

The Commission met on **Thursday, November 1, 2018** with Chair Lange and Commissioners Lipschultz, Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

P-421/CI-17-796

In the Matter of a Commission Inquiry into CenturyLink's Compliance with TAP Statutes and Rules

Commissioner Sieben moved that the Commission:

1. Modify ordering paragraph 1 of the Commission's September 12, 2018 order to read as follows:
 1. Within 60 days of the date this order, CenturyLink must file the following:
 - a. An explanation of how employees are trained to ensure that customers are given accurate TAP program information. The explanation must include training material, which customer service representative groups receive TAP training, the frequency with which CenturyLink personnel receive ongoing training to ensure that the TAP program is understood, and any additional information to demonstrate that CenturyLink is taking appropriate steps to achieve the statutory goal of making the TAP program available to eligible Minnesotans. The Commission hereby delegates authority to the Executive Secretary to approve, or approve as modified, CenturyLink's training plan. CenturyLink is not required to formally submit subsequent versions of its training plan, but is requested to informally share significant revisions with the Commission's Consumer Affairs Office and the Department.
 - d. For each eligible customer:
 - i. still receiving service from CenturyLink who was denied TAP credits in the past two years as a result of receiving Lifeline benefits from another provider, issue credits to each of those customers in the amount that should have been provided had the customer been properly enrolled in TAP.
 - ii. who, at the time of the application, received service but no longer receives service from CenturyLink: CenturyLink must mail a letter approved by the Executive Secretary, to the customer's last known address, advising the customer of the customer's right to claim a refund within 30 days of the date of the letter. The Executive Secretary will approve the method by which these customers may claim their refund. For those customers who claim a refund within the deadline, CenturyLink must mail a check in the amount of the credits the customer would have received had the customer been

properly enrolled in TAP. CenturyLink may consult with the Executive Secretary on the timing and logistics of the TAP refunds.

- e. A report identifying each Minnesota customer denied TAP benefits over the last two years due to receiving Lifeline benefits from another provider. The report must include the following documentation:
 - i. The length of time each affected customer was denied TAP benefits;
 - ii. Whether the customer is currently enrolled in TAP;
 - iii. Whether the Company has now enrolled the customer or a statement explaining why the customer is not enrolled;
 - iv. The amount of TAP credits that should have been provided had the customer been properly enrolled.

The Commission hereby delegates authority to the Executive Secretary to approve CenturyLink's report.

The motion passed 5-0.

E-249/SA-18-584

In the Matter the Joint Request of Hawley Public Utilities Commission and Wild Rice Electric Cooperative for Approval of a Service Territory Transfer Agreement

Commissioner Schuerger moved that the Commission approve the requested service territory transfer from Wild Rice Electric Cooperative to Hawley Public Utilities Commission. MnGeo should update the Commission's maps to reflect the service area designations as shown on the map in the petition.

The motion passed 5-0.

IP-6984/CN-17-676

In the Matter of the Application of Flying Cow Wind, LLC for a Certificate of Need for the up to 152 MW Large Wind Energy Conversion System in Yellow Medicine County, Minnesota

This item was pulled from the agenda.

IP-6984/WS-17-749

In the Matter of the Application of Flying Cow Wind, LLC for a Site Permit for the up to 152 MW Bitter Root Wind Project and Associated Facilities in Yellow Medicine County, Minnesota.

This item was pulled from the agenda.

E-002/CI-17-401

In the Matter of a Commission Investigation to Identify and Develop Performance Metrics and, Potentially, Incentives for Xcel Energy's Electric Utility Operations

Commissioner Schuerger moved that the Commission:

1. Adopt the OAG's Performance Incentive Mechanism (PIM) Process, and associated Goals-Outcomes-Metrics hierarchy, with an initial focus (Phase 1) on steps 1 through 4.
2. Establish, for discussion purposes, the following for the PIM Process:
 - A. Goals:

The goals in overseeing the rates, investments, and returns made by the investor-owned utilities in Minnesota are to promote the public interest by ensuring environmental protection; adequate, efficient, and reasonable service; reasonable rates; and the opportunity for regulated entities to receive a fair and reasonable return on their investments.
 - B. Outcomes (related to three categories: customer focus, utility performance, and public policy):
 1. Affordability
 2. Reliability, including both customer and system-wide perspectives
 3. Customer service quality, including engagement, satisfaction, and empowerment
 4. Environmental Performance, including carbon reductions and beneficial electrification.
 5. Cost effective alignment of generation and load, including demand response
 - C. Metric Design Principles
 1. Tied to the policy. A metric should clearly reflect whether or not the underlying goal is being met. That is, it should seek and evaluate data that is specifically tied to the particular policy goal underlying the metric.
 2. Clearly defined. The method of calculating a metric should be precise and unambiguous in order to enable meaningful comparisons and to reduce potential disputes.
 3. Able to be quantified using reasonably available data. Using already reported data or data that is readily available will reduce administrative burden and costs associated with implementing the metric.
 4. Sufficiently objective and free from external influences. Metrics should seek to measure behaviors that are within a utility's control and free from exogenous influences, such as weather or market forces.

5. Easily interpreted. Metrics should exclude the effects of factors outside a utility's control so they provide a better understanding of utility performance and should use measurement units that facilitate comparisons across time and utilities (i.e., "per kWh" or "per customer").
6. Easily verified. Straight-forward data collection and analysis techniques should be used, and independent third-party evaluators can further ensure accurate verification with respect to performance metrics.
7. Should complement and inform evaluation of utility performance. Performance metric systems should be designed to complement – not replace – other parts of a utility's regulatory system such as MYRPs and cost trackers.

3. Delegate authority to the Executive Secretary to issue notices, set schedules, and designate comment periods for the development of PIM steps 3 and 4 (establish performance metrics and reporting process). The Executive Secretary will select Great Plains Institute as the facilitator, schedule workshops, and notice comments to develop the record more fully. This process should include several stakeholder workshops and several opportunities for written comments. It is anticipated that the Commission will consider the record and comments on PIM steps 3 and 4 within 9 months of this order.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: April 3, 2019



Daniel P. Wolf, Executive Secretary