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Le Sueur, MN 56058
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March 17, 2016

VIA ELECTRONIC FILING

Mr. Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Gas Affordability Program Annual Report for 2015
Docket No. _____

Dear Mr. Wolf:

Attached hereto, please find Greater Minnesota Gas, Inc.'s Gas Affordability Program Annual Report for 2015, along with the requisite Summary of Filing, for filing in a new docket.

All individuals identified on the attached service list have been electronically served with the same.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is kanderson@greatermngas.com.

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/

Kristine A. Anderson
Corporate Attorney

Enclosure

cc: Service List

CERTIFICATE OF SERVICE

I, Kristine Anderson, hereby certify that I have this day served a true and correct copy of the following document to all persons at the addresses indicated on the attached list by electronic filing, electronic mail, or by depositing the same enveloped with postage paid in the United States Mail at Le Sueur, Minnesota:

**Greater Minnesota Gas, Inc.'s Gas Affordability Program
Annual Report for 2015 and Summary of Filing
Docket No. _____**

filed this 17th day of March, 2016.

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney
Greater Minnesota Gas, Inc.

**STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Beverly Jones Heydinger
Nancy Lange
Dan Lipschultz
Matt Schuerger
John Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

Docket No. _____

Greater Minnesota Gas, Inc.'s
Gas Affordability Program
Annual Report for 2015

SUMMARY OF FILING

Please take notice that on March 17, 2016, Greater Minnesota Gas, Inc. ("GMG") filed the annual report for its gas affordability program with the Minnesota Public Utilities Commission. The filing does not contain any proposed rate impact.

Dated: March 17, 2016

/s/ Kristine A. Anderson
Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
202 S. Main Street
Le Sueur, MN 56068
Phone: 888-931-3411

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
Matt Schuerger	Commissioner
John Tuma	Commissioner

MPUC Docket No. _____

**Greater Minnesota Gas, Inc.’s
Gas Affordability Program
Annual Report for 2015**

**ANNUAL GAS
AFFORDABILITY PROGRAM
REPORT FOR 2015**

Greater Minnesota Gas, Inc. (“GMG”) hereby submits its Annual Gas Affordability Program Report for the period ending December 31, 2015. The Minnesota Public Utilities Commission (“Commission”) permitted modification of GMG’s annual reporting requirements by its Order dated October 12, 2012. GMG’s annual reporting requirements were subsequently developed and incorporated into its tariff modification. Pursuant to the Commission’s November 26, 2014 Order, GMG submits its Annual Report as a miscellaneous tariff filing under a new docket. GMG respectfully notes that this represents the final report submitted detailing its GAP statistics for its prior program, as a revised GAP and revised reporting requirements were approved for GMG’s GAP beginning with the 2016 calendar year. GMG has partnered with the Energy Cents Coalition as a third-party administrator to assist with its revised GAP; and, as a result GMG’s currently operating GAP and subsequent reporting requirements are more closely aligned with the programs of other natural gas providers.

SUMMARY OF FILING

Pursuant to Minnesota Rule Part 7829.1300, Subpart 1, a one-paragraph summary of this filing, sufficient to apprise potentially interested parties of its nature and general content, accompanies this filing.

SERVICE ON REQUIRED AND INTERESTED PARTIES

Pursuant to Minnesota Rule Part 7829.1300, Subpart 2, GMG served a copy of this Report on the Residential Utilities Division of the Office of the Attorney General. Pursuant to Minnesota Rule Part 7825.2840, GMG served the Summary of Filing on all parties reflected on the accompanying Certificate of Service and Service List.

GENERAL FILING INFORMATION

Pursuant to Minnesota Rule Part 7829.1300, the following specific content is provided:

A. Name, Address and Telephone Number of the Utility

Greater Minnesota Gas, Inc.
202 South Main Street
P.O. Box 68
Le Sueur, Minnesota 56058
Telephone: (888) 931-3411

B. Name, Address and Telephone Number of the Attorney for Utility

Outside Counsel: Eric F. Swanson
Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 350
Minneapolis, Minnesota 55402-4629
Telephone: (612) 604-6400

In-House Counsel: Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
202 S. Main Street
Le Sueur, MN 56068
Phone: 888-931-3411

C. Date of Filing and Proposed Effective Date of Rate Change

Date Filed: March 17, 2016
Proposed Effective Date: N/A; filing does not include a rate change

D. Statute Controlling Time Frame for Processing Filing

Greater Minnesota Gas, Inc. is unaware of any statute that controls the time frame for processing this filing by the Commission.

E. Utility Employee Responsible for this Filing (and Signature):

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney

PROGRAM BACKGROUND

GMG's current Gas Affordability Program ("GAP") is available to its residential customers who qualify for the Low Income Home Energy Assistance Program ("LIHEAP"), stipulate to a defined monthly payment plan, and make timely payments pursuant to the schedule¹. GMG's

¹ . GMG's GAP was revised and a new program was instituted beginning in 2016; however, the general principals of the program remain consistent with the former program and the statutory requirements.

GAP was developed to serve qualified low-income residential natural gas customers by implementing an affordability-based bill credit and an arrearage forgiveness credit for those participants that successfully complete the program.

The total affordability bill credit available to customers under the 2015 GAP was \$102.00 per year, issued at the rate of \$25.50 quarterly; and, for customers who successfully completed the program, an additional arrearage forgiveness credit of \$102.00 was available. The GAP program year coincides with the calendar year.

ANNUAL REPORTING INFORMATION

The requisite statistical information regarding GMG's GAP for 2015 is found below:

- The total number of GMG customers that received a LIHEAP grant in 2015 is sixty-six.
- GMG had twenty-seven customers that enrolled in its GAP during the course of 2015, which was approximately triple the number of customers that enrolled for 2014. Hence, approximately forty-one percent (41%) of GMG's customers that received a LIHEAP grant during 2015 participated in GMG's GAP during 2015.
- Of the twenty-seven customers that enrolled in GMG's GAP in 2015, twelve customers were removed from the program during the course of the year; and, eleven of the twelve were removed due to failure to comply with program requirements while one customer moved. Twenty-six of the twenty-seven customers successfully completed the first quarter of the program; twenty customers successfully completed the second quarter; eighteen customers successfully completed the third quarter; and, sixteen of the twenty-eight customers remained successfully enrolled in the GAP at the end of 2015.
- During 2015, GMG billed a total of \$19,070.31 to all of the customers that applied for its GAP that year. However, the total amount billed to the sixteen customers who remained in its GAP for the entire year was \$12,609.74.
- The total amount of funds paid by LIHEAP on behalf of customers enrolled in GMG's GAP during 2015 was \$3,818.00.
- The total amount of funds paid by customers enrolled in GMG's GAP during 2015 was \$16,293.78; of which, \$12,003.15 was paid by the sixteen customers that remained in the program at year end.
- The total amount of credits issued to customers participating in GMG's GAP as a result of the program was \$3,672.00 in 2015, with \$2,040.00 being attributable to the affordability component and \$1,632.00 being attributable to the arrearage forgiveness component.
 - The average affordability benefit received per GAP participating customer was \$75.56; however, as noted above, not all of the customers successfully completed

the program for the entire year. The average affordability benefit received per GAP participating customer that successfully completed the entire year was \$102.00.

- The average annual arrearage forgiveness benefit received per GAP participating customer was \$60.44; but, not all GAP customers successfully completed the year and were eligible to receive the arrearage forgiveness benefit. The annual arrearage forgiveness benefit received by each GAP participating customer that successfully made timely payments all year and received the arrearage forgiveness benefit was \$102.00.

GMG respectfully notes that it was not required to track any additional information for its 2015 program. GMG is aware that its reporting requirements have changed; and, beginning with its annual report for the 2016 calendar year, GMG will provide additional reporting information as required by the its revised GAP and the related Commission order. Despite its modified reporting requirements, GMG has historically been asked to provide additional data via information requests and, consequently, provides the following additional information at this time.

GMG notes that, for its 2015 data, it does not have any easily ascertainable means to provide the disconnection rate comparisons that comprise part of the reporting requirements for other utilities. GMG also notes that, for its 2015 GAP, it did not have a separate line item for its annual GAP budget due to the negligible customer participation in the program. GMG did not have any GAP revenue for 2015; and, it did not have any means to track actual program costs beyond the total amount of credits issued to GAP customers as a result of their successful program participation. As GMG has previously reported in its GAP filings, GMG's GAP is internally administered and GMG estimates that its administrative costs related to the program remain at approximately \$2,800 annually. The time dedicated by GMG personnel to administer the 2015 GAP included customer notification, review of customer applications, establishment of customer payment arrangements, administrative enrollment tasks, periodic review of customer payments to determine program compliance, specialized billing, administration of periodic affordability component credits, periodic administrative disenrollment tasks for customers failing to comply with program requirements, administration of annual arrearage forgiveness component credits, statistical analysis for reporting requirements, program evaluation, and preparation of necessary reports. GMG's GAP tracker balance as of December 31, 2015 was \$7,188.50 which reflects the total amount of GAP credits issued since the program's inception as of that date. GMG did not collect a GAP rate-affordability surcharge.

CONCLUSION

GMG respectfully submits this Annual Report summarizing its GAP for the year ending December 31, 2015 in accordance with the requirements of its program and the Commission.

Dated: March 17, 2016

Respectfully submitted,

/s/

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
P.O. Box 68
202 S. Main Street
Le Sueur, MN 56068