Minnesota Energy Resources Corporation
2685 145th Street West
Rosemount, MN 55068
www.minnesotaenergyresources.com

May 1, 2020

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

VIA ELECTRONIC FILING

Re: In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of the 2019 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor

Docket No. G011/M-20-___

Dear Mr. Seuffert:

Enclosed, please find the Petition of Minnesota Energy Resources Corporation ("MERC") for Approval of the 2019 Conservation Improvement Program ("CIP") Tracker Account, Demand-Side Management ("DSM") Financial Incentive, and Conservation Cost Recovery Adjustment factor. Excel versions of Attachment B, the Company's 2019 DSM Financial Incentive and supporting BENCOST analyses, are being filed concurrently.

The Minnesota Public Utilities Commission's October 28, 2014, Findings of Fact, Conclusions, and Order in Docket No. G011/GR-13-617 at Order Point 13 also required that MERC include, in future CIP tracker-account filings, annual compliance filings documenting that its CIP-exempt customers have been properly identified and are being properly billed. MERC has included an update regarding CIP billing compliance in the attached report.

Copies of this filing have been served on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota Office of the Attorney General – Residential Utilities Division. A summary of this filing has been served on all parties on the attached service lists.

Please contact me at (414) 221-4208 if you have any questions regarding this filing.

Sincerely,

Joylyn C. Hoffman Malueg

Joylyn C. Hoffman Malueg
Project Specialist 3
Minnesota Energy Resources Corporation

Enclosures
cc: Service Lists

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of the 2019 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor	Docket No. G011/M-20-___ **PETITION**

INTRODUCTION

Minnesota Energy Resources Corporation ("MERC" or the "Company") submits this Petition pursuant to the Minnesota Public Utilities Commission's ("Commission") Order Establishing Utility Performance Incentives for Energy Conservation issued in Docket No. E,G999/CI-08-133. In this filing, MERC seeks approval of its Conservation Improvement Program ("CIP") tracker account balance and a Demand-Side Management ("DSM") financial incentive for the period January 1, 2019, through December 31, 2019. MERC is also seeking Commission approval of a proposed modified Conservation Cost Recovery Adjustment ("CCRA") factor effective January 1, 2021. MERC filed its CIP Status Report covering the same period in Docket No. G011/CIP-16-120.03.

I. Summary of Filing

A one-paragraph summary of the filing accompanies this Petition pursuant to Minn. R. 7829.1300, subp. 1.

II. Service on Other Parties

Pursuant to Minn. R. 7829.1300, subp. 2, MERC has served a copy of this petition on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota

Office of the Attorney General – Residential Utilities Division. A summary of this filing has been served on all parties on the attached service list.

III. General Filing Information

Pursuant to Minn. R. 7829.1300, MERC provides the following information:

A. Name, Address, and Telephone Number of Filing Party

Minnesota Energy Resources Corporation
2685 145th Street West
Rosemount, MN 55068
(651) 322-8901

B. Name, Address, Electronic Address, and Telephone Number of Attorney for the Filing Party

Kristin M. Stastny
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South Eighth Street
Minneapolis, MN 55402
KStastny@taftlaw.com
(612) 977-8656

C. Date of Filing and Proposed Effective Date

MERC is submitting this filing on May 1, 2020. MERC has calculated the new CCRA factor based on an assumed effective date of January 1, 2021, and assumed 12-month effective period. In the event the Commission acts to approve this filing sooner, a revised CCRA factor could be submitted through a compliance filing.

D. Statute Controlling Schedule for Processing the Filing

Minnesota Statutes section 216B.16, subdivision 1, allows a utility to place a rate change into effect upon 60 days' notice to the Commission, unless the Commission otherwise orders. Minnesota Statutes section 216B.16, subdivisions 6b-6c further allow public utilities to file rate schedules providing for annual recovery of actual conservation costs and approved incentives. Under Minn. R. 7829.0100, subp. 11, this Petition constitutes a miscellaneous filing because no determination of the Company's general revenue requirement is necessary. Minnesota Rule

7829.1400, subpart 1, permits initial comments on miscellaneous filings to be made within 30 days of filing with reply comments due 10 days thereafter.

E. Signature, Electronic Address, and Title of Utility Employee Responsible for the Filing

Joylyn C. Hoffman Malueg
Project Specialist 3
Minnesota Energy Resources Corporation
231 W. Michigan Street
Milwaukee, WI 53203
Joylyn.HoffmanMalueg@wecenergygroup.com

IV. Description and Purpose of Filing

A. Background

In this Petition, MERC seeks the Commission's approval of its CIP tracker account balances as of December 31, 2019. Additionally, MERC seeks Commission approval of a DSM financial incentive for 2019 in the amount of $1,771,381, excluding the costs and net benefits associated with approved low-income programs that are not cost-effective, in accordance with Minn. Stat. §216B.241, subd. 7. MERC also seeks Commission approval of a CCRA credit to customers of $0.00062 per therm, with a proposed effective date of January 1, 2021.

B. 2018 CIP Tracker Account

On May 1, 2019, MERC submitted a petition for approval of its 2018 CIP tracker account activity, DSM financial incentive, and revised CCRA in Docket No. G011/M-19-301. Specifically, MERC requested that the Commission approve the Company's 2018 DSM financial incentive of $1,892,566; approve MERC's 2018 CIP tracker activity; and approve a revised CCRA of ($0.00953) per therm to be effective January 1, 2020. The Commission approved MERC's

2018 CIP tracker activity and DSM incentive by Order dated July 19, 2019, with the revised CCRA effective January 1, 2020.[1]

The table below provides a summary of activities in the MERC CIP tracker account in 2019.

MERC-CIP Tracker 2019 Activity

Beginning Balance – January 1, 2019	($4,540,349.93)
CIP Expenses – January 1, 2019 – December 31, 2019	$12,115,460.63
Carrying Charges – January 1, 2019 – December 31, 2019	($221,698.76)
DSM Financial Incentive	$1,892,566.00
CIP Recoveries – January 1, 2019 – December 31, 2019	($13,513,752.17)
Ending Balance – December 31, 2019	**($4,267,774.23)**

Attachment A includes MERC's 2019 CIP tracker account activity.

C. Proposed DSM Financial Incentive

1. *Calculation of DSM Financial Incentive*

MERC seeks Commission approval of a DSM financial incentive of $1,771,381 for 2019 based on energy savings of 468,544 dekatherms, in accordance with the Commission's August 5, 2016, Order Adopting Modifications to Shared Savings Demand-Side Management Financial Incentive Plan in Docket No. E,G999/CI-08-133.[2] Supporting documentation is provided in Attachment B.

MERC has excluded Next Generation Energy Act assessments in the amount of $165,912 from the calculation of net benefits consistent with the Commission's August 5, 2016, Order Adopting Modifications to Shared Savings Demand-Side Management Financial Incentive

[1] *In the Matter of Minn. Energy Res. Corp. for Approval of 2018 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor*, Docket No. G011/M-19-301, ORDER (July 19, 2019).

[2] *In the Matter of Comm'n Review of Util. Performance Incentives for Energy Conservation Pursuant to Minn. Stat. § 216B.241, Subd.* 2c, Docket No. E,G999/CI-08-133, ORDER ADOPTING MODIFICATIONS TO SHARED SAVINGS DEMAND-SIDE MANAGEMENT FINANCIAL INCENTIVE PLAN (Aug. 5, 2016).

Plan in Docket No. E,G999/CI-08-133.[3] Additionally, as discussed in more detail below, MERC has excluded the costs and benefits associated with its Low Income Weatherization and 4U2 programs in accordance with Minn. Stat. §216B.241, subd. 7(e), as neither of these approved low-income programs is cost effective under the utility cost test.

2. *Statutory Criteria*

In Docket No. E,G999/CI-08-133, the Commission adopted a new Shared Savings Model to be used to calculate utility financial incentives for energy conservation starting with the calendar year 2010. Most recently, on August 5, 2016, the Commission issued an Order Adopting Modifications to Shared Savings Demand Side Management Financial Incentive Plan in Docket No. E,G999/CI-08-133, modifying the shared savings incentive model effective 2017-2019.[4]

Minnesota Statutes section 216B.16, subdivision 6c(b) sets forth four statutory criteria with respect to approval by the Commission of utility financial incentive plans for energy conservation improvements. MERC's requested DSM financial incentive is consistent with the statutory criteria outlined below. Minnesota Statutes section 216B.16, subdivision 6c(b) states that in approving incentive plans, the Commission shall consider:

> (1) whether the plan is likely to increase utility investment in cost-effective energy conservation;
>
> (2) whether the plan is compatible with the interest of utility ratepayers and other interested parties;
>
> (3) whether the plan links the incentive to the utility's performance in achieving cost-effective conservation; and
>
> (4) whether the plan is in conflict with other provisions of Chapter 216B.

These four criteria are discussed below.

[3] *Id.* at 26.

[4] *Id.* at 24.

Additionally, Minn. Stat. 216B.241, subd. 7.(e) allows that the costs and benefits associated with any approved low-income gas or electric conservation improvement program that is not cost-effective when considering the costs and benefits to the utility may, at the discretion of the utility, be excluded from the calculation of net economic benefits for purposes of calculating the financial incentive to the utility. The energy and demand savings may, at the discretion of the utility, be applied toward the calculation of overall portfolio energy and demand savings for purposes of determining progress toward annual goals and in the financial incentive mechanism. MERC has excluded the costs and benefits associated with its Low Income Weatherization and 4U2 programs in accordance with this provision, as neither of these approved low-income programs is cost effective under the utility cost test, as discussed in greater detail below.

(1) Whether the plan is likely to increase utility investment in cost-effective energy conservation.

The modified Shared Savings Model authorizes financial incentives for natural gas utilities that achieve energy savings of at least 0.7 percent of the utility's retail sales. For a utility that achieves energy savings equal to 0.7 percent of retail sales, the utility is awarded a share of net benefits. For each additional 0.1 percent of energy savings the utility achieves, the net benefits awarded increase by an additional 0.75 percent until the utility achieves a savings of 1.2 percent of retail sales. For savings levels of 1.2 percent and higher, the utility is awarded a share of the net benefits equal to the Net Benefits Cap. The Net Benefit Cap for 2017 was 13.5 percent; for 2018 was 12.0 percent; and for 2019 is 10.0 percent.

MERC's incentive is designed to increase the Company's investment in cost-effective energy conservation and consequently results in increased energy and demand savings. The increasing incentives under the plan encourage MERC to seek energy savings, through completed customer conservation measures, at and beyond the 1.5 percent energy savings goal.

(2) Whether the plan is compatible with the interest of utility ratepayers and other interested parties.

MERC's plan is compatible with the interest of utility ratepayers and other interested parties. The incentive is designed to tie the financial incentive to the utility's progress towards meeting the 1.5 percent energy savings goal. Additionally, the incentive will not exceed the net benefits created through the savings, and therefore ratepayers receive the majority of the benefits achieved under the Company's CIP program. Specifically, the new shared savings DSM incentive plan caps the incentive awarded at 10.0 percent of net benefits in 2019.

(3) Whether the plan links the incentive to the utility's performance in achieving cost-effective conservation.

The new shared savings DSM incentive plan links the incentive to the Company's progress toward the 1.5 percent energy savings goal, but the incentive awarded will not exceed the net benefits created through savings. The incentive therefore encourages the utility to achieve cost-effective conservation.

(4) Whether the plan is in conflict with other provisions of Chapter 216B.

MERC's incentive plan does not conflict with other provisions of Chapter 216B, and is consistent with the Commission's August 5, 2016, Order Adopting Modifications to Shared Savings Demand-Side Management Financial Incentive Plan in Docket No. E,G999/CI-08-133.

(5) Exclusion of Low-Income Program Costs and Benefits In Accordance with Minn. Stat. §216B.241, subd. 7.

Minnesota Statute section 216B.241, subp. 7(e) provides:

> The costs and benefits associated with any approved low-income gas or electric conservation improvement program that is not cost-effective when considering the costs and benefits to the utility may, at the discretion of the utility, be excluded from the calculation of net economic benefits for purposes of calculating the financial incentive to the utility. The energy and demand savings may, at the discretion of the utility, be applied toward the calculation of overall portfolio energy and demand savings for purposes of determining progress toward annual goals and in the financial incentive mechanism.

Consistent with this statutory provision, MERC has excluded the costs and benefits associated with its two approved low-income CIP programs—Low Income Weatherization and 4U2—in the calculation of its 2019 CIP incentive, as neither of these two programs is cost-effective when considering the costs and benefits to the utility. In particular, under the utility cost test, these approved low-income programs achieve the following benefit-cost test results for 2019:

Program	Utility Cost Test Results (2019)
Low Income Weatherization	0.68
4U2	0.54

As neither of these programs is cost effective when considering the costs and benefits to the utility, MERC is electing, consistent with Minn. Stat. §216B.241, subp. 7(e) to exclude the costs and benefits of these programs from the calculation of net economic benefits for purposes of calculating the financial incentive to the utility. Also in accordance with subd. 7(e), the savings attributable to these programs is applied toward the calculation of overall portfolio energy and demand savings for purposes of determining progress toward annual goals and in the financial incentive mechanism. As reflected in Attachment B to this filing, MERC has calculated its 2019 CIP incentive excluding both of these low-income programs' 2019 spending and net benefits.

D. Proposed CCRA

In the Company's 2008 rate case, the Commission approved a CCRA for the Company with an initial rate of $0.0000 per therm and required the Company to file adjustment reports by May 1 of each calendar year. The current CCRA factor of ($0.00953) was approved by the Commission by Order dated July 19, 2019, in Docket No. G011/M-19-301, and was effective January 1, 2020.

MERC's tracker balance as of January 1, 2020, is an over-recovery of $4,267,774.23. The estimated MERC CIP tracker balance as of December 31, 2021, based on anticipated expense and collections via the conservation cost recovery charge ("CCRC"), is an under-collection of $284,025. As a result, MERC proposes to set the CCRA factor to $0.00062 per therm effective January 1, 2021 to collect the under-collection balance forecasted on the CIP tracker through 2021. As shown in Attachment C, setting the CCRA to $0.00062 on January 1, 2021, is projected to collect the forecasted CIP tracker under-recovery of $284,025 currently projected as of December 31, 2021.

Included as Attachment D are proposed redline changes to MERC's Tariff Sheet No. 7.02a, incorporating the proposed modified CCRA rate. The Company proposes to implement the bill message below, effective the first month the new CCRA factor takes effect, notifying customers of the change in their monthly bills:

> Effective January 1, 2021, the CCRA (conservation cost recovery adjustment) has been revised to $0.00062 per therm. The CCRA is an annual adjustment to true-up under-recovery or over-recovery of CIP (conservation improvement program) expenses.

E. Effect of Change on MERC Revenue

This Petition has no effect on MERC's revenue. The CCRA is forecasted to collect the difference between the CIP expenses actually recovered through the CCRC and the CIP tracker account balance as of January 2021 over approximately one year. In particular, as shown in Attachment C, setting the CCRA to $0.00062 on January 1, 2021, is projected to recover the tracker balance of $248,025 projected as of December 31, 2021.

F. CIP-Exempt Customer Billing Review

In its October 28, 2014, Findings of Fact, Conclusions, and Order in Docket No. G011/GR-13-617, the Commission ordered MERC to make annual compliance filings with future CIP tracker filings documenting that its CIP-exempt customers have been properly identified and are being properly billed.[5]

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[5] *In the Matter of a Petition by Minn. Energy Res. Corp. for Auth. To Increase Nat. Gas Rates in Minn.*, Docket No. G011/GR-13-617, FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 10 (Oct. 28, 2014).

Since the imposition of this requirement, MERC has continued to conduct monthly reviews of a sample of customer bills, across all bill classes, to ensure proper billing of CIP charges. MERC has also committed to review all CIP-exempt rate codes on a quarterly basis to ensure customers who are treated as CIP-exempt have received an exemption. Based on MERC's continued review, all customers on CIP-exempt rate codes have a valid exemption on file and no additional billing issues have been identified.

CONCLUSION

MERC respectfully requests that the Commission approve its CIP tracker account balances for 2019 with an ending balance of ($4,267,774.23). Additionally, MERC requests that the Commission approve a consolidated 2019 DSM financial incentive of $1,771,381. Finally, MERC requests approval to set the CCRA factor to $0.00062 per therm effective January 1, 2021.

Dated: May 1, 2020

Respectfully submitted,

TAFT STETTINIUS & HOLLISTER LLP

By: *<u>/s/ Kristin M. Stastny</u>*

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Attorney for Minnesota Energy
Resources Corporation

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
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In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of the 2019 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor

Docket No. G011/M-20-___

SUMMARY OF FILING

Please take notice that on May 1, 2020, Minnesota Energy Resources Corporation submitted to the Minnesota Public Utilities Commission ("Commission") a Petition for Approval of its 2019 Conservation Improvement Program tracker account balance, 2019 Demand-Side Management financial incentive, and Conservation Cost Recovery Adjustment factor.

Please note that this filing is available through the eDockets system maintained by the Minnesota Department of Commerce ("Department") and the Commission. You can access this document by going to eDockets through the websites of the Department or the Commission or by going to the eDockets homepage at: https://www.edockets.state.mn.us/EFiling/edockets/searchDocuments.do?method=showeDocketsSearch&showEdocket=true&userType=public. Once on the eDockets homepage, this document can be accessed through the "Search Documents" link and by entering the date of the filing.

Attachment A

2019 CIP Tracker

Minnesota Energy Resources
CIP Tracker Balance Calculation
As of 12/31/19

		PY Ending Balance	January	February	March	April	May	June	July	August	September	October	November	December	CY Total
1.	Beginning Balance (excl. carry cost through July 2015)		(4,540,349.93)	(5,088,046.35)	(6,840,502.69)	(8,178,688.49)	(8,279,030.92)	(8,186,705.64)	(8,020,075.17)	(5,870,954.56)	(5,517,307.51)	(5,075,117.34)	(4,446,856.10)	(4,350,225.32)	(4,540,349.93)
	Acquired IPL tracker balance														-
2.	Expenses		1,246,601.04	726,917.51	602,192.78	1,225,191.75	889,714.47	755,705.86	707,955.52	724,895.56	869,601.33	1,168,694.94	1,304,081.31	1,893,908.56	12,115,460.63
3.	Recoveries		(1,779,078.98)	(2,458,913.72)	(1,915,915.91)	(1,300,771.37)	(772,902.54)	(565,087.13)	(433,840.72)	(354,746.10)	(412,231.35)	(527,133.03)	(1,194,438.90)	(1,798,692.44)	(13,513,752.17)
															-
															-
4.	Incentives								1,892,566.00						1,892,566.00
5.	Subtotal Balance Line 1+2-3+4)		(5,072,827.87)	(6,820,042.56)	(8,154,225.81)	(8,254,268.11)	(8,162,218.99)	(7,996,086.91)	(5,853,394.37)	(5,500,805.09)	(5,059,937.53)	(4,433,555.43)	(4,337,213.68)	(4,255,009.20)	(4,046,075.47)
6.	Monthly Carry Cost **		(15,218.48)	(20,460.13)	(24,462.68)	(24,762.80)	(24,486.66)	(23,988.26)	(17,560.18)	(16,502.42)	(15,179.81)	(13,300.67)	(13,011.64)	(12,765.03)	(221,698.76)
															-
7	**Ending Balance (Line 5+6)**	**(4,540,349.93)**	**(5,088,046.35)**	**(6,840,502.69)**	**(8,178,688.49)**	**(8,279,030.92)**	**(8,186,705.64)**	**(8,020,075.17)**	**(5,870,954.56)**	**(5,517,307.51)**	**(5,075,117.34)**	**(4,446,856.10)**	**(4,350,225.32)**	**(4,267,774.23)**	**(4,267,774.23)**

** Carry Cost charge:
3.6000% annual rate
12 months
0.00300000 monthly rate

Effective in August 2015, carrying charges are based on the total net tracker balance inclusive of carrying charges

Minnesota Energy Resources
CCRC Recovery by Class (in therms)
As of 12/31/19

CCRC:	January	February	March	April	May	June	July	August	September	October	November	December	YTD
Gas Residential	29,000,778	38,417,173	33,502,981	19,175,931	13,050,413.00	6,392,127.00	3,427,084	2,575,842	3,239,776	5,493,148	17,198,602	27,616,324	199,090,179
Gas Small C&I	1,576,362	2,390,867	1,182,879	780,037	429,928.00	209,431.00	68,739	186,218	133,483	259,111	923,981	1,674,734	9,815,770
Gas Large C&I	16,882,607	27,412,733	16,392,467	11,691,588	2,974,006.00	4,185,229.00	3,939,251	1,761,044	2,641,326	4,321,402	10,930,787	20,668,895	123,801,335
Gas Large C&I Int.	3,814,922	4,735,172	4,056,721	3,480,749	2,259,088.00	1,632,526.00	1,044,701	987,298	1,034,596	1,197,584	3,023,640	2,712,763	29,979,760
Transport of Gas	8,972,757	10,311,020	9,741,747	8,921,297	7,460,034.00	6,718,994.00	6,211,410	6,503,007	6,910,854	6,579,999	8,371,389	8,237,991	94,940,499
Total Therms	60,247,426	83,266,965	64,876,795	44,049,602	26,173,469	19,138,307	14,691,185	12,013,409	13,960,035	17,851,244	40,448,400	60,910,707	457,627,544
CCRC rate *	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953	0.02953
CCRC Recovery	$ 1,779,106.51	$ 2,458,873.48	$ 1,915,811.76	$ 1,300,784.75	$ 772,902.54	$ 565,154.21	$ 433,830.69	$ 354,755.97	$ 412,239.83	$ 527,147.24	$ 1,194,441.24	$ 1,798,693.16	$ 13,513,741.36

* CCRC Final rate effective Jan 1, 2018

Minnesota Energy Resources
CCRA Recovery by Class (in therms)
As of 12/31/19

CCRA:	**January**	**February**	**March**	**April**	**May**	**June**	**July**	**August**	**September**	**October**	**November**	**December**	**YTD**
Gas Residential	1,365	9,110	810	962		(987)	3,799		(405)				14,655
Gas Small C&I	(860)			(731)		(527)	(666)	737	414	(1,686)			(3,319)
Gas Large C&I	(193)	778	1,488	(1,089)		(384)	(160)		(742)				(303)
Gas Large C&I Int.						(3,387)		1,344					(2,043)
Transport of Gas													-
Total Therms	312	9,888	2,298	(858)	-	(5,285)	2,973	2,081	(733)	(1,686)	-	-	8,990
CCRA rate *	0	0	0	0	0	0	0	0	0	0	0	0	0
CCRA Recovery	$ (27.53)	$40.24	$ 104.15	$ (13.38)	$ -	$ (67.08)	$ 10.03	$ (9.87)	$ (8.48)	$ (14.21)	$ (2.34)	$ (0.72)	$ 10.81

CCRA = Conservation Cost Recovery Adjustment

Attachment B

2019 DSM Incentive

	A	B	C	D	E	F	G	H
1								
2	**Conservation Improvement Program (CIP)**			BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis				
3				Approved by Minnesota Department of Commerce, January 26, 2006				
4	Company:	**Minnesota Energy Resources**						
5	Project:	**TOTAL CIP - 2019**						
6				R				
7	**Input Data**							**Third Year**
8								
9	1) Retail Rate ($/Dth) =		$17.22		16) Utility Project Costs			
10	Escalation Rate =		4.00%		16a) Administrative & Operating Costs =			$7,047,406
11					16b) Incentive Costs =			$ 4,902,144
12	2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =		$0.00		16c) Total Utility Project Costs =			$ 11,949,549
13	Escalation Rate =		2.16%					
14	Non-Gas Fuel Units (ie. kWh,Gallons, etc) =				17) Direct Participant Costs ($/Part.) =			$144
15								
16	3) Commodity Cost ($/Dth) =		$4.27		18) Participant Non-Energy Costs (Annual $/Part.) =			$0
17	Escalation Rate =		4.00%		Escalation Rate =			0.00%
18								
19	4) Demand Cost ($/Unit/Yr) =		$129.27		19) Participant Non-Energy Savings (Annual $/Part) =			$0
20	Escalation Rate =		4.00%		Escalation Rate =			0.00%
21								
22	5) Peak Reduction Factor =		1.00%		20) Project Life (Years) =			11.5
23								
24	6) Variable O&M ($/Dth) =		$0.05		21) Avg. Dth/Part. Saved =			4.46
25	Escalation Rate =		4.00%					
26					22) Avg Non-Gas Fuel Units/Part. Saved =			0.00
27	7) Non-Gas Fuel Cost ($/Fuel Unit) =		$0.00		22a) Avg Additional Non-Gas Fuel Units/ Part. Used =			0.00
28	Escalation Rate =		2.16%					
29					23) Number of Participants =			105,116
30	8) Non-Gas Fuel Loss Factor		0.00%					
31					24) Total Annual Dth Saved =			468,544
32	9) Gas Environmental Damage Factor =		$0.3800					
33	Escalation Rate =		2.16%		25) Incentive/Participant =			$47
34								
35	10) Non Gas Fuel Environmental Damage Factor =		$0.00					
36	Escalation Rate =		0.00%					
37								
38	11) Participant Discount Rate =		2.55%					
39								
40	12) Utility Discount Rate =		7.30%					
41								
42	13) Societal Discount Rate =		2.55%					
43								
44	14) General Input Data Year =		2016					
45								
46	15) Project Analysis Year 1 =		2017					
47	15a) Project Analysis Year 2 =		2018					
48	15c) Project Analysis Year 3 =		2019					
49								
50								
51						**Triennial**	**Triennial**	
52	**Cost Summary**			**3rd Yr**	**Test Results**	**NPV**	**B/C**	
53								
54	Utility Cost per Participant =			$113.68	**Ratepayer Impact Measure Test**	($82,901,197)	0.29	
55	Cost per Participant per Dth =			$57.85				
56					**Utility Cost Test**	$22,313,737	2.87	
57	Lifetime Energy Reduction (Dth)	6,912,970						
58					**Societal Test**	$29,589,361	2.33	
59	Societal Cost per Dth	$0.00						
60					**Participant Test**	$107,539,396	8.10	

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must b

Inputs		Location:
2013 Weather-Normalized Sales (Dth)	53,488,276	CIP Status Report
2014 Weather-Normalized Sales (Dth)	56,095,257	CIP Status Report
2015 Weather-Normalized Sales (Dth)	48,615,230	CIP Status Report
3-year Weather-Normalized Sales Average (Dth)	52,732,921	
1.0% Energy Savings	527,329	
Increase Energy Savings per 0.1% Increase in Achievement Level	52,733	
Approved CIP Budget	$12,322,541	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (Dth)	552,566	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Estimated Net Benefits at Energy Savings Goal	$26,152,255	From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (Dth)	790,994	

Incentive Calibration		
Max Percent of Net Benefits Awarded	10.0%	maximum net benefits awarded
Max Percent of Expenditures Awarded	30.0%	
Earning Threshold	0.7%	
Achievement Level Where Net Benefits Cap Begins	1.2%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2019 Achievements		
Expenditures	$12,115,461	Status report, excludes low income
Energy Saved (first year Dth saved)	468,544	Status report
Net Benefits Achieved	$23,113,258	BENCOST, excludes low income
Shared Savings Incentive Results		
Achievement Level	0.89%	
Percent of Net Benefits Awarded	7.6639%	
Financial Incentive Award	$1,771,381	
Incentive/First Year Dth Saved $	$3.7806	
Incentive/Net Benefits	7.66%	
Incentive/CIP Expenditures	14.62%	

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	0	0.00%	$0	**$0**	$0.000	-
0.1%	52,733	0.00%	$2,495,783	**$0**	$0.000	$0.000
0.2%	105,466	0.00%	$4,991,566	**$0**	$0.000	$0.000
0.3%	158,199	0.00%	$7,487,349	**$0**	$0.000	$0.000
0.4%	210,932	0.00%	$9,983,132	**$0**	$0.000	$0.000
0.5%	263,665	0.00%	$12,478,915	**$0**	$0.000	$0.000
0.6%	316,398	0.00%	$14,974,698	**$0**	$0.000	$0.000
0.7%	369,130	6.25%	$17,470,481	**$1,091,905**	$2.958	$20.706
0.8%	421,863	7.00%	$19,966,264	**$1,397,638**	$3.313	$5.798
0.9%	474,596	7.75%	$22,462,046	**$1,740,809**	$3.668	$6.508
1.0%	527,329	8.50%	$24,957,829	**$2,121,416**	$4.023	$7.218
1.1%	580,062	9.25%	$27,453,612	**$2,539,459**	$4.378	$7.928
1.2%	632,795	10.00%	$29,949,395	**$2,994,940**	$4.733	$8.637
1.3%	685,528	10.00%	$32,445,178	**$3,244,518**	$4.733	$4.733
1.4%	738,261	10.00%	$34,940,961	**$3,494,096**	$4.733	$4.733
1.5%	790,994	10.00%	$37,436,744	**$3,743,674**	$4.733	$4.733
1.6%	843,727	10.00%	$39,932,527	**$3,993,253**	$4.733	$4.733
1.7%	896,460	10.00%	$42,428,310	**$4,242,831**	$4.733	$4.733
1.8%	949,193	10.00%	$44,924,093	**$4,492,409**	$4.733	$4.733
1.9%	1,001,925	10.00%	$47,419,876	**$4,741,988**	$4.733	$4.733
2.0%	1,054,658	10.00%	$49,915,659	**$4,991,566**	$4.733	$4.733

Attachment C

CCRA Calculation

MERC
CCRA Calculation
To Be Effective January 1, 2021

Forecasted beginning balance (January 1, 2021)	$ (2,199,736.00)
Proposed Expenditures (January 2021-December 2021)*	$12,700,000
Forecasted 2019 Incentive (to be approved in 2020)	$1,771,381
Forecasted 2020 Incentive (based on approved 2020 Plan)	$1,659,409
Less forecasted CCRC recovery (January 2021-December 2021)	$ 13,500,390
Projected carrying charges for 2021	$ (146,639)
Forecasted December 2021 Balance	$ 284,025
Forecasted gas sales (January 2021-December 2021) Therms	457,175,410
CCRA=$/therm beginning January 1, 2021	$ 0.00062

*pending approval in 2021-2023 proposed triennial CIP plan, to be filed by June 1, 2020.

Attachment D

Revised Tariff Sheets

All Classes MERC $0.00062*

*Approved effective January 1, 2021 in Docket No. G011/M-20-____

5. Exemption: For those customer accounts granted an exemption by the Commissioner of the Minnesota Department of Commerce (or successor agency) from Conservation Improvement Program (CIP) costs pursuant to Minnesota Statutes section 216B.241, the CCRC and CCRA shall not apply. Those customer accounts determined by the Commission to qualify as a Large Energy Facility Customers, shall receive a monthly exemption from conservation program charges pursuant to Minn. Stat.§ 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the Large Energy Facility customers can no longer participate in any utility's energy Conservation Improvement Program.

Under Minn. Stat. 216B.241, any customer account determined by the Commission of the Minnesota Department of Commerce to qualify as a large customer facility shall be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the large customer facility. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from the conservation program charges, no exempt customer facility may participate in a utility conservation improvement program unless the owner of the facility submits a filing with the Commissioner to withdraw its exemption.

Under Minn. Stat. 216B.241, any customer account that is not a large customer facility and that purchases or acquires natural gas from a public utility having fewer than 600,000 natural gas customers in Minnesota shall, upon a determination by the Commissioner of the Department of Commerce as qualifying for an opt out of the Conservation Improvement Program, be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the commercial gas customers. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from conservation program charges, the customers can no longer participate in any utility's energy Conservation Improvement Program unless the customer submits a filing with the Commissioner to withdraw its exemption.

6. Accounting Requirements: The Company is required to record all costs associated with the conservation program in a CIP Tracker Account. All revenues recovered through the CCRA are booked to the Tracker as an offset to expenses.

All Classes MERC ~~(~~$0.00062~~953)~~*

*Approved effective January 1, 2021~~0~~ in Docket No. G011/M-~~19-301~~20-____

5. Exemption: For those customer accounts granted an exemption by the Commissioner of the Minnesota Department of Commerce (or successor agency) from Conservation Improvement Program (CIP) costs pursuant to Minnesota Statutes section 216B.241, the CCRC and CCRA shall not apply. Those customer accounts determined by the Commission to qualify as a Large Energy Facility Customers, shall receive a monthly exemption from conservation program charges pursuant to Minn. Stat.§ 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the Large Energy Facility customers can no longer participate in any utility's energy Conservation Improvement Program.

   Under Minn. Stat. 216B.241, any customer account determined by the Commission of the Minnesota Department of Commerce to qualify as a large customer facility shall be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the large customer facility. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from the conservation program charges, no exempt customer facility may participate in a utility conservation improvement program unless the owner of the facility submits a filing with the Commissioner to withdraw its exemption.

   Under Minn. Stat. 216B.241, any customer account that is not a large customer facility and that purchases or acquires natural gas from a public utility having fewer than 600,000 natural gas customers in Minnesota shall, upon a determination by the Commissioner of the Department of Commerce as qualifying for an opt out of the Conservation Improvement Program, be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the commercial gas customers. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from conservation program charges, the customers can no longer participate in any utility's energy Conservation Improvement Program unless the customer submits a filing with the Commissioner to withdraw its exemption.

6. Accounting Requirements: The Company is required to record all costs associated with the conservation program in a CIP Tracker Account. All revenues recovered through the CCRA are booked to the Tracker as an offset to expenses.

In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of 2019 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor	Docket No. G011/M-20-____

CERTIFICATE OF SERVICE

I, Kristin M. Stastny, hereby certify that on the 1st day of May, 2020, on behalf of Minnesota Energy Resources Corporation (MERC), I electronically filed a true and correct copy of the enclosed Petition on www.edockets.state.mn.us. Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

Dated this 1st day of May, 2020.

/s/ Kristin M. Stastny____________
Kristin M. Stastny

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
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	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Daryll	Fuentes	dfuentes@usg.com	USG Corporation	550 W Adams St Chicago, IL 60661	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Brian	Meloy	brian.meloy@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Catherine	Phillips	catherine.phillips@we-energies.com	We Energies	231 West Michigan St Milwaukee, WI 53203	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
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	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Colleen	Sipiorski	Colleen.Sipiorski@wecenergygroup.com	Minnesota Energy Resources Corporation	700 North Adams St Green Bay, WI 54307	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Kristin	Stastny	kstastny@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Mary	Wolter	mary.wolter@wecenergygroup.com	Minnesota Energy Resources Corporation (HOLDING)	231 West Michigan St Milwaukee, WI 53203	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tom	Balster	tombalster@alliantenergy.com	Interstate Power & Light Company	PO Box 351 200 1st St SE Cedar Rapids, IA 524060351	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Lisa	Beckner	lbeckner@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
William	Black	bblack@mmua.org	MMUA	Suite 400 3025 Harbor Lane North Plymouth, MN 554475142	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Christina	Brusven	cbrusven@fredlaw.com	Fredrikson Byron	200 S 6th St Ste 4000 Minneapolis, MN 554021425	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Charlie	Buck	charlie.buck@oracle.com	Oracle	760 Market St FL 4 San Francisco, CA 94102	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
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	No	SPL_SL__CIP SPECIAL SERVICE LIST
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174 Lake Elmo, MN 55042	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Steve	Downer	sdowner@mmua.org	MMUA	3025 Harbor Ln N Ste 400 Plymouth, MN 554475142	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Charles	Drayton	charles.drayton@enbridge.com	Enbridge Energy Company, Inc.	7701 France Ave S Ste 600 Edina, MN 55435	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Jim	Erchul	jerchul@dbnhs.org	Daytons Bluff Neighborhood Housing Sv.	823 E 7th St St. Paul, MN 55106	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Greg	Ernst	gaernst@q.com	G. A. Ernst & Associates, Inc.	2377 Union Lake Trl Northfield, MN 55057	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Melissa S	Feine	melissa.feine@semcac.org	SEMCAC	PO Box 549 204 S Elm St Rushford, MN 55971	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Karolanne	Foley	Karolanne.foley@dairylandpower.com	Dairyland Power Cooperative	PO Box 817 La Crosse, WI 54602-0817	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Rob	Friend	rfriend@mnchamber.com	Minnesota Chamber of Commerce - MN Waste Wise Foundation	400 Robert St N Ste 1500 Saint Paul, MN 55101	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Angela E.	Gordon	agordon@trccompanies.com	Lockheed Martin	1000 Clark Ave. St. Louis, MO 63102	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Pat	Green	N/A	N Energy Dev	City Hall 401 E 21st St Hibbing, MN 55746	Paper Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Jason	Grenier	jgrenier@otpco.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Jeffrey	Haase	jhaase@grenergy.com	Great River Energy	12300 Elm Creek Blvd Maple Grove, MN 55369	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tony	Hainault	anthony.hainault@co.hennepin.mn.us	Hennepin County DES	701 4th Ave S Ste 700 Minneapolis, MN 55415-1842	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Tyler	Hamman	tylerh@bepc.com	Basin Electric Power Cooperative	1717 E Interstate Ave Bismarck, ND 58501	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Patty	Hanson	phanson@rpu.org	Rochester Public Utilities	4000 E River Rd NE Rochester, MN 55906	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Norm	Harold	N/A	NKS Consulting	5591 E 180th St Prior Lake, MN 55372	Paper Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Jared	Hendricks	jared.hendricks@owatonnautilities.com	Owatonna Public Utilities	PO Box 800 208 S Walnut Ave Owatonna, MN 55060-2940	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Dave	Johnson	dave.johnson@aeoa.org	Arrowhead Economic Opportunity Agency	702 3rd Ave S Virginia, MN 55792	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Deborah	Knoll	dknoll@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Tina	Koecher	tkoecher@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Kelly	Lady	kellyl@austinutilities.com	Austin Utilities	400 4th St NE Austin, MN 55912	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Erica	Larson	erica.larson@centerpointenergy.com	CenterPoint Energy	505 Nicollet Avenue P.O. Box 59038 Minneapolis, Minnesota 55459-0038	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Martin	Lepak	Martin.Lepak@aeoa.org	Arrowhead Economic Opportunity	702 S 3rd Ave Virginia, MN 55792	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Corey	Lubovich	coreyl@hpuc.com	Hibbing Public Utilities Commission	1902 6th Ave E Hibbing, MN 55746	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Nick	Mark	nick.mark@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Scot	McClure	scotmcclure@alliantenergy.com	Interstate Power And Light Company	4902 N Biltmore Ln PO Box 77007 Madison, WI 537071007	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
John	McWilliams	John.McWilliams@DairylandPower.com	Dairyland Power Cooperative	3200 East Ave SPO Box 817 La Crosse, WI 54601-7227	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Brian	Meloy	brian.meloy@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Carl	Nelson	cnelson@mncee.org	Center for Energy and Environment	212 3rd Ave N Ste 560 Minneapolis, MN 55401	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Audrey	Partridge	apartridge@mncee.org	Center for Energy and Environment	212 3rd Ave. N. Suite 560 Minneapolis, Minnesota 55401	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Joyce	Peppin	joyce@mrea.org	Minnesota Rural Electric Association	11640 73rd Ave N Maple Grove, MN 55369	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Lisa	Pickard	lseverson@minnkota.com	Minnkota Power Cooperative	5301 32nd Ave S Grand Forks, ND 58201	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Bill	Poppert	info@technologycos.com	Technology North	2433 Highwood Ave St. Paul, MN 55119	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Kathleen A	Prestidge	Kathy.Prestidge@stoel.com	Stoel Rives LLP	33 S 6th St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Dave	Reinke	dreinke@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024-9583	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
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	No	SPL_SL__CIP SPECIAL SERVICE LIST
Chris	Rustad	crustad@mnchamber.com	Minnesota Chamber of Commerce	400 Robert St N Ste 1500 Saint Paul, MN 55101	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Christopher	Schoenherr	cp.schoenherr@smmpa.org	SMMPA	500 First Ave SW Rochester, MN 55902-3303	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Lauryn	Schothorst	lschothorst@mnchamber.com		400 Robert St N Ste 1500 Saint Paul, MN 55101	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Anna	Sommer	ASommer@energyfuturesgroup.com	Energy Futures Group	PO Box 692 Canton, NY 13617	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Russ	Stark	Russ.Stark@ci.stpaul.mn.us	City of St. Paul	390 City Hall 15 West Kellogg Boulevard Saint Paul, MN 55102	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Kodi	Verhalen	kverhalen@taftlaw.com	Taft Stettinius & Hollister LLP	80 S 8th St Ste 2200 Minneapolis, MN 55402	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Michael	Volker	mvolker@eastriver.coop	East River Electric Power Coop	211 S. Harth Ave Madison, SD 57042	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Sharon N.	Walsh	swalsh@shakopeeutilities.com	Shakopee Public Utilties	255 Sarazin St Shakopee, MN 55379	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST
Ethan	Warner	ethan.warner@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, Minnesota 55402	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Robyn	Woeste	robynwoeste@alliantenergy.com	Interstate Power and Light Company	200 First St SE Cedar Rapids, IA 52401	Electronic Service	No	SPL_SL__CIP SPECIAL SERVICE LIST

Conservation Improvement Program (CIP)
BENCOST FOR GAS CIPS-- Cost-Effectiveness Analysis

Company: **Minnesota Energy Resources**

Global Inputs

Input Data			Escalation Rate
1) Retail Rate ($/Dth) =	$17.22	Residential	4.00%
	$15.90	Commercial	
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00		2.16%
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =			
3) Commodity Cost ($/Dth) =	$4.27		4.00%
4) Demand Cost ($/Unit/Yr) =	$129.27		4.00%
5) Peak Reduction Factor =	1.00%		
6) Variable O&M ($/Dth) =	$0.05		4.00%
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00		2.16%
8) Non-Gas Fuel Loss Factor	0.00%		
9) Gas Environmental Damage Factor =	$0.3800		2.16%
10) Non Gas Fuel Environmental Damage Factor =	$0.00		0.00%
11) Participant Discount Rate =	2.55%	Residential	
	7.30%	Commercial	
12) Utility Discount Rate =	7.30%		
13) Societal Discount Rate =	2.55%		
14) General Input Data Year =	2016		
15) Project Analysis Year 1 =	2017		
15a) Project Analysis Year 2 =	2018		
15b) Project Analysis Year 3 =	2019		

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **TOTAL CIP - 2019**

R

Input Data	
1) Retail Rate ($/Dth) =	$17.22
Escalation Rate =	4.00%
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =	
3) Commodity Cost ($/Dth) =	$4.27
Escalation Rate =	4.00%
4) Demand Cost ($/Unit/Yr) =	$129.27
Escalation Rate =	4.00%
5) Peak Reduction Factor =	1.00%
6) Variable O&M ($/Dth) =	$0.05
Escalation Rate =	4.00%
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
8) Non-Gas Fuel Loss Factor	0.00%
9) Gas Environmental Damage Factor =	$0.3800
Escalation Rate =	2.16%
10) Non Gas Fuel Environmental Damage Factor =	$0.00
Escalation Rate =	0.00%
11) Participant Discount Rate =	2.55%
12) Utility Discount Rate =	7.30%
13) Societal Discount Rate =	2.55%
14) General Input Data Year =	2016
15) Project Analysis Year 1 =	2017
15a) Project Analysis Year 2 =	2018
15c) Project Analysis Year 3 =	2019

	Third Year
16) Utility Project Costs	
16a) Administrative & Operating Costs =	$7,047,406
16b) Incentive Costs =	$ 4,902,144
16c) Total Utility Project Costs =	$ 11,949,549
17) Direct Participant Costs ($/Part.) =	$144
18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	0.00%
19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	0.00%
20) Project Life (Years) =	11.5
21) Avg. Dth/Part. Saved =	4.46
22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
23) Number of Participants =	105,116
24) Total Annual Dth Saved =	468,544
25) Incentive/Participant =	$47

Cost Summary		**3rd Yr**
Utility Cost per Participant =		$113.68
Cost per Participant per Dth =		$57.85
Lifetime Energy Reduction (Dth)	6,912,970	
Societal Cost per Dth	$0.00	

Test Results	**Triennial NPV**	**Triennial B/C**
Ratepayer Impact Measure Test	($82,901,197)	0.29
Utility Cost Test	$22,313,737	2.87
Societal Test	$29,589,361	2.33
Participant Test	$107,539,396	8.10

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **TOTAL LOW INCOME**

R

Input Data	
1) Retail Rate ($/Dth) =	$17.22
Escalation Rate =	4.00%
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =	
3) Commodity Cost ($/Dth) =	$4.27
Escalation Rate =	4.00%
4) Demand Cost ($/Unit/Yr) =	$129.27
Escalation Rate =	4.00%
5) Peak Reduction Factor =	1.00%
6) Variable O&M ($/Dth) =	$0.05
Escalation Rate =	4.00%
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
8) Non-Gas Fuel Loss Factor	0.00%
9) Gas Environmental Damage Factor =	$0.3800
Escalation Rate =	2.16%
10) Non Gas Fuel Environmental Damage Factor =	$0.00
Escalation Rate =	0.00%
11) Participant Discount Rate =	2.55%
12) Utility Discount Rate =	7.30%
13) Societal Discount Rate =	2.55%
14) General Input Data Year =	2016
15) Project Analysis Year 1 =	2017
15a) Project Analysis Year 2 =	2018
15c) Project Analysis Year 3 =	2019

	Third Year
16) Utility Project Costs	
16a) Administrative & Operating Costs =	$1,936,532
16b) Incentive Costs =	$ -
16c) Total Utility Project Costs =	$ 1,936,531.81
17) Direct Participant Costs ($/Part.) =	$0
18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	0.00%
19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	0.00%
20) Project Life (Years) =	14.7
21) Avg. Dth/Part. Saved =	11.71
22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
23) Number of Participants =	1,110
24) Total Annual Dth Saved =	12,996
25) Incentive/Participant =	$0

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$1,744.62
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$149.01
Lifetime Energy Reduction (Dth)	235,021		
Societal Cost per Dth	$0.00		

Test Results	**Triennial NPV**	**Triennial B/C**
Ratepayer Impact Measure Test	($4,291,028)	0.21
Utility Cost Test	($799,521)	0.59
Societal Test	($156,827)	0.92
Participant Test	$4,173,569	n/a

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **TOTAL RESIDENTIAL**

R

Input Data	
1) Retail Rate ($/Dth) =	$17.22
Escalation Rate =	4.00%
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =	
3) Commodity Cost ($/Dth) =	$4.27
Escalation Rate =	4.00%
4) Demand Cost ($/Unit/Yr) =	$129.27
Escalation Rate =	4.00%
5) Peak Reduction Factor =	1.00%
6) Variable O&M ($/Dth) =	$0.05
Escalation Rate =	4.00%
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
8) Non-Gas Fuel Loss Factor	0.00%
9) Gas Environmental Damage Factor =	$0.3800
Escalation Rate =	2.16%
10) Non Gas Fuel Environmental Damage Factor =	$0.00
Escalation Rate =	0.00%
11) Participant Discount Rate =	2.55%
12) Utility Discount Rate =	7.30%
13) Societal Discount Rate =	2.55%
14) General Input Data Year =	2016
15) Project Analysis Year 1 =	2017
15a) Project Analysis Year 2 =	2018
15c) Project Analysis Year 3 =	2019

	Third Year
16) Utility Project Costs	
16a) Administrative & Operating Costs =	$2,609,956
16b) Incentive Costs =	$ 2,946,839.89
16c) Total Utility Project Costs =	$ 5,556,795.47
17) Direct Participant Costs ($/Part.) =	$97
18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	0.00%
19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	0.00%
20) Project Life (Years) =	12.0
21) Avg. Dth/Part. Saved =	2.10
22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
23) Number of Participants =	96,587
24) Total Annual Dth Saved =	202,533
25) Incentive/Participant =	$31

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$57.53
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$73.46
Lifetime Energy Reduction (Dth)	3,114,161		
Societal Cost per Dth	$0.00		

Test Results	**Triennial NPV**	**Triennial B/C**
Ratepayer Impact Measure Test	($37,387,144)	0.29
Utility Cost Test	$9,814,410	2.77
Societal Test	$11,448,101	1.96
Participant Test	$44,540,938	5.78

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **TOTAL COMMERCIAL / INDUSTRIAL**

C

Input Data			**Third Year**
1) Retail Rate ($/Dth) =	$15.90	16) Utility Project Costs	
Escalation Rate =	4.00%	16a) Administrative & Operating Costs =	$1,273,386
		16b) Incentive Costs =	$ 1,955,303.66
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00	16c) Total Utility Project Costs =	$ 3,228,689.28
Escalation Rate =	2.16%		
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =		17) Direct Participant Costs ($/Part.) =	$786
3) Commodity Cost ($/Dth) =	$4.27	18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	4.00%	Escalation Rate =	0.00%
4) Demand Cost ($/Unit/Yr) =	$129.27	19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	4.00%	Escalation Rate =	0.00%
5) Peak Reduction Factor =	1.00%	20) Project Life (Years) =	10.9
6) Variable O&M ($/Dth) =	$0.05	21) Avg. Dth/Part. Saved =	34.10
Escalation Rate =	4.00%		
		22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00	22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
Escalation Rate =	2.16%		
		23) Number of Participants =	7,419
8) Non-Gas Fuel Loss Factor	0.00%		
		24) Total Annual Dth Saved =	253,015
9) Gas Environmental Damage Factor =	$0.3800		
Escalation Rate =	2.16%	25) Incentive/Participant =	$264
10) Non Gas Fuel Environmental Damage Factor =	$0.00		
Escalation Rate =	0.00%		
11) Participant Discount Rate =	7.30%		
12) Utility Discount Rate =	7.30%		
13) Societal Discount Rate =	2.55%		
14) General Input Data Year =	2016		
15) Project Analysis Year 1 =	2017		
15a) Project Analysis Year 2 =	2018		
15c) Project Analysis Year 3 =	2019		

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**Triennial NPV**	**Triennial B/C**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$435.19	**Ratepayer Impact Measure Test**	($35,816,115)	0.33
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$35.81			
				Utility Cost Test	$14,526,381	5.50
Lifetime Energy Reduction (Dth)	3,563,788					
				Societal Test	$19,525,620	3.75
Societal Cost per Dth	$0.00					
				Participant Test	$38,911,812	7.67

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **LIW**

R

Input Data

1) Retail Rate ($/Dth) =	$17.22
Escalation Rate =	4.00%
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =	
3) Commodity Cost ($/Dth) =	$4.27
Escalation Rate =	4.00%
4) Demand Cost ($/Unit/Yr) =	$129.27
Escalation Rate =	4.00%
5) Peak Reduction Factor =	1.00%
6) Variable O&M ($/Dth) =	$0.05
Escalation Rate =	4.00%
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
8) Non-Gas Fuel Loss Factor	0.00%
9) Gas Environmental Damage Factor =	$0.3800
Escalation Rate =	2.16%
10) Non Gas Fuel Environmental Damage Factor =	$0.00
Escalation Rate =	0.00%
11) Participant Discount Rate =	2.55%
12) Utility Discount Rate =	7.30%
13) Societal Discount Rate =	2.55%
14) General Input Data Year =	2016
15) Project Analysis Year 1 =	2017
15a) Project Analysis Year 2 =	2018
15c) Project Analysis Year 3 =	2019

	Third Year
16) Utility Project Costs	
16a) Administrative & Operating Costs =	$628,286
16b) Incentive Costs =	$0
16c) Total Utility Project Costs =	$628,286
17) Direct Participant Costs ($/Part.) =	$0
18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	0.00%
19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	0.00%
20) Project Life (Years) =	19.4
21) Avg. Dth/Part. Saved =	23.94
22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
23) Number of Participants =	189
24) Total Annual Dth Saved =	4,525
25) Incentive/Participant =	$0

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$3,324.26
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$138.85
Lifetime Energy Reduction (Dth)	90,070		
Societal Cost per Dth	$0.00		

Test Results	**Triennial NPV**	**Triennial B/C**
Ratepayer Impact Measure Test	($1,517,892)	0.22
Utility Cost Test	($198,686)	0.68
Societal Test	$57,944	1.09
Participant Test	$2,009,668	n/a

	A	B	C	D	E	F	G	H
1								
2	**Conservation Improvement Program (CIP)**			BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis				
3				Approved by Minnesota Department of Commerce, January 26, 2006				
4	Company:	**Minnesota Energy Resources**						
5	Project:	**4U2**						
6				R				
7	**Input Data**							**Third Year**
8								
9	1) Retail Rate ($/Dth) =		$17.22		16) Utility Project Costs			
10	Escalation Rate =		4.00%		16a) Administrative & Operating Costs =			$1,308,246
11					16b) Incentive Costs =			$0
12	2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =		$0.00		16c) Total Utility Project Costs =			$ 1,308,246.06
13	Escalation Rate =		2.16%					
14	Non-Gas Fuel Units (ie. kWh,Gallons, etc) =				17) Direct Participant Costs ($/Part.) =			$0
15								
16	3) Commodity Cost ($/Dth) =		$4.27		18) Participant Non-Energy Costs (Annual $/Part.) =			$0
17	Escalation Rate =		4.00%		Escalation Rate =			0.00%
18								
19	4) Demand Cost ($/Unit/Yr) =		$129.27		19) Participant Non-Energy Savings (Annual $/Part) =			$0
20	Escalation Rate =		4.00%		Escalation Rate =			0.00%
21								
22	5) Peak Reduction Factor =		1.00%		20) Project Life (Years) =			12.1
23								
24	6) Variable O&M ($/Dth) =		$0.05		21) Avg. Dth/Part. Saved =			9.20
25	Escalation Rate =		4.00%					
26					22) Avg Non-Gas Fuel Units/Part. Saved =			0.00
27	7) Non-Gas Fuel Cost ($/Fuel Unit) =		$0.00		22a) Avg Additional Non-Gas Fuel Units/ Part. Used =			0.00
28	Escalation Rate =		2.16%					
29					23) Number of Participants =			921
30	8) Non-Gas Fuel Loss Factor		0.00%					
31					24) Total Annual Dth Saved =			8,471
32	9) Gas Environmental Damage Factor =		$0.3800					
33	Escalation Rate =		2.16%		25) Incentive/Participant =			$0
34								
35	10) Non Gas Fuel Environmental Damage Factor =		$0.00					
36	Escalation Rate =		0.00%					
37								
38	11) Participant Discount Rate =		2.55%					
39								
40	12) Utility Discount Rate =		7.30%					
41								
42	13) Societal Discount Rate =		2.55%					
43								
44	14) General Input Data Year =		2016					
45								
46	15) Project Analysis Year 1 =		2017					
47	15a) Project Analysis Year 2 =		2018					
48	15c) Project Analysis Year 3 =		2019					
49								
50								
51						**Triennial**	**Triennial**	
52	**Cost Summary**	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**NPV**	**B/C**	
53								
54	Utility Cost per Participant =	#DIV/0!	#DIV/0!	$1,420.46	**Ratepayer Impact Measure Test**	($2,773,136)	0.20	
55	Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$154.44				
56					**Utility Cost Test**	($600,835)	0.54	
57	Lifetime Energy Reduction (Dth)	144,950						
58					**Societal Test**	($214,771)	0.84	
59	Societal Cost per Dth	$0.00						
60					**Participant Test**	$2,323,735	n/a	

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **Res Rebates**

R

Input Data

1) Retail Rate ($/Dth) =	$17.22
Escalation Rate =	4.00%
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =	
3) Commodity Cost ($/Dth) =	$4.27
Escalation Rate =	4.00%
4) Demand Cost ($/Unit/Yr) =	$129.27
Escalation Rate =	4.00%
5) Peak Reduction Factor =	1.00%
6) Variable O&M ($/Dth) =	$0.05
Escalation Rate =	4.00%
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00
Escalation Rate =	2.16%
8) Non-Gas Fuel Loss Factor	0.00%
9) Gas Environmental Damage Factor =	$0.3800
Escalation Rate =	2.16%
10) Non Gas Fuel Environmental Damage Factor =	$0.00
Escalation Rate =	0.00%
11) Participant Discount Rate =	2.55%
12) Utility Discount Rate =	7.30%
13) Societal Discount Rate =	2.55%
14) General Input Data Year =	2016
15) Project Analysis Year 1 =	2017
15a) Project Analysis Year 2 =	2018
15c) Project Analysis Year 3 =	2019

	Third Year
16) Utility Project Costs	
16a) Administrative & Operating Costs =	$968,089
16b) Incentive Costs =	$2,288,840
16c) Total Utility Project Costs =	$3,256,929
17) Direct Participant Costs ($/Part.) =	$413
18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	0.00%
19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	0.00%
20) Project Life (Years) =	11
21) Avg. Dth/Part. Saved =	7.60
22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
23) Number of Participants =	20,172
24) Total Annual Dth Saved =	153,254
25) Incentive/Participant =	$113

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**Triennial NPV**	**Triennial B/C**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$161.46	**Ratepayer Impact Measure Test**	($27,940,298)	0.30
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$75.60			
				Utility Cost Test	$8,662,925	3.66
Lifetime Energy Reduction (Dth)	2,407,138					
				Societal Test	$8,743,860	1.94
Societal Cost per Dth	$0.00					
				Participant Test	$32,487,561	4.90

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **Home Energy Excellence**

R

Input Data			**Third Year**
1) Retail Rate ($/Dth) =	$17.22	16) Utility Project Costs	
Escalation Rate =	4.00%	16a) Administrative & Operating Costs =	$1,057,225
		16b) Incentive Costs =	$ 658,000.00
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00	16c) Total Utility Project Costs =	$ 1,715,224.73
Escalation Rate =	2.16%		
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =		17) Direct Participant Costs ($/Part.) =	$975
3) Commodity Cost ($/Dth) =	$4.27	18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	4.00%	Escalation Rate =	0.00%
4) Demand Cost ($/Unit/Yr) =	$129.27	19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	4.00%	Escalation Rate =	0.00%
5) Peak Reduction Factor =	1.00%	20) Project Life (Years) =	20.0
6) Variable O&M ($/Dth) =	$0.05	21) Avg. Dth/Part. Saved =	31.56
Escalation Rate =	4.00%		
		22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00	22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
Escalation Rate =	2.16%		
		23) Number of Participants =	1,019
8) Non-Gas Fuel Loss Factor	0.00%		
		24) Total Annual Dth Saved =	32,163
9) Gas Environmental Damage Factor =	$0.3800		
Escalation Rate =	2.16%	25) Incentive/Participant =	$646
10) Non Gas Fuel Environmental Damage Factor =	$0.00		
Escalation Rate =	0.00%		
11) Participant Discount Rate =	2.55%		
12) Utility Discount Rate =	7.30%		
13) Societal Discount Rate =	2.55%		
14) General Input Data Year =	2016		
15) Project Analysis Year 1 =	2017		
15a) Project Analysis Year 2 =	2018		
15c) Project Analysis Year 3 =	2019		

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**Triennial NPV**	**Triennial B/C**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$1,683.24	**Ratepayer Impact Measure Test**	($8,061,848)	0.28
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$84.21			
				Utility Cost Test	$1,349,625	1.79
Lifetime Energy Reduction (Dth)	643,254					
				Societal Test	$2,852,682	2.39
Societal Cost per Dth	$0.00					
				Participant Test	$13,949,257	15.04373085

	A	B	C	D	E	F	G	H
1								
2	**Conservation Improvement Program (CIP)**			BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis				
3				Approved by Minnesota Department of Commerce, January 26, 2006				
4		Company:	**Minnesota Energy Resources**					
5		Project: **0**						
6				R				
7	**Input Data**							**Third Year**
8								
9	1) Retail Rate ($/MCF) =		$17.22		16) Utility Project Costs			
10	Escalation Rate =		4.00%		16a) Administrative & Operating Costs =			$401,083
11					16b) Incentive Costs =			$ -
12	2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =		$0.00		16c) Total Utility Project Costs =			$ 401,082.50
13	Escalation Rate =		2.16%					
14	Non-Gas Fuel Units (ie. kWh,Gallons, etc) =				17) Direct Participant Costs ($/Part.) =			$0
15								
16	3) Commodity Cost ($/MCF) =		$4.27		18) Participant Non-Energy Costs (Annual $/Part.) =			$0
17	Escalation Rate =		4.00%		Escalation Rate =			0.00%
18								
19	4) Demand Cost ($/Unit/Yr) =		$129.27		19) Participant Non-Energy Savings (Annual $/Part) =			$0
20	Escalation Rate =		4.00%		Escalation Rate =			0.00%
21								
22	5) Peak Reduction Factor =		1.00%		20) Project Life (Years) =			1
23								
24	6) Variable O&M ($/MCF) =		$0.05		21) Avg. MCF/Part. Saved =			0.20
25	Escalation Rate =		4.00%					
26					22) Avg Non-Gas Fuel Units/Part. Saved =			0.00
27	7) Non-Gas Fuel Cost ($/Fuel Unit) =		$0.00		22a) Avg Additional Non-Gas Fuel Units/ Part. Used =			0.00
28	Escalation Rate =		2.16%					
29					23) Number of Participants =			74,822
30	8) Non-Gas Fuel Loss Factor		0.00%					
31					24) Total Annual Dth Saved =			14,828
32	9) Gas Environmental Damage Factor =		$0.3800					
33	Escalation Rate =		2.16%		25) Incentive/Participant =			$0
34								
35	10) Non Gas Fuel Environmental Damage Factor =		$0.00					
36	Escalation Rate =		0.00%					
37								
38	11) Participant Discount Rate =		2.55%					
39								
40	12) Utility Discount Rate =		7.30%					
41								
42	13) Societal Discount Rate =		2.55%					
43								
44	14) General Input Data Year =		2016					
45								
46	15) Project Analysis Year 1 =		2017					
47	15a) Project Analysis Year 2 =		2018					
48	15c) Project Analysis Year 3 =		2019					
49								
50								
51						**Triennial**	**Triennial**	
52	**Cost Summary**	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**NPV**	**B/C**	
53								
54	Utility Cost per Participant =	#DIV/0!	#DIV/0!	$5.36	**Ratepayer Impact Measure Test**	($982,124)	0.22	
55	Cost per Participant per MCF =	#DIV/0!	#DIV/0!	$27.05				
56					**Utility Cost Test**	($120,491)	0.70	
57	Lifetime Energy Reduction (MCF)	44,483						
58					**Societal Test**	($102,469)	0.74	
59	Societal Cost per MCF	$0.00						
60					**Participant Test**	$861,633	n/a	

A	B	C	D	E	F	G	H
Conservation Improvement Program (CIP)			BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis				
			Approved by Minnesota Department of Commerce, January 26, 2006				
Company:	**Minnesota Energy Resources**						
Project:	**CI Rebate**						
			C				
Input Data							**Third Year**
1) Retail Rate ($/Dth) =		$15.90		16) Utility Project Costs			
Escalation Rate =		4.00%		16a) Administrative & Operating Costs =			$1,015,351
				16b) Incentive Costs =			$ 1,830,378.97
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =		$0.00		16c) Total Utility Project Costs =			$ 2,845,729.99
Escalation Rate =		2.16%					
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =				17) Direct Participant Costs ($/Part.) =			$6,436
3) Commodity Cost ($/Dth) =		$4.27		18) Participant Non-Energy Costs (Annual $/Part.) =			$0
Escalation Rate =		4.00%		Escalation Rate =			0.00%
4) Demand Cost ($/Unit/Yr) =		$129.27		19) Participant Non-Energy Savings (Annual $/Part) =			$0
Escalation Rate =		4.00%		Escalation Rate =			0.00%
5) Peak Reduction Factor =		1.00%		20) Project Life (Years) =			11
6) Variable O&M ($/Dth) =		$0.05		21) Avg. Dth/Part. Saved =			265.23
Escalation Rate =		4.00%					
				22) Avg Non-Gas Fuel Units/Part. Saved =			0.00
7) Non-Gas Fuel Cost ($/Fuel Unit) =		$0.00		22a) Avg Additional Non-Gas Fuel Units/ Part. Used =			0.00
Escalation Rate =		2.16%					
				23) Number of Participants =			887
8) Non-Gas Fuel Loss Factor		0.00%					
				24) Total Annual Dth Saved =			235,255
9) Gas Environmental Damage Factor =		$0.3800					
Escalation Rate =		2.16%		25) Incentive/Participant =			$2,064
10) Non Gas Fuel Environmental Damage Factor =		$0.00					
Escalation Rate =		0.00%					
11) Participant Discount Rate =		7.30%					
12) Utility Discount Rate =		7.30%					
13) Societal Discount Rate =		2.55%					
14) General Input Data Year =		2016					
15) Project Analysis Year 1 =		2017					
15a) Project Analysis Year 2 =		2018					
15c) Project Analysis Year 3 =		2019					
					Triennial	**Triennial**	
Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**NPV**	**B/C**	
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$3,208.26	**Ratepayer Impact Measure Test**	($33,399,481)	0.33	
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$36.36				
				Utility Cost Test	$13,801,304	5.85	
Lifetime Energy Reduction (Dth)	3,347,443						
				Societal Test	$18,308,836	3.72	
Societal Cost per Dth	$0.00						
				Participant Test	$38,889,939	7.81	

Conservation Improvement Program (CIP)

BENEFIT COST FOR GAS CIPS-- Cost-Effectiveness Analysis
Approved by Minnesota Department of Commerce, January 26, 2006

Company: **Minnesota Energy Resources**
Project: **Multifamily**

C

Input Data			**Third Year**
1) Retail Rate ($/Dth) =	$15.90	16) Utility Project Costs	
Escalation Rate =	4.00%	16a) Administrative & Operating Costs =	$203,518
		16b) Incentive Costs =	$ 123,624.69
2) Non-Gas Fuel Retail Rate ($/Fuel Unit) =	$0.00	16c) Total Utility Project Costs =	$ 327,142.99
Escalation Rate =	2.16%		
Non-Gas Fuel Units (ie. kWh,Gallons, etc) =		17) Direct Participant Costs ($/Part.) =	$21
3) Commodity Cost ($/Dth) =	$4.27	18) Participant Non-Energy Costs (Annual $/Part.) =	$0
Escalation Rate =	4.00%	Escalation Rate =	0.00%
4) Demand Cost ($/Unit/Yr) =	$129.27	19) Participant Non-Energy Savings (Annual $/Part) =	$0
Escalation Rate =	4.00%	Escalation Rate =	0.00%
5) Peak Reduction Factor =	1.00%	20) Project Life (Years) =	5.8
6) Variable O&M ($/Dth) =	$0.05	21) Avg. Dth/Part. Saved =	2.53
Escalation Rate =	4.00%		
		22) Avg Non-Gas Fuel Units/Part. Saved =	0.00
7) Non-Gas Fuel Cost ($/Fuel Unit) =	$0.00	22a) Avg Additional Non-Gas Fuel Units/ Part. Used =	0.00
Escalation Rate =	2.16%		
		23) Number of Participants =	5,689
8) Non-Gas Fuel Loss Factor	0.00%		
		24) Total Annual Dth Saved =	14,395
9) Gas Environmental Damage Factor =	$0.3800		
Escalation Rate =	2.16%	25) Incentive/Participant =	$21.73
10) Non Gas Fuel Environmental Damage Factor =	$0.00		
Escalation Rate =	0.00%		
11) Participant Discount Rate =	7.30%		
12) Utility Discount Rate =	7.30%		
13) Societal Discount Rate =	2.55%		
14) General Input Data Year =	2016		
15) Project Analysis Year 1 =	2017		
15a) Project Analysis Year 2 =	2018		
15c) Project Analysis Year 3 =	2019		

Cost Summary	**1st Yr**	**2nd Yr**	**3rd Yr**	**Test Results**	**Triennial NPV**	**Triennial B/C**
Utility Cost per Participant =	#DIV/0!	#DIV/0!	$57.50	**Ratepayer Impact Measure Test**	($2,056,019)	0.31
Cost per Participant per Dth =	#DIV/0!	#DIV/0!	$31.06			
				Utility Cost Test	$614,825	2.88
Lifetime Energy Reduction (Dth)	186,454					
				Societal Test	$1,061,635	4.28
Societal Cost per Dth	$0.00					
				Participant Test	$1,434,417	12.95

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must

Inputs		Location:
2013 Weather-Normalized Sales (kWh)	2,977,393,004	
2014 Weather-Normalized Sales (kWh)	3,062,075,329	
2015 Weather-Normalized Sales (kWh)	3,174,071,567	
3-year Weather-Normalized Sales Average (kWh)	3,071,179,967	
1.0% Energy Savings	30,711,800	
Increase Energy Savings per 0.1% Increase in Achievement Level	3,071,180	
Approved CIP Budget	$6,581,595	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (kWh)	46,553,951	
Estimated Net Benefits at Energy Savings Goal	$12,403,260	From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (kWh)	46,067,700	

Incentive Calibration		
Max Percent of Net Benefits Awarded	13.5%	maximum net benefits awarded
Max Percent Expenditures Awarded	40.0%	
Earning Threshold	1.0%	
Achievement Level Where Net Benefits Cap Begins	1.7%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2017 Achievements	
Expenditures	$6,806,571
Energy Saved (first year kWh saved)	75,510,698
Net Benefits Achieved	$20,792,339
Shared Savings Incentive Results	
Achievement Level	2.46%
Percent of Net Benefits Awarded	13.5000%
Financial Incentive Award	$2,722,628
Incentive/First Year kWh Saved $	$0.0361
Incentive/Net Benefits	13.09%
Incentive/CIP Expenditures	40.00%

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	0	0.00%	$0	**$0**	$0.000	-
0.1%	3,071,180	0.00%	$818,247	**$0**	$0.000	$0.000
0.2%	6,142,360	0.00%	$1,636,495	**$0**	$0.000	$0.000
0.3%	9,213,540	0.00%	$2,454,742	**$0**	$0.000	$0.000
0.4%	12,284,720	0.00%	$3,272,989	**$0**	$0.000	$0.000
0.5%	15,355,900	0.00%	$4,091,236	**$0**	$0.000	$0.000
0.6%	18,427,080	0.00%	$4,909,484	**$0**	$0.000	$0.000
0.7%	21,498,260	0.00%	$5,727,731	**$0**	$0.000	$0.000
0.8%	24,569,440	0.00%	$6,545,978	**$0**	$0.000	$0.000
0.9%	27,640,620	0.00%	$7,364,225	**$0**	$0.000	$0.000
1.0%	30,711,800	8.25%	$8,182,473	**$675,054**	$0.022	$0.220
1.1%	33,782,980	9.00%	$9,000,720	**$810,065**	$0.024	$0.044
1.2%	36,854,160	9.75%	$9,818,967	**$957,349**	$0.026	$0.048
1.3%	39,925,340	10.50%	$10,637,215	**$1,116,908**	$0.028	$0.052
1.4%	42,996,520	11.25%	$11,455,462	**$1,288,739**	$0.030	$0.056
1.5%	46,067,700	12.00%	$12,273,709	**$1,472,845**	$0.032	$0.060
1.6%	49,138,879	12.75%	$13,091,956	**$1,669,224**	$0.034	$0.064
1.7%	52,210,059	13.50%	$13,910,204	**$1,877,878**	$0.036	$0.068
1.8%	55,281,239	13.50%	$14,728,451	**$1,988,341**	$0.036	$0.036
1.9%	58,352,419	13.50%	$15,546,698	**$2,098,804**	$0.036	$0.036
2.0%	61,423,599	13.50%	$16,364,946	**$2,209,268**	$0.036	$0.036

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must

Inputs		Location:
2013 Weather-Normalized Sales (kWh)		
2014 Weather-Normalized Sales (kWh)		
2015 Weather-Normalized Sales (kWh)		
3-year Weather-Normalized Sales Average (kWh)	#DIV/0!	
1.0% Energy Savings	#DIV/0!	
Increase Energy Savings per 0.1% Increase in Achievement Level	#DIV/0!	
Approved CIP Budget		From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (kWh)		
Estimated Net Benefits at Energy Savings Goal		From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (kWh)	#DIV/0!	

Incentive Calibration		
Max Percent of Net Benefits Awarded	12.0%	maximum net benefits awarded
Max Percent of Expenditures Awarded	35.0%	
Earning Threshold	1.0%	
Achievement Level Where Net Benefits Cap Begins	1.7%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2018 Achievements	
Expenditures	
Energy Saved (first year kWh saved)	
Net Benefits Achieved	
Shared Savings Incentive Results	
Achievement Level	#DIV/0!
Percent of Net Benefits Awarded	#DIV/0!
Financial Incentive Award	#DIV/0!
Incentive/First Year kWh Saved $	#DIV/0!
Incentive/Net Benefits	#DIV/0!
Incentive/CIP Expenditures	#DIV/0!

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	-
0.1%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.2%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.3%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.4%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.5%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.6%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.7%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.8%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.9%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.0%	#DIV/0!	6.75%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.1%	#DIV/0!	7.50%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.2%	#DIV/0!	8.25%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.3%	#DIV/0!	9.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.4%	#DIV/0!	9.75%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.5%	#DIV/0!	10.50%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.6%	#DIV/0!	11.25%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.7%	#DIV/0!	12.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.8%	#DIV/0!	12.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.9%	#DIV/0!	12.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
2.0%	#DIV/0!	12.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must

Inputs		Location:
2013 Weather-Normalized Sales (kWh)		
2014 Weather-Normalized Sales (kWh)		
2015 Weather-Normalized Sales (kWh)		
3-year Weather-Normalized Sales Average (kWh)	#DIV/0!	
1.0% Energy Savings	#DIV/0!	
Increase Energy Savings per 0.1% Increase in Achievement Level	#DIV/0!	
Approved CIP Budget		From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (kWh)		
Estimated Net Benefits at Energy Savings Goal		From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (kWh)	#DIV/0!	

Incentive Calibration		
Max Percent of Net Benefits Awarded	10.0%	maximum net benefits awarded
Max Percent of Expenditures Awarded	30.0%	
Earning Threshold	1.0%	
Achievement Level Where Net Benefits Cap Begins	1.7%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2019 Achievements	
Expenditures	
Energy Saved (first year kWh saved)	
Net Benefits Achieved	
Shared Savings Incentive Results	
Achievement Level	#DIV/0!
Percent of Net Benefits Awarded	#DIV/0!
Financial Incentive Award	#DIV/0!
Incentive/First Year kWh Saved $	#DIV/0!
Incentive/Net Benefits	#DIV/0!
Incentive/CIP Expenditures	#DIV/0!

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	-
0.1%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.2%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.3%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.4%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.5%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.6%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.7%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.8%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
0.9%	#DIV/0!	0.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.0%	#DIV/0!	4.75%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.1%	#DIV/0!	5.50%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.2%	#DIV/0!	6.25%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.3%	#DIV/0!	7.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.4%	#DIV/0!	7.75%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.5%	#DIV/0!	8.50%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.6%	#DIV/0!	9.25%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.7%	#DIV/0!	10.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.8%	#DIV/0!	10.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
1.9%	#DIV/0!	10.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!
2.0%	#DIV/0!	10.00%	#DIV/0!	**#DIV/0!**	#DIV/0!	#DIV/0!

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must

Inputs		Location:
2013 Weather-Normalized Sales (Dth)	53,488,276	
2014 Weather-Normalized Sales (Dth)	56,095,257	
2015 Weather-Normalized Sales (Dth)	48,615,230	
3-year Weather-Normalized Sales Average (Dth)	52,732,921	
1.0% Energy Savings	527,329	
Increase Energy Savings per 0.1% Increase in Achievement Level	52,733	
Approved CIP Budget	$11,749,536	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (Dth)	531,810	
Estimated Net Benefits at Energy Savings Goal	$25,977,224	From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (Dth)	790,994	

Incentive Calibration		
Max Percent of Net Benefits Awarded	13.5%	maximum net benefits awarded
Max Percent of Expenditures Awarded	40.0%	
Earning Threshold	0.7%	
Achievement Level Where Net Benefits Cap Begins	1.2%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2017 Achievements			
Expenditures	$10,509,054	CIP Status Report	
Energy Saved (first year Dth saved)	402,989	CIP Status Report	16%
Net Benefits Achieved	$16,561,396	BenCost Model	
Shared Savings Incentive Results			
Achievement Level	0.76%		
Percent of Net Benefits Awarded	10.2316%		
Financial Incentive Award	$1,694,488		
Incentive/First Year Dth Saved $	$4.2048		
Incentive/Net Benefits	10.23%		
Incentive/CIP Expenditures	16.12%		

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	0	0.00%	$0	**$0**	$0.000	-
0.1%	52,733	0.00%	$2,575,835	**$0**	$0.000	$0.000
0.2%	105,466	0.00%	$5,151,670	**$0**	$0.000	$0.000
0.3%	158,199	0.00%	$7,727,506	**$0**	$0.000	$0.000
0.4%	210,932	0.00%	$10,303,341	**$0**	$0.000	$0.000
0.5%	263,665	0.00%	$12,879,176	**$0**	$0.000	$0.000
0.6%	316,398	0.00%	$15,455,011	**$0**	$0.000	$0.000
0.7%	369,130	9.75%	$18,030,846	**$1,758,008**	$4.763	$33.338
0.8%	421,863	10.50%	$20,606,681	**$2,163,702**	$5.129	$7.693
0.9%	474,596	11.25%	$23,182,517	**$2,608,033**	$5.495	$8.426
1.0%	527,329	12.00%	$25,758,352	**$3,091,002**	$5.862	$9.159
1.1%	580,062	12.75%	$28,334,187	**$3,612,609**	$6.228	$9.891
1.2%	632,795	13.50%	$30,910,022	**$4,172,853**	$6.594	$10.624
1.3%	685,528	13.50%	$33,485,857	**$4,520,591**	$6.594	$6.594
1.4%	738,261	13.50%	$36,061,692	**$4,868,328**	$6.594	$6.594
1.5%	790,994	13.50%	$38,637,528	**$5,216,066**	$6.594	$6.594
1.6%	843,727	13.50%	$41,213,363	**$5,563,804**	$6.594	$6.594
1.7%	896,460	13.50%	$43,789,198	**$5,911,542**	$6.594	$6.594
1.8%	949,193	13.50%	$46,365,033	**$6,259,279**	$6.594	$6.594
1.9%	1,001,925	13.50%	$48,940,868	**$6,607,017**	$6.594	$6.594
2.0%	1,054,658	13.50%	$51,516,703	**$6,954,755**	$6.594	$6.594

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must

Inputs		Location:
2013 Weather-Normalized Sales (Dth)	53,488,276	CIP Status Report
2014 Weather-Normalized Sales (Dth)	56,095,257	CIP Status Report
2015 Weather-Normalized Sales (Dth)	48,615,230	CIP Status Report
3-year Weather-Normalized Sales Average (Dth)	52,732,921	
1.0% Energy Savings	527,329	
Increase Energy Savings per 0.1% Increase in Achievement Level	52,733	
Approved CIP Budget	$12,233,774	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (Dth)	541,514	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Estimated Net Benefits at Energy Savings Goal	$25,832,208	From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (Dth)	790,994	

Incentive Calibration		
Max Percent of Net Benefits Awarded	12.0%	maximum net benefits awarded
Max Percent of Expenditures Awarded	35.0%	
Earning Threshold	0.7%	
Achievement Level Where Net Benefits Cap Begins	1.2%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2018 Achievements		
Expenditures	$11,777,436	CIP Status Report
Energy Saved (first year Dth saved)	509,758	CIP Status Report
Net Benefits Achieved	$18,463,890	BenCost Model
Shared Savings Incentive Results		
Achievement Level	0.97%	
Percent of Net Benefits Awarded	10.2501%	
Financial Incentive Award	$1,892,566	
Incentive/First Year Dth Saved $	$3.7127	
Incentive/Net Benefits	10.25%	
Incentive/CIP Expenditures	16.07%	

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	0	0.00%	$0	**$0**	$0.000	-
0.1%	52,733	0.00%	$2,515,554	**$0**	$0.000	$0.000
0.2%	105,466	0.00%	$5,031,108	**$0**	$0.000	$0.000
0.3%	158,199	0.00%	$7,546,662	**$0**	$0.000	$0.000
0.4%	210,932	0.00%	$10,062,217	**$0**	$0.000	$0.000
0.5%	263,665	0.00%	$12,577,771	**$0**	$0.000	$0.000
0.6%	316,398	0.00%	$15,093,325	**$0**	$0.000	$0.000
0.7%	369,130	8.25%	$17,608,879	**$1,452,733**	$3.936	$27.549
0.8%	421,863	9.00%	$20,124,433	**$1,811,199**	$4.293	$6.798
0.9%	474,596	9.75%	$22,639,987	**$2,207,399**	$4.651	$7.513
1.0%	527,329	10.50%	$25,155,541	**$2,641,332**	$5.009	$8.229
1.1%	580,062	11.25%	$27,671,096	**$3,112,998**	$5.367	$8.944
1.2%	632,795	12.00%	$30,186,650	**$3,622,398**	$5.724	$9.660
1.3%	685,528	12.00%	$32,702,204	**$3,924,264**	$5.724	$5.724
1.4%	738,261	12.00%	$35,217,758	**$4,226,131**	$5.724	$5.724
1.5%	790,994	12.00%	$37,733,312	**$4,527,997**	$5.724	$5.724
1.6%	843,727	12.00%	$40,248,866	**$4,829,864**	$5.724	$5.724
1.7%	896,460	12.00%	$42,764,420	**$5,131,730**	$5.724	$5.724
1.8%	949,193	12.00%	$45,279,974	**$5,433,597**	$5.724	$5.724
1.9%	1,001,925	12.00%	$47,795,529	**$5,735,463**	$5.724	$5.724
2.0%	1,054,658	12.00%	$50,311,083	**$6,037,330**	$5.724	$5.724

Add Drop Down or Label for each Utility Name to specify

Instructions:
1.) Yellow highlighted fields must b

Inputs		Location:
2013 Weather-Normalized Sales (Dth)	53,488,276	CIP Status Report
2014 Weather-Normalized Sales (Dth)	56,095,257	CIP Status Report
2015 Weather-Normalized Sales (Dth)	48,615,230	CIP Status Report
3-year Weather-Normalized Sales Average (Dth)	52,732,921	
1.0% Energy Savings	527,329	
Increase Energy Savings per 0.1% Increase in Achievement Level	52,733	
Approved CIP Budget	$12,322,541	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Approved CIP Energy Savings Goal (Dth)	552,566	From Commissioner's Order approving 2017-2019 Triennial CIP Filing
Estimated Net Benefits at Energy Savings Goal	$26,152,255	From Utility 2017-2019 Triennial CIP Filing.
Energy savings at 1.5% (Dth)	790,994	

Incentive Calibration		
Max Percent of Net Benefits Awarded	10.0%	maximum net benefits awarded
Max Percent of Expenditures Awarded	30.0%	
Earning Threshold	0.7%	
Achievement Level Where Net Benefits Cap Begins	1.2%	
Increase in Net Benefits Awarded Per 0.1% Increase in Achievement Level	7.5	% Points

Actual 2019 Achievements		
Expenditures	$12,115,461	Status report, excludes low income
Energy Saved (first year Dth saved)	468,544	Status report
Net Benefits Achieved	$23,113,258	BENCOST, excludes low income
Shared Savings Incentive Results		
Achievement Level	0.89%	
Percent of Net Benefits Awarded	7.6639%	
Financial Incentive Award	$1,771,381	
Incentive/First Year Dth Saved $	$3.7806	
Incentive/Net Benefits	7.66%	
Incentive/CIP Expenditures	14.62%	

Estimated Incentive Levels by Achievement Level

Achievement Level (% of sales)	Energy Saved	Percent of Net Benefits Awarded	Estimated Net Benefits Achieved	Incentive Award	Average Incentive per unit Saved	Incremental Incentive Units Saved
0.0%	0	0.00%	$0	**$0**	$0.000	-
0.1%	52,733	0.00%	$2,495,783	**$0**	$0.000	$0.000
0.2%	105,466	0.00%	$4,991,566	**$0**	$0.000	$0.000
0.3%	158,199	0.00%	$7,487,349	**$0**	$0.000	$0.000
0.4%	210,932	0.00%	$9,983,132	**$0**	$0.000	$0.000
0.5%	263,665	0.00%	$12,478,915	**$0**	$0.000	$0.000
0.6%	316,398	0.00%	$14,974,698	**$0**	$0.000	$0.000
0.7%	369,130	6.25%	$17,470,481	**$1,091,905**	$2.958	$20.706
0.8%	421,863	7.00%	$19,966,264	**$1,397,638**	$3.313	$5.798
0.9%	474,596	7.75%	$22,462,046	**$1,740,809**	$3.668	$6.508
1.0%	527,329	8.50%	$24,957,829	**$2,121,416**	$4.023	$7.218
1.1%	580,062	9.25%	$27,453,612	**$2,539,459**	$4.378	$7.928
1.2%	632,795	10.00%	$29,949,395	**$2,994,940**	$4.733	$8.637
1.3%	685,528	10.00%	$32,445,178	**$3,244,518**	$4.733	$4.733
1.4%	738,261	10.00%	$34,940,961	**$3,494,096**	$4.733	$4.733
1.5%	790,994	10.00%	$37,436,744	**$3,743,674**	$4.733	$4.733
1.6%	843,727	10.00%	$39,932,527	**$3,993,253**	$4.733	$4.733
1.7%	896,460	10.00%	$42,428,310	**$4,242,831**	$4.733	$4.733
1.8%	949,193	10.00%	$44,924,093	**$4,492,409**	$4.733	$4.733
1.9%	1,001,925	10.00%	$47,419,876	**$4,741,988**	$4.733	$4.733
2.0%	1,054,658	10.00%	$49,915,659	**$4,991,566**	$4.733	$4.733