

August 24, 2020

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: **Letter of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G008/M-20-399

Dear Mr. Seuffert,

On August 24, 2020, Energy Cents Coalition (ECC) filed a letter providing alternative decision options for consideration at the August 27, 2020 Agenda Meeting of the Minnesota Public Utilities Commission (Commission) for Agenda Item 5, which concerns gas utilities' annual Gas Affordability Program (GAP) annual reports. The alternative decision options would only apply to CenterPoint Energy Resources Corporation, doing business as CenterPoint Energy Minnesota Gas (CenterPoint).

In the interest of efficiency given the detailed nature of the additional decision options, the Minnesota Department of Commerce (Department) provides this letter to state its position on the options, in advance of the August 27, 2020 Agenda Meeting.

On January 17, 2020, in Docket No. G008/M-19-367, *In the Matter of CenterPoint Energy's Evaluation of its Gas Affordability Program*, the Commission issued an Order stating in part as follows:

The Commission accepts CenterPoint Energy's 2019 GAP Evaluation Report and will require CenterPoint Energy to communicate regularly with payment-troubled customers by directing them to financial resources for assistance and **reporting on LIHEAP outreach activities starting on March 1, 2020, and every quarter thereafter (June 30, September 30, and December 31)**. [emphasis added]

ECC's decision options 11 through 16 relate to the quarterly reports filed in Docket No. G008/M-19-367, in response to the emphasized requirement above. Generally, the Department supports or does not oppose any of ECC's recommended alternative decision options, if needed to clarify that the reporting requirements continue and since the Company does not object to these reporting requirements. However, the Department notes the following on a few of ECC's recommendations.

"14. Provide the average annual and range (low to high) of LIHEAP and GAP customer natural gas usage levels."

CenterPoint's June 2, 2020 Supplemental Comments did not explicitly object to this proposal, but noted as follows:

...we caution that usage information alone, without other information such as housing type and/or square-footage, may not be a useful statistic for drawing conclusions about the efficiency of low-income customer homes.

ECC's May 21, 2020 comments recommended this general type of information "to aid in more targeted CIP [Conservation Improvement Program] outreach efforts." It may be helpful for ECC to provide more information on how this information would help with such targeting in order for the Commission to determine whether the additional reporting is worthwhile.

"15. Report on specific efforts to coordinate participation in LIHEAP, GAP and CIP programs, including the Company's mapping process to target CIP resources based on natural gas usage and census tract demographic data."

The Department supports the recommendation that CPE be required to "report on specific efforts to coordinate participation in LIHEAP, GAP and CIP programs" in their quarterly reports. Regarding the proposed "including the Company's mapping process ..." requirements, the Department notes that ECC's May 21, 2020 comments do not refer to a "mapping process" and therefore it may be helpful for ECC to explain at the agenda meeting why this additional reporting requirements is appropriate.

"17. Standardize the method for reporting allowable, incremental and total GAP administrative costs, using the 2020 report as the format, and continue to provide the percentage of program costs represented by administrative costs."

Presumably, by "2020 report" ECC is referring to CPE's GAP Annual Report for 2019, filed in the instant docket on March 31, 2020. Regarding this decision option, ECC's May 21, 2020 comments stated:

It seems that the Company's GAP administrative costs continue to increase even as participation decreases. The GAP reports for 2018 and 2019 do not portray these costs in exactly the same way but, it appears that the total of the five percent allowable administrative costs and incremental (above 5%) administrative costs accounted for 7.8% of total program costs in 2018 and 8.3% in 2019. From what ECC can discern, administrative costs above the allowable five percent totaled \$88,433 in 2018 and \$148,183 in 2019.

CenterPoint's June 2, 2020 Supplemental Comments did not object to this proposal. The Department supports this proposal and appreciates ECC's effort to ensure that CPE provides consistent reporting from year to year.

Sincerely,
/s/ STEPHEN COLLINS
Rates Analyst

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
Letter**

Docket No. G008/M-20-399

Dated this **24th** day of **August 2020**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Aafedt	daafedt@winthrop.com	Winthrop & Weinstine, P.A.	Suite 3500, 225 South Sixth Street Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_20-399_M-20-399
James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399
Brenda A.	Bjorklund	brenda.bjorklund@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-399_M-20-399
Marie	Doyle	marie.doyle@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall P O Box 59038 Minneapolis, MN 554590038	Electronic Service	No	OFF_SL_20-399_M-20-399
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_20-399_M-20-399
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_20-399_M-20-399
Robert	Harding	robert.harding@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101	Electronic Service	No	OFF_SL_20-399_M-20-399
Amber	Lee	Amber.Lee@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_20-399_M-20-399

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_20-399_M-20-399
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399
Samantha	Norris	samanthanorris@alliantenergy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	OFF_SL_20-399_M-20-399
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-399_M-20-399
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-399_M-20-399
Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates	7400 Lyndale Ave S Ste 190 Richfield, MN 55423	Electronic Service	No	OFF_SL_20-399_M-20-399
Peggy	Sorum	peggy.sorum@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	200 S 6th St Ste 470 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-399_M-20-399

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_20-399_M-20-399