

The Commission met on **Thursday, August 11, 2022**, with Chair Sieben and Commissioners Means, Schuerger, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

FERC Docket No. RM21-17-000

In the Matter of the Federal Energy Regulatory Commission (FERC) Proposed Rulemaking on Building for the Future Through Electric Regional Transmission Planning and Cost Allocation and Generator Interconnection

Commissioner Schuerger moved that the Commission:

1. File comments in FERC Docket No. RM21-17-000.
2. Support the OMS comments in FERC Docket No. RM21-17-000.
3. Delegate final approval of the OMS comments in FERC Docket No. RM21-17-000 to Commissioner Sullivan.
4. Delegate final approval of subsequent OMS comments in FERC Docket No. RM21-17-000 to Commissioner Sullivan.

The motion passed 5–0.

G-004/M-21-235

In the Matter of the Petition by Great Plains Natural Gas Co., a Division of Montana-Dakota Utilities Co., for Approval of Rule Variances to Recover High Natural Gas Costs from February 2021

Commissioner Tuma moved that the Commission:

1. Adopt the Administrative Law Judges' Findings of Fact, Conclusions of Law, and Recommendation to the extent that they are consistent with the Commission's decision as set forth in the order.
2. Find that Great Plains Natural Gas Co. (Great Plains) did not meet its burden to prove it acted prudently with respect to storage and, therefore, disallow recovery of \$439,635.
3. Find that Great Plains did not meet its burden to prove it acted prudently with respect to curtailment and, therefore, disallow recovery of \$405,453.

4. Order Great Plains to, within 60 days, make a compliance filing that updates the remaining recovery amount and also updates the recovery factors for the remainder of 27-month recovery period. Delegate approval of this compliance filing to the Executive Secretary.
5. Order Great Plains to incorporate any remaining true-up into its next annual AAA report following the end of the 27-month period.

The motion passed 4 to 1, with Commissioner Means voting no.

G-008/M-21-138

In the Matter of the Petition of CenterPoint Energy for Approval of a Recovery Process for Cost Impacts Due to February Extreme Gas Market Conditions

Commissioner Sullivan moved that the Commission:

1. With respect to CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas (CenterPoint) only, modify the Commission's August 30, 2021 Order Point 12 in Docket No. G-999/CI-21-135 and its December 30, 2021 Order in Docket No. G-008/M-21-755 as follows:

CenterPoint must exempt low-income residential customers who ~~receive or previously received~~ applied and were eligible for Low Income Home Energy Assistance Program (LIHEAP) assistance during 2019–2020, 2020–2021, 2021–2022, ~~or 2022–2023,~~ 2023–2024, 2024–2025, 2025–2026, or 2026–2027 as well as those residential customers who are 60 to 120 days in arrears on their natural gas bills, from the extraordinary cost surcharge established in this order. ~~The Gas Utilities~~ CenterPoint shall ~~are authorized to~~ recalibrate the customers covered by this exemption once every six months — exempting any customers who newly applied and were eligible for LIHEAP or who fall within the category of being greater than 60 days and less than 120 days in arrears on a going-forward basis and removing customers who are no longer greater than 60 days and less than 120 days in arrears. ~~The Gas Utilities~~ CenterPoint will set exempted customers based on arrears and current or previous LIHEAP status as of June 30, 2021. These exemptions will be adjusted effective:

March 1, 2022, based on arrears and new LIHEAP enrollments as of January 31, 2022;

September 1, 2022, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of July 31, 2022;

March 1, 2023, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of January 31, 2023;

September 1, 2023, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of July 31, 2023;

March 1, 2024, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of January 31, 2024;

September 1, 2024, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of July 31, 2024;

March 1, 2025, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of January 31, 2025;

September 1, 2025, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of July 31, 2025;

March 1, 2026, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of January 31, 2026;

September 1, 2026, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of July 31, 2026.

2. Order CenterPoint to exempt residential customers who applied for Cold Weather Rule (CWR) protection and met income eligibility criteria from the extraordinary cost surcharge as follows:

- September 1, 2022 for low-income CWR customers from the previous CWR season (October 1, 2021 – April 30, 2022);
- September 1, 2023 for low-income CWR customers from the previous CWR season (October 1, 2022 – April 30, 2023);
- September 1, 2024 for low-income CWR customers from the previous CWR season (October 1, 2023 – April 30, 2024);
- September 1, 2025 for low-income CWR customers from the previous CWR season (October 1, 2024 – April 30, 2025); and
- September 1, 2026 for low-income CWR customers from the previous CWR season (October 1, 2025 – April 30, 2026).

The motion passed 5–0.

Commissioner Sullivan moved that the Commission:

1. Adopt the Administrative Law Judges’ Findings of Fact, Conclusions of Law, and Recommendation to the extent that they are consistent with the Commission’s decision as set forth in the order.

2. Find that CenterPoint did not meet its burden to prove it acted prudently with respect to its Waterville/Medford storage facility and, therefore, disallow recovery of \$3,810,503.
3. For February 17, find that CenterPoint did not meet its burden to prove it acted prudently with respect to its BP Canada storage facility and, therefore, disallow recovery of \$12,195,499.
4. Find that CenterPoint did not meet its burden to prove it acted prudently with respect to its peaking facilities and, therefore, disallow recovery of \$12,431,429.
5. For February 17 only, find that CenterPoint did not meet its burden to prove it acted prudently with respect to curtailment and, therefore, disallow recovery of \$7,279,592.
6. Order CenterPoint to, within 60 days, make a compliance filing that updates the remaining recovery amount and also updates the recovery factors for the remainder of 63-month recovery period. Delegate approval of this compliance filing to the Executive Secretary.
7. Order CenterPoint to incorporate any remaining true-up into its next annual AAA report following the end of the 63-month period.

The motion passed 4–1, with Commissioner Means voting no.

G-002-CI-21-610

In the Matter of the Petition of Northern States Power Company, d/b/a Xcel Energy to Recover February 2021 Natural Gas Costs

Commissioner Schuerger moved that the Commission, for February 17 only, find that Northern States Power Company d/b/a Xcel Energy (Xcel) did not meet its burden to prove it acted prudently with respect to its peaking plants and, therefore, disallow recovery of \$14,688,960.

The motion passed 4–1, with Commissioner Means voting no.

Commissioner Schuerger moved that the Commission, for February 17, find that Xcel did not meet its burden to prove it acted prudently with respect to its load forecasting and, therefore, disallow recovery of \$4,351,593.

The motion passed 4–1, with Commissioner Means voting no.

Commissioner Schuerger moved that the Commission:

1. Adopt the Administrative Law Judges’ Findings of Fact, Conclusions of Law, and Recommendation to the extent that they are consistent with the Commission’s decision as set forth in the order.

2. Order Xcel to, within 60 days, make a compliance filing that updates the remaining recovery amount and also updates the recovery factors for the remainder of 27-month and 63-month recovery periods, and updates the tariff accordingly. Delegate approval of this compliance filing to the Executive Secretary.
3. Order Xcel to incorporate any remaining true-up into its next annual AAA report following the 27-month and 63-month periods.

The motion passed 5–0.

Commissioner Means moved that the Commission, with respect to Xcel only, modify the Commission’s August 30, 2021 Order Point 12 in Docket 21-610 as follows:

Xcel must exempt low-income residential customers who ~~receive or previously received~~ applied and were eligible for Low Income Home Energy Assistance Program (LIHEAP) assistance during 2019–2020, 2020–2021, 2021–2022, ~~or 2022–2023, 2023-2024, 2024-2025, 2025-2026, or 2026-2027~~ as well as those residential customers who are 60 to 120 days in arrears on their natural gas bills, from the extraordinary cost surcharge established in this order. ~~The Gas Utilities~~ Xcel ~~shall be authorized to~~ recalibrate the customers covered by this exemption once every six months — exempting any customers who newly applied and were eligible for LIHEAP or who fall within the category of being greater than 60 days and less than 120 days in arrears on a going-forward basis and removing customers who are no longer greater than 60 days and less than 120 days in arrears. ~~The Gas Utilities~~ Xcel will set exempted customers based on arrears and current or previous LIHEAP status as of June 30, 2021. These exemptions will be adjusted effective:

March 1, 2022, based on arrears and new LIHEAP enrollments as of January 31, 2022;

September 1, 2022, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of July 31, 2022;

March 1, 2023, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of January 31, 2023;

September 1, 2023, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of July 31, 2023;

March 1, 2024, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of January 31, 2024;

September 1, 2024, based on arrears and customers who applied and were determined eligible for LIHEAP ~~enrollments~~ as of July 31, 2024;

March 1, 2025, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of January 31, 2025;

September 1, 2025, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of July 31, 2025;

March 1, 2026, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of January 31, 2026;

September 1, 2026, based on arrears and customers who applied and were determined eligible for LIHEAP enrollments as of July 31, 2026.

The motion passed 5–0.

G-011/CI-21-611

In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of a Recovery Process for Cost Impacts Due to February Extreme Gas Market Conditions

Chair Sieben moved that the Commission:

1. Adopt the settlement proposed by Minnesota Energy Resources Corporation (MERC), the Department of Commerce – Division of Energy Resources, the Office of the Attorney General – Residential Utilities Division, and the Citizens Utility Board of Minnesota.
2. Adopt the Administrative Law Judges’ Findings of Fact, Conclusions of Law, and Recommendation to the extent that they are consistent with the Commission’s decision as set forth in the order.
3. Order MERC to, within 60 days, make a compliance filing that updates the remaining recovery amount and also updates the recovery factors for the remainder of 27-month recovery period. Delegate approval of this compliance filing to the Executive Secretary.
4. Order MERC to incorporate any remaining true-up into its next annual AAA report following the end of the 27-month period.

The motion passed 5–0.

G-999/CI-21-135

In the Matter of a Commission Inquiry into the Impact of Severe Weather in February 2021 on Minnesota Natural Gas Utilities and Customers

Chair Sieben moved that the Commission:

1. Require each impacted natural gas utility to review its gas contracting, purchasing, hedging, storage, peak-shaving, interruptible, customer communications, and other

relevant practices and, by September 15, 2022, file a plan in its respective docket and in CI-21-135 on how it will improve or modify its practices to protect ratepayers from extraordinary natural gas price spikes in the future. As part of its plan, each utility shall identify the general timeframe it will implement the modifications, and, if the proposed change requires modification of tariff, proposed tariff language. Utilities should also identify, in their filings: a) how integrated resource planning could facilitate ratepayer protection from price spikes; and b) any statutory or rule changes that could be implemented to protect ratepayers from future price spikes. Utilities should also provide an analysis of whether they considered filing a plan pursuant to Minn. Stat. § 216B.167 (Performance-Based Gas Purchasing Plan) and their analysis of why they are not using the statute if they have chosen not to proceed with such a plan. Utilities should also indicate how any proposed tariff, rule, or statutory changes are consistent with the Natural Gas Innovation Act (Minn. Stat. §§ 216B.2427 and 216B.2428). Reply comments to the utility plans will be due by October 14, 2022. The Commission shall hold hearings on these plans on or before December 9, 2022.

2. Revoke Order Point 26 of the Commission's August 30, 2021 Order in Dockets 21-135, 21-138, 21-235, 21-610 and 21-611.

The motion passed 5–0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: August 24, 2022



Will Seuffert, Executive Secretary