

July 18, 2013

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

RE: Response **Letter of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G007,011/M-13-355

Dear Dr. Haar:

The Minnesota Department of Commerce, Division of Energy Resources (Department) filed its *Comments* in this docket on June 27, 2013. In those *Comments*, the Department recommended that the Minnesota Public Utilities Commission (Commission) accept Minnesota Energy Resources Corporation's (MERC or Company) 2012 *Annual Service Quality Report* pending the Company's response to various inquiries and the provision of additional information in *Reply Comments*.

MERC filed its *Reply Comments* on July 8, 2013. In its *Reply Comments*, the Company provided additional, clarifying information regarding the issues the Department identified in its *Comments*. The Department appreciates the additional information and concludes that the Company's explanations and clarifications are generally satisfactory.

On the specific issue of the residential explosion that occurred on September 15, 2012, the Company was unable to provide the additional information that the Department requested due to the fact that the investigation is still ongoing. The Department recommends that the Commission require MERC to file an update in this docket on the outcome of the investigation.

In conclusion, the Department recommends that the Commission accept MERC's 2012 *Annual Service Quality Report* and require that the Company file an update in this docket at the conclusion of the investigation of the September 15, 2012 residential explosion. The Department does not anticipate filing any additional comments in this docket and is available to answer any questions that the Commission may have.

Sincerely,

/s/ LAURA B. LAUFMANN
Rates Analyst
651-539-1828

LBL/jl

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
Response Letter**

Docket No. G007,011/M-13-355

Dated this **18th** day of **July, 2013**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	OFF_SL_13-355_M-13-355
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_13-355_M-13-355
Michael	Bradley	bradley@moss-barnett.com	Moss & Barnett	4800 Wells Fargo Ctr 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	OFF_SL_13-355_M-13-355
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_13-355_M-13-355
Daryll	Fuentes	N/A	USG	550 W. Adams Street Chicago, IL 60661	Paper Service	No	OFF_SL_13-355_M-13-355
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_13-355_M-13-355
Richard	Haubensak	RICHARD.HAUBENSAK@CONSTELLATION.COM	Constellation New Energy Gas	Suite 200 12120 Port Grace Boulevard La Vista, NE 68128	Electronic Service	No	OFF_SL_13-355_M-13-355
Amber	Lee	lee.amber@dorsey.com	Briggs and Morgan	2200 IDS Center 80 South 8th Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-355_M-13-355
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_13-355_M-13-355
Brian	Meloy	brian.meloy@leonard.com	Leonard, Street & Deinard	150 S 5th St Ste 2300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-355_M-13-355

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_13-355_M-13-355
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_13-355_M-13-355
Gregory	Walters	gjwalters@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	3460 Technology Dr. NW Rochester, MN 55901	Electronic Service	No	OFF_SL_13-355_M-13-355