

The Commission met on **Thursday, October 31, 2024** with Chair Sieben and Commissioners Means, Ham, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

**G-008/M-24-43**

**In the Matter of CenterPoint Energy Minnesota Gas' Natural Gas Conservation Improvement Program 2023 Status Report & Associated Compliance Filings;**

**G-004/M-24-44**

**In the Matter of the 2023 Conservation Improvement Program Consolidated Filing by Great Plains Natural Gas Co.;**

**G-022/M-24-45**

**In the Matter of Greater Minnesota Gas, Inc.'s Petition for Approval of 2023 Energy Conservation and Optimization Program Tracker Account and Proposed Conservation Cost Recovery Adjustment;**

**G-011/M-24-46**

**In the Matter of the Petition of Minnesota Energy Resources Corp. for Approval of the 2023 Conservation Improvement Program Tracker Account, Demand-Side Management Financial Incentive, and Conservation Cost Recovery Adjustment Factor;**

**G-002/M-24-47**

**In the Matter of Xcel Energy's 2024/2025 Natural Gas Conservation Improvement Program Adjustment Factor**

Commissioner Ham moved that the Commission:

CenterPoint Energy

1. Approve a 2023 Demand-Side Management (DSM) financial incentive of \$8,450,662 to be included in CenterPoint Energy's tracker account no sooner than the issue date of the Commission's Order in the instant docket.
2. Approve CenterPoint Energy's 2023 Conservation Improvement Program (CIP) tracker account activities with a December 31, 2023, ending over-recovery balance of \$6,131,707.

3. Approve the revised gas CCRA of \$0.1704 per dekatherm (Dth) for all of CenterPoint Energy's Minnesota customer classes, effective the first billing cycle in the month following the Commission's Order in this matter.

4. Approve CenterPoint Energy's customer notification message that reads as follows:

The PUC has approved a Conservation Cost Recovery Adjustment (CCRA) factor of \$0.01704 per therm. This charge will be used to fund energy conservation activities and has been added to your delivery charge. For more information, please call or visit our website.

5. Require CenterPoint Energy to submit a compliance filing with tariff sheets including all necessary calculations within 10 days of the issue date of the Order.

#### Great Plains Natural Gas Company

6. Approve Great Plains Natural Gas Company's 2023 DSM financial incentive of \$278,241 and CIP tracker account, resulting in a 2023 CIP tracker year-end balance of (\$401,172).

7. Approve a CCRA rate of \$0.0202 per Dth to be effective the first billing cycle after the Commission's determination in this matter.

8. Require Great Plains Natural Gas Company to include the following bill message in the billing month immediately following the date of the Order in the current docket:

Great Plains recovers the cost changes in its energy conservation programs from the base established in 2021 through a Conservation Cost Recovery Adjustment (CCRA) subject to MN Public Utilities Commission approval. A CCRA of [insert rate] per dk is effective [insert effective date]. Learn more about reducing your energy use by visiting our website at [www.gpng.com](http://www.gpng.com) or calling us at 1-877-267-4764.

9. Require Great Plains Natural Gas Company 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.

#### Greater Minnesota Gas

10. Approve Greater Minnesota Gas' 2021, 2022, and 2023 Energy Conservation and Optimization (ECO) tracker account with a December 31, 2023 tracker balance of \$415,344.

11. Approve a Conservation Cost Recovery Adjustment of \$0.4407/Dth to be effective on the first day of the month following approval.

12. Approve Greater Minnesota Gas' proposed bill message that reads as follows:

Effective \_\_\_\_\_, 2024, your bill will include an adjusted Conservation Cost Recovery Adjustment (CCRA). The Minnesota Public Utilities Commission approved the CCRA on \_\_\_\_\_, 2024. The CCRA is necessary and allowed by law to fund the state mandated Energy Conservation and Optimization Program. The CCRA is \$0.04407 per therm, or \$0.4407 per dekatherm, of natural gas that you use. If you have questions, please contact us at 1-888-931-3411 or [www.greatermngas.com](http://www.greatermngas.com). Thank you.

13. Require Greater Minnesota Gas 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.

Minnesota Energy Resources Corp.

14. Approve a 2023 DSM financial incentive of \$1,494,587 to be included in Minnesota Energy Resources Corp.'s (MERC) tracker account no sooner than the issue date of the Commission's Order in the instant docket.

15. Approve MERC's 2023 CIP tracker account activities with a December 31, 2023, ending over-recovery balance of (\$3,070,173.82).

16. Approve the revised gas CCRA of \$0.01221 per therm for all of MERC's Minnesota customer classes, effective January 1, 2025, or the first billing cycle in the month following the Commission's Order, in this matter, whichever is later.

17. Approve MERC's customer notification message that reads as follows:

Effective January 1, 2025, the CCRA (conservation cost recovery adjustment) has been revised to \$0.01221 per therm. The CCRA is an annual adjustment to true-up under-recovery or over-recovery of CIP (conservation improvement program) expenses.

18. Require MERC to submit a compliance filing with tariff sheets including all necessary calculations within 10 days of the issue date of this Order.

Xcel Energy

19. Approve Xcel Energy's natural gas Shared Savings DSM financial incentive of \$4,253,188.

20. Approve a 2024/2025 natural gas CIP Adjustment Factor of \$ 0.030554 per therm beginning the first billing cycle in the month following the Commission's Order in this matter.

21. Approve Xcel Energy's Natural Gas 2023 Tracker account as filed on April 1, 2024, with an ending balance of (\$5,587,506).

22. Approve Xcel Energy's proposed bill message, effective the first month the 2024/2025 natural gas CIP Adjustment Factor takes effect, revised as necessary to incorporate the approved CIP Adjustment Factor and effective date, that reads as follows:

Effective December 1, 2024, the Resource Adjustment line item on your bill has increased due to a change in the Conservation Improvement Program (CIP) factor. The natural gas CIP portion of the Resource Adjustment is \$0.030554 per therm.

23. Require Xcel Energy to submit a compliance filing with tariff sheets including all necessary calculations within 10 days of the issue date of the Order.

The motion passed 5-0.

**E-015/M-24-48**

**In the Matter of Minnesota Power's 2023 Conservation Improvement Program Consolidated Filing;**

**E-017/M-24-49**

**In the Matter of Otter Tail Power Co.'s Annual Filing to Update the Conservation Improvement Program Rider;**

**E-002/M-24-50**

**In the Matter of Xcel Energy's 2024/2025 Electric Conservation Improvement Program Adjustment Factor**

Commissioner Ham moved that the Commission:

Minnesota Power

1. Approve Minnesota Power's 2023 Conservation Improvement Program (CIP) tracker account with a December 31, 2023 tracker balance \$477,245.
2. Approve a 2024/2025 Conservation Program Adjustment of \$0.001444 per kWh, to be effective on the first billing cycle in the next full month after Commission approval.
3. Approve a Demand Side Management (DSM) financial incentive of \$2,190,843 for Minnesota Power's 2023 CIP achievements, to be included in the Company's CIP tracker account no sooner than the issue date of the Commission's Order in the present docket.

4. Require Minnesota Power 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.
5. Approve a monthly Carrying Charge rate of 0.7292 percent for the CIP tracker.

#### Otter Tail Power

6. Approve a DSM financial incentive of \$2,705,283.
7. Approve proposed recoveries and expenditures in the Otter Tail Power's CIP tracker account during 2023 resulting in a year-end 2023 balance of (\$3,321,343).
8. Approve a 2023/2024 Conservation Cost Recovery Adjustment (CCRS) of \$0.00555 per kWh to be effective the first billing cycle in the month following Commission approval, as well as the individual class rate factors, should the Commission deem this approval necessary.
9. Grant Otter Tail Power a variance to Minnesota Rules part 7820.3500(K) for one year after the issue date of the Commission's Order.
10. Approve Otter Tail Power Co.'s proposed changes to its tariff sheets.
11. Require Otter Tail Power Co. to submit a compliance filing, within 10 days of the issue date of this Order, with revised tariff sheets reflecting the Commission's determinations in this matter.

#### Xcel Energy

12. Approve Xcel Energy's electric Shared Savings DSM financial incentive of \$26,478,641.
13. Approve Xcel Energy's electric CIP Tracker Account, as filed on April 1, 2024, with an ending balance of (\$22,036,468).
14. Approve Xcel Energy's proposed bill message, effective the first month the \$(0.000389) electric CIP Adjustment Factor takes effect, revised as necessary to incorporate the approved CIP Adjustment Factor and effective date, that reads as follows:

Effective December 1, 2024, the Resource Adjustment line item on your bill has reduced due to a change in the Conservation Improvement Program (CIP) factor. The electric CIP portion of the Resource Adjustment is \$(0.000389) per kilowatthour (kWh).
15. Require Xcel Energy to submit a compliance filing with tariff sheets and all necessary calculations within 10 days of the issue date of this Order.

16. Approve a 2024/2025 electric CIP adjustment factor of negative \$.000389 per KWH beginning the first billing cycle in the month following the Commission's Order in this matter.

The motion passed 5-0.

**E-017/AA-24-65**

**In the Matter of Otter Tail Power Co.'s Petition for Approval of the Annual Forecasted Rates for its Energy Adjustment Rider, Rate Schedule Section 13.01**

Commissioner Tuma moved that the Commission:

1. Approve Otter Tail Power Co.'s 2025 FCA forecast and associated rates, based on forecasted sales of 5,885,378 MWh and the \$140,775,339 in net system FCA/EAR, average cost \$23.920 per MWh, subject to a subsequent true-up.
2. Approve Otter Tail Power Co.'s proposed customer notification, updated as applicable with the effective date and rates approved in the instant Petition.
3. Require Otter Tail Power Co. to include the MISO Planning Resource Auction (PRA) revenue as the revenues are received for 2024.

The motion passed 5-0.

**E-015/AA-24-64**

**In the Matter of Minnesota Power's Petition for Approval of the Annual Forecast of Automatic Adjustment Charges for the period of January 2025 through December 2025**

Commissioner Tuma moved that the Commission:

1. Approve Minnesota Power's Annual Forecast of Automatic Adjustment Charges for the period: January, 2025 through December, 2025, subject to a subsequent true-up.
2. Require Minnesota Power to make a compliance filing with redlined and clean versions of the Fuel and Purchased Energy Rider Tariff sheet with supporting calculations, within 10 days of the date of this Order for implementation effective January 1, 2025.

The motion passed 5-0.

**E-002/AA-24-63**

**In the Matter of Xcel Energy's Petition for Approval of its 2025 Annual Fuel Forecast and Monthly Fuel Cost Charges for the months of January – December 2025**

Commissioner Sieben moved that the Commission:

1. Approve Xcel's revised 2025 Fuel Clause Adjustment (FCA) Forecast Petition.
2. Authorize Xcel Energy to implement its 2025 FCA forecast, based on the revised forecasted sales of 26,788,077 MWh and revised forecasted costs of \$891,200,000, Minnesota Jurisdictional.
3. Approve Xcel's proposed jurisdictional and class cost allocations for 2025 forecast purposes.
4. Approve Xcel's proposed incorporation of 2024 land sale gains of \$148,069 and \$59,025 credits to Becker and Red Wing respectively.
5. Approve Xcel's updated forecast of 2025 Community Solar Gardens – Above Market Costs (CSG-AMC) and related rates.
6. Approve Xcel's proposed net cost of generation rate for inclusion on Tariff Sheet No. 5-91.4, with an effective date of January 1, 2025.
7. Grant Xcel's motion to remove the following language from Tariff Sheet No. 5-91.4:  

This credit will start to apply and appear on customer bills only after the Company has systems in place to provide this credit and application of this credit will be done only on a prospective basis after the Company has systems in place.
8. Approve that future changes to the net cost of CSG-AMC generation rate be effected on a calendar year basis and be made only in future FCA dockets.
9. Require Xcel to update Tariff Sheet No. 5-91.4 to reflect the rate approved by the Commission and provide the updated final tariff sheet in its compliance filing within 10 days of the Order approving 2025 rates.
10. Require Xcel to provide the calculations of the proposed net cost of generation rate as an attachment in the fuel forecast dockets.
11. Approve Xcel's updated forecast of 2025 biomass buyout costs.

The motion passed 5-0.

**E-002/M-23-467**

**In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of the Transmission Cost Recovery (TCR) Rider Revenue Requirements for 2023 and 2024, Tracker True-Up, and Revised Adjustment Factors**

Commissioner Sullivan moved that the Commission:

1. Approve Xcel's proposed 2023-2024 TCR revenue requirement, adjusted to exclude \$1,304,743 in internal capitalized labor costs for Hosting Capacity Analysis.
2. Require Xcel to revise its adjustment factors consistent with the approved revenue requirement and file the updated adjustment factors in this docket within 15 days of this order. The Commission delegates authority to the Executive Secretary to approve the revised adjustment factors.
3. Require Xcel to update the proposed tariff revisions and customer notice to reflect the Commission's decision and file the updated versions in this docket within 15 days of this order. The Commission delegates authority to the Executive Secretary to approve the updated tariff revisions and customer notice.

The motion passed 5-0.

Commissioner Sullivan moved that the Commission:

4. Deny consideration of performance incentive mechanisms for Xcel's advanced metering infrastructure (AMI) and field area network (FAN).
5. Find that Xcel is in compliance with the relevant requirements from the Commission's orders issued July 23, 2020, in Docket No. E002/M-19-666; September 27, 2019, in Docket No. E-002/M-17-797; and June 28, 2023, in Docket No. E-002/M-21-814.
6. Accept the ongoing reporting Xcel proposed in its first AMI Annual Report filed on November 1, 2023.
7. Require Xcel to report on the implementation of programs and service enabled by AMI, distributed intelligence, and FAN in future Annual AMI Reports.



8. Require Xcel to propose procedural pathways for additional demand response and load flex programs by the rate case completeness hearing date.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: December 18, 2024**

A handwritten signature in black ink, appearing to read "Will Seuffert", with a long horizontal flourish extending to the right.

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**Will Seuffert, Executive Secretary**