

The Commission met on **Thursday, November 6, 2014**, with Chair Heydinger, and Commissioners Boyd, Lange, Lipschultz, and Wergin present.

The following matters were taken up by the Commission:

ENERGY AGENDA

G-008/GR-13-316

In the Matter of an Application by CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas for Authority to Increase Natural Gas Rates in Minnesota

Commissioner Boyd moved to take the following actions:

1. Find that CenterPoint Energy's alternative revenue apportionment filing is consistent with the Commission's Order, and approve implementation of its resulting tariffs.
2. Find that CenterPoint Energy's new, final rates are consistent with the Commission's Order, and authorize implementation on customer bills effective December 1, 2014.
3. Find that CenterPoint Energy's proposed application of the conservation cost recovery charge (CCRC) of \$0.1849 per dekatherm is consistent with the Commission's Order and approve that it be applied to all customer classes except for approved CIP-exempt facilities.
4. Require CenterPoint Energy to resubmit the CIP tracker account (including rates, revenues, expenses, and ending balance) for the entire period that interim rates were in effect within 10 days after the actual date final rates become effective.
5. Approve CenterPoint Energy's refund plan.
6. Require CenterPoint Energy to submit, within 10 days of the completion of the refund for all of its customers, a compliance filing that separately shows the actual refunds and interest paid by rate class including supporting calculations.
7. Ask that, in future compliance filings, CenterPoint and the Department develop more detailed allocation methodologies/formulas, preferably with an illustrative example.

The motion passed 5 – 0.

G008/MR-14-766

In the Matter of a Petition for Approval by CenterPoint Energy Minnesota Gas to Establish a New Base Cost of Gas in Compliance with the Minnesota Public Utilities Commission's Order in CenterPoint's General Rate Filing in Docket No. G008/GR-13-316

Commissioner Wergin moved to adopt the Department recommendation to approve the new base cost of gas to coincide with the implementation of final rates in G008/GR-13-316.

The motion passed 5 – 0.

E-001, E-115, E-140, E-105, E-139, E-124, E-126, E-145, E-132, E-114, E-6521, E-142, E-135/PA-14-322

In the Matter of a Request for the Approval of the Asset Purchase and Sale Agreement Between Interstate Power and Light Company and Southern Minnesota Energy Cooperative

Chair Heydinger moved to take the following actions:

1. Determine that a minimum of three public hearings should be held on this issue and provide access throughout the affected service territories.
2. Request the Office of Administrative Hearings to assign an Administrative Law Judge (ALJ) to conduct these hearings and promptly file the transcripts of the hearings with the Commission.
3. Require that the dates, times, and locations be set by the ALJ after consultation with the Commission's Executive Secretary and the parties.
4. Require IPL to give the following notices of the public hearings:
 - a. individual written notice to each customer, which may be in the form of a bill insert, and shall be served at least ten days before the first day of hearings;
 - b. written notice to the governing bodies of all municipalities, counties, and local governing bodies in the area affected and to all parties in the Company's last two rate cases. These notices shall be mailed at least ten days before the first day of hearings; and
 - c. display advertisements in legal newspapers of affected counties and other newspapers of general circulation within the Company's Minnesota service area. These advertisements shall appear at least ten days before the first day of hearings.
5. Require IPL to submit proposed notices for Commission approval prior to publication or service.

6. Delegate authority to the Commission's Executive Secretary to approve on the Commission's behalf:
 - a. customer and other notices, bill inserts, and advertisements of any other kind related to this matter for the duration of this proceeding;
 - b. vary time periods set forth in the Commission's Orders in this matter; and
 - c. establish any new processes (including deadlines) that may be necessary to facilitate resolution of this matter.

The motion passed 5 – 0.

G001,011/PA-14-107

In the Matter of a Request for Approval of the Asset Purchase and Sale Agreement Between Interstate Power and Light Company and Minnesota Energy Resource Corporation

Commissioner Lipschultz moved to determine that rates for current IPL gas customers should be maintained until a rate case is filed authorizing a change in rates.

The motion did not pass, 2 – 3 (Commissioners Heydinger, Boyd and Wergin opposed).

Chair Heydinger moved to take the following actions:

1. Find that the proposed transaction is not consistent with the public interest without certain conditions and clarifications; approve the petition subject to the conditions set forth below.
2. Require that MERC, upon completion of the transaction, transition current IPL gas customers to MERC's tariffs, but bill transitioned IPL customers for the customer charge and purchased gas adjustment allowed under IPL's tariff structure.
3. Require that MERC provide IPL's customers a 60-day notice prior to implementing a change in rates. Require that MERC, prior to release of the notice, submit a proposed notice and receive approval of the Department and Commission staff.
4. Require that MERC continue to maintain the IPL purchased gas adjustment for transitioned IPL ratepayers until MERC's next rate case and require, at that time, that MERC reconcile the two fuel supply systems into one.
5. Find that the First Amendment to the Asset Purchase and Sale Agreement appropriately addresses former manufactured gas plant (FMGP) issues. Unrecovered FMGP costs of approximately \$2,600,000 paid by IPL may be transferred to MERC and accounted for as a regulatory asset.

6. Require MERC to file copies of any communications it has with the transitioned IPL customers through the end of MERC's next rate case.

The motion passed 5 – 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: February 4, 2015



Daniel P. Wolf, Executive Secretary