

The Commission met on **Thursday, July 26, 2018** with Commissioners Lipschultz, Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

P-421/CI-17-796

In the Matter of Commission Inquiry into CenturyLink’s Compliance with TAP Statutes and Rules

Commissioner Lipschultz moved that the Commission:

1. Require CenturyLink to file, within 60 days of the Commission order, the following:
 - a. An explanation of how employees are trained to ensure that customers are provided accurate information on the TAP program. The explanation should include training material, on which customer service representative groups receive TAP training, the frequency with which CenturyLink personnel receive ongoing training to ensure that the TAP program is understood, and any additional information to demonstrate that CenturyLink is taking appropriate steps to achieve the statutory goal of making the TAP program available to eligible Minnesotans.
 - b. Written affirmation that it will provide TAP credits to customers in the “earliest possible billing cycle” using the five step procedure described in CenturyLink’s June 19, 2018 comments (at p. 3).
 - c. Written affirmation that CenturyLink provides TAP benefits to eligible consumers even if they receive Lifeline benefits from another provider.
 - d. For each eligible customer who was denied TAP credits in the past two years as a result of receiving Lifeline benefits from another provider, issue credits to each of those customers in the amount that should have been provided had the customer been properly enrolled in TAP.
 - e. A report identifying each eligible Minnesota customer denied TAP benefits over the last two years due to the customer receiving the Lifeline benefit from another provider. The report must include the following documentation:
 - i. The length of time in which each affected customer was denied TAP benefits;
 - ii. Whether the customer is currently enrolled in TAP;
 - iii. Whether the company has now enrolled the customer or a statement explaining why enrollment is not appropriate;
 - iv. The company having provided credit to the customer in the amount of TAP credit that should have been provided had the customer been properly enrolled.
 - f. A revised version of the written notice CenturyLink uses to notify TAP recipients of their right to appeal decisions of CenturyLink to the Commission. In cases where CenturyLink determines that a recipient is no longer eligible to receive TAP credits, the notice must state that CenturyLink will terminate credits if (1) the recipient does

not submit an appeal within 60 days of the notice or (2) the recipient submits an appeal and the Commission determines that the recipient is not eligible.

2. Find that CenturyLink is required to provide TAP benefits to eligible customers even if those customers receive a federal Lifeline benefit from another provider.
3. Require CenturyLink to file, within 90 days of the date of the order, compliance filings with subsequent notice of filings for subsequent comments. The compliance filing must address the processes the company is implementing to ensure accurate eligibility decisions on TAP applications and identify how it will track and maintain records that can be examined by regulators to determine whether the eligibility process is working appropriately.
4. Decline to adopt a specific definition of “complaint” in this proceeding.
5. Require CenturyLink to make 6 quarterly report to the Commission’s Consumer Affairs Office addressing all TAP inquiries, requests and complaints in a written or verbal manner format to be determined by CAO, in consultation with the Department, under authority delegated to the Executive Secretary. Such reports must be filed beginning 90 days following the date of the order.

The motion passed 4-0.

E-002/PA-17-713

In the Matter of the Petition of Northern States Power Company for Approval to Purchase Electric Transmission Facilities from Great River Energy

Commissioner Sieben moved that the Commission:

1. Approve the transaction.
2. Grant a variance to Minn. R. 7825.1800, subp. B, to waive that rule’s requirement to file the information set forth in Minn. R. 7825.1400, items F to I.
3. Require Xcel to file journal entries and amounts related to the property transfer, including narrative explanations describing the basis for the entries, within 60 days of the close of the transaction.

The motion passed 4–0.

E-015/M-18-375

In the Matter of Minnesota Power's Renewable Resources Rider and 2018 Renewable Rider Factors

Commissioner Sieben moved that the Commission:

1. Grant provisional approval of the Renewable Resource Rider billing factors as outlined in the Department's June 29, 2018 letter effective on the first day of the month following a Commission order on this issue, or as soon as practicable thereafter.
2. Grant a variance to Minn. R. 7825.3200.

The motion passed 4-0.

G-999/CI-18-41

In the Matter of a Commission Investigation into Natural Gas Utilities' Practices, Tariffs, and Assignment of Cost Responsibility for Installation of Excess Flow Valves and Other Similar Gas Safety Equipment

Commissioner Sieben moved that the Commission take the following actions:

1. Find that the proposed EFV tariffs of CenterPoint Energy, Greater Minnesota Gas, Minnesota Energy Resources Corporation, and Xcel Energy are in compliance with 49 C.F.R.192.383, and are approved.
2. Require the utilities to modify their EFV customer notices to clarify that once an EFV is installed, there is no cost to the customer to maintain it.
3. Require that when an EFV is installed upon a customer's request, the customer will be required to pay only for the costs of excavation and surface restoration related to the installation of the EFV.
4. Find each utility's proposed payment plan acceptable.
5. Require the regulated natural gas utilities to report, within 120 days of the order, the status of EFV installation, per customer class, throughout their service territories, recognizing that this might not be the entire service territory. Require the report to include an estimate of the percentage of the utility's service territory that has EFVs installed, and the utility's plan and timeline for completing the installation of EFVs for the remainder of the utility's service territory.
6. Require the regulated natural gas utilities to report, within 120 days of this order, the status of curb valve or manual shut-off valve installation, per customer class, throughout

their service territories, recognizing that this might not be the entire service territory. The report is required to include an estimate of the percentage of the utility's service territory that has curb valves or manual shut-off valves installed and the utility's plan and timeline for completing the installation for the remainder of the utility's service territory.

7. Require, as part of the reports described above, each gas distribution utility that does not already have EFVs and manual service line shutoff valves on the entirety of its system, to establish a plan to identify and hold face-to-face meetings with the decision-makers of the following customers:
 - a. Within 120 days of this order, each gas utility must identify and provide a compliance filing that, at a minimum, identifies all the following customers within its service territory that do not already have EFVs (and are eligible under the Federal standards) or manual shutoff valves and are not within an area the utility plans to upgrade by 2025:
 - K-12 public districts with school buildings in the utility's service territory;
 - K-12 non-public schools with school buildings in the utility's service territory;
 - Public and private universities and colleges;
 - Hospitals; and
 - Multi-unit residential and nursing facilities.
 - b. Require, within 120 days of the order, each gas distribution utility to establish and file a plan to have face-to-face meetings with the decision-maker of the customers identified above, eligible under the federal standard for EFVs, regarding the purpose of EFV and manual service line shutoff valves, along with the utility's installation policy, and estimated costs. After receipt of this compliance filing, the Commission's Executive Secretary will establish a schedule for comments and Commission approval.
 - c. The utility may propose in this compliance filing another method for limiting the visits to non-public schools, universities and colleges, and multi-unit residential and nursing facilities based on a size metric. The gas utility may propose as part of the plan a recovery mechanism for the additional requirements of this order which may include deferring costs to a regulatory account to be addressed in its next rate case or through its GUIC or another appropriate rider.
8. Require Commission orders and future notices on the compliance filings in this docket to be mailed to the Minnesota Association of School Administrators, Minnesota School Boards Association, Minnesota Association of Independent Schools, President of the University of Minnesota, Chancellor of the Minnesota State Colleges and Universities, the Minnesota Private College Council, Minnesota Hospital Association, Minnesota State Fire Chiefs Association, and League of Minnesota Cities.

9. Require each gas utility to submit a compliance filing within ten days of this order containing its EFV tariff and customer notice as authorized by the Commission.

The motion passed 4-0.

G-999/CI-17-499

In the Matter of a Commission Investigation into Parameters for Competition Among Natural Gas Utilities Involving Duplication of Facilities and Use of Promotional Incentives and Other Payments

Commissioner Lipschultz moved to prohibit on a prospective basis the offering of promotional incentives, whether cash or noncash, as inconsistent with Minn. Stat. §§ 216B.03, .05, .06 and/or .07.

The motion passed 3–1. Commissioner Tuma voted against the motion.

Commissioner Lipschultz moved to adopt the following principles with respect to the duplication of natural gas facilities:

A Commission-regulated utility is prohibited from extending natural gas service to any customer who is already being served by another Commission-regulated utility through its existing facilities unless (1) the utility with the existing infrastructure does not seek to serve the customer, or (2) the utility seeking to extend service can demonstrate that it would not be duplicating the existing facilities of the other utility or that its duplication of the existing facilities is necessary to serve the customer or further the public interest.

- Determining whether a utility is duplicating the facilities of another will be based on the nature, size and physical proximity of the new facilities relative to the other utility's existing infrastructure, as well as the extent to which the existing facilities need to be expanded to serve the customer.
- To establish that its duplication of existing facilities is necessary, a utility must show that (a) customers cannot obtain the natural gas service they need from the utility with the existing facilities; or (b) such duplication furthers the public interest based on (i) the needs of the customers who would be served by the utility expanding its facilities; (ii) the incremental capital expenditures associated with duplicating the existing facilities compared to any

incremental capital expenditures needed to extend the existing facilities to serve the customers in question; (iii) any safety concerns associated with constructing and operating the duplicative facilities; and (iv) any other factors showing that the duplication would advance the public's interest in adequate, reliable and economical access to natural gas service.

- Disputes regarding the duplication of facilities will be determined by complaint on a case-by-case basis. Upon the filing of a complaint, the respondent utility shall not engage in any construction activity related to the allegedly duplicative facilities while the complaint is pending unless the Commission otherwise issues an order specifically allowing construction to proceed.

The motion passed 4–0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: November 8, 2018

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive, flowing style.

Daniel P. Wolf, Executive Secretary