

The Commission met on **Thursday, April 25, 2019** with Chair Sieben and Commissioners Lipschultz, Schuerger, and Tuma present.

The following matters were taken up by the Commission:

E-002/M-18-729

In the Matter of Xcel Energy's Petition for Approval of Lighting Tariff Revisions to Include Light Emitting Diode (LED) Options

Commissioner Tuma moved that the Commission approve the Company's petition with the following modifications:

1. The Company shall use a pre-tax rate of return of 7.00 percent for calculating Automatic Protective Lighting (A07) LED rates;
2. The Company shall apply an avoided relamp maintenance value of \$4.57/light for calculating Automatic Protective Lighting (A07) LED rates; and
3. The Company shall adopt the Energy-Only LED Rates for Street Lighting Energy Service (A32) rates proposed by the Department in its January 22, 2019 comments.

The motion passed 4-0.

G-011/M-19-108

In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of Proposed Tariff Amendments to Remove Small and Large Balancing Service and Modify the Residential Customer Deposit Provisions

Commissioner Lipschultz moved that the Commission:

1. Approve the Company's proposal to eliminate small and large volume balancing service and the proposed revisions to its tariff sheets;
2. Deny the Company's proposal to increase the maximum allowable deposit for residential customers; and
3. Approve the Company's proposal to remove the exception language from the customer deposit provisions in its tariff.

The motion passed 4-0.

E-999/CI-03-802

In the Matter of an Investigation into the Appropriateness of Continuing to Permit Electric Energy Cost Adjustments

Commissioner Lipschultz moved that the Commission:

1. Approve variances to Minn. R. 7825.2800, .2810, .2820, .2830, and .2840;
2. Adopt the procedural schedule proposed in the joint comments;
3. Adopt a threshold of plus or minus 5 percent of all FCA costs and revenues to determine whether an event qualifies as a significant unforeseen impact that may justify an adjustment to the approved fuel rates. The Electric Utilities are permitted to implement revised rates following a 30-day notice period, subject to a full refund, if no party objects to the revised rates;
4. Approve the use of a regulatory asset account to track under-recovered FCA funds and a regulatory liability account to track over-recovered FCA funds. Regulatory assets and liabilities shall be recorded in FERC account 182.3;
5. Approve Minnesota Power's proposed information requirements for the annual forecast and true-up filings for all electric utilities;
6. Permit utilities to provide wind curtailment reporting annually as part of the Annual True-Up filing;
7. Adopt the reporting changes outlined in Attachments 1, 2, and 3 of the joint comments, with the following reporting requirement added to the annual true-up filing: each Electric Utility shall provide a complete analysis and discussion of the consequences of self-commitment and self-scheduling of their generators, including the annual difference between production costs and corresponding prevailing market prices;
8. Adopt the tariff changes reflected in Attachments 4, 5, and 6 of the joint comments;
9. Permit Otter Tail Power to discontinue reporting the following: Part D, Section 5 (MISO Day 1); Part E, Section 10, Attachment G (UCAP); Part H, Section 6, Attachments N and O (generation deliverability and IRP-related); and Part H, Section 8 (transformers);
10. Require Otter Tail Power to submit one true-up filing for the period of July 1, 2018–December 31, 2019. Otter Tail Power shall submit this filing no later than January 31, 2020, and shall implement the true-up rate for the period of March 1, 2020–February 28, 2021, to be added to or subtracted from any applicable monthly rates in effect during that period. Any remaining balance after February 28, 2021, shall be

incorporated into the annual true ups that will be processed under the new FCA reform mechanism;

11. Permit Xcel Energy to discontinue reporting the following: Part H, Section 4 narrative and Schedule 1 (transformers); Part I (MISO Day 1); Part J, Section 5, Schedule 1 and 3–6 (MISO Day 2); Part K, Section 5, Schedule 2 (transmission planning); Part K, Section 5, Schedule 3 (transformer maintenance); Part K, Section 4, Schedule 3 (designated resource planning for MISO);
12. Permit Xcel Energy to implement its November and December 2019 true up on March 1, 2020, subject to Commission review and approval; and
13. Require the Electric Utilities to submit, either alone or jointly with the Consumer Advocates, an explanation of how the new base cost of energy will be established for each electric utility when it files a rate case, including how the new base cost of energy will be coordinated with the setting of rates in the new FCA process and the setting of interim and final rates in the rate case. This explanation shall be submitted within 60 days of the order.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: July 10, 2019



Daniel P. Wolf, Executive Secretary