MINNESOTA DEPARTMENT OF COMMERCE

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October 15, 2015

Daniel P. Wolf
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, Division of Energy Resources**
Docket No. G011/M-15-722

Dear Dr. Wolf:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

> A Request by Minnesota Energy Resources Corporation (MERC or the Company) for Approval of a Change in Demand Entitlement for its Customers Served off of the Consolidated System Effective in the Purchased Gas Adjustment (PGA) on November 1, 2015.

The filing was submitted on July 31, 2015. The petitioner is:

> Amber S. Lee
> Minnesota Energy Resources Corporation
> 1995 Rahncliff Court, Suite 200
> Eagan, MN 55122

Since MERC had anticipated its purchases/reductions at the time of the filing, the Department requests that in the Company's November 2, 2015 updated filing, MERC provide its actual capacity purchases/reductions on the Centra, Great Lakes, and Viking pipelines. Contingent upon this information, the Department recommends that the Commission:

- **accept** MERC-Consolidated's peak-day analysis; and
- **approve** MERC-Consolidated's proposed level of demand entitlement and proposed recovery of associated demand costs effective November 1, 2015.

In its future demand entitlement filings, the Department would appreciate it if MERC would consolidate all of its attachments that show similar information to avoid errors as well as reduce the number of attachments in its demand entitlement filings.

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

Sincerely,

/s/ SACHIN SHAH
Rates Analyst

/s/ MICHELLE ST. PIERRE
Financial Analyst

SS/MS/lt
Attachment

MINNESOTA DEPARTMENT OF COMMERCE

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE DIVISION OF ENERGY RESOURCES

DOCKET NO. G011/M-15-722

I. SUMMARY OF COMPANY'S PROPOSAL

Pursuant to Minnesota Rules 7825.2910, subpart 2, Minnesota Energy Resources Corporation (MERC or the Company) filed a change in demand entitlement petition (Petition) on July 31, 2015 for its customers served off of the Consolidated Purchased Gas Adjustment (PGA) system.[1] MERC-Consolidated serves customers located along three pipelines: Great Lakes Gas Transmission (Great Lakes or GLGT), Viking Gas Transmission Co. (Viking or VGT), and Centra Minnesota Pipelines (Centra). As shown in Table 1, MERC requested that the Minnesota Public Utilities Commission (Commission) approve the following changes in the Company's level of contracted capacity:[2]

Table 1: The Company's Proposed Total Entitlement Changes

Type of Entitlement	Proposed Changes: increase (decrease) (Dkt)[3]
Great Lakes FT Western Zone (5 months) discounted	90
Great Lakes FT Western Zone (5 months) full rate	3,300
Viking FT-A Zone 1-1 (5 months)	1,000
Centra FT-1 (12 months)	(400)
Total Entitlement Net Change	**3,990**

[1] In its December 21, 2012 Order in Docket No. G007,011/GR-10-977, the Commission approved consolidation of MERC's four PGA systems effective July 1, 2013. MERC named the PGA for the Northern Natural Gas customers "MERC-NNG." At the time, MERC's only other PGA system was named "MERC-Consolidated." Effective May 1, 2015, MERC acquired Interstate Power & Light Company's Minnesota natural gas operations and customers. The Commission required MERC to maintain the transitioned customers on a separate PGA until MERC's next rate case. MERC named the PGA for the transitioned customers "MERC NNG-Albert Lea." On July 31, 2015, MERC filed a demand entitlement request for MERC-NNG in Docket No. G011/M-15-723 and MERC NNG-Albert Lea in Docket No. G011/M-15-724.

[2] MERC noted in its July 31, 2015 cover letter that any updated information would be provided with the Company's November 1, 2015 filing. Since November 1, 2015 falls on a Sunday, the updated filing would be filed on November 2, 2015.

[3] Dekatherms (Dkt).

MERC proposed to increase Great Lakes' 5-month discounted capacity by 90 Dkt and 5-month full rate capacity by 3,300 Dkt. The Company also increased Viking's 5-month capacity by 1,000 Dk and decreased Centra's 12-month capacity by 400 Dkt. The net change to the design-day capacity is an increase of 3,990 Dkt. As discussed further below, MERC's projected 2015-2016 design-day requirements (overall needs of its firm customers on a design day) increased by 4,369 Dkt (or approximately 8.97 percent) from the previous year.[4]

MERC described the change in demand entitlements as follows:

- MERC anticipates decreasing capacity on Centra Transmission Holdings Inc. and Centra Pipeline Minnesota from 9,500 to 9,100 Mcf to insure a positive reserve margin less than 5 percent. [5]

- On GLGT, MERC anticipates increasing capacity by 3,300 Dth to address increased design day requirement and insuring a positive reserve margin. MERC is seeking to acquire the 3,300 Dth for the winter only period (November 1, 2015 through March 31, 2016).[6]

- On VGT, MERC anticipates increasing capacity by 1,000 Dth to address increased design day requirement and insuring a positive reserve margin. MERC is seeking to acquire the 1,000 Dth for the winter only period (November 1, 2015 through March 31, 2016).[7]

MERC-Consolidated has gas storage with AECO, located in Calgary, Canada. To deliver the supply from storage to the MERC-Consolidated customers, MERC enters into a swap where MERC sells gas at the AECO storage point to a supplier and buys an equivalent volume at Emerson/Spruce which MERC then transports to its customers. According to MERC, the swap substitutes the need to contract for firm transport on TransCanada pipeline (TCPL) to transport the gas from AECO to Emerson/Spruce.[8] The Minnesota Department of Commerce, Division of Energy Resources (Department or DOC) notes that MERC's AECO/Emerson Swap increased from of 940,428 Dth to 947,779 Dth as indicated on MERC's Attachment 6. The Department also notes that MERC's Attachment 6 has multiple errors in the 2015 figures and resulting proposed changes. Furthermore, the Company's Petition, pages 2 and 3, contains additional errors related to the errors on MERC's Attachment 6. In its future demand entitlement filings, the Department would appreciate it if MERC would consolidate all of its attachments that show similar information to avoid errors as well as reduce the number of attachments in its demand entitlement filings.

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[4] See Table 3 below.
[5] Petition, page 14.
[6] *Id*.
[7] *Id*.
[8] The Department's December 1, 2014 Comments, page 2, Docket No. G011/M-14-661.

The Department concludes that MERC's proposed changes appear to be reasonable, based on current information. As discussed below, the effect of the above-proposed changes is an increase in demand costs for the General Service and Large General Service customers.

II. THE DEPARTMENT'S ANALYSIS OF THE COMPANY'S PROPOSAL

The Department's analysis of the Company's request includes the changes to:

- capacity;
- design-day requirements;
- reserve margins; and
- PGA cost recovery.

A. MERC'S PROPOSED CHANGES

1. Capacity

As indicated in Table 2 and DOC Attachments 1 and 2, MERC proposed to increase its total entitlement level by 3,990 Dkt as follows:

Table 2

July 31, 2015 Filing	2014-5 Entitlement (Dkt)	2015-6 Entitlement (Dkt)	Entitlement Changes (Dkt)	Change From Previous Year (%)
Centra	9,500	9,100	(400)	(4.21)%
Great Lakes	26,368	29,758	3,390	12.86%
Viking	15,591	16,591	1,000	6.41%
Total Consolidated	51,459	55,449	3,990	7.75%

As discussed below, the design-day requirement increased by 4,369 Dkt. As also discussed below, MERC-Consolidated's design-day requirement and reserve margin are reasonable at this time. Therefore, the Department concludes that MERC-Consolidated's proposed level of demand entitlement is reasonable at this time and recommends approval of the proposed level of capacity.

2. Design-Day Requirements

As provided in Table 3 and DOC Attachment 2, MERC proposed to increase its total design day by 4,369 Dkt as follows:

Table 3

July 31, 2015 Filing	2014-5 Design Day (Dkt)	2015-6 Design Day (Dkt)	Design Day Changes (Dkt)	Change From Previous Year (%)
Centra	7,129	8,674	1,545	21.67%
Great Lakes	25,720	28,543	2,823	10.98%
Viking	15,858	15,858	0	0%
Total Consolidated	48,706	53,075	4,369	8.97%

MERC provided significant discussion regarding its design-day calculation. The Department notes that the Company's design-day analysis is similar to the process that it has used in prior demand entitlement filings. However, MERC performed regressions by pipeline and weather station in the present docket. Considering the July 1, 2013 rearrangement/consolidation of MERC's Viking, GLGTs, and Centra entitlements and design day estimates, this approach seems reasonable.

MERC also made some changes to its design-day analysis. Previously, MERC used a slightly different approach as follows:[9]

> Similar to the process used the prior year, the Team generated regressions of the daily throughput data available less the known daily meter readings for non-firm customers and adjusted those regressions for the estimated peak day impact of the other non-firm customers who do not have daily readings.

In the current Petition, MERC stated the following in part:[10]

> A review of the data available also showed that we could use daily small volume interruptible data that came as a result of the Telemetry program as part of MERC's Interruptible Tariffs.
>
> The Team followed an approach generally consistent with the one used last year with one major change. By only using daily data, the Team removed the effects the monthly billing cycle data had on the Peak Day forecast.
>
> … The daily throughput data was provided by pipeline and meter, with each meter on each pipeline mapped to one of the weather stations shown in the above table. As noted above, some of the meters represented a TBS. Some meters were dedicated to a customer who is not a firm service customer. For example, certain transportation, interruptible, direct connect,

[9] See the Company's November 3rd, 2014 Compliance Filing – Revised Demand Entitlement Petition at page 6 (Docket No. G011/M-14-661).
[10] Petition, pages 6 and 8.

> and taconite customers have their own meter, but are not counted as firm service customers.
>
> The Team then gathered daily telemetered data from every remaining interruptible customer and mapped each customer's data to a pipeline and to one of the weather stations shown in the above table. This was a major new undertaking this year that was only made possible by the Telemetry program as part of MERC's Interruptible Tariffs.

Thus, as a result of MERC's telemetry program making it possible for all interruptible customers to have daily metered data, the Company no longer had to estimate their peak-day impact as it had previously done. This approach seems reasonable.

In addition, MERC made some adjustments to its data, for example for the GLGT pipeline for Bemidji and Cloquet regression analysis. In its Petition MERC stated the following:[11]

> Review daily total metered throughput, Data A, and Data B and identify missing or bad reads, and to the extent possible, fix missing or bad reads. To the extent that the data could not be fixed, we did not include it in our regressions.

In the Department's May 5, 2015 Comments in Docket No. G999/AA-14-580, the Department stated in part the following:[12]

> … In November of 2014, MERC informed the Department that it was continuing to investigate [lost-and-unaccounted-for gas] and that a billing error had been found that would take care of some of the negative [lost-and-unaccounted-for gas]. Later in response to Department Information Request No. 23, MERC revised its calculation of [lost-and-unaccounted-for gas] for the FYE14. MERC stated that it had discovered two errors after submitting its initial response to Department Information Request No. 10:
>
> 1. A defective flow meter, owned by Great Lakes Gas Transmission (GLGT) inaccurately measuring the amount of gas supplied to MERC by GLGT at its Grand Rapids town border station. The correction of the metering error resulted in an adjustment of an estimated 171,151 Dth of "unmetered" gas that MERC-CON received during the time period of July 2013 through June 2014.

[11] Petition at page 7.
[12] May 5, 2015 DOC Comments in Docket No. G999-AA-14-580 at page 76.

In its May 15, 2015 Reply Comments in Docket No. G999-AA-14-580, MERC stated the following:[13]

> After the submittal of its 2014 true-up reports, MERC was notified by GLGT in early September 2014 that their meter at the Grand Rapids, Minnesota, Town Border Station ("TBS") was incorrectly measuring natural gas flow. GLGT calculated an adjustment amount of 163,143 Dths for the time period of February 2014 through July 2014. GLGT corrected the measurement error by adjusting the balancing volume MERC owed to GLGT by 163,143 Dths on the August 2014 Balancing Statement issued to MERC. MERC treated this imbalance amount owed to GLGT as it treats other imbalances on the GLGT pipeline by adjusting pipeline nominations in future months. In other words, MERC adjusted future nominations downward to adjust for the increased imbalance amount of 163,143 Dths caused by GLGT's faulty TBS meter. The GLGT metering error only affected MERC-CON PGA system customers. MERC was temporarily not charged for this amount of gas until GLGT issued an invoice to MERC in September 2014 that included the 163,143 Dths of "unmetered" gas in the August 2014 month-end imbalance amount. The August 2014 adjusted month-end imbalance amount was included in MERC-CON PGA system August 2014 monthly gas costs and will be accounted for as such in MERC's 2015 annual true-up.

In its June 24, 2015 Response Comments, the Department stated the following:[14]

> In its AAA Report, the Department noted that the GLGT metering error only pertained to the MERC-CON PGA customers, who were all undercharged.[7] Because MERC compensated for the meter malfunction by adjusting future nominations downward, the Department concludes that neither MERC nor the customers were harmed. Therefore, no billing error occurred that would invoke or require a variance from the natural gas billing error rules, Minn. R. 7820.4000.
>
> 7. AAA Report, pages 76-77

Thus, in order to avoid affecting the estimates for the design-day analysis, MERC excluded the data from the design-day regression analysis. This approach seems reasonable.

[13] See MERC's 5-15-15 Reply Comments in Docket No. G999-A-14-580 at pages 5-6.
[14] See DOC's 6-24-15 Response Comments in Docket No. G999-AA-14-580 at page 5.

The Department notes that MERC appropriately corrected its models for autocorrelation, as was discussed in the Department's March 4th, 2013 Comments in Docket Nos. G011/M-12-1192, G011/M-12-1193, G011/M-12-1194, and G011/M-12-1195 wherein the Department requested that, in its future demand entitlement filings, MERC check the regression models it ultimately uses for autocorrelation and correct the model if autocorrelation is present. The Department appreciates MERC's attention to this issue.

The Department recommends that the Commission accept MERC-Consolidated's peak-day analysis.

3. Reserve Margins

As shown in Table 4 and DOC Attachment 2, the proposed reserve margins for each area and the total MERC-Consolidated PGA are as follows:

Table 4

July 31, 2015 Filing	Total Entitlement (Dkt)	Design-day Estimate (Dkt)	Difference (Dkt)	2015 Reserve Margin %	2014 Reserve Margin %	% Change From Previous Year
Centra	9,100	8,674	426	4.91%	22.74%	(17.83)%
Great Lakes	29,758	28,543	1,215	4.26%	5.87%	(1.61)%
Viking	16,591	15,858	733	4.62%	(1.68)%	6.30%
Total Consolidated	55,449	53,075	2,374	4.47%	5.65%	(1.18)%

Regarding MERC-Consolidated's Centra area, as indicated above in Section I, MERC anticipated decreasing capacity on Centra by 400 Dth to insure a positive reserve margin of less than five percent. Assuming that MERC is able to reduce its capacity on Centra, the reserve margin on Centra would be 4.91 percent or 426 Dth.

MERC also anticipated acquiring 3,300 Dth on the Great Lakes system to insure a positive reserve margin. Assuming that is the case, the reserve margin on Great Lakes would be 4.26 percent or 1,215 Dth. Generally, a reserve margin up to five percent is not unreasonable.

In MERC-Consolidated's most recent demand entitlement filing, Docket No. G011/M-14-661 (Docket No. 14-661), MERC's reserve margin on Viking was negative 1.68 percent (-267 Dth). The Commission's June 22, 2015 *Order* in Docket No. 14-661, required MERC to include in its next petition for a change in demand entitlement for the MERC-Consolidated Viking area, a description and explanation of the different alternatives MERC reviewed and a discussion on each option that was considered by MERC to resolve Consolidated-VGT negative reserve margin.

On page 3 of its Petition, MERC stated:

> Now that VGT was allowed to increase their pressure back up to 100% MAOP [maximum allowable operating pressure], MERC has contracted for an incremental 1,000 Dth/day capacity during the winter, which provides MERC a positive reserve margin. MERC stated in Additional Reply Comments it intended to explore all available options (i.e., Emerson, Northern Natural Gas, Great Lakes Gas Transmission, and ANR) to serve customers reliably given the negative VGT reserve margin in its 2015 demand entitlement filing. However, because VGT has been allowed to increase pressure back up to 100% MAOP, MERC has contracted to provide a positive reserve margin.

As stated above in Section I, MERC anticipates increasing capacity on Viking by 1,000 Dth to insure a positive reserve margin. Assuming that MERC is able to purchase this capacity, the reserve margin on Viking would be 4.62 percent or 733 Dth.

The Department requests that in the Company's November 2, 2015 updated filing, MERC provide its actual capacity purchases/reductions on the Centra, Great Lakes, and Viking pipelines.

Based on this information and the Department's assessment of the Company's design-day analysis, the Department concludes that the reserve margin appears to be reasonable at this time.

B. THE COMPANY'S PGA COST RECOVERY PROPOSAL

In its Petition, the Company compared its July 2015 PGA to its projected November 2015 PGA rates to highlight the changes in demand costs (see DOC Attachment 3).[15] The Company's demand entitlement proposal would result in the following annual demand cost impacts:

- Annual bill increase of $0.71 related to demand costs, or approximately 0.12 percent, for the average General Service-Residential customer consuming 93 Dkt annually;
- Annual bill increase of $40.91 related to demand costs, or approximately 0.13 percent, for the average Large General Service customer consuming 5,383 Dkt annually;
- no demand cost impacts related to MERC-Consolidated's interruptible rate classes.

[15] MERC has similar information in its Attachments 4 and 7 but the annual usage for all classes does not agree between the two attachments. Further, on Attachment 4, page 2, the new level of Viking demand is not shown. Thus, the demand rate is understated by 0.00003. DOC Attachment 3 corrects this error.

III. THE DEPARTMENT'S RECOMMENDATIONS

Since MERC had anticipated its purchases/reductions at the time of the filing, the Department requests that in the Company's November 2, 2015 updated filing, MERC provide its actual capacity purchases/reductions on the Centra, Great Lakes, and Viking pipelines. Contingent upon this information, the Department recommends that the Commission:

- **accept** MERC-Consolidated's peak-day analysis; and
- **approve** MERC-Consolidated's proposed level of demand entitlement and proposed recovery of associated demand costs effective November 1, 2015.

In its future demand entitlement filings, the Department would appreciate it if MERC would consolidate all of its attachments that show similar information to avoid errors as well as reduce the number of attachments in its demand entitlement filings.

/lt

Department Attachment 1
Docket No. G011/M-15-722
MERC-Consolidated's Demand Entitlement Historical and Current Proposal

Heating Season Source: MERC's Attachment 6		2012-2013 Quantity (Mcf)	1-Nov 2014 2013-2014 Quantity (Mcf)	Proposed 31-Jul 2015 2014-2015 Quantity (Mcf)	Proposed 31-Jul 2015 Change in Quantity	Proposed 31-Jul 2015 Change in Capacity%	Proposed 31-Jul 2015 Change in DD %
Great Lakes Gas Transmisssion	**Contract #**						
FT Western Zone annual	FT0016	10,130	10,130	10,130	0		
FT Western Zone annual	FT15782	9,000	9,000	9,000	0		
FT Western Zone (12) annual	FT17891 (12)	3,600	3,600	3,600	0		
FT Western Zone (5) winter	FT17891 (5)	3,638	3,638	3,728	90		
FT Western Zone (5) winter	FTXXXXX (5)	0	0	3,300	3,300		
Total Great Lakes		26,368	26,368	29,758	3,390	12.86%	14.60%
Viking Gas Transmission							
FT-A Zone 1 - 1 annual	AF0012	12,493	12,493	12,493	0		
FT-A Zone 1 - 1 winter	AF0209	1,098	1,098	1,098	0		
FT-A Zone 1 - 1 annual	AF0102	2,000	2,000	2,000	0		
FA-A Zone 1 - 1 annual	AFXXXX	1,500	0	1,000	1,000		
Total Viking		17,091	15,591	16,591	1,000	6.41%	-1.26%
Centra Transmission Holding/Centra Mn Pipelines							
Centra FT - 1 annual		9,500	9,500	9,100	(400)		
Total Centra		9,500	9,500	9,100	(400)	-4.21%	12.07%
Total Transportation		52,959	51,459	55,449	3,990	7.75%	8.97%
Total Design Day Capacity		52,959	51,459	55,449	3,990	7.75%	
Total Annual Transportation		48,223	46,723	47,323	600	1.28%	
Total Winter Transport		4,736	4,736	8,126	3,390	71.58%	
Percent Winter		8.94%	9.20%	14.65%			

Department Attachment 2
Docket No. G011/M-15-722
Demand Entitlement Analysis

MERC-Consolidated Demand Entitlement Analysis

	Number of Firm Customers			Design-Day Requirement			Total Entitlement Plus Peak Shaving			Reserve Margin	
Heating Season*	(1) Number of Customers	(2) Change from Previous Year	(3) % Change From Previous Year	(4) Design Day (Dth)	(5) Change from Previous Year	(6) % Change From Previous Year	(7) Total Design-Day Capacity (Dth)	(8) Change from Previous Year	(9) % Change From Previous Year	(10) Reserve (7) - (4)	(11) % of Reserve [(7)-(4)]/(4)
2015-2016	34,799	402	1.17%	53,075	4,369	8.97%	55,449	3,990	7.75%	2,374	4.47%
2014-2015	34,397	390	1.15%	48,706	(1,342)	-2.68%	51,459	(1,500)	-2.83%	2,753	5.65%
2013-2014	34,007	0	0.00%	50,048	(2,241)	-4.29%	52,959	(2,000)	-3.64%	2,911	5.82%
2012-2013*	34,007			52,289			54,959				
Average:			0.77%			0.67%			0.43%		5.31%

* 2012-2013 figures are from MERC-Consolidated Attachment 3, page 1 of 1.

	Firm Peak-Day Sendout						
Heating Season*	(12) Firm Peak-Day Sendout (Dth)	(13) Change from Previous Year	(14) % Change From Previous Year	(15) Excess per Customer [(7) - (4)]/(1)	(16) Design Day per Customer (4)/(1)	(17) Entitlement per Customer (7)/(1)	(18) Peak-Day Send per Customer (12)/(1)
2015-2016	unknown			0.0682	1.5252	1.5934	unknown
2014-2015	45,751	6,845	17.59%	0.0800	1.4160	1.4960	1.330086926
2013-2014	38,906			0.0856	1.4717	1.5573	1.144058576
Average			17.59%	0.0780	1.4710	1.5489	1.2371

DOC Attachment 3
MERC -Consolidated
Rate Impacts
G011/M-15-722

General Service-Residential	Base Cost of Gas Change MR13-732	Last Demand Change Nov. 2014	Most Recent PGA July. 2015	Nov. 1, 2015 w/ Proposed Demand Changes	% Change From Last Rate Case	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Cost	$4.4363	$4.9191	$3.2644	$3.2644	-26.42%	-33.64%	0.00%	$0.0000
Demand Cost	$0.8077	$0.8147	$0.7968	$0.8044	-0.41%	-1.26%	0.95%	$0.0076
Margin	$2.1806	$2.2290	$2.1806	$2.1806	0.00%	-2.17%	0.00%	$0.0000
Total Cost of Gas	$7.4246	$7.9628	$6.2418	$6.2494	-15.83%	-21.52%	0.12%	$0.0076
Average Annual Use	93	93	93	93				
Average Annual Cost of Gas*	$690.49	$740.54	$580.49	$581.19	-15.83%	-21.52%	0.12%	$0.71

Large General Service	Base Cost of Gas Change MR13-732	Last Demand Change Nov. 2014	Most Recent PGA July. 2015	Nov. 1, 2015 w/ Proposed Demand Changes	% Change From Last Rate Case^^	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Cost	$4.4363	$4.9191	$3.2644	$3.2644	-26.42%	-33.64%	0.00%	$0.0000
Demand Cost	$0.8077	$0.8147	$0.7968	$0.8044	-0.41%	-1.26%	0.95%	$0.0076
Margin	$1.6579	$1.9034	$1.6579	$1.6579	0.00%	-12.90%	0.00%	$0.0000
Total Cost of Gas	$6.9019	$7.6372	$5.7191	$5.7267	-17.03%	-25.02%	0.13%	$0.0076
Average Annual Use	5,383	5,383	5,383	5,383				
Average Annual Cost of Gas*	$37,152.93	$41,111.05	$30,785.92	$30,826.83	-17.03%	-25.02%	0.13%	$40.91

SV Interruptible Service	Base Cost of Gas Change MR13-732	Last Demand Change Nov. 2014	Most Recent PGA July. 2015	Nov. 1, 2015 w/ Proposed Demand Changes	% Change From Last Rate Case^^	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Cost	$4.4363	$4.9191	$3.2644	$3.2644	-26.42%	-33.64%	0.00%	$0.0000
Commodity Margin	$0.8490	$1.2014	$0.8490	$0.8490	0.00%	-29.33%	0.00%	$0.0000
Total Cost of Gas	$5.2853	$6.1205	$4.1134	$4.1134	-22.17%	-32.79%	0.00%	$0.0000
Average Annual Use	6,699	6,699	6,699	6,699				
Average Annual Cost of Gas*	$35,406.22	$41,001.23	$27,555.67	$27,555.67	-22.17%	-32.79%	0.00%	$0.00

LV Interruptible Service	Base Cost of Gas Change MR13-732	Last Demand Change Nov. 2014	Most Recent PGA July. 2015	Nov. 1, 2015 w/ Proposed Demand Changes	% Change From Last Rate Case^^	% Change From Last Demand Filing	% Change From Last PGA	$ Change From Last PGA
Commodity Cost	$4.4363	$4.9191	$3.2644	$3.2644	-26.42%	-33.64%	0.00%	$0.0000
Commodity Margin	$0.4553	$0.4026	$0.4553	$0.4553	0.00%	13.09%	0.00%	$0.0000
Total Cost of Gas	$4.8916	$5.3217	$3.7197	$3.7197	-23.96%	-30.10%	0.00%	$0.0000
Average Annual Use	42,000	42,000	42,000	42,000				
Average Annual Cost of Gas*	$205,447.20	$223,511.40	$156,227.40	$156,227.40	-23.96%	-30.10%	0.00%	$0.00

Change Summary	Commodity Change $/Mcf	Demand Change $/Mcf	Demand Change %	Total Monthly Change $/Mcf	Total Monthly Change %	Average Annual Change
General Service	$0.0000	$0.0076	0.95%	$0.0076	0.12%	$0.71
Large General Service	$0.0000	$0.0076	0.95%	$0.0076	0.13%	$40.91
SV Interruptible Service	$0.0000	$0.0000	0.00%	$0.0000	0.00%	$0.00
LV Interruptible Service	$0.0000	$0.0000	0.00%	$0.0000	0.00%	$0.00

***** Average Annual Bill amount does not include customer charges.

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. G011/M-15-722

Dated this 15th day of October 2015

/s/Sharon Ferguson

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