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March 6, 2018

VIA ELECTRONIC FILING

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

RE: Commission Investigation into Natural Gas Utilities' Practices, Tariffs and Assignment of Cost Responsibility for Installation of Excess Flow Valve and Other Similar Gas Safety Equipment.
Docket No. G999/CI-18-41

Dear Mr. Wolf:

Attached hereto, please find Greater Minnesota Gas, Inc.'s Initial Filing for filing in the above-referenced docket.

All individuals identified on the attached service list have been electronically served with the same. Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is kanderson@greatermngas.com.

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/

Kristine A. Anderson
Corporate Attorney

Enclosure

cc: Service List

CERTIFICATE OF SERVICE

I, Kristine Anderson, hereby certify that I have this day served a true and correct copy of the following document to all persons at the addresses indicated on the attached list by electronic filing, electronic mail, or by depositing the same enveloped with postage paid in the United States Mail at Le Sueur, Minnesota:

**Greater Minnesota Gas, Inc.'s Initial Filing
Docket No. G999/CI-18-41**

filed this 6th day of March, 2018.

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney
Greater Minnesota Gas, Inc.

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street Bismarck, ND 585014092	Electronic Service	No	OFF_SL_18-41_Official
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.	202 S. Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_18-41_Official
Ryan	Barlow	Ryan.Barlow@ag.state.mn.us	Office of the Attorney General-RUD	445 Minnesota Street Bremer Tower, Suite 1400 St. Paul, Minnesota 55101	Electronic Service	No	OFF_SL_18-41_Official
David	Blomseth	davidb@communitycoops.com	Community Co-ops of Lake Park	PO Box 329 14583 Hwy 10 W Lake Park, MN 56554	Electronic Service	No	OFF_SL_18-41_Official
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_18-41_Official
Carl	Cronin	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_18-41_Official
Ian	Dobson	residential.utilities@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_18-41_Official
Randy	Dooley	rdooley@dooleypetro.com	Dooley's Natural Gas LLC	PO Box 100 Murdock, MN 56271	Electronic Service	No	OFF_SL_18-41_Official
Steve	Downer	sdowner@mmua.org	MMUA	3025 Harbor Ln N Ste 400 Plymouth, MN 554475142	Electronic Service	No	OFF_SL_18-41_Official
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_18-41_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Mike	Gorham	mike@nwgas.com	Gorham's Inc dba Northwest Gas	1608 NW 4th St Grand Rapids, MN 55744	Electronic Service	No	OFF_SL_18-41_Official
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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_18-41_Official
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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Tim	Thompson	tthompson@lrec.coop	Lake Region Electric Cooperative	PO Box 643 1401 South Broadway Pelican Rapids, MN 56572	Electronic Service	No	OFF_SL_18-41_Official
Teresa	Wenninger	teresa.wenninger@ufcmn.com	United Farmers Cooperative	PO Box 461 Winthrop, MN 55396	Electronic Service	No	OFF_SL_18-41_Official
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_18-41_Official

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange
Dan Lipschultz
Matt Schuerger
Katie Sieben
John Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

MPUC Docket No. G999/CI-18-41

**In the Matter of a Commission
Investigation into Natural Gas
Utilities' Practices, Tariffs and
Assignment of Cost Responsibility
for Installation of Excess Flow Valve
and Other Similar Gas Safety Equipment**

**GREATER MINNESOTA GAS, INC.'S
INITIAL FILING**

OVERVIEW

Greater Minnesota Gas, Inc. (GMG) submits this initial filing as required by the Notice of Comment Period (Notice) issued by the Minnesota Public Utilities Commission (Commission) in the above-referenced docket on February 6, 2018. The Notice requires all natural gas utilities to provide initial filings regarding customer notification practices and cost allocation related to the installation of excess flow valves (EFVs) on existing gas service lines.

ISSUE SUMMARY

GMG provides requested information herein regarding the following aspects of the Notice:

- Information regarding GMG's customer notification practices about EFVs.
- Discussion regarding allocation of installation costs for EFVs on existing service lines.
- Recommendation that the cost of retroactive EFV installation not be socialized.

DISCUSSION

Many of GMG's customers already have EFVs that were installed at the time that the service lines were constructed, given the relative youth of GMG's system. GMG notifies its customers regarding the availability of EFV installation; and, per GMG's tariff, installation cost would be the responsibility of the property owner. GMG is willing to afford customers payment arrangements for EFV installation in the interest of ensuring that customers who want EVFs are not prohibited from timely installation by cash considerations. Retroactive installation of EFVs should be a cost borne by individual customers, rather than being socialized across all ratepayers.

1. GMG Notifies All Existing Customers Regarding the Availability of EFVs.

The majority of GMG's residential customers already have EFVs installed, as they were installed at the time that the service line was initially run. GMG's customers are notified regarding their right to request installation of EFVs on their existing gas service lines in several ways. Inserts were included in each of the last two annual pipeline awareness mailings. The bilingual inserts provide information about what EFVs are, their safety benefits, the right to request that an EFV be installed, and instructions to contact the office for additional details. Additionally, there is a message on GMG's monthly bills that alerts customers regarding their right to request EFV installation, notifying them that it is a safety device that can help reduce the risk of accidents, and instructing them to call the office to find out if they already have an EFV and to get more information. The notice is specific to EFVs, as there are no similar gas-safety requirements that customers may request on the service line between the gas main and the meter on the customers' property.

2. Customers Requesting Installation of EFVs on Old Systems Are Responsible for the Cost Thereof; and Payment Arrangements Should Be Offered as Appropriate.

When GMG installs a new service line or performs maintenance on the main-end of a service line, GMG will install an EFV at no cost to the customer. If a customer with an existing residential service line requests the installation of an EFV, GMG believes that the cost thereof would be passed on to the customer in accordance with the spirit of its tariff. To date, GMG has not had any customers request installation of the EFV so the issue has not been raised.

While GMG's tariff does not currently specifically address post-construction EFV installation, GMG's tariff requires that customers be responsible for the actual cost incurred to make customer-requested changes to their facilities such as relocation or temporary disconnection/reconnection of the facilities. GMG believes that installation of EFVs constitute a customer-requested change and it would, therefore, be performed at the customer's cost. Moreover, GMG does not believe that it has the authority to socialize the cost of installation across all ratepayers without an advance regulatory directive to do the same. GMG is happy to provide a payment plan for customers who request installation of an EFV but cannot pay for it up front to spread the cost over a period 16 to 18 months.

3. Socialization of the Cost of EFV Installation Would Adversely Impact Customers and Set Dangerous Precedent.

All of GMG's facilities are intended to comply with the then-current code at the time that they are built. If a customer requests something over and above standard installation measures, the customer bears the cost of the same. GMG concurs that EFVs are an additional precaution that is worthwhile to carry forward as it installs residential service lines. Safety advancements of any kind are always a positive force; however, there is always risk inherent in anything related to natural gas.

It would be unfair to all ratepayers to socialize the cost of retroactively applying safety advancements to every service line installed before such advancements were made. If customers with older lines have the option to receive additional and/or subsequently developed components without any cost, it is reasonably foreseeable that all affected customers would request installation of such advancements; and, GMG is beholden to treat customers in a non-discriminatory manner. In GMG's case, the Company estimates that the cost of paying for EFV installation on every residential service line that does not currently have one could increase its rate base by roughly ten percent. Additionally, socializing the cost of EFV installation would set a precedent for how future retrofitting of safety advancements might be handled. The impact on customer rates would be adverse and could be very severe. The only way to prevent rates from snowballing due to retroactively adding after-developed safety devices is to treat those additions as customer-requested changes to facilities at the customers' individual cost. Payment arrangements allow for any such installations to be both timely and affordable.

CONCLUSION

GMG installs EFVs on its new residential service lines and notifies its customers regarding the availability of EFV installation on older lines. Since retroactive EFV installation is a customer-requested change, GMG believes that the cost should be borne by the individual customer requesting the change. Finally, GMG respectfully encourages the Commission to refrain from requiring that the cost of retroactive installation of EFVs be socialized across all ratepayers in order to avoid adverse rate increases and prevent setting a dangerous precedent.

Dated: March 6, 2018

Respectfully submitted,

/s/
Kristine A. Anderson
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