

The Commission met on **Thursday, October 1, 2015**, with Chair Heydinger, and Commissioners Lange, Lipschultz, Tuma and Wergin.

The following matters were taken up by the Commission:

TELECOMMUNICATIONS AGENDA

P407/AR-15-388

In the Matter of a Petition by Citizens Telecommunications Company of Minnesota, LLC Proposal to Adopt an Existing Alternative Form of Regulation Plan

Commissioner Tuma moved to approve Citizens' petition to adopt the existing AFOR of Frontier Communications as reflected in the July 15, 2015 filing.

The motion passed 5-0.

P6716,421/C-15-818

In the Matter of the Complaint by CenturyLink QC against Charter Fiberlink CCO, LLC regarding Local Number Portability.

Commissioner Lipschultz moved to take the following actions:

1. Require within 20 days of the date of the order that Charter Fiberlink file an answer to the complaint.
2. Require within 30 days of the date of the order, that any interested parties file comments. Require that reply comments be filed within 10 days of the close of the initial comment period.
3. Authorize the Executive Secretary to modify this procedural schedule as necessary.

The motion passed 5-0.

ENERGY AGENDA

E017/M-03-30

In the Matter of Otter Tail Power Company's Petition for a Monthly Fuel Clause Adjustment True-Up Mechanism

Commissioner Wergin moved that the Commission adopt the Department recommendation to approve the Company's report and to require the annual true-up credit to be refunded over the 12-month period beginning September 1, 2015.

The motion passed 5-0.

G011/AI-15-705

In the Matter of a Request by Minnesota Energy Resources Corporation (MERC) for Approval of the Tax Allocation Affiliated Interest Agreement between WEC Energy Group, Inc. (WEC) and its Regulated and Non-Regulated Subsidiaries

Commissioner Tuma moved that the Commission adopt the Department recommendation to approve the agreement, as modified by its September 9 letter.

The motion passed 5–0.

G002/M-15-149

In the Matter of a Petition by Northern States Power Company (Xcel) for Approval of a Purchased Gas Adjustment (PGA) Rule Variance to include Kansas Ad Valorem tax as storage related cost of natural gas recovery through its PGA commodity factors

Commissioner Lipschultz moved to take the following actions:

1. Vary Minn. Rule 7825.2400 for one year to allow recovery of the current year's assessed Kansas natural gas storage tax, and for five years to allow amortized recovery of the 2009–2014 lump-sum assessed tax through the PGA commodity factor.
2. Require that Xcel recover its current-year assessed Kansas natural gas storage tax through the PGA commodity factor for a one-year period to begin as soon as is practicable.
3. Require that Xcel recover the 2009–2014 lump-sum assessed Kansas natural gas storage tax through the PGA commodity factor, amortized over a five-year period to begin as soon as is practicable.
4. Require that Xcel include the Kansas natural gas storage tax as a separate line item in its monthly PGA reports to the Commission.
5. Require that Xcel list the Kansas natural gas storage tax costs and revenues as separate line items in the Annual Automatic Adjustment (AAA) and PGA true-up reports as well as in true-up report Schedules C and D (page 1–2 of 4, and page 4 of 4).
6. Require that, with its annual AAA and true-up reports, Xcel submit a report detailing the total amount paid to Kansas and collected from ratepayers during the gas year.
7. Require that, within 30 days of the date of the order, Xcel make a compliance filing that fully explains its storage contracts with the Northern Natural Gas Company and the arrangements and agreement between Xcel's retail natural gas and electric generation operations, complete with storage reservation and capacity quantities for each operation for the last three years, with explanations for any variations in the storage balances through the three years.

The motion passed 5–0.

E,G999/CI-13-626

In the Matter of a Commission Inquiry into Decommissioning Policies Related to Depreciation

Commissioner Wergin moved to take the following actions:

1. Require that utilities stop using decommissioning probabilities in determining the salvage portion of depreciation expense.
2. Require that Xcel Energy stop using decommissioning probabilities as of January 1, 2016.
3. Require that Minnesota Power stop using decommissioning probabilities starting in its next general rate case, or as of January 1, 2020, if it has not filed a general rate case by that date.

The motion passed 5–0.

ENERGY FACILITIES AGENDA

ET2/TL-15-423

In the Matter of the Application of Great River Energy for a Route Permit under the Alternative Permitting Process for the Palisade 115 kV Project in Aitkin County

Commissioner Lange moved to take the following actions:

1. Accept the route-permit application as complete.
2. Direct the use of the summary report review process to develop the record for the route permit. Request that the Office of Administrative Hearings compile a summary report of the comments received regarding the route-permit application.
3. Delegate administrative authority to the Executive Secretary and include the following additional items in the appropriate orders issued in this matter:
 - a. Provide the name, telephone number, and email address of the staff person designated as Public Advisor to facilitate citizen participation in the process.
 - b. Request that EERA continue to study issues and indicate during the hearing process its position on the reasonableness of granting a route permit.
 - c. Require GRE to facilitate in every reasonable way the continued examination of the issues by the EERA and Commission staff.
 - d. Require GRE to place a copy of the application (printed or compact disc) for review in at least one government center or public library in each county where the proposed transmission-line project is located.

- e. Direct Commission staff to work with the Administrative Law Judge and the staff of EERA in selecting a suitable location for the public hearing on the application.
 - f. Direct GRE to work with Commission staff to arrange for publication of the notice of hearings in newspapers of general circulation at least ten days prior to the hearing, requiring that such notice be in the form of visible display ads and that proof of publication is obtained from the newspapers selected.
4. Take no action on an advisory task force at this time.
 5. Vary the time period of Minn. R. 7850.3700, subp. 3, for good cause to extend the ten-day time limit for the EERA to issue its scoping decision in order to allow for Commission review.

The motion passed 5–0.

PL6668/CN-13-473

In the Matter of the Application of North Dakota Pipeline Company LLC for a Certificate of Need for the Sandpiper Pipeline Project in Minnesota

Commissioner Wergin moved that the Commission deny the petitions for reconsideration of the August 3, 2015 Commission Order Granting Certificate of Need with Conditions.

The motion passed 5–0.

Commissioner Wergin moved to grant NDPC’s Request for Clarification/Petition for Amendment of the August 3, 2015 Commission Order Granting Certificate of Need with Conditions.

The motion passed 5–0.

Chair Heydinger moved that the Commission on its own motion take the following actions:

1. Reopen the August 3, 2015 Commission Order Granting Certificate of Need with Conditions under Minn. Stat. § 216B.25; and
2. Grant a stay of the August 3, 2015 Commission Order Granting Certificate of Need with Conditions under Minn. Stat. § 216B.53.

The motion passed 5–0.

Commissioner Lipschultz moved that the Commission take the following actions:

1. Solicit comments from the parties on how to proceed going forward in the Sandpiper certificate of need and route permit dockets in light of the September 14, 2015 decision of the Minnesota Court of Appeals. Initial comments shall be filed on or before October 30, 2015; and
2. Delegate to the Executive Secretary the authority to establish a time frame for reply comments, if necessary.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: December 2, 2015

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive style with a large, stylized 'D' and 'W'.

Daniel P. Wolf, Executive Secretary