COMMERCE DEPARTMENT

October 30, 2017

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G008/GR-13-316

Dear Mr. Wolf:

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

CenterPoint Energy's (CenterPoint, the Company) Decoupling Evaluation Report for Year 2 (2016-2017) of the Company's Revenue Decoupling (RD Rider) Program.

The decoupling evaluation report was filed on September 1, 2017 by:

Peggy Sorum
Manager, Regulatory Financial Activities
CenterPoint Energy
800 LaSalle Ave.
PO Box 59038
Minneapolis, MN 55459-0038

Based on its review of CenterPoint's evaluation report, the Department recommends that the Minnesota Public Utilities Commission (Commission) **allow CenterPoint to continue assessing its decoupling adjustment and approve the Company's annual decoupling adjustment**.

The Department is available to answer any questions that the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ CHRISTOPHER T. DAVIS
Rates Analyst
651-539-1822

CTD/lt
Attachment

COMMERCE DEPARTMENT

Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce
Division of Energy Resources

Docket No. G008/GR-13-316

I. BACKGROUND

On June 9, 2014, the Minnesota Public Utilities Commission (Commission) issued its *Findings of Fact, Conclusions of Law, and Order (Rate Case Order)* in CenterPoint Energy's (CenterPoint, the Company) 2013 General Rate Case, Docket No. G008/GR-13-316. As part of this *Rate Case Order*, the Commission authorized CenterPoint to implement a full Revenue Decoupling Rider (RD Rider) under Minnesota Statute § 216B.2412.[1] Ordering Point 3 in the Commission's *Rate Case Order* required the Company to propose an annual Evaluation Plan, Communication Plan, and Implementation Plan. The Company filed this information on October 14, 2014.

The Company submitted its first Decoupling Evaluation Report on September 1, 2016 (2016 Decoupling Report) in compliance with the Commission's Order Point 3. The 2016 Decoupling Report encompassed the period from July 1, 2015 to June 30, 2016.

On November 1, 2016, the Minnesota Department of Commerce, Division of Energy Resources (the Department) submitted its comments on the 2016 Decoupling Report recommending that the Commission allow CenterPoint to continue assessing its decoupling adjustment and approve the Company's annual decoupling adjustment. The Department also recommended that CenterPoint provide information based on both 10-year and 20-year normal weather in subsequent annual evaluation plan filings.

On November 14, 2016 the Company submitted Reply Comments providing the information previously based on 10-year normal weather in a 20-year normal format, as requested by the Department.

On December 28, 2016 the Commission issued its Order accepting CenterPoint's 2016 revenue decoupling evaluation report, approving CenterPoint's revenue decoupling rate adjustments to go into effect on September 1, 2016, and ordered CenterPoint to provide information based on 20-year normal weather in subsequent annual evaluation plan filings.

[1] The full RD Rider replaced the Company's partial Conservation Enabling Rider (CE Rider), which was approved in Docket No. G008/GR-08-1075 and expired on June 30, 2013.

On February 1, 2017, the Company submitted a Supplemental Filing requesting a change in decoupling factors to be implemented on February 1, 2017. The new February Adjusted Decoupling Factors were necessary to reflect the final rates for CenterPoint's 2015 Rate Case (Docket No. G008/GR-15-424), which were approved on November 9, 2016.

On March 3, 2017 the Department submitted comments recommending that the Commission allow the Company to continue to use the February Adjusted Decoupling Factors it implemented February 1, 2017.

On March 29, 2017 the Commission issued its Order allowing CenterPoint to continue to use the February Adjusted Decoupling Factors implemented on February 1, 2017.

On September 1, 2017, CenterPoint submitted its second Decoupling Evaluation Report (2017 Decoupling Report). The 2017 Decoupling Report encompassed the period from July 1, 2016 to June 30, 2017. In this 2017 Decoupling Report, CenterPoint provided the data and supporting calculations for the decoupling adjustment factors that were implemented on customer bills effective September 1, 2017.

This is the second Decoupling Evaluation Report for CenterPoint's RD Rider. The RD Rider is planned to be in effect from July 1, 2016 to June 30, 2019.

II. DEPARTMENT EVALUATION

A. OVERVIEW

The purpose behind CenterPoint's full RD Rider is to eliminate the Company's throughput incentive and thus eliminate the Company's disincentive to encourage its customers to invest in energy savings. Under the full RD Rider, CenterPoint is allowed to recover its authorized revenues for non-fuel costs, regardless of causes in variation (including weather, changes in economic factors, customer growth, etc.), up to the approved revenue cap. In general, the actual customer count and sales volumes are used to calculate revenue. The revenue, referred to in the model as "non-gas margin," reflects the basic delivery charge and the base per-therm delivery charge, less Conservation Improvement Program (CIP) and Gas Affordability Program (GAP) charges, times the actual volumes of sales. The actual non-gas revenue is compared to the authorized revenue that results from the authorized number of customers and authorized sales volumes in a rate class.[2] Any excess revenue will be returned to customers, and any revenue shortfall, up to ten percent of non-gas margin including GAP, for each individual rate class, will be surcharged over the next 12-month period. If the Company under recovers, the Company's surcharge in the subsequent year is capped at 10 percent of non-gas authorized revenues. If the Company over recovers, the Company is required to refund all revenues above the authorized amount over the subsequent year.

The Company proposed its RD Rider Evaluation Plan on October 14, 2014 and the Commission approved the communication plan on March 23, 2015 and the rider evaluation compliance on March 31, 2015. The Evaluation Report is broken into the following categories:

- Executive Summary;
- Timeline for Evaluation;
- Evaluation of CenterPoint Energy's Commitment to Increased Energy Savings,
- Revenue Accrued and Collected Under Full Revenue Decoupling;
- Related Rate and Customer Usage Information;
- Other Information; and
- Attachment List.

Below, the Department discusses CenterPoint's energy conservation achievements compared to the pre-decoupling baseline (2007-2009), the Company's overall commitment to increasing its energy savings, the Company's accrual and collection of revenues under full decoupling pilot and the impact of the RD Rider on customer rates going forward.

B. CENTERPOINT'S ENERGY SAVINGS

Minnesota Statutes § 216B.241, Subdivision 3 states:

> Subd. 3. **Pilot programs.** The commission shall allow one or more rate-regulated utilities to participate in a pilot program to assess the merits of a rate-decoupling strategy to promote energy efficiency and conservation. Each pilot program must utilize the criteria and standards established in subdivision 2 and be designed to determine whether a rate-decoupling strategy achieves energy savings. On or before a date established by the commission, the

[2] As noted in the RD Rider tariff (Section V, page 28.a paragraph 4), authorized revenue is determined to be the Authorized Revenue Per Customer multiplied by the greater of (1) the actual Evaluation Period number of customers or (2) the number of customers used to determine final rates in the last general rate case.

> commission shall require electric and gas utilities that intend to implement a decoupling program to file a decoupling pilot plan, which shall be approved or approved as modified by the commission. A pilot program may not exceed three years in length. Any extension beyond three years can only be approved in a general rate case, unless that decoupling program was previously approved as part of a general rate case. The commission shall report on the programs annually to the chairs of the house of representatives and senate committees with primary jurisdiction over energy policy.

The Department brings particular attention to the sentence in Subd. 3, which states, "Each pilot program must utilize the criteria and standards established in subdivision 2 and be designed to determine whether a rate-decoupling strategy achieves energy savings."

Below, the Department shows some of the highlights of CenterPoint's 2017 Decoupling Report, which provided substantial data and analyses concerning changes in the Company's Conservation Improvement Program (CIP). Although the Company's Evaluation Report speaks for itself, below the Department highlights some of the data that indicates that CenterPoint's CIP impacts have grown substantially. As stated in the Department's April 29, 2014 *Comments* on the Company's Decoupling Evaluation Report for Calendar Year 2013 (Docket No. G008/GR-08-1075), the Department continues to conclude that the Company's increase in energy savings since the implementation of decoupling was not due solely to CenterPoint's decoupling pilot because, during the same time that the Company's decoupling pilot projects have been in place, the following policies were in place, which also could have led to the Company's higher energy savings:

- Minnesota adopted an energy savings goal of 1.5 percent of retail sales,
- The Shared Savings Demand Side Management (DSM) Financial incentive was increased for utilities to encourage them to work towards and surpass the State energy savings goal, CenterPoint received Conservation Improvement Program financial incentives averaging more than $9 million per year over the decoupling pilot periods,
- Federal tax incentives to encourage homeowners to make energy-efficient investments in their home were in effect during this time,
- Customers became more aware of energy conservation in general.

Regardless of the cause, the Department commends CenterPoint for its excellent results.

1. Level of Energy Savings

Energy savings below are presented both as *first-year* energy savings, which refers to the amount of energy savings that would result from the energy conservation technologies and processes during the first 12 months after implementation, and *lifetime* energy savings, which refers to the energy savings expected during the lifetime of each of the energy conservation measures and processes.

Figure 1 (Graph C-1a on page 11 of CenterPoint's Evaluation Report) illustrates the Company's annual increase in energy savings for the years 2010 to 2016 compared to the average of CenterPoint's 2007-2009 CIP energy savings, which is the three-year period prior to:

- the commencement of the Company's original, partial decoupling mechanism, the Conservation Enabling (CE) Rider,
- the new Shared Savings DSM financial incentive mechanism (approved on January 27, 2010); and
- the beginning of the 1.5 percent energy savings goal established in the 2007 Next Generation Energy Act.

Figure 1: CenterPoint Customer Segment Energy Savings (Dth)

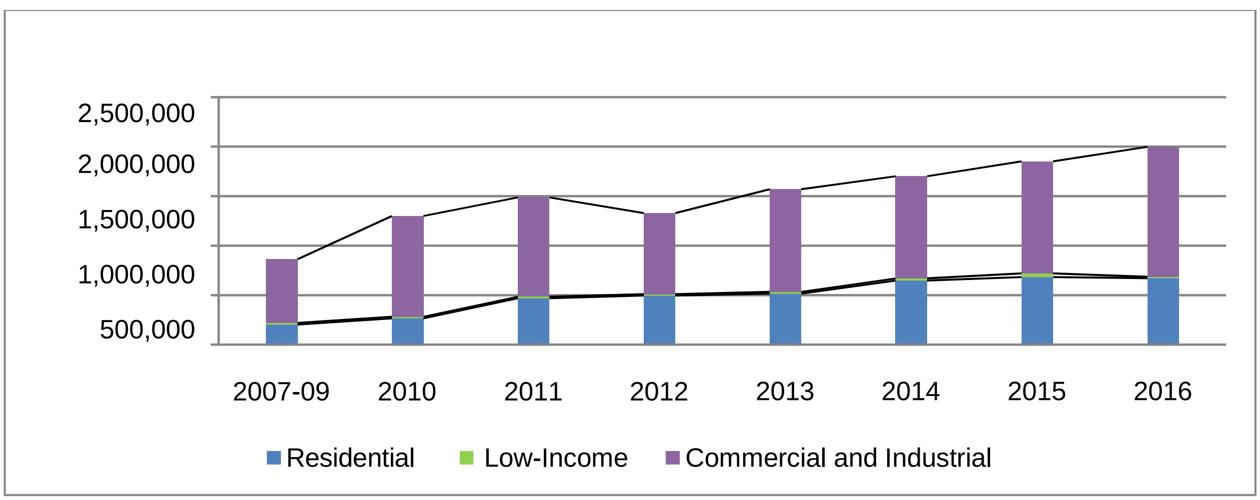

Table 1 below (CenterPoint's Table C-1a) shows the data underlying Figure 1 to facilitate evaluating changes in individual customer classes.

Table 1: CenterPoint Historical First-Year CIP Energy Savings (Dth) for Residential, Low-Income Residential, and Commercial and Industrial Customer Classes

Year/Period	Residential	Low- Income	Commercial and Industrial	Overall Program
2007-09 Average	203,100	16,199	644,424	**863,723**
2010	267,137	15,243	1,017,848	**1,300,228**
2011	469,107	14,693	1,004,431	**1,488,231**
2012	496,194	13,510	820,814	**1,330,518**
2013	515,946	17,075	1,037,790	**1,570,810**
2014	648,482	21,986	1,031,248	**1,701,716**
2015	682,540	36,937	1,132,452	**1,851,930**
2016	671,984	14,250	1,312,399	**2,006,014**
2016 Percent Change From 2007-09	231%	-12%	104%	**132%**

As can be seen in Table 1, CenterPoint's 2016 energy savings achievements were its highest ever. In fact, other than 2012, CenterPoint's energy savings achievements have grown steadily since 2010. Two of CenterPoint's customer classes—residential, and commercial and industrial—had higher energy savings in 2016 as compared to the average of the pre-decoupling years 2007-2009. CenterPoint's 2016 low-income energy savings were at the lowest point since the Company implemented revenue decoupling. Despite the poor 2016 low-income performance, the Company's average 2014-2016 low-income energy savings were 24,391 Dth, 51 percent higher than CenterPoint's average 2007-2009 low-income energy savings.

Table 2 below shows how each customer category contributed to (or subtracted from) the Company's increase in energy savings between 2016 and the average of 2007-2009.

Table 2: Comparing 2016 CenterPoint CIP Energy Savings For Residential, Low-Income, Commercial and Industrial Customer Classes With Average of 2007-2009 CIP Energy Savings (Dth)

Customer Class	Residential	Low-Income Residential	C/I	Total
Energy Savings Increase (Dth)	468,884	(1,949)	667,975	1,142,291
Energy Savings Increase as Percentage of Total Increase	41%	0%	58%	

A review of Table 2 above indicates that, in terms of first-year Dth, the commercial and industrial customer segment provided the largest increases in energy savings.

Table 3 below (CenterPoint's Table C-2 on page 16 of its filing) shows the Company's CIP energy savings as a percent of weather-normalized retail sales.

Table 3: CenterPoint CIP Energy Savings as a Percent of 20-Year Weather-Normalized Sales[3]

CIP Plan Period	Year	The applicable three-year average 20-year weather normalized sales (Dth)	Annual energy savings (Dth)	Energy savings as a percent of sales
2007-2008 Biennial Period	2007	154,110,813	825,030	0.54%
	2008	154,110,813	827,340	0.54%
Extension of 2007-2008 Biennial	2009	154,110,813	938,798	0.61%
2010-2012 Triennial Period	2010	150,775,872	1,300,228	0.86%
	2011	150,775,872	1,488,231	0.99%
	2012	150,775,872	1,330,518	0.88%
2013-2015 Triennial Period	2013	139,161,784	1,570,810	1.13%
	2014	139,161,784	1,701,716	1.22%
	2015	139,161,784	1,851,930	1.33%
Extension of 2013-2015 Biennial	2016	139,161,784	2,006,014	1.44%

As shown in Table 3 above, CenterPoint's first-year energy savings as a percent of retail sales increased from 0.54 percent in 2007 to 1.44 percent in 2016. The Department commends CenterPoint for its 2016 CIP performance.

Figure 2 below shows the historical amounts of lifetime energy savings created each year through CenterPoint's customer CIP achievements.

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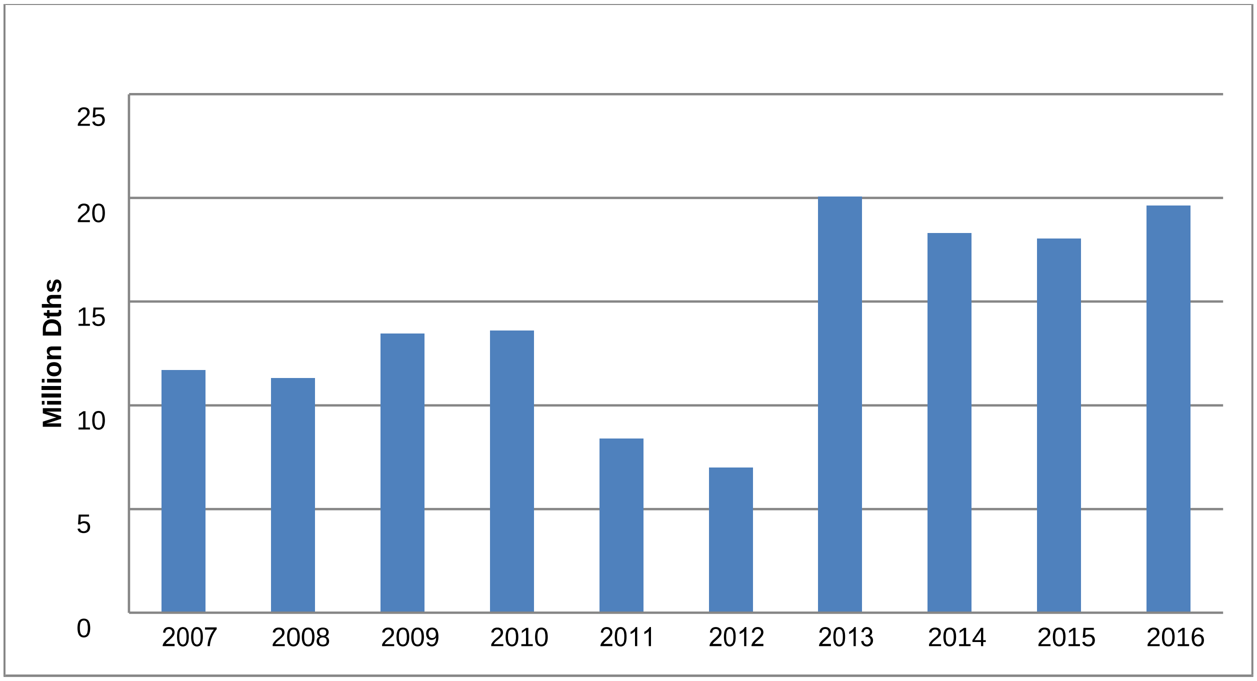
[3] At the request of the Department, CenterPoint used both 10-year and 20-year normal weather when analyzing the efficacy of its conservation programs. Since the Commission has approved revenue decoupling adjustments for two gas utilities (and one electric utility) that estimated rate case sales figures based on 20-year normal weather, the Department shows the 20-year normal format here. Using the 10-year weather normalized figures, CenterPoint's 2016 energy savings equaled 1.47 percent of retail sales.

Figure 2: CenterPoint's Lifetime Energy Savings Created Through Annual CIP Achievements



The changes in lifetime energy savings are related to several factors, including;

- the level of first-year energy savings;
- the different lifetimes of the mix of energy savings achieved each year (for example, large commercial and industrial projects generally have longer lifetimes; even if CenterPoint achieved the same first-time energy savings in two years, the lifetime energy savings for CIP achievements can be higher if it has a higher concentration of long lifetime projects); and
- changes in lifetime assumptions between triennial CIPs (*e.g.*, the assumed lifetime for behavioral change projects is lower now than when first introduced).

The third factor makes it difficult to compare changes in lifetime energy savings between triennial CIPs. However, based on the assumptions used at the time for each CIP triennial, CenterPoint's 2014-2016 lifetime energy savings were 53 percent higher than the Company's 2007-2009 lifetime energy savings.

To put CenterPoint's energy savings in context, the Company's average residential customer uses approximately 92 Dth per year on average. CenterPoint's 2016 lifetime energy savings were 19.6 million Dth, enough savings to provide natural gas service to more than 213 thousand residential customers for a year.

2. Energy Savings Expenditures

Figure 3 below (CenterPoint's Graph C-1c) illustrates the Company's CIP expenditures by customer segment.

Figure 3: CenterPoint's Annual CIP Expenditures After Implementing Decoupling Compared to CenterPoint's CIP Expenditures Before Decoupling Implementation

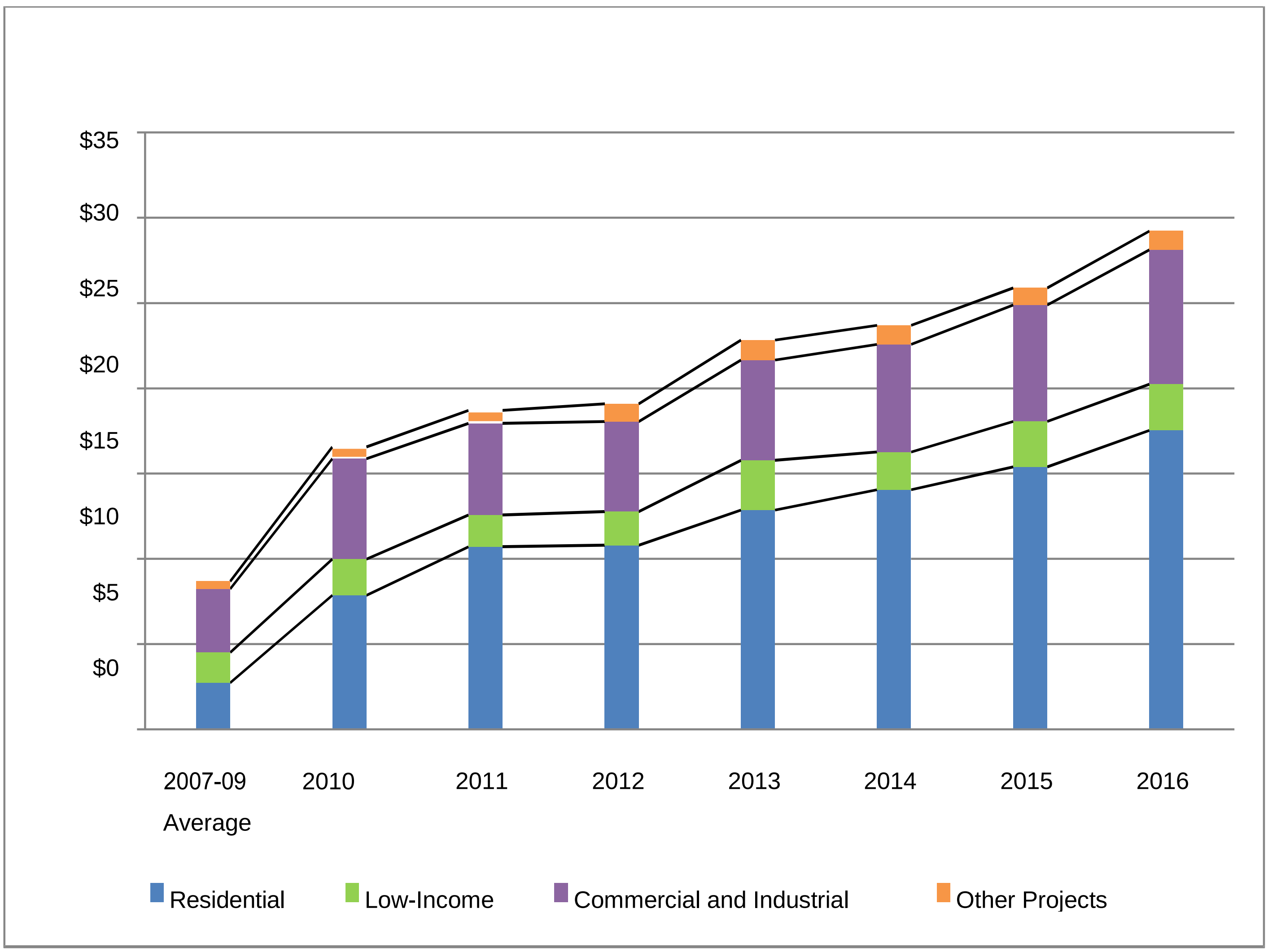


Table 4 below (CenterPoint's Table C-1c) shows the data underlying Figure 3, which makes it easier to view changes in expenditures for individual customer classes.

Table 4: Comparing 2016 CIP Expenditures with Average of Pre-Decoupling (2007-2009) CIP Expenditures

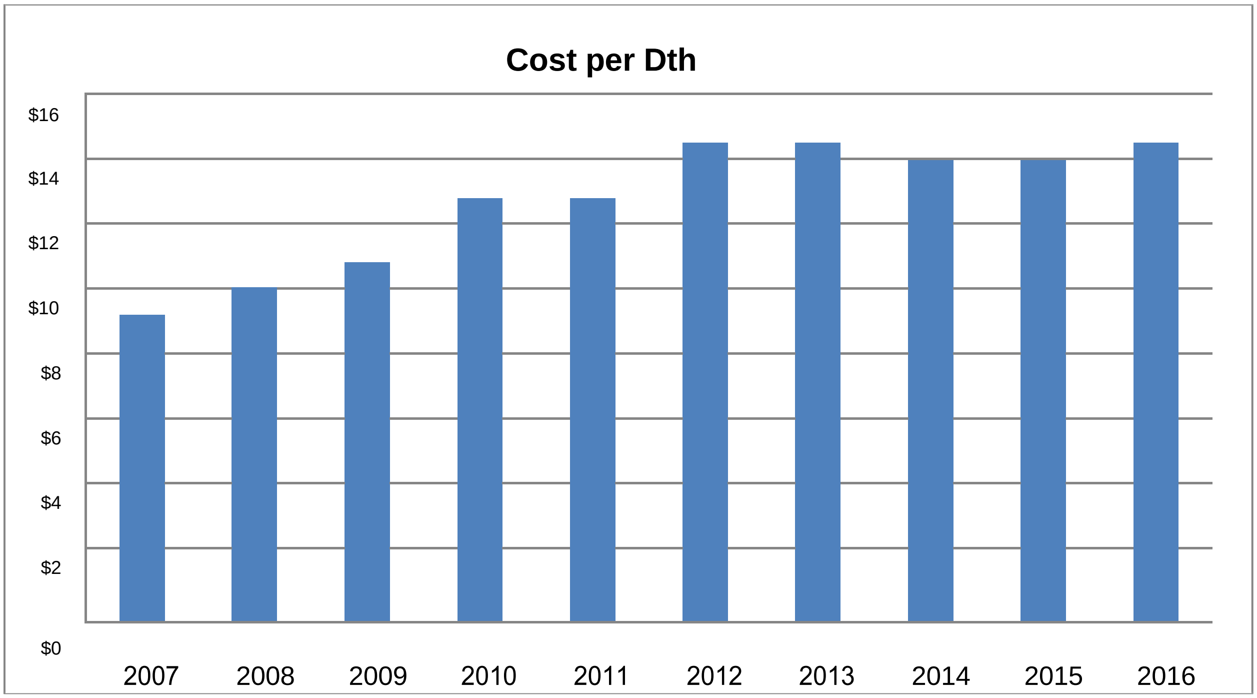
Year/Period	Residential	Low-Income Residential	Commercial and Industrial	Other Projects	Overall Program
2007-09 Average	$2,731,997	$1,787,613	$3,722,836	$444,749	**$8,687,195**
2010	$7,861,852	$2,121,325	$5,886,263	$705,297	**$16,574,737**
2011	$10,715,062	$1,867,663	$5,360,144	$771,054	**$18,713,923**
2012	$10,801,865	$1,977,250	$5,278,953	$1,033,732	**$19,091,800**
2013	$12,868,507	$2,915,754	$5,875,196	$1,170,253	**$22,829,710**
2014	$14,054,870	$2,207,285	$6,314,013	$1,125,353	**$23,701,520**
2015	$15,397,531	$2,665,523	$6,833,760	$996,804	**$25,893,618**
2016	$17,546,421	$2,701,799	$7,873,273	$1,107,040	**$29,228,533**
2016 Percent Change From 2007-09	542%	51%	111%	149%	**236%**

As shown in Table 4 above, CenterPoint's 2016 CIP expenditures were more than triple its pre-decoupling annual CIP expenditures.

3. Changes in Cost per Dth Saved

Figure 4 below shows the first-year cost per Dth for the Company's CIP achievements over the period 2007-2016.

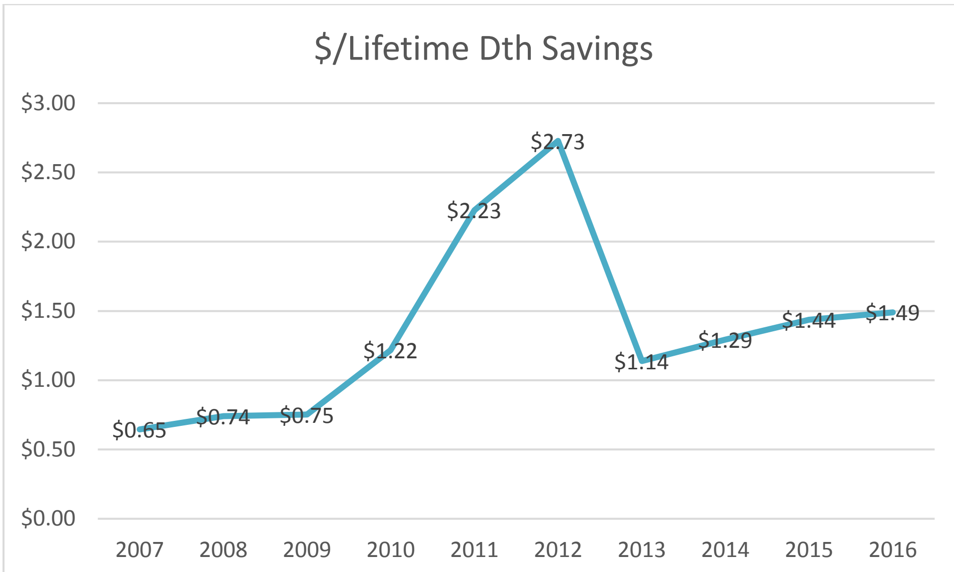
Figure 4: CenterPoint's Cost per Dth for First-Year Energy Savings



As shown in Figure 4 above, the cost per first-year energy savings peaked in 2012 and has been stable since. CenterPoint's 2016 $/first year Dth ($14.57 per Dth) was 45 percent higher than the average of the Company's pre-decoupling $/first year Dth ($10.03 per Dth).

Figure 5 below shows the cost per lifetime Dth saved for each year.

Figure 5: Cost of Lifetime Energy Savings
Created Through Annual CIP Achievements
($/Dth)



A review of Figure 5 shows that the Company's cost per lifetime energy savings peaked in 2012, declined significantly in 2013 and then began to rise again. The shape of Figure 5 (cost per lifetime Dth savings) varies significantly from the shape of Figure 4 (cost per first-year Dth savings) because of differences in the lifetimes of the types of projects implemented and changes to how energy savings from behavioral change projects are counted.

Lifetime energy savings cost an average of $1.41 per Dth in 2014-2016 as compared to $0.71 per Dth in the three years prior to decoupling (2007-2009).

C. HISTORY OF REVENUE COLLECTION AND USE PER CUSTOMER

1. Under/Over Recovery of Revenues

In Attachment D-1 of the 2017 Decoupling Report, CenterPoint included spreadsheets detailing its calculations of the RD Rider adjustments. The adjustments are calculated by comparing the calendar year actual use per customer (UPC), by rate class, with the UPC authorized in CenterPoint's 2015 rate case (Docket No. G008/GR-15-424).

Weather conditions during the evaluation period (July 2016 through June 2017) were warmer than normal, which resulted in an under-recovery of revenue for most of the Company's rate classes. CenterPoint over-recovered from its two large volume customer classes. Table 5 below illustrates these under- and over-recoveries.

Table 5: Calculation of Over (Under Recovery) for Evaluation Period of July 1, 2016, to June 30, 2017

Customer Class	UPC - Actual	UPC Authorized	Actual Rev/Customer	Authorized Rev/Customer	Non-Gas Margin Cap	YTD Net Under(Over)		10% Cap	Decoupling Revenue
Residential	80.8	92.2	$265.63	$286.65	$226,467,371	$16,783,444	7.40%	$22,646,737	$16,783,444
Com- A	70.9	77.2	$313.79	$324.49	$9,760,459	$360,457	3.70%	$976,046	$360,457
Com-Ind B	269.6	300.6	$652.16	$697.20	$13,937,904	$1,315,518	9.40%	$1,393,790	$1,315,518
Com-Ind C	1,519.10	1,528.80	$2,566.88	$2,580.06	$49,833,867	$752,573	1.50%	$4,983,387	$752,573
SVDF-A	4,371.20	4,562.60	$5,162.74	$5,403.01	$10,465,605	$1,565,063	15.00%	$1,046,560	$1,046,560
SVDF-B	15,795.70	15,134.70	$15,848.84	$15,375.76	$5,919,668	$509,930	8.60%	$591,967	$509,930
LVDF - STD	79,640	77,875	$51,978.13	$30,673.69	$10,692,657	($110,130)	-1.00%	$1,069,266	($110,130)
LV- FIRM	39,545	67,657	$50,376.66	$51,099.59	$416,176	($263,908)	-63.40%	$41,618	($263,908)

Table 6 below shows how the decoupling revenues shown in Table 5 above were combined with the under-recovered balance remaining from the first evaluation period (July 2015 through June 2016) to determine the under and over recoveries used to calculate the RD factors implemented September 1, 2017.

Table 6: CenterPoint's Calculation of RD Factors For RD Rider Pilot Period July 1, 2016-June 30, 2017

Customer Class	Prior Period Balance	Decoupling Revenue	Total	2015 Sales (Dth)	RD Factor ($/Dth)	RD Factor ($/Therm)
Residential	$2,186,838	$16,783,444	$18,970,282	71,321,240	$0.2660	$0.0266
Com- A	$82,456	$360,457	$442,912	2,231,747	$0.1985	$0.0198
Com-Ind B	$161,724	$1,315,518	$1,477,242	5,891,201	$0.2508	$0.0251
Com-Ind C	$62,822	$752,573	$815,395	28,718,741	$0.0284	$0.0028
SVDF-A	$175,096	$1,046,560	$1,221,656	8,837,660	$0.1382	$0.0138
SVDF-B	$78,258	$509,930	$588,188	5,943,143	$0.0990	$0.0099
LVDF - STD	$189,449	($110,130)	$79,319	21,375,376	$0.0037	$0.0004
LV- FIRM	$80,762	($263,908)	($183,146)	1,065,213	($0.1719)	($0.0172)
Total	$3,017,404	$20,394,443	$23,411,847	145,384,321		

For the 2016-2017 evaluation period, only the Small Volume Dual Fuel-A customer class encountered the 10 percent cap on surcharges. The approved cap reduced the decoupling surcharges by $518,503, which is 2.5 percent of the Company's net total surcharge of $20,394,444 for this evaluation period.

The Department reviewed CenterPoint's decoupling adjustment calculations and confirms that the Company determined its current adjustment using the Commission-approved rate case method. Thus, the Department recommends that the Commission allow CenterPoint to continue to implement the RD factors shown in Table 7 below.

Table 7: Per-Therm Surcharges/(Refunds) Implemented September 1, 2017

Customer Class	RD Factor ($/Therm)
Residential	$0.0266
Com- A	$0.0198
Com-Ind B	$0.0251
Com-Ind C	$0.0028
SVDF-A	$0.0138
SVDF-B	$0.0099
LVDF - STD	$0.0004
LV- FIRM	($0.0172)

Table 8 below shows the average annual surcharge/(refund) expected for each customer class.

Table 8: Annual Surcharge/(Refund) Expected for Average Customer of Each Customer Class

Customer Class	Decoupling Adjustment	Annual Use Per Customer (DT)	Annual Cost/(Refund)
Residential	$0.2660	92.2	$24.53
Com- A	$0.1985	77.2	$15.32
Com-Ind B	$0.2508	300.6	$75.39
Com-Ind C	$0.0284	1,528.8	$43.42
			$0.00
SVDF-A	$0.1382	4,563.0	$630.61
SVDF-B	$0.0990	15,135.0	$1,498.37
			$0.00
LVDF - STD	$0.0037	77,875.0	$288.14
LV- FIRM	($0.1719)	39,545.0	($6,797.79)

1. Under/Over Recovery of Revenues

Table 9 below shows the revenue decoupling calculations for each of CenterPoint's customer classes for both of the evaluation periods thus far.

Table 9: CenterPoint's Revenue Decoupling Calculations

	2015-2016 Evaluation Plan			2016-2017 Evaluation Plan		
Customer Class	Calculated Surcharge/(Refund)	Surcharge/(Refund) After 10% Surcharge Cap	Reduction due to 10% Cap	Calculated Surcharge/(Refund)	Surcharge/(Refund) After 10% Surcharge Cap	Reduction due to 10% Cap
Residential	$16,813,103	$16,813,103		$16,783,444	$16,783,444	
Com- A	$823,119	$823,119		$360,457	$360,457	
Com-Ind B	$1,459,372	$1,349,359	($110,013)	$1,315,518	$1,315,518	
Com-Ind C	$3,175,766	$3,175,766		$752,573	$752,573	
SVDF-A	$1,340,206	$1,163,010	($177,196)	$1,565,063	$1,046,560	($518,503)
SVDF-B	$708,785	$703,392	($5,393)	$509,930	$509,930	
LVDF - STD	$573,345	$573,345		($110,130)	($110,130)[4]	
LV- FIRM	$1,796	$1,796		($263,908)	($263,908)	
Total	$24,895,492	$24,602,890	($292,602)	$20,912,947	$20,394,444	($518,503)

A review of Table 9 indicates that over the two full revenue decoupling periods spanning from July 1, 2015 to June 30, 2017, CenterPoint's RD Rider has resulted in:

- Calculated before cap net surcharges of $45,808,439;
- Reductions due to 10% cap of $811,105.
- Total after cap net surcharges of $45,515,837,
- A net refund of $262,112 for CenterPoint's firm large volume customers and $695,699 for CenterPoint's small volume dual fuel A customers.

[4] Although the LVDF-STD rate class received a refund of $110,130 for July 1,2016-June 30, 2017, CenterPoint had not collected a balance of $189,449 from the previous evaluation period (July 1, 2015-June 30, 2016) and thus starting September 1, 2017, the LVDF-STD rate class has a small surcharge.

III. RECOMMENDATIONS

The Department recommends that the Commission approve the revenue decoupling factors shown in Table 10 below (and already implemented by CenterPoint on September 1, 2017).

Table 10: Revenue Decoupling Factors for CenterPoint's Decoupled Customer Classes - Surcharge/(Refund) per Therm

Customer Class	RD Factor ($/Therm)
Residential	$0.0266
Com- A	$0.0198
Com-Ind B	$0.0251
Com-Ind C	$0.0028
SVDF-A	$0.0138
SVDF-B	$0.0099
LVDF - STD	$0.0004
LV- FIRM	($0.0172)

/lt

CERTIFICATE OF SERVICE

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

Minnesota Department of Commerce
Comments

Docket No. G008/GR-13-316

Dated this 30th day of October 2017

/s/Sharon Ferguson

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