

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

Katie Sieben
Joseph Sullivan
Hwikwon Ham
Audrey Partridge
John Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

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

DOCKET NOS. G-022/GR-24-350
G-022/MR-24-351

**PETITION FOR REHEARING,
RECONSIDERATION AND
CLARIFICATION**

INTRODUCTION

Pursuant to Minnesota Statutes Section 216B.27 and Minnesota Rules 7829.3000, Greater Minnesota Gas, Inc. (GMG or the Company) submits this Petition for Rehearing and Reconsideration (Petition) of the Minnesota Public Utilities Commission's (Commission) November 26, 2025 Findings of Fact, Conclusions, and Order (Order) in the above-referenced matter.

GMG is Minnesota's smallest rate-regulated natural gas utility and has operated in a manner that allowed GMG to not seek a rate increase since 2009. GMG is markedly different from other rate regulated utilities in Minnesota and GMG appreciates the Commission's acknowledgement of GMG's distinct character in the Commission's well-reasoned and thorough analysis, factual findings, and legal conclusions. GMG respectfully requests reconsideration or clarification of a single issue in the Commission's Order: the Commission's finding that there is not a reasonable basis in the record to approve GMG's

updated sales forecast while relying on customer counts from that updated sales forecast as evidence to support an increase to the Small Commercial customer count. The Commission should modify its order to avoid this inconsistency and adopt the Company's updated sales forecast with the most reliable customer counts to ensure the Company's revenue requirement is met.

ANALYSIS

I. STANDARD FOR RECONSIDERATION

Petitions for reconsideration are governed by Minn. Stat. § 216B.27 and Minn. R. 7829.3000, which requires that the petition “set forth specifically the grounds relied upon or errors claimed. A request for amendment must set forth the specific amendments desired and the reasons for the amendments.”¹ “If in the Commission’s judgment . . . it shall appear that the original decision, order, or determination is in any respect unlawful or unreasonable, the Commission may reverse, change, modify, or suspend the original action accordingly.”² In determining whether to reverse or modify an order, the Commission has consistently indicated that it reviews any petition for reconsideration to determine whether it: (i) raises new issues, (ii) points to new and relevant evidence, (iii) exposes errors or ambiguities in the underlying order, or (iv) otherwise persuades the Commission that it should rethink its decision.³

¹ Minn. R. 7829.3000, subp. 2.

² Minn. Stat. § 216B.27, subd. 3.

³ See, e.g., *In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy to Recover February 2021 Natural Gas Costs*, Docket No. E002/CI-21-610, ORDER DENYING PETITION FOR RECONSIDERATION AND CLARIFYING PRIOR ORDER at 2 (Jan. 6, 2023).

This Petition focuses on errors or ambiguities in the underlying Order. Specifically, the Commission's determination that there is no reasonable basis to approve the Company's updated sales forecast, and yet to rely on the updated sales forecast as evidence to increase the Small Commercial customer count. GMG's updated sales forecast provides the most reliable evidence of the actual customer counts of each customer class and supports the Commission's determination with respect to the Small Commercial customer count. GMG does not oppose updating the Small Commercial customer count, as updating all customer counts to 2024 year-end actuals provides for the greatest forecasting accuracy.⁴ However, the Commission's Order upwardly adjusting the customer count for one customer class but retaining the overstated customer counts for other customer classes is in error. Therefore, GMG respectfully requests that the Commission reconsider its Order and find that GMG met its burden of establishing that the updated sales forecast is reasonable.

II. GMG'S UPDATED SALES FORECAST IS A MORE RELIABLE MEASURE OF THE COMPANY'S SALES DUE TO REVISED CONSUMER COUNTS

The purpose of a Test Year sales forecast is to accurately forecast, based on all available information, the overall customer sales by class and the resulting revenue that the Company is likely to collect. The Commission's Order errs by finding that the Company's updated sales forecast, which includes updated actual customer counts as of the end of 2024, is not the most reliable measure of overall sales. Despite the Commission's finding

⁴ Order at 24; Ex. GMG-109 at 6 and Schedule 2 (Burke Rebuttal).

that the Company has not demonstrated the reasonableness of its updated sales forecast, the Commission relied on that forecast as evidence to adopt the Office of the Attorney General – Residential Utilities Division’s (OAG) proposed Small Commercial customer count of 990 customers.⁵ As Company witness Ms. Robin Burke noted in testimony, upwardly adjusting only one customer class to decrease the revenue deficiency inaccurately reflects the impact of the actual year-end customer counts that include both upward and downward fluctuations from the Company’s original Test Year forecast.⁶ Ms. Burke presented evidence that, despite GMG’s best efforts to project sales for the final months of 2024, the Residential and Transport customer counts were overstated in its original sales forecast.⁷ By adopting an increased customer count for only the Small Commercial customer class based on evidence provided in the Company’s updated sales forecast, the Order overlooks the same measurable changes from the original forecast related to other customer classes, some a direct result of the OAG’s allocation of customers to the Small Commercial class.⁸ The end result substantially reduces the Company’s revenue requirement adjustment by more than \$90,000 from the Administrative Law Judge’s recommendation of approximately \$1.3 million to approximately \$1.2 million by assuming revenues that do not exist.⁹

⁵ FINDINGS OF FACT, CONCLUSIONS, AND ORDER at 26 (Nov. 26, 2025) (eDocket No. 202511-225331-01) (ORDER).

⁶ Ex. GMG-109 at 6 (Burke Rebuttal).

⁷ Ex. GMG-109 at 6 (Burke Rebuttal).

⁸ See Ex. GMG-109 at 5-6 (Burke Rebuttal).

⁹ See Ex. GMG-109, Schedule 9 (Burke Rebuttal).

Further, there should be no concern that the Company's updated revenue requirement derived from the updated sales forecast is unreliable without updated costs since, given the relatively modest number of incremental customers at issue here, the vast majority of the costs incurred is the cost of gas, and those costs have been removed in the Company's updated forecast.¹⁰ Notably, the Commission did not require an adjustment updating costs associated with adopting the OAG's recommended Small Commercial customer count.

CONCLUSION

By updating the Small Customer count to better align with the Company's updated sales forecast counts, but retaining the Company's customer counts from its original Test Year forecast for all other customer classes, the Commission's Order establishes an unreasonably high level of sales that the updated sales forecast demonstrates is unreliable.

To correct this error, the Commission should adopt the Company's updated sales forecast, which includes updated customer counts that better reflect GMG's customer base. Therefore, GMG respectfully requests the Commission modify its Order to ensure a consistent approach to determining customer counts and finding that GMG met its burden on demonstrating the reasonableness of the updated sales forecast.

¹⁰ *See, e.g.*, Ex. GMG-105 at Schedule C-3 (Initial Filing, Volume 3); Ex. GMG-109, Schedule 9 (Burke Rebuttal).

Dated: December 16, 2025

WINTHROP & WEINSTINE, P.A.

By: /s/ Eric F. Swanson
Eric F. Swanson, #0188128
Christopher J. Cerny, #0403524

WINTHROP & WEINSTINE, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, Minnesota 55402
(612) 604-6400

ATTORNEYS FOR GREATER
MINNESOTA GAS, INC.

41314238v2