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June 7, 2013

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

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G022/M-12-1279

Dear Dr. Haar:

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

A Request by Greater Minnesota Gas, Inc. (Greater Minnesota or Company) for Approval by the Minnesota Public Utilities Commission (Commission) of a Change in Contract Demand Entitlement Units Effective November 1, 2012.

The filing was submitted on March 25, 2013. The petitioner is:

Nikki Kupser
Compliance and Regulatory Administrator
Greater Minnesota Gas, Inc.
202 South Main Street, P.O. Box 68
Le Sueur, Minnesota 56058

The Department recommends that the Commission:

- **withhold** its decision on Greater Minnesota's peak-day analysis and total entitlement level until the Company provides sufficient support for its total entitlement level given the issues identified by the Department regarding design-day capacity; and
- **allow** the proposed recovery of associated demand costs effective November 1, 2012; and

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

Sincerely,

/s/ ADAM JOHN HEINEN
Rates Analyst

AJH/sm
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. G022/M-12-1279

I. SUMMARY OF COMPANY'S PROPOSAL

Greater Minnesota Gas, Inc. (Greater Minnesota, GMG or Company) originally filed its petition as a *Compliance Filing* in Docket No. G022/M-10-1165 on November 1, 2012. That docket had been closed by Commission Order on May 17, 2011.

The Minnesota Department of Commerce, Division of Energy Resources (Department) informed the Company of the filing error in a November 26, 2011 *Letter* (DOC Attachment 1) and opened the current docket number. Greater Minnesota submitted its initial filing on March 25, 2013.

However, during its review of the *Petition*, the Department observed that the Company did not include attachments that were referenced in the filing; as such, there was not sufficient information available to determine the reasonableness of Greater Minnesota's request. In response, the Department issued discovery and Greater Minnesota subsequently filed the necessary attachments that were originally referenced in the Company's filing (DOC Attachment 2).

In its *Petition*, Greater Minnesota requested that the Minnesota Public Utilities Commission (Commission) approve a 165 dekatherm (Dth) per day increase in capacity to the Company's TFX-7 contract with Northern Natural Gas (Northern). GMG stated that this increase in capacity was driven by a built-in step increase, which became effective on October 1, 2012, that was included in the entitlement contract.¹

¹ Based on its review of information in the monthly purchased gas adjustment (PGA) filings, the Department notes that although the change in capacity became effective on October 1, 2012, Greater Minnesota did not begin charging customers until the November 2012 PGA.

The Department discusses below the various effects on the Company's rates for different customer classes. Overall, Greater Minnesota's proposal would increase capacity available to serve customers and increase demand rates for residential heating customers by \$0.0334 per Dth or approximately \$3.34 per year for customers using 100 Dth. Greater Minnesota requests that the Commission allow recovery of the associated demand costs through its monthly Purchased Gas Adjustment (PGA) effective November 1, 2012.

II. THE DEPARTMENT'S ANALYSIS OF THE COMPANY'S PROPOSAL

The Department's analysis of the Company's request includes the following sections:

- the proposed overall demand entitlement level;
- the design-day requirement;
- the reserve margin; and
- the PGA cost recovery proposal.

A. THE COMPANY'S DEMAND ENTITLEMENT LEVEL

1. Proposed Overall Demand Entitlement Level

As indicated in DOC Attachment 3, the Company proposed to increase its total entitlement level in Dth as follows:

Previous Entitlement (Dth)	Proposed Entitlement (Dth)	Entitlement Changes (Dth)	% Change From Previous Year
5,044	5,209	165	4.94

The Department analyzes below the proposed changes, the proposed design day requirement, and proposed reserve margin. The Department concludes that the Company's proposed recovery of overall demand costs is reasonable despite concerns with the design-day analysis and filing irregularities, as discussed below.

2. Design-Day Requirement

Greater Minnesota employed a design-day analysis which is similar to what it used in its most recent demand entitlement filing in Docket No. G022/M-10-1165. The Company used Ordinary Least Squares (OLS) regression to calculate its projected design day, estimating three separate regression models based on weather in the various areas that the Company serves (Mankato, Faribault, and Shakopee). The Company's analysis was based on actual daily throughput and

weather data over the period July 1, 2009 to June 30, 2012. From these three separate regression equations, the Company estimated baseload usage and average use per heating degree day (HDD).

With the baseload and average use per HDD calculated, Greater Minnesota used 90 HDDs (approximately the coldest average daily temperature for the Company's service territory in the past 20 years) to estimate the amount of peak-day use. According to the Company's analyses, a peak-day event would result in 4,421 Dth/day of usage on Greater Minnesota's system, which is 116 Dth/day greater than the same estimate in the Company's last demand entitlement filing. Based on the Company's average customer count (3,996 customers), its design-day use-per-customer is approximately 1.0612 Dth/day. Multiplying this figure by Greater Minnesota's estimate of firm customers during the 2012-2013 heating season (4,678 customers) results in a design-day estimate of approximately 4,964 Dth/day, which is 514 Dth/day greater than the estimated design-day estimate of 4,450 Dth/day in Greater Minnesota's last demand entitlement filing.

Greater Minnesota has not provided sufficient data to calculate peak-day sendout over the two most recent heating seasons (2010-2011 and 2011-2012); however, the Department analyzed Greater Minnesota's design-day proposal by multiplying the Company's all-time per-customer peak-day sendout of 1.1315 Dth/day (from the 2008-2009 heating season) by its projected customer counts for the 2012-2013 heating season (4,678 customers) to determine whether Greater Minnesota's proposed entitlement level would be sufficient under most circumstances. The result is a throughput amount of approximately 5,293 Dth/day. This estimated peak-day throughput is greater than the total entitlement level that the Company procured for the 2012-2013 heating season. This result raises the possibility of Greater Minnesota not having sufficient entitlements to serve firm customers on a design day.

Of additional concern is the fact that Greater Minnesota's all-time sendout during the 2008-2009 heating season occurred on a day when average HDDs were 80, which is 10 HDDs warmer than the 90-HDD figure used by the Company to calculate its design day. This result suggests that demand for natural gas by firm customers on a 90-HDD peak day, with usage characteristics similar to Greater Minnesota's all-time peak-day sendout, may be even higher than the Company's projected peak-day estimate calculated above.

The lack of peak-day sendout data from the previous two heating seasons impairs the Department's ability to fully review Greater Minnesota's design-day analysis. Given the growth on the Company's system, it is possible that representative peak-day usage has changed since the 2008-2009 heating season. However, without the benefit of an analysis based on more recent data, the best information available, which is from the 2008-2009 heating season, strongly suggests that Greater Minnesota may have difficulty serving firm customers on a peak day. As such, the Department recommends that the Commission withhold a decision on the merits of Greater Minnesota's design-day analysis until the Company provides a sufficient explanation, and supporting data, substantiating the ability of its total entitlement level to reasonably serve firm customers on a peak day.

3. *Reserve Margin*

As indicated in DOC Attachment 4, the reserve margin is as follows:

Total Entitlement (Dth)	Design-day Estimate (Dth)	Difference (Dth)	Reserve Margin %	% Change From Previous Year²
5,209	4,964	245	4.94%	(8.41)%

The Department notes that Greater Minnesota's reserve margin is much lower than the reserve margin approved by the Commission in the Company's most recently approved demand entitlement filing. The reserve margin is necessary since it provides an extra cushion which ensures firm reliability on a peak day; however, carrying too great a reserve margin results in customers paying higher demand costs than are necessary to provide reasonable service. The Department has generally used a 5 percent reserve margin as an indicator of an adequate reserve margin. However; for GMG, the Department has recommended that the Commission accept higher reserve margins given the system dynamics, higher level of growth experienced by this utility and the fact that Greater Minnesota is a small utility with limited operational history. As noted by the Department in previous demand entitlement filing comments, Greater Minnesota was not in operation when the most recent 90-HDD peak-day event (January 1996) occurred in the Company's service territory. Therefore, it is unclear how the Company's distribution system would react and perform under 90-HDD peak-day conditions, which creates greater forecast uncertainty. Further, since Greater Minnesota is a small utility, unexpected customer additions can have a significant impact on throughput.

Based on the potential issues observed with the Company's peak-day entitlement level, the Department cannot, at this time, assess whether Greater Minnesota's reserve margin is reasonable. As such, the Department recommends that the Commission withhold a decision on the reserve margin until Greater Minnesota fully addresses concerns with its total entitlement levels.

4. *The Company's PGA Cost Recovery Proposal*

The demand entitlement amounts listed in DOC Attachment 3 represent the demand entitlements for which the Company's firm customers will pay. In its response to DOC Information Request No. 1 (DOC Attachment 2), the Company appears to compare its October 2012 PGA assuming no demand entitlement changes to its October 2012 PGA with the Company's proposed changes as a means of calculating the bill impact of its proposed changes. According to the Company, Greater Minnesota's demand entitlement proposal would result in the following annual rate impacts:

² As shown on DOC Attachment 4, the Company's average reserve margin since 1996 is 14.23 percent.

- Annual bill increase of \$2.63, or approximately 3.44 percent, for the average Residential customer consuming 78.8 Dth annually; and
- Annual bill increase of \$51.99, or approximately 3.44 percent, for the average Commercial and Industrial Firm customer consuming 1,556.5 Dth annually.³

Despite the concerns above regarding the total entitlement level, the additional entitlement proposed by Greater Minnesota will help serve firm need. Given the irregularities in GMG's filing, it would be reasonable for the Commission not to allow GMG to recover the costs of the increase in demand beginning on November 1, 2012. However, GMG has faced financial difficulties in recent years and would have difficulty absorbing the costs of a refund due to its error. As such, the Department recommends that the Commission allow the recovery of associated demand costs effective November 1, 2012 but put GMG on notice that the Company needs to file its petitions appropriately. The Department discusses this issue further below.

B. ISSUES WITH GREATER MINNESOTA'S FILING AND OTHER REGULATORY CONCERNS

Although the Company's initial filing was made on November 1, 2012, it was made in an unrelated, closed docket which necessitated a delay in the review of this docket. In addition, despite being notified of a new docket number via a November 26, 2012 *Letter* in Docket No. G022/M-10-1165 (DOC Attachment 1), the Company did not make its initial filing in this docket until March 25, 2013 after being reminded multiple times via email by the Department (DOC Attachment 5). Further, as noted above, the initial filing made in this docket did not include all the attachments and information referenced in the filing and required an additional discovery response to complete the record (DOC Attachment 2).

The Department notes that this is not the only recent docket where Greater Minnesota has not made filings, or responded to comments from the Department, in a timely manner. To illustrate, Greater Minnesota filed its 2012 Annual Service Quality Report several months late, and the Company was not promptly responsive to the Department's Annual Report in Docket No. G999/AA-12-756.

An efficient and effective regulatory process is predicated upon the regulated utility making timely filings and responding to information requests in a timely manner. The instant docket serves as an illustration; the Company's delayed filing of demand entitlement information in the current docket could have put ratepayers at risk if design-day conditions had occurred during the 2012-2013 heating season. The Department fully acknowledges the administrative limitations inherent in the small size of Greater Minnesota's operations; however, those limitations do not justify an apparent inability to provide timely regulatory filings. Greater Minnesota has not provided, in this docket, an explanation as to why multiple reminders were needed before it filed its demand entitlement information in the appropriate docket.

³ Greater Minnesota did not provide usage data in its filing; as such, the Department uses consumption data from the Company's 2010-2011 heating season demand entitlement filing.

Based on the concerns noted above regarding Greater Minnesota's regulatory filings, the Department requests that the Company provide a detailed explanation, in its *Reply Comments*, of how Greater Minnesota currently prepares regulatory filings and what steps it is taking to ensure timely submittal of regulatory filings.

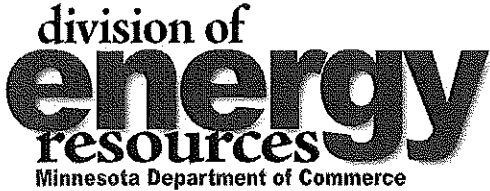
III. THE DOC'S RECOMMENDATIONS

The Department recommends that the Commission:

- withhold its decision on Greater Minnesota's peak-day analysis and total entitlement level until the Company provides sufficient support for its total entitlement level given the issues identified by the Department regarding design-day capacity; and
- allow the proposed recovery of associated demand costs effective November 1, 2012.

Finally, the Department requests that Greater Minnesota provide, in its *Reply Comments*, a detailed explanation of how Greater Minnesota currently prepares regulatory filings and what steps it is taking to ensure timely submittal of regulatory filings.

/sm



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November 26, 2012

Docket No. G022/M-12-1279
DOC Attachment 1

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

RE: Letter of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. G022/M-10-1165

Dear Dr. Haar:

On November 1, 2012, Greater Minnesota Gas, Inc. (Greater Minnesota or Company) made a *Compliance Filing* with the Minnesota Public Utilities Commission (Commission) regarding its level of contracted demand. Greater Minnesota states in its filing that it proposes to increase its contracted demand by 150 Mcf per day.

The Minnesota Department of Commerce, Division of Energy Resources (Department) notes that the Company's *Compliance Filing* should have been filed as a new petition in a new docket rather than as a compliance filing in a previous docket. The Commission has already issued an Order in the above docket, pertaining to Greater Minnesota's previous request. The Department only recently became aware that Great Minnesota filed its petition as a compliance filing rather than an initial filing in a new docket. Thus, the Department has now established a new docket, Docket No. G022/M-12-1279, where Great Minnesota's petition will be addressed.

The Department is filing this letter to clarify that no further action will be taken on the compliance filing in this docket; instead, Great Minnesota's proposal will be addressed in the new docket.

Sincerely,

/s/ ADAM JOHN HEINEN
Rates Analyst
651-296-6329

AJH/ja



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May 3, 2013

Docket No. G022/M-12-1279
DOC Attachment 2

Mr. Alexius M. Hofschulte
Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198

Re: DOCKET NO. G022/M-12-1279
NATURE OF DOCKET: Change in Demand Entitlements

Dear Alexius:

Enclosed please find the response by Greater Minnesota Gas, Inc. (GMG) to the Department of Commerce's information request number (s) 1 in the above cited docket number. As requested, the information is submitted in a searchable PDF format to alex.hofschulte@state.mn.us.

If you have any questions, please contact Nikki Kupser at (507) 655-8652 or by electronic mail to nkupser@greatermngas.com.

Respectfully submitted,

/s/

Nicolle L. Kupser
Compliance and Regulatory Administrator

State of Minnesota
DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

Utility Information Request

Docket Number: G022/M-12-1279

Date of Request: May 1, 2013

Requested From: Nikki Kupser / Greater Minnesota Gas

Response Due: May 13, 2013

Analyst Requesting Information: Adam Heinen / Michelle St. Pierre

Type of Inquiry: Financial Rate of Return Rate Design
 Engineering Forecasting Conservation
 Cost of Service CIP Other:

If you feel your responses are trade secret or privileged, please indicate this on your response.

Request No.	
1	<p>Subject: Demand Entitlement Filing</p> <p>While reviewing the Company's initial filing, and November 1, 2012 <i>Compliance Filing</i> in Docket No. G022/M-10-1165, the Department notes that Greater Minnesota referenced several attachments in its write up. However, the Company did not include these attachments in its filings. Please provide these attachments, and any other supporting data, such that the Department is able to fully review Greater Minnesota's demand entitlement proposal.</p> <p>If this information has already been provided in written comments or in response to an earlier DOC information request, please identify the specific comment cite(s) or DOC information request number(s).</p> <p>GMG Response: Please see the Attachments as referenced above:</p> <p>Attachment A. – details the Design Day forecast calculations and peak day use/customer. Attachments B-C. – provide details of the demand entitlement changes to meet the design day forecast for the 2012-2013 heating season. Attachment D. – provides a summary of the rate impact to firm customers with the contract changes.</p>

Response by: Nikki Kupser _____ List sources of information: _____
 Title: Compliance & Regulatory Administrator _____
 Department: _____
 Telephone: 507-665-8652 _____

A

Demand Entitlement Calculation

Analysis Period: November thru March 2009-2012

	<u>Y Intercept</u>	<u>Slope</u>	<u>Design HDD</u>	<u>Estimated DE Dths</u>	<u>Regression Coefficient</u>
Rapidan and Madison Links	134.27	13.18	90	1,321	0.7563
Forest, Heidelberg, and Jennie-o	124.93	25.37	90	2,408	0.8754
Marystown	42.26	5.66	90	551	0.8942
	301.45	Total Design Dths		4,281	
		Estimated Int School Load		40	
		Net Design Dths		4,241	
		Average Customer Count		3,996	
		Design Dths/Customer		1,0612	
		Customer Count for 2012/2013		4,678	
		Design Dths 2012/2013		4,964	

IV. Greater Minnesota Gas, Inc.'s - Current Cost of Gas Effective

October 1, 2012

All Customer Sales Rate Classes	MCF	x Months	x Tariff Rate	Equals	Rate/CCF	
					Firm	Gen Interf.
TFX - 7	300	7	\$5.6830	11,984	\$0.002773	
TFX - 5	4,244	5	\$15.1530	321,547	\$0.074711	
TF - 12	210	5	\$10.2300	10,742	\$0.002496	
TF - 12	210	7	\$5.6830	8,354	\$0.001941	
TF - 5	90	5	\$15.1530	6,819	\$0.001584	
TFX - 7	500	5	\$15.1530	37,863	\$0.008802	
TFX - 7	500	2	\$5.6830	5,683	\$0.001320	
SMS Demand	50	7	\$2.1800	763	\$0.000177	
	1,300	5	\$2.1800	14,170	\$0.003292	
Current Demand Cost of Gas				\$417,894	\$0.097097	\$0.000000
Current Commodity Cost of Gas/CCF			% of Total 79%	\$1,581,886	\$0.331240	\$0.331240
Total Cost of Gas/CCF				\$1,999,780	\$0.428337	\$0.331240

IV. Greater Minnesota Gas, Inc.'s -- Current Cost of Gas Effective

October 1, 2012

All Customer Sales Rate Classes	MCE	x Months	x Tariff Rate	Equals	Rate/CCF	
					Firm	Gen Inter
TFX - 7	300	7	\$5.6830	11,934	\$0.002773	
TFX - 5	4,244	5	\$15.1530	321,547	\$0.074711	
TF - 12	210	5	\$10.2300	10,742	\$0.002496	
TF - 12	210	7	\$5.6830	8,354	\$0.001941	
TF - 5	90	5	\$15.1530	6,819	\$0.001564	
TFX - 7	665	5	\$15.1530	50,384	\$0.011707	
TFX - 7	665	2	\$5.6830	7,558	\$0.001755	
SMS Demand	50	7	\$2.1800	763	\$0.000177	
	1,300	5	\$2.1800	14,170	\$0.003252	
Current Demand Cost of Gas				\$432,270	\$0.100437	\$0.000000
Current Commodity Cost of Gas/CCF			% of Total 79%	\$1,581,886	\$0.331240	\$0.331240
Total Cost of Gas/CCF				\$2,014,157	\$0.431677	\$0.331240

Summary of Cost
All Customer Sales Rate Classes (CCF)

- 1) Base Rate
- 2) Prior PGA
- 3) Current Adj
- 4) PGA Billed (2+3)
- 5) Average Cost of Gas

	Firm Sales			Total
	Total Demand	Total Commodity	True-up	
	\$0.052929	\$0.588013	\$0.000000	\$0.670942
1) Base Rate	\$0.014788	(\$0.294443)	\$0.004070	(\$0.276209)
2) Prior PGA	\$0.003340	\$0.037670	\$0.000000	\$0.041010
3) Current Adj	\$0.017508	(\$0.256773)	\$0.004070	(\$0.235195)
4) PGA Billed (2+3)	\$0.100437	\$0.331240	\$0.004070	\$0.435747
5) Average Cost of Gas				

**DOC Attachment 3
Details of Greater Minnesota Gas's Demand Entitlements Historical and Current Proposal**

2008-2009 Heating Season	2009-2010 Heating Season	2010-2011 Heating Season	2012-2013 Heating Season
TF-7 (Apr.-Oct.)	TF-7 (Apr.-Oct.)	TF-7 (Apr.-Oct.)	TF-7 (Apr.-Oct.)
TF-8 (Oct.-May)	TFX (Summer-Apr.-Oct.)	TFX (Summer-Apr.-Oct.)	TFX (Summer-Apr.-Oct.)
TFX-3 (Dec.-Feb.)	TFX-5 (Nov.-Mar.)	TFX-5 (Nov.-Mar.)	TFX-5 (Nov.-Mar.)
TFX-5 (Nov.-Mar.)	TFX-5 (Nov.-Mar.)	TFX-5 (Nov.-Mar.)	TFX-5 (Nov.-Mar.)
Capacity Release	TFX (Apr. and Oct.)	TFX (Apr. and Oct.)	TFX (Apr. and Oct.)
SMS	TFX (Nov.-Mar.)	TFX (Nov.-Mar.)	TFX (Nov.-Mar.)
	TFX (Nov.-Mar.)	TFX (Nov.-Mar.)	TFX (Nov.-Mar.)
	SMS	SMS	SMS
Total Demand Entitlement	Total Demand Entitlement	Total Demand Entitlement	Total Demand Entitlement
Total Transportation	Total Transportation	Total Transportation	Total Transportation
Total Annual Transportation	Total Annual Transportation	Total Annual Transportation	Total Annual Transportation
Total Seasonal Transport	Total Seasonal Transport	Total Seasonal Transport	Total Seasonal Transport
Percent Annual on Greater Minnesota System	Percent Annual on Greater Minnesota System	Percent Annual on Greater Minnesota System	Percent Annual on Greater Minnesota System
Percent Seasonal on Greater Minnesota System	Percent Seasonal on Greater Minnesota System	Percent Seasonal on Greater Minnesota System	Percent Seasonal on Greater Minnesota System
Quantity (Mcf)	Quantity (Mcf)	Quantity (Mcf)	Quantity (Mcf)
300	300	300	300
4,244	0	210	210
0	300	4,244	4,244
0	4,244	0	0
1,300	0	300	300
	0	500	500
	1,300	1,300	1,300
4,244	4,544	5,044	5,209
4,544	4,844	5,254	5,419
300	300	300	300
4,244	4,544	5,044	5,209
6.60%	6.15%	0.00%	0.00%
93.40%	93.81%	95.00%	95.12%
Change in Quantity	Change in Quantity	Change in Quantity	Change in Quantity
0	300	300	300
0	0	0	0
300	300	(300)	0
0	4,244	0	0
0	0	500	0
0	0	300	665
0	0	500	300
1,300	1,300	1,300	665
			1,300
4,244	4,544	5,044	5,209
4,544	4,844	5,254	5,419
300	300	300	300
4,244	4,544	5,044	5,209
6.60%	6.15%	0.00%	0.00%
93.40%	93.81%	95.00%	95.12%

DOC Attachment 4
Details of Greater Minnesota Gas's Demand Entitlements Historical and Current Proposal

Heating Season*	Number of Firm Customers			Design Day Requirement			Total Entitlement + Peak Shaving + Peak Shaving			Reserve Margin (10) % of Reserve Margin [(7)-(4)]/(4)
	(1) Number of Design Day Customers	(2) Change from Previous Year	(3) % Change From Previous Year	(4) Design Day (Mcf)	(5) Change from Previous Year	(6) % Change From Previous Year	(7) Total Entitlement (Mcf)	(8) Change from Previous Year	(9) % Change From Previous Year	
2012-2013	4,678	462	10.96%	4,984	514	11.55%	5,209	165	3.27%	4.94%
2011-2012	4,216	296	7.55%	4,450	0	0.00%	5,044	0	0.00%	13.85%
2010-2011	3,920	198	5.32%	4,450	239	5.68%	5,044	500	11.00%	13.35%
2009-2010	3,722	162	4.55%	4,211	(71)	-1.66%	4,544	300	7.07%	7.91%
2008-2009	3,560	182	5.39%	4,282	566	15.23%	4,244	244	6.10%	-0.89%
2007-2008	3,378	170	5.30%	3,716	166	4.68%	4,000	350	9.59%	7.64%
2006-2007	3,208	237	7.98%	3,550	583	19.65%	3,650	350	10.61%	2.82%
2005-2006	2,971	290	10.82%	2,967	270	10.01%	3,300	300	10.00%	11.22%
2004-2005	2,681	336	14.33%	2,697	697	34.85%	3,000	600	25.00%	11.23%
2003-2004	2,345	181	8.36%	2,000	(200)	-9.09%	2,400	(200)	-7.69%	20.00%
2002-2003	2,164	300	16.09%	2,200	400	22.22%	2,600	400	18.18%	18.18%
2001-2002	1,864	301	19.26%	1,800	400	28.57%	2,200	500	29.41%	22.22%
2000-2001	1,563	393	33.59%	1,400	300	27.27%	1,700	300	21.43%	21.43%
1999-2000	1,170	279	31.31%	1,100	250	29.41%	1,400	150	12.00%	27.27%
1998-1999	891	289	48.01%	850	350	70.00%	1,250	750	150.00%	47.06%
1997-1998	602	339	128.90%	500	200	66.67%	500	200	66.67%	0.00%
1996-1997	263	263		300	300		300	300		

Average Change Per Year: 22.36%

20.94%

23.29%

14.23%

Firm Peak Day Sendout

Heating Season*	Firm Peak Day Send out (Mcf)	Change from Previous Year	% Change From Previous Year	Excess per Customer [(7)-(4)]/(1)	Design Day per Customer (4)/(1)	Entitlement per DD Customer (7)/(1)	Peak Day Sendout per DD Customer (11)/(1)
2012-2013	n/a			0.0524	1.0611	1.1135	n/a
2011-2012	n/a			0.1409	1.0555	1.1964	n/a
2010-2011	n/a			0.1515	1.1352	1.2867	n/a
2009-2010	3,654	(374)	-9.29%	0.0895	1.1314	1.2208	0.9617
2008-2009	4,028	(72)	-1.76%	(0.0107)	1.2028	1.1921	1.1315
2007-2008	4,100	550	15.49%	0.0841	1.1001	1.1841	1.2137
2006-2007	3,550	738	26.24%	0.0312	1.1065	1.1378	1.1066
2005-2006	2,812	285	11.28%	0.1121	0.9987	1.1107	0.9465
2004-2005	2,527	185	7.90%	0.1130	1.0060	1.1190	0.9426
2003-2004	2,342	587	33.45%	0.1706	0.8529	1.0235	0.9987
2002-2003	1,755	747	74.11%	0.1848	1.0166	1.2015	0.8110
2001-2002	1,008	(180)	-15.15%	0.2146	0.9657	1.1803	0.5408
2000-2001	1,188	291	32.44%	0.1919	0.8957	1.0877	0.7601
1999-2000	897	95	11.65%	0.2564	0.9402	1.1966	0.7667
1998-1999	802	397	98.02%	0.4489	0.9540	1.4029	0.9001
1997-1998	405	233	135.47%	0.0000	0.8306	0.8306	0.6728
1996-1997	172	172		0.0000	1.1407	1.1407	0.6540

Average Change Per Year: 32.31%

1.0232

0.8876

0.8876

Heinen, Adam (COMM)

From: Heinen, Adam (COMM)
Sent: Tuesday, January 29, 2013 12:46 PM
To: 'Nikki Kupser'
Cc: Medhaug, Susan (COMM)
Subject: Docket 12-1279

Docket No. G022/M-12-1279
DOC Attachment 5

Nikki,
Just curious when GMG plans on making its filing in the above docket. Thank you.

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

Heinen, Adam (COMM)

From: Heinen, Adam (COMM)
Sent: Tuesday, January 29, 2013 2:49 PM
To: 'Nikki Kupser'
Subject: RE: Docket 12-1279
Attachments: Letter.pdf

Nikki,

This docket is for your 2012-2013 demand entitlement filing. The attached letter is what we filed in your 2010-2011 stating that there should be a new demand entitlement filing. The DOC set up this docket number. Your search came up invalid, because there is nothing filed in it at this point. Below is a brief email exchange we had in late November 2012.

Hi Adam,

Thank you for letting me know that the Department will request a new docket # in regard. We will provide any follow-up that may be required.

Nissa used to be here at GMG yes. She left in 2008 to pursue a photography business.

So please confirm that at this time I do not need to take any action., correct?

Nikki

From: Heinen, Adam (COMM) [<mailto:Adam.Heinen@state.mn.us>]
Sent: Monday, November 26, 2012 9:50 AM
To: Nikki Kupser
Subject: RE: New Demand Entitlement Docket

Nikki,

I just wanted to give you a heads up that the Department will be requesting a new docket number, so you won't have to worry about that. The new number will be referenced in the letter that we will be filing.

Wholly unrelated topic, I was looking through your LinkedIn contacts and noticed Nissa Olsen on there, I am going to assume that is Nissa that use to work at your shop, correct?

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

From: Nikki Kupser [mailto:NKupser@greatermngas.com]
Sent: Tuesday, January 29, 2013 2:30 PM
To: Heinen, Adam (COMM)
Subject: Re: Docket 12-1279

What docket is this please Adam? I searched puc site while traveling but came up invalid. Sorry I'm not in the office today.

"Heinen, Adam (COMM)" <Adam.Heinen@state.mn.us> wrote:

Nikki,
Just curious when GMG plans on making its filing in the above docket. Thank you.

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

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Heinen, Adam (COMM)

From: Heinen, Adam (COMM)
Sent: Thursday, February 28, 2013 10:37 AM
To: 'Nikki Kupser'
Subject: RE: Docket 12-1279

Nikki,

I was working on another one of your dockets and was curious if you have made any progress on making the demand entitlement filing that we discussed on the phone about a month ago. Thank you.

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

From: Nikki Kupser [<mailto:NKupser@greatermngas.com>]
Sent: Tuesday, January 29, 2013 2:30 PM
To: Heinen, Adam (COMM)
Subject: Re: Docket 12-1279

What docket is this please Adam? I searched puc site while traveling but came up invalid. Sorry I'm not in the office today.

"Heinen, Adam (COMM)" <Adam.Heinen@state.mn.us> wrote:

Nikki,

Just curious when GMG plans on making its filing in the above docket. Thank you.

Adam Heinen, MSAE
Rates Analyst
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(651)-296-6329
adam.heinen@state.mn.us

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Heinen, Adam (COMM)

From: Nikki Kupser [NKupser@greatermngas.com]
Sent: Thursday, February 28, 2013 1:30 PM
To: Heinen, Adam (COMM)
Subject: RE: Docket 12-1279

Hi Adam,

I hope to get to it tomorrow. I am working with the Auditor's on site this week.

Thanks,
Nikki

From: Heinen, Adam (COMM) [mailto:Adam.Heinen@state.mn.us]
Sent: Thursday, February 28, 2013 10:37 AM
To: Nikki Kupser
Subject: RE: Docket 12-1279

Nikki,

I was working on another one of your dockets and was curious if you have made any progress on making the demand entitlement filing that we discussed on the phone about a month ago. Thank you.

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

From: Nikki Kupser [mailto:NKupser@greatermngas.com]
Sent: Tuesday, January 29, 2013 2:30 PM
To: Heinen, Adam (COMM)
Subject: Re: Docket 12-1279

What docket is this please Adam? I searched puc site while traveling but came up invalid. Sorry I'm not in the office today.

"Heinen, Adam (COMM)" <Adam.Heinen@state.mn.us> wrote:

Nikki,

Just curious when GMG plans on making its filing in the above docket. Thank you.

Adam Heinen, MSAE
Rates Analyst
Minnesota Department of Commerce, Division of Energy Resources
(651)-296-6329
adam.heinen@state.mn.us

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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. G022/M-12-1279

Dated this 7th day of **June, 2013**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_12-1279_M-12-1279
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_12-1279_M-12-1279
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_12-1279_M-12-1279
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	202 South Main Street P.O. Box 68 Le Sueur, MN 56058	Electronic Service	No	OFF_SL_12-1279_M-12-1279
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	Yes	OFF_SL_12-1279_M-12-1279
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_12-1279_M-12-1279
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_12-1279_M-12-1279