

April 2, 2015

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

RE: In the Matter of a Petition by Minnesota Energy Resources Corporation for Authority to Increase Natural Gas Rates in Minnesota
Docket No. G011/GR-13-617

Dear Mr. Wolf,

On October 28, 2014, the Minnesota Public Utilities Commission (Commission) issued its *Findings of Fact, Conclusions, and Order* in the above-referenced docket. In its Order the Commission directed Minnesota Energy Resources Corporation (MERC or the Company) to submit a compliance filing within 90 days to address concerns with the Company's joint service rates. Specifically, the Commission asked the Company to identify the curtailment hierarchy as it pertains to joint service customers, and to address concerns that joint service customers are receiving a subsidy from the Company's general sales customers.

On March 20, 2015, MERC submitted its compliance filing. The Company submitted a revised tariff page identifying the position of joint service customers in its curtailment hierarchy. In addition, MERC addressed Commission concerns that general sales customers are subsidizing joint service customers, and indicated that MERC plans to submit proposed revisions to its joint service rates in its next rate case to be filed later in 2015.

The Department has reviewed MERC's filing, and concludes that it complies with the Commission's Order. The Department is in agreement with MERC's proposal to include joint service rate revisions in its next rate case.

Sincerely,

/s/ SUSAN L. PEIRCE
Rates Analyst

SLP/It

CERTIFICATE OF SERVICE

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

**Minnesota Department of Commerce
Letter**

Docket No. G011/GR-13-617

Dated this 2nd day of **April 2015**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Auger	mauger@usenergyservices.com	U S Energy Services, Inc.	Suite 1200 605 Highway 169 N Minneapolis, MN 554416531	Electronic Service	No	OFF_SL_13-617_Official List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_13-617_Official List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	OFF_SL_13-617_Official List
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-617_Official List
Barbara	Nick	banick@integrysgroup.com	Minnesota Energy Resources Corporation	2665 145th Street PO Box 455 Rosemount, MN 55068-0455	Electronic Service	No	OFF_SL_13-617_Official List
Steve	Sorenson	N/A	Constellation Energy	12120 Port Grace Blvd, Suite 200 La Vista, NE 68128	Paper Service	No	OFF_SL_13-617_Official List
Gregory	Walters	N/A	Minnesota Energy Resources Corporation	3460 Technology Dr. NW Rochester, MN 55901	Paper Service	No	OFF_SL_13-617_Official List
Casey	Whelan		U.S. Energy Services, Inc.	Suite 1200 605 Highway 169 North Minneapolis, MN 554416531	Paper Service	No	OFF_SL_13-617_Official List
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	OFF_SL_13-617_Official List