

The Commission met on **Thursday, August 10, 2017**, with Chair Lange and Commissioners Lipschultz, Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

### **ENERGY FACILITIES PERMITTING AGENDA**

#### **ET-6/TL-16-327**

**In the Matter of the Application of Minnkota Power Cooperative, Inc. for a Route Permit for the MPL-Laporte 115 kV Transmission Line Project in Clearwater and Hubbard Counties**

Commissioner Lipschultz moved to deny reconsideration.

The motion passed 5–0

#### **IP-6979/WS-17-265**

**In the Matter of the Application of Palmer’s Creek Wind Farm, LLC for a Large Wind Energy Conversion System Site Permit for the 44.6 MW Palmer’s Creek Wind Project in Chippewa County**

Commissioner Lipschultz moved to take the following actions:

1. Issue the draft site permit proposed by the Department of Commerce as the draft site permit for the Palmer’s Creek Wind Project; and
2. Deny the petition for temporary storage or rule variance.

The motion passed 5–0.

#### **IP-6946/WS-17-410**

**In the Matter of the Application of Freeborn Wind Farm, LLC for a Large Wind Energy Conversion System Site Permit for the 84 MW Freeborn Wind Farm in Freeborn County**

Commissioner Lipschultz moved to take the following actions:

1. Accept the site permit application as substantially complete;
2. Refer the matter to the Office of Administrative Hearings for a contested case proceeding and public hearing to be conducted by an Administrative Law Judge (ALJ);

3. Request that the ALJ identify the issues and determine the appropriate scope and conduct of the hearing according to applicable law, due process, and fundamental fairness;
4. Request that the ALJ consider timely comments received to date in evaluating the merits of the application;
5. Delegate administrative authority, including timing issues, to the Executive Secretary;
6. Adopt the administrative items necessary to facilitate the review process as included on pages 6-7 of this briefing paper;
7. Provide the name, telephone number, and email address of the Commission's public advisor who will to facilitate citizen participation in the process: Bret Eknes, (651) 201-2236, publicadvisor.puc@state.mn.us;
8. Request that the Department continue to study the issues and indicate during the hearing process through testimony or comment its position on the reasonableness of granting a site permit;
9. Require the Applicant to facilitate in every reasonable way the continued examination of the issues requested by the Department and Commission staff;
10. Require the Applicant to place a print or electronic copy of the site permit application in the government center or public library located closest to the proposed project site;
11. Direct the Applicant to work with Commission staff and the administrative law judge to arrange for publication of the notice of hearing in newspapers of general circulation at least ten days prior to the hearing, that such notice be in the form of visible display ads, and that proof of publication be obtained from the newspapers selected;
12. Direct that all noticing requirements in these matters provided for under Minnesota Statutes chapter 216F and Minnesota Rules chapter 7854 include delivery to all affected landowners and to distribute the accepted application to the Minnesota Historical Society, any regional development commission(s) within which the LWECS is proposed to be located, the auditor of each county, and the clerk of each city and township in which the LWECS is proposed to be located. An affected landowner is any landowner or designee that is within or adjacent to the proposed LWECS site boundary;
13. Vary Minn. R. 7854.0600, subp. 1, and extend the 30-day time frame for Commission decision on application completeness; and
14. Vary Minn. R. 7854.0800, subp. 1, and extend the 45-day time frame for Commission decision on the issuance of a draft site permit.

The motion passed 5–0.

## ENERGY AGENDA

### **G-022/M-16-920**

#### **In the Matter of a Petition by Greater Minnesota Gas, Inc. for Approval to Modify Its Tariff for General Service Transportation Service**

Commissioner Lipschultz moved to take the following actions:

1. Approve Greater Minnesota's petition as modified by the Department; and
2. Require Greater Minnesota to include the following terms and conditions of service in its General Service Transportation Service tariff:

Unless determined otherwise by the Commission upon the request of the utility, transitioning customers are responsible for reimbursement for all incremental on-site plant investments, including telemetry equipment, required by Greater Minnesota for providing transitioned services to either firm sales or interruptible transportation customer. The investment will remain Greater Minnesota property.

and

If the transitioning customer is currently receiving general firm sales service, the transitioning customer is responsible for stranded demand costs. Greater Minnesota will forego charging the customer for the stranded demand costs if Greater Minnesota can either utilize or reduce its transportation obligations with interstate pipelines such that stranded cost will not be absorbed by the remaining firm service customers.

The motion passed 5-0.

### **G-022/M-16-522**

#### **In the Matter of a Petition by Greater Minnesota Gas, Inc. (GMG) for Approval of Changes in Contract Demand Entitlements for the 2016-2017 Heating Season**

Commissioner Schuerger moved to take the following actions:

1. Approve GMG's proposed level of demand entitlements and design-day requirements, as shown in GMG's October 27, 2016 Supplemental Filing.
2. Allow GMG to recover associated demand costs, based on the information in its October 27, 2016 Supplemental Filing, through the monthly PGA effective November 1, 2016.

3. Require GMG to estimate its design day using data from multiple heating seasons when appropriate; if the results of these calculations are not acceptable, require GMG to fully explain its decision to use a shorter estimation period in its initial filing.
4. Require GMG to explore the use of separate regression analyses by service area, using area-specific weather stations (Mankato, Faribault, Shakopee, and Swanville, instead of just Minneapolis).
5. Require GMG to maintain its two-part design-day process involving both regression analysis and mathematical analysis based on its historical all-time peak-day send-out data.
6. Require GMG to file monthly customer-count updates in this docket.

The motion passed 5–0.

**G-002/M-17-258**

**In the Matter of a Petition by Northern States Power Company, a Minnesota corporation, for Approval of a Proposed 2016 Gas Demand Side Management Financial Incentive, the Conservation Cost Recovery Contained in Its Conservation Improvement Program (CIP) Tracker Account for Its 2016 Natural Gas CIP, and a Proposed 2017/2018 Gas CIP Adjustment Factor**

**E-002/M-17-259**

**In the Matter of a Petition by Northern States Power Company, a Minnesota Corporation, Requesting Approval of a Proposed 2016 Electric Demand Side Management Financial Incentive, the Conservation Cost Recovery Contained in Its Conservation Improvement Program (CIP) Tracker Account for Its Electric CIP; and a Proposed 2017/2018 Electric CIP Adjustment Factor**

**G-004/M-17-338**

**In the Matter of Great Plains Natural Gas Company's 2016 Conservation Improvement Program Status Report and CIP Tracker and Demand Side Management Incentive**

**G-008/M-17-339**

**In the Matter of CenterPoint Energy's 2016 Conservation Improvement Program Status Report, 2016 Demand Side Management Financial Incentive, Conservation Improvement Program Tracker Report, and 2016 Conservation Cost Recovery Adjustment Aggregated Compliance Filing**

**G-011/M-17-340**

**In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of 2016 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor**

Chair Lange moved to adopt the Department's recommendations in each of the above-captioned matters, with the minor corrections set forth in Great Plains' July 10, 2017 reply comments in Docket No. G-004/M-17-338 and CenterPoint's July 10, 2017 reply comments in Docket No. G-008/M-17-339.

The motion passed 5–0.

**G-022/M-15-434**

**In the Matter of Greater Minnesota Gas's (GMG's) 2014 Annual Service Quality Report**

Commissioner Sieben moved to accept GMG's 2014 service-quality report as recommended in the Department's June 22, 2017 letter.

The motion passed 5–0.

**E-015/M-16-268**

**In the Matter of Minnesota Power's 2016 Safety, Reliability, and Service Quality Standards Report**

**E-015/M-17-252**

**In the Matter of Minnesota Power's 2017 Safety, Reliability, and Service Quality Standards Report**

Commissioner Schuerger moved to take the following actions:

1. Set Minnesota Power's 2017 reliability goals at the levels established in 2016; and
2. Accept Minnesota Power's agreement to include in its next annual service-quality report a breakdown of SAIDI, SAIFI, and CAIDI by customer class and a discussion of the Company's activities related to prevention of and recovery from long-term outages caused by both physical and cyber threats.

The motion passed 5–0.

**G-004/M-16-357**

**In the Matter of Great Plains Natural Gas Co.'s Annual Gas Service Quality Report for 2015**

**G-004/M-17-353**

**In the Matter of Great Plains Natural Gas Co.'s Annual Gas Service Quality Report for 2016**

Commissioner Tuma moved to accept Great Plains' 2015 and 2016 service-quality reports as recommended by the Department in its June 30, 2017 comments.

The motion passed 5–0.

**E-017/M-17-246**

**In the Matter of Otter Tail Power Company's 2016 Conservation Cost Recovery Adjustment and 2016 Electric Demand Side Management Financial Incentive**

Commissioner Lipschultz moved to take the following actions:

1. Approve the Demand Side Management (DSM) financial incentive of \$5,031,678.
2. Approve recoveries and expenditures in the Company's CIP tracker account during 2016 resulting in a year-end 2016 balance of \$4,835,852.
3. Approve a 2017/2018 Conservation Cost Recovery Adjustment (CCRA) of \$0.00536/kWh for bills rendered on and after October 1, 2017. (This rate would bring the CIP tracker balance to zero in two years.)
4. Approve the request for a variance to Minnesota Rule 7820.3500 to allow Otter Tail to continue to combine the Fuel Clause Adjustment (FCA) with the Conservation Improvement Adjustment on customer bills.
5. Require Otter Tail to submit a compliance filing, within 10 days of the issue date of the order in the present docket, with revised tariff sheets reflecting the Commission's determinations in this matter.

The motion passed 5–0.

**E-002/CI-15-662**

**In the Matter of an Alternative Rate Design Stakeholder Process for Xcel Energy**

The Commission took no action.

**TELECOMMUNICATIONS AGENDA**

**P-6716/SA-17-407**

**In the Matter of the Application of Charter Fiberlink CCO, LLC to Amend its Certificate of Authority to Expand its Service Area**

**P-5615/SA-17-408**

**In the Matter of the Application of Charter Fiberlink CC VIII, LLC to Amend its Certificate of Authority to Expand its Service Area**

Commissioner Lipschultz moved that the Commission grant the requests by the Companies to extend their service areas to include the exchanges of Albany, Mission, Clarissa, Kerkhoven, Murdock, Pennock, Melrose, Osakis, Oronoco, and Zumbrota, subject to the conditions that they file any necessary updates to their tariffs and file any necessary updates to their 911 plans.

The motion passed 5–0.

**P-5542,405/IC17-507**

**In the Matter of Tekstar’s Petition to Seek Interconnection with Frontier Pursuant to Section 252(i) of the Telecommunications Act of 1996**

**P-5542,407/IC-17-508**

**In the Matter of Tekstar’s Petition to Seek Interconnection with Citizens Pursuant to Section 252(i) of the Telecommunications Act of 1996**

Commissioner Lipschultz moved that the Commission approve Tekstar’s request to adopt the Frontier/Teleport and Citizens/Woodstock interconnection agreements pursuant to section 252(i) of the Act.

The motion passed 5–0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: November 1, 2017**



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**Daniel P. Wolf, Executive Secretary**