

The Commission met on **Thursday, August 19, 2021**, with Chair Sieben and Commissioners Means, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

E017/M-20-882

In the Matter of Otter Tail Power Company's Petition to Add New Service Offerings to LED Street and Area Lighting Dusk to Dawn Electric Rate Schedule.

Chair Sieben moved that the Commission approve Otter Tail's Petition, with modifications to tariff language proposed in the Department's Reply Comments.

The motion passed 4-0.

E015/M-20-830

In the Matter of Minnesota Power's Proposed Changes for Lighting Rates and Options

Commissioner Tuma moved that the Commission approve Minnesota Power's proposed LED rates and its closure of Mercury Vapor rates to new installations.

The motion passed 4-0.

G-004/M-21-217

In the Matter of Application of Great Plains Natural Gas, for Approval of its 2020 Gas Affordability Program Annual Report and Updated GAP Surcharge

G-008/M-21-218

In the Matter of Application of CenterPoint Energy Resources Corp., for Approval of its 2020 Gas Affordability Service Program Annual Report

G-002/M-21-220

In the Matter of Application of Northern States Power Company for Approval of its 2020 Gas Affordability Program Annual Report and Proposed Tariff Modifications

G-022/M-21-221

In the Matter of the Application of Greater Minnesota Gas, Inc. for Approval of its 2020 Gas Affordability Program Annual Report

G-011/M-21-224

In the Matter of the Application of Minnesota Energy Resources Corporation for Approval of its 2020 Gas Affordability Program Annual Report

Commissioner Tuma moved that the Commission:

1. Accept the natural gas utilities' GAP annual reports.
2. Require each of the utilities to include in their March 2022 annual reports their observations of any unusual GAP enrollment trends that could be caused by pandemic-related factors.
3. Approve CenterPoint's request to increase its surcharge rate to \$0.00264 per therm from \$0.00236 per therm.
4. Authorize CenterPoint to reduce the payment requirement from 6% to 3% of participating customers' income.
5. Approve CenterPoint's proposed adjustment to the GAP affordability and arrearage forgiveness levels from 4% to 2% and from 2% to 1%.
6. Require CenterPoint to include, in its next annual GAP filing, a discussion of whether the payment requirement should return to the 6% level or remain at 3%.
7. Require CenterPoint to discuss, in future annual GAP filings, whether or not the spending cap should revert to \$5 million and to include this discussion in each report until the lower spending cap is reinstated.

8. Authorize CenterPoint to increase its GAP spending cap from \$5 million to \$7 million.
9. Require CenterPoint to promote LIHEAP to more past-due customers.
10. Require CenterPoint to report on outreach activities to expand LIHEAP participation.
11. Require Xcel to temporarily change its GAP affordability credit threshold from 4% to 3% of participating customers' income until the tracker balance is below \$50,000. Xcel must then file a proposal in its next annual GAP filing on whether to revert to the 4% threshold, maintain the 3% threshold, or change the threshold to a different level.
12. Approve MERC's proposal to temporarily suspend the \$750,000 annual spending cap when a permanent modification to its 3% threshold is implemented.
13. Require MERC, within 90 days, to temporarily reduce the affordability threshold to 3% and in its next scheduled GAP filing, to discuss the effect of the change on the program tracker balance and discuss: whether to revert, maintain, or otherwise modify the affordability threshold; whether to reduce the surcharge; as well as what to do regarding the spending cap.
14. Require MERC to calculate GAP credits based on actual annual participant natural gas bills and on actual GAP customer annual household income.
15. Require MERC to file a compliance filing upon implementation of the changes to its GAP in accordance with the Commission's Order, with revised tariff language reflecting the date those changes are implemented.
16. Discontinue the reporting requirement in Point 2 of the Commission's May 12, 2008 Order in Docket No. G004/M-07-1235, which requires Great Plains to provide in its annual GAP reports "...an evaluation of the assumed GAP participation 8 rate of five percent in light of actual participation in the Program." Note that, per the annual reporting requirements applicable to all utilities with a GAP, Great Plains would continue to report, as it has in prior years, the percentage of LIHEAP customers that participate in GAP.
17. Discontinue the reporting requirement in Point 3 of the Commission's May 12, 2008 Order in Docket No. G-004/M-07-1235, which requires Great Plains to provide in its annual GAP reports "...the actual annual average cost per participant for the Program, and...a discussion concerning any deviation of the actual annual average cost per participant compared to the assumed average annual cost per participant of \$555." Per the annual reporting requirements applicable to all utilities with a GAP, Great Plains would continue to report, as it has in prior years, the actual annual GAP costs, and number of GAP participants.

18. Discontinue the reporting requirement in Point 4 of the Commission’s May 12, 2008 Order in Docket No. G-004/M-07-1235, which requires Great Plains to provide in its annual GAP reports “...the Company's conclusion regarding the reported evaluation data, together with the Company proposal concerning the GAP on a going forward basis.” The “evaluation data” cited in the preceding quote refers to the reporting requirements per Points 2 and 3 of the Commission’s May 12, 2008 Order in Docket No. G-004/M-07-1235.

The motion passed 4-0.

Chair Sieben moved that the Commission:

1. Require CenterPoint to report, in its next annual GAP report, on the transition from ECC administration of the GAP program to CenterPoint internal administration of the program and to file the following:
 - a. The number of CenterPoint employees who are trained and work with customers on the GAP program, and the location of these employees;
 - b. An explanation of how CenterPoint’s allocation of GAP-related employees in and outside of Minnesota, and how that decision best serves ratepayers in Minnesota;
 - c. A description of the training CenterPoint provides to these employees; and
 - d. A description of how CenterPoint collaborates with low-income organizations and CAP agencies in Minnesota.

The motion passed 4-0.

E-002/M-20-620

In the Matter of Xcel Energy’s Wind Repower Portfolio

Commissioner Tuma moved that the Commission:

1. Approve the First and Second Amendments to the Ewington Wind PPA.
2. Require Xcel to make a compliance filing by June 30, 2022 that provides a status of the Ewington Repowering Project

The motion passed 4-0.

E,G002/D-19-723

In the Matter of the Petition of Northern States Power Company for Approval of its 2020 Annual Review of Remaining Lives and Five-Year Depreciation Study

Commissioner Means moved that the Commission:

1. Approve a two-year passage of time adjustment for its natural gas and electric production and gas storage facilities, except for the Luverne Wind2Battery system and the Wescott LNG plant. Deny Xcel's request to extend the remaining life of the Wescott LNG Plant until the status and prudence of the plant can be reviewed in Xcel's upcoming natural gas general rate case.
2. Approve a remaining life of zero years for the inoperable Wind2 Battery system, effective January 1, 2021.
3. Require Xcel to write off the \$0.9 million in remaining net book value as required by generally accepted accounting principles.
4. Require Xcel, if it seeks recovery of removal costs for the Luverne Wind2Battery in its next general rate case, to address the prudence of the estimated removal costs and ensure that such costs are not included in interim rates in that proceeding.
5. Approve Xcel's proposal to reallocate accumulated production reserve balances (mainly from the Minnesota Valley plant to the Black Dog plant) for dismantling costs, except for the costs of the removal of the Luverne Wind2Battery system.
6. Approve the proposed initial remaining lives of 25 years and net salvage rates of negative 10.5 percent for the Blazing Star II, Crowned Ridge, Freeborn, and Dakota Range wind farms, as of the actual in-service dates for each facility.
7. Require Xcel to file, or continue to file, in future depreciation filings:
 - a comparison of depreciation remaining lives and resource planning lives for electric production with an explanation of any difference;
 - an historical comparison of changes in remaining lives and net salvage rates;
 - a supplemental schedule showing the total (in addition to the remaining) depreciable lives of the Company's electric production facilities;
 - updates on the removal costs for the Minnesota Valley Plant, Key City Plant, Granite City Plant, and Black Dog Units 3-4, including the impact on depreciation reserves and a final true-up when the retirement/removal is completed; and

- a supplemental schedule with: the actual costs to date, projected future costs, and percentage of completion-to-date for the Minnesota Valley Plant, Key City Plant, Granite City Plant, and Black Dog Units 3-4, as applicable.

8. Require Xcel to file its next five-year depreciation study no later than February 1, 2025.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: November 3, 2021

A handwritten signature in black ink, appearing to read "Will Seuffert", with a long horizontal flourish extending to the right.

Will Seuffert, Executive Secretary