



1900 Cardinal Lane | P.O. Box 798
Faribault, MN 55021
Toll Free: (888) 931-3411
Fax (507) 665-2588
www.greatermngas.com

October 16, 2020

VIA ELECTRONIC FILING

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

RE: *In the Matter of the Formal Complaint and Petition for Relief by Greater Minnesota Gas, Inc. Against CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas*
Docket No. _____

Dear Mr. Seuffert:

Greater Minnesota Gas, Inc. (“GMG”) respectfully submits this Verified Complaint and Request for Expedited Action (“Complain”) against CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas (“CenterPoint”) pursuant to Minn. Stat. § 216B.17 and associated Minnesota Rules. As set forth in the Complaint, GMG respectfully requests that the Commission: 1) hold a hearing as required under Minn. Stat. § 216B.17; (2) issue an order declaring that CenterPoint is in violation of Minn. Stat. § 216B.01 and the Commission’s Order regarding unnecessary duplication of facilities to serve another utility’s existing customers; (3) issue an order declaring that, under the circumstances, GMG has the exclusive right to provide natural gas service to the customers on 192nd Lane, Mankato and on the property located at 3625 Hoffman Road, Mankato; and (4) provide any additional relief that the Commission deems just and equitable.

Additionally, GMG respectfully requests that the Commission address this matter on an expedited basis pursuant to Minn. R. 7829.1900, subp. 1 for the reasons set forth in the Complaint.

GMG has served a copy of this Complaint on CenterPoint by mail pursuant to Minn. R. 7829.1700, subp. 2 as well as electronically with submission to the Commission. All individuals identified on the official service list have been electronically served with a copy of this filing.

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) 209-2110 and my email address is kanderson@greatermngas.com.

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/

Kristine A. Anderson
Corporate Attorney
cc: Service List

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

Formal Complaint and Petition for Relief)	MPUC Docket No. _____
by Greater Minnesota Gas, Inc.)	
Against CenterPoint Energy Resources Corp.)	VERIFIED COMPLAINT OF
d/b/a CenterPoint Energy Minnesota Gas)	GREATER MINNESOTA GAS, INC.
for Violations of Minn. Stat. § 216B.01)	AND REQUEST FOR
and Commission Policy)	EXPEDITED ACTION
)	

Greater Minnesota Gas, Inc. (“GMG”) submits this Formal Complaint and Request for Expedited Action against CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas (“CenterPoint”) for consideration and determination by the Minnesota Public Utilities Commission (“Commission”) pursuant to Minn. Stat. § 216B.17. As discussed in further detail herein, GMG just became aware that CenterPoint intends to construct facilities immediately parallel to GMG’s facilities to serve customers that are already served by GMG. The area in question is located entirely within GMG’s existing service territory and the customers in question are currently GMG customers. GMG brings this Complaint out of necessity, as CenterPoint’s decision to extend gas service to customers that are currently receiving service from GMG undermines Commission policies regarding the duplication of energy facilities and subverts the Commission Order in Docket No. G-999/CI-17-499 regarding the same; raises safety concerns; and, results in lost revenue to the detriment of GMG’s remaining customers.

This manner of conduct and competition has been specifically prohibited by the Commission and, if CenterPoint is allowed to engage in its current course of action, CenterPoint’s actions will undermine the Commission’s directive and will have far reaching

consequences by demonstrating that any gas utility can simply ignore the Commission's Order and extend service to customers of another utility regardless of whether those customers are currently served by the utility or whether the utility already has infrastructure in place to serve the customers. Hence, GMG respectfully requests that the Commission issue an order declaring that (1) CenterPoint's actions are inconsistent with Minn. Stat. § 216B.01 and the Commission's Order and policies concerning avoiding unnecessary duplication of facilities; and, that (2) GMG has the exclusive right to provide natural gas service to its existing customers and others in the immediate proximity of its facilities that are and/or can be served by its existing facilities. GMG requests further that the Commission grant relief on an expedited basis as CenterPoint has already begun construction activity and is moving forward to supplant the service GMG currently provides.

I. PARTIES AND JURISDICTION

Complainant:	Greater Minnesota Gas, Inc. 1900 Cardinal Lane P.O. Box 798 Faribault, MN 55021
Complainant's Counsel:	Kristine Anderson Greater Minnesota Gas, Inc. 1900 Cardinal Lane P.O. Box 798 Faribault, MN 55021
Respondent:	CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas 505 Nicollet Mall P.O. Box 59038 Minneapolis, MN 55459-0038
Respondent's Counsel:	Brenda Bjorklund, Assistant General Counsel CenterPoint Energy, Inc. 800 LaSalle Ave. Minneapolis, MN 55402

The Commission has jurisdiction to hear this matter, make findings of fact, and order all appropriate relief under, inter alia, sections 216A.05, 216B.01, and 216B.17 of the Minnesota Statutes, and Chapter 7829 of the Minnesota Rules.

II. INTRODUCTION

GMG brings the instant Complaint to protect its ratepayers and its shareholders from the negative impacts of CenterPoint's recent actions to construct parallel facilities to provide natural gas service to several existing and committed GMG customers. It is self-evident that GMG has facilities serving its current customers and that CenterPoint does not. CenterPoint will need to, and has begun to, install new pipeline that will parallel and/or cross GMG's existing pipeline and into GMG's existing service territory.

GMG acknowledges that natural gas utilities in Minnesota are unlike electric utilities in that they do not operate in exclusive service territories, and that competition among utilities for new customers is a longstanding practice that serves some important policy objectives. However, additional longstanding practice and other equally important policy objectives have resulted in most utilities respecting one another's existing and natural service territories once they are established and they do not appropriate existing customers located in those areas. In fact, the Commission specifically ordered that utilities refrain from constructing parallel facilities to take existing customers from another utility. CenterPoint's flagrant disregard for the Commission's Order and its departure from established practice will have significant consequences on natural gas service. If permitted, CenterPoint's actions allow a practice that contravenes a direct Commission prohibition and would allow utilities to intrude directly in one another's territory to poach customers to the detriment of other customers who will be forced to absorb the costs resulting from the loss of customers to the offending utility. Therefore, GMG

respectfully requests that the Commission issue an order declaring, under the unique circumstances of this case, that CenterPoint's actions are inconsistent with Minn. Stat. § 216B.01 and the Commission's Order prohibiting installation of duplicate facilities to existing customers of another utility. Absent such relief, GMG and its ratepayers will be damaged and other utilities may be encouraged to engage in similar future practices to remain competitive.

III. FACTUAL ALLEGATIONS

1. GMG is a regulated public utility under Minn. Stat. § 216B.02, Subd. 4. GMG provides natural gas to approximately 9,500 customers in communities throughout Minnesota.

2. Likewise, CenterPoint is a large regulated public utility.

3. Among its customers, GMG provides natural gas service to residential, commercial, and industrial customers in the areas at issue herein.

4. GMG currently serves five customer sites on 192nd Lane in Mankato, including two shop buildings owned by Web Construction, Inc.; a home owned by Web Construction's owner, Jerry Williams; and two other residential customers. The existing facilities and all infrastructure needed to serve those facilities are located entirely within GMG's natural service territory.

5. GMG has served the customers on 192nd Lane since as early as 2003; and, the existing facilities and the properties on which those facilities are located have received natural gas exclusively from GMG since that time.

6. On October 14, 2020, GMG became aware of locate requests submitted by CenterPoint to construct main and service lines to the two Web Construction, Inc. shops and the home owned by Mr. Williams.

7. GMG's locating representative was informed by CenterPoint's contractor that CenterPoint intended to serve those three sites that are currently served by GMG; but, apparently, was not going to serve the remaining two homes on the road that are unrelated to Web Construction, Inc. and Mr. Williams.

8. Interestingly, Web Construction, Inc. is also the contractor for the Trifecta Truck Stop being constructed at the intersection of Adams and County Road 12 in Mankato. GMG's facilities are immediately adjacent to the truck stop, having been constructed in 2018, and GMG is able to run a service line to provide both temporary heat and permanent service to the facilities virtually immediately. In July, 2020, Mr. Williams contacted GMG regarding natural gas service to discuss his options since he knew that both GMG and CenterPoint serve customers in the area. He was already aware, as he stated to GMG, that CenterPoint did not have facilities close enough to serve the truck stop and that it would have to run line to do so. After GMG advised him that it had facilities right there and could provide immediate service, Mr. Williams told GMG that it was selected to serve the truck stop. Mr. Williams requested that GMG's activation form be sent to him which was done; Web Construction, Inc.'s HVAC contractor provided load, need, and site plan information; and, GMG relied upon the assurance of the project and began its process in order to provide the service as soon as it was needed at the construction site. Thereafter, GMG followed up because of delays in returning the activation form. After repeated attempts to reach Mr. Williams, in September, 2020, he finally told a GMG employee that things might change because CenterPoint was offering them "a really good deal." In mid-September, Web Construction, Inc.'s HVAC contractor informed GMG that the project had been awarded to CenterPoint. Notably, as Mr. Williams was aware, CenterPoint did not have existing facilities immediately adjacent to the project like GMG did and CenterPoint had to construct parallel

facilities to serve the customer. It seems an unusual timing coincidence that a project was taken from GMG by CenterPoint which, according to the contractor, offered “a really good deal” and less than a month later, CenterPoint has begun construction of duplicate facilities to reach the truck stop and is now planning to run duplicate facilities to that contractor’s home and shops to take those existing customers from GMG while, at the same time, ignoring the remaining residential customers just down the same road.

9. Similarly, GMG serves the property located at 3625 Hoffman Road, Mankato and has for approximately 19 years. In early 2020, a new owner bought the property and transferred the customer account into its name. In May, 2020, the new owner contacted GMG to make it aware that the owner has plans to replace the existing home with memory care facility on the property and advised GMG of the same so that GMG could plan accordingly. GMG’s team confirmed that it is able to serve the facility and would work with the contractor regarding site plans and, if necessary, moving the line for the new building on the same property.

10. On October 2, 2020, the customer advised GMG that it wanted the gas line cut and capped because it would be receiving natural gas service from CenterPoint. CenterPoint did not have any line immediately adjacent to the property, nor did it already serve the customer as GMG does. CenterPoint will necessarily need to construct duplicate facilities to serve the customer when GMG already has facilities there.

11. GMG’s existing pipeline and associated facilities are sufficient to meet – and have met – the natural gas demands of its existing customers. GMG expected that it would continue to provide natural gas to the existing customers, based on having provided natural gas to them for many years.

12. Upon information and belief, CenterPoint will access the existing customers by constructing and installing new main and service line facilities directly parallel to GMG's existing facilities in Web Construction, Inc, locations on 192nd Lane. CenterPoint has already begun the construction process in that its planned main line pipe is strung out and being fused with the intent that burying the pipe could begin as soon as the date that this Complaint is being filed.

13. Similarly, at the Hoffman Road location, CenterPoint will need to run duplicate facilities near GMG's facilities to a property that GMG has been serving for over 15 years.

14. In order to access the existing customers, CenterPoint's new pipeline will run immediately parallel to and, presumably, may cross over or under GMG's existing pipeline, presenting significant safety risks. In part, if there is a gas leak in the area, it will be difficult to determine whether that leak is coming from pipeline owned by GMG or CenterPoint.

15. If CenterPoint is allowed to provide natural gas service to the existing customers, GMG will not be able to fully utilize pipeline that is already in the ground, is capable of and currently does provide service to the existing customers, and is already included in GMG's rate base. GMG's existing ratepayers will be forced to absorb the costs associated with those facilities and any similarly situated costs and/or losses created by future similar conduct by CenterPoint.

16. Even if CenterPoint may be able to provide its natural gas service at a lower cost than what GMG provides, CenterPoint has to construct new pipeline and related infrastructure to serve GMG's existing customers which, in turn, causes its ratepayers to absorb increased and unnecessary **costs**.

17. Ergo, CenterPoint's attempt to provide service to GMG's existing customers will result in unnecessary duplication of pipeline and associated infrastructure and could cause significant safety concerns. In addition, CenterPoint's service will be to the detriment of GMG's existing ratepayers and to CenterPoint's existing ratepayers, all of whom must absorb unnecessary costs directly as a result of CenterPoint's purposeful conduct that violates a Commission Order.

18. Copies of the locate tickets related to the Web Construction, Inc. properties are attached hereto as Exhibit A.

19. A collection of maps showing GMG's facilities related to the Web Construction, Inc. properties on 192nd Lane and the respective existing customer sites in question is attached hereto as Exhibit B. The yellow line represents GMG's existing service line and the green line represents GMG's existing main line.

20. A collection of photographs and a map related to the Web Construction, Inc. properties are attached hereto as Exhibit C. The photographs show CenterPoint's white flags placed for locating and show CenterPoint's pipe strung out being readied for construction. The orange flags immediately next to the white flags show GMG's existing line. Other orange flags running in different directions show existing transmission lines of other providers, evidencing how crowded the area is.

21. A map showing GMG's facilities in relation to Trifecta Truck Stop is attached hereto as Exhibit D.

22. A map showing GMG's facilities serving and near 3625 Hoffman Road is attached hereto as Exhibit E.

IV. ALLEGED VIOLATION

CenterPoint's conduct and attempt to provide natural gas service to GMG's existing customers runs afoul of the legislative purpose underlying the Minnesota Public Utilities Act ("MPUA"), Minn. Stat. §§ 216B.01, et seq. and directly violates a Commission Order. While it is true that the MPUA did not establish exclusive service territories for natural gas utilities, it did recognize that certain principles should guide the Commission when making decisions regarding the provision of natural gas and siting of associated facilities in the State, stating:

It is hereby declared to be in the public interest that public utilities be regulated as hereinafter provided in order to provide the retail customers of natural gas and electric service in this state with adequate and reliable services at reasonable rates, consistent with the financial and economic requirements of public utilities and the need to construct facilities to provide such services or to otherwise obtain energy supplies, *to avoid unnecessary duplication of facilities which increase the cost of service to the consumer and to minimize disputes between public utilities which may result in inconvenience or diminish efficiency in service to the consumers.*

Minn. Stat. § 216B.01 (emphasis added).

It is incumbent upon the Commission to ensure that the provision of natural gas in the State (1) avoids unnecessary duplication of facilities, (2) does not increase the cost of service to the consumer, and (3) minimizes disputes between utilities that may cause inconvenience or inefficiencies in service to consumers. In carrying out that very charge, the Commission recently investigated the precise questions of competition and duplication of facilities. The Commission very explicitly prohibited constructing duplicate facilities to serve an existing customer of another utility, stating:

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.

MPUC Order, Docket G-999/CI-17-499, Ordering Paragraph 2, September 19, 2018. The same Ordering Paragraph continued to provide a framework for analysis and also mandates that “[u]pon 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” *Id.* Finally, the same order prohibits regulated utilities from “offering either cash or noncash promotional incentives on a prospective basis.” *Id.*, *Ordering Paragraph 1.*

CenterPoint’s conduct is a flagrant and intentional violation of the Commission’s Order because CenterPoint is planning to run duplicate facilities to serve multiple existing GMG customers. Moreover, the appearance of impropriety certainly exists in that CenterPoint gave “a really good deal” to the Trifecta Truck Stop which had already committed to becoming a GMG customer and to its contractor who owns the property and service locations currently at issue herein. One must necessarily wonder if that “really good deal” constitutes a cash or noncash promotional incentive and a reasonable inference can be that it might, indeed, also constitute an additional violation of the Commission’s Order. Allowing CenterPoint’s conduct to go unchecked and allowing it to construct duplicate facilities to poach GMG’s existing and/or committed customers frustrates the purpose and the letter of the Commission’s Order and the purpose and language of the MPUA. It also sets dangerous precedent that will allow, if not encourage, similar conduct by CenterPoint and, potentially, other utilities, thus circumventing the Commission’s direct prohibition on such conduct.

V. REQUEST FOR RELIEF

GMG respectfully requests that the Commission: (1) hold a hearing as required by Minn. Stat. § 216B.17; (2) issue an order declaring that CenterPoint is in violation of Minn. Stat. § 216B.01 and the Commission's Order regarding unnecessary duplication of facilities to serve another utility's existing customers; (3) issue an order declaring that, under the circumstances, GMG has the exclusive right to provide natural gas service to the customers on 192nd Lane, Mankato and on the property located at 3625 Hoffman Road, Mankato; and (4) provide any additional relief that the Commission deems just and equitable under the circumstances.

VI. REQUEST FOR EXPEDITED PROCEEDINGS

GMG respectfully requests that the Commission consider and decide this matter on an expedited basis pursuant to Minnesota Rules 7829.1200 and 7829.1700-1900 and the Commission's inherent authority to enforce the statutes and rules it is charged with administering. An expedited process is warranted because the material factual allegations underlying this action are not in dispute and, as alleged above, CenterPoint has already taken steps to interfere with GMG's provision of natural gas to GMG's existing customers. GMG reserves the right to timely modify or expand its request for relief herein as supported by, inter alia, additional relevant information that becomes known to GMG after the filing of this Complaint with the Commission.

Dated: October 16, 2020

Respectfully submitted,

/s/
Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
1900 Cardinal Lane
P.O. Box 798
Faribault, MN 55021
Phone: 888-931-3411

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 Faribault, Minnesota:

**Greater Minnesota Gas, Inc.'s Formal Complaint
and Request for Expedited Action against
CenterPoint Energy Resources Corp.
d/b/a CenterPoint Energy Minnesota Gas
Docket No. _____**

filed this 16th day of October, 2020.

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

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Lane PO Box 798 Faribault, MN 55021	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Brenda A.	Bjorklund	brenda.bjorklund@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Cody	Chilson	cchilson@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Brian	Gardow	bgardow@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Amber	Lee	Amber.Lee@centerpointenergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Ln PO Box 798 Faribault, MN 55021	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	No	GEN_SL_Greater Minnesota Gas, Inc._CenterPoint Complaint