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September 16, 2009

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: **Supplemental Response Comments of the Minnesota Office of Energy Security**
Docket No. G011/M-08-1328

Dear Dr. Haar:

On August 12, 2009, Minnesota Energy Resources Corporation-PNG (MERC-PNG or Company) submitted its *Response Comments* to the Minnesota Office of Energy Security's (OES) June 17, 2009 *Response Comments* related to MERC-PNG's demand entitlement filing for its Northern Natural Gas (Northern) Purchased Gas Adjustment (PGA) system. Based on its review, the OES concludes that a response to MERC-PNG's *Response Comments* is necessary to establish a complete record in this matter. As such, the OES requests that the Minnesota Public Utilities Commission (Commission) accept these *Supplemental Response Comments* to MERC-PNG's *Response Comments*.

Based on its review of MERC-PNG's *Response Comments*, the OES recommends that the Commission:

- **approve** MERC-PNG's demand entitlement level without endorsing its design-day study analysis subject to the Commission's decisions in the pending G011/M-07-1405 docket;
- **approve** MERC-PNG's proposed cost recovery proposal submitted on August 12, 2009 which moves FDD storage costs to the commodity cost recovery portion of the Purchased Gas Adjustment (PGA);
- **require** MERC-PNG to provide additional evidence supporting the estimative power of its design-day study in its next demand entitlement filing; and
- **require** MERC-PNG to refund to its ratepayers, through the true-up factor, the difference between its proposed cost recovery proposal submitted on August 12, 2009 and MERC-PNG's cost recovery proposal submitted on November 5, 2008 and charged in its rates to its customers through the PGA since November 1, 2008.

The OES is available to answer any questions that the Commission may have.

Sincerely,

/s/ ADAM JOHN HEINEN
Rates Analyst
651-296-6329

AJH/sm
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA OFFICE OF ENERGY SECURITY

DOCKET NO. G011/M-08-1328

I. BACKGROUND

The following rounds of comments have been submitted to the Minnesota Public Utilities Commission (Commission) in Minnesota Energy Resources Corporation-PNG's (MERC-PNG or Company) 2008-2009 demand entitlement filing for its Northern Natural Gas (Northern) Purchased Gas Adjustment (PGA) system:

- November 1, 2008, MERC-PNG's initial *Petition*;
- November 5, 2008, MERC-PNG's *Supplement*;
- March 4, 2009, Minnesota Office of Energy Security's (OES) *Comments*;
- March 13, 2009, OES's *Supplemental Comments*;
- March 30, 2009, MERC-PNG's *Reply Comments*;
- June 17, 2009, OES's *Response Comments*;
- August 12, 2009, MERC-PNG's *Response Comments*; and
- September 16, 2009, OES's *Supplemental Response Comments*.

In its August 12, 2009 *Response Comments*, MERC-PNG provided additional information and responded to concerns raised by the OES in its June 17, 2009 *Response Comments*. The OES requested additional information to allow the OES to assess the reasonableness of MERC-PNG's proposal. The OES discusses the Company's responses below.

II. THE OES'S RESPONSE TO MERC-PNG'S AUGUST 12, 2009 RESPONSE COMMENTS

In its August 12, 2009 *Response Comments*, MERC-PNG responded to the OES's discussions of MERC-PNG's Design-Day Study, Peak-Day Weather Assumptions, and its Treatment of FDD Storage Costs. These topics are discussed in greater detail, separately, below.

A. DESIGN-DAY STUDY

In terms of its Design-Day Study, MERC-PNG provided additional discussion in its *Response Comments* about the Commission's decision in the Company's most recent rate case, Docket No. G007,011/GR-08-835, to approve MERC-PNG's proposal that all interruptible and transportation customers be required to install telemetry equipment. The Company states that the use of telemetry equipment by all of its interruptible and transportation customers will provide it with more detailed data which will make its future design-day calculations more realistic. MERC-PNG also states that it agrees that a meeting with the OES would be helpful to further discuss the Company's design-day methodology. Based on this information, the OES agrees to work with the Company to arrange a meeting in the near future.

B. PEAK-DAY WEATHER ASSUMPTIONS

In its August 12, 2009 *Response Comments*, MERC-PNG responds to the OES's discussion of Commission Staff's concern with the use of wind-adjusted heating degree days (HDDs) as was discussed in Docket No. G022/M-07-1142. In its response, MERC-PNG states that, through its regression analysis, the Company's experience has been that there is a stronger correlation between wind-adjusted HDDs and natural gas consumption compared to regular HDDs and natural gas consumption. According to MERC-PNG, this stronger correlation leads to the Company to believe that wind-adjusted HDDs are a better indicator of customer consumption. This correlation may be due to a variety of factors, such as draftiness in buildings. Based on this evidence, the Company states that it is willing to further discuss this issue in a meeting with the OES and Commission Staff. After reviewing the discussion provided by MERC-PNG, the OES believes that a meeting would be reasonable and agrees to work with the Company and Commission Staff to arrange a meeting in the near future.

C. TREATMENT OF FDD STORAGE COSTS

In its June 17, 2009 *Response Comments,* the OES stated that it was unable to replicate MERC-PNG's demand cost recovery figure (using the firm sales figure in the Company's original filing) provided in its March 30, 2009 *Reply Comments* related to the shifting of FDD Storage Costs from the demand to commodity cost recovery portion of the PGA. In its August 12, 2009 *Response Comments*, MERC-PNG states that it provided a revised Attachment 4, page 1 of 3, and Attachment 11, in its March 30, 2009 *Reply Comments*, that showed the effects of moving the FDD storage costs from the demand cost to the commodity cost recovery portion of the PGA. However, after reviewing the OES's June 17, 2009 *Response Comments*, MERC-PNG noticed that it failed to provide revised pages 2 and 3 of its Attachment 4 provided in its *Reply Comments*. In response to this oversight, the Company provides in its August 12, 2009 *Response*

Comments a fully revised Attachment 4 and exhibits supporting its calculations and the effects of moving FDD Storage Costs to the commodity cost recovery portion of the PGA. MERC-PNG also notes that the Commission has not approved the shifting of FDD costs from the demand recovery to the commodity cost recovery portion of the PGA. The Company further states that if the Commission does approve this shift, the Company, OES, and Commission Staff should work together to develop a process which will credit General Service customers for the collection of FDD Storage Costs through the demand recovery portion of the PGA.

Based on its review of the supporting information provided in MERC-PNG's *Response Comments*, and using the new total firm sales number of 20,942,963 Mcf and new demand sales number of 18,961,300 Mcf calculated in Docket No. G007,011/MR-08-836, the OES is able to replicate the Company's demand cost recovery figure that includes the shift of FDD Storage Costs from the demand to commodity cost recovery portion of the monthly PGA. Since this conclusion results in a change to the OES's cost recovery proposal, it is necessary to change the OES's recovery recommendations. These modified proposals are presented below.

The OES acknowledges the Company's request for a discussion about a process to credit customers for the shift in the recovery of FDD Storage Costs from the demand to commodity cost recovery portion of the PGA, if approved by the Commission. The OES notes, however, that such discussion should be limited to the calculation of the refund rather than a discussion as to whether a refund is appropriate. Minnesota Rule 7825.2700 (Purchase Gas Charges, Automatic Adjustment) allows regulated utilities the ability to true-up costs at the end of the fiscal year. Given the existing true-up structure, the OES would not object to MERC-PNG moving the costs from demand cost recovery to commodity cost recovery, with appropriate notation, subject to the annual true-up.

III. THE OES'S MODIFIED COST RECOVERY PROPOSAL

As discussed in the OES's June 17, 2009 *Response Comments*, the PGA cost recovery proposed by the OES includes the shifting of FDD Storage Costs from the demand to commodity cost recovery portion of the PGA. In addition, as originally noted in the OES's *Response Comments*, the bill impacts detailed below differ from the calculations in the Company's exhibits and attachments to its August 12, 2009 *Response Comments* because the OES holds the weighted average cost of gas constant, so as to isolate the increases in total gas costs associated solely with the demand cost of gas. The OES's bill impacts are presented in Table S-1 below.

Table S-1 OES's Modified PGA Cost Recovery Proposal Monthly Rate Impact Compared to October 2008 PGA							
Customer Class	Commodity Change ($/Mcf)	Commodity Change (Percent)	Demand Change ($/Mcf)	Demand Change (Percent)	Total Change ($/Mcf)	Total Change (Percent)	Effect on Annual Bill
General Service	$(0.0274)	(0.44)%	$0.0282	3.19	$0.0008	0.01	$0.10
Small Vol. Interruptible	$(0.0274)	(0.44)%	$0.0000	0.00	$(0.0274)	(0.37)	$(135.58)
Large Vol. Interruptible	$(0.0274)	(0.44)%	$0.0000	0.00	$(0.0274)	(0.42)	$(406.64)
Small Vol. Joint Firm*	$(0.0274)	(0.44)%	$(0.1909)	(1.89)	$(0.2183)	(1.13)	$(0.22)
Large Vol. Joint Firm*	$(0.0274)	(0.44)%	$(0.1909)	(1.89)	$(0.2183)	(1.20)	$(0.22)

Note: The changes in commodity costs presented in Table S-1 are the result of a decrease in MERC-PNG's FDD Storage levels and cost contracts.
* MERC-PNG currently does not have customers in its Small Volume Joint Firm and Large Volume Joint Firm rate classes.

As shown above, and in OES Attachment S-1, the OES's demand entitlement analysis results in the following estimated annual bill impacts:

- a decrease of approximately $0.10, or 0.01 percent, for an average General Service customer who consumes 127 Mcf annually;
- a decrease of approximately $135.58, or 0.37 percent, for an average Small Volume Interruptible customer who consumes 4,948 Mcf annually; and
- a decrease of approximately $406.64, or 0.42 percent, for an average Large Volume Interruptible customer who consumes 14,841 Mcf annually.

IV. OES RECOMMENDATIONS AND CONCLUSIONS

Based on its review of MERC-PNG's *Response Comments*, the OES recommends that the Commission:

- approve MERC-PNG's demand entitlement level without endorsing its design-day study analysis subject to the Commission's decisions in the pending G011/M-07-1405 docket;
- approve MERC-PNG's proposed cost recovery proposal submitted on August 12, 2009 which moves FDD storage costs to the commodity cost recovery portion of the Purchased Gas Adjustment (PGA);

- require MERC-PNG to provide additional evidence supporting the estimative power of its design-day study in its next demand entitlement filing; and

- require MERC-PNG to refund to its ratepayers, through the true-up factor, the difference between its proposed cost recovery proposal submitted on August 12, 2009 and MERC-PNG's cost recovery proposal submitted on November 5, 2008 and charged in its rates to its customers through the PGA since November 1, 2008.

/sm

OES Attachment S-1
Rate Impact of MERC-PNG's Northern PGA System Proposed Demand Entitlement Changes as Modified by the OES

1) General Service: Avg. Annual Use: **127 Mcf**

Recovery	Last Base Cost of Gas G011/MR-08 836	Last Demand Change M-07-1405	Most Recent PGA Oct 1/08	Oct 1/08 PGA w/ Proposed Demand Changes**	% Change From Last Rate Case	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Rate	$6.1660	$7.1402	$6.1660	$6.1386	-0.44%	-14.03%	-0.44%	($0.0274)
Demand Rate	$0.8840	$1.1741	$0.8840	$0.9122	3.19%	-22.31%	3.19%	$0.0282
Margin	$1.7870	$1.1771	$1.7870	$1.7870	0.00%	51.81%	0.00%	$0.0000
Total Recovery	$8.8370	$9.4914	$8.8370	$8.8378	0.01%	-6.89%	0.01%	$0.0008
Avg. Annual Bill*	$1,122.30	$1,205.41	$1,122.30	$1,122.40	0.01%	-6.89%	0.01%	$0.1016
Effect of proposed commodity change on average annual bills:								($3.4798)
Effect of proposed demand change on average annual bills:								$3.5814

2) Small Volume Interruptible: Avg. Annual Use: **4,948 Mcf**

Recovery	Last Base Cost of Gas G011/MR-08 836	Last Demand Change M-07-1405	Most Recent PGA Oct 1/08	Oct 1/08 PGA w/ Proposed Demand Changes**	% Change From Last Rate Case	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Rate	$6.1660	$7.1402	$6.1660	$6.1386	-0.44%	-14.03%	-0.44%	($0.0274)
Demand Rate	$0.0000	$0.0000	$0.0000	$0.0000	0.00%	0.00%	0.00%	$0.0000
Margin	$1.2800	$0.9000	$1.2800	$1.2800	0.00%	42.22%	0.00%	$0.0000
Total Recovery	$7.4460	$8.0402	$7.4460	$7.4186	-0.37%	-7.73%	-0.37%	($0.0274)
Avg. Annual Bill*	$36,842.81	$39,782.91	$36,842.81	$36,707.23	-0.37%	-7.73%	-0.37%	($135.5752)
Effect of proposed commodity change on average annual bills:								($135.5752)
Effect of proposed demand change on average annual bills:								$0.0000

3) Large Volume Interruptible: Avg. Annual Use: **14,841 Mcf**

Recovery	Last Base Cost of Gas G011/MR-08 836	Last Demand Change M-07-1405	Most Recent PGA Oct 1/08	Oct 1/08 PGA w/ Proposed Demand Changes**	% Change From Last Rate Case	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Rate	$6.1660	$7.1402	$6.1660	$6.1386	-0.44%	-14.03%	-0.44%	($0.0274)
Demand Rate	$0.0000	$0.0000	$0.0000	$0.0000	0.00%	0.00%	0.00%	$0.0000
Margin	$0.3770	$0.2600	$0.3770	$0.3770	0.00%	45.00%	0.00%	$0.0000
Total Recovery	$6.5430	$7.4002	$6.5430	$6.5156	-0.42%	-11.95%	-0.42%	($0.0274)
Avg. Annual Bill*	$97,104.66	$109,826.37	$97,104.66	$96,698.02	-0.42%	-11.95%	-0.42%	($406.6434)
Effect of proposed commodity change on average annual bills:								($406.6434)
Effect of proposed demand change on average annual bills:								$0.0000

4) Small Volume Firm: Avg. Annual Use: **1 Mcf (MERC-PNG currently has no customers in this class.)**
Avg. Annual CD Volumes: **1 Mcf**

Recovery	Last Base Cost of Gas G011/MR-08 836	Last Demand Change M-07-1405	Most Recent PGA Oct 1/08	Oct 1/08 PGA w/ Proposed Demand Changes**	% Change From Last Rate Case	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Rate	$6.1660	$7.1402	$6.1660	$6.1386	-0.44%	-14.03%	-0.44%	($0.0274)
Demand Rate	$10.0988	$12.4583	$10.0988	$9.9079	-1.89%	-20.47%	-1.89%	($0.1909)
Comm. Margin	$1.2800	$0.9000	$1.2800	$1.2800	0.00%	42.22%	0.00%	$0.0000
SV Dem. Margin	$1.8000	$1.5000	$1.8000	$1.8000	0.00%	20.00%	0.00%	$0.0000
Total Commodity Cost	$7.4460	$8.0402	$7.4460	$7.4186	-0.37%	-7.73%	-0.37%	($0.0274)
Total Demand Cost	$11.8988	$13.9583	$11.8988	$11.7079	-1.60%	-16.12%	-1.60%	($0.1909)
Avg. Annual Bill*	$19.34	$22.00	$19.34	$19.13	-1.13%	-13.06%	-1.13%	($0.2183)
Effect of proposed commodity change on average annual bills:								($0.0274)
Effect of proposed demand change on average annual bills:								($0.1909)

5) Large Volume Firm: Avg. Annual Use: **1 Mcf (MERC-PNG currently has no customers in this class.)**
Avg. Annual CD Units: **1 Mcf**

Recovery	Last Base Cost of G G011/MR-08 836	Last Demand Change M-07-1405	Most Recent PGA Oct 1/08	Oct 1/08 PGA w/ Proposed Demand Changes**	% Change From Last Rate Case	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Rate	$1.6138	$7.1402	$6.1660	$6.1386	280.38%	-14.03%	-0.44%	($0.0274)
Demand Rate	$10.0988	$12.4583	$10.0988	$9.9079	-1.89%	-20.47%	-1.89%	($0.1909)
Comm. Margin	$0.3770	$0.2600	$0.3770	$0.3770	0.00%	45.00%	0.00%	$0.0000
LV Dem. Margin	$1.5000	$1.2000	$1.5000	$1.5000	0.00%	25.00%	0.00%	$0.0000
Total Commodity Cost	$1.9908	$7.4002	$6.5430	$6.5156	227.29%	-11.95%	-0.42%	($0.0274)
Total Demand Cost	$11.5988	$13.6583	$11.5988	$11.4079	-1.65%	-16.48%	-1.65%	($0.1909)
Avg. Annual Bill*	$13.59	$21.06	$18.14	$17.92	31.89%	-14.89%	-1.20%	($0.2183)
Effect of proposed commodity change on average annual bills:								($0.0274)
Effect of proposed demand change on average annual bills:								($0.1909)

* Average Annual Bill amount does not include customer charges.
** Commodity includes Upstream costs.

Customer Class	Commodity Change ($/Mcf)	Commodity Change (Percent)	Demand Change ($/Mcf)	Demand Change (Percent)	Total Change ($/Mcf)		Total Change (Percent)
All Firm	($0.0274)	-0.44%	$0.0282	3.19%	0.0008		0.01%
Sm Vol Inter. Service	($0.0274)	-0.44%	$0.0000	0.00%	(0.0274)		-0.37%
Lrg Vol Inter. Service	($0.0274)	-0.44%	$0.0000	0.00%	(0.0274)		-0.42%
Sm Vol Joint Service	($0.0274)	-0.44%	($0.1909)	-1.89%	(0.2183)	***	-1.13%
Lrg Vol Joint Service	($0.0274)	-0.44%	($0.1909)	-1.89%	(0.2183)	***	-1.20%

***** Joint total change includes only commodity change since not all joint customers purchase CD units.**
Note: The commodity figure with updated demand entitlement levels of $6.1386 includes $0.1594 in costs related to storage and producer demand per the Company's supplemental comments filed on March 7, 2008.

OES Attachment S-2

MERC-PNG's Northern PGA System Rate Impact Analysis as Modified by the OES

I. Minnesota Energy Resources Corporation's Cost of Gas

	Summer	Winter	Weighted Annual
TF-12B	7.5776	15.1530	10.7340
TF-12V	9.0926	7.6050	8.4728
TF-5	0.0000	4.5600	4.5600
FTX	9.6288	5.6830	7.9847
Field TF	0.0000	0.0000	0.0000
Commodity			**5.9792**

II. Annual Firm Sales – Rate Case 2008 General Service (CCF) **209,429,630**

III. Minnesota Energy Resources Corporation's Cost of Gas

A. GS, SVI, LVI		MCF	Months	Rate/MCF	Total	Rate/CCF
	TF-12-B	25,469	12	7.5776	$2,315,927	$0.01221
	TF-12-V	32,690	12	9.0926	$3,566,845	$0.01881
	TF-5	26,064	5	15.1530	$1,974,739	$0.01041
	TF-12B (Discount Winter)	4,437	12	6.4838	$345,223	$0.00182
	TF-5 (Discount Winter)	763	5	7.6050	$29,013	$0.00015
	TFX-12	9,724	12	9.6288	$1,123,565	$0.00593
	TFX-5	6,000	5	4.5600	$136,800	$0.00072
	TFX Apr	2,000	1	5.6830	$11,366	$0.00006
	TFX Oct	2,000	1	5.6830	$11,366	$0.00006
	TFX-5 (Max)	46,558	5	15.1530	$3,527,467	$0.01860
	TFX-5 (Discount)	2,196	5	13.8736	$152,332	$0.00080
	TFX-5 (Discount)	1,800	5	7.6050	$68,445	$0.00036
	TFX-12 (Discount)	414	12	4.8667	$24,178	$0.00013
	TFX-12 (Discount)	8,271	12	5.4570	$541,618	$0.00286
	TFX-7	10,837	7	2.2204	$168,437	$0.00089
	TFX-5 (Discount)	122	5	4.8667	$2,969	$0.00002
	TFX-5 (Discount)	2,445	5	5.4570	$66,712	$0.00035
	TFX-5 (Discount)	31,009	5	15.1475	$2,348,544	$0.01239
	SMS Charge	20,537	12	2.1800	$537,248	$0.00283
	Option	26,323	3	4.3463	$343,223	$0.00181
	Windom	0	12	0	$0	$0.00000
	Exchange	0		2.0035	$0	$0.00000
	Total Demand Cost				**$17,296,018**	**$0.09122**
	FDD: Res Fee	68,309	12	1.7140	$1,404,980	$0.00671
	FDD: Capacity	787,676	5	0.3567	$1,404,820	$0.00671
	FDD-Reservation	3,141	12	1.714	$64,604	$0.00031
	FDD-Storage Cycle	36,221	5	0.3567	$64,600	$0.00031
	FDD-Reservation	5,026	12	3.3157	$199,976	$0.00095
	FDD-Storage Cycle	57,953	5	0.6901	$199,967	$0.00095
	Total Storage				**$3,338,947**	**$0.01594**
	GS Rate Case 2008 Volume in CCF--Demand Costs				**189,613,000**	
	GS-1 Demand Base Cost of Gas/Ccf					**$0.09122**

GS-1 Commodity Base Cost of Gas/Ccf		209,429,630	$0.59792	$125,222,164	$0.59792
FDD Storage Costs				$3,338,947	$0.01594
Call Option Premium				$0	$0.00000
Commodity Assigned 636 Costs From Schedule C				$0	$0.00000
All Classes Commodity				$128,561,112	$0.61386
All Classes Rate Case 2008 Volume in Ccf				209,429,630	
Commodity Cost of Gas/CCF					**$0.61386**
Total Cost of Gas/CCF					**$0.70508**

B. GS-1, SVI, SJ-1, LJ-1, SLV-Commodity

Total Base Commodity Cost of Gas/CCF	$0.61386
Firm Transportation Base Cost of Gas/CCF	$1.07340

C. Joint Rate Demand Calculation (See MERC's Sch. C) $9.9079 /MCF $0.99079

OES Attachment S-2
MERC-PNG's Northern PGA System Rate Impact Analysis as Modified by the OES

Costs Assigned In Commodity:

Canadian Contracts	Units	Cost/Unit	Day/Mo.	Cost	$/MCF
Upstream					
NBPL (West Coast)	0	$0.000	12	$0	$0.00000
FT0011 (GLGT-Nexen)	0	$10.278	7	$0	$0.00000
Great Lakes	0	$3.458	12	$0	$0.00000
					$0.00000
Storage					
FDD Withdrawal	0	$0.0149		$0	$0.00000
FDD Injection	0	$0.0149		$0	$0.00000
FDD Withdrawal	0	$0.0149		$0	$0.00000
FDD Injection	0	$0.0149		$0	$0.00000
					$0.00000
Producer Demand Payments				$0	$0.00000
Total Commodity Costs				$0	$0.00000

Costs Assigned In Joint Rate

	Units	Months	Rate	Total	Rate/Mcf
TF-12-B	25,469	12	$7.5776	$2,315,927	$1.32667
TF-12-V	32,690	12	$9.0926	$3,566,845	$2.04325
TF5-(12V)	26,064	5	$15.1530	$1,974,739	$1.13122
TF-12B	4,437	12	$6.4838	$345,223	$0.19776
TF5 (Discount-Winter)	763	5	$7.6050	$29,013	$0.01662
TFX5	6,000	5	$4.5600	$136,800	$0.07837
TFX12	9,724	12	$9.6288	$1,123,565	$0.64363
TFX Oct	2,000	1	$5.6830	$11,366	$0.00651
TFX5	2,000	1	$5.6830	$11,366	$0.00651
TFX5	46,558	5	$15.1530	$3,527,467	$2.02069
TFX5 (Discount)	2,196	5	$13.8736	$152,332	$0.08726
TFX5 (Discount)	1,800	5	$7.6050	$68,445	$0.03921
TFX12 (Discount)	414	12	$4.8667	$24,178	$0.01385
TFX12 (Discount)	8,271	12	$5.4570	$541,618	$0.31026
TFX7 (Discount)	10,837	7	$2.2204	$168,437	$0.09649
TFX5 (Discount)	122	5	$4.8667	$2,969	$0.00170
TFX5 (Discount)	2,445	5	$5.4570	$66,712	$0.03822
TFX5 (Discount)	31,009	5	$15.1475	$2,348,544	$1.34535
SMS Charge	20,537	12	$2.1800	$537,248	$0.30776
LS Power	26,323	3	$4.3463	$343,223	$0.19661
Windom	2,500	12	$0.0000	$0	$0.00000
Exchange	0	1	$2.0035	$0	$0.00000
FDD-Reservation	3,141	12	$1.7140	$64,604	$0.03701
FDD-Storage Cycle	36,221	5	$0.3567	$64,600	$0.03701
FDD-Reservation	5,026	12	$3.3157	$199,976	$0.11456
FDD-Storage Cycle	57,953	5	$0.6901	$199,967	$0.11455
FDD-Reservation	68,309	12	$1.7140	$1,404,980	$0.80484
FDD-Storage Cycle	787,676	5	$0.3567	$1,404,820	$0.80474
Total Demand Cost		Total		$17,296,018	
		Annualized Entitlement Mcf		1,745,673	
		Demand Component		$9.9079	$9.9079

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, 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 Office of Energy Security
Supplemental Response Comments

Docket No. G011/M-08-1328

Dated this **16th** day of **September**, **2009**

/s/Sharon Ferguson

Service List Name	First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret
OFF_SL_08-1328_1	Burl W.	Haar	burl.haar@state.mn.us	MN Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes
OFF_SL_08-1328_1	Gregory J.	Walters	gjwalters@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	P.O. Box 6538 Rochester, MN 559036538	Paper Service	No
OFF_SL_08-1328_1	John	Lindell	agorud.ecf@state.mn.us	OAG-RUD	900 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No
OFF_SL_08-1328_1	Julia	Anderson	Julia.Anderson@state.mn.us	MN Office Of The Attorney General	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No
OFF_SL_08-1328_1	Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	Suite 1500 50 South Sixth Street Minneapolis, MN 554021498	Paper Service	No
OFF_SL_08-1328_1	Sharon	Ferguson	sharon.ferguson@state.mn.us	MN Department Of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	Yes