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PUBLIC DOCUMENT
Trade Secret Information has been Excised

December 18, 2013

Dr. Burl Haar
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 East Seventh Place, Suite 350
St. Paul, Minnesota 55101-2147

**Re: CenterPoint Energy 's Request for Change in Demand Units
Docket No. G008/M-13-578- Supplemental Information**

Dear Dr Haar:

Enclosed please find revisions to several exhibits of CenterPoint Energy's Request for Change in Demand Units. On July 1, 2013 CenterPoint Energy (CPE or the Company) filed a request for Change in Demand Units. Herein, CPE provides supplemental information that includes minor changes to Northern Natural Gas' (NNG) Base/Variable unit restatement and a change to the calculated SMS charge.

In the present filing, CenterPoint Energy has:

- Updated its Base/Variable split – see workpapers for NNG schedule;
- Changed the backhaul charge calculations.
- Removed the SMS charges as shown in the Order in Docket G-999/AA-12-756 issued 11-14-2013.

These changes will be reflected in the Company's January 2014 PGA billing rates.

CenterPoint Energy will decrease overall total demand costs from the December 2013 PGA demand costs by about \$9,063 due to billing clarifications, and decreased demand costs due to SMS charges by shifting \$784,800 to commodity charges in the December PGA. The annual effect on a typical residential heating customer using 922 therms is a decrease in demand charges of about \$0.73 from the November 1 filed costs.

The attached pages provide replacement pages for the original filing.

- Exhibit A – Page 1 – Annual Demand Cost estimate – December 1
- Exhibit A – Page 1 – Annual Demand Cost estimate – January 1
- Exhibit B – Page 4 – Updated Demand Profile
- Exhibit B – Page 5 – Calculated impact on annual customer costs

Supporting Workpapers

CenterPoint Energy has designated selected information in this document trade secret – Specifically Exhibit A, Page 1 for December 2013; Exhibit A, Page 1 for January 2014; and Exhibit B, Page 4 – Updated Demand Profile. The information meets the definition of trade secret in Minn. Stat. 13.37 subd.1(b) as follows: (1) the information was supplied by CenterPoint Energy, the affected organization; (2) CenterPoint Energy has taken all reasonable efforts to maintain the secrecy of the information, including protecting it from disclosure in this document; and (3) the protected information contains gas supply contract information which derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use.

Sincerely,

/s/
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Tariffs Administrator

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	{1}	{2}	{6}	{7}	{8}	{9}	{10}	{11}
	10-1162 (Dec. 2010)	11-1078(Dec 2011)	12-864(DEC 2012)	12-864(Jan 2013)	13-578(Nov 2013)	13-578(Nov 2013)	13-578(Jan 2014)	TOTAL
	Quantity (Dkt)	Quantity (Dkt)	Quantity (Dkt)	Quantity (Dkt)	Quantity (Dkt)	Quantity (Dkt)	Quantity (Dkt)	Change since Nov
2007-08 Heating Season Services	[TRADE SECRET DATA BEGINS...]							{11}
								Change since Nov
								(({10}-{9}))
NNG TF-12 Base Winter								
NNG TF-12 Base Summer								
NNG TF-12 Variable Winter								
NNG TF-12 Variable Summer								
NNG TF-12 -Growth-Winter								
NNG TF-12 Growth Summer								
NNG TF-5								
NNG TF-5 Growth								
TFX-5 mo (non-discounted)								
TFX-12 mo (non-discounted)								
TFX-A1-winter								
TFX-A1-summer								
TFX-A2-winter								
TFX-A2-summer								
TFX-B1-winter								
TFX-B1-summer								
TFX-B2-winter								
TFX-B2-summer								
TFX-C1-winter								
TFX-C1-summer								
TFX-C2-winter								
TFX-C2-summer								
	2/							
								...TRADE SECRET DATA ENDS
Total NNG Demand Winter	979,172	979,172	979,032	978,872	981,497	981,657	981,657	0
Total NNG Demand Summer	551,883	551,883	551,673	551,673	553,413	553,531	553,531	0
	[TRADE SECRET DATA BEGINS							
Reservation - Waterville (151 days)								
Waterville - SBA								
SMS								
Viking								
FT-A - 12 month								
FT-A - 5 month (5,000 5 mo.)								
Total Viking Demand	76,809	76,809	56,809	56,809	56,809	56,809	56,809	0
								...TRADE SECRET DATA ENDS
Supply Demand	1/							
	[TRADE SECRET DATA BEGINS							
Seasonal Reservation								
Storage NGPL								
Storage Tennaska								
								...TRADE SECRET DATA ENDS
	NOTE: Reflects Total volumes contracted and does not reflect any cost allocation.							
Released Capacity			(1,500)	(1,500)	0	0	0	0
Underground Storage	50,000	50,000	50,000	50,000	50,000	50,000	50,000	0
LNG Peak Shaving	72,000	72,000	72,000	72,000	72,000	72,000	72,000	0
Propane Peak Shaving	201,700	201,700	188,800	188,800	179,633	179,633	179,633	0
Total Peaking	323,700	323,700	310,800	310,800	301,633	301,633	301,633	0
Total Capacity	1,379,481	1,379,481	1,345,141	1,344,981	1,339,939	1,340,099	1,340,099	0
Total Peak-Shaving Capacity/On-line Storage	323,700	323,700	310,800	310,800	301,633	301,633	301,633	0
Total Annual Transportation	608,692	608,692	608,556	608,482	610,222	610,340	610,340	0
Total Seasonal Transportation	1,055,981	1,055,981	1,034,267	1,034,181	1,038,306	1,038,466	1,038,466	0
Peak Shaving as % of Total Capacity	23.5%	23.5%	23.1%	23.1%	22.5%	22.5%	22.5%	
Annual Transportation as % of Total Capacity	44.1%	44.1%	45.2%	45.2%	45.5%	45.5%	45.5%	
Seasonal Transportation as % of Total Capacity	76.5%	76.5%	76.9%	76.9%	77.5%	77.5%	77.5%	
Annual and Seasonal Transportation as % of Total Transportation	63.4%	63.4%	63.0%	63.0%	63.0%	63.0%	63.0%	

	Last Rate Case (G008/GR-08- 1075)	Last Demand Change (G008/M-12- 864) (Dec 2012)	Oct 2013 PGA	January 2014 PGA (M-13- 578)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Residential								
Commodity Cost of Gas (WACOG) (4)	\$6.0690	\$3.9277	\$3.7628	\$3.9885	-34.28%	1.55%	6.00%	\$0.2257
Demand Cost of Gas (1)	\$0.8401	\$0.7411	\$0.7483	\$0.7281	-13.33%	-1.75%	-2.70%	(\$0.0202)
Commodity Margin (2) (3)	\$1.6637	\$1.7344	\$1.8075	\$1.7308	4.03%	-0.21%	-4.24%	(\$0.0767)
Total Cost of Gas	\$8.5728	\$6.4032	\$6.3186	\$6.4474	-24.79%	0.69%	2.04%	\$0.1288
Average Annual Usage (Dk)	100	100	100	100				
Average Annual Total Cost of Gas	\$857.28	\$640.32	\$631.86	\$644.74	-24.79%	0.69%	2.04%	\$12.88
Average Annual Total Demand Cost of Gas								(\$2.02)

	Last Rate Case (G008/GR-08- 1075)	Last Demand Change (G008/M-12- 864) (Dec 2012)	Oct 2013 PGA	January 2014 PGA (M-13- 578)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Commercial/Industrial Firm - A								
Commodity Cost of Gas (WACOG)	\$6.0690	\$3.9277	\$3.7628	\$3.9885	-34.28%	1.55%	6.00%	\$0.2257
Demand Cost of Gas (1)	\$0.8401	\$0.7411	\$0.7483	\$0.7281	-13.33%	-1.75%	-2.70%	(\$0.0202)
Commodity Margin	\$1.4680	\$1.5700	\$1.6926	\$1.6159	10.07%	2.92%	-4.53%	(\$0.0767)
Total Cost of Gas	\$8.3771	\$6.2388	\$6.2037	\$6.3325	-24.41%	1.50%	2.08%	\$0.1288
Average Annual Usage (Dk)	80	80	80	80				
Average Annual Total Cost of Gas	\$670.17	\$499.10	\$496.30	\$506.60	-24.41%	1.50%	2.08%	\$10.30
Average Annual Total Demand Cost of Gas								(\$1.62)

	Last Rate Case (G008/GR-08- 1075)	Last Demand Change (G008/M-12- 864) (Dec 2012)	Oct 2013 PGA	January 2014 PGA (M-13- 578)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Commercial/Industrial Firm - B								
Commodity Cost of Gas (WACOG)	\$6.0690	\$3.9277	\$3.7628	\$3.9885	-34.28%	1.55%	6.00%	\$0.2257
Demand Cost of Gas (1)	\$0.8401	\$0.7411	\$0.7483	\$0.7281	-13.33%	-1.75%	-2.70%	(\$0.0202)
Commodity Margin	\$1.4422	\$1.4090	\$1.4861	\$1.4094	-2.27%	0.03%	-5.16%	(\$0.0767)
Total Cost of Gas	\$8.3513	\$6.0778	\$5.9972	\$6.1260	-26.65%	0.79%	2.15%	\$0.1288
Average Annual Usage (Dk)	2,860	2,860	2,860	2,860				
Average Annual Total Cost of Gas	\$23,884.72	\$17,382.51	\$17,151.99	\$17,520.36	-26.65%	0.79%	2.15%	\$368.37
Average Annual Total Demand Cost of Gas								(\$57.77)

	Last Rate Case (G008/GR-08- 1075)	Last Demand Change (G008/M-12- 864) (Dec 2012)	Oct 2013 PGA	January 2014 PGA (M-13- 578)	Change From Last Rate Case	Change From Last Demand Change	Percent Change (%) From Most Recent PGA	Change (\$) From Most Recent PGA
Commercial/Industrial Firm - C								
Commodity Cost of Gas (WACOG)	\$6.0690	\$3.9277	\$3.7628	\$3.9885	-34.28%	1.55%	6.00%	\$0.2257
Demand Cost of Gas (1)	\$0.8401	\$0.7411	\$0.7483	\$0.7281	-13.33%	-1.75%	-2.70%	(\$0.0202)
Commodity Margin	\$1.3362	\$1.3114	\$1.3465	\$1.2698	-4.97%	-3.17%	-5.70%	(\$0.0767)
Total Cost of Gas	\$8.2453	\$5.9802	\$5.8576	\$5.9864	-27.40%	0.10%	2.20%	\$0.1288
Average Annual Usage (Dk)	14,300	14,300	14,300	14,300				
Average Annual Total Cost of Gas	\$117,907.79	\$85,516.86	\$83,763.68	\$85,605.52	-27.40%	0.10%	2.20%	\$1,841.84
Average Annual Total Demand Cost of Gas								(\$288.86)

Summary	Commodity Change (\$/Dk)	Commodity Change (Percent)	Demand Change (\$/Dk)	Demand Change (Percent)	Total Change (\$/Dk)	Total Change (Percent)
Change from most recent PGA						
Customer Class						
Residential	\$0.2257	6.00%	-\$0.0202	-2.70%	\$12.88	2.04%
Commercial/Industrial Firm A	\$0.2257	6.00%	-\$0.0202	-2.70%	\$10.30	2.08%
Commercial/Industrial Firm B	\$0.2257	6.00%	-\$0.0202	-2.70%	\$368.37	2.15%
Commercial/Industrial Firm C	\$0.2257	6.00%	-\$0.0202	-2.70%	\$1,841.84	2.20%

(1) Does not include Demand Smoothing

(2) Reflects Decoupling Factor and CCRA. Does not reflect GAP, Interim or GCR Factors.

(3) Reflects decrease in CCRA of (\$0.0767) per DT effective November 1, 2013 (Docket G-008/M-13-373)

(4) WACOG value in the Jan 2014 column is the Nov 2013 PGA value.

WORKPAPER

Changes to Base/Variable units

- Original Schedule from NNG with handwritten edits (see attached)
- Memo from NNG: explains how CNP growth entitlements will be billed (see attached)

November 1, 2013 filing assumed the 86 units were included as “base”, but are billed as part of the 204 “Growth” volumes

- Net decrease in costs (\$1,563)

Changes to Backhaul

CNP assumed 50,000 units x (\$0.15 x 30.4 days) x 5 months = \$1,140,000

Actual bill shows 50,000 units x \$0.15 x 151 days = \$1,132,500

Difference of (\$7,500)

21-Oct-13

NORTHERN NATURAL GAS COMPANY
EFFECTIVE NOVEMBER 1, 2013
THROUGHPUT ENTITLEMENT PROFILE

Business Development & Marketing
 Commercial Support

Utility: **CENTERPOINT ENERGY MINNESOTA GAS**

Actual May through September 2013 Throughput (MMBTU)					
ACCT MO	TF	TI	FDD/IDD	OTHER	TOTAL
MAY	2,814,090	-	133,472	168,916	3,116,478
JUN	2,683,731	-	-	367,690	3,051,421
JUL	2,988,286	-	-	454,932	3,443,218
AUG	2,879,559	-	-	459,996	3,339,555
SEPT	3,129,607	-	-	432,777	3,562,384
TOTAL:	14,495,273	-	133,472	1,884,311	16,513,056
average day =					107,928

APPROVED TFX:	847,943
APPROVED TF5:	88,716
APPROVED TF12:	142,213
TOTAL:	1,078,872

CNP Deliveries	
111463	14,495,273
Odgen	0
3rd Party Storage - Glenwood	133,472
	14,628,745
Other	
Alternate Points	28,255
Temporary Releases	1,856,056
	1,884,311
Total	16,513,056
3rd Party Activity CNP does not get credit	
Primary Delivery	2,650,862
Storage	0
OSE	0
	2,650,862
	19,163,918

ALLOCATED TF12B:	107,928
ALLOCATED TF12V:	34,285
TOTAL:	142,213

107,928
 142,213
 144,071

CONTRACT	TFX ENTLMNT	TF5 ENTLMNT	TF12V ENTLMNT	TF12B ENTLMNT	TOTAL ENTLMNT	TFF ENTLMNT
111463	-	88,716	34,285	107,928	230,929	
111461	50,000				50,000	
111464	791,443				791,443	
111697	6,500				6,500	Mkt-to-Field
TOTAL:	847,943	88,716	34,285	107,928	1,078,872	

Mkt increase on 11/01/2013 not part of BV

Handwritten calculations and notes:
 - 86 + 86 = 172
 34,199 + 109,668 = 143,867
 86 + 118 = 204
 34,285 + 109,786 = 144,071
 TARIFF RATES
 GROWTH RATES

Spurzem, Loren R.

From: Eller, Craig <Craig.Eller@nngco.com>
Sent: Tuesday, October 29, 2013 3:30 PM
To: Spurzem, Loren R.; Wagner, Ladonna
Subject: RE: 2013 Base Variable

Loren,

The total TF12 Base volume for November 1, 2013 will be 109,786 Dth/day. The total variable will be 34,285 Dth/day

The TF12B is the sum of the calculated 107,928 Dth/day + 86 Dth/day for Avon + 1,654 Dth/day for the Willmar Expansion + 118 Dth/day for Springfield.

The amounts charged at tariff and discounted rates is somewhat confusing as the volumes for Avon St. John are added as base but the amendment specifies that the discount will be applied to the variable volumes first. Willmar volumes are charged tariff rates and Springfield volumes are discounted from the base volumes first.

TF12B @ Tariff = 109,668 Dth/day (Previous + Avon Volume + Willmar)

TF12B @ Disc = 118 Dth/day (Springfield)

Subtotal TF12B: 109,786 Dth/day

TF12V @ Tariff = 34,199 Dth/day

TF12V @ Disc = 86 Dth/day (Avon Discount)

Subtotal TF12V: 34,285 Dth/day

Total TF12 Capacity = 144,071 Dth/day

TF5 @ Tariff = 89,527 Dth/day (Previous + Willmar)

TF5 @ Disc = 116 Dth/day (Avon + Springfield)

Total TF5 Capacity = 89,643 Dth/day

Craig Eller

From: Spurzem, Loren R. [<mailto:loren.spurzem@centerpointenergy.com>]
Sent: Tuesday, October 29, 2013 9:57 AM
To: Wagner, Ladonna
Cc: Eller, Craig
Subject: FW: 2013 Base Variable

Ladonna & Craig,

Will the growth volumes (1,654) on Amendment 24 for contract 111463 be added to the calculated average of 107,928 from your work papers to get to a total TF12B volume of 109,582 billed at max rates effective 11/1/13?

Thanks.

Loren