COMMERCE DEPARTMENT

August 28, 2025

Mike Bull
Interim Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce
Docket No. G022/M-25-70

Dear Mr. Bull:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

Petition for a Change in Contract Demand Entitlement.

The Petition was filed by Greater Minnesota Gas on March 31, 2025.

The Department **requests additional information and clarification regarding Greater Minnesota Gas' Proposed Overall Demand Entitlement Quantities and Rates** as described herein and will provide its final recommendations to the Minnesota Public Utilities Commission (Commission) after Greater Minnesota Gas files its Reply Comments. The Department is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ Dr. SYDNIE LIEB
Assistant Commissioner of Regulatory Analysis

JPK/ad
Attachment

Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce

Docket No. G002/M-25-70

I. INTRODUCTION

The Minnesota Department of Commerce, Division of Energy Resources (Department) provides its comments on the Demand Entitlement Filing (Petition) of Greater Minnesota Gas (Greater Minnesota, GMG or the Company) in Docket No. G022/M-25-70. Pursuant to Minn. R. 7825.2910, Subp. 2, GMG filed a petition requesting a change in demand on March 31, 2025.

The Company is proposing an increase of 1,060 dekatherms (Dth) per day to its overall demand entitlement. Greater Minnesota's proposed reserve margin for the upcoming heating season is 17.31 percent. The proposed changes will increase an average residential customer's average annual cost of gas by an estimated 2.2 percent and an average commercial customer's annual bill by that same percentage.

The Department provides its analysis of the Petition below and will provide its final recommendations upon review of the Company's Reply Comments and its November 1, 2025, compliance filing.

II. PROCEDURAL BACKGROUND

March 31, 2025	GMG submitted its petition requesting a change in its 2025-2026 Contract Demand Entitlement.[1]
May 30, 2025	GMG submitted an amended petition for its 2025-2026 Contract Demand Entitlement.[2]

Minn. R. 7825.2910, Subp. 2 requires a natural gas utility to file a petition requesting a change in demand.[3]

III. DEPARTMENT ANALYSIS

The Department's analysis of the Company's request includes the following areas:

- The proposed overall demand entitlement level.
- The design-day requirements.

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[1] *Petition for a Change in Contract Demand Entitlement,* Petition, March 31, 2025, Docket No. G022/M-25-70 (eDockets) 20257-217046-01 (hereinafter: 2025 Petition).

[2] *Petition for a Change in Contract Demand Entitlement,* Amended Petition, May 30, 2025, Docket No. G022/M-25-70 (eDockets) 20255-219437-01 (hereinafter: 2025 Amended Petition).

[3] Minn. R. 7825.2910, Subp. 2: "Filing upon a change in demand. Gas utilities shall file for a change in demand to increase or decrease demand, to redistribute demand percentages among classes, or to exchange one form of demand for another."

- The proposed reserve margin.
- The estimated effects and timing of the proposed changes to the Company's Purchased Gas Adjustment (PGA) and the effect on customer's rates and monthly bills.
- A review of the Company's efforts to meet the Commission's reporting requirements in Orders relating to this filing.
- A discussion of GMG's efforts to recognize the effects of electrification/decarbonization into its design-day estimate and sales forecast.

A. PROPOSED OVERALL DEMAND ENTITLEMENT LEVEL

A.1. Proposed Quantity Changes

A.1.1. Firm Pipeline Capacity - Additions

GMGs proposed one change to its contracted firm pipeline capacity in its Petition. The Company requested an additional 60 Dth/day of year-round firm capacity on Northern Natural Gas Interstate Pipeline (Northern or NNG).[4] GMG executed this contract in March 2025 and is requesting approval of its proposal to begin recovering the costs of this agreement through its monthly Purchased Gas Adjustment (PGA) on April 1, 2025. In its Amended Petition, GMG requested an additional 1,000 Dth/day of year-round firm pipeline capacity (FPC) also on NNG.[5] GMG executed this contract in May 2025 and is requesting approval of its proposal to begin recovering the costs of this agreement through its monthly Purchased Gas Adjustment (PGA) on June 1, 2025. Table 1 summarizes this information.

Table 1: Proposed Changes to GMG's Firm Pipeline Capacity 2025-2026

Type of Entitlement	Proposed Increase (Decrease) (Dekatherms (Dth))
TF-12 (Apr. – Mar.)[6]	60
TF-12 (Apr. – Mar.)[7]	1,000

Table 2 summarizes the Company's proposed increase in its contracted FPC for the 2025-2026 heating season:

[4] 2025 Petition at 2.
[5] 2025 Amended Petition at 1.
[6] TF-12 is a firm throughput service on Northern Natural Gas (Northern or NNG) Interstate Pipeline Company.
[7] TF-12 is a firm throughput service on Northern Natural Gas (Northern or NNG) Interstate Pipeline Company.

Table 2: Proposed Entitlement Changes (in Dth/day)

FPC 2024-2025	FPC 2025-2026 (Dth)	Proposed Increase in FPC	Effective Date of Change	% Change From Previous Approved or Proposed FPC
20,108[8]	20,168	60	Apr. 1, 2025	0.30%[9]
20,168	21,168	1,000	Jun. 1, 2025	4.96%[10]

Table 3 provides the results of the calculation of the percentage change from the Company's approved 2024-2025 FPC.

Table 3: Proposed Entitlement Changes

2024-2025 Approved Entitlement (Dth)	Proposed Entitlement (Dth)[11]	Entitlement Changes (Dth)	% Change From Previous Approved or Proposed Entitlement[12]
20,108	21,168	1,060	5.27%

A.1.1.1 – NNG Open Season Results

NNG allocated Greater Minnesota an additional 60 Dth/day of firm capacity through an open season process for 300 Dth/day of Generally Available capacity.[13] The TF-12 contract was effective April 1, 2025, and has an expiration date of March 1, 2028. According to the Company, the rates associated with this contract are NNG's standard TF-12 rates. The total annual expense in 2025 for this 60 Dth/day of capacity at current firm capacity rates is $11,804 annually.[14] The execution of this contract increased GMGs proposed 2024-2025 entitlement by less than one-third of a percent.[15]

A.1.1.2 – 1,000 Dth Capacity Agreement

In the Amended Petition GMG filed on May 30, 2025, the Company identified a second purchase of firm transportation capacity on NNG. The amount of this transaction was 1,000 Dth/day. The Company stated in the Amended Petition:

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[8] *In the Matter of the Petition of Greater Minnesota Gas, Inc. Petition for Change in Contract Demand Entitlement for the 2024-2025 Heating Season*, Public Utilities Commission, Order, February 12, 2025, Docket No. G022/M-24-339, (eDockets) 20252-215285-01.
[9] The specific calculation is 60/20,108 = .30%.
[10] The calculation is 1,000/20,168 = 4.96%.
[11] 2025 Amended Petition at 4.
[12] The calculation is 1060/20,108 = 5.27%.
[13] 2025 Amended Petition at 2.
[14] 2025 Petition, Attachment C, at 1.
[15] Ibid at 2.

> GMG was notified that a shipper turned back capacity ("Northern") and it was offered to GMG. As a result, GMG was able to secure the capacity at a much lower cost than it would by participating in an open season to secure additional capacity. Therefore, GMG has added 1,000 dekatherms per day of capacity on Northern and 300 dekatherms per day of SMS [System Management Service], both beginning June 1, 2025.[16]

The rates schedule for this contract are the standard rates for the TF-12 service. The contract number is 144851. The agreement provides for 576 Dth/day of Base capacity and 424 Dth/day of Variable capacity (summer and winter). The total annual cost of the agreement using NNG's rates as of June 1, 2025, was $167,944.[17]

The Company's estimate of the total additional cost for the two agreements was $179,748.[18]

The Department provides its review of the Company's rationale for executing these two agreements Proposed Reserve Margin section.

A.1.1.3 – Firm Pipeline Capacity – Existing Agreements

GMG proposes to maintain all its existing FPC agreements for the 2025-2026 Heating Season.[19]

A.1.2 - Resources Other than Firm Pipeline Capacity

Greater Minnesota is proposing to increase the amount of System Management Services it contracts for on Northern from 3,500 to 4,000 Dth.[20] This appears to be the only change to the Resources Other than Firm Pipeline Capacity RoFPC's for the 2025-2026 Heating Season.

According to the description of System Management Services in NNG's tariff*:*

> System Management Service (SMS) is available to any shipper with an effective Firm Throughput Service Agreement. SMS is a delivery point service providing no-notice firm delivery above or below the shipper's daily scheduled amount under its corresponding Firm Throughput Agreement up to the Shippers SMS entitlement without incurring daily delivery charges.[21]

[16] 2025 Amended Petition at 1.
[17] Ibid, Attachment C.
[18] Ibid, Attachment C.
[19] Ibid, Attachment B.
[20] Ibid, Attachment B.
[21] Northern Natural Gas Company, FERC Tariff, Seventh Revised Volume 1, Part 7 Rate Schedules, Section 5 Rate Schedule SMS, Version 0.0.0.

NNG's tariff also lists a reservation charge and a commodity charge for SMS. The reservation charge is $4.2550 while the commodity rate was $0.0208.[22]

This issue was addressed in GMG's 2021-2022 Demand Entitlement filing. The Department identified a 1,000 Dth increase in SMS in those comments and asked the Company to provide additional information on the topic in its reply comments.

GMG in its reply comments stated:

> Since SMS is not capacity but, rather, is the right to deviate from a nomination on a given day without penalty as long as GMG remains within its demand entitlement, GMG has not historically sought Commission approval for SMS increases, nor has it ever been asked to do so. Since GMG has the discretion to purchase balancing swing capability and attendant necessary supply contracts to provide that service without Commission approval,
>
> GMG simply shows adjusted totals of SMS in Exhibit B of its annual contract demand filings after the fact. GMG apologizes if that approach created any confusion, as GMG was unaware that it might since the Company has utilized the same approach for many years without question.
>
> In the event that GMG is directed to seek approval for SMS changes in the future, it will certainly, comply with any such directive. GMG remains committed to utilizing all available resources to ensure that it has adequate capacity to meet design day needs and that it has sufficient tolerance to make adjustments in extreme conditions while avoiding pipeline penalties to the greatest extent possible. GMG's track record, including its recent performance during the February 2021 severe weather event, provides empirical evidence that GMG's dedication to providing reliable service at reasonable prices has been successful even under difficult weather circumstances.[23]

The Department didn't pursue the SMS issue further and recommended the Commission accept GMG's proposed level of demand entitlements for the 2021-202 heating season and allow Greater Minnesota Gas to recover the associated demand costs through the monthly PGA.[24]

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[22] Northern Natural Gas Company, FERC Tariff, Seventh Revised Volume 1, Part 4, Currently Effective Rates, Section 5 – SMS, Version 0.0.0.

[23] *In the Matter of the Petition of Greater Minnesota Gas, Inc. (Greater Minnesota or the Company) for Approval by the Minnesota Public Utilities Commission for a Change in Contract Demand Entitlement for the 2021-2022 Heating Season*, Greater Minnesota Gas, Reply Comments, September 9, 2016, Docket No. G022/M-21-424, (eDockets) 20219-178025-01.

[24] *In the Matter of the Petition of Greater Minnesota Gas, Inc. (Greater Minnesota or the Company) for Approval by the Minnesota Public Utilities Commission for a Change in Contract Demand Entitlement for the 2021-2022 Heating Season*, Department, Supplemental Comments, September 9, 2016, Docket No. G022/M-21-424, (eDockets) 20235-195512-01.

The Commission approved GMG's request.[25]

Given the information from NNG's tariff, the Department estimates that additional 500 Dth of SMS will add $127,650 (500 Dth/day x $4.225/Dth = $2,113 in incremental expense per month, The total cost for the 5-month heating season would be $10,563.

The Department requests that Greater Minnesota review the Department's calculation to determine if it is correct or needs to be adjusted in reply comments. The Department is not interested in requiring GMG to request Commission approval for this expense if it is currently categorized and recovered as swing gas. Rather, the Department wants to be able to provide the Commission with a complete list of changes to GMG's forecasted annual estimated demand expense for the 2025-2026 heating season and to understand what the magnitude of those costs are, and where they are recovered.

The Department also notes that GMG stated in the Amended Petition that the 1,000 Dth agreement also included 300 Dth of SMS. Since that agreement was executed in May 2025 and the Company is proposing to recover those costs in its PGA beginning on June 1, 2025, the Department assumes the Company will purchase the remaining 200 Dth of incremental SMS from Northern sometime between June and October 2025 and begin to recover the costs associated with that additional SMS in the subsequent months PGA. The Department asks GMG to identify the date on which it is proposing to take service for the additional 200 Dth of SMS in its reply comments.

A.2 Proposed Rate Changes

GMG's existing contracts for FPC may include periodic rate increases. Given that ratepayers are also responsible for any rate increases to the rates GMG pays to interstate pipelines with which it has contracts, this is another area/topic the Department reviews.

A.2.1 – Annual Rate Adjustments - Existing Agreements

The Department's review of the information provided in the original and amended petitions didn't identify any rate changes to GMG's existing agreements.

The Department requests that GMG identified any changes in rates to existing agreements in its reply comments.

A.2.2 – NNG 2025 Federal Energy Regulatory Commission-Rate Case

NNG filed a Section 4 rate case with the Federal Energy Regulatory Commission (FERC) on July 1, 2025. In that proceeding, the Company stated that it had $1.1 billion of investments in its pipeline system which have not yet been included in rates. NNG's proposal included increases to Northern's Market Rates, which are applicable to Minnesota, of 85 percent. Northern also proposed a 48 percent increase in its

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[25] *In the Matter of the Petition of Greater Minnesota Gas, Inc. (Greater Minnesota or the Company) for Approval by the Minnesota Public Utilities Commission for a Change in Contract Demand Entitlement for the 2021-2022 Heating Season*, PUC, Order, September 9, 2016, Docket No. G022/M-21-424, (eDockets) 20237-197649-01

storage reservation and capacity rates. It appears that interim rates could be effective January 1, 2025.[26]

The Department requests that GMG discuss the information it has received from Northern regarding the proposed rate changes and an estimate of the impact of the proposed increases on GMG average customer by class in its reply comments.

B. DESIGN-DAY REQUIREMENT

In its 2025-2026 demand entitlement filing, Greater Minnesota employed a two-part design-day process to calculate its peak-day send-out, using an Ordinary Least Squares (OLS) regression model and a mathematical model.[27] This dual track approach for estimating the Company's design day is required by a Commission Order.[28] The Company also adjusted these regressions on a 90 heating degree day (HDD) average design-day temperature for its planning objective.[29]

B.1. Regression Analysis

The Company used three years of partial winter- season (December through March) weather data for its regression analyses. The data collection period started in December 2022 and ended in March 2025. GMG performed eight separate regression analyses for: 1) Total Company; 2) Southern District; 3) Central District; and 4) Northern District. The Company performed two regression analyses for each of the four identified service areas one for the residential class and a second for the firm commercial class. Table 4 summarizes the results of those analyses by service area.

[26] See DOC Attachment 1.
[27] 2025 Petition at 3-4.
[28] *In the Matter of the Petition of Greater Minnesota Gas, Inc. (Greater Minnesota or the Company) for Approval by the Minnesota Public Utilities Commission for a Change in Contract Demand Entitlement Units Effective November 1, 2014*, Public Utilities Commission, Order, June 22, 2015, Docket No. G022/M-14-651, (eDockets) 20156-111649-01.
[29] 2025 Amended Petition at 2.

Table 4: Comparison of GMG's 2024-2025 and 2025-2026 Regression Analyses Results

Regression Based Model Covered	2024-2025 in Dth.	2025-2026 in Dth	Nominal Difference (Dth.)	Percentage Change
Entire System	15,779[30]	16,600[31]	745	4.7%
South System	10,012[32]	10,418[33]	406	4.1%
Central System	2,703[34]	2,911[35]	208	7.7%
North System	2,006[36]	2,343[37]	337	16.8%
Combined Results	*14,721*[38]	*15,672*[39]	*951*	*6.5%*

The Department notes that the results for 2025-2026 by region and for the entire system all increased. The Department also notes that results of the regression analysis are not that accurate relative to operational information regarding gas consumption on peak-days.

B.2 Mathematical Analysis

This second approach uses information from the Company's actual throughput to calculate an average use per customer (UPC). This UPC is then multiplied by the forecasted number of customers.
The Mathematical approach uses information from the Company's actual throughput for January 29, 2019, to calculate an average use per customer (UPC). This UPC is then multiplied by the forecasted number of customers. The Company's most recent estimate of the UPC for this Peak Day/Design Day is 1.5537 Dth.[40] When multiplied by the forecasted number of customers for the 2025-2026 heating season (11,614), the projected design day demand is 18,045 Dth.

B.3. Reasonableness of GMG's Design-Day Analysis

The Department reviewed the data and approach used by Greater Minnesota. The Department continues to believe a movement toward the use of separate and valid models using regionally separate data may result in the most appropriate outcomes. The Department notes that this method is used by most other natural gas utilities in the state. However, the Department also notes that the results of the Company's South and North Models (*i.e.,* negative baseload),[41] and the small amount of

[30] *Petition for Change in Contract Demand Entitlement for 2024-2025 Heating Season*, Greater Minnesota Gas, Petition, October 8, 2024, Docket No. G022-M-24-339, (eDockets) 202410-210826-01, (hereinafter "2024 Petition") Attachment A at 2 (Calculation as follows: 1.3950 x 11,311= 15,855).
[31] 2025 Petition Attachment A at 2 (1.4293 x 11,614 = 16,600).
[32] 2024 Petition Attachment A at 3 (Calculation as follows: 1.2260 x 8,166 = 10,012).
[33] 2025 Petition Attachment A at 3 (1.2434 x 8,379 = 10,418).
[34] 2024 Petition Attachment A at 4 (Calculation as follows: 2.5309 x 1,068 = 2,703).
[35] 2025 Petition Attachment A at 4 (Calculation as follows: 2.6732 x 1,089 = 2,911).
[36] 2024 Petition Attachment A at 5 (Calculation as follows: 0.9660 x 2,077 = 2,006).
[37] 2025 Petition Attachment A at 5 (Calculation as follows: 1.0916 x 2,146 = 2,343).
[38] Calculation: 10,012 + 2,703 + 2,006 = 14,721.
[39] Calculation: 10,418 + 2,911 + 2,343 = 15,672.
[40] 2025 Amended Petition, Attachment A at 2-5.
[41] 2025 Amended Petition, Attachment A at 3 and 5.

consumption in the North and Central regions relative to the South region, are not reasonable. For example, negative baseload usage in the South Model would indicate that customers are supplying natural gas to the utility which is not a reasonable assumption. Additionally, the Company could explore using monthly data in its regression analysis.

The Department requests that the Company continue analyzing both sets of models—those that use Minneapolis-St. Paul weather and those that use geographically specific weather—in future demand entitlement filings. The Department notes that, as additional years of data become available, and that data may be added to the regression analyses if needed, a clearer distinction between the regional models could arise. In terms of the final design-day estimate, the Department observes that the use of the residential and commercial models that rely on Minneapolis-St Paul weather for estimating the design day exhibited positive baseload usage when compared to the geographically separate models that relied on different weather station data.[42]

In addition, GMG's regression models have autocorrelation present in the regression analysis. The presence of autocorrelation in an OLS regression analysis implies that the errors are not independent of each other. This would violate one of the basic assumptions in typical regression analysis which is that one normally assumes that the errors are all independent of one another. Hence, the presence of autocorrelation would affect the validity of the statistical tests that are typically applicable to OLS regression analysis such as, for example, the coefficient of determination ("R-squared") test statistic, and the t-statistic. When forecasting with an OLS regression model, absence of autocorrelation between the errors is very important.

As a result, the Department supports calculations based on the UPC from the 2018-2019 heating season to estimate peak day consumption. The consumption data from the 2018-2019 heating season represents the Company's all-time peak day send out and occurred on a day with weather conditions near the 90 HDD planning objective. This approach results in a more conservative design-day estimate.

The Department's various concerns with the strict use of linear regression to estimate design-day consumption for the Greater Minnesota system is a long-standing issue.[43] Greater Minnesota is a small gas utility and can be significantly impacted by customer growth and changes in the make-up of its customer base. These issues, both unexpected customer growth and changes in customer base, have occurred in the recent past; as such, the Department has consistently recommended, and the Commission has required, that Greater Minnesota continue to include a mathematical design-day calculation in its demand entitlement analysis.

The use of a mathematical analysis, as an accuracy check, continues to be important, given the nature of GMG's operations, its relatively small size, the changes to its estimation process over the past heating seasons, and the unreasonable results of its regression analysis (negative baseload and autocorrelation). The mathematical analysis uses firm UPC on an all-time peak day multiplied by the

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[42] 2025 Petition Attachment A at 2, compared to Petition Attachment A at 3-5.

[43] *Petition for Change in Contract Demand Entitlement for 2024-2025 Heating Season*, MN Department of Commerce, Comments, November 7, 2024, Docket No. G022-M-24-339, (eDockets) 202411-211712-01, (hereinafter "2024 Comments")

projected number of firm customers in the upcoming heating season. The mathematical method is simple, easy to calculate, and is based on an actual, historical peak day.

However, as it is based on an actual event (regardless of temperatures on that peak day), temperatures on the all-time peak day might not correspond with an exceptionally cold day. Greater Minnesota's peak day occurred on January 29, 2019, at 89 HDD, which also became the Company's new all-time peak day. This all-time peak day is in the recent past, and near the Company's 90 HDD planning objective, so the usage data from this day remains relevant when examining peak-day send out in this proceeding.

Since the mathematical approach is based on relatively new data, the Department concludes that the mathematical calculation represents the most appropriate method of estimating the design-day in this proceeding.

C. PROPOSED RESERVE MARGIN

Using the use-per-customer from GMG's all-time peak day (1.5537 Dth/customer) and forecasted firm customer counts for the 2025-2026 heating season, the mathematical approach results in an estimated design-day of 18,045 Dth/day. This result is 3,123 Dths less than the Company's proposed demand entitlement of 21,168 Dth. This 3,123 Dths represents the nominal reserve margin. When divided by the relevant 18,045 Dth design day estimate results in a 17.31 percent reserve margin.

The Company's proposed 2025-2026 reserve margin is the highest one proposed for the past ten years.[44] It is also over three times greater than the five percent minimum reserve margin the Commission required GMG to maintain in its 2021-2022 annual demand entitlement filing.[45] These circumstances led the Department to review Greater Minnesota's proposed additions to its 2025-2026 demand entitlement closely.

C.1 Reasonableness of Proposed Reserve Margin

GMG proposed two additions to its demand entitlement in the Petition, a 60 Dth increase and a 1,000 Dth increase. The sum of the two purchases is 1,060 Dth.

C.1.1. 60 Dth Purchase

Given NNG's open season process, the small amount of this agreement, and the minimal financial impact, the Department has no concerns with this purchase.

C.1.2 1,000 Dth Purchase

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[44] 2025 Amended Petition at Attachment A at 1. GMG's 2016-2017 reserve margin was 23.49 percent.
[45] *In the Matter of Greater Minnesota Gas, Inc.'s Petition for Change in Contract Demand Entitlement for the 2020-2021 Heating Season*, Public Utilities Commission, Order, March 12, 2021, Docket No. G022/M-20-391, (eDockets) 20213-171823-01, at 1, hereinafter "20-391 Order."

GMGs proposed second purchase does however warrant additional scrutiny. The Company didn't provide any analytical support for the addition in the Amended Petition.[46] Rather, it provided a discussion of the two options available to the Company for purchasing additional capacity on Northern: 1) participation in NNG's open season for new capacity, or 2) purchasing existing capacity on NNG. GMG has pursued both options, the first by participating in NNG's Northern Lights 2027 open season, and the second by executing the proposed 1,000 Dth purchase. The Company also noted that capacity expansion projects like the 2027 Northern Lights offering, often generate rates that are higher than standard tariffed rates.

GMG's need for that additional 1,000 Dth/day purchase appears to be based on two assumptions. The first being the Company will be experiencing solid growth going forward. The second being that the rates associated with the 2027 Northern Lights open season will necessarily be higher than tariffed rates.

Regarding the first assumption, growth usually occurs as the result of an increase in the number of customers, or a change in the mix of new customers requesting service. GMG's response to Department information request (IR) 3, which asked why the Company's design day estimate for the 2025-2026 winter heating season had declined from the 2024-2025 estimate included the following information.

> The primary driver of the reduction in design day is that GMG did not add as many customers in 2024 as it had projected. Additionally, since GMG does not anticipate expanding its service to new geographic locations and is focusing on in-fill in existing areas, GMG expects its added customer additions to be primarily residential customers with the possibility of some additional small commercial customers, but the usage pattern for both customer types are similar. GMG does not anticipate the addition of large commercial or industrial customers for the 2025-2026 heating season. Additionally, GMG's sales have been downward trending in the last two years, as reflected in the data provided.[47]

The Company's response suggests GMG is not anticipating a large increase in demand for its services in the short term.

Continuing with the customer growth topic, Department IR number 7 asked about the Company's forecasted customer counts for 2026 through 2029.

Greater Minnesota stated: 1) it typically forecasts 500 customer additions annually, 2) and that for the period from 2011 -2025 the Company added an average of 515 customers, and 3) GMG expects to add 400 customers in 2026.[48]

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[46] 2025 Amended Petition at 1-2.
[47] See DOC Attachment 2 which includes DOC IR 3 and the Company's response.
[48] See DOC Attachment 3, which includes DOC IR 7 and the Company's response.

The Department elected to develop an estimate of GMG's customer growth for a five-year period to determine if the Company's growth rate was increasing, constant or decreasing. Table 5 provides that information for the past five years.

Table 5 – Annual Customer Growth 2020-2024

Year	Annual Customer Growth	Customer Growth Rate (%)
2019-2020	562	6.61%
2020-2021	455	5.02%
2021-2022	453	4.76%
2022-2023	443	4.44%
2023-2024	397	3.81%
5-yr Average	462	2.80%

While GMG's customer growth rate is impressive compared to its peers, the Department notes that it appears to have been declining over the past five years.

GMG's responses to these two IRs suggest it is unlikely to the Company will experience customer growth rates that will increase its design day demand significantly in the next few years. That result would not be consistent with the assumption that the demand for GMG's service will be solid or increasing over the next few years.

Turning to the second assumption, DOC IR 6 asked for support for Greater Minnesota's assertion that the rates resulting from recent NNG capacity additions have been higher than Northern's tariffed rates.

The Company provided a lengthy narrative in its response which recounts GMG's experience with the 2019, 2023, and 2025 Northern Lights open seasons for capacity expansion. Regarding the 2023 Northern Lights open season, GMG stated that NNG had unilaterally increased the actual reservation rate by $0.0131/Dth/day in the early stages to reflect lower than expected customer demand. The Company also noted that Greater Minnesota's final rate for that capacity was $3.4441/Dth/day higher than Northern's then current rate and that difference resulted in the Company incurring an additional $206,646 in demand costs over the contract's 5-year term. Regarding the 2025 Northern Lights open season, GMG noted that Northern would have required the Company to make a $913,000 Contribution in Aid to Construction to add 500 Dth/day of firm capacity and still pay maximum tariffed rates. GMG ultimately withdrew its bid from the 2025 Northern Lights open season.[49]

The Department notes that the one example provided identified $206,646 over a 5-year term or $41,329 annually in additional costs for 500 Dth of capacity. The Department noted previously that the annual expense resulting from the 1,000 Dth purchase is $167,944. So, the expense associated with a the 500 Dth purchase would be one half of that amount or $83,972. While the Department understands GMG's argument regarding the value of 1,000 Dth/day of capacity given the current market, the timing of the capacity costs regarding GMG's most recent purchase is such that its

[49] See DOC Attachment 4, which includes DOC IR 6 and the Company's response

ratepayers are already paying for capacity the Company probably won't need for some time. Thus, the ratepayers are being asked to pay the costs of the 1,000 Dth purchased beginning in June 2025 onward for capacity they don't need currently. The Company needs to provide a comparison of the costs of the 1,000 Dth purchase from June 2025 to October 2027 plus the costs resulting from the agreement from November 2027 through October 2032 and an estimate of the costs associated with an additional 1,000 Dth of capacity acquired through the 2027 Northern Lights expansion project that ratepayers will be asked to recover starting November 1, 2027 over the November 2027 – October 2032 period. The two cost estimates then need to be adjusted for the time value of money to determine a net present value (NPV) for each. GMG has not provided an estimate of those costs or benefits to date

Hence, the Department is unable to determine the reasonableness of the Company's proposed 2025-2026 reserve margin given the information available. The Department requests that GMG provide in reply comments an analysis consistent with that described above in its reply comments.

D. THE COMPANY'S PGA COST-RECOVERY PROPOSAL

The demand entitlement amounts listed in Department Attachment 2 represent the demand entitlements for which the Company's firm customers would pay assuming GMG's proposed reserve margin is accepted. In Attachment D, page 2 of its Petition, the Company compared its March 2025 PGA to its June 2025 forecasted PGA. According to the Company, Greater Minnesota's demand entitlement proposal would result in the following annual rate impacts:

- Annual bill increase of $10.56, or approximately 2.18 percent, for the average Residential customer consuming 80.0 Dth annually; and
- Annual bill increase of $101.73, or approximately 2.18 percent, for the average Commercial and Industrial Firm customer consuming 567.6 Dth annually.

The Department will provide its review of the Company's PGA proposal in supplemental comments.

E. COMPLIANCE WITH REPORTING REQUIREMENTS INCLUDED IN COMMISSION ORDERS

The Department will provide its review of this topic in supplemental comments.

F. ELECTRIFICATION -DECARBONIZATION EFFORTS

During the Commission's review of CenterPoint Energy of Minnesota's (CenterPoint, CPE) 2024-2025 demand entitlement filing, (docket no. G008/M-24-146) at a Commission Agenda meeting on June 17th, 2025 Commissioners asked CenterPoint Energy representatives and Department staff several questions related to the design day regression analyses and annual sales forecast used in that filing.[50] Commissioner's questions focused on CenterPoint Energy's efforts to incorporate the effects of

[50] Webcast, PUC Agenda Meeting, at 2:58- 8:40 and, June 17, 2024

electrification and/or decarbonization efforts in its design day analysis, specifically on the design day regression analyses and the annual sales forecast.

In response to Commissioner's questions and concerns, the Department developed several information requests that requested specific information regarding those two topics. The Department issued modified versions of those information requests to GMG in this docket to begin to collect information on this topic.[51] The Company responded to those each of those information requests on August 8, 2025.

Information request 8 asked if the Company had incorporated any process for estimating the effects of electric heat pumps on its 2025-2026 design day estimates for the residential customer class. The Company responded:

> GMG did not make any adjustments to its design day calculations or its analysis in the present docket to incorporate the impact of electric heat pumps. To the Company's knowledge, residential heat pumps are primarily effective down to 20 degrees Fahrenheit and can, in some cases extract heat to -13 degrees Fahrenheit. GMG is not aware of any heat pumps which are effective at design day conditions. The Company is obligated to provide firm service at design day conditions and is confident that the Commission is interested in ensuring safe heating ability during such times. Further, GMG does not have a means of identifying which customers have heat pumps and how that number changes over time. Thus, the Company based its demand entitlement analysis on its service obligations regarding heat pumps so that it can ensure safe, reliable natural gas service in the event of design day conditions.[52]

Information request 9 asked a similar question regarding heat pump use for firm commercial customers. Information request 10's focus was on non-heat pump electrification technologies for residential customers. Information request 11 asked GMG about the effects of electrification technologies for firm commercial customers in its 2025-2026 design day calculations. Information request 12 focused on the impacts of electrification technologies on the firm industrial customer class in the Company's 2025-2026 design day analysis.

The Company's response to information requests 9 through 12 mirrored its response to information request 8. In each response, GMG stated it did not make any adjustments to its design day calculations or its analysis in the present docket.[53]

Information request 13 asked if the Company had incorporated any process for estimating the effects of electric heat pumps on its 2025-2026 forecasted monthly sales for the residential customer class. The Company responded:

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[51] The Department issued information requests 8 through 18, all of which were related to this question on July 28, 2025.
[52] DOC Attachment 5 includes the Company's response to DOC information request 8.
[53] DOC Attachment 6 includes the Company's responses to DOC information requests. 9 through 12.

> GMG did not make any adjustments to its forecasted monthly sales based on the potential impact of electric heat pumps. GMG has no knowledge regarding whether its customers may have made any modifications to employ electric heat pumps. GMG based its demand entitlement analysis on its service obligations based on historical sales without regard to the potential impacts of electric heat pumps so that it can ensure safe, reliable natural gas service in the event of design day conditions.[54]

Information request 14 asked a similar question regarding non-heat pump use for residential customers on the sales forecast. Information request 15's focus was on electrification technologies for firm commercial customers on the sales forecast. Information request 16 asked GMG about the effects of electrification technologies for firm industrial customers on its 2025-2026 sales forecast.

The Company's response to information requests 14 through 16 mirrored its response to information request 13. In each response, GMG stated it did not make any adjustments to its forecasted monthly sales in the present docket.[55]

Information request 17 asked if GMG had analyzed statistical approaches other than its existing regression models that would allow GMG to incorporate the effects of electrification technologies on its annual forecasted design day and forecasted monthly sales. The Company responded:

> GMG has not analyzed statistical approaches that would allow it to incorporate the effect of electrification technologies on its annual forecasted design day and forecasted monthly sales.[56]

Information request 18 asked about agreements with electric utilities to share interstate pipeline capacity during extreme weather events. Specifically, the Department asked if the Company had identified any electric utilities in Minnesota with whom it would be beneficial to share interstate pipeline capacity during extreme weather events and whether GMG had initiated conversations with those electric utilities.

GMG's response notes it was not aware of any such utilities and has not engaged in such discussions.[57] The Department has no specific comments or recommendation regarding this topic. The Department notes that these issues could be addressed in either the Commission's Gas Integrated Resource Plan proceedings (docket no. G008, G002, G011/CI-23-117), or the Commission's Investigation into the Future of Gas (docket no. G999/CI-21-565).

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[54] DOC Attachment 7 includes the Company's response to DOC information request 13.
[55] DOC Attachment 8 includes the Company's responses to DOC information requests.14 through 16.
[56] DOC Attachment 9 includes the Company's response to DOC information request 17.
[57] DOC Attachment 10 includes the Company's response to DOC information request 18.

IV. DEPARTMENT RECOMMENDATIONS

Based on analysis of GMG's 2025-2026 heating season demand entitlement petition and the information in the record, the Department has prepared requests for additional information, which are provided below. The requests correspond to the subheadings of Section III above. The Department will provide its final recommendations to the Minnesota Public Utilities Commission after Greater Minnesota Gas files its Reply Comments

A. PROPOSED OVERALL DEMAND ENTITLEMENT LEVEL

- A.1.2 - The Department requests the Company review the Department's estimate of the incremental expense associated with the purchase of 500 Dth of SMS to determine if it is correct or needs to be adjusted.
- A.1.2 - The Department asks GMG to identify the date on which it is proposing to take service for the additional 200 Dth of SMS in its reply comments.
- A.2.1 – The Department requests the Company identify any changes in rates to existing agreements included in its 2025-2026 demand entitlement.
- A.2.2 - The Department requests the Company discuss the information it has received from Northern Natural Gas regarding the proposed rates changes resulting from NNG's 2025 FERC rate case and provide an estimate of the impact of those proposed increases on GMG's average customer.

B. DESIGN-DAY REQUIREMENT

The Department has no requests for additional information.

C. PROPOSED RESERVE MARGIN

- C.1.2 – The Department requests that GMG provide an analysis the costs of the 1,000 Dth purchase from June 2025 to October 2027 plus the costs resulting from the agreement from November 2027 through October 2032 and an estimate of the costs associated with an additional 1,000 Dth of capacity acquired through the 2027 Northern Lights expansion project that ratepayers will be asked to recover starting November 1, 2027 over the November 2027 – October 2032 period. The two cost estimates then need to be adjusted for the time value of money to determine a net present value (NPV) for each.

D. THE COMPANY'S PGA COST-RECOVERY PROPOSAL

E. COMPLIANCE WITH REPORTING REQUIREMENTS INCLUDED IN RELEVANT COMMISION ORDERS

F. ELECTRIFICATION AND DECARBONIZATION EFFORTS

The Department has no requests for additional information for these three topics.

Attachments

Title	Description	Topic
DOC-1	Section 4 Rate Case Filing Northern Natural Gas Customer Call - June 16, 2025	NNG 2025 Section 4 Rate Case Customer Presentation
DOC-2	DOC IR No. 3/Company response	Design Day Calculation
DOC-3	DOC IR No. 7/Company response	Forecasted Customer Counts
DOC-4	DOC IR No. 6/Company response	Existing vs. Expansion Capacity Rates
DOC-5	DOC IR No. 8/Company response	Decarbonization/Electrification
DOC-6	DOC IR Nos. 9-12/Company responses	Decarbonization/Electrification
DOC-7	DOC IR No. 13/Company response	Decarbonization/Electrification
DOC-8	DOC IR Nos. 14-16/Company responses	Decarbonization/Electrification
DOC-9	DOC IR No. 17/Company response	Decarbonization/Electrification
DOC-10	DOC IR No. 18/Company's response	Decarbonization/Electrification

Section 4 Rate Case Filing
Northern Natural Gas
Customer Call

June 16, 2025

Northern Natural Gas®

Why is Northern Filing a Rate Case?

- Northern Natural Gas is filing this rate case due to the significant capital being invested in its pipeline system to comply with pipeline safety requirements and maintain reliability of its service to customers
- Northern's last section 4 rate case was filed July 1, 2022, in Docket No. RP22-1033, and was settled in 2023, with a Commission order approving the settlement September 7, 2023
- Northern is in the midst of a generational capital investment program to update and modernize its pipeline system
  - Northern's first pipeline began serving customers in 1930, with significant expansions in the 1940s through 1960s
  - The A-line, which is the original pipeline installed, is in the process of being abandoned (628 miles abandoned through 2025, with another 106 miles to be abandoned in 2027)
  - Other vintage pipeline and obsolete compressor units that are no longer serviced by the original manufacturer are being replaced

Asset Modernization Activity

- Northern began discussions as early as 2014 with its customers to advise of the need to modernize its pipeline system; however, Northern was unsuccessful in achieving a consensus for an asset modernization tracker
- By the end of 2034, Northern anticipates having invested $4.5 billion in asset modernization since the program began. Northern will have invested $2 billion by the end of 2025
- More recently, since the last rate case, and estimated through the end of 2025, Northern will have invested $1.6 billion in asset modernization and maintenance capital that is not recovered in current rates, driving an approximately $1.1 billion increase to rate base (27% increase from the last case)
- Northern has discussed potential interest in a pre-filed settlement with several customers to determine whether a pre-filed settlement with customers could be achieved. Feedback from these discussions, however, was not positive
- Due to continued asset modernization investment, another rate case is likely to be required within the next few years unless depreciation rates are increased to offset the investment

Section 4 Filing – Abbreviated Timeline

- Northern will file the rate case on July 1, 2025

Mar 31, 2025	Jul 1, 2025	Jul 31, 2025	Dec 31, 2025	Jan 1, 2026
Base Period Ended	Planned Section 4 Filing	Expected Suspension Order	Test Period Ends	Rates to Become Effective Subject to Refund

Rate Base as of December 31, 2025

- Due primarily to asset modernization and other maintenance capital investment, Northern's rate base will have increased by $1.1 billion since Northern's last rate case
- Northern's capital expenditures have significantly outpaced annual depreciation expense

Rate Base Items	RP25- Dec-25	Dec-22
[a]	[b]	[c]
(In millions)		
Gross Plant In Service	$ 8,115.8	$ 6,629.6
Accumulated Depreciation, Depletion & Amortization	(1,849.9)	(1,541.9)
Net Plant In Service	6,265.9	5,087.7
Regulatory Assets and Liabilities	(286.8)	(324.7)
Materials, Supplies and Prepayments	126.6	73.8
Accumulated Deferred Taxes	(865.2)	(713.6)
Total Rate Base	$ 5,240.5	$ 4,123.2
	Increase	$ 1,117.3
	Percentage Change	27%

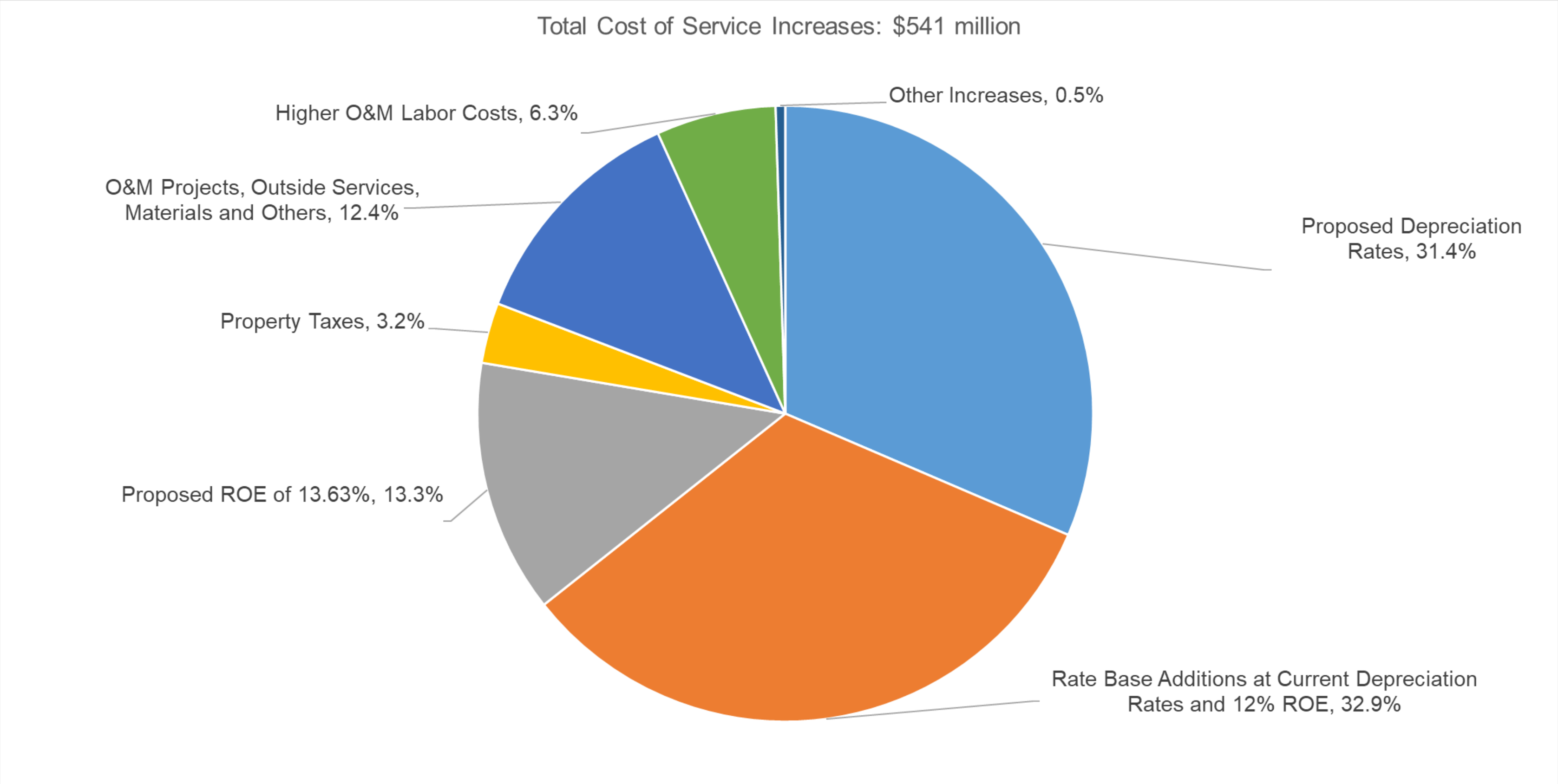
Increase in Cost of Service Driven Largely by Maintenance and Asset Modernization Capital

Highlights:

- The increased rate base due to increased capital investment accounts for $195 million of the increase in cost of service
  - Asset modernization and other maintenance capital investment is estimated to account for $176 million of the increase. Proposed depreciation rate increase accounts for $170 million
- Proposed return on equity increase from 12% to 13.63% equals $72 million

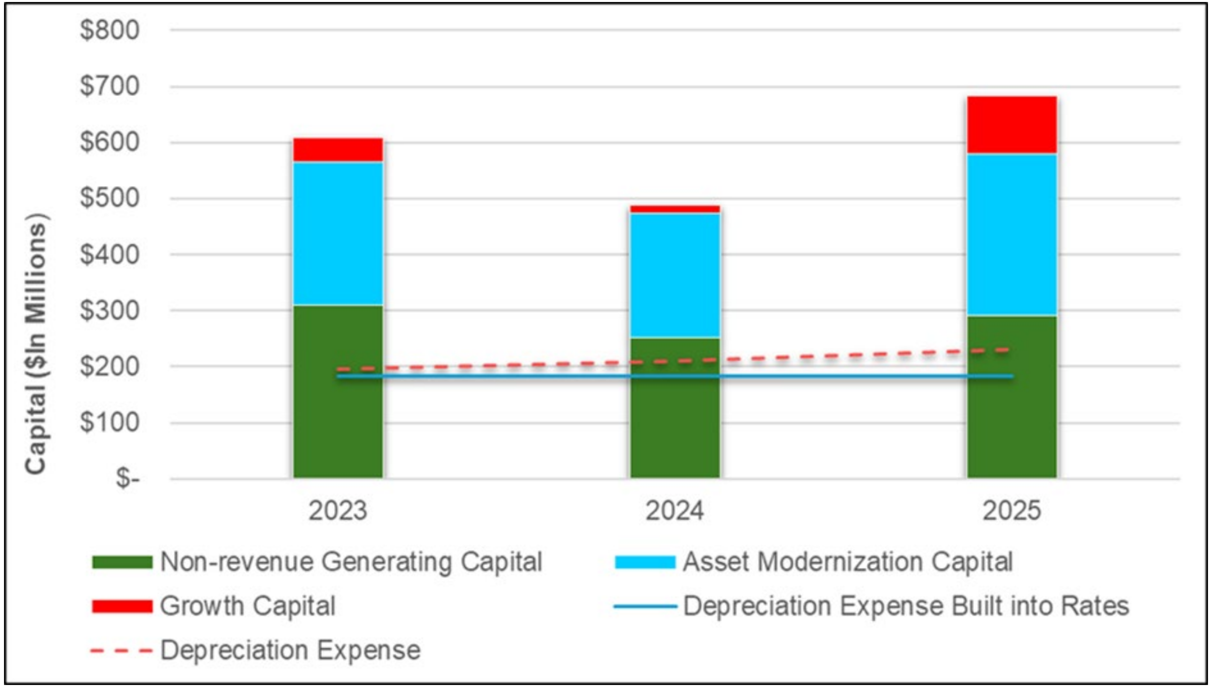
Particulars	RP25-COS Filing	2022 COS 45 Day Filing	Change	
[a]	[b]	[c]	[d]	
(In millions)				
O&M/A&G Expenses	$ 430.9	$ 329.8	$ 101.0	$46m O&M projects, $34m O&M labor, $21m Others (outside services, materials, others)
Depreciation and Negative Salvage Expense	407.8	192.0	215.9	$170m increased depreciation and negative salvage rates $46m plant additions
After-Tax Return	534.9	378.9	156.0	
Income Taxes	156.9	108.4	48.5	
Return and Taxes	691.8	487.2	204.5	$132m increased rate base $72m proposed 13.63% ROE
Property Taxes	91.0	73.8	17.2	Plant additions
Other	(7.2)	(9.6)	2.4	
Total Cost of Service	$ 1,614.3	$ 1,073.3	$ 541.0	

Cost of Service Increases



Maintenance and Asset Modernization Investments vs Depreciation

- Annual asset modernization and other maintenance capital investments continue to outpace annual depreciation expense built into existing rates



Capitalization and Return as of December 31, 2025

- Northern's capital structure is consistent with that authorized by FERC
  - Equity percentage is lower than recent pipeline filings that are generally at 65% or higher
- Northern's cost of capital is lower than the industry average, and the proposed ROE of 13.63% is lower than recently filed returns that are in excess of 14.0%

Capitalization Items	Capitalization at Dec 31, 2025	Capitalization Percentage	Rate	Rate of Return
[a]	[b] (In millions)	[c]	[d]	[e]
Debt Capital	$ 2,100.0	37.56%	4.51%	1.70%
Common Stock Equity	$ 3,491.3	62.44%	13.63%	8.51%
Total Capitalization	$ 5,591.3	100.00%		10.21%
Total Rate Base				$ 5,240.5
After-Tax Return Allowance				
Interest Expense				$ 88.9
Equity Return				446.0
Total After-Tax Return				$ 534.9

- Northern's A2/A- credit ratings are the highest among interstate natural gas pipelines
- Northern's overall cost of its long-term debt is 4.51%

Book Depreciation and Negative Salvage Rates

- Northern is filing increased depreciation and negative salvage rates
  - An increase to depreciation rates to reflect an economic life of 28 years versus a current depreciable life of 40 years for transmission assets
  - An increase to existing negative salvage rates for transmission facilities
  - New negative salvage rates for underground and LNG storage facilities

	2023 Settlement		RP25-	
Plant Category 1/	Dep Rates	NS Rates	Dep Rates	NS Rates
[a]	[b]	[c]	[d]	[e]
Underground Storage	1.25%	0.00%	3.27%	0.75%
LNG Storage	2.95%	0.00%	2.81%	0.83%
Transmission	2.49%	0.10%	3.66%	1.16%

1/ Includes plant categories for which depreciation rate changes are being proposed

Base Case and Prospective Pro Forma Case Changes to Rate Schedules

- For the Base Case
  - Rates designed consistent with principles underlying the 2020 and 2023 Settlement rates

- For the Prospective Pro Forma Case
  - Northern is proposing a change in rate design to system-wide reservation rates
  - Northern is proposing to implement two postage stamp commodity rates for the Field Area; one for transportation within the current Mileage Indicator Districts 1-7 (Section 1) and a second for transportation within the current Mileage Indicator Districts 8-16B (Section 2)
  - Northern is proposing to discontinue Small Customer benefits that are not available to other shippers, including GS-T service

Base Case: Rates for Transmission and Storage Services

Transmission Rates	Transmission Rates					
	Winter			Summer		
	Current Rates	Proposed Rates	Percentage Change	Current Rates	Proposed Rates	Percentage Change
Reservation Rates						
Market Area						
TF12 Base	$17.417	$ 32.225	85%	$ 9.676	$ 17.903	85%
TF12 Variable	$23.609	$ 43.682	85%	$ 9.676	$ 17.903	85%
TF5	$25.799	$ 47.740	85%			
TFX	$25.799	$ 47.740	85%	$ 9.676	$ 17.903	85%
Field Area						
TFX	$13.476	$ 30.925	129%	$ 7.485	$ 17.180	130%
SMS	$4.2550	$ 7.8726	85%	$4.2550	$ 7.8726	85%
Commodity Rates						
Market Area						
TF/TFX Firm	$0.0260	$ 0.0228	-12%	$0.0260	$ 0.0228	-12%
TI	$0.8742	$ 1.5932	82%	$0.3441	$ 0.6117	78%
GS-T	$1.2001	$ 2.1952	83%	$1.2001	$ 2.1952	83%
Field Area						
TFX Firm (Rate/100 miles)	$0.0103	$ 0.0082	-21%	$0.0103	$ 0.0082	-21%
TI (Rate/100 miles)	$0.2203	$ 0.3935	79%	$0.1269	$ 0.2223	75%
GS-T	$0.8740	$ 1.9652	125%	$0.8740	$ 1.9652	125%
SMS	$0.0208	$ 0.0208	0%	$0.0208	$ 0.0208	0%

Storage Rates	Storage Rates		
	Current Rates	Proposed Rates	Percentage Change
FDD Capacity	$ 0.6731	$ 0.9991	48%
FDD Reservation	$ 3.2345	$ 4.8003	48%
Injection/Withdrawal	$ 0.0232	$ 0.0228	-2%
Inventory	$ 0.1624	$ 0.2412	48%

Pro Forma Case: Rates for Transmission Services

	Transmission Rates					
	Winter			Summer		
Transmission Rates	Current Rates	Proposed Rates	Percentage Change	Current Rates	Proposed Rates	Percentage Change
Reservation Rates						
TF12 Base	$ 17.417	$ 33.588	93%	$ 9.676	$ 18.660	93%
TF12 Variable	$ 23.609	$ 45.530	93%	$ 9.676	$ 18.660	93%
TF5	$ 25.799	$ 49.760	93%			
TFX 1/	$ 25.799	$ 49.760	93%	$ 9.676	$ 18.660	93%
SMS	$ 4.2550	$ 8.2056	93%	$ 4.2550	$ 8.2056	93%
Commodity Rates						
Section 3 (Market)						
TF/TFX Firm	$ 0.0260	$ 0.0220	-16%	$ 0.0260	$ 0.0220	-16%
TI	$ 0.8742	$ 1.6588	90%	$ 0.3441	$ 0.6358	85%
Section 2 (Field - Midcontinent)						
TF/TFX Firm 2/	$ 0.0103	$ 0.0205	na	$ 0.0103	$ 0.0205	na
TI 2/	$ 0.2203	$ 1.6573	na	$ 0.1269	$ 0.6343	na
Section 1 (Field - Permian)			na			na
TF/TFX Firm 2/	$ 0.0103	$ 0.0205		$ 0.0103	$ 0.0205	
TI 2/	$ 0.2203	$ 1.6573	na	$ 0.1269	$ 0.6343	na
SMS	$ 0.0208	$ 0.0208	na	$ 0.0208	$ 0.0208	na

1/ TFX percentage increase as compared to the current TFX Market Area reservation rate.

2/ Northern's current Field Area commodity rates are designed on a per 100 miles basis. Northern proposes to implement two postage stamp commodity rates in the Field Area; one for transportation within the current MIDs 1-7 (Section 1) and a second for transportation within the current MIDs 8-16B (Section 2).

Additional Information Found on Northern's Website

Regulatory and Rate Proceeding Documents

Northern Natural Gas

Pipeline Emergency
(888) 367-6671
(402) 398-7911

General Information
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(402) 398-7200

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- Tariff Filings
- Tariff Maps

Regulatory / **Capital Investment Reports**

Date Requested: Jun 12 2025 2:41 PM

- 2025 Maintenance Capital Projection - Customer Call
- Asset Modernization Presentation -- 2024 Update
- Maintenance Capital Plan -- April 2025
- Asset Modernization Report -- End of 2024
- Maintenance Capital Plan -- April 2024
- Asset Modernization Report -- December 2023
- Maintenance Capital Update -- December 2023
- Maintenance Capital Plan -- April 2023

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Regulatory / **Regulatory And Rate Proceeding Documents**

Date Requested: Jun 12 2025 2:45 PM

Customer Communications

This section contains links to customer communications regarding the Section 4 rate case Northern plans to file on July 1, 2025.

Customer Call - Section 4 Filing Overview

Miscellaneous Regulatory Documents

This section contains links to information regarding miscellaneous regulatory documents.

No Information to Display

If you have any questions or need assistance regarding this site, please call your marketing representative.

COMMERCE DEPARTMENT

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine A. Anderson, Corporate Attorney, Greater Minnesota Gas Date of Request:6/3/2025
Type of Inquiry: Forecasting Response Due: 6/13/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john.kundert@state.mn.us
Phone Number(s): 651-539-1740

ADDITIONAL INSTRUCTIONS:
Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number:	**3**
Topic:	Design Day Regression Model
Reference(s):	Petition, filed March 31, 2025 , page 4

Request:

The Company states:

> GMG's design day forecast for its existing customers for the 2025-2026 heating season is based on 18,126 Dth., which is a decrease of 792 Dth. from GMG's 2024-2025 design day requirements.

a. What are the drivers for this decrease?
b. Provide analytical support.

GMG Response:

a. *GMG's design day forecast is based on historical use and the projected customer additions for the 2025-2026 heating season. Historical customer use is based on customer count/type and, likely, economic and weather conditions which affect how much gas customers use in any given year. The primary driver of the reduction in design day is that GMG did not add as many customers in 2024 as it had projected. Additionally, since GMG does not anticipate expanding its service to new geographic locations and is focusing on in-fill in its existing areas, GMG expects its added customer additions to be primarily residential customers with the possibility of some additional small commercial customers, but the usage patterns for both customer types are similar. GMG does not anticipate the addition of large commercial or industrial customers for the 2025-2026*

To be completed by responder

Response Date:	June 13, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine A. Anderson, Corporate Attorney, Greater Minnesota Gas Date of Request:6/3/2025
Type of Inquiry: Forecasting Response Due: 6/13/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john.kundert@state.mn.us
Phone Number(s): 651-539-1740

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heating season. Additionally, GMG's sales have been downward trending in the last two years, as reflected in the data provided. Hence, given historical customer use and anticipated customer additions, GMG's design day forecast decreased for the coming heating season.

b. *The analytical support for GMG's design day forecast is incorporated into its tables and attachments presented in its Amended Petition, electronic versions of which were supplied in GMG's Response to Information Request No. 2 herein.*

To be completed by responder

Response Date: June 13, 2025
Response by: Kristine Anderson
Email Address: kanderson@greatermngas.com
Phone Number: 507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine A. Anderson, Corporate Attorney, Greater Minnesota Gas Date of Request:6/3/2025
Type of Inquiry: Forecasting Response Due: 6/13/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john.kundert@state.mn.us
Phone Number(s): 651-539-1740

ADDITIONAL INSTRUCTIONS:
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Request Number:	**7**
Topic:	Forecasted Customer Counts for 2026, 2027 and 2028.
Reference(s):	N/A

Request:

a. What are the Company's forecasted increasing in its number of firm customers for 2026, 2027, 2028 and 2029?
b. Please provide the analysis that supports those forecasted customer numbers for 2026, 2027, 2028 and 2029.

GMG Response:

a. GMG typically projects 500 customer additions per heating season unless a large project is projected which would alter the forecast.

b. From 2011 to 2025 GMG has added an average of 515 customers per year. GMG expects to add 400 customers for 2026, however, the Company does not control new construction customer conversion requests or requests for short main extensions. The use of 500 customers for supply planning allows the Company to meet the Commission mandate of maintaining a 5% reserve margin even if customer additions deviate from the Company's current budget.

To be completed by responder

Response Date:	June 13, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
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Assigned Analyst(s): John Kundert
Email Address(es): john.kundert@state.mn.us
Phone Number(s): 651-539-1740

ADDITIONAL INSTRUCTIONS:
Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number:	**6**
Topic:	Cost Comparison of rates resulting from recent capacity expansions and tariffed rates
Reference(s):	Amended Petition, filed May 30, 2025 , page 2

Request:

The Company states:

> GMG believes that this is a better option for its ratepayers, as expansion projects on Northern have all generated higher than tariffed rates.

a. Please provide analytical support for this statement.

GMG Response: *GMG's recent experience with Northern's expansion projects provides context for GMG's belief that taking the additional released capacity discussed in its Amended Petition at this time is a better option for its ratepayers.*

In 2019, Northern proposed an expansion for an in-service date in 2021 – its Northern Lights 2021 project – which included a relatively small expansion of Northern's pipeline system of the type that had theretofore proceeded through the FERC process without much issue - but FERC was hesitant to approve the Northern Lights 2021 project due to tangentially-related environmental policy analysis concerns. Although FERC did ultimately approve the project on a 3-2 vote, the uncertainty of approval is indicative of issues that Northern continued to have with its expansion projects.

With regard to Northern's Northern Lights 2023 expansion project with an initially projected an in-service date of November 1, 2023, GMG entered the open season in 2021 and originally planned to take

To be completed by responder

Response Date:	June 13, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine A. Anderson, Corporate Attorney, Greater Minnesota Gas Date of Request:6/3/2025
Type of Inquiry: Forecasting Response Due: 6/13/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john.kundert@state.mn.us
Phone Number(s): 651-539-1740

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1,000 Dth/day from a single receipt point beginning November 1, 2023. The expansion project required GMG to pay a fixed reservation rate in addition to the maximum commodity rate provided for in Northern's FERC gas tariff and other tariff-required charges. Northern originally provided rates for the project in its required 10-day notice letter in early September 2021 and GMG elected to participate to take capacity. Just two months later, in early November 2021, Northern notified GMG that the actual reservation rate increased by $0.0131/Dth/day from that identified in the 10-day notice letter because some volumes originally requested by other potential shippers dropped from the project, so the remaining shippers needed to make up the cost difference.

Northern again encountered difficulty with FERC approval of the project and construction of the project was significantly delayed. Once the Northern Lights 2023 project was finally approved by FERC in late September 2023, it had been delayed to the degree that construction would not have been completed in time for the then-upcoming 2023-2024 heating season, so Northern would not be able to provide the planned capacity by its intended November 1, 2023, in-service date. Hence, Northern informed GMG that it would only be able to provide GMG with 530 Dth/day of capacity for the upcoming winter, and only 164 Dth/day of that capacity would be from the receipt point that GMG originally agreed to, with the remaining 366 Dth/day coming from a different receipt point. Since GMG had already found an alternative source of capacity for the 2023-2024 heating season to assure that it would have an appropriate level of firm capacity if the Northern Lights 2023 project faltered, GMG declined to take the partial capacity for the 2023-2024 heating season, opting to wait until construction of the project was completed and take the originally anticipated 1,000 Dth/day as of November 1, 2024. Ultimately, GMG's final rate for that capacity is $3.4441/Dth/day above Northern's maximum tariff rates for a five-year period, resulting in $206,646 above maximum tariff rates over the term of the contract.

To be completed by responder

Response Date: June 13, 2025
Response by: Kristine Anderson
Email Address: kanderson@greatermngas.com
Phone Number: 507-209-2110

Minnesota Department of Commerce
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Northern announced the open season for its next expansion project - Northern Lights 2025. When Northern announced the project open season and provided rates, GMG participated. The Northern Lights 2025 expansion project would have required GMG to make a $913,000 Contribution in Aid of Construction to add 500 Dth/day of firm capacity and still pay maximum tariff rates. To the extent that FERC approves any rate increase for Northern, the increase would also apply to capacity obtained via the expansion project. Also like the previous projects, the costs of the project are shared among the participating shippers so, if any drop out of the project, then the reservation costs for the remaining shippers are subject to increase, just as GMG experienced with the Northern Lights 2023 project. When such increases happen, GMG and other similarly situated shippers have a 10-day window within which to commit to continuing participation in the expansion project or withdrawing from it. GMG ultimately withdrew from the Northern Lights 2025 expansion project, so it did not receive subsequent communications regarding any increases in reservation rates.

Since the Department and the Commission have both requested that GMG seek additional capacity, coupled with the fact that the Commission previously ordered GMG to maintain a reserve margin of at least five percent, it is important that GMG obtain capacity at a reasonable cost when it has the opportunity to do so. As discussed in more detail in GMG's Amended Petition, the released capacity that GMG was able to obtain provides capacity at Northern's tariffed rates without the inclusion of the reservation rate supplement necessitated by open season expansion capacity. Additionally, the capacity is guaranteed to be available when anticipated and needed; and, recent history demonstrates that is not

always the case with capacity obtained via a Northern open season. Given the totality of the circumstances, GMG continues to believe that securing the released capacity at tariffed rates provides more certainty and lower cost than gas that might be obtained in the future through Northern open

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seasons, thereby benefitting GMG's rate payers over the long term and the addition assures GMG that it will meet Commission mandated 5% reserve margin even if customer additions deviate from current budgets.

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Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine Anderson, Greater Minnesota Gas Date of Request: 7/28/2025
Type of Inquiry: Forecasting Response Due: 8/8/2025

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Request Number:	**8**
Topic:	Effect of electric heat pumps on Greater Minnesota Gas' 2025 design day calculation for the residential class
Reference(s):	N/A

Request:

1. Please provide a narrative that explains GMG's process or protocol for estimating the effects of the number of electric heat pumps that are being installed on its 2025-2026 residential design day calculation.
2. Please explain GMG's process for identifying which GMG residential customers have installed electric heat pumps.
3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of electric heat pumps in its 2025-2026 residential design day calculations.
4. What other approaches (for incorporating the effects of the penetration of non-heat pump electrification technologies) did GMG consider but not use? Please explain in detail.
5. Did the Company include any adjustment(s) to its 2025-2026 residential design day calculations to incorporate the impacts of electric heat pumps?
6. If so, please explain the adjustments and provide the analysis.

GMG RESPONSE:

GMG did not make any adjustments to its design day calculations or its analysis in the present docket to incorporate the impact of electric heat pumps. To the Company's knowledge, residential heat pumps are primarily effective down to 20 degrees Fahrenheit and can, in some cases, extract heat to -13 degrees Fahrenheit. GMG is not aware of any heat pumps which are effective at design day conditions. The Company is obligated to provide firm service at design day conditions and is confident that the Commission is interested in ensuring safe heating ability during such times. Further, GMG does not have a means of identifying which customers have heat pumps and how that number changes over time. Thus,

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Response by:	Kristine Anderson
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Phone Number:	507-209-2110

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Type of Inquiry: Forecasting Response Due: 8/8/2025

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thCompany based its demand entitlement analysis on its service obligations without regard to heat pumps so that it can ensure safe, reliable natural gas service in the event of design day conditions.

To be completed by responder

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Request Number:	**9**
Topic:	Effect of electric heat pumps on GMG's 2025 design day calculation for the other firm classes
Reference(s):	N/A

Request:

1. Please provide a narrative that explains GMG's process or protocol for estimating the effects of the number of electric heat pump that are being installed on its 2025-2026 design day calculations for the remaining firm customer classes.
2. Please explain GMG's process for identifying which GMG customers from the remaining firm customer classes have installed electric heat pumps.
3. Please provide the analysis the Company performed to determine its approaches for incorporating the effects of the penetration of electric heat pumps in its 2025-2026 design day calculations for the remaining firm customer classes.
4. What other approaches (for incorporating the effects of the penetration of non-heat pump electrification technologies) did GMG consider but not use? Please explain in detail.
5. Did the Company include any adjustment(s) to its 2025-2026 design day calculations for the other firm customer classes to recognize the impacts of electric heat pumps?
6. If so, please explain the adjustments and provide the analysis.

GMG RESPONSE:

GMG did not make any adjustments to its design day calculations or its analysis in the present docket to incorporate the impact of electric heat pumps. To the Company's knowledge, residential heat pumps are primarily effective down to 20 degrees Fahrenheit and can, in some cases, extract heat to -13 degrees Fahrenheit. GMG is not aware of any heat pumps which are effective at design day conditions. The Company is obligated to provide firm service at design day conditions and is confident that the Commission is interested in ensuring safe heating ability during such times. Further, GMG does not have

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a means of identifying which customers have heat pumps and how that number changes over time. Thus, the Company based its demand entitlement analysis on its service obligations without regard to heat pumps so that it can ensure safe, reliable natural gas service in the event of design day conditions.

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Request Number:	**10**
Topic:	Effects of non-heat pump electrification technologies on GMG's 2025-2026 residential design day calculation
Reference(s):	N/A

Request:

1. Please provide a narrative that explains GMG's process or protocol for estimating the effects of the installation of non-heat pump electrification technologies that are being installed for use by GMG's residential customers and the forecasted effects of non-heat pump electrification technologies on the Company's 2025-2026 residential design day calculations.
2. Please explain GMG's process for identifying which residential customers have installed non-heat pump electrification technologies.
3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of non-heat pump electrification technologies in its 2025-2026 residential design day calculations.
4. What other approaches (for incorporating the effects of the penetration of non-heat pump electrification technologies) did GMG consider but not use? Please explain in detail.
5. Did the Company include any adjustments to its 2025-2026 residential design day calculations to incorporate the impacts of these non-heat pump electrification technologies?
6. If so, please explain the adjustments and provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its design day calculations or its analysis in the present docket to incorporate the impact of non-heat pump electrification technologies. GMG has no knowledge regarding whether its customers may have made any modifications to employ electrification technologies. GMG

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based its demand entitlement analysis on its service obligations without regard to the potential impact of electrification technologies so that it can ensure safe, reliable natural gas service in the event of design day conditions.

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Request Number:	**11**
Topic:	Effects of electrification technologies on the firm commercial customer classes in GMG's 2025-2026 design day calculations
Reference(s):	N/A

Request:

1. Has GMG identified any electrification technologies currently in use in its service area that displace the use of natural gas technology and the effect of those electrification technologies on the 2025-2026 firm commercial design day calculations? Please explain in detail.
2. Provide a narrative that delineates the Company's process of data collection and analysis for the different electrification technologies identified for the firm commercial classes.
3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of forms of electrification technologies in its 2025-2026 firm commercial customer classes design day calculations.
4. What other approaches (for incorporating the effects of the penetration of electrification technologies) did GMG consider but not use? Please explain in detail.
5. Did the Company include any adjustments to its 2025-2026 firm commercial design day calculations to incorporate the impacts of these electrification technologies?
6. If so, please explain the adjustments and provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its design day calculations or its analysis in the present docket to incorporate the impact of electrification technologies. GMG has no knowledge regarding whether its customers may have made any modifications to employ electrification technologies. GMG based its demand entitlement analysis on its service obligations without regard to the potential impact of

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Response Date:	August 8, 2025
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Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

COMMERCE DEPARTMENT

Minnesota Department of Commerce
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electrification technologies so that it can ensure safe, reliable natural gas service in the event of design day conditions.

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Request Number:	**12**
Topic:	Effects of electrification technologies on the firm industrial customer classes in GMG's 2025-2026 design day calculations
Reference(s):	N/A

Request:

1. Has GMG identified any electrification technologies currently that affect the 2025-2026 design day calculations for the firm industrial customer classes? Please explain in detail.
2. Provide a narrative that delineates the Company's process of data collection and analysis for the different electrification technologies identified for the firm industrial customer classes.
3. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of forms of electrification technologies in its 2025-2026 firm industrial customer classes design day calculations.
4. What other approaches (for incorporating the effects of the penetration of electrification technologies) did GMG consider but not use? Please explain in detail.
5. Did the Company include any adjustments to its 2025-2026 firm industrial design day calculations to incorporate the impacts of these electrification technologies?
6. If so, please explain the adjustments provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its design day calculations or its analysis in the present docket to incorporate the impact of electrification technologies. GMG has no knowledge regarding whether its customers may have made any modifications to employ electrification technologies. GMG based its demand entitlement analysis on its service obligations without regard to the potential impact of

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Request Number:	**13**
Topic:	Effects of electric heat pumps on GMG's 2025-2026 heating season on forecasted residential monthly sales
Reference(s):	N/A

Request:

1. Please provide a narrative that explains GMG's process or protocol for estimating the effects of the number of electric heat pumps that are being installed in its service area on its 2025-2026 heating season residential forecasted monthly sales.
2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of electric heat pumps in its 2025-2026 heating season residential forecasted monthly sales.
3. What other approaches (for incorporating the effects of the penetration of electric heat pumps) did GMG consider but not use? Please explain in detail.
4. Did the Company include any adjustments to its 2025-2026 heating season residential forecasted monthly sales to incorporate the impacts of electric heat pumps?
5. If so, please explain the adjustments and provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its forecasted monthly sales based on the potential impact of electric heat pumps. GMG has no knowledge regarding whether its customers may have made any modifications to employ electric heat pumps. GMG based its demand entitlement analysis on its service obligations based on historical sales without regard to the potential impact of electric heat pumps so that it can ensure safe, reliable natural gas service in the event of design day conditions.

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Request Number:	**14**
Topic:	Effects of non-heat pump electrification technologies on GMG's 2025-2026 heating season residential forecasted monthly sales
Reference(s):	N/A

Request:

1. Please provide a narrative that explains GMG's process or protocol for estimating the effects of the installation of non-heat pump electrification technologies that are being installed for use by residential customers and the effects this change has on the Company's 2025-2026 heating season residential forecasted monthly sales.
2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of non-heat pump electrification technologies in its 2025-2026 heating season residential forecasted monthly sales.
3. What other approaches (for incorporating the effects of the installation of non-heat pump electrification technologies) did GMG consider but not use? Please explain in detail.
4. Did the Company include any adjustments to its 2025-2026 heating season residential monthly sales to incorporate the impacts of these non-heat pump forms of electrification?
5. If so, please explain the adjustments and provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its forecasted monthly sales based on the potential impact of electrification technologies. GMG has no knowledge regarding whether its customers may have made any modifications to employ electrification technologies. GMG based its demand entitlement analysis on its service obligations based on historical sales without regard to the potential impact of electrification technologies so that it can ensure safe, reliable natural gas service in the event of design day conditions.

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Request Number:	**15**
Topic:	Effects of electrification technologies used by the commercial class on 2025-2026 heating season commercial monthly sales forecast
Reference(s):	N/A

Request:

1. Has GMG identified any electrification technologies currently in use in its service area that effect the Company's 2025-2026 heating season commercial forecasted monthly sales?
2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of electrification technologies in its 2025-2026 heating season commercial monthly sales calculation.
3. What other approaches (for incorporating the effects of electrification technologies) did GMG consider but not use? Please explain in detail.
4. Did the Company include any adjustments to its 2025-2026 heating season commercial forecasted monthly sales to incorporate the impacts of these different electrification technologies?
5. If so, please explain the adjustments and provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its forecasted monthly sales based on the potential impact of electrification technologies. GMG has no knowledge regarding whether its customers may have made any modifications to employ electrification technologies. GMG based its demand entitlement analysis on its service obligations based on historical sales without regard to the potential impact of electrification technologies so that it can ensure safe, reliable natural gas service in the event of design day conditions.

To be completed by responder

Response Date:	August 8, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine Anderson, Greater Minnesota Gas Date of Request: 7/28/2025
Type of Inquiry: Forecasting Response Due: 8/8/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john kundert@state.mn.us
Phone Number(s): 651-539-1740

ADDITIONAL INSTRUCTIONS:
Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number:	**16**
Topic:	Effects of electrification technologies used by the industrial customer class on 2025-2026 heating season industrial monthly sales forecast
Reference(s):	N/A

Request:

1. Has GMG identified any electrification technologies currently in use in its service area that affect the Company's 2025-2026 heating season industrial forecasted monthly sales?
2. Please provide the analysis the Company performed to determine its approach for incorporating the effects of the penetration of forms of electrification technologies in its 2025-2026 industrial monthly sales calculation.
3. What other approaches (for incorporating the effects of electrification technologies) did GMG consider but not use? Please explain in detail.
4. Did the Company include any adjustments to its 2025-2026 heating season industrial forecasted monthly sales to incorporate the impacts of these electrification technologies?
5. If so, please explain the adjustments and provide this analysis.

GMG RESPONSE:

GMG did not make any adjustments to its forecasted monthly sales based on the potential impact of electrification technologies. GMG has no knowledge regarding whether its customers may have made any modifications to employ electrification technologies. GMG based its demand entitlement analysis on its service obligations based on historical sales without regard to the potential impact of electrification technologies so that it can ensure safe, reliable natural gas service in the event of design day conditions.

To be completed by responder

Response Date:	August 8, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine Anderson, Greater Minnesota Gas Date of Request: 7/28/2025
Type of Inquiry: Forecasting Response Due: 8/8/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john kundert@state.mn.us
Phone Number(s): 651-539-1740

ADDITIONAL INSTRUCTIONS:
Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number:	**17**
Topic:	Analysis of different statistical approaches to existing regression models that allow for the incorporation of electrification technologies
Reference(s):	N/A

Request:

1. Has GMG analyzed statistical approaches other than its existing regression models that would allow GMG to incorporate the effects of electrification technologies on its annual forecasted design day and forecasted monthly sales?
2. If so, please explain the statistical approaches and provide the analysis.

GMG RESPONSE:

GMG has not analyzed statistical approaches that would allow it to incorporate the effect of electrification technologies on its annual forecasted design day and forecasted monthly sales. GMG respectfully submits that it is obligated to provide safe, reliable natural gas service regardless of whether any customers have employed any electrification technologies; thus, it is incumbent upon GMG to base its demand analysis on actual use during peak times without regard to any potential reduction in sales that may result from electrification. In the event that customers do employ such technologies that impact their natural gas usage, GMG respectfully submits that would be captured in their historical gas use going forward, thereby necessarily being incorporated into GMG's analysis in future contract demand calculations.

To be completed by responder

Response Date:	August 8, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-25-70 ☐Nonpublic ☒Public
Requested From: Kristine Anderson, Greater Minnesota Gas
Type of Inquiry: Forecasting

Date of Request: 7/28/2025
Response Due: 8/8/2025

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).
Assigned Analyst(s): John Kundert
Email Address(es): john kundert@state.mn.us
Phone Number(s): 651-539-1740

ADDITIONAL INSTRUCTIONS:
Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number:	**18**
Topic:	Agreements with electric utilities to share interstate pipeline capacity during extreme weather events
Reference(s):	N/A

Request:

1. Has GMG identified any electric utilities in Minnesota with whom it would be beneficial to share interstate pipeline capacity during extreme weather events?
2. Has GMG initiated discussions regarding such an agreement with any electric utilities in Minnesota? Please explain in detail.

GMG RESPONSE:

GMG is not aware of any such utilities and has not engaged in such discussions.

To be completed by responder

Response Date:	August 8, 2025
Response by:	Kristine Anderson
Email Address:	kanderson@greatermngas.com
Phone Number:	507-209-2110

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
Comments

Docket No. G022/M-25-70

Dated this **28th** day of **August 2025**

/s/Sharon Ferguson

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Lane PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-70
2	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-70
3	Robin	Burke	rburke@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-70
4	Cody	Chilson	cchilson@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-70
5	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-25-70
6	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-25-70
7	Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-70
8	Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.		1900 Cardinal Ln PO Box 798 Faribault MN, 55021 United States	Electronic Service		No	M-25-70
9	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-25-70