

**FOR THE MINNESOTA PUBLIC UTILITIES COMMISSION
SUITE 350
121 SEVENTH PLACE EAST
ST. PAUL, MINNESOTA 55101-2147**

Katie Sieben	Chair
Joseph Sullivan	Vice Chair
Hwikwon Ham	Commissioner
Audrey Partridge	Commissioner
John Tuma	Commissioner

**In the Matter of the Application of Greater
Minnesota Gas, Inc. for Authority to
Increase Rates for Natural Gas Utility
Service in Minnesota**

MPUC Docket No. G-022/GR-24-350

**MINNESOTA DEPARTMENT OF
COMMERCE'S ANSWER TO GREATER
MINNESOTA GAS, INC.'S PETITION
FOR REHEARING, RECONSIDERATION
AND CLARIFICATION**

Greater Minnesota Gas, Inc.'s Petition for Rehearing, Reconsideration and Clarification should be denied. While the Petition argues "there should be no concern" with updating revenue requirements without updating costs, that position is contrary to the plain language of the law.¹

GMG chose to file a forecast for a 2025 test year that not only included fewer small commercial customers than it had on its system at the time of filing, but actually included fewer small commercial customers than it had on its system at the start of February 2024.² GMG further compounded the inaccuracy of its forecast by deeming all additions to its system as residential, even though it has consistently added around 30 small commercial customers per year since 2019.³

¹ Petition for Rehearing, Reconsideration and Clarification at 5 (Dec. 16, 2025) (eDocket No. 202512-225924-01) (Petition for Reconsideration); Minn. Stat. § 216B.03 (2024) ("Any doubt as to reasonableness should be resolved in favor of the consumer.").

² See Ex. 303 at 9, CS-D-6 (Stevenson Direct); Ex. GMG-103 at 57-58 (Burke Direct at 16-17).

³ Ex. 303 at 9, CS-D-6 (Stevenson Direct).

The Commission correctly found that even if GMG did not add any new small commercial customers during the test year, it was reasonable to use a count of 990—a number that was still lower than the Company’s actual 2024 end of year count.⁴

The Company now seeks to have the Commission adopt a sales forecast that reflects GMG’s 2024 year-end actual customer counts, while leaving the remainder of the Order unchanged.⁵ This attempt at piece-meal ratemaking is meritless and should be rejected. The Commission already squarely addressed this point in its Order, unambiguously finding that “[u]pdating revenues without updating costs brings into question the accuracy of the updated revenue requirement.”⁶ As has been well-documented in the record, the Company’s 2025 test year expenses were largely based on inflating the Company’s estimated 2024 year actual expenses, which in many cases significantly overstated the Company’s *actual* 2024 expenses.⁷ Allowing GMG to use an updated sales forecast without correspondingly updating the Company’s many inaccurately forecasted expenses would not produce just and unreasonable rates and is contrary to law. GMG’s petition for reconsideration should be rejected.

⁴ FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 26 (Nov. 26, 2025) (eDocket No. 202511-225331-01) (ORDER).

⁵ Petition for Reconsideration and Clarification at 5.

⁶ ORDER at 26.

⁷ See generally Department Initial Brief at 17-21 (May 8, 2025) (eDocket No. 20255-218733-02) (identifying over-forecasted expenses and providing citations to the record).

Dated: December 29, 2025

Respectfully submitted,

Keith Ellison
State of Minnesota
Attorney General

/s/ Katherine Arnold
KATHERINE ARNOLD (#0395767)
AMRIT HUNDAL (#0505855)
Assistant Attorneys General

445 Minnesota Street, Suite 600
St. Paul, MN 55101-2125
(651) 757-1399 (Voice)
(651) 297-1235 (Fax)
katherine.arnold@ag.state.mn.us

ATTORNEYS FOR MINNESOTA
DEPARTMENT OF COMMERCE