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June 22, 2016 **PUBLIC DOCUMENT**

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

RE: **PUBLIC Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E015/S-16-165

Dear Mr. Wolf:

Attached are the **PUBLIC** comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

> A petition by Minnesota Power for approval of its 2016 capital structure and authorization to issue securities.

The filing was submitted on February 22, 2016. The petitioner is:

> Christopher D. Anderson
> Associate General Counsel
> Minnesota Power
> 30 West Superior Street
> Duluth, MN 55802

The Department recommends **approva**l and is available to respond to any questions the Minnesota Public Utilities Commission may have on this matter.

Sincerely,

/s/ JOHN KUNDERT
Financial Analyst

JK/lt
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

PUBLIC COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE DIVISION OF ENERGY RESOURCES

DOCKET NO. E015/S-16-165

I. SUMMARY OF MINNESOTA POWER'S PROPOSAL

On February 22, 2016, Minnesota Power (MP or the Company) petitioned the Minnesota Public Utilities Commission (Commission) for approval of a 2016 consolidated capital structure for ALLETE, Inc. (ALLETE) (Petition). MP is seeking approval of:

(1) a common equity ratio of 55.29 percent with a contingency of plus or minus 10 percent (*i.e.*, 49.76 percent to 60.82 percent);
(2) a total consolidated capitalization of $4,370 million with a contingency capitalization of $400 million ($4,770 total);
(3) the ability to issue securities with the condition that no issuance would result in the Company exceeding the contingencies described in its filing for more than 60 days; and
(4) a variance to Minn. Rules 7825.1000, subp. 6 to allow the Company to treat borrowing under multi-year credit agreements as short-term debt.

MP requests approval of ALLETE's estimated consolidated capital structure and its proposed issuance of securities from the date of issuance of a Commission Order approving the Petition through the latter of (i) May 1, 2017 or (ii) the date at which a subsequent capital structure Order is issued.

II. DETAILS OF MINNESOTA POWER'S REQUEST

ALLETE's actual consolidated capital structures (in millions of dollars) for December 31, 2013, December 31, 2014, December 31, 2015 and projected June 30, 2017 are presented below:

Table 1: Actual and Projected Consolidated Capital Structures ($ Millions)

							Projected	
Capital Structures	12/31/2013		12/31/2014		12/31/2015		June 30, 2017	
Long-Term Debt	$1,110	45.25%	$1,373	45.95%	$1,605	46.81%	$1,775	44.71%
Short-Term Debt	$0	0.00%	$4	0.13%	$2	0.06%	$0	0.00%
Common Equity	$1,343	54.75%	$1,611	53.92%	$1,822	53.14%	$2,195	55.29%
Total Capitaization	$2,453	100.00%	$2,988	100.00%	$3,429	100.01%	$3,970	100.00%

ALLETE's proposed consolidated capital structure (in millions of dollars) for 2017 is presented below:

	2017 Proposed Capital Structure (Million dollars)	
	Amount	Percentage
Long-Term Debt	$1,775	44.71%
Short-Term Debt	$0	0.00%
Common Equity	$2,195	55.29%
Total Capitalization	$3,970	100.00%
Contigency	$400	
Total Request	$4,370	

ALLETE may issue short-term debt during the authorization period as needed primarily to fund maturing long-term debt or short-term bridge financing. Combined corporate and subsidiary short-term obligations are not expected to exceed 15 percent of total capitalization at any one time during the authorization period. MP does not request any short-term debt contingency amount for ALLETE.

The Company requests approval of the following contingencies and securities issuances during the authorization period:

- a range of 10 percent below and 10 percent above the 2016 common equity ratio of 55.29 percent (*i.e.*, a range of 49.76 percent to 60.82 percent);

- any securities issuance that results in an equity ratio with that range, or that would not result in an equity ratio outside this range for more than 60 days:
- a cap of $400 million over ALLETE's total capitalization of $3,970 million (*i.e.*, a total capitalization of $4,370); and

In addition, MP asks that it be allowed to issue securities at will, and only be required to seek approval from the Commission for any securities issuance as soon as the Company has reason to believe that any such issuance would cause the common equity ratio or total consolidated capitalization to fall outside the approved contingency ranges for more than 60 days.

III. DOC ANALYSIS

The Minnesota Department of Commerce, Division of Energy Resources' (DOC) review indicates that MP has provided all the information required by Minn. Rules 7825.1000 – 7825.1500.

In its analysis below, the DOC discusses the reasonableness of both ALLETE's consolidated capital structure and MP's request for securities issuance.

A. CAPITAL STRUCTURE

To check the reasonableness of ALLETE's 2016 consolidated capital structure, the DOC compared the equity ratio in ALLETE's capital structure with the average equity ratio of electric utilities that are risk-comparable to MP. The 2015 year-end average equity ratio for publicly traded electric utilities with a bond ratings of BBB+ (ALLETE's long-term bond rating is BBB+ according to Standard & Poor's) was 44.89 percent. The group's 2015 average long-term debt ratio was 55.11 percent. (See Attachment 1). The DOC notes that ALLETE's proposed equity ratio of 55.29 percent is higher than the group's average equity ratio and that ALLETE's debt ratio is lower than the group's average debt ratio. Therefore, ALLETE's consolidated capital structure does not raise concerns about an equity ratio that is too low, which could have negative effects on the Company between rate cases.

In addition, the DOC notes that a higher equity ratio is generally associated with lower financial risk; therefore, the DOC concludes that MP's proposed equity ratio is reasonable in terms of addressing this perspective. However, for ratemaking purposes, the DOC would be concerned about an equity ratio that is too high since it may increase the Company's cost of capital. The DOC addressed this issue in the Company's most recent rate case, in which the DOC recommended an equity ratio of 51.71 percent (Docket No. E015/GR-09-1151). Thus, MP's proposed increase in its equity ratio of 215 basis points from its actual equity ratio at the end of 2015 may need further justification for ratemaking purposes.

B. CONTINGENCIES

1. General Discussion

Since the early 1980s, MP has continually discussed its need to diversify its revenue base in light of its reliance on the revenue it receives from 10 – 12 major mining and paper customers. In Attachment B of its Petition, the Company addressed its past, current, and future diversification activities. ALLETE stated in the Petition that diversified assets represent 23 percent of ALLETE's total assets and contributed 19 percent of ALLETE's 2015 consolidated net income.

2. Total Capitalization and Issuance of Securities

MP's best estimate of ALLETE's issuance of securities (in millions of dollars) in 2016 is provided below:

Category	Estimated Amounts to be Issued
Long-Term Debt	$170 million
Short-Term Debt	As needed[1]
Common Equity	$267 million

As indicated above, the Company requests approval for total capitalization not to exceed $3,970 million. This total capitalization does not include the contingency amount of $400 million.

Pages 11 through 13 of the Company's Petition discuss the need for the various securities issuances, such as the issuance of long-term debt as well as common equity by ALLETE or on behalf of one or more subsidiaries, to provide funding for existing operations and acquisition of related businesses. In particular, ALLETE anticipates capital expenditures of about **[TRADE SECRET DATA HAS BEEN EXCISED]** million in 2016, including **[TRADE SECRET DATA HAS BEEN EXCISED]** million for its regulated activities in 2016. Based on its expected capital expenditures, and its plan to continue to diversify via acquisition of related businesses, the DOC recommends that the Commission approve MP's request for the $400 million contingency cap on ALLETE's total capitalization (about 10 percent of total capitalization). The DOC also concludes that the issuance of the aforementioned securities is appropriate and recommends that the Commission approve any issuance of securities during the authorization period that would not result in an equity ratio outside the proposed range or total capitalization exceeding the proposed cap for more than 60 days.

The DOC notes that any property acquisition by MP must follow the requirements of Minnesota Statutes and Rules; therefore, the Commission's approval of the Company's capital structure petition does not, in any way, suggest that the Commission would approve any petition regarding property acquisitions. Further, is should be clear that no utility assets may be pledged to finance non-regulated activities.

[1] ALLETE may issue short-term debt at any time during the authorization period, not to exceed 15 percent of total capitalization.

3. Equity Ratio

The DOC recognizes ALLETE's need for financial flexibility to respond to unexpected changes in its financial and economic environment. However, the need for flexibility must be balanced against appropriate regulatory oversight.

The Company requests a contingency range of plus or minus 10 percent around ALLETE's proposed 55.29 percent equity ratio (*i.e.*, 49.76 percent to 60.82 percent). The Commission has approved MP's past requests for a plus or minus 10 percent contingency range in past proceedings, including though its most recent Order regarding ALLETE's capital structure (Docket No. E015/S-15-168). The DOC concludes that a 10 percent range, as proposed by MP, would provide ALLETE with sufficient financial flexibility while at the same time allowing the Commission sufficient regulatory oversight of the Company's capital structure. Therefore, based on its analysis and Commission's precedent, the DOC concludes that MP's proposed common equity contingency is reasonable.

4. Short-Term Debt

The Company requests flexibility to issue short-term debt not to exceed 15 percent of the total capitalization at any time during the authorization period. This 15 percent cap includes any short-term debt that may be issued under ALLETE's Credit Facility provisions. The DOC concludes that the 15 percent cap is reasonable because it would allow the Company the needed flexibility to meet the Company's short-term fluctuations in its revenues and expenditures. The Department also notes that the Commission allowed the Company a similar 15 percent cap on short-term debt in previous capital structure Orders (e.g. Docket Nos. E015/S-15-168 and E015/S-14-145). The Department discusses the Company's request for a rule variance regarding its credit facility in Section IV below.

C. ADDITIONAL REPORTING REQUIREMENTS

On May 12, 2009, the Commission issued its "Order Augmenting Information Required in Connection with Securities Issuances and Annual Capital Structure Filings" (Docket No. E, G999/CI-08-1416. Points 1 and 3 of the Order state respectively:

> 1. In addition to the information currently provided, the utilities' annual capital structure filings shall include an exhibit showing a general projection of capital needs, projected expenditures, anticipated sources, and anticipated timing, with the understanding that such exhibit is not intended to require dollar-for-dollar on the uses identified in the exhibit or to limit issuances to project-specific financing. The exhibit need not list short-term, recurring security issuances.
> 3. Starting with the utilities' next annual capital structure filing, the utilities shall include a report of actual issuances and uses of funds from the prior year. The report will be for

> information purposes only and need not cover short-term recurring security issuances.

Also, on March 29, 2010, the Commission issued an Order in Docket No. E015/S-09-1233. Point 10 of the Commission Order states:

> MP shall, in its next securities issuance petition, provide a schedule comparing its actual capital investments in 2010 with the capital investments contained in Exhibit 1 of its February 12, 2010 Filing.

Finally, Point 3 of the Commission's September 1, 2010 Order in Docket No. E015/S-09-1233 requires that:

> MP shall submit in its next securities issuance petition, the Company's investment plan not only for next year, but for at least the next five years.

The DOC interprets the Commission Order in Docket No. E015/S-09-1233, Points 10 and 3 as applicable to all future capital structure filings. The Commission continues to require this information:[2]

1. MP must provide, in its capital structure filing, an exhibit showing a general projection of capital needs, projected expenditures, anticipated sources, and anticipated timing, with the understanding that such exhibit is not intended to require dollar-for-dollar spending on the uses identified in the exhibit or to limit issuances to project-specific financing. The exhibit need not list short-term, recurring security issuances.
2. MP must provide, in its next annual capital structure filings, a report of actual issuances and uses of funds from the prior year. The report will be for information purposes only and need not cover short-term recurring security issuances.
3. MP must provide a schedule comparing its actual capital investments in the past year with the capital investments projected by MP in its previous capital structure filing.
4. MP must provide in its annual capital structure filing the Company's investment plans not only for the next year, but for at least the next five years.

Below is the DOC's discussion of the above reporting requirements.

[2] See the Commission's May 22, 2015 Order in Docket No. E015/S-15-168.

a. Projected Capital Needs and Anticipated Resources (Point 1 above)

Exhibit J of MP's petition provides the projected sources and uses of funds for calendar year 2016 and for the first six months of 2017. Based on its review of the Company's Exhibit J, the DOC concludes that MP's petition complies with Ordering point 7 of the Commission's May 22, 2015 Order.

b. Actual Uses and Actual Issuances (Point 2 above)

Exhibit J of MP's filing provides information regarding issuances and uses of funds for 2016 and for the six-month period ending June 30, 2017. The Company's Exhibit L at page 1 provides the appropriate information regarding the actual 2015 uses of funds. Exhibit K provides the actual issuances of securities in 2015. Therefore the DOC concludes that MP's Petition complies with the Commissions requirement in Ordering point 8.

c. Comparison of Actual and Projected Capital Investment (Point 3 above)

MP's Exhibit L, page 1, provides the required information. MP's actual capital expenditure in 2015 was **[TRADE SECRET DATA HAS BEEN EXCISED]** million dollars. Thus, actual expenditures in 2015 were about 69 percent of the projected capital expenditure. MP indicates that this difference is the result of much lower-than-projected non-regulated capital expenditures combined with capital expenditures for ALLETE's regulated operations that were approximately 10 percent lower than projected in 2015.

Regarding the much smaller non-regulated capital expenditures, the Company explains that the gap between actual and projected is the result of deferral of many potential non-regulated projects. The Department concludes that this explanation is reasonable. Regarding the lower level of actual regulated capital expenditures, the Company explains that the gap between actual and projected is the result of a shift of costs for the Boswell 4 environmental project into 2017. The Department considers this explanation to be reasonable as well.

Based on the above analysis, the Department concludes that MP's Petition complies with the Commission's requirement at Ordering point 9.

d. Five-Year Investment Plan (Point 4 above)

MP is required to submit its investment plan which covers, at a minimum, a period equal to the next five years. Exhibit L of the Company's Petition provides its investment plan for the period 2015 through 2020. Based on its review of the Company's Exhibit L, the DOC concludes that MP's petition complies with the Commission's requirement at Ordering point 10.

IV. MP'S REQUEST FOR VARIANCE OF MINNESOTA RULES 7825.1000, SUBP. 6

A. INTRODUCTION

MP requests that the Commission grant continuation of a variance to Minnesota Rules 7825.4000, subp. 6 to allow the Company to include direct borrowing under a multi-year credit agreement as short-term debt.

On November 4, 2013 the Company entered into a new $400 million Credit Agreement (CA). The CA's term is five years. JP Morgan Chase Bank, N.A. is the Administrative Agent; J.P. Morgan Securities LLC is the Sole Lead Arranger and Sole Book Runner. Several lenders are also parties to the Credit Agreement.

The Credit Agreement is unsecured and has a maturity date of November 1, 2018. ALLETE may request an extension of 1 year to the term of the CA. It may also request an increase or a decrease in the size of the CA. Advances may be used by ALLETE for general corporate purposes, to provide liquidity in support of ALLETE's commercial paper program and to issue up to $60 million in letters of credit.

The costs associated with this Credit Agreement are as follows:

- A one-time issuance cost of approximately **[TRADE SECRET DATA HAS BEEN EXCISED]** million.
- An interest rate equal to the Eurodollar rate plus a margin of 90 to 147.5 basis points; and
- An annual fee of 10 to 27.5 basis points based on ALLETE's senior unsecured credit rating.

Table 2 below shows the exact relationship between credit rating levels and the various credit facility fees.

Table 2

Status	Pricing Level I	Pricing Level II	Pricing Level III	Pricing Level VI	Pricing Level V
Senior Debt Rating	≥A/A/A2	≥A-/A-/A3	≥BBB+/BBB+/Baa1	≥BBB/BBB/Baa2	<BBB/BBB/Baa2
Applicable Margin for Eurodollar Rate loans and Letter of Credit participation fees	0.900%	1.000%	1.075%	1.275%	1.475%
Applicable for facility fees	0.100%	0.125%	0.175%	0.225%	0.275%
Applicable margin for Alternate Base Rate (ABR) loans	0%	0%	0.075%	0.275%	0.475%

At present, the applicable fees for MP are the fees under Pricing Level II (ALLETE's rating is BBB+)[3]. The Eurodollar rates are the London Interbank Offered Rate (LIBOR) at which banks borrow money from each other for a short-term period. For example, on June 15, 2016 the LIBOR rates were 0.44 percent, 0.65 percent and 0.93 percent for one month, three months and six months respectively. As shown in the Company's Attachment C, its 2015 5-year credit facility cost was 0.210% (21.0 basis points). This cost included a minimal amount of direct borrowings during 2015.

B. ANALYSIS

The Company asserts in its Petition that the requested variance meets the three-part test for variance as provided for by Minn. Rules 7829.3200. The three parts of the test are:

1. Enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
2. Granting the variance would not adversely affect the public interest; and
3. Granting the variance would not conflict with standards imposed by law.

The Company supports its assertion as follows:

[3] On February 5, 2014, Minnesota Power filed a press release from Moody's that announced an upgrade in ALLETE's credit rating from Baa1 to A3). This information was filed in compliance with the Commission's Order dated April 29, 2013 in Docket No. E015/S-13-126.

a. Enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule

The Company states that the revolving credit facility is important to ALLETE to maintain its liquidity profile which itself is required to support ALLETE's credit ratings. In its recent capital structure petition (Docket No. E015/S-11-174), MP stated:

> Minnesota Power's customer concentration requires the Company to maintain liquidity to ensure capital availability during unexpected and prolonged downturns in its large industrial customer base. As noted by MP's witness, Mr. Stellmaker in his Rebuttal Testimony (page 34) for Minnesota Power's last general rate case [Docket No. E015/GR-09-1151], "*…the industrial customer demand nomination levels are subject to periods of rapid and pronounced variability. Customer load reductions often occur coincident with challenging financial market conditions. To mitigate the effects of the demand variations, the Company must preserve liquidity. In other words, to compensate for the cash flow fluctuations resulting from reduced demand the Company needs access to "on demand" liquid financing such as the short-term financing available from its commercial paper program or its revolving credit facility."* In fact, Standard & Poor's has cited that due to its high concentration of customers in cyclical industries, the Company is required to maintain ample liquidity to manage through cyclical swings. A revolving credit facility provides immediate access to capital and supports the Company's liquidity profile. Without such a credit facility, ALLETE would be forced to manage its capitalization with higher cash balances to maintain liquidity as access to the capital markets can, depending on market conditions and the types of securities offered, take weeks to receive the cash. Without the facility, the Company's cost of obtaining capital from the markets will increase, reflecting its reliance solely on the capital markets to obtain external funds. Such reliance will lead to an increase in the costs of external funds and a corresponding increase in costs for Minnesota Power's ratepayers.

The Department observes that the reasons stated above to support the need for MP's credit facility remain valid for its new capital structure Petition. The Department also notes that for 2016, ALLETE's capital expenditure is budgeted to be about **[TRADE SECRET DATA HAS BEEN EXCISED]** million dollars compared to its cash from operations of only about **[TRADE SECRET DATA HAS BEEN EXCISED]** million dollars. Therefore, ALLETE may have to secure a significant amount of debt in 2016 if its capital expenditures are consistent with its budget. Such a large cash requirement for ALLETE in 2016 and beyond requires ALLETE to backstop its liquidity position with large credit facilities.

Finally, the Department observes that the Commission will retain oversight as to the types of securities that ALLETE contemplates issuing under a multi-year agreement through the annual capital structure filings, the 15 percent short-term contingency limit, the equity ratio, and the equity ratio ranges. This oversight ensures that ALLETE will continue to have a capital structure that meets the public interest. Absent the flexibility to use the credit facility, the Company would have to request a higher long-term debt contingency and may also face higher long-term and short-term interest rates. Therefore, disallowing the variance may impose an excessive burden upon the Company and eventually its ratepayers.
Based on the above analysis, the Department concludes that enforcement of the rule may impose an excessive burden upon the applicant or others (ratepayers and shareholders) affected by the rule.

b. Granting the variance would not adversely affect the public interest

The Commission retains oversight over these types of issuances through annual capital structure filings, the 15 percent limit, the equity ratio, and the equity ratio ranges. These parameters ensure that the Company will continue to have a capital structure that meets the public interest. In addition, the Credit Agreement allows the Company to lock in liquidity and fee structures for several years, which is also in the public interest.

c. Granting the variance would not conflict with standards imposed by law

According to the Company, granting the requested variance would not conflict with any standard imposed by law.

The Department agrees with the Company that granting the requested variance would not adversely affect the public interest and would not conflict with the standards imposed by law.

To summarize, based on its review and analysis of the Company's petition, the DOC concludes that the Company's requested variance meets the three-part test. Therefore, the Department recommends that the Commission approve MP's request for a variance of Minn. Rules 7825.1000, subp.6.

V. DEPARTMENT RECOMMENDATIONS

The Department's recommendations are as follows:

A. RECOMMENDATIONS REGARDING SECURITIES ISSUANCES AND CAPITAL STRUCTURE

a. Approve ALLETE's 2016 proposed capital structure. This approval will remain effective until the latter of May 1, 2017, or the date at which the Commission issues a new capital structure Order;
b. Approve ALLETE's equity ratio contingency of plus/minus 10 percent around its 2016 proposed equity ratio. Equity ratios outside this range may not exceed a period of 60 days without Commission approval;
c. Approve ALLETE's proposal to issue short-term debt not to exceed 15 percent of its proposed total capitalization during the authorization period as needed;
d. Approve ALLETE's total capitalization contingency of $400 million above its 2016 total capitalization. ALLETE may not exceed its total capitalization including the requested contingency of $400 million for a period longer than 60 days without prior Commission approval;
e. Approval of any issuance of securities in 2016 that would not result in an equity ratio outside the proposed range or a total capitalization exceeding its proposed cap for more than 60 days;
f. Require MP to obtain prior approval for the issuance of any securities in 2016 that would result in an equity ratio outside the approved range or a total capitalization exceeding its approved cap for more than 60 days.
g. Require MP to provide, within 20 days after each non-recurring issuance of securities, the following information:
   i. The specific purposes for the individual issuances;
   ii. The type of issuances;
   iii. The timing of issuances;
   iv. The amounts of issuances;
   v. Issuance costs (for common equity issuances, include price per share), and
   vi. Interest rates.
h. Require MP to provide, in its next capital structure filing, an exhibit showing a general projection of capital needs, projected expenditures, anticipated sources, and anticipated timing, with the understanding that such exhibit is not intended to require dollar-for-dollar spending on the uses identified in the exhibit or to limit the issuances to project-specific financing. The exhibit need not list short-term security issuances.
i. Require MP to provide, in its next annual capital structure filing, a report of actual issuances and used of the funds from the prior year. The report will be for information purposes only and need not cover short-term security issuances.
j. Require MP to provide in its next annual capital structure filing a schedule comparing its actual capital investments in the past year with the capital investments projected by MP in its previous capital structure filing.

k. Require MP to provide in its next annual capital structure filing the Company's investment plan not only for the next year, but for at least the next five years.

l. Approve MP's request for a variance to allow it to treat any loan under its multi-year credit facility as a short-term debt and require MP to report on its use of such facilities including:
   i. How often they are used;
   ii. The amount involved;
   iii. Rates and financing costs; and
   iv. The intended uses of the financing.

B. RECOMMENDATIONS REGARDING POTENTIAL CORPORATE RESTRUCTURING EFFECT ON CREDIT RATINGS

a. Require MP to keep the Commission informed of any corporate restructuring.

b. Require MP to keep the Commission informed of any rating agency action.

/lt

DOC Proxy Group for Proposed Debt and Equity Ratios Based on ALLETE'S Standard & Poor's Bond Rating (BBB+)

	SIC Code	Stock Ticker Symbol	Most Recent BETA	S&P Debt Rating	2015 Debt Ratio	2015 Equity Ratio
ALLETE INC	4931	ALE	0.800	BBB+	46.88	53.12
AMEREN	4931	AEE	0.750	BBB+	52.63	47.37
CMS ENERGY CORP	4931	CMS	0.750	BBB+	70.81	29.19
DTE ENERGY CORP	4931	DTE	0.750	BBB+	52.79	47.21
PUBLIC SERVICE ENTRP GRP I	4931	PEG	0.750	BBB+	43.19	56.81
SCANA ENERGY	4931	SCG	0.700	BBB+	54.54	45.46
SEMPRA ENERGY	4931	SRE	0.850	BBB+	55.42	44.58
TECO ENERGY INC	4931	TE	0.800	BBB+	54.73	45.27
WESTAR ENERGY INC	4931	WR	0.750	BBB+	56.75	43.25
No.of Companies	8					
Average			0.764		55.11	44.89
Standard Deviation			0.048			
Minimum			0.700		43.19	29.19
Maximum			0.850		70.81	56.81

Source: Compustat Data Base April 30, 2016

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Public Comments

Docket No. E015/S-16-165

Dated this 22nd day of June 2016

/s/Sharon Ferguson

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