

November 16, 2015

Department of Commerce  
85 7<sup>th</sup> Place East, Suite 500, Saint Paul, MN 55101

In regards to the recent recommendations of changes to our filing I missed two of the edits. In section 13 I failed to strike the section on peak shaving so I have updated section 13.

In regards to section 27 I have added the recommended line to include the wording **in the same class of service**.

As for the question on the Standby Peaking Sales Service this was struck as Community Co-op of Lake Park is not currently offering this service in this form as we require it to be a primary heating service and have no intentions of changing this in the future.

Sincerely,

David Blomseth  
General Manager  
Community Co-ops of Lake Park

## **Section 27**

### **XVI. DISCONTINUANCE OR REFUSAL OF GAS SERVICE**

Community Co-ops of Lake Park policies and procedures are consistent with Minnesota Rules 7820.1000 - 7820.3000 on Disconnection of Service.

#### **Refusal or Discontinuance of Gas Service for Non-Payment**

- 1) Community Co-ops of Lake Park, with notice, may refuse gas service under the following conditions:
  - a) To a customer who owes a past due and unpaid balance for utility service at a former address in the same class of service;
  - b) To an applicant requesting service to be implemented at an address where the current resident, who has accumulated a past due and unpaid balance, continues to reside.
  - c) To a customer who fails to meet the utility's deposit and credit requirements;
  - d) To a customer who fails to make proper application for service;
  - e) To a customer who fails to furnish such service, equipment, and/or rights-of-way necessary to serve the customer as shall have been specified by the utility as a condition of obtaining service.

#### **Medically Necessary Equipment**

Community Co-ops of Lake Park shall connect or continue service to a residential customer's residence where a medical emergency exists or where medical equipment requiring electricity necessary to sustain life is in use. Community Co-ops of Lake Park must receive from a medical doctor written certification, or initial certification by telephone and written certification within five business days, that failure to reconnect or continue service will impair or threaten the health or safety of a resident of the customer's household. The customer must enter into a payment agreement.

## Section 13

### PURCHASED GAS ADJUSTMENT RIDER

#### Purchased Gas Adjustment (PGA)

In the event there is a change in the delivered cost of gas purchased that will result in a billing rate change that exceeds .3 ¢ per Therm, to be sold under Community Co-ops of Lake Park's gas service rate schedules), there shall be added to or deducted from the monthly bill computed there under the product of the monthly consumption and the amount per Therm to the nearest 0.001 ¢ by which the average annual purchased gas cost per Therm at the new rate is more or less than the "base gas cost" which is the cost of purchased gas established in Community Co-ops of Lake Park's latest company rate filing by rate class, expressed as a cost per Therm. In the event Community Co-ops of Lake Park finds it necessary to supplement the supply of natural gas by means of peak shaving, an amount per Therm shall be added to or deducted from the Gas Cost Reconciliation factor applied to firm gas service sales. This peak shaving amount shall be determined by dividing the difference between the peak shaving costs for the current twelve (12) month period ending June 30, and the peak shaving costs for the base period used for establishing the rate schedules to which this rider applies, by the total Therm sales to firm gas service customers for the current twelve (12) month period (adjusted to reflect normal temperature). To the extent peak shaving is used to serve dual-fuel customers, an appropriate adjustment will be made.

#### Cost of Gas by Component

- a) Annual demand unit cost is defined as annual demand costs divided by annual demand sales volumes. Annual demand sales volume is calculated pursuant to MPUC Rule 7825.2400.
- b) GMT Delivery Fees is defined as the rate charged for transmission by GMT for transmission line delivery.
- c) Transportation Fee is defined as the commodity based charge for sourcing and balancing the CCLP gas supply, the basis, transportation of the pipeline and the firm transport.
- d) Commodity Unit Cost is defined as the system commodity related costs forecasted to be incurred during the next month for forecasted sales for the same month.

#### Annual Gas Cost Reconciliation:

For each twelve (12) month period ending June 30, an annual cost reconciliation by cost component will be determined based upon actual annual gas costs incurred by Community Co-ops of Lake Park compared with annual gas costs recovered from volumes of gas sold. The annual cost recovered by cost component is the product of the total unit rate used in calculating the PGAs during the twelve (12) month period and the applicable gas sales volumes during the period when each of the total unit rates were in effect. The difference between actual cost and recovered cost for each component will be used in calculating a Gas Cost Reconciliation (GCR) factor for each rate schedule. The GCR factor will be applied to customers' billings on September 1 and will be in effect for a twelve (12) month period.

#### Refund Procedure:

Refunds and interest on the refunds that are received from the suppliers or transporters of purchased gas and attributable to the cost of gas previously sold, will be annually refunded by credits to bills, except that cumulative refund amounts equal to or greater than \$5.00 per customer must be refunded within ninety (90) days from the date the refund is received from a supplier or transporter. Refunds will be allocated to customer classes in proportion to previously charged costs of purchased gas. Within classes, the refund amount per unit will be applied to bills on the basis of individual twelve (12) month usage.

