M-08-1306; and

<sup>•</sup> the Department's February 5, 2010 *Comments* in Docket No. G004/M-09-1262.

Commission Staff's concerns are discussed in detail in their September 9, 2010 *Briefing Papers*, which were contemporaneously submitted in each of these three dockets.

<sup>&</sup>lt;sup>6</sup> See Ordering Paragraph No. 1 of the Commission's August 18, 2011 *Order* in Docket Nos. G004/M-07-1401, G004/M-08-1306, G004/M-09-1262 and G004/M-10-1164.

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data from the heating season with the overall greatest peak sendout per firm customer, which occurred before the previous five heating seasons.<sup>7</sup>

### 1. South District

For the South District, the Department multiplied the peak sendout per firm customer for the 2008-2009 heating season of 1.1840 dk, which is the highest peak sendout per firm customer in the previous five heating seasons, by the expected number of firm customers for the 2012-2013 heating season of 11,531 to arrive at an estimated design day amount of 13,653 dk/day. This amount is 1,197 dk/day less than the Company's proposed design day level of 14,850 dk/day. Thus, using this method based on the highest firm peak sendout data for the previous five heating seasons, Great Plains appears to have a sufficient level of entitlements for the 2012-2013 heating season for the South District.

The Department also calculated an estimated design day amount using data from the 1996-1997 heating season, which represents the highest peak sendout per firm customer in the South District in the previous 17 heating seasons. Specifically, the Department multiplied the peak sendout per firm customer for the 1996-1997 heating season of 1.5331 dk by the expected number of firm customers for the 2012-2013 heating season of 11,531 to arrive at an estimated design day amount of 17,678 dk. This amount is 2,828 dk more than the Company's proposed design day level of 14,850 dk/day. The Department discusses this situation below in Section II.B.3.

# 2. North District

For the North District, the Department multiplied the peak sendout per firm customer for the 2010-2011 heating season of 0.9889 dk, which is the highest peak sendout per firm customer in the previous five heating seasons, by the expected number of firm customers for the 2012-2013 heating season of 11,407 to arrive at an estimated design day amount of 11,105 dk. This amount is 2,964 dk less than the Company's proposed design day level of 14,244 dk/day. Thus, using this method based on the highest firm peak sendout data for the previous five heating seasons, Great Plains appears to have sufficient level of entitlements for the 2011-2012 heating season for the North District, even with the decrease in demand volumes.

As was done for the South District, the Department also used data from the 1995-1996 heating season, which represents the highest peak sendout per firm customer in the North District in the

<sup>&</sup>lt;sup>7</sup> The data used by the Department is taken from Exhibit E of the Company's *Petition*.

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previous 17 heating seasons.<sup>8</sup> Specifically, the Department multiplied the peak sendout per firm customer for the 1995-1996 heating season of 1.5004 dk by the expected number of firm customers for the 2012-2013 heating season of 11,407 to arrive at an estimated design day amount of 17,115 dk. This amount is 2,871 dk more than the Company's proposed design day level of 14,244 dk/day. The Department discusses this situation below in Section II.B.3.

# 3. The Department's Analysis

In its 2010 demand entitlement proceeding, Great Plains stated that the peak-day use per customer during 1996-1997 in the South District and 1995-1996 in the North District are no longer appropriate metrics because of the many changes (*e.g.*, the movement of firm customers to interruptible service, customer losses due to natural disasters, customer growth and losses, energy conservation) that have occurred since 1995, resulting in a steadily declining use per customer. Great Plains also stated that it provided an analysis in Docket No. G004/M-09-1262 showing that the coldest day in the 2008-2009 heating season was very close to the design day temperature and the use per customer was close to the forecasted use per customer. In addition, the Company noted that:

- the Department had previously stated that it is more reasonable to use data from the 2008-2009 winter heating season in assessing demand levels given the reduction in peak use since 1995-1996; and
- Commission Staff had stated that not including the usage from 1995-1996 does not appear to be a problem so long as the calculation includes some reasonably cold recent consumption data.<sup>10</sup>

Great Plains further stated that in the Company's 2010 demand entitlement filing, the Commission has required the Company to reduce its reserve margins, which the Commission would not have ordered if it had concerns that the Company's peak day design without 1995-1996 data was understated.<sup>11</sup>

<sup>&</sup>lt;sup>8</sup> Although the 1996-1997, 1997-1998, 1999-2000, and 2001-2002 heating seasons had higher peak sendouts per firm customer than the 1995-1996 heating season, the Department used peak sendout data from the 1995-1996 heating season because Great Plains stated the following on page 2 of its May 9, 2003 *Reply Comments* in Docket No. G004/M-03-303:

The only period in the ten years of data that provides an accurate picture of the peak day deliveries per firm customer is the heating season 1995-1996. During this heating season peak day conditions occurred in February 1 or 2 in each area and the coldest days in the last 20 years were also experienced.

<sup>&</sup>lt;sup>9</sup> See page 5 of the DOC's February 5, 2010 Comments in Docket No. G004/M-09-1262.

 $<sup>^{10}</sup>$  See page 5 of Commission Staff's September 9, 2010 Briefing Papers in Docket Nos. G004/M-07-1401, G004/M-08-1306, and G004/M-09-1262.

<sup>&</sup>lt;sup>11</sup> See page 4 of the DOC's April 26, 2011 Additional Comments in Docket Nos. G004/M-07-1401, G004/M-08-1306, G004/M-09-1262, and G004/M-10-1164.

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In that 2010 docket, the Department observed that in general Great Plains' assertions about changes in use per customer over time appear to be plausible and should be reflected in estimates of use per customer. However, because an analysis of actual conditions confirming those assertions had not been completed, the Department recommended that the Commission continue its previous practice of accepting but not approving Great Plains' proposal. That is, the Commission did not specifically approve Great Plains' design day method in the 2007, 2008, 2009, and 2010 demand entitlement dockets. Rather, the Commission accepted these demand entitlement filings and directed Great Plains to work with the Department to develop a design day forecast methodology that addresses the Department's and Commission Staff's concerns, as discussed above.

As noted above, the Department reviewed Great Plains' *Compliance Filing* in Docket No. G004/M-10-1164 that was filed on June 27, 2012. The Company provided additional discussion and new analysis regarding its design-day analysis. Specifically, Great Plains conducted its design-day analysis using different scenarios (*i.e.*, as filed 36 months, 36 months winter months only, 60 month winter months only) and compared the results to actual historical conditions. Further, Great Plains discussed the inclusion of non-linear components in its regression models, and discussed the estimation of interruptible load.

Great Plains judged the accuracy of the different design-day scenarios by comparing the projected usage to actual usage, by district, over the course of the five recent heating seasons (i.e., 2006-2007, 2007-2008, 2008-2009, 2009-2010, 2010-2011). As noted in its *Petition*, Great Plains' design-day analysis using data from the most recent 36 month period typically produced results closer to historical output. It is important to note that the Company's analysis, using 36 months of winter only data, under-projected usage (i.e., short entitlements) by a significant amount for both districts during the 2007-2008 heating season. The Department's preferred method, 60 months of winter data, only under-projected usage for the South District during the 2007-2008 heating season, but had a greater bias toward over-projection of peak day sendout in each of the other heating seasons. It is important to note that, as far as the Department knows, these data are for total system throughput; as such, estimated firm usage may be lower because interruptible load should be interrupted on a peak day. The results of the Company's comparative analysis suggest that its design-day process may, under certain circumstances, have issues estimating peak-day sendout, assuming no interruption of interruptible customers. However, based on the Company's analysis, it is also apparent that the Department's recommended 60-month data stream may have similar concerns. As noted above, despite these concerns, the Department believes that the Company's design-day analysis does not appear to produce unreasonable results. The Department will continue to monitor Great Plains' design-day method to ensure that it produces the most reasonable estimates possible.

While working with the Company, the Department inquired whether Great Plains had investigated using non-linear components in its design-day capacity given the potentially non-linear nature of natural gas consumption (*e.g.*, usage differs as temperatures change). In its June 27, 2012 *Compliance Filing* in Docket No. G004/M-10-1164, the Company provided a discussion of its opinion regarding the use of non-linear components in its design-day analysis. Great Plains responded that it does not see a benefit in conducting a non-linear analysis at this

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time. Specifically, the Company agreed with the Department that there may be merit to using non-linear analysis, but this approach would require precise measurement tools and a thorough understanding of other factors that influence natural gas demand. Given this need for more extensive analysis, and the fact that there would likely only be a small improvement in model performance, the Company did not believe it was necessary to pursue this option. The Department appreciates that Great Plains investigated this option and agrees that the use of non-linear analysis, at this time, is not a pressing issue, particularly since the Company should be able to address any issues during peak periods by interrupting interruptible load. The Department does recommend that the Company periodically review forecasting techniques in case there are any developments in this area which may be beneficial to ratepayers.

Great Plains also discussed tele-metering for interruptible customers in its June 27, 2012 *Compliance Filing*. Tele-metering is an important issue in the design-day analysis because the Company's available throughput data cannot differentiate between firm and non-firm monthly use; as such, an accurate estimate of non-firm usage is necessary to correctly calculate the design day. Great Plains explained that it currently has approximately 20 interruptible transport customers and 130 interruptible sales customers. Transportation customers are required to install telemetry and the Company requires certain other interruptible customers to have telemetry equipment; however, there is no requirement that all interruptible customers have telemetry equipment.

Great Plains investigated the costs associated with installing telemetry equipment and concluded that the benefits from telemetry would not outweigh the monetary costs. In particular, the Company supported its claim by noting that it would cost \$2,000 per site, about \$240,000 for the entire Great Plains system, plus monthly recurring expenses (*e.g.*, phone line). The Department appreciates the discussion provided by the Company and agrees that \$2,000 per site is a significant expense; however, the non-monetary cost of reliability issues and the annual cost to firm customers of unnecessary entitlements are also an important consideration. The decision to require telemetry for all interruptible customers is ultimately a cost issue and is best dealt with in a rate case setting, because the additional cost of telemetry may impact the cost of service to this class. Therefore, the Department recommends that the Commission require Great Plains provide, in its next rate case filing, a full discussion and cost analysis scenario showing the impact of requiring telemetry for all current interruptible customers and as a requirement for any potential future customer to receive interruptible service.

Given the discussion above, the Department recommends, in the current docket, that the Commission accept the Company's proposed design day method for the South District and the North District. As noted earlier, the Department will continue to assess Great Plains' design-day method so that it produces the most reasonable results possible.

# C. PROPOSED RESERVE MARGINS

In the Company's 2007, 2008, and 2009 demand entitlement proceedings, the Commission stated the following:

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Great Plains shall reduce its reserve margin in Docket No. G-004/M-09-1262 to approximately five percent or explain why it is not reasonable to do so.<sup>12</sup>

Table 3 below compares Great Plains' authorized and proposed reserve margins for the South District and the North District.

Table 3: Great Plains' Authorized Reserve Margins for the 2010-2011 Heating Season and Proposed Reserve Margins for the 2012-2013 Heating Season					
	2010-2011	Proposed			
	Reserve	Reserve			
District	Margin	Margin			
South	5.7%	5.35%			
North	11.8%	5.31%			

As indicated in Table 3, Great Plains proposed to reduce its reserve margin for the South District from 5.7 percent to 5.35 percent, and to reduce its reserve margin for the North District from 11.8 percent to 5.31 percent. Both of the Company's proposed reserve margins are near the 5 percent reserve margin preferred by the Commission. Each of these proposed reserve margins are discussed below.

### 1. South District

In the 2011 docket, Great Plains retired its Marshall propane peaking facility to reduce its reserve margin per the Commission's directive. The resulting reserve margin was 5.23 percent for the 2011-2012 heating season. <sup>13</sup> In the present docket, the proposed increase in the reserve margin to 5.35 percent is due to the decrease in the design day requirement (from 14,868 dk/day for the 2011-2012 heating season to 14,850 dk/day for the 2012-2013 heating season) while retaining the same overall entitlement level of 15,645 dk/day. The Department recommends that the Commission accept the Company's proposed reserve margin for the South District.

### 2. North District

With respect to the North District, Great Plains proposed to increase its reserve margin over the 2011-2012 heating season reserve margin by:

 $<sup>^{12}</sup>$  See Ordering Paragraph No. 4 of the Commission's September 30, 2010 Order in Docket Nos. G004/M-07-1401, G004/M-08-1306, and G004/M-09-1262.

<sup>&</sup>lt;sup>13</sup> The retirement of this facility was discussed on pages 8-10 of the Department's February 2, 2012 *Comments* in Docket No. G004/M-11-1075.

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• eliminating its 13,015 dk/day brokered Emerson contract through ProGas;

- adding 13,000 dk/day of TFX-12 service through NNG; and
- increasing its existing Northern FT-A contract by 159 dk/day.

Because these changes result is a more cost-effective supply for Great Plains' customers, the Department recommends that the Commission accept the Company's proposed reserve margin for the North District.

# D. THE COMPANY'S PGA COST RECOVERY PROPOSAL

The demand entitlement amounts listed above and in the Company's *Petition* represent the demand entitlements for which Great Plains' firm customers would pay. In its *Petition*, the Company used its June 2012 PGA to compare its proposed changes.<sup>14</sup> Great Plains presented an analysis indicating that the Company's demand entitlement proposal would result in the following estimated annual rate impacts for customers in the South District:

- an annual bill decrease of \$26.87 or approximately 5.7 percent, for the average residential customer consuming 88.2 dk annually; and
- an annual bill decrease of \$103.84, or approximately 6.0 percent, for the average firm general service customer consuming 340.9 dk annually.

Great Plains also presented an analysis indicating that the Company's demand entitlement proposal would result in the following estimated annual rate impacts for customers in the North District:

- an annual bill decrease of \$248.36 or approximately 30.1 percent, for the average residential customer consuming 103.8 dk annually; and
- an annual bill decrease of \$898.94, or approximately 31.4 percent, for the average firm general service customer consuming 375.7 dk annually.

The significant decrease in demand costs on the North District is driven by the Company's transition from its existing ProGas contract to its new Northern contract. The Department commends Great Plains for its ability to decrease demand costs. The Department recommends that the Commission accept the Company's proposed PGA recovery of its demand entitlement proposals for the South District and the North District.

# E. OTHER COMMITMENTS MADE BY GREAT PLAINS

Through its discussion in the Department's February 5, 2010 *Comments* in Docket No. G004/M-09-1262 regarding the appropriateness of Great Plains' design-day method, the Department

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<sup>&</sup>lt;sup>14</sup> See Exhibit D of the Company's Petition.

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asked Great Plains to provide a discussion and supporting documentation comparing actual usage for new construction to usage for older construction for both its North and South Districts. In its *Petition*, Great Plains indicated that it had not completed this analysis, but would supplement the record in the current proceeding when the analysis is complete. The Department notes that this analysis has not been filed to date. The Department requests that this information be supplied in Great Plains' *Reply Comments*.

The Department issued discovery to each regulated Minnesota gas utility in the 2011-2012 heating season demand entitlement filings requesting input regarding the annual demand entitlement filing timeline. Based on the utilities' responses, there is universal agreement that the demand entitlement filings could be filed in the summer rather than in the fall; either on July 1<sup>st</sup> or August 1<sup>st</sup> of each year. Great Plains filed its *Petition* on July 2, 2012, which the Department appreciates, and the Department further requests that Great Plains continue filing is annual demand entitlement petitions on, or about, July 1<sup>st</sup> of each year.

# III. THE DEPARTMENT'S RECOMMENDATIONS

Given the concerns regarding the potential impacts of sample size and changing weather patterns to Great Plains' design-day analysis, the Department will continue to monitor the Company's methods going forward. However, in the instant *Petition*, Great Plains' analysis appeared to produce results that were not unreasonable. Therefore, the Department recommends that the Commission:

- 1. accept the Company's proposed design day method for the South District and the North District;
- 2. accept the Company's proposed reserve margins for the South District and the North District;
- 3. accept the Company's proposed PGA recovery of its demand entitlement proposals for the South District and the North District;
- 4. require Great Plains to provide, in its next rate case, a full discussion and cost analysis scenario showing the impact of requiring telemetry for all current interruptible customers and as a requirement for any potential future customer to receive interruptible service; and
- 5. request Great Plains to continue filing, on a going-forward basis, its annual demand entitlement filing on, or about, July 1 of each year.

The Department also requests that Great Plains provide, as committed in its *Petition*, in its *Reply Comments* a discussion and supporting documentation comparing usage for new construction and older construction on both its North and South Districts.

# **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 Comments** 

Docket No. G004/M-12-740

Dated this 18th of March, 2013

/s/Sharon Ferguson

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