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May 1, 2018

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

VIA ELECTRONIC FILING

**Re: Minnesota Energy Resources Corporation's 2017 Annual Decoupling
Evaluation Report**

Docket Nos. G011/GR-10-977; G011/GR-15-736

Dear Mr. Wolf:

On July 13, 2012, the Minnesota Public Utilities Commission ("Commission") issued its Findings of Fact, Conclusions, and Order in Docket No. G011/GR-10-977, authorizing Minnesota Energy Resources Corporation ("MERC") to implement a revenue decoupling pilot program for a period of three years, unless extended by Commission action. Order Point 11.A of the Commission's July 13, 2012, Order required that MERC file annual reports with the Commission that specify the Revenue Decoupling Mechanism ("RDM") adjustment to be applied to each rate class for the billing period and demonstrate annual progress toward achieving the 1.5 percent energy efficiency goal set forth in Minn. Stat. § 216B.241, along with an evaluation plan similar to the one used in CenterPoint Energy's decoupling pilot.

On October 31, 2016, the Commission issued its Findings of Fact, Conclusions, and Order in Docket No. G011/GR-15-736, authorizing MERC to continue its pilot revenue decoupling mechanism for an additional three years and requiring MERC to include additional information in its future annual decoupling evaluation reports. In particular, Order Point 15.c. and d. of the Commission's October 31, 2016, Order required:

- c. MERC shall address the merits of extending its revenue-decoupling mechanism to other customer classes as follows:
 - i. In its annual decoupling filings, MERC shall include an analysis of the financial consequences for ratepayers and MERC of extending the decoupling program to all customer classes with more than 50 customers. MERC may also include an analysis of the financial consequences of extending its decoupling program to any other combination of customer classes.

- d. MERC shall address the decline in energy conservation from the Residential class as follows:
 - i. In its annual decoupling filings, MERC shall include an analysis demonstrating the reasonableness of maintaining MERC's decoupling program given evidence that the level of savings generated by the Residential customer class has declined while the program has been in effect. MERC shall include (1) data showing its average Conservation Improvement Program (CIP) savings for the previous five years compared to the savings of its most recent complete year, and (2) an explanation for any differences in the CIP savings, including the likely impact of decoupling;
 - ii. In its decoupling evaluation report or in its initial filing of its next rate case, MERC shall include an analysis demonstrating the reasonableness of maintaining MERC's decoupling program given the evidence that the level of savings generated by the Residential customer class has declined while the program has been in effect.

MERC's last Decoupling Evaluation Report was submitted on May 1, 2017, covering the period January 1, 2016 – December 31, 2016. On December 1, 2017, the Commission issued an Order accepting MERC's 2016 Decoupling Evaluation Report and requiring MERC to include an analysis of how extending the RDM to other customer classes would have impacted overall rates for the period 2013-2017 in the 2017 Decoupling Report.

MERC submits this 2017 Decoupling Annual Evaluation Report in compliance with the Commission's July 13, 2012; December 21, 2012; September 26, 2014; August 11, 2015; August 17, 2016; and December 1, 2017, Orders in Docket No. G011/GR-10-977, and the Commission's October 31, 2016, Order in Docket No. G011/GR-15-736.

Included with this filing are the following attachments:

- **Attachment A:** Provides a detailed incremental chronological listing and price per therm impact of all rate adjustments during 2011 through 2017, consistent with Part G.6 of the Decoupling Evaluation Report.
- **Attachment B:** Provides a detailed incremental chronological listing and impact of all commodity adjustments during 2011 through 2017, consistent with Part G.7 of the Decoupling Evaluation Report.

- **Attachment C:** MERC's 2012 Annual Gas Service Quality Report to serve as the "baseline" service quality level prior to implementation of the pilot program in accordance with Part I.2.e of the Decoupling Evaluation.
- **Attachment D:** Summary of the RDM adjustment to be applied to each rate class for the billing period along with supporting data for the calculations. In accordance with the Commission's April 17, 2016, Order and MERC's November 15, 2016, Compliance Filing, in Docket No. G011/GR-10-977, Attachment D includes both actual data for 2015 and 2016 based on MERC's billing data from its billing system, (under the tabs labeled "actual") and restated December 2015 and January 2016 data to restate customer counts for customers who were not billed in December 2015 and were billed twice in January 2016. The restated data is highlighted in yellow on the tabs labeled "2015 Restated" and "2016 Restated." Attachment D is filed separately as a Microsoft Excel file.

This attachment also provides the data responsive to the Commission's December 1, 2017 Order in Docket Nos. G011/GR-10-977 and G011/GR-15-736 that MERC include an analysis of how extending the RDM to other customer classes would have impacted overall rates for the period 2013-2017 in the 2017 Decoupling Report.

- **Attachment E:** MERC's analysis of the throughput incentive for each customer class by comparing MERC's proposed rate design to the CCROSS for distribution rates.

Please feel free to contact me at (651) 322-8965 if you have any questions regarding this report.

Sincerely yours,

/s/ Amber S. Lee

Amber S. Lee

Regulatory and Legislative Affairs Manager
Minnesota Energy Resources Corporation

Enclosures

cc: Service Lists

Minnesota Energy Resources Corporation
2017 Annual Revenue Decoupling
Evaluation Report

May 1, 2018

**2017 Annual Evaluation Report
Minnesota Energy Resources Corporation's (MERC)
Revenue Decoupling Mechanism (RDM)**

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A. Evaluation Overview and History of MERC's Decoupling Mechanism

A. Evaluation Overview and History of MERC's Decoupling Mechanism

This Annual Revenue Decoupling Evaluation Report covers the period of January 1, 2017, through December 31, 2017. By Order dated September 26, 2014, the Minnesota Public Utilities Commission ("Commission") approved Minnesota Energy Resources Corporation's ("MERC" or the "Company") request to move the annual Decoupling Evaluation Report deadline to May 1 to coincide with MERC's Annual Conservation Improvement Program ("CIP") Status Report filing.

In its June 19, 2009, Order Establishing Criteria and Standards to be Utilized in Pilot Proposals for Revenue Decoupling, the Commission concluded it was not ready to establish final criteria and standards for decoupling, concluding instead that "the most promising approach is to examine the pilot proposals that will be submitted based on the criteria and standards established by this Order. After implementation and review of these pilot projects, utilities will be in the position to tackle the details of implementing an effective decoupling program."

On July 13, 2012, the Commission issued its Findings of Fact, Conclusions and Order ("Rate Case Order") in MERC's 2010 general rate case authorizing MERC to conduct a full decoupling program on a pilot basis for three years under Minn. Stat. § 216B.2412, subd. 3. The Commission's Order stated that "[t]he decoupling program may remain in effect for no more than three years (i.e., thirty-six months), unless it is extended by Commission action."

MERC's Revenue Decoupling Mechanism ("RDM") went into effect on January 1, 2013. In its 2013 Decoupling Evaluation, MERC provided both qualitative and quantitative information showing changes in the results of MERC's CIP. As shown in that evaluation, MERC improved its energy savings for the Residential sector under decoupling in 2013. MERC's total energy savings dropped significantly in 2014 in all sectors; however, many of the programs that were added as a result of decoupling continue to make inroads into their markets and produce savings. In 2015, overall CIP savings exceeded previous annual savings recorded in the years 2010 to 2014, which include a pre-decoupling time period, as well as years when decoupling was in effect. In 2016, savings were slightly down from the previous year and from the average of the pre-decoupling period. In 2017, however, MERC only achieved 75.8% of its total energy saving goal despite extensive marketing. Excluding 2014, MERC experienced the lowest total energy savings since 2010 in 2017. As explained in more detail in this Report, MERC did not receive the one or two large projects that allowed us to meet Commercial & Industrial ("C&I") goals in the past. Residential savings were also down due to the loss of almost 50 percent of savings resulting from the new building code.

The period of the approved decoupling pilot was due to expire at the end of 2015 unless approved for extension by the Commission. In its May 1, 2015, decoupling evaluation plan, MERC requested that the Commission approve MERC's decoupling program on a permanent basis following completion of the pilot at the end of 2015. In its Order dated August 11, 2015, the Commission "[e]xtended MERC's decoupling pilot until such time as the Commission makes a determination as to its permanence."

The appropriateness and design of MERC's decoupling program was addressed in MERC's rate case in Docket No. G011/GR-15-736. In its October 31, 2016, Findings of Fact, Conclusions, and Order, in Docket No. G011/GR-15-736, the Commission extended MERC's pilot revenue decoupling for another three years (2017 – 2019) and required MERC to include additional information in its future annual decoupling evaluation reports. In particular, Order Point 15 c and d of the Commission's October 31, 2016, Order required:

- c. MERC shall address the merits of extending its revenue-decoupling mechanism to other customer classes as follows:
 - i. In its annual decoupling filings, MERC shall include an analysis of the financial consequences for ratepayers and MERC of extending the decoupling program to all customer classes with more than 50 customers. MERC may also include an analysis of the financial consequences of extending its decoupling program to any other combination of customer classes.

- d. MERC shall address the decline in energy conservation from the Residential class as follows:
 - i. In its annual decoupling filings, MERC shall include an analysis demonstrating the reasonableness of maintaining MERC's decoupling program given evidence that the level of savings generated by the Residential customer class has declined while the program has been in effect. MERC shall include (1) data showing its average Conservation Improvement Program (CIP) savings for the previous five years compared to the savings of its most recent complete year, and (2) an explanation for any differences in the CIP savings, including the likely impact of decoupling.

 - ii. In its decoupling evaluation report or in its initial filing of its next rate case, MERC shall include an analysis demonstrating the reasonableness of maintaining MERC's decoupling program given the evidence that the level of savings generated by the

Residential customer class has declined while the program has been in effect.

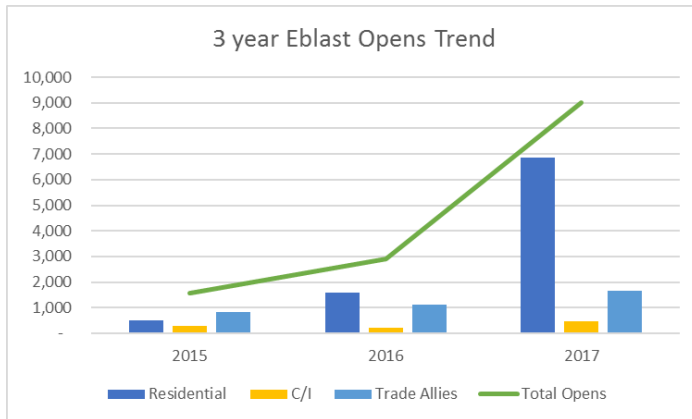
Please see section B-13 for the average of savings from 2010 through 2016 compared to 2017.

MERC has completed five full years of review of the decoupling program. During that time, as reflected in MERC's annual evaluation filings, MERC's decoupling program has proven successful at effectively removing the disincentive to promote energy efficiency. The effectiveness of MERC's decoupling program in removing the disincentive to promote energy efficiency was particularly evident in 2017.

In preparing the 2017-2019 CIP triennial plan, we reviewed the past years' trends and the impact of the various changes to the Technical Resources Manual and the new energy code. It became evident at that time that meeting goals would be difficult for MERC. In preparation for this challenge, MERC made several changes in its marketing efforts.

Bill inserts and articles in the newsletter, Customer Connect, focused on building awareness of the CIP programs, the importance of energy efficiency, and the availability of rebates and assistance. MERC increased web content to emphasize the importance of quality and long-term savings.

From a digital perspective, MERC planned and implemented a more targeted and strategic digital marketing approach to leverage the general awareness promotions mentioned above. MERC increased the number of email campaigns from a total of 13 in 2015 and 21 in 2016 to 48 in 2017. Data mining of residential in-home energy audits and online audit results allowed for focused messages to be sent directly to individual customers with relevant messaging. The number of emails sent in total increased from 4,161 in 2015 and 7,545 in 2016 to 27,575 in 2017. The number of emails opened also increased significantly from 1,583 in 2015 and 2,895 in 2016 to almost 10,000 in 2017.



For the residential and small commercial customers, trade allies play a key role in influencing the decision maker. When customers who participated in a rebate program were asked how they heard about the program, 70 percent said the dealer/retailer. MERC implemented a trade ally outreach effort and personally contacted key trade allies, reminded them of the availability of rebates, and provided pre-printed

rebate application forms for them to provide to their customers. MERC also looked at the number of times trade allies were listed on rebate application forms and contacted those whose numbers and activity had dropped. In addition, if the trade ally installed a large number of heating systems but few tune-ups, MERC contacted them to remind them of the tune-up rebates. These are a few examples of how much marketing was done for CIP and attests to the fact that decoupling has been effective in removing the disincentive to promote energy efficiency.

B. Evaluation of MERC's CIP Programs and Program Savings from 2010-2017

B. Evaluation of MERC's CIP Programs and Program Savings from 2010-2017

Information related to MERC's CIP programs and program activities are examined here. The evaluation uses the 2010 to 2012 CIP program activities for the baseline period prior to decoupling and the 2013 to 2017 CIP program activities for the post-decoupling implementation timeframe. The baseline for comparison is the average energy savings achieved for Residential and Commercial & Industrial ("C&I") customers for the period of 2010 to 2012.

Additionally, MERC is providing a separate breakout of savings for its Small C&I customers, consistent with its June 10, 2016 Reply Comments filed in Docket No. G011/GR-10-977. As stated in MERC's comments, "Currently, the C&I sector is not broken out between small and large customer classes so MERC does not report separately on Small C&I CIP achievements. For purposes of the Decoupling Evaluation Report, MERC has calculated estimated CIP savings based on sales usage for Small C&I and Large C&I. MERC would be able to separately report Small C&I energy savings in its 2016 Decoupling Evaluation Report but would not be able to breakout historical data on CIP energy savings between the Small and Large C&I classes." MERC has continued to separately calculate and report Small C&I energy savings in this 2017 report.

This section also addresses the Commission's Order Point in Docket No. G011/GR-15-736 requiring that MERC include an analysis demonstrating the reasonableness of maintaining MERC's decoupling program given evidence that the level of savings generated by the Residential customer class has declined while the program has been in effect. MERC shall include (1) data showing its average CIP savings for the previous five years compared to the savings of its most recent complete year, and (2) an explanation for any differences in the CIP savings, including the likely impact of decoupling.

Introduction

The following provides an evaluation of MERC's CIP program and program savings from 2010 through 2017. Several factors should be noted in this report:

- Savings were reported in Mcfs for the 2010-2012 Triennial Plan period ("Base Years"). Starting with the 2013-2015 Plan period ("Post Years"), savings are reported in Dths. For simplicity, we use the terms interchangeably and savings were not recalculated based on BTU content or any other calculation.
- In the Base Years, CIP portfolios, budget, and savings goals for Peoples Natural Gas ("PNG") and Northern Minnesota Utilities ("NMU") were separate. Starting with the Post Years, they were combined. We have reported accomplishments for both PNG and NMU separately, and we have also combined them for ease of comparison, as the Post Years no longer track them separately.

- In the Base Years, low-income programs were considered part of residential programs. However, because the Low-Income sector has been separated out for the Post Years, it has been separated out for the Base Years as well.
- Low-income programs in the Base Years consisted only of the Low Income Weatherization program. Starting with the Post Years, Low-Income sector programs included both Low Income Weatherization and the 4U2 programs. For ease of comparison, 4U2 has been incorporated into the Low-Income sector for the Base Years. It should also be noted that in the 2010 program year, the 4U2 program was a pilot and only offered through four CAP agencies in the PNG service territory.
- To minimize the impact of portfolio level costs from changes in programs, these costs have been reported separately. These costs include actual spending for CIP support (marketing, fulfillment, and data entry into the tracking system, planning, legal, preparing filings and reports, Department of Commerce, Division of Energy Resources (“Department”) assessments, etc.).
- At the time of writing this report, numbers for 2017 CIP activities have not been filed and consequently all 2017 numbers reported herein are preliminary.
- While the decoupling mechanism was approved in 2012 and implemented effective January 1, 2013, the initial activity surrounding increasing CIP commitment as a result of decoupling started in 2012 with one-on-one meetings with a variety of stakeholders to obtain input on program ideas. These stakeholders included the Department, the Isaak Walton League of America, the Minnesota Center for Environmental Advocacy, and the Clean Energy Resource Team. Meetings with other organizations did not occur for a variety of reasons. Based on these meetings, MERC made a modification filing in March 2013 to add two new measures and two new programs to the Post Years. These additions, proposed as a result of the decoupling pilot agreement, were approved in April 2013.
- CIP activity changes from year to year, especially for small utilities with large customers. For instance, for NMU for 2011, the C&I sector achieved 132.7 percent of sector energy savings goal and in 2012, the C&I sector achieved 232.8 percent of sector energy savings goal. For PNG, however, the Residential sector achieved 106.2 percent of energy savings goal in 2011 and 89.1 percent in 2012, whereas the C&I sector achieved approximately 70 percent in both 2011 and 2012. Due to the customer class makeup of NMU, the C&I sector normally carried the energy savings, while for PNG, the opposite was true—the Residential sector normally carried the bulk of the savings. To smooth out the impacts that can be made by large projects, the analysis has included an average over the 3-year Base Years. As Post Years progress, the analysis can compare year-to-year trends as well as averages.
- One change in the Post Years is the addition of an online energy audit tool. While this tool does not produce energy savings, MERC believes the educational value and the potential for lead generation for other measures fulfills a need in our portfolio as well meets a need of our customers.

- One of the major changes to the Post Years from the Base Years is the discontinuance of behavior-based programs. While the C&I program was very small and therefore did not have a large impact, the Residential behavior-based program was large and had a significant impact on results. Therefore, when relevant, we have provided two charts – one including the residential behavior program savings and one modifying the residential behavior program savings per the Average Savings Method.

In addition to the discontinuance of the behavior-based programs, goals decreased significantly for 2013 to 2014 due to several factors:

- A significant increase in large customers who opted out.
- A decrease in the operations and maintenance (“O&M”) savings allowed for the Building Operator Certification program.
- An increasing saturation of the potential market for the large customer Turnkey Efficiency program.
- A further decrease in 2014 due to an anticipated increase in the baseline for high-efficiency furnaces, which reduced savings even though participation and measures remained the same.

In 2015, as described in more detail in the Executive Summary, an increase in goals as a result of the acquisition of Interstate Power & Light’s (“IPL”) Minnesota gas service territory and a change in the customers approved for opt-out significantly decreased exempt throughput, increasing the threshold on which we calculate the goal for the CIP program.

| | Energy Saving Goals | | Percent of Retail Sales | |
|------|---------------------|---------|-------------------------|-------|
| | PNG | NMU | PNG | NMU |
| 2010 | 330,253 | 89,202 | 0.79% | 0.68% |
| 2011 | 387,583 | 103,796 | 0.93% | 0.79% |
| 2012 | 444,903 | 120,038 | 1.07% | 0.90% |
| 2013 | 394,948 | | 1.12% | |
| 2014 | 357,561 | | 1.01% | |
| 2015 | 453,193 | | 1.05% | |
| 2016 | 460,537 | | 1.07% | |
| 2017 | 531,810 | | 1.01% | |

Executive Summary

As a result of the RDM and the input from various stakeholders, MERC implemented two new measures and two new programs in 2013:

- A residential heating system tune-up measure was implemented.
- A retro-commissioning measure was included as part of the C&I Custom Rebate.
- A Multifamily Direct Install Plus program was launched in July 2013.
- A Small Business Direct Install Plus program was launched in August 2013.

In 2015, MERC filed to extend the CIP through the end of 2016. As part of this filing, we also made the following changes:

- Goals were increased for several programs to allow for participation by new natural gas customers from the acquisition of IPL's Minnesota natural gas distribution system and customers.
- The overall goal of the CIP program was increased due to changes in actual customers approved for opt-out versus those assumed to have been approved, resulting in reduced opt-out throughput and higher non-exempt throughput.

The residential heating system tune-up measure was projected to achieve 1.8 Dth of savings per unit. We estimated 2,000 participants for 2013, 4,000 for 2014, and 6,000 for 2015. This would provide 3,200 Dths of savings in 2013, 6,400 Dths in 2014, and 9,600 Dths in 2015. Unfortunately, participation levels for this measure continue to fall short. In addition, MERC implemented an Authorized Insulation Contractor ("AIC") program starting in September 2013. This program was implemented to eliminate, to the extent possible, fraudulent activities in air sealing and insulation activities by a variety of organizations that use strong arm tactics in door-to-door marketing. Only work performed by AICs would be eligible for a rebate. While we expected a lower number of rebate applications for this measure due to the change, the actual participation continues to be lower than projected. As a result, savings did not meet the lowered goal. However, the 2013-2015 Plan assumed an increase in the furnace baseline, starting in 2014, which did not materialize. Consequently, unexpected savings were recognized due to the lower efficiency baseline, helping to offset lower savings from tune-ups and insulation. These impacts continued through 2015.

The retro-commissioning measure is not a high-demand measure. Therefore, MERC estimated two participants in 2013, increasing to six in 2014, and eight in 2015. Savings were estimated at 4,000 Dth per participant. In the first three post-decoupling implementation years, there were no requests for retro-commissioning, even though the Turnkey implementation contractor provided information on the availability of this

measure to all C&I customers with whom they were in contact. In 2016, one rebate application was approved.

MERC issued a Request for Proposals (“RFP”) for an implementation contractor for the Multifamily and Small Business programs. The vendor was selected in the summer of 2013 and the programs were implemented late summer. We were extremely pleased that the Multifamily program exceeded its energy savings goal in 2013, even though the program was in start-up mode. It continued to exceed its energy savings goal in 2014 and 2015. We are extremely pleased with the performance of this program.

The Small Business program achieved approximately 30 percent of its energy savings goal in 2013, but achieved approximately 88 percent in 2014, a significant increase. It achieved 80.1 percent of its energy savings goal in 2015. Despite the increased participation in eligibility usage from 500 Dths per year to 2,000 Dths per year, the implementation contractor continued to struggle with obtaining participation. MERC worked with the implementation contractor to implement special marketing campaigns targeting this “hard-to-reach” customer segment. It was deemed most likely that market potential would be depleted for the next Triennial Plan period. In the 2017–2019 Triennial Plan, MERC received approval to discontinue the program. However, small business customers will still be eligible for the other C&I programs.

Other minor changes have been approved for the 2017–2019 Triennial Plan. These changes include higher rebates for advanced (auto-programming) thermostats, a quality installation pilot for furnaces, and a rebate structure based on percentage achieved over energy code for residential new construction.

MERC continues to be committed to and supportive of the CIP program.

B.1. Based on the results reported in the annual CIP Status Reports, by what amounts did the Company change its CIP program expenditures and its resulting natural gas MCF savings through Company-sponsored programs over the term of the RDM, relative to the 2010-2012 pre-decoupling period? What were the annual CIP savings (completed project basis) for 2017, for Residential and Commercial & Industrial compared to achieved MCF savings in the 2010-2012 (completed project basis) pre-decoupling period?

Changes to CIP expenditures are detailed in Tables B1(A) and B1(B) below. Table B1(A) provides the information based on all programs, including the residential behavior program. Table B1(B) eliminates the residential behavior program. Both charts also compare 2016 to 2017, 2017 to the average of the Base Years, and the average of the Base Years to the average of the Post Years.

Table B1 (A) - CIP Expenditures

| All Programs | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| Low Income Programs-PNG | \$595,445 | \$467,377 | \$564,803 | \$542,542 | | | | | | |
| Low Income Programs-NMU | \$173,617 | \$105,824 | \$193,307 | \$157,583 | | | | | | |
| Low Income Programs-Total | \$769,062 | \$573,201 | \$758,110 | \$700,124 | \$1,044,422 | \$950,752 | \$1,036,515 | \$1,119,228 | \$1,596,460 | \$1,149,475 |
| Residential Programs-PNG | \$2,874,197 | \$3,558,117 | \$4,021,906 | \$3,484,740 | | | | | | |
| Residential Programs-NMU | \$449,292 | \$459,060 | \$471,925 | \$460,092 | | | | | | |
| Residential Programs-Total | \$3,323,489 | \$4,017,176 | \$4,493,831 | \$3,944,832 | \$4,259,150 | \$3,215,396 | \$3,623,799 | \$4,421,040 | \$4,765,649 | \$4,057,007 |
| C&I Programs-PNG | \$2,082,270 | \$1,694,020 | \$1,871,669 | \$1,882,653 | | | | | | |
| C&I Programs-NMU | \$514,180 | \$925,118 | \$1,543,768 | \$994,355 | | | | | | |
| C&I Programs-Total | \$2,596,450 | \$2,619,138 | \$3,415,437 | \$2,877,008 | \$2,230,960 | \$2,089,208 | \$2,812,099 | \$2,280,494 | \$2,987,644 | \$2,480,081 |
| Portfolio Level Expenses-PNG | \$652,607 | \$651,263 | \$975,455 | \$759,775 | | | | | | |
| Portfolio Level Expenses-NMU | \$207,651 | \$206,396 | \$308,184 | \$240,744 | | | | | | |
| Portfolio Level Expenses-Total | \$860,258 | \$857,659 | \$1,283,639 | \$1,000,519 | \$1,095,706 | \$1,105,476 | \$1,398,226 | \$1,377,966 | \$1,317,245 | \$1,258,924 |
| Total Expenditures-PNG | \$6,204,519 | \$6,370,776 | \$7,433,833 | \$6,669,709 | | | | | | |
| Total Expenditures-NMU | \$1,344,740 | \$1,696,397 | \$2,517,185 | \$1,852,774 | | | | | | |
| Total Expenditures-Total | \$7,549,259 | \$8,067,174 | \$9,951,017 | \$8,522,483 | \$8,630,240 | \$7,360,832 | \$8,870,639 | \$9,198,728 | \$10,666,998 | \$8,945,487 |
| Change 2016 to 2017: | | | | \$1,468,270 | 16.6% | | | | | |
| Change Base Years Average to 2017: | | | | \$2,144,515 | 25.2% | | | | | |
| Change Base Years Average to Post Years Average: | | | | \$423,004 | 5.0% | | | | | |

Table B1 (B) - CIP Expenditures

| Programs Without Residential Behavior Program | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--------------------|
| Low Income Programs-PNG | \$595,445 | \$467,377 | \$564,803 | \$542,542 | | | | | | |
| Low Income Programs-NMU | \$173,617 | \$105,824 | \$193,307 | \$157,583 | | | | | | |
| Low Income Programs-Total | \$769,062 | \$573,201 | \$758,110 | \$700,124 | \$1,044,422 | \$950,752 | \$1,036,515 | \$1,119,228 | \$1,596,460 | \$1,149,475 |
| Residential Programs-PNG | \$2,445,335 | \$3,120,519 | \$3,466,413 | \$3,010,756 | | | | | | |
| Residential Programs-NMU | \$326,918 | \$348,137 | \$314,502 | \$329,852 | | | | | | |
| Residential Programs-Total | \$2,772,253 | \$3,468,656 | \$3,780,916 | \$3,340,608 | \$4,259,150 | \$3,215,396 | \$3,623,799 | \$4,421,040 | \$4,765,649 | \$4,057,007 |
| C&I Programs-PNG | \$2,082,270 | \$1,694,020 | \$1,871,669 | \$1,882,653 | | | | | | |
| C&I Programs-NMU | \$514,180 | \$925,118 | \$1,543,768 | \$994,355 | | | | | | |
| C&I Programs-Total | \$2,596,450 | \$2,619,138 | \$3,415,437 | \$2,877,008 | \$2,230,960 | \$2,089,208 | \$2,812,099 | \$2,280,494 | \$2,987,644 | \$2,480,081 |
| Portfolio Level Expenses-PNG | \$652,607 | \$651,263 | \$975,455 | \$759,775 | | | | | | |
| Portfolio Level Expenses-NMU | \$207,651 | \$206,396 | \$308,184 | \$240,744 | | | | | | |
| Portfolio Level Expenses-Total | \$860,258 | \$857,659 | \$1,283,639 | \$1,000,519 | \$1,095,706 | \$1,105,476 | \$1,398,226 | \$1,377,966 | \$1,317,245 | \$1,258,924 |
| Total Expenditures-PNG | \$5,775,657 | \$5,933,179 | \$6,878,340 | \$6,195,725 | | | | | | |
| Total Expenditures-NMU | \$1,222,366 | \$1,585,475 | \$2,359,762 | \$1,722,534 | | | | | | |
| Total Expenditures-Total | \$6,998,023 | \$7,518,654 | \$9,238,102 | \$7,918,260 | \$8,630,240 | \$7,360,832 | \$8,870,639 | \$9,198,728 | \$10,666,998 | \$8,945,487 |
| Change 2016 to 2017: | | | | \$1,468,270 | 13.8% | | | | | |
| Change Base Years Average to 2017: | | | | \$2,748,738 | 16.2% | | | | | |
| Change Base Years Average to Post Years Average: | | | | \$1,027,228 | 13.0% | | | | | |

Activity for Low Income Weatherization had been declining for the past several years. Had 4U2 not been included in the Low-Income sector, this trend would be more obvious. The 4U2 program has overcome marketing obstacles and continues to have a pipeline of customers waiting to be served. However, because 4U2 is unable to leverage Federal Weatherization Assistance Program funding, the total cost of improvements is borne by MERC, thereby increasing the cost per Dth saved. In addition, Federal Weatherization Assistance Program protocols have increased the health and safety issues that must be addressed in each home, increasing program costs without any additional savings. Furthermore, due to MERC's widespread service territory, it has been difficult to find qualified insulation contractors who are readily available to work on our projects in outstate Minnesota. These contractors are generally part of smaller businesses and, without a steady stream of business from MERC, are involved in other projects. It is difficult for these qualified insulation contractors to drop existing projects to work on MERC's programs. This has resulted in longer lead times for 4U2 work being completed. Finally, we have recently faced a preponderance of homes with vermiculite in the attic, delaying any potential work that

can be done. Despite this, Low-Income sector spending increased from 2016 to 2017, from Base Years to 2017 and from the Base Years to the Post Years.

The Residential sector spending increased from 2016 to 2017, from Base Years to 2017, and from Base Years to the Post Years. The continued health of the new construction market contributes to the achievement in 2017.

The C&I sector expenditures increased from 2016 to 2017 and from Base Years to 2017 2016 but decreased from Base Years to Post Years. Custom rebates did not generate the activity projected, nor did the retro-commissioning measure (which is normally an electric measure with gas savings being more of a “side-effect”).

Overall, expenditures increased across the entire portfolio in all aspects, comparing 2016 to 2017, 2017 to Base Years and Post Years to Base Years. The increase in spending was 16.6 percent from 2016 to 2017, 25.2 percent from Base Years to 2017, and 5.0 percent from Base Years to Post Years. When the impact of the behavior program budget is removed, an increase of 13.0 percent from Base Years to Post Years is evident.

Changes to CIP savings are detailed in Tables B1(C) and B1(D) below. Table B1(C) provides the information based on all programs, including the residential behavior program. In MERC’s 2015 Decoupling Evaluation Report docket, the Department proposed that a more reasonable comparison of savings would be to modify the energy savings associated with the Home Energy Reports program to reflect the changes in how the Department measures these energy savings. Table B1(D) modifies savings for the residential behavior program for the Base Years by acknowledging only 33 percent of the savings. Both charts also compare 2016 to 2017, the average of the Base Years to 2017, and the average of the Base Years to the average of the Post Years.

Total savings in the Low-Income sector significantly increased in 2017 compared to 2016 for both the Low Income Weatherization and 4U2 programs. Low Income Weatherization savings were higher primarily due to one large project started in 2016 and completed in 2017.

The Residential sector decreased in energy savings in 2017 compared to 2016, 2017 compared to Base Years and Post Years to Base Years. One reason for this decrease is the lower than projected replacements of 95 and 97 percent Annual Fuel Utilization Efficiency (“AFUE”) furnace and boiler replacements, and of .62 EF and .64 EF water heater. More significantly, the new energy code reduced the savings from an average of 48.2 dekatherms per participant in 2016 down to 29.2 dekatherms per participant in 2017. Consequently, a 2.6 percent reduction in participants resulted in a 41 percent reduction in savings.

Activity in the C&I sector increased in 2017 as compared to 2016. However, while participation increased in both direct impact programs (C&I Rebates and Multifamily Direct Install Plus), savings decreased in the C&I Rebates program.

Overall, the result over the entire portfolio is a decrease of 14 percent from 2016 to 2017, a decrease of 15.9 percent from the average of the Base Years to 2017, and a decrease of 9.8 percent from the average of Base Years to the average of the Post Years. Modification of the residential behavior program savings in Table B1(D) demonstrates a decrease of 7.2 percent in savings from the average of the Base Years to 2017 and a decrease of .4 percent from the average of the Base Years to the average of the Post Years.

As ordered by the Commission, MERC compared the list of Small C&I customers covered by the RDM to all C&I activity in the CIP program and identified savings from the Small C&I customer class.¹ This savings has been listed separately in the charts below for 2016 and 2017. MERC and its implementation contractor found through direct experience that small C&I customers covered by the RDM are truly “hard to reach.” They are busy, seldom have sufficient staff to be concerned about energy efficiency, and energy costs do not comprise a significant part of their overall operating expenses. In addition, many rent their facility from a landlord. Despite these obstacles, 5,874 Dths of savings resulted from their participation in MERC’s CIP programs, down significantly from 13,500 in 2016. However, considering that water heater savings ranged from 1.7 to 8.6 Dths and furnace savings ranged from approximately 45 to 61 Dths, this level of achievement is still important.

¹ MERC, however, was unable to breakout historical data on CIP energy savings between the Small and Large C&I classes for comparison to the 2016 and 2017 results. This is consistent with MERC’s Reply Comments for its 2015 Annual Decoupling Evaluation Report:

Currently, the C&I sector is not broken out between small and large customers classes so MERC does not report separately on Small C&I CIP achievements. For purposes of the Decoupling Evaluation Report, MERC has calculated estimated CIP savings based on sales usage for Small C&I and Large C&I. MERC would be able to separately report Small C&I energy savings in its 2016 Decoupling Evaluation Report but would not be able to breakout historical data on CIP energy savings between the Small and Large C&I classes.

Reply Comments of Minnesota Energy Resources Corporation, 2015 Annual Decoupling Evaluation Report, Docket No. G011/GR-10-977 (June 10, 2016).

Table B1 (C) - CIP Savings

| All Programs | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---|----------------|----------------|----------------|--------------------|-----------------|----------------|----------------|----------------|----------------|--------------------|
| Low Income Programs-PNG | 8,337 | 6,009 | 5,710 | 6,685 | | | | | | |
| Low Income Programs-NMU | 2,231 | 1,235 | 1,954 | 1,806 | | | | | | |
| Low Income Programs-Total | 10,567 | 7,244 | 7,664 | 8,492 | 11,207 | 8,139 | 8,114 | 8,387 | 12,256 | 9,621 |
| Residential Programs-PNG | 194,455 | 205,978 | 200,156 | 200,196 | | | | | | |
| Residential Programs-NMU | 37,754 | 34,504 | 31,933 | 34,731 | | | | | | |
| Residential Programs-Total | 232,209 | 240,482 | 232,090 | 234,927 | 208,071 | 180,137 | 209,604 | 211,918 | 158,514 | 193,649 |
| C&I Programs-Small C&I | n/a * | n/a * | n/a * | n/a * | n/a * | n/a * | n/a * | 13,523 | 5,874 | 9,699 |
| C&I Programs-PNG | 146,083 | 144,398 | 153,171 | 147,884 | | | | | | |
| C&I Programs-NMU | 56,977 | 65,624 | 141,671 | 88,091 | | | | | | |
| C&I Programs-Total | 203,060 | 210,022 | 294,842 | 235,975 | 205,542 | 180,792 | 275,664 | 238,173 | 226,344 | 225,303 |
| Total Savings-PNG | 348,874 | 356,384 | 359,038 | 354,765 | | | | | | |
| Total Savings-NMU | 96,962 | 101,363 | 175,558 | 124,628 | | | | | | |
| Total Savings | 445,836 | 457,748 | 534,596 | 479,393 | 424,821 | 369,068 | 493,382 | 472,000 | 402,989 | 432,452 |
| Change 2016 to 2017: | | | | | (69,011) | -14.0% | | | | |
| Change Base Years Average to 2017: | | | | | (76,404) | -15.9% | | | | |
| Change Base Years Average to Post Years Average: | | | | | (46,941) | -9.8% | | | | |

* Savings for qualifying C/I Small Business Programs available from 2016 on

Table B1 (D) - CIP Savings

| Programs With Modified Residential Behavior Program | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---|----------------|----------------|----------------|--------------------|-----------------|----------------|----------------|----------------|----------------|--------------------|
| Low Income Programs-PNG | 8,337 | 6,009 | 5,710 | 6,685 | | | | | | |
| Low Income Programs-NMU | 2,231 | 1,235 | 1,954 | 1,806 | | | | | | |
| Low Income Programs-Total | 10,567 | 7,244 | 7,664 | 8,492 | 11,207 | 8,139 | 8,114 | 8,387 | 12,256 | 9,621 |
| Residential Programs-PNG | 153,452 | 176,987 | 163,200 | 164,546 | | | | | | |
| Residential Programs-NMU | 26,137 | 26,584 | 22,748 | 25,157 | | | | | | |
| Residential Programs-Total | 179,590 | 203,571 | 185,948 | 189,703 | 208,071 | 180,137 | 209,604 | 211,918 | 158,514 | 193,649 |
| C&I Programs-Small C&I | n/a * | n/a * | n/a * | n/a * | n/a * | n/a * | n/a * | 13,523 | 5,874 | 9,699 |
| C&I Programs-PNG | 146,083 | 144,398 | 153,171 | 147,884 | | | | | | |
| C&I Programs-NMU | 56,977 | 65,624 | 141,671 | 88,091 | | | | | | |
| C&I Programs-Total | 203,060 | 210,022 | 294,842 | 235,975 | 205,542 | 180,792 | 275,664 | 238,173 | 226,344 | 225,303 |
| Total Savings-PNG | 307,872 | 327,393 | 322,081 | 319,115 | | | | | | |
| Total Savings-NMU | 85,345 | 93,443 | 166,373 | 115,054 | | | | | | |
| Total Savings | 393,217 | 420,837 | 488,454 | 434,169 | 424,821 | 369,068 | 493,382 | 472,000 | 402,989 | 432,452 |
| Change 2016 to 2017: | | | | | (69,011) | -17.1% | | | | |
| Change Base Years Average to 2017: | | | | | (31,180) | -7.2% | | | | |
| Change Base Years Average to Post Years Average: | | | | | (1,717) | -0.4% | | | | |

* Savings for qualifying C/I Small Business Programs available from 2016 on

B.2. What is the proportion of MCF savings from Company-sponsored CIP programs compared to overall weather normalized sales volumes, in total, and for Residential and Commercial & Industrial customers for each year 2010, 2011, 2012, 2013, 2014, 2015, 2016, and 2017?

The savings numbers for the Base Years are from the combination of PNG and NMU CIP Status Reports. The sales numbers have been taken from the combination of PNG and NMU Jurisdictional Reports with numbers adjusted to remove the sales of customers who were approved to opt-out of the CIP program and program charges.

Changes to CIP savings as a percentage of sales are detailed in Table B2 below. A second table modifying the impact of the residential behavior program was not included as the difference did not significantly change the final result. Table B2 shows a consistent improvement in energy saved as a percentage of sales from the Base Years to the Post Years until the 2017 program year.

The sales included in Table B2 are the weather normalized sales.

Table B2 - CIP Savings as Percent of Sales (Dth)

| All Programs | First Year Energy Savings | Non-CIP-Exempt Retail Sales | Energy Savings as Percent of |
|---------------------|----------------------------------|------------------------------------|-------------------------------------|
| Base Year - 2010 | 449,436 | 54,862,275 | 0.82% |
| Base Year - 2011 | 457,747 | 54,862,275 | 0.83% |
| Base Year - 2012 | 534,596 | 54,862,275 | 0.97% |
| Post Year - 2013 | 424,827 | 35,297,938 | 1.20% |
| Post Year - 2014 | 369,068 | 35,297,938 | 1.05% |
| Post Year - 2015 | 493,382 | 43,175,948 | 1.14% |
| Post Year - 2016 | 472,000 | 43,175,948 | 1.09% |
| Post Year - 2017 | 402,989 | 52,732,921 | 0.76% |

B.3. What were the associated lost margins from Company sponsored CIP, Residential and Commercial & Industrial customers for each year 2010, 2011, 2012, 2013, 2014, 2015, 2016, and 2017?

Lost margins for all programs are provided in Table B3(A). These lost margins correspond to the savings detailed in Table B1(C).

Table B3 (A) - CIP Savings: Margin Revenues

| All Programs | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-----------------------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|
| Low Income-PNG | \$14,795 | \$11,668 | \$11,087 | | | | | |
| Low Income-NMU | \$4,854 | \$2,987 | \$4,727 | | | | | |
| Low Income Programs-Total | \$19,649 | \$14,655 | \$15,814 | \$22,138 | \$18,142 | \$17,693 | \$20,112 | \$29,557 |
| Residential-PNG | \$345,080 | \$399,947 | \$388,643 | | | | | |
| Residential-NMU | \$82,149 | \$83,462 | \$77,243 | | | | | |
| Residential Programs-Total | \$427,229 | \$483,409 | \$465,886 | \$411,023 | \$401,525 | \$457,062 | \$508,179 | \$382,272 |
| SC&I Programs-PNG | \$21,725 | \$21,907 | \$21,073 | | | | | |
| LC&I Programs-PNG | \$197,221 | \$214,889 | \$230,105 | | | | | |
| SC&I Programs-NMU | \$10,471 | \$12,500 | \$24,471 | | | | | |
| LC&I Programs-NMU | \$100,927 | \$130,189 | \$283,720 | | | | | |
| SCI Programs-Total | \$32,196 | \$34,407 | \$45,544 | \$42,798 | \$46,230 | \$61,085 | \$26,949 | \$12,961 |
| LCI Programs-Total | \$298,148 | \$345,078 | \$513,825 | \$307,738 | \$302,025 | \$401,120 | \$434,229 | \$382,183 |
| Total Lost Margins-PNG | \$578,821 | \$648,411 | \$650,908 | | | | | |
| Total Lost Margins-NMU | \$198,401 | \$229,138 | \$390,161 | | | | | |
| Total Lost Margins | \$777,222 | \$877,549 | \$1,041,069 | \$783,698 | \$767,922 | \$936,962 | \$989,470 | \$806,974 |

B.4. During the 2010-2012 pre-decoupling time period as compared to the post-decoupling implementation time period of 2013-2017, did the Company change the scope or magnitude of any of its natural gas CIP programs?

MERC did not change the scope or magnitude of any individual CIP program, relative to other programs, in 2017. The implementation of the AIC program in September 2013 continues to decrease the number of insulation rebate applications MERC receives. Other changes are detailed in the Executive Summary.

B.5. What incremental program changes or expansions were implemented, and when, for the pre-decoupling time period of 2010-2012 as compared to the post-decoupling implementation time period of 2013-2017? Identify and describe each new, revised, or expanded programmatic changes for Residential and Commercial & Industrial customers.

Behavior programs were discontinued after the Base Years. This included the Residential Home Energy Reports by Opower and the Schools for Energy Efficiency program by Hallberg Engineering.

The Company made the following changes to the CIP programs for the Post Years. The changes were made to improve the overall efficiency of the programs.

- The Residential Online Energy Audit was added as part of the Residential Sector Support programs. This is an easy-to-use online audit that generates leads for other programs. It is free to all participants and based on their score, leads are targeted to different programs within the Residential portfolio.
- Direct installation of low-cost measures was added to In-Home Energy Audits. MERC's residential auditors now install up to two low-flow showerheads, up to two bathroom faucet aerators, a low-flow kitchen faucet aerator, and up to six feet of pipe insulation as appropriate for the home.
- Residential Dishwasher rebates were added for gas water heating customers. Dishwashers must be ENERGY STAR® certified to qualify for a rebate.
- The Residential AIC program was introduced in September 2013. This program provides for quality insulation and air sealing work by a cadre of insulation contractors who have: 1) agreed to program rules for customer service and marketing tactics; 2) passed Residential Building Envelope Whole House Air Leakage Control Installer BPI Certification; 3) taken combustion air training through the Center for Energy and Environment; and 4) passed a stringent quality control process on their initial insulation jobs. Random quality control inspections continue. Only insulation jobs performed by an

AIC contractor were eligible for a rebate. This requirement has drastically reduced the number of insulation rebates issued in the last quarter of 2013 and in 2014, 2015, 2016, and 2017. This reduction is expected to continue.

The following measures and programs were added as a direct result of input from stakeholder discussions as required by the decoupling mechanism approval:

- A Residential Heating System Tune-Up Rebate was added. This rebate provided \$35 for a 7-point heating system tune-up.
- Retro-Commissioning was added as a measure under C&I Custom Rebates.
- A Small Business program was added. This program targeted the hard-to-reach small commercial customer who used approximately 500 Dth per year or less. In 2015, this usage was increased to 2,000 Dth per year or less. This program provided for direct installation of low-cost measures such as faucet aerators and pre-rinse spray valves as appropriate. It installed and programmed, or reprogrammed, setback thermostats to fit the businesses' needs. The program also provided a basic analysis of their energy use and investigated up to three additional high-value energy savings opportunities. Finally, the program offered assistance for completing these high-value savings opportunities. It should be noted that this program was discontinued starting January 2017.
- A Multifamily program was added. This program targeted multifamily buildings with five or more units with a central gas meter, central heating, and central or individual water heating systems. It included low-income housing, 55-and-over senior housing, assisted living, on-campus college housing, and apartments. The program provided for direct installation of low-flow showerheads and faucet aerators, heating system and other high-value energy savings opportunity analysis, programming or re-programming of existing boiler controls, and customer ventilation analysis and improvement as appropriate. In addition, low-income multifamily buildings were eligible for an additional 25 percent on many of the standard C&I rebate.
- In 2016, a Quality Installation pilot for 95 percent and 97 percent AFUE gas furnaces was started. This was a small pilot and pre- and post-usage analysis for participants will be compared to pre- and post-usage analysis for a control group. Savings numbers on average will also be compared to those in Iowa where this program has been implemented.

No major changes were implemented in 2017.

B.6. What new or revised customer educational, informational, and marketing programs related to CIP were implemented by the Company during 2017?

What were the primary messages and estimated costs of each of these programs? Were any MCF savings attributed to such programs in the annual CIP Status Report, and if so, how much, and using what assumptions or studies?

As mentioned above, Residential Online Energy Audits were added during 2013 and continued in 2014, 2015, 2016, and 2017. This tool is an easy-to-use online audit that generates leads for other programs. The tool is free to all participants and, based on the audit results, leads are targeted to different programs within the Residential portfolio. As this is an informational tool, no energy savings are projected. The primary driver for deploying the tool is to encourage greater energy efficiency program participation through the following message: "Get started using this easy tool to identify ways you can save energy and what services or rebates may be available through MERC to help you." The cost for MERC to utilize this software tool can be provided separately if desired, as it is a contractual agreement with the software vendor.

MERC invested in updating C&I customer North American Industry Classification System ("NAICS") codes in 2013 to enable C&I customer market segmentation and meaningful direct mail campaigns. The effort cost-effectively identified NAICS codes for 85 percent of the C&I customers. This effort was handled internally and was absorbed into the marketing budget. In 2014, 2015, 2016, and 2017, NAICS codes were used to direct market specific measures and messages to targeted customer segments.

Trade ally email blasts were also implemented during 2013 and continued through 2017. Using information from past rebate application forms, MERC targeted specific trade ally groups with information pertinent to their customer base. The costs incurred were primarily labor costs to gather email addresses and develop and send the emails.

Residential customer email outreach was also implemented in 2013 and continued through 2017. MERC continues to consolidate information from online energy audit and in-home energy audit results and send emails to customers informing them about the availability of rebates. To facilitate the ability of customers to unsubscribe from the email outreach and to track effectiveness of these email outreach, MERC subscribes to Constant Contact, a software tool that tracks the number of opened emails, click-throughs, and unsubscribe requests. The cost of this service is minimal (less than \$150 per year). Other costs associated with this outreach effort included labor to develop the template, write the emails, and send them to customers. MERC also participated in a pilot of a hard-copy version of our online audit in 2015 in three communities with great response. In 2016, we conducted an additional market test of their PaperDirect audit survey. The goal was to determine the effectiveness in messaging between two paper audit styles. This market tested two groups of 700 individuals in the same city. The new format rendered an increase in traditional response by 5.4%.

More detailed information on the increased promotional activity and outreach is provided in Section B.13 below.

B.7. What were the annual revenues collected in base rates from ratepayers to fund CIP programs by Residential and Commercial & Industrial customers for the pre-decoupling period of 2010-2012 as compared to the post-decoupling implementation period of 2013 through 2017?

Table B7 - Annual Revenues Collected in Base Rates

| All Programs | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Residential - PNG | \$831,723 | \$876,866 | \$709,447 | | | | | |
| Residential - NMU | \$278,770 | \$304,250 | \$262,806 | \$2,692,461 | \$4,865,135 | \$3,943,080 | \$4,345,378 | \$4,770,331 |
| C&I - PNG | \$41,544 | \$43,879 | \$32,540 | | | | | |
| C&I - NMU | \$20,941 | \$19,376 | \$16,891 | \$181,945 | \$362,793 | \$258,141 | \$186,572 | \$223,462 |
| Total | \$1,172,978 | \$1,244,371 | \$1,021,684 | \$2,874,406 | \$5,227,928 | \$4,201,221 | \$4,531,950 | \$4,993,793 |

B.8. What were actual annual CIP expenditures for 2010-2012? How were such amounts spent each year for Residential and Commercial & Industrial customers? Identify the total expenditures directly distributed to customers (by customer group), and the total expenditures for the administration and program delivery of the programs.

The actual annual CIP expenditures by sector are listed below, categorized by incentive and non-incentive expenditures. Incentive expenditures are rebates only and do not consider costs for materials that are direct installed. Non-incentive expenditures are for administration, fulfillment and other delivery costs, marketing, and evaluation.

Actual CIP expenditures by type are detailed in Tables B8(A) and B8(B) below. Table B8(A) provides totals for all programs, including the residential behavior program. Table B8(B) excludes the costs of the residential behavior program.

Table B8 (A) - Actual Expenditures by Type

| All Programs | 2010 | | | 2011 | | | 2012 | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total |
| Low Income Sector-PNG | \$0 | \$595,445 | \$595,445 | \$0 | \$467,378 | \$467,378 | \$0 | \$564,803 | \$564,803 |
| Low Income Sector-NMU | \$0 | \$173,617 | \$173,617 | \$0 | \$105,824 | \$105,824 | \$0 | \$193,307 | \$193,307 |
| Low Income Sector-Total | \$0 | \$769,062 | \$769,062 | \$0 | \$573,202 | \$573,202 | \$0 | \$758,110 | \$758,110 |
| Residential Sector-PNG | \$1,649,675 | \$1,224,522 | \$2,874,197 | \$2,141,314 | \$1,416,802 | \$3,558,116 | \$2,488,687 | \$1,533,219 | \$4,021,906 |
| Residential Sector-NMU | \$207,119 | \$242,173 | \$449,292 | \$233,131 | \$225,929 | \$459,060 | \$213,440 | \$258,485 | \$471,925 |
| Residential Sector-Total | \$1,856,794 | \$1,466,695 | \$3,323,489 | \$2,374,444 | \$1,642,731 | \$4,017,176 | \$2,702,127 | \$1,791,704 | \$4,493,831 |
| C&I Sector-PNG | \$1,240,023 | \$842,247 | \$2,082,270 | \$561,367 | \$1,132,653 | \$1,694,020 | \$988,327 | \$883,342 | \$1,871,669 |
| C&I Sector-NMU | \$269,442 | \$244,738 | \$514,180 | \$516,849 | \$408,269 | \$925,118 | \$1,016,674 | \$527,094 | \$1,543,768 |
| C&I Sector-Total | \$1,509,465 | \$1,086,985 | \$2,596,450 | \$1,078,216 | \$1,540,921 | \$2,619,138 | \$2,005,001 | \$1,410,436 | \$3,415,437 |
| Total-PNG | \$2,889,698 | \$2,662,214 | \$5,551,912 | \$2,702,681 | \$3,016,833 | \$5,719,514 | \$3,477,014 | \$2,981,364 | \$6,458,378 |
| Total-NMU | \$476,561 | \$660,528 | \$1,137,089 | \$749,980 | \$740,021 | \$1,490,001 | \$1,230,114 | \$978,886 | \$2,209,000 |
| Total | \$3,366,259 | \$3,322,742 | \$6,689,001 | \$3,452,661 | \$3,756,854 | \$7,209,515 | \$4,707,128 | \$3,960,250 | \$8,667,378 |
| Incentive vs non-incentive as a percent of total spending | 50.3% | 49.7% | | 47.9% | 52.1% | | 54.3% | 45.7% | |
| | 2013 | | | 2014 | | | 2015 | | |
| | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total |
| Low Income Sector | \$0 | \$1,044,422 | \$1,044,422 | \$0 | \$950,752 | \$950,752 | \$0 | \$1,067,508 | \$1,067,508 |
| Residential Sector | \$2,993,564 | \$1,265,586 | \$4,259,150 | \$1,946,935 | \$1,268,462 | \$3,215,397 | \$2,296,764 | \$1,644,408 | \$3,941,172 |
| C&I Sector | \$1,196,127 | \$1,034,833 | \$2,230,960 | \$982,346 | \$1,106,862 | \$2,089,208 | \$1,566,309 | \$2,040,842 | \$3,607,150 |
| Total | \$4,189,691 | \$3,344,842 | \$7,534,533 | \$2,929,281 | \$3,326,076 | \$6,255,357 | \$3,863,073 | \$4,752,758 | \$8,615,830 |
| Incentive vs non-incentive as a percent of total spending | 55.6% | 44.4% | | 46.8% | 53.2% | | 44.8% | 55.2% | |
| | 2016 | | | 2017 | | | | | |
| | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total | | | |
| Low Income Sector | \$0 | \$1,119,228 | \$1,119,228 | \$0 | \$1,596,460 | \$1,596,460 | | | |
| Residential Sector | \$2,486,416 | \$1,934,625 | \$4,421,040 | \$2,607,574 | \$2,158,075 | \$4,765,649 | | | |
| C&I Sector | \$1,139,652 | \$1,140,842 | \$2,280,494 | \$1,799,115 | \$1,188,529 | \$2,987,644 | | | |
| Total | \$3,626,067 | \$4,194,694 | \$7,820,762 | \$4,406,689 | \$4,943,065 | \$9,349,754 | | | |
| Incentive vs non-incentive as a percent of total spending | 46.4% | 53.6% | | 47.1% | 52.9% | | | | |

Table B8 (B) - Actual Expenditures by Type

| Programs Without Residential Behavior Program | 2010 | | | 2011 | | | 2012 | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total |
| Low Income Sector-PNG | \$0 | \$595,445 | \$595,445 | \$0 | \$467,378 | \$467,378 | \$0 | \$564,803 | \$564,803 |
| Low Income Sector-NMU | \$0 | \$173,617 | \$173,617 | \$0 | \$105,824 | \$105,824 | \$0 | \$193,307 | \$193,307 |
| Low Income Sector-Total | \$0 | \$769,062 | \$769,062 | \$0 | \$573,202 | \$573,202 | \$0 | \$758,110 | \$758,110 |
| Residential Sector-PNG | \$1,649,675 | \$795,660 | \$2,445,335 | \$2,141,314 | \$979,205 | \$3,558,116 | \$2,488,687 | \$977,726 | \$4,021,906 |
| Residential Sector-NMU | \$207,119 | \$119,799 | \$326,918 | \$233,131 | \$115,006 | \$459,060 | \$213,440 | \$101,062 | \$471,925 |
| Residential Sector-Total | \$1,856,794 | \$915,459 | \$2,772,253 | \$2,374,444 | \$1,094,212 | \$4,017,176 | \$2,702,127 | \$1,078,788 | \$4,493,831 |
| C&I Sector-PNG | \$1,240,023 | \$842,247 | \$2,082,270 | \$561,367 | \$1,132,653 | \$1,694,020 | \$988,327 | \$883,342 | \$1,871,669 |
| C&I Sector-NMU | \$269,442 | \$244,738 | \$514,180 | \$516,849 | \$408,269 | \$925,118 | \$1,016,674 | \$527,094 | \$1,543,768 |
| C&I Sector-Total | \$1,509,465 | \$1,086,985 | \$2,596,450 | \$1,078,216 | \$1,540,921 | \$2,619,138 | \$2,005,001 | \$1,410,436 | \$3,415,437 |
| Total-PNG | \$2,889,698 | \$2,233,352 | \$5,123,050 | \$2,702,681 | \$2,579,236 | \$5,719,514 | \$3,477,014 | \$2,425,871 | \$6,458,378 |
| Total-NMU | \$476,561 | \$538,154 | \$1,014,715 | \$749,980 | \$629,099 | \$1,490,001 | \$1,230,114 | \$821,463 | \$2,209,000 |
| Total | \$3,366,259 | \$2,771,506 | \$6,137,765 | \$3,452,661 | \$3,208,335 | \$7,209,515 | \$4,707,128 | \$3,247,334 | \$8,667,378 |
| Incentive vs non-incentive as a percent of total spending | 54.8% | 45.2% | | 47.9% | 44.5% | | 54.3% | 37.5% | |
| | 2013 | | | 2014 | | | 2015 | | |
| | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total |
| Low Income Sector | \$0 | \$1,044,422 | \$1,044,422 | \$0 | \$950,752 | \$950,752 | \$0 | \$1,067,508 | \$1,067,508 |
| Residential Sector | \$2,993,564 | \$1,265,586 | \$4,259,150 | \$1,946,935 | \$1,268,462 | \$3,215,397 | \$2,296,764 | \$1,644,408 | \$3,941,172 |
| C&I Sector | \$1,196,127 | \$1,034,833 | \$2,230,960 | \$982,346 | \$1,106,862 | \$2,089,208 | \$1,566,309 | \$2,040,842 | \$3,607,150 |
| Total | \$4,189,691 | \$3,344,842 | \$7,534,533 | \$2,929,281 | \$3,326,076 | \$6,255,357 | \$3,863,073 | \$4,752,758 | \$8,615,830 |
| Incentive vs non-incentive as a percent of total spending | 55.6% | 44.4% | | 46.8% | 53.2% | | 44.8% | 55.2% | |
| | 2016 | | | 2017 | | | | | |
| | Incentive | Non-Incentive | Total | Incentive | Non-Incentive | Total | | | |
| Low Income Sector | \$0 | \$1,119,228 | \$1,119,228 | \$0 | \$1,596,460 | \$1,596,460 | | | |
| Residential Sector | \$2,486,416 | \$1,934,625 | \$4,421,040 | \$2,607,574 | \$2,158,075 | \$4,765,649 | | | |
| C&I Sector | \$1,139,652 | \$1,140,842 | \$2,280,494 | \$1,799,115 | \$1,188,529 | \$2,987,644 | | | |
| Total | \$3,626,067 | \$4,194,694 | \$7,820,762 | \$4,406,689 | \$4,943,065 | \$9,349,754 | | | |
| Incentive vs non-incentive as a percent of total spending | 46.4% | 53.6% | | 47.1% | 52.9% | | | | |

B.9. How did MERC’s natural gas Commissioner-approved conservation energy savings goal(s) compare to the reported CIP energy savings for 2010, 2011, 2012, 2013, 2014, 2015, 2016, and 2017 reported in the annual CIP Status Report? How did decoupling influence these results?

Actual versus approved energy savings are detailed in Tables B9(A) and B9(B) below. Table B9(A) provides the information based on all programs, including the residential behavior program. Table B9(B) shows the effect of modifying the residential behavior program savings by the Average Savings Method. The percent of approved energy savings achieved decreased in 2017 compared to 2016.

There are a variety of reasons why savings decreased so significantly in 2017. For the Residential Rebates program, furnace replacements and thermostat installations were down in every efficiency category and did not meet expected participation rates. Insulation rebates continue to decline despite additional marketing efforts. Water saver kits also came in below expectations, which may indicate the nearing of market potential. Lastly, the new energy code increased the baseline for calculating energy savings. While 1,161 participants produced 55,987 Dths of savings in 2016 for an average of 48.2 Dths per participant, 1,131 participants produced a savings of 33,059 Dths for an average of 29.23 Dths per participant, only 60 percent of previous savings in 2017. Although this reduction was planned for, participation also fell short by 30 new homes in 2017.

In the C/I market, the number of applications for prescriptive rebates was very close to expected, as were the savings. Custom rebates and retro-commissioning fell significantly short of goal, despite outbound calling. This is based mainly on the small number of large customers served by MERC. Usually a few very large projects help MERC meet goals. In 2017, there were no truly large customer projects outside of Turn-Key rebates.

Table B9 (A) - Actual versus Approved Energy Savings

| All Programs | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--------------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|------------------|
| Actual - PNG | 348,874 | 356,384 | 359,038 | | | | | |
| Actual - NMU | 96,962 | 101,363 | 175,558 | | | | | |
| Actual - Total | 445,836 | 457,748 | 534,596 | 424,821 | 369,068 | 493,382 | 472,000 | 402,989 |
| Approved - PNG | 324,510 | 392,079 | 450,423 | | | | | |
| Approved - NMU | 89,326 | 105,188 | 121,682 | | | | | |
| Approved - Total | 413,836 | 497,268 | 572,106 | 394,949 | 357,561 | 453,194 | 460,536 | 531,810 |
| Savings Over(Under) Achieved - PNG | 24,364 | (35,695) | (91,386) | | | | | |
| Savings Over(Under) Achieved - NMU | 7,636 | (3,825) | 53,876 | | | | | |
| Savings Over(Under) Achieved - Total | 32,000 | (39,520) | (37,510) | 29,872 | 11,507 | 40,188 | 11,464 | (128,821) |
| Percent Achieved | 107.7% | 92.1% | 93.4% | 107.6% | 103.2% | 108.9% | 102.5% | 75.8% |

Table B9 (B) - Actual versus Approved Energy Savings

| Programs With Modified Residential Behavior Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|-----------------|-----------------|-----------------|----------------|----------------|----------------|----------------|------------------|
| Actual - PNG | 307,872 | 327,393 | 322,081 | | | | | |
| Actual - NMU | 85,345 | 93,443 | 166,373 | | | | | |
| Actual - Total | 393,217 | 420,837 | 488,454 | 424,821 | 369,068 | 493,382 | 472,000 | 402,989 |
| Approved - PNG | 324,510 | 392,079 | 450,423 | | | | | |
| Approved - NMU | 89,326 | 105,188 | 121,682 | | | | | |
| Approved - Total | 413,836 | 497,268 | 572,106 | 394,949 | 357,561 | 453,194 | 460,536 | 531,810 |
| Savings Over(Under) Achieved - PNG | (16,639) | (64,686) | (128,343) | | | | | |
| Savings Over(Under) Achieved - NMU | (3,981) | (11,745) | 44,691 | | | | | |
| Savings Over(Under) Achieved - Total | (20,620) | (76,431) | (83,652) | 29,872 | 11,507 | 40,188 | 11,464 | (128,821) |
| Percent Achieved | 95.0% | 84.6% | 85.4% | 107.6% | 103.2% | 108.9% | 102.5% | 75.8% |

The impact the RDM has had on MERC’s CIP marketing is discussed under paragraph B.13 below.

B.10. MERC shall include a comparison of lifetime energy savings that can be attributed to the Company’s CIP before and after the implementation of revenue decoupling.

Lifetime energy savings are detailed in Tables B10(A) and B10(B) below. Table B10(A) provides the information based on all programs, including the residential behavior program. Table B10(B) modifies the savings for the residential behavior program to reflect the changes in how the Department measures these energy savings. Lifetime energy savings are detailed by utility, by Residential and C&I sectors, and by year.

MERC inadvertently did not include lifetime savings from Building Operator Training O&M savings, and Multifamily Direct Install Plus and Small Business Direct Install Plus programs in 2013 and 2014. The tables below have been corrected to include these programs. Overall lifetime savings have increased from Base Years to Post Years. In past decoupling evaluation reports, Table B10(A) included only one year of residential behavior program savings rather than lifetime savings. This has been corrected. Table B10(B) has included lifetime savings based on the Average Savings Method. Under both scenarios, Post Year lifetime savings exceeds Base Year lifetime savings.

Table B10 (A)- Lifetime Energy Savings

| All Programs | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|-----------------------------------|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Residential Programs-PNG | 2,620,919 | 3,270,852 | 2,950,696 | 2,947,489 | | | | | | |
| Residential Programs-NMU | 425,622 | 453,505 | 412,951 | 430,693 | | | | | | |
| Residential Programs-Total | 3,046,541 | 3,724,357 | 3,363,647 | 3,378,182 | 3,274,790 | 3,341,899 | 3,789,697 | 3,994,962 | 3,533,279 | 3,586,925 |
| C&I Programs-PNG | 2,361,120 | 1,726,282 | 2,095,077 | 2,060,826 | | | | | | |
| C&I Programs-NMU | 557,135 | 1,045,860 | 2,222,509 | 1,275,168 | | | | | | |
| C&I Programs-Total | 2,918,255 | 2,772,141 | 4,317,585 | 3,335,994 | 3,059,724 | 3,125,297 | 3,631,203 | 2,835,370 | 3,593,757 | 3,249,070 |
| Total Lifetime Savings-PNG | 4,982,039 | 4,997,134 | 5,045,773 | 5,008,315 | | | | | | |
| Total Lifetime Savings-NMU | 982,757 | 1,499,365 | 2,635,459 | 1,705,860 | | | | | | |
| Total Lifetime Savings | 5,964,796 | 6,496,498 | 7,681,232 | 6,714,175 | 6,334,514 | 6,467,196 | 7,420,900 | 6,830,332 | 7,127,036 | 6,835,996 |

Lifetime savings for BOC, Multifamily and Small Business Programs were inadvertently omitted in 2013 and 2014; above numbers include the correction.

Table B10 (B)- Lifetime Energy Savings

| Programs With Modified Residential Behavior Program | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---|------------------|------------------|------------------|--------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| Residential Programs-PNG | 2,497,911 | 3,183,864 | 2,839,826 | 2,840,534 | | | | | | |
| Residential Programs-NMU | 390,771 | 429,749 | 385,395 | 401,972 | | | | | | |
| Residential Programs-Total | 2,888,682 | 3,613,613 | 3,225,221 | 3,242,505 | 3,274,790 | 3,341,899 | 3,789,697 | 3,994,962 | 3,533,279 | 3,586,925 |
| C&I Programs-PNG | 2,361,120 | 1,726,282 | 2,095,077 | 2,060,826 | | | | | | |
| C&I Programs-NMU | 557,135 | 1,045,860 | 2,222,509 | 1,275,168 | | | | | | |
| C&I Programs-Total | 2,918,255 | 2,772,141 | 4,317,585 | 3,335,994 | 3,059,724 | 3,125,297 | 3,631,203 | 2,835,370 | 3,593,757 | 3,249,070 |
| Total Lifetime Savings-PNG | 4,859,031 | 4,910,146 | 4,934,902 | 4,901,360 | | | | | | |
| Total Lifetime Savings-NMU | 947,906 | 1,475,609 | 2,607,904 | 1,677,139 | | | | | | |
| Total Lifetime Savings | 5,806,937 | 6,385,754 | 7,542,806 | 6,578,499 | 6,334,514 | 6,467,196 | 7,420,900 | 6,830,332 | 7,127,036 | 6,835,996 |

Lifetime savings for BOC, Multifamily and Small Business Programs were inadvertently omitted in 2013 and 2014; above numbers include the correction.

B.11. MERC shall include documentation in its evaluation and annual reports that shows for each existing CIP project any changes that have occurred in the number of participants, any reductions in gas use per participant, and any changes in the cost-effectiveness or any other measure that gauges the performance of these projects.

Due to the redesign of the CIP portfolio for the 2013-2015 Triennial CIP Plan, it was not possible to provide information for CIP program changes by program. For example, in 2012, the Community Energy Services program was a stand-alone program. In 2013, the workshop and In-Home Audit portions of the program were included in the Residential Sector Support program while the actual rebates for improvements were included in the Residential Rebates program. Therefore, information here has been provided by sector.

The first two tables below detail by sector, by utility, and by year, participation in the three customer sectors, including and excluding the residential behavior program (Tables B11(A) and B11(B) respectively). The residential behavior program had a significant impact on participation, as many customers received the Home Energy Report. Participation is one way of gauging the success of a program. Eliminating the impact of the Home Energy Reports, participation has increased significantly from Base Years to Post Years, by individual year (with the exception of 2016 and 2017) as well as by average of Base and Post years. This is significant for a small utility like MERC.

Table B11 (A) - Participation

| All Programs | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---------------------------------|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|---------------|---------------|--------------------|
| Low Income Sector-PNG | 288 | 262 | 217 | 256 | | | | | | |
| Low Income Sector-NMU | 86 | 34 | 69 | 63 | | | | | | |
| Low Income Sector-Total | 374 | 296 | 286 | 319 | 401 | 343 | 404 | 448 | 624 | 444 |
| Residential Sector-PNG | 52,858 | 64,506 | 63,915 | 60,426 | | | | | | |
| Residential Sector-NMU | 13,205 | 13,336 | 12,075 | 12,872 | | | | | | |
| Residential Sector-Total | 66,063 | 77,842 | 75,990 | 73,298 | 18,805 | 17,456 | 21,721 | 20,942 | 19,459 | 19,677 |
| C&I Sector-PNG | 257 | 268 | 869 | 465 | | | | | | |
| C&I Sector-NMU | 82 | 131 | 338 | 184 | | | | | | |
| C&I Sector-Total | 339 | 399 | 1,207 | 648 | 2,442 | 5,941 | 7,513 | 6,224 | 6,961 | 5,816 |
| All Sectors-PNG | 53,403 | 65,036 | 65,001 | 61,147 | | | | | | |
| All Sectors-NMU | 13,373 | 13,501 | 12,482 | 13,119 | | | | | | |
| All Sectors-Total | 66,776 | 78,537 | 77,483 | 74,265 | 21,648 | 23,740 | 29,638 | 27,614 | 27,044 | 25,937 |

Table B11 (B) - Participation

| Programs Without Residential Behavior Program | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---|---------------|---------------|---------------|--------------------|---------------|---------------|---------------|---------------|---------------|--------------------|
| Low Income Sector-PNG | 288 | 262 | 217 | 256 | | | | | | |
| Low Income Sector-NMU | 86 | 34 | 69 | 63 | | | | | | |
| Low Income Sector-Total | 374 | 296 | 286 | 319 | 401 | 343 | 404 | 448 | 624 | 444 |
| Residential Sector-PNG | 14,418 | 15,815 | 12,660 | 14,298 | | | | | | |
| Residential Sector-NMU | 2,314 | 2,207 | 1,408 | 1,976 | | | | | | |
| Residential Sector-Total | 16,732 | 18,022 | 14,068 | 16,274 | 18,805 | 17,456 | 21,721 | 20,942 | 19,459 | 19,677 |
| C&I Sector-PNG | 257 | 268 | 869 | 465 | | | | | | |
| C&I Sector-NMU | 82 | 131 | 338 | 184 | | | | | | |
| C&I Sector-Total | 339 | 399 | 1,207 | 648 | 2,442 | 5,941 | 7,513 | 6,224 | 6,961 | 5,816 |
| All Sectors-PNG | 14,963 | 16,345 | 13,746 | 15,018 | | | | | | |
| All Sectors-NMU | 2,482 | 2,372 | 1,815 | 2,223 | | | | | | |
| All Sectors-Total | 17,445 | 18,717 | 15,561 | 17,241 | 21,648 | 23,740 | 29,638 | 27,614 | 27,044 | 25,937 |

Another way of gauging success is by evaluating the cost to produce the energy savings. The tables below detail cost per Dth saved by sector, by utility, and by year. Charts highlighting cost per Dth saved are provided below in Table B11(C) and B11(D). Of special note is the increase from the average of the Base Years (\$18.24 per Dth saved) to the average of Post Years (\$20.76 per Dth saved) without the impact of Home Energy Reports, which was a low-cost program. This is due to the combination of rising costs to implement programs and the declining cost of natural gas, both of which result in longer payback periods which then require more marketing to obtain participation. It is also impacted by the annual increase to cost per Dth saved for low-income programs. Despite these challenges, the modest increase attests to the efficiency with which MERC continues to implement and manage its CIP program.

Table B11 (C) - Cost per Dth Saved

| All Programs | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---------------------------------|----------------|----------------|----------------|--------------------|----------------|-----------------|-----------------|-----------------|-----------------|--------------------|
| Low Income Sector-PNG | \$71.42 | \$77.78 | \$98.91 | \$82.71 | | | | | | |
| Low Income Sector-NMU | \$77.83 | \$85.70 | \$98.93 | \$87.49 | | | | | | |
| Low Income Sector-Total | \$72.78 | \$79.13 | \$98.92 | \$83.61 | \$93.19 | \$120.33 | \$131.57 | \$137.61 | \$130.26 | \$122.59 |
| Residential Sector-PNG | \$14.78 | \$17.27 | \$20.09 | \$17.38 | | | | | | |
| Residential Sector-NMU | \$11.90 | \$13.30 | \$14.78 | \$13.33 | | | | | | |
| Residential Sector-Total | \$14.31 | \$16.70 | \$19.36 | \$16.79 | \$20.47 | \$19.38 | \$18.81 | \$22.45 | \$30.06 | \$22.23 |
| C&I Sector-PNG | \$14.25 | \$11.73 | \$12.22 | \$12.74 | | | | | | |
| C&I Sector-NMU | \$9.02 | \$14.10 | \$10.90 | \$11.34 | | | | | | |
| C&I Sector-Total | \$12.79 | \$12.47 | \$11.58 | \$12.28 | \$10.85 | \$15.09 | \$13.08 | \$12.31 | \$12.87 | \$12.84 |
| Total Portfolio-PNG | \$17.78 | \$17.88 | \$20.70 | \$18.79 | | | | | | |
| Total Portfolio-NMU | \$13.87 | \$16.74 | \$14.34 | \$14.98 | | | | | | |
| Total Portfolio-Total | \$16.93 | \$17.62 | \$18.61 | \$17.72 | \$20.32 | \$19.94 | \$17.98 | \$19.49 | \$26.08 | \$20.76 |

This table does not include portfolio level costs

Table B11 (D) - Cost per Dth Saved

| Programs Without Residential Behavior Program | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---|----------------|----------------|----------------|--------------------|----------------|-----------------|-----------------|-----------------|-----------------|--------------------|
| Low Income Sector-PNG | \$71.42 | \$77.78 | \$98.91 | \$82.71 | | | | | | |
| Low Income Sector-NMU | \$77.83 | \$85.70 | \$98.93 | \$87.49 | | | | | | |
| Low Income Sector-Total | \$72.78 | \$79.13 | \$98.92 | \$83.61 | \$93.19 | \$120.33 | \$131.57 | \$137.61 | \$130.26 | \$122.59 |
| Residential Sector-PNG | \$15.94 | \$17.63 | \$21.24 | \$18.27 | | | | | | |
| Residential Sector-NMU | \$12.51 | \$13.10 | \$13.83 | \$13.14 | | | | | | |
| Residential Sector-Total | \$15.44 | \$17.04 | \$20.33 | \$17.60 | \$20.47 | \$19.38 | \$18.81 | \$22.45 | \$30.06 | \$22.23 |
| C&I Sector-PNG | \$14.25 | \$11.73 | \$12.22 | \$12.74 | | | | | | |
| C&I Sector-NMU | \$9.02 | \$14.10 | \$10.90 | \$11.34 | | | | | | |
| C&I Sector-Total | \$12.79 | \$12.47 | \$11.58 | \$12.28 | \$10.85 | \$15.09 | \$13.08 | \$12.31 | \$12.87 | \$12.84 |
| Total Portfolio-PNG | \$18.76 | \$18.12 | \$21.36 | \$19.42 | | | | | | |
| Total Portfolio-NMU | \$14.32 | \$16.97 | \$14.18 | \$14.97 | | | | | | |
| Total Portfolio-Total | \$17.80 | \$17.87 | \$18.91 | \$18.24 | \$20.32 | \$19.94 | \$17.98 | \$19.49 | \$26.08 | \$20.76 |

This table does not include portfolio level costs

The third way MERC gauges success is by the Societal Test. The Societal Test results for each year of the Base and Post Years are based on post year analysis and are, therefore, actual results based on actual performance as approved in our past status reports. The 2017 Societal Test results shown below are preliminary, as the 2017 Status Report has not yet been approved.

Two things should be noted with respect to these tables. The first is that the Low-Income sector was included in the Residential sector for the base years. The second is that the methodology and inputs for benefit-cost analysis were changed for the Post Years, primarily as a result of the low cost of gas.

Table B11 (E) - Societal Test Trend

| All Programs | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|------------------------|------|------|------|------|------|------|------|------|
| Low Income Sector-PNG | n/a | n/a | n/a | | | | | |
| Low Income Sector-NMU | n/a | n/a | n/a | 1.07 | 0.88 | 0.84 | 0.68 | 0.99 |
| Residential Sector-PNG | 6.39 | 5.44 | 4.78 | | | | | |
| Residential Sector-NMU | 6.17 | 7.44 | 6.50 | 1.67 | 2.22 | 2.19 | 2.86 | 2.32 |
| C&I Sector-PNG | 5.91 | 6.47 | 6.14 | | | | | |
| C&I Sector-NMU | 9.21 | 3.84 | 6.36 | 3.64 | 2.57 | 3.05 | 7.45 | 4.14 |
| Total Portfolio-PNG | 5.75 | 5.45 | 4.85 | | | | | |
| Total Portfolio-NMU | 6.88 | 4.37 | 5.97 | 2.13 | 2.18 | 2.61 | 3.10 | 2.32 |

Residential Sector in Base Years included Low Income Sector

Table B11 (F) - Societal Test Trend

| Programs Without Residential Behavior Program | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|------|------|------|------|------|------|------|------|
| Low Income Sector-PNG | n/a | n/a | n/a | | | | | |
| Low Income Sector-NMU | n/a | n/a | n/a | 1.07 | 0.88 | 0.84 | 0.68 | 0.99 |
| Residential Sector-PNG | 4.88 | 4.66 | 3.80 | | | | | |
| Residential Sector-NMU | 3.97 | 5.83 | 6.22 | 1.67 | 2.22 | 2.19 | 2.86 | 2.32 |
| C/I Sector-PNG | 5.91 | 6.47 | 6.14 | | | | | |
| C/I Sector-NMU | 9.21 | 3.84 | 6.36 | 3.64 | 2.57 | 3.05 | 7.45 | 4.14 |
| Total Portfolio-PNG | 4.97 | 5.00 | 4.30 | | | | | |
| Total Portfolio-NMU | 5.99 | 3.98 | 5.69 | 2.13 | 2.18 | 2.61 | 3.10 | 2.32 |

Residential Sector in Base Years included Low Income Sector

As mentioned earlier, low-income programs continue to struggle with cost effectiveness due to the increase in required health and safety measures that do not produce savings and the number of walkaways. In spite of that, MERC

continues to improve cost effectiveness in sectors where these barriers do not exist.

B.12. MERC shall document any specific actions the Company has undertaken that demonstrate a shift or realignment in the Company's support for energy conservation initiatives (e.g., efforts that would strengthen energy efficiency requirements in building codes and appliance standards at the national, state or local level).

MERC continues to support CIP programs in Minnesota. In several meetings with the Department, MERC has been praised for being the first to step up and actively build quality into programs, such as the AIC program that ensures a high level of comprehensiveness and quality in insulation programs.

For the next triennial plan (2020-2023), the rules for manufacturing furnaces may increase to either 90 percent or 92 percent AFUE as the minimum efficiency, compared to 80 percent today. If this rule change comes to fruition, it would reduce savings from high-efficiency furnace rebates by approximately 50 percent. MERC is the first and only utility to actively start a pilot to test quality installation of furnaces. While the rule change will certainly reduce the number of furnaces eligible for a rebate, quality installations may somewhat offset the drastic reduction in energy savings.

B.13. MERC shall include an analysis demonstrating the reasonableness of maintaining MERC's decoupling program given evidence that the level of savings generated by the Residential customer class has declined while the program has been in effect. MERC shall include (1) data showing its average Conservation Improvement Program (CIP) savings for the previous five years compared to the savings of its most recent complete year, and (2) an explanation for any differences in the CIP savings, including the likely impact of decoupling.

In its Findings of Fact, Conclusions, and Order in Docket No. G011/GR-15-736, the Commission ordered that MERC address energy conservation from the residential class in its future annual decoupling filings.

The chart below shows Dth savings for the previous six years of Residential savings (2011 through 2016) and the average of those six years, followed by the seventh year (2017). The charts are based on data in Table B1(C) and Table B1(D). In both Tables 13(A) and 13(B), the average of the six years is higher than 2017, even though Table 13(B) modifies the Home Energy Reports savings in the residential sector using the Average Savings Method. This result is due to the significant decrease in savings in the residential sector in 2017.

Table -13(A) - Average Savings 2011-2016 versus 2017

| All Programs | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2011-2016 Average | 2017 |
|--------------|---------|---------|---------|---------|---------|---------|-------------------|---------|
| Low Income | 7,244 | 7,664 | 11,207 | 8,139 | 8,114 | 8,387 | 8,459 | 12,256 |
| Residential | 240,482 | 232,090 | 208,071 | 180,137 | 209,604 | 211,918 | 213,717 | 158,514 |
| Total | 247,726 | 239,754 | 219,278 | 188,276 | 217,718 | 220,305 | 222,176 | 170,770 |

Table -13(B) - Average Savings 2011-2016 versus 2017

| Programs With Modified Residential Behavior | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2011-2016 Average | 2017 |
|---|---------|---------|---------|---------|---------|---------|-------------------|---------|
| Low Income | 7,244 | 7,664 | 11,207 | 8,139 | 8,114 | 8,387 | 8,459 | 12,256 |
| Residential | 203,571 | 185,948 | 208,071 | 180,137 | 209,604 | 211,918 | 199,875 | 158,514 |
| Total | 210,815 | 193,612 | 219,278 | 188,276 | 217,718 | 220,305 | 208,334 | 170,770 |

As reflected in Table B1(D), which is duplicated below, the percentage change from the pre-decoupling period (2010-2012) to 2017, after modifying the energy savings associated with the Home Energy Reports project to reflect the changes in how the Department measures these energy savings, is a slight decrease of .4 percent. The percentage increase for only Residential savings for Post Years compared to Base Years was 2.08 percent.

Table B1 (D) - CIP Savings

| Programs With Modified Residential Behavior Program | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|---|----------------|----------------|----------------|--------------------|----------------|----------------|----------------|----------------|----------------|--------------------|
| Low Income Programs-PNG | 8,337 | 6,009 | 5,710 | 6,685 | | | | | | |
| Low Income Programs-NMU | 2,231 | 1,235 | 1,954 | 1,806 | | | | | | |
| Low Income Programs-Total | 10,567 | 7,244 | 7,664 | 8,492 | 11,207 | 8,139 | 8,114 | 8,387 | 12,256 | 9,621 |
| Residential Programs-PNG | 153,452 | 176,987 | 163,200 | 164,546 | | | | | | |
| Residential Programs-NMU | 26,137 | 26,584 | 22,748 | 25,157 | | | | | | |
| Residential Programs-Total | 179,590 | 203,571 | 185,948 | 189,703 | 208,071 | 180,137 | 209,604 | 211,918 | 158,514 | 193,649 |
| C&I Programs-Small C&I | n/a * | n/a * | n/a * | n/a * | n/a * | n/a * | n/a * | 13,523 | 5,874 | 9,699 |
| C&I Programs-PNG | 146,083 | 144,398 | 153,171 | 147,884 | | | | | | |
| C&I Programs-NMU | 56,977 | 65,624 | 141,671 | 88,091 | | | | | | |
| C&I Programs-Total | 203,060 | 210,022 | 294,842 | 235,975 | 205,542 | 180,792 | 275,664 | 238,173 | 226,344 | 225,303 |
| Total Savings-PNG | 307,872 | 327,393 | 322,081 | 319,115 | | | | | | |
| Total Savings-NMU | 85,345 | 93,443 | 166,373 | 115,054 | | | | | | |
| Total Savings | 393,217 | 420,837 | 488,454 | 434,169 | 424,821 | 369,068 | 493,382 | 472,000 | 402,989 | 432,452 |
| Change 2016 to 2017: | | | | | (69,011) | -17.1% | | | | |
| Change Base Years Average to 2017: | | | | | (31,180) | -7.2% | | | | |
| Change Base Years Average to Post Years Average: | | | | | (1,717) | -0.4% | | | | |

* Savings for qualifying C/I Small Business Programs available from 2016 on

MERC did not separately report on the Small C&I class energy savings prior to 2016 so is unable to provide an accurate comparison of 2017 Small C&I savings results to prior years. For 2010 through 2015, MERC allocated savings based on sales as reported in the Jurisdictional Reports. Table 13(C) below compares the estimated savings from Base Years to Post Years. The average savings for Base Years was 21,389 and for Post Years not including 2016 or 2017 was 26,308. Savings from program participation in 2016 and 2017 demonstrated that using a percentage of sales to allocate savings to the Small C&I customer class overstated savings from that class. Continuing to analyze savings by comparing customers in the Small C&I class to participation in C&I CIP programs provides a more accurate and relevant analysis. With the decreased savings in both 2016 and 2017, the Post Years average continues to be lower than the Base Years average.

Table 13(C)

Comparison of Small Business Savings Over the Years

| Small C&I Only | 2010 | 2011 | 2012 | Base Years Average | 2013 | 2014 | 2015 | 2016 | 2017 | Post Years Average |
|--------------------------|--------|--------|--------|-----------------------|--------|--------|--------|--------|-------|-----------------------|
| C&I Programs - Small C&I | 20,103 | 19,385 | 24,678 | 21,389 | 23,101 | 22,111 | 33,714 | 13,523 | 5,874 | 19,664 |

While numerous factors unrelated to MERC's promotion of energy conservation have the potential to, and frequently do, affect actual energy savings achievements, MERC believes its decoupling program has been successful in removing the disincentive to encourage energy conservation.

MERC notes that there have been several issues that have impacted our Residential savings. These notes are followed by detailed information on the increased activity to create awareness and promote CIP programs to customers and trade allies.

- In 2010, at the height of the American Recovery and Reinvestment Act ("ARRA") funding, the Low Income Weatherization program produced almost 8,000 Dths of savings. In 2011, the year with the highest level of savings for the 2011 to 2016 period above, the program produced 5,851 Dths of savings. Savings have not reached 3,700 Dths since then. The Community Action Program ("CAP") agencies lost a number of crews due to reduced funding after the ARRA funding was depleted. This limited the number of jobs they could complete. Based on anecdotal information received from our agencies, it was also considered important for the agencies to use their federal funding first rather than leverage MERC dollars as use of federal funding affected future funding.
- MERC has a difficult service territory. In many communities, there are less than 1,000 Residential customers, making it difficult for the agencies to find qualified participants who are MERC customers. In addition, required health and safety investments have increased not only in quantity but in price, and produce no quantifiable energy savings.
- In 2011 and 2012, MERC learned that some insulation contractors were not performing in a professional manner. To protect our customers and maximize quality installations, an AIC program was implemented. For customers to receive a rebate for insulation and air sealing, they must use an AIC. This has significantly reduced the number of insulation rebates requested from over 2,000 in 2013 to just over 300 in 2014 and 2015 and fewer than 300 in 2016 and 2017. In terms of savings, 2012 and 2013 produced insulation savings of 40,859 and 40,366 Dths respectively. However, after the implementation of the AIC program in September 2013, savings for insulation have dropped to 6,117 Dths in 2014, 6,314 Dths in 2015, 4,521 Dths in 2016, and 3,559 in 2017. While MERC continues to be committed to quality over quantity, it has affected our savings achieved.
- In 2017, residential savings were significantly impacted by the new energy code. The new energy code reduced the savings from an average of 48.2

dekatherms per participant in 2016 down to 29.2 dekatherms per participant in 2017. Consequently, a 2.6 percent reduction in participants resulted in a 41 percent reduction in savings.

While the above issues may have detrimentally impacted Residential savings, the following are notable positive impacts:

- Low Income Weatherization also had a banner year in 2017, producing one of the highest savings on record since 2010. Although this was the result of one large project, MERC has started working with a variety of agencies for referrals to Low Income Weatherization.
- Some of the decreases in savings discussed above have been offset by the implementation of the 4U2 program. Savings were increased from 158 Dths in 2011 (start-up year) to almost 4,500 Dths in 2012, 7,563 Dths in 2013, slightly over 5,000 Dths in 2014 and 2015, and over 6,300 Dths in 2016. In 2017, 4U2 produced over 8,778 Dths in savings. MERC has begun direct mail campaigns by region to Gas Affordability Program (“GAP”) participants who are eligible to participate. One mailing was done in 2017 with good results. MERC believes response rates will continue to improve. MERC has also begun working on mobile home parks. These types of homes require special handling and MERC will market this offering only to areas where capable trade allies are available.
- Our residential new construction program, HEE, has grown every year. In 2011, savings were 18,637 Dths; in 2012, savings were 19,913 Dths. In 2013, savings jumped to 33,409 Dths, and in 2014 and 2015, savings were just short of 44,000 Dths. In 2016, savings again jumped to almost 56,000. In 2017, however, with the adoption of the new Minnesota Energy Code, savings dropped significantly to 33,059 Dths due to the higher baseline for only 30 less participants.

As mentioned in previous reports, with these programmatic changes it is extremely difficult if not impossible to isolate the impact of decoupling on Residential energy savings. Nevertheless, MERC believes its decoupling program has proven successful at effectively removing the disincentive to promote energy efficiency. Many tactics have been put into place or increased since decoupling was implemented.

- Since 2011, MERC has hosted an annual meeting for all of the Company’s implementation contractors. Initially, these meetings consisted of MERC informing the contractors about the new changes to existing programs. In the past several years, however, MERC has expanded the agenda to include brainstorming and problem-solving sessions about marketing and increasing awareness, referring customers to other programs, coordinating better between contractors, and refining ideas for improving customer participation. One major achievement that has evolved is expanding the Company’s

Neighborhood Energy workshops to include representation from the local CAP agency and 4U2 contractor to enable attendees who are customers to learn about more programs, obtain more detailed information about the programs from the implementation contractor, and sign up for the programs immediately if appropriate.

- MERC has increased the number of email blasts sent to targeted audiences with very specific and relevant messages. As demonstrated below, the open and click-through rates for these email blasts are exemplary.
 - In 2013, two email blasts were sent to HVAC trade allies—one related to heating system tune-up rebates and the second was a special, limited-time bonus for commercial customer rebates. Of 307 and 411 recipients, open rates were 46.1 percent and 37.4 percent, respectively. Click-through rates (to rebate pages on the MERC website) were 53.7 percent and 26.1 percent, respectively.
 - In 2014, twelve email blasts were sent. Email blasts to trade allies targeted either all trade allies, insulation trade allies, or HVAC trade allies. Of over 1,853 recipients, the open rates ranged from 32.9 percent to 54.5 percent, and click-through rates ranged from 7.3 percent to 37.5 percent.

Eight of the email blasts were sent to customers. For the Residential customer segment, the online audit completions allowed for targeted messages. Those whose responses demonstrated high opportunity for efficiency were referred to the in-home Residential Energy Audit program. Others were provided specific information about heating or water heater systems if those customers noted that their systems were older or provided insulation rebates if they selected low levels of insulation in the audit. For the C&I customers, email blasts informed customers about upcoming Building Operator Certification classes, the Company's (then) Benchmarking program, and the Small Business program. Of over 3,000 recipients, the open rates ranged from 31.4 percent to 63.3 percent, and click-through rates ranged from 8.1 percent to 31.2 percent.

- In 2015, 13 email blasts were sent, reaching almost 2,400 recipients. Seven were sent to trade allies. Of those, one email blast was targeted to agricultural grant writers and auditors and addressed agricultural rebates; one was sent to insulation contractors, and the others were sent to HVAC or general trade allies. Open rates ranged from 26.7 percent to 41.2 percent and click-through rates ranged from 5.9 percent to 30.3 percent.

The six email blasts sent to customers reached over 1,700 customers. Four email blasts were sent to Residential customers, one to prior C&I

Rebate program participants, and one to Small C&I customers. Open rates ranged from 29.9 percent to 60.5 percent and click-through rates ranged from 3.4 percent to 19.6 percent.

- The number of email blasts sent in 2016 increased to 21 with over 7,500 recipients. Eight email blasts went to trade allies, including buildings, CAP agencies, and community-based organizations such as Habitat for Humanity and Housing and Redevelopment Authorities. HVAC and insulation contractors were reminded that tax credits for energy efficiency measures had been extended by Congress and builders were informed about improvements in rebates for new construction. Open rates ranged from 20.9 percent to 51 percent and click-through rates ranged from 0.6 percent to 56 percent.

Topics for the eight residential email blasts included informing online audit participants about the energy workshop in their community, next steps to increased energy efficiency based on in-home audit results, and reminders to past tune-up rebate recipients to tune-up their heating systems. The C&I customer email blasts covered upcoming Building Operator Training classes, reminders for past participants of boiler and furnace tune-ups and steam trap rebate recipients to keep their systems in good conditions, and a final email to Small C&I customers to inform them of the upcoming discontinuation of the Small Business Direct Install Plus program. Open rates for these email blasts ranged from 23.2 percent to 58.2 percent.

- In 2017, the number of email blasts jumped to 48. Twenty-seven email blasts went to the residential sector, reaching almost 22,000 customers with an open rate of 38 percent. Six email blasts went to the C/I segment, reaching over 2,000 customers. The open rate was 23 percent. MERC also targeted trade allies with strategic messaging as detailed earlier. Thirteen email blasts were sent, reaching over 3,500 trade allies. The open rate was an incredible 34 percent. The total open rate for all markets was 36 percent and the click through rate was 6.4 percent.

The average open and click-through rates vary by industry. However, in general, average open rates range from 12 to 28 percent and click-through rates range from 5 to 15 percent, demonstrating that the Company's results are generally very high. Both customers and trade allies are reading the Company's email blasts to a much higher degree than industry averages and are clicking through to learn more about the topic of the email blast.

C. Revenue Deferred and Collected Under the RDM Adjustment

C. Revenue Deferred and Collected Under the RDM Adjustment

C.1. What was the monthly, annual, and cumulative amount of revenue deferred and recovered by customer rate class through the decoupling mechanism during the period being evaluated? A discussion describing actions leading to these adjustments will be provided.

Each month, the average distribution revenue per customer on an actual basis was compared to the baseline forecast approved in Docket No. G011/GR-15-736. The resulting monthly deferrals, as well as the annual result and cumulative balances, are provided in the table below. 2017 resulted in surcharges for both Residential and GS Small C&I customers associated with the 2017 decoupling mechanism. The 2017 deferral commenced with surcharges beginning March 1, 2018.

| Table C1 | | | | |
|---|--------------------|-----------------------|---------------------|---------------------|
| 2017 | | | | |
| | <u>Residential</u> | | <u>GS Small C/I</u> | |
| | <u>Monthly</u> | <u>Cumulative</u> | <u>Monthly</u> | <u>Cumulative</u> |
| Jan | \$ (388,528) | \$ (388,528) | \$ 90,400 | \$ 90,400 |
| Feb | (722,766) | (1,111,294) | (51,650) | 38,750 |
| Mar | (68,334) | (1,179,628) | (19,262) | 19,488 |
| Apr | (364,224) | (1,543,852) | (95,019) | (75,530) |
| May | 267,309 | (1,276,543) | 187,521 | 111,990 |
| Jun | 688,656 | (587,887) | (213,321) | (101,331) |
| Jul | 1,072,103 | 484,216 | 52,755 | (48,576) |
| Aug | 469,540 | 953,756 | 35,003 | (13,573) |
| Sep | (238,989) | 714,767 | (21,164) | (34,737) |
| Oct | (1,502,113) | (787,346) | (100,271) | (135,008) |
| Nov | (423,160) | (1,210,506) | 57,706 | (77,302) |
| Dec | (953,592) | <u>(2,164,099)</u> | (74,045) | <u>(151,347)</u> |
| Total 2016 | | <u>\$ (2,164,099)</u> | | <u>\$ (151,347)</u> |
| Positive numbers represent refunds to customers and negative numbers represent customer surcharges. | | | | |

C.2. Has MERC made any changes to its methods or calculations of the decoupling deferral over the course of the pilot? Describe any such changes, their purpose, and impact on the deferral.

Beginning in July 2013, MERC consolidated its four PGAs into two. The decoupling mechanism was initially formatted to enter each PGA's customer class data separately under the four PGA setup. Starting in July 2013, instead of distinguishing between the various PGAs, the sales and customer count data were entered in at the total MERC level by customer class. This had no effect on the decoupling mechanism calculation as the decoupling calculation is done at the total level.

For MERC's 2014 decoupling mechanism, MERC updated the forecasted sales and customer counts to match what was approved in MERC's 2014 rate case, Docket No. G011/GR-13-617. This does have an effect on the margin calculation used in the decoupling mechanism model, but syncs up the margin with what was actually approved for rates in 2014.

In MERC's 2015 decoupling mechanism, MERC continued to use the forecasted sales and customer counts approved in MERC's 2015 rate case, Docket No. G011/GR-13-617. In addition, in May 2015, MERC finalized the acquisition of IPL's natural gas distribution assets and customers and began including the actual sales and customer counts into the revenue decoupling calculation. Since MERC's decoupling mechanism is done on a use-per-customer basis, the acquisition of the IPL assets only effects the calculation to the extent the former IPL customers average usage varies from the average use-per-customer approved in MERC's 2014 rate case, Docket No. G011/GR-13-617.

In MERC's 2016 decoupling mechanism, MERC updated the forecasted sales and customer counts to match what was filed and ultimately approved in MERC's 2016 rate case, Docket No. G011/GR-15-736. This does have an effect on the margin calculation used in the decoupling mechanism model, but syncs up the margin with what was actually approved for rates in 2016. In addition, MERC initially used the interim revenue margin rates approved by the Commission in Docket No. G011/GR-15-736 in the decoupling calculation, but ultimately updated the margin rates that resulted from the October 31, 2016, Commission Order in Docket No. G011/GR-15-736.

In MERC's 2017 decoupling mechanism, MERC continued to use the forecasted sales and customer counts approved in MERC's 2016 rate case, Docket No. G011/GR-15-736.

C.3. Were there any issues that arose regarding the methodology or input values for calculation of the accounting journal entries which implemented the decoupling deferral? Explain and quantify the impact of any changes in methodology or input values.

The consolidation during 2013 of MERC's four PGAs into two, as previously discussed, only affected the inputs into the decoupling model, but had no impact on the calculation of the decoupling deferral.

The update of sales and customer counts for the 2014 decoupling mechanism, as previously discussed, did not have any effect on the inputs, but did make the margin comparison of actuals to what was approved in rates consistent.

The inclusion of former IPL customers in the 2015 decoupling mechanism, as previously discussed, did not affect the type of data input into the calculation, but would have had an impact on the calculation to the extent the former IPL customers average usage varies from the average use-per-customer approved in MERC's 2014 rate case, Docket

No. G011/GR-13-617. The impact of the former IPL customers is no different than if any other customer was added to the system, i.e. new subdivision, but, due to the number of customer additions, would have a more material effect on the calculation to the extent the former IPL customers have a difference in the average use-per-customer than that approved in Docket No. G011/GR-13-617.

The update of sales and customer counts for the 2016 and 2017 decoupling mechanism, as previously discussed, did not have any effect on the inputs, but did make the margin comparison of actuals to what was approved in rates consistent.

C.4. What was the pretax margin and net income impact resulting from the recoverable revenue deferrals for the period being evaluated as a result of the pilot? What percentage of total pretax margins and net income for the Company's operations is represented by these deferrals in each year?

| Table C4 | | | |
|-----------------|--|---------------------|----------------|
| 2017 | | | |
| <u>Line</u> | <u>Description</u> | <u>Reference</u> | <u>Amount</u> |
| 1 | Decoupling Pre-Tax Margin | | \$ 2,315,445 |
| 2 | Effective Tax Rate-Operating | | 40.46% |
| 3 | Net Income Effect of Decoupling | Line 1 x (1-Line 2) | \$ 1,378,616 |
| 4 | 2017 Total Margin | | \$ 113,859,443 |
| 5 | Decouple Margin as a % of Total Margin | Line 1 / Line 4 | 2.03% |
| 6 | 2017 Operating Net Income | | \$ 13,764,851 |
| 7 | Decoupling Net Income as a % of Total Net Income | Line 3 / Line 6 | 10.02% |

C.5. What was MERC's Residential and Commercial & Industrial recorded gas margin revenue and recorded gas margin revenue per customer for 2010 through the period being evaluated, before and after decoupling deferrals?

| Table C5 | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Distribution Margin (excluding CCRC in base rates) | | | | | | | |
| | | | | 2013 Pre- | 2013 Post | 2014 Pre- | 2014 Post |
| | | | | Decoupling | Decoupling | Decoupling | Decoupling |
| | 2010 | 2011 | 2012 | Deferral | Deferral | Deferral | Deferral |
| Residential Gas Margin | \$26,552,150 | \$32,647,483 | \$27,945,891 | \$33,070,295 | \$30,972,176 | \$38,984,778 | \$35,701,543 |
| Residential Customers | 187,603 | 187,125 | 189,630 | 192,428 | 192,428 | 193,436 | 193,436 |
| Residential Gas Margin per Customer | \$ 142 | \$ 174 | \$ 147 | \$ 172 | \$ 161 | \$ 202 | \$ 185 |
| Small C/I Gas Margin | \$ 1,255,943 | \$ 1,437,591 | \$ 1,243,583 | \$ 2,108,400 | \$ 1,845,305 | \$ 2,342,522 | \$ 2,176,096 |
| Small C/I Customers | 9,597 | 9,555 | 10,466 | 10,983 | 10,959 | 10,985 | 10,985 |
| Small C/I Gas Margin per Customer | \$ 131 | \$ 150 | \$ 119 | \$ 192 | \$ 168 | \$ 213 | \$ 198 |
| | | | | | | | |
| | | | | | | | |
| | 2015 Pre- | 2015 Post | 2016 Pre- | 2016 Post | 2017 Pre- | 2017 Post | |
| | Decoupling | Decoupling | Decoupling | Decoupling | Decoupling | Decoupling | |
| | Deferral | Deferral | Deferral | Deferral | Deferral | Deferral | |
| Residential Gas Margin | \$29,944,555 | \$33,227,790 | \$34,695,576 | \$38,539,647 | \$36,687,775 | \$38,851,874 | |
| Residential Customers | 200,979 | 200,979 | 210,638 | 210,638 | 210,041 | 210,041 | |
| Residential Gas Margin per Customer | \$ 149 | \$ 165 | \$ 165 | \$ 183 | \$ 175 | \$ 185 | |
| Small C/I Gas Margin | \$ 1,461,865 | \$ 1,521,261 | \$ 1,339,728 | \$ 1,568,542 | \$ 1,579,523 | \$ 1,730,870 | |
| Small C/I Customers | 9,983 | 9,983 | 8,777 | 8,777 | 8,632 | 8,632 | |
| Small C/I Gas Margin per Customer | \$ 146 | \$ 152 | \$ 153 | \$ 179 | \$ 183 | \$ 201 | |

C.6. What was the total amount of decoupling surcharge revenue collected from ratepayers each month of the period being evaluated?

Decoupling Surcharge Rates in effect for January and February 2017 were \$0.02022 and \$0.01234 for Residential and GS Small C&I respectively. From March through December 2017, the surcharge rates in effect were \$0.01761 and \$0.01384 for Residential and GS Small C&I respectively. The total surcharge revenue collected from ratepayers each month as a result of the rates is as follows:

| | Residential | | Small C&I | | Summary |
|--------|---------------------------|--|---------------------------|--|---------------------------|
| | Refund/(Surcharge) | | Refund/(Surcharge) | | Refund/(Surcharge) |
| | Activity | | Activity | | Activity |
| Jan-17 | \$ (667,433.36) | | \$ (19,467.50) | | \$ (686,900.86) |
| Feb-17 | \$ (567,825.44) | | \$ (21,823.60) | | \$ (589,649.04) |
| Mar-17 | \$ (451,694.58) | | \$ (13,933.49) | | \$ (465,628.07) |
| Apr-17 | \$ (332,448.73) | | \$ (8,516.95) | | \$ (340,965.68) |
| May-17 | \$ (197,922.17) | | \$ (16,111.88) | | \$ (214,034.05) |
| Jun-17 | \$ (104,386.44) | | \$ (9,037.12) | | \$ (113,423.56) |
| Jul-17 | \$ (68,240.24) | | \$ (1,944.67) | | \$ (70,184.91) |
| Aug-17 | \$ (52,095.60) | | \$ (2,305.81) | | \$ (54,401.41) |
| Sep-17 | \$ (54,828.88) | | \$ (1,636.10) | | \$ (56,464.98) |
| Oct-17 | \$ (82,061.11) | | \$ (2,049.34) | | \$ (84,110.45) |
| Nov-17 | \$ (252,134.70) | | \$ (12,998.89) | | \$ (265,133.59) |
| Dec-17 | \$ (413,545.57) | | \$ (14,519.06) | | \$ (428,064.63) |
| | <u>\$ (3,244,616.82)</u> | | <u>\$ (124,344.41)</u> | | <u>\$ (3,368,961.23)</u> |

C.7. What is the monthly customer bill impact of the decoupling rate adjustment for customers during the recovery period? This should be expressed as an average monthly dollar amount collected and percentage based on the total decoupling amount to be collected divided by total estimated revenue for Residential customers.

In Docket No. G011/GR-15-736, the average Residential customer was forecasted to use 72 therms per month. In the 2017 decoupling calculation, the surcharge rate was calculated to be \$0.01643. Therefore, the average monthly surcharge per Residential customer is expected to be \$1.12.

In Docket No. G011/GR-15-736, the estimated average monthly residential customer revenue was \$56.15. Therefore, as a percentage, the average residential customer will see a surcharge of 1.99 percent.

D. Proportion of Margin Lost to Company-Sponsored CIP Relative to the RDM Adjustment

D. Proportion of Margin Lost to Company-Sponsored CIP Relative to the RDM Adjustment

D.1. What was the annual amount of estimated lost margin due directly to Company CIP programs for Residential and Commercial & Industrial customers during 2017 relative to the RDM for the same customer groups? This analysis should display the estimated annual reduction in therms and margin (\$).

Table D - 2017 Estimated Energy Savings and Lost Margin Due to CIP

| Measures/Programs Added Due to Decoupling | Energy Savings (Therms) | Distribution Margin Rates | Lost Margin |
|--|--------------------------------|----------------------------------|--------------------|
| Low Income Sector | 122,561 | \$0.24116 | \$29,557 |
| Residential Sector | 1,585,140 | \$0.24116 | \$382,272 |
| Small C/I Sector | 58,740 | \$0.22065 | \$12,961 |
| Large C/I Sector | 2,263,444 | \$0.16885 | \$382,183 |
| Total | 4,029,885 | | \$806,974 |

In 2017, the CIP savings were calculated based on comparing the customers in the small business class eligible for RDM to the projects implemented by all C&I customers. In the past, a percentage of C&I energy savings were allocated to the small customer segment based on sales.

In 2017, MERC recorded a Regulatory Asset (Surcharge to Customers) of \$4,770,331 for the Residential sector. This includes the Low-Income sector as there is no distinction of low-income customers in the RDM. Also in 2017, MERC recorded a Regulatory Asset (Surcharge to Customers) of \$223,462 for the General Service Small C&I sector.

The Large C&I sector is not included in MERC's RDM calculation; therefore, no Regulatory Liability or Asset has been calculated.

E. Impact of General Rate Cases During Implementation of the Pilot Program

E. Impact of General Rate Cases During Implementation of the Pilot Program

E.1. Did MERC file any rate cases during the pilot period? If so, when?

MERC has filed three rate cases during the pilot period. A rate case based on a 2014 test year was filed in Docket No. G011/GR-13-617 on September 30, 2013; a rate case based on a 2016 test year was filed in Docket No. G011/GR-15-736 on September 30, 2015; and a rate case based on a 2018 test year was filed in Docket No. G011/GR-17-563 on October 13, 2017.

E.2. To the extent new base rates took effect during the pilot period, when did those new rates take effect and what impact did that have on the methods and mechanics of the deferral calculations? Please include changes to base therm sales, weather adjustments, and rate of return.

The 2014 decoupling mechanism was updated with the sales, customer counts, and distribution rates (less the Conservation Cost Recovery Charge (“CCRC”)) that were ultimately approved in Docket No. G011/GR-13-617.

The 2015 decoupling mechanism continued to use the same forecasted sales, customer counts, and distribution rates (less the CCRC) used in the 2014 decoupling mechanism since base rates set in 2014 and 2015 were both set in MERC’s 2014 rate case.

The 2016 decoupling mechanism was updated with the sales, customer counts that were filed and ultimately approved in Docket No. G011/GR-15-736. The Interim Revenue Distribution rates (less the CCRC) were initially used in the decoupling mechanism, but ultimately updated based upon the rate design results from the Commission October 31, 2016, Order in Docket No. G011/GR-15-736.

The 2017 decoupling mechanism continued to use the same forecasted sales, customer counts, and distribution rates (less the CCRC) used in the 2016 decoupling mechanism since base rates set in 2016 and 2017 were both set in MERC’s 2016 rate case.

The 2018 rate case filed in Docket No. G011/GR-17-563 on October 13, 2017 has not been included in the RDM calculations up to this point, and has not had an impact on the 2017 RDM.

F. New Customer Usage and Adjustment Under the RDM

F. New Customer Usage and Adjustment Under the RDM

F.1. What was the impact of new customers on the decoupling calculations for the period being evaluated? Specifically what was:

- a. The number of customers used (by class) in the decoupling calculations;**
- b. The number of customers approved (by class) in the most recent general rate case;**
- c. The difference between a and b;**
- d. The margin associated with c; and**
- e. The per customer impact of d.**

| Table F1 - Customer Usage and Adjustment | | |
|--|--------------------|-------------------------|
| | Residential | GS Small C&I |
| Actual Customers in Decoupling Calculation | 210,041 | 8,632 |
| Approved Customers in Decoupling Calculation | 207,687 | 11,678 |
| Actual less Approved Customers | 2,354 | (3,046) |
| Difference in Customers x Average Actual Annual Use x Per Therm Rate | \$ 411,090 | \$ (557,251) |
| Per Customer Impact of d | \$ 1.96 | \$ (64.56) |

Due to customer switches between GS Small C&I and GS Large C&I, MERC experienced a decrease in the overall number of GS Small C&I customers.

F.2. Did MERC implement any changes to the methodology to account for new customers during the course of the pilot?

No changes to the methodology to account for new customers during the course of the evaluation period were necessary. As described in the Direct Testimony of Ms. Valerie Grace in Docket No. G007,011/GR-10-977, MERC's decoupling mechanism is calculated on a per customer basis. The reason behind the per customer basis is to:

filter out any changes (increase or decrease) in the number of customers that would differ from those levels supporting the revenue approved by the Commission in a general rate case proceeding. Doing so will not only isolate the changes in usage and related distribution revenues for the number of customers that were used to determine the revenues approved in a general rate case proceeding; it will recognize the additional costs incurred by MERC to provide service to new customers. These costs include the addition of new services and meters as well as other expenses to serve new customers joining the system. This approach will allow

MERC to continue to recover the cost of connecting new customers. Moreover, it will also prevent MERC from recovering revenues for load losses associated with customers leaving the system.

F.3. What were the monthly numbers of customers served, by rate schedule, in the evaluation period being reported on?

| | Residential | Small C&I |
|-----------------|--------------------|----------------------|
| Jan-17 | 210,060 | 8,677 |
| Feb-17 | 209,258 | 8,629 |
| Mar-17 | 209,373 | 8,665 |
| Apr-17 | 209,764 | 8,630 |
| May-17 | 210,143 | 8,620 |
| Jun-17 | 209,819 | 8,652 |
| Jul-17 | 209,898 | 8,616 |
| Aug-17 | 208,867 | 8,548 |
| Sep-17 | 210,427 | 8,588 |
| Oct-17 | 210,237 | 8,602 |
| Nov-17 | 211,104 | 8,645 |
| Dec-17 | 211,539 | 8,714 |
| Monthly Average | 210,041 | 8,632 |

F.4. What was the actual average usage for customers subject to the decoupling rider for the evaluation period being reported on?

The average annual usage per Residential customer in 2017 was 818 therms.

The average annual usage per General Service Small C&I customer in 2017 was 948 therms.

F.5. In this section, please also refer to and discuss the data regarding total sales volumes and total gas margin revenues provided in response to questions G1 and G2 below.

In the responses to questions G1 and G2 below, MERC has identified, by rate schedule, sales and margin revenues for 2010 to 2017 actual, as well as the 2018 forecast. These sales and margins are not weather normalized and represent the actual data from year to year.

**G. Related Rate and Customer Usage Information
(Actual and Forecasted)**

G. Related Rate and Customer Usage Information (Actual and Forecasted)

G.1. What were total therm sales volumes by rate schedule in the period being evaluated?

| RATE SCHEDULE | A C T U A L S | | | | | | | | TOTAL FORECAST 2018 |
|---------------|---------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------------|
| | TOTAL 2010 | TOTAL 2011 | TOTAL 2012 | TOTAL 2013 | TOTAL 2014 | TOTAL 2015 | TOTAL 2016 | TOTAL 2017 | |
| SC_INTERR | 28,990,686 | 31,917,575 | 28,020,652 | 39,571,664 | 37,199,675 | 30,959,100 | 34,216,089 | 38,515,333 | 36,212,169 |
| SC_JOINT | 527,860 | 521,944 | 388,885 | 425,811 | 449,827 | 220,382 | 289,265 | 351,019 | 404,285 |
| SC_LCI | 79,999,173 | 85,965,329 | 74,202,360 | 96,596,507 | 106,101,306 | 83,496,419 | 91,741,417 | 99,881,147 | 97,452,528 |
| SC_RES | 159,126,553 | 163,964,334 | 137,124,435 | 181,296,462 | 201,388,459 | 154,688,267 | 162,516,165 | 171,847,747 | 184,639,648 |
| SC_SCI | 8,820,834 | 8,596,847 | 7,034,960 | 12,392,175 | 14,950,997 | 9,415,183 | 6,942,314 | 8,184,906 | 8,434,394 |
| SC_TRNSP | 442,458,897 | 455,923,761 | 522,937,889 | 497,478,521 | 554,826,052 | 473,628,027 | 543,082,339 | 534,853,299 | 554,288,913 |
| Grand Total | 719,924,003 | 746,889,790 | 769,709,181 | 827,761,140 | 914,916,316 | 752,407,378 | 838,787,589 | 853,633,451 | 881,431,937 |

G.2. What were total gas margin revenues by rate schedule in 2011 and each evaluation period?

| RATE SCHEDULE | A C T U A L S | | | | | | | TOTAL FORECAST 2018 |
|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | |
| SC_LCI | \$14,954,066 | \$13,192,305 | \$17,421,453 | \$20,195,323 | \$15,004,750 | \$16,726,295 | \$17,051,752 | \$16,454,859 |
| SC_RES | \$32,647,483 | \$27,945,891 | \$37,479,743 | \$44,889,488 | \$34,190,323 | \$38,971,376 | \$40,157,001 | \$44,527,698 |
| SC_SCI | \$1,437,591 | \$1,234,583 | \$2,463,734 | \$3,125,356 | \$1,900,858 | \$1,383,048 | \$1,906,585 | \$1,861,049 |
| Grand Total | \$49,039,140 | \$42,372,779 | \$57,364,930 | \$68,210,167 | \$51,095,931 | \$57,080,719 | \$59,115,338 | \$62,843,606 |

G.3. What was the rate of average annual gas customer growth by rate schedule starting in 2011? How does this compare to MERC's historical levels of gas customer growth in the 2009-2010 period? What is the Company's forecast for future customer growth? What were the average annual customer count totals by rate schedule for the period being reported?

| | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------------|---------------|
| Part 1: Rate of Average Annual Gas Customer Growth by Rate Schedule. | | | | | | | | | |
| Part 2: Companies forecast growth rate . | | | | | | | | | |
| Part 3: What were the average annual customer count totals by rate schedule for the period being reported.? | | | | | | | | | |
| A C T U A L S | | | | | | | | | |
| | Part 3: | Part 3: | Part 3: | Part 3: | Part 3: | Part 3: | Part 3: | Part 3: | Part 3: |
| FIX CHARGE COUNTS/ MONTH: | AVERAGE | AVERAGE | AVERAGE | AVERAGE | AVERAGE | AVERAGE | AVERAGE | AVERAGE | AVE. FORECAST |
| SERVICECLASS | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 |
| SC_INTERR | 571 | 488 | 450 | 452 | 446 | 472 | 510 | 470 | 457 |
| SC_JOINT | 14 | 11 | 8 | 7 | 8 | 5 | 10 | 8 | 7 |
| SC_LCI | 11,516 | 11,436 | 10,731 | 10,412 | 10,429 | 12,321 | 14,506 | 14,239 | 13,031 |
| SC_RES | 187,603 | 187,125 | 189,630 | 192,428 | 193,436 | 200,979 | 210,638 | 210,041 | 210,331 |
| SC_SCI | 9,597 | 9,555 | 10,466 | 10,983 | 10,985 | 9,866 | 8,777 | 8,632 | 9,097 |
| SC_TRNSP | 165 | 165 | 165 | 166 | 171 | 173 | 235 | 210 | 189 |
| Grand Total | 209,465 | 208,780 | 211,451 | 214,449 | 215,475 | 223,816 | 234,676 | 233,600 | 233,112 |
| | Part 1: | Part 1: | Part 1: | Part 1: | Part 1: | Part 1: | Part 1: | Part 1: | Part 2: |
| SERVICECLASS | Growth Rate | Growth Rate | Growth Rate | Growth Rate | Growth Rate | Growth Rate | Growth Rate | Growth Rate | Growth Rate |
| | 2011 vs 2010 | 2012 vs 2011 | 2013 vs 2012 | 2014 vs 2013 | 2015 vs 2014 | 2016 vs 2015 | 2017 vs 2016 | 4cst 2018 vs 2017 | Actual |
| SC_INTERR | -14% | -8% | 0% | -1% | 6% | 8% | -8% | -3% | -3% |
| SC_JOINT | -22% | -24% | -19% | 18% | -31% | 88% | -16% | -17% | -17% |
| SC_LCI | -1% | -6% | -3% | 0% | 18% | 18% | -2% | -8% | -8% |
| SC_RES | 0% | 1% | 1% | 1% | 4% | 5% | 0% | 0% | 0% |
| SC_SCI | 0% | 10% | 5% | 0% | -10% | -11% | -2% | 5% | 5% |
| SC_TRNSP | 0% | 0% | 1% | 3% | 1% | 36% | -11% | -10% | -10% |
| Grand Total | 0% | 1% | 1% | 0% | 4% | 5% | 0% | 0% | 0% |

G.4. What proportion of customers subject to decoupling was residential versus commercial during the pilot? What proportion of usage from customers subject to decoupling was residential versus commercial during the pilot?

| | 2017 Average | % of Customers |
|---------------------------|---------------------------------|---------------------------------|
| | Annual Customers | Applicable to Decoupling |
| Residential | 210,041 | 96% |
| General Service Small C&I | 8,632 | 4% |
| | | |
| | | |
| | 2017 Sales | % of Sales |
| | Applicable to Decoupling | |
| Residential | 171,847,746 | 95% |
| General Service Small C&I | 8,184,906 | 5% |

G.5. On a rate schedule basis, how has actual annual gas use per customer changed during 2011 through the period being evaluated?

| USE PER AVERAGE FIX CHARGE CUSTOMER COUNT: | 2010 ANNUAL USE PER CUST | 2011 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2011 VS 2010 | 2012 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2012 VS 2011 | 2013 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2013 VS 2012 | 2014 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2014 VS 2013 |
|--|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|--|-------------------------------------|
| SC_INTERR | 50,816 | 65,360 | 14,544 | 62,273 | -3,087 | 87,522 | 25,249 | 83,416 | -4,106 |
| SC_JOINT | 38,390 | 48,932 | 10,542 | 47,799 | -1,133 | 64,680 | 16,881 | 58,042 | -6,638 |
| SC_LCI | 6,947 | 7,517 | 570 | 6,915 | -602 | 9,277 | 2,362 | 10,173 | 896 |
| SC_RES | 848 | 876 | 28 | 723 | -153 | 942 | 219 | 1,041 | 99 |
| SC_SCI | 919 | 900 | -19 | 672 | -228 | 1,128 | 456 | 1,361 | 233 |
| SC_TRNSP | 2,680,215 | 2,771,573 | 91,358 | 3,167,289 | 395,716 | 2,988,921 | -178,368 | 3,244,913 | 255,992 |
| Grand Total | 2,778,136 | 2,895,159 | 117,023 | 3,285,671 | 390,512 | 3,152,471 | -133,200 | 3,398,947 | 246,476 |
| | | | | | | | | | |
| | 2015 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2015 VS 2014 | 2016 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2016 VS 2015 | 2017 ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2017 VS 2016 | 2018 FORECAST ANNUAL USE PER CUST | CHANGE IN USE PER CUST 2018 4CST VS 2017 | |
| SC_INTERR | 65,591 | -17,825 | 67,090 | 1,499 | 81,948 | 14,857 | 79,239 | -2,709 | |
| SC_JOINT | 44,076 | -13,966 | 28,927 | -15,150 | 43,877 | 14,951 | 57,755 | 13,878 | |
| SC_LCI | 6,777 | -3,397 | 6,324 | -452 | 7,015 | 690 | 7,479 | 464 | |
| SC_RES | 770 | -271 | 772 | 2 | 818 | 46 | 878 | 60 | |
| SC_SCI | 954 | -407 | 790 | -164 | 948 | 158 | 927 | -21 | |
| SC_TRNSP | 2,737,734 | -507,179 | 2,310,989 | -426,746 | 2,546,920 | 235,932 | 2,932,746 | 385,825 | |
| Grand Total | 2,855,903 | -543,044 | 2,414,891 | -441,011 | 2,681,526 | 266,635 | 3,079,023 | 397,497 | |

G.6. What has been the change in the Company’s natural gas delivered average monthly price per therm by rate schedule during 2011 through the period being evaluated? Provide a detailed incremental chronological listing (including Docket No.) and price per therm impact of all rate adjustments (commodity, general rate case, decoupling, etc.) during 2011 through the period being evaluated. What was the cumulative impact factoring in all rate adjustments from the beginning of 2011 through the period being evaluated?

Please see Attachment_A.xlsx. The data has been split into two time frames, pre- and post-consolidation.

G.7. What has been the natural gas commodity cost embedded in the average monthly price per therm values by rate schedule in the previous question and how did margin revenues (excluding recovery of gas commodity cost) change during 2011 through the period being evaluated? Provide a detailed incremental chronological listing (including Docket No.) and impact of all commodity adjustments during the 2011 through the period being evaluated. What was the total impact factoring in all adjustments from the beginning of 2011 through the period being evaluated?

Please see Attachment_B.xlsx. The data has been split into two time frames, pre- and post-consolidation.

G.8. What is the Company’s most recently available three-year forecast for (a) natural gas rates/prices; (b) numbers of customers by rate schedule; (c) usage per customer by rate schedule; and (d) overall therm volumes and margin revenues by rate schedule in each available projected future period?

| NNG Residential | | | | |
|------------------------|--------------|------------------------|---------------|------------------|
| | | Commodity Cost* | DIST* | EFFECTIVE |
| Year | Month | \$/therm | MARGIN | RATE |
| 2018 | 1 | \$ 0.46314 | \$ 0.24116 | \$ 0.70430 |
| 2018 | 2 | \$ 0.46056 | \$ 0.24116 | \$ 0.70172 |
| 2018 | 3 | \$ 0.45415 | \$ 0.24116 | \$ 0.69531 |
| 2018 | 4 | \$ 0.41711 | \$ 0.24116 | \$ 0.65827 |
| 2018 | 5 | \$ 0.44714 | \$ 0.24116 | \$ 0.68830 |
| 2018 | 6 | \$ 0.61776 | \$ 0.24116 | \$ 0.85892 |
| 2018 | 7 | \$ 0.66864 | \$ 0.24116 | \$ 0.90980 |
| 2018 | 8 | \$ 0.67667 | \$ 0.24116 | \$ 0.91783 |
| 2018 | 9 | \$ 0.53804 | \$ 0.24116 | \$ 0.77920 |
| 2018 | 10 | \$ 0.45324 | \$ 0.24116 | \$ 0.69440 |
| 2018 | 11 | \$ 0.40918 | \$ 0.24116 | \$ 0.65034 |
| 2018 | 12 | \$ 0.40663 | \$ 0.24116 | \$ 0.64779 |
| 2019 | 1 | \$ 0.42131 | \$ 0.24116 | \$ 0.66247 |
| 2019 | 2 | \$ 0.41840 | \$ 0.24116 | \$ 0.65956 |
| 2019 | 3 | \$ 0.41605 | \$ 0.24116 | \$ 0.65721 |
| 2019 | 4 | \$ 0.38665 | \$ 0.24116 | \$ 0.62781 |
| 2019 | 5 | \$ 0.42885 | \$ 0.24116 | \$ 0.67001 |
| 2019 | 6 | \$ 0.60269 | \$ 0.24116 | \$ 0.84385 |
| 2019 | 7 | \$ 0.65554 | \$ 0.24116 | \$ 0.89670 |
| 2019 | 8 | \$ 0.66176 | \$ 0.24116 | \$ 0.90292 |
| 2019 | 9 | \$ 0.52494 | \$ 0.24116 | \$ 0.76610 |
| 2019 | 10 | \$ 0.44138 | \$ 0.24116 | \$ 0.68254 |
| 2019 | 11 | \$ 0.39539 | \$ 0.24116 | \$ 0.63655 |
| 2019 | 12 | \$ 0.39735 | \$ 0.24116 | \$ 0.63851 |
| 2020 | 1 | \$ 0.41137 | \$ 0.24116 | \$ 0.65253 |
| 2020 | 2 | \$ 0.40826 | \$ 0.24116 | \$ 0.64942 |
| 2020 | 3 | \$ 0.40934 | \$ 0.24116 | \$ 0.65050 |
| 2020 | 4 | \$ 0.38540 | \$ 0.24116 | \$ 0.62656 |
| 2020 | 5 | \$ 0.43369 | \$ 0.24116 | \$ 0.67485 |
| 2020 | 6 | \$ 0.60381 | \$ 0.24116 | \$ 0.84497 |

| | | | | |
|---------------------------------|--------------|------------------------|---------------|------------------|
| 2020 | 7 | \$ 0.65217 | \$ 0.24116 | \$ 0.89333 |
| 2020 | 8 | \$ 0.65695 | \$ 0.24116 | \$ 0.89811 |
| 2020 | 9 | \$ 0.52488 | \$ 0.24116 | \$ 0.76604 |
| 2020 | 10 | \$ 0.44613 | \$ 0.24116 | \$ 0.68729 |
| 2020 | 11 | \$ 0.40125 | \$ 0.24116 | \$ 0.64241 |
| 2020 | 12 | \$ 0.40273 | \$ 0.24116 | \$ 0.64389 |
| | | | | |
| Consolidated Residential | | | | |
| | | | | |
| | | Commodity Cost* | DIST* | EFFECTIVE |
| Year | Month | \$/therm | MARGIN | RATE |
| 2018 | 1 | \$ 0.42138 | \$ 0.24116 | \$ 0.66254 |
| 2018 | 2 | \$ 0.42284 | \$ 0.24116 | \$ 0.66400 |
| 2018 | 3 | \$ 0.40188 | \$ 0.24116 | \$ 0.64304 |
| 2018 | 4 | \$ 0.35255 | \$ 0.24116 | \$ 0.59371 |
| 2018 | 5 | \$ 0.35024 | \$ 0.24116 | \$ 0.59140 |
| 2018 | 6 | \$ 0.37820 | \$ 0.24116 | \$ 0.61936 |
| 2018 | 7 | \$ 0.40464 | \$ 0.24116 | \$ 0.64580 |
| 2018 | 8 | \$ 0.39880 | \$ 0.24116 | \$ 0.63996 |
| 2018 | 9 | \$ 0.36454 | \$ 0.24116 | \$ 0.60570 |
| 2018 | 10 | \$ 0.34777 | \$ 0.24116 | \$ 0.58893 |
| 2018 | 11 | \$ 0.37505 | \$ 0.24116 | \$ 0.61621 |
| 2018 | 12 | \$ 0.38725 | \$ 0.24116 | \$ 0.62841 |
| 2019 | 1 | \$ 0.39648 | \$ 0.24116 | \$ 0.63764 |
| 2019 | 2 | \$ 0.39657 | \$ 0.24116 | \$ 0.63773 |
| 2019 | 3 | \$ 0.39040 | \$ 0.24116 | \$ 0.63156 |
| 2019 | 4 | \$ 0.34757 | \$ 0.24116 | \$ 0.58873 |
| 2019 | 5 | \$ 0.35286 | \$ 0.24116 | \$ 0.59402 |
| 2019 | 6 | \$ 0.38100 | \$ 0.24116 | \$ 0.62216 |
| 2019 | 7 | \$ 0.40896 | \$ 0.24116 | \$ 0.65012 |
| 2019 | 8 | \$ 0.40378 | \$ 0.24116 | \$ 0.64494 |
| 2019 | 9 | \$ 0.37144 | \$ 0.24116 | \$ 0.61260 |
| 2019 | 10 | \$ 0.35581 | \$ 0.24116 | \$ 0.59697 |
| 2019 | 11 | \$ 0.37572 | \$ 0.24116 | \$ 0.61688 |
| 2019 | 12 | \$ 0.38831 | \$ 0.24116 | \$ 0.62947 |
| 2020 | 1 | \$ 0.40450 | \$ 0.24116 | \$ 0.64566 |
| 2020 | 2 | \$ 0.40338 | \$ 0.24116 | \$ 0.64454 |
| 2020 | 3 | \$ 0.39922 | \$ 0.24116 | \$ 0.64038 |
| 2020 | 4 | \$ 0.35119 | \$ 0.24116 | \$ 0.59235 |
| 2020 | 5 | \$ 0.36041 | \$ 0.24116 | \$ 0.60157 |
| 2020 | 6 | \$ 0.38895 | \$ 0.24116 | \$ 0.63011 |
| 2020 | 7 | \$ 0.41702 | \$ 0.24116 | \$ 0.65818 |

| | | | | |
|-------------------------------|--------------|------------------------|---------------|------------------|
| 2020 | 8 | \$ 0.41241 | \$ 0.24116 | \$ 0.65357 |
| 2020 | 9 | \$ 0.38045 | \$ 0.24116 | \$ 0.62161 |
| 2020 | 10 | \$ 0.36494 | \$ 0.24116 | \$ 0.60610 |
| 2020 | 11 | \$ 0.38042 | \$ 0.24116 | \$ 0.62158 |
| 2020 | 12 | \$ 0.39297 | \$ 0.24116 | \$ 0.63413 |
| | | | | |
| Albert Lea Residential | | | | |
| | | | | |
| | | Commodity Cost* | DIST* | EFFECTIVE |
| Year | Month | \$/therm | MARGIN | RATE |
| 2018 | 1 | \$ 0.46314 | \$ 0.24116 | \$ 0.70430 |
| 2018 | 2 | \$ 0.46056 | \$ 0.24116 | \$ 0.70172 |
| 2018 | 3 | \$ 0.45415 | \$ 0.24116 | \$ 0.69531 |
| 2018 | 4 | \$ 0.41711 | \$ 0.24116 | \$ 0.65827 |
| 2018 | 5 | \$ 0.44714 | \$ 0.24116 | \$ 0.68830 |
| 2018 | 6 | \$ 0.61776 | \$ 0.24116 | \$ 0.85892 |
| 2018 | 7 | \$ 0.66864 | \$ 0.24116 | \$ 0.90980 |
| 2018 | 8 | \$ 0.67667 | \$ 0.24116 | \$ 0.91783 |
| 2018 | 9 | \$ 0.53804 | \$ 0.24116 | \$ 0.77920 |
| 2018 | 10 | \$ 0.45324 | \$ 0.24116 | \$ 0.69440 |
| 2018 | 11 | \$ 0.40918 | \$ 0.24116 | \$ 0.65034 |
| 2018 | 12 | \$ 0.40663 | \$ 0.24116 | \$ 0.64779 |
| 2019 | 1 | \$ 0.42131 | \$ 0.24116 | \$ 0.66247 |
| 2019 | 2 | \$ 0.41840 | \$ 0.24116 | \$ 0.65956 |
| 2019 | 3 | \$ 0.41605 | \$ 0.24116 | \$ 0.65721 |
| 2019 | 4 | \$ 0.38665 | \$ 0.24116 | \$ 0.62781 |
| 2019 | 5 | \$ 0.42885 | \$ 0.24116 | \$ 0.67001 |
| 2019 | 6 | \$ 0.60269 | \$ 0.24116 | \$ 0.84385 |
| 2019 | 7 | \$ 0.65554 | \$ 0.24116 | \$ 0.89670 |
| 2019 | 8 | \$ 0.66176 | \$ 0.24116 | \$ 0.90292 |
| 2019 | 9 | \$ 0.52494 | \$ 0.24116 | \$ 0.76610 |
| 2019 | 10 | \$ 0.44138 | \$ 0.24116 | \$ 0.68254 |
| 2019 | 11 | \$ 0.39539 | \$ 0.24116 | \$ 0.63655 |
| 2019 | 12 | \$ 0.39735 | \$ 0.24116 | \$ 0.63851 |
| 2020 | 1 | \$ 0.41137 | \$ 0.24116 | \$ 0.65253 |
| 2020 | 2 | \$ 0.40826 | \$ 0.24116 | \$ 0.64942 |
| 2020 | 3 | \$ 0.40934 | \$ 0.24116 | \$ 0.65050 |
| 2020 | 4 | \$ 0.38540 | \$ 0.24116 | \$ 0.62656 |
| 2020 | 5 | \$ 0.43369 | \$ 0.24116 | \$ 0.67485 |
| 2020 | 6 | \$ 0.60381 | \$ 0.24116 | \$ 0.84497 |
| 2020 | 7 | \$ 0.65217 | \$ 0.24116 | \$ 0.89333 |
| 2020 | 8 | \$ 0.65695 | \$ 0.24116 | \$ 0.89811 |

| | | | | |
|----------------------|--------------|------------------------|---------------|------------------|
| 2020 | 9 | \$ 0.52488 | \$ 0.24116 | \$ 0.76604 |
| 2020 | 10 | \$ 0.44613 | \$ 0.24116 | \$ 0.68729 |
| 2020 | 11 | \$ 0.40125 | \$ 0.24116 | \$ 0.64241 |
| 2020 | 12 | \$ 0.40273 | \$ 0.24116 | \$ 0.64389 |
| | | | | |
| | | | | |
| | | | | |
| NNG Small C/I | | | | |
| | | | | |
| | | Commodity Cost* | DIST* | EFFECTIVE |
| Year | Month | \$/therm | MARGIN | RATE |
| 2018 | 1 | \$ 0.46314 | \$ 0.22065 | \$ 0.68379 |
| 2018 | 2 | \$ 0.46056 | \$ 0.22065 | \$ 0.68121 |
| 2018 | 3 | \$ 0.45415 | \$ 0.22065 | \$ 0.67480 |
| 2018 | 4 | \$ 0.41711 | \$ 0.22065 | \$ 0.63776 |
| 2018 | 5 | \$ 0.44714 | \$ 0.22065 | \$ 0.66779 |
| 2018 | 6 | \$ 0.61776 | \$ 0.22065 | \$ 0.83841 |
| 2018 | 7 | \$ 0.66864 | \$ 0.22065 | \$ 0.88929 |
| 2018 | 8 | \$ 0.67667 | \$ 0.22065 | \$ 0.89732 |
| 2018 | 9 | \$ 0.53804 | \$ 0.22065 | \$ 0.75869 |
| 2018 | 10 | \$ 0.45324 | \$ 0.22065 | \$ 0.67389 |
| 2018 | 11 | \$ 0.40918 | \$ 0.22065 | \$ 0.62983 |
| 2018 | 12 | \$ 0.40663 | \$ 0.22065 | \$ 0.62728 |
| 2019 | 1 | \$ 0.42131 | \$ 0.22065 | \$ 0.64196 |
| 2019 | 2 | \$ 0.41840 | \$ 0.22065 | \$ 0.63905 |
| 2019 | 3 | \$ 0.41605 | \$ 0.22065 | \$ 0.63670 |
| 2019 | 4 | \$ 0.38665 | \$ 0.22065 | \$ 0.60730 |
| 2019 | 5 | \$ 0.42885 | \$ 0.22065 | \$ 0.64950 |
| 2019 | 6 | \$ 0.60269 | \$ 0.22065 | \$ 0.82334 |
| 2019 | 7 | \$ 0.65554 | \$ 0.22065 | \$ 0.87619 |
| 2019 | 8 | \$ 0.66176 | \$ 0.22065 | \$ 0.88241 |
| 2019 | 9 | \$ 0.52494 | \$ 0.22065 | \$ 0.74559 |
| 2019 | 10 | \$ 0.44138 | \$ 0.22065 | \$ 0.66203 |
| 2019 | 11 | \$ 0.39539 | \$ 0.22065 | \$ 0.61604 |
| 2019 | 12 | \$ 0.39735 | \$ 0.22065 | \$ 0.61800 |
| 2020 | 1 | \$ 0.41137 | \$ 0.22065 | \$ 0.63202 |
| 2020 | 2 | \$ 0.40826 | \$ 0.22065 | \$ 0.62891 |
| 2020 | 3 | \$ 0.40934 | \$ 0.22065 | \$ 0.62999 |
| 2020 | 4 | \$ 0.38540 | \$ 0.22065 | \$ 0.60605 |
| 2020 | 5 | \$ 0.43369 | \$ 0.22065 | \$ 0.65434 |
| 2020 | 6 | \$ 0.60381 | \$ 0.22065 | \$ 0.82446 |
| 2020 | 7 | \$ 0.65217 | \$ 0.22065 | \$ 0.87282 |
| 2020 | 8 | \$ 0.65695 | \$ 0.22065 | \$ 0.87760 |

| | | | | |
|-------------------------------|--------------|------------------------|---------------|------------------|
| 2020 | 9 | \$ 0.52488 | \$ 0.22065 | \$ 0.74553 |
| 2020 | 10 | \$ 0.44613 | \$ 0.22065 | \$ 0.66678 |
| 2020 | 11 | \$ 0.40125 | \$ 0.22065 | \$ 0.62190 |
| 2020 | 12 | \$ 0.40273 | \$ 0.22065 | \$ 0.62338 |
| | | | | |
| | | | | |
| Consolidated Small C/I | | | | |
| | | | | |
| | | Commodity Cost* | DIST* | EFFECTIVE |
| Year | Month | \$/therm | MARGIN | RATE |
| 2018 | 1 | \$ 0.42138 | \$ 0.22065 | \$ 0.64203 |
| 2018 | 2 | \$ 0.42284 | \$ 0.22065 | \$ 0.64349 |
| 2018 | 3 | \$ 0.40188 | \$ 0.22065 | \$ 0.62253 |
| 2018 | 4 | \$ 0.35255 | \$ 0.22065 | \$ 0.57320 |
| 2018 | 5 | \$ 0.35024 | \$ 0.22065 | \$ 0.57089 |
| 2018 | 6 | \$ 0.37820 | \$ 0.22065 | \$ 0.59885 |
| 2018 | 7 | \$ 0.40464 | \$ 0.22065 | \$ 0.62529 |
| 2018 | 8 | \$ 0.39880 | \$ 0.22065 | \$ 0.61945 |
| 2018 | 9 | \$ 0.36454 | \$ 0.22065 | \$ 0.58519 |
| 2018 | 10 | \$ 0.34777 | \$ 0.22065 | \$ 0.56842 |
| 2018 | 11 | \$ 0.37505 | \$ 0.22065 | \$ 0.59570 |
| 2018 | 12 | \$ 0.38725 | \$ 0.22065 | \$ 0.60790 |
| 2019 | 1 | \$ 0.39648 | \$ 0.22065 | \$ 0.61713 |
| 2019 | 2 | \$ 0.39657 | \$ 0.22065 | \$ 0.61722 |
| 2019 | 3 | \$ 0.39040 | \$ 0.22065 | \$ 0.61105 |
| 2019 | 4 | \$ 0.34757 | \$ 0.22065 | \$ 0.56822 |
| 2019 | 5 | \$ 0.35286 | \$ 0.22065 | \$ 0.57351 |
| 2019 | 6 | \$ 0.38100 | \$ 0.22065 | \$ 0.60165 |
| 2019 | 7 | \$ 0.40896 | \$ 0.22065 | \$ 0.62961 |
| 2019 | 8 | \$ 0.40378 | \$ 0.22065 | \$ 0.62443 |
| 2019 | 9 | \$ 0.37144 | \$ 0.22065 | \$ 0.59209 |
| 2019 | 10 | \$ 0.35581 | \$ 0.22065 | \$ 0.57646 |
| 2019 | 11 | \$ 0.37572 | \$ 0.22065 | \$ 0.59637 |
| 2019 | 12 | \$ 0.38831 | \$ 0.22065 | \$ 0.60896 |
| 2020 | 1 | \$ 0.40450 | \$ 0.22065 | \$ 0.62515 |
| 2020 | 2 | \$ 0.40338 | \$ 0.22065 | \$ 0.62403 |
| 2020 | 3 | \$ 0.39922 | \$ 0.22065 | \$ 0.61987 |
| 2020 | 4 | \$ 0.35119 | \$ 0.22065 | \$ 0.57184 |
| 2020 | 5 | \$ 0.36041 | \$ 0.22065 | \$ 0.58106 |
| 2020 | 6 | \$ 0.38895 | \$ 0.22065 | \$ 0.60960 |
| 2020 | 7 | \$ 0.41702 | \$ 0.22065 | \$ 0.63767 |
| 2020 | 8 | \$ 0.41241 | \$ 0.22065 | \$ 0.63306 |
| 2020 | 9 | \$ 0.38045 | \$ 0.22065 | \$ 0.60110 |

| | | | | |
|-----------------------------|--------------|------------------------|---------------|------------------|
| 2020 | 10 | \$ 0.36494 | \$ 0.22065 | \$ 0.58559 |
| 2020 | 11 | \$ 0.38042 | \$ 0.22065 | \$ 0.60107 |
| 2020 | 12 | \$ 0.39297 | \$ 0.22065 | \$ 0.61362 |
| | | | | |
| | | | | |
| Albert Lea Small C/I | | | | |
| | | | | |
| | | Commodity Cost* | DIST* | EFFECTIVE |
| Year | Month | \$/therm | MARGIN | RATE |
| 2018 | 1 | \$ 0.46314 | \$ 0.22065 | \$ 0.68379 |
| 2018 | 2 | \$ 0.46056 | \$ 0.22065 | \$ 0.68121 |
| 2018 | 3 | \$ 0.45415 | \$ 0.22065 | \$ 0.67480 |
| 2018 | 4 | \$ 0.41711 | \$ 0.22065 | \$ 0.63776 |
| 2018 | 5 | \$ 0.44714 | \$ 0.22065 | \$ 0.66779 |
| 2018 | 6 | \$ 0.61776 | \$ 0.22065 | \$ 0.83841 |
| 2018 | 7 | \$ 0.66864 | \$ 0.22065 | \$ 0.88929 |
| 2018 | 8 | \$ 0.67667 | \$ 0.22065 | \$ 0.89732 |
| 2018 | 9 | \$ 0.53804 | \$ 0.22065 | \$ 0.75869 |
| 2018 | 10 | \$ 0.45324 | \$ 0.22065 | \$ 0.67389 |
| 2018 | 11 | \$ 0.40918 | \$ 0.22065 | \$ 0.62983 |
| 2018 | 12 | \$ 0.40663 | \$ 0.22065 | \$ 0.62728 |
| 2019 | 1 | \$ 0.42131 | \$ 0.22065 | \$ 0.64196 |
| 2019 | 2 | \$ 0.41840 | \$ 0.22065 | \$ 0.63905 |
| 2019 | 3 | \$ 0.41605 | \$ 0.22065 | \$ 0.63670 |
| 2019 | 4 | \$ 0.38665 | \$ 0.22065 | \$ 0.60730 |
| 2019 | 5 | \$ 0.42885 | \$ 0.22065 | \$ 0.64950 |
| 2019 | 6 | \$ 0.60269 | \$ 0.22065 | \$ 0.82334 |
| 2019 | 7 | \$ 0.65554 | \$ 0.22065 | \$ 0.87619 |
| 2019 | 8 | \$ 0.66176 | \$ 0.22065 | \$ 0.88241 |
| 2019 | 9 | \$ 0.52494 | \$ 0.22065 | \$ 0.74559 |
| 2019 | 10 | \$ 0.44138 | \$ 0.22065 | \$ 0.66203 |
| 2019 | 11 | \$ 0.39539 | \$ 0.22065 | \$ 0.61604 |
| 2019 | 12 | \$ 0.39735 | \$ 0.22065 | \$ 0.61800 |
| 2020 | 1 | \$ 0.41137 | \$ 0.22065 | \$ 0.63202 |
| 2020 | 2 | \$ 0.40826 | \$ 0.22065 | \$ 0.62891 |
| 2020 | 3 | \$ 0.40934 | \$ 0.22065 | \$ 0.62999 |
| 2020 | 4 | \$ 0.38540 | \$ 0.22065 | \$ 0.60605 |
| 2020 | 5 | \$ 0.43369 | \$ 0.22065 | \$ 0.65434 |
| 2020 | 6 | \$ 0.60381 | \$ 0.22065 | \$ 0.82446 |
| 2020 | 7 | \$ 0.65217 | \$ 0.22065 | \$ 0.87282 |
| 2020 | 8 | \$ 0.65695 | \$ 0.22065 | \$ 0.87760 |
| 2020 | 9 | \$ 0.52488 | \$ 0.22065 | \$ 0.74553 |
| 2020 | 10 | \$ 0.44613 | \$ 0.22065 | \$ 0.66678 |

| | | | | |
|------|----|------------|------------|------------|
| 2020 | 11 | \$ 0.40125 | \$ 0.22065 | \$ 0.62190 |
| 2020 | 12 | \$ 0.40273 | \$ 0.22065 | \$ 0.62338 |

OVERALL **THERM VOLUMES**: MERC FORECAST 2018-2020 FROM MOST RECENT BUDGET FORECAST.

| SERVICECLASS | 2018 | 2019 | 2020 |
|--------------|-------------|-------------|-------------|
| SC_INTERR | 36,212,169 | 36,087,665 | 36,128,937 |
| SC_JOINT | 404,285 | 403,384 | 400,892 |
| SC_LCI | 97,452,528 | 98,842,182 | 99,698,588 |
| SC_RES | 184,639,648 | 185,238,445 | 186,146,926 |
| SC_SCI | 8,434,394 | 8,591,318 | 8,647,083 |
| SC_TRNSP | 554,288,913 | 565,035,666 | 569,350,099 |
| Grand Total | 881,431,937 | 894,198,660 | 900,372,525 |

OVERALL **FIXED CHARGE/CUSTOMER COUNTS**: MERC FORECAST 2018-2020 FROM MOST RECENT BUDGET FORECAST.

| SERVICECLASS | 2018 | 2019 | 2020 |
|--------------|---------|---------|---------|
| SC_INTERR | 457 | 449 | 443 |
| SC_JOINT | 7 | 7 | 7 |
| SC_LCI | 13,031 | 12,833 | 12,752 |
| SC_RES | 210,331 | 211,619 | 213,010 |
| SC_SCI | 9,097 | 9,241 | 9,349 |
| SC_TRNSP | 189 | 191 | 191 |
| Grand Total | 233,112 | 234,340 | 235,752 |

OVERALL **USE PER CUSTOMER**: MERC FORECAST 2018-2020 FROM MOST RECENT BUDGET FORECAST.

| SERVICECLASS | 2018 AVE | 2019 AVE | 2020 AVE |
|--------------|-----------|-----------|-----------|
| SC_INTERR | 79,268 | 80,299 | 81,571 |
| SC_JOINT | 57,755 | 57,626 | 57,270 |
| SC_LCI | 7,478 | 7,702 | 7,819 |
| SC_RES | 878 | 875 | 874 |
| SC_SCI | 927 | 930 | 925 |
| SC_TRNSP | 2,936,630 | 2,963,474 | 2,979,591 |
| Grand Total | 3,082,936 | 3,110,906 | 3,128,049 |

OVERALL **THERM VOLUMES: {GS RATE SCHEDULES}**: MERC FORECAST 2018-2020.

| SERVICECLASS | 2018 | 2019 | 2020 |
|--------------|-------------|-------------|-------------|
| SC_INTERR | | | |
| SC_JOINT | | | |
| SC_LCI | 97,452,528 | 98,842,182 | 99,698,588 |
| SC_RES | 184,639,648 | 185,238,445 | 186,146,926 |
| SC_SCI | 8,434,394 | 8,591,318 | 8,647,083 |
| SC_TRNSP | | | |
| Grand Total | 290,526,570 | 292,671,945 | 294,492,597 |

OVERALL **DISTRIBUTION RATES FOR FORECAST: {GS RATE SCHEDULES}**: MERC FORECAST 2018-2020.

| SERVICECLASS | 2018 | 2019 | 2020 |
|--------------|---------|---------|---------|
| SC_INTERR | | | |
| SC_JOINT | | | |
| SC_LCI | 0.16885 | 0.16885 | 0.16885 |
| SC_RES | 0.24116 | 0.24116 | 0.24116 |
| SC_SCI | 0.22065 | 0.22065 | 0.22065 |
| SC_TRNSP | | | |
| Grand Total | | | |

(Note: Distrib Rates from the 2018 Budget run)

OVERALL **MARGIN REVENUES BY RATE SCHEDULE: {GS RATE SCHEDULES}**: MERC FORECAST 2018-2020.

| SERVICECLASS | 2018 | 2019 | 2020 |
|--------------|--------------|--------------|--------------|
| SC_INTERR | | | |
| SC_JOINT | | | |
| SC_LCI | \$16,454,859 | \$16,689,502 | \$16,834,107 |
| SC_RES | \$44,527,698 | \$44,672,103 | \$44,891,193 |
| SC_SCI | \$1,861,049 | \$1,895,674 | \$1,907,979 |
| SC_TRNSP | | | |
| Grand Total | \$62,843,606 | \$63,257,280 | \$63,633,278 |

H. Impact on MERC Low-Income and LIHEAP Customers

H. Impact on MERC Low-Income and LIHEAP Customers

MERC currently provides an annual CIP Status Report to the Department that includes a discussion of the Company's low-income CIP programs and participation.

The information that is provided for each CIP program includes:

- The approved participation goal and the actual number of participants served;
- The estimate of low-income and renter residential customer participation levels anticipated in the CIP plan and an estimate of low-income and renter participation levels actually achieved, if applicable;
- The approved budget and actual expenditures;
- The approved energy and demand savings goals and the actual energy and demand savings achieved; and
- The cost effectiveness of the program based upon actual results from the utility, participant, ratepayer, and societal perspectives.

H.1. Did the Company change its natural gas therm savings through Company sponsored low-income programs for the post-decoupling implementation time period, as compared with the pre-decoupling time period? What were the annual audited low-income CIP savings (completed program basis) for the post-decoupling implementation time period for Company sponsored low-income programs?

The Company's savings through Company-sponsored low-income programs for the post-decoupling implementation time period increased as compared with the pre-decoupling time period primarily due to the increasing success of the 4U2 program and its inclusion in the Low-Income sector. Savings decreased from 2015 to 2016 for the Low Income Weatherization program. This decrease was due in part to impacts from the ARRA funding and the reduction of contractor work crews when funds were expended, increased requirements for health and safety measures that do not provide savings, the increased number of homes with vermiculite and other safety issues that customers must mitigate prior to being able to weatherize the home, and the difficulty in finding eligible customers to participate in the programs. In addition, Community Action Program agencies prefer to spend their federal dollars first, rather than use utility dollars, to safeguard the best chance for future funding.

In 2017, however, both Low Income Weatherization and 4U2 performed extremely well. Low Income Weatherization met 85 percent of their savings goal and 4U2 exceeded their goal, achieving 116 percent of goal.

Table H1 - Low Income CIP Savings

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|----------------------------------|---------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|
| LI Weatherization - PNG | 7,959 | 5,851 | 2,862 | | | | | |
| LI Weatherization - NMU | 2,231 | 1,228 | 308 | | | | | |
| LI Weatherization - Total | 10,190 | 7,079 | 3,169 | 3,644 | 2,733 | 2,855 | 2,072 | 3,478 |
| 4U2 - PNG | 378 | 158 | 2,848 | | | | | |
| 4U2 - NMU | 0 | 6 | 1,646 | | | | | |
| 4U2 - Total | 378 | 164 | 4,495 | 7,563 | 5,406 | 5,259 | 6,316 | 8,778 |
| LI Total - PNG | 8,337 | 6,009 | 5,710 | | | | | |
| LI Total - NMU | 2,231 | 1,235 | 1,954 | | | | | |
| LI Total | 10,567 | 7,244 | 7,664 | 11,207 | 8,139 | 8,114 | 8,388 | 12,256 |

H.2. What were the associated lost margins from Company sponsored low-income CIP programs?

Lost margins from low-income programs are detailed in Table H2. Lost margins have increased as the savings increased.

Table H2 - Low Income Lost Margins

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|----------------------------------|-----------------|-----------------|-----------------|----------|----------|----------|----------|----------|
| LI Weatherization - PNG | \$14,124 | \$11,361 | \$5,557 | | | | | |
| LI Weatherization - NMU | \$4,854 | \$2,970 | \$745 | | | | | |
| LI Weatherization - Total | \$18,978 | \$14,331 | \$6,302 | \$7,198 | \$5,960 | \$6,226 | \$4,969 | \$8,387 |
| 4U2 - PNG | \$671 | \$307 | \$5,530 | | | | | |
| 4U2 - NMU | \$0 | \$15 | \$3,982 | | | | | |
| 4U2 - Total | \$671 | \$321 | \$9,511 | \$14,940 | \$11,788 | \$11,468 | \$15,145 | \$21,170 |
| LI Total - PNG | \$14,795 | \$11,668 | \$11,087 | | | | | |
| LI Total - NMU | \$4,854 | \$2,985 | \$4,727 | | | | | |
| LI Total | \$19,649 | \$14,653 | \$15,814 | \$22,138 | \$17,748 | \$17,693 | \$20,113 | \$29,557 |

H.3. Did MERC make any commitments to program funding, or program changes or expansions as part of any rate cases or other regulatory proceedings during 2010-2012 (pre-decoupling)? Identify the regulatory proceeding, and provide the program funding, or program changes or expansions MERC made in response.

MERC did not make any commitments to program funding, changes, or expansions as part of the rate case or any other regulatory proceeding, with the exception of the agreement made to increase its commitment to the CIP if the decoupling mechanism was approved and to obtain input from interested parties regarding how that would be accomplished.

H.4. What program funding or program changes or expansions were implemented during 2013, 2014, 2015, 2016, or 2017 (post-decoupling implementation time period) for natural gas low-income CIP programs as compared with the 2010-2012 pre-decoupling time period? Identify each

new, revised, or expanded programmatic change including scope and funding.

Since being awarded the contract to implement the 4U2 program in 2013, Franklin Energy Services has been able to successfully increase program participation. In 2013, the 4U2 program costs were over budget. Because the Low Income Weatherization program was under budget, MERC did not stop any activity and continued its commitment to supporting energy-efficiency services for low to targeted-income customers. No major program changes or expansions were made in 2017.

H.5. Identify any other factors that may have contributed to an increase in limited-income CIP savings and/or new or expanded limited-income CIP program offerings.

The major factor that contributed to an increase in participation in the 4U2 program was improved marketing strategies and tactics, which raised awareness of the program and encouraged more eligible households to take action. In 2017, MERC increased marketing efforts by direct mail campaign to GAP participants in the northern part of the service territory. This geographic targeting of mailings enables MERC and its implementation partner to provide 4U2 services more efficiently. MERC intends to continue this geographic direct mail marketing to GAP participants. In addition, MERC intends to market to individual mobile home parks in areas where trade allies who specialize in mobile home efficiency retrofits are available. In addition, MERC is researching individually metered low-income housing developments and contacting the rental agency to ensure they are aware of their eligibility to participate in the low-income programs.

H.6. What low-income CIP customer educational, informational, and outreach programs were implemented by the Company during the decoupling pilot period being evaluated? What were the primary messages, including dates of publication or broadcast, and estimated costs of each of these programs? Were any therm savings attributed to such programs referenced above in Section A, and if so, how much, and using what assumptions or studies?

During the Base Years, MERC worked with Community Action of Minneapolis (“CAM”) to perform direct mail marketing for Low Income Weatherization. CAM tried to obtain information on those who were denied Low Income Home Energy Assistance Program (“LIHEAP”) assistance because they exceeded the income guidelines, and market information to those households. CAM held quarterly meetings with CAP agencies and reminded them to refer customers ineligible for Low Income Weatherization to 4U2. In the fall of 2014, the contract with CAM to oversee our Low Income Weatherization program was terminated. On a temporary basis, each CAP agency that was engaged

with MERC customers dealt directly with MERC's implementation contract administrator. In 2015, MERC contracted with the Sustainable Resources Center ("SRC") to replace CAM as contract administrator for Low Income Weatherization.

MERC marketed the 4U2 program through bill inserts, MERC's website, and brochures with application forms. These brochures were passed out to customers at events such as the Minnesota State Fair, county fairs, and other local events in which MERC participated. MERC also developed and disseminated flyers through senior centers, libraries, Meals on Wheels, etc. The best tactic so far was to drop off flyers about the 4U2 program in neighborhoods where we have served customers, without conducting door-to-door solicitations. In addition, our representatives are readily available to provide program information.

H.7. What information is captured and retained by MERC to track service provided to low-income customers in the normal course of business, including monitoring of participation in CIP and rate assistance programs?

As indicated in this report and in the annual CIP Status Report, low-income and limited-income participants were tracked separately (from other residential customers) through specific programs—Low Income Weatherization and the 4U2 programs.

All LIHEAP recipient households are tracked in the State of Minnesota's eHeat system, which MERC personnel have access to and can work with Department staff and local energy assistance agency staff to run participation reports for a number of low-income strategies and tactics. This access also benefits the CIP programs and other customer assistance efforts. MERC regularly uses this data to attempt to increase awareness of and promote customer participation in Minnesota's Energy Assistance program.

MERC also uses its Customer Information System to track Energy Assistance credits on the accounts of low-income households who apply for Cold Weather Rule ("CWR") protection, enabling these households to enter into a low-income payment agreement without having to provide any household income verification. MERC also does direct promotion of the CWR protections to all Residential customers. CWR data is tracked and reported to the Commission via the monthly CWR compliance questionnaire.

MERC has experienced some enrollment challenges with the GAP program the past couple years and continued to maintain a surcharge of zero in 2017. There continues to be an increase in the number of customers with credit balances (some quite significant) who continue to take advantage of the monthly Affordability credit on their gas bill. This continues to provide a monthly billing adjustment based on annual household income and gas consumption, making winter bills much more affordable. Customers can remain enrolled in this component indefinitely, as long as they remain Energy Assistance program recipients each program year. MERC's program continues to be one of the most successful programs in the State of Minnesota, maintaining a very high retention rate. MERC's GAP funding is generated from a surcharge on MERC's firm

customers' monthly gas bills; however, MERC has had a program budget surplus for several years and will be petitioning to adjust the factor again in the near future. The program spending was \$707,095 in the 2017 program year.² All participation and the financial impacts are reported through an annual GAP report filing.

In addition, in 2017, MERC mapped participants in the GAP program and grouped them geographically. MERC offered the 4U2 program in a direct mail piece based on a geographic area to deliver the program most efficiently. The 4U2 program provides weatherization and emergency heating and water heating equipment replacements at little to no cost to the customer. This is being done to further help those who are trying to reduce or eliminate arrearages and pay their bills.

Besides the CIP Low Income Weatherization program, MERC also promotes Minnesota's Weatherization Assistance program ("WAP"). Households that participate in WAP and the jobs completed are tracked in the eHeat system and that data is used to increase awareness and promote CIP programs to various regions of the service territory during the year. In 2017, 161 MERC households were weatherized through this federally-funded program. Completed jobs totaled \$415,345 in benefits.

H.8. Identify and summarize any further information or data available that would assist in the determination of whether or not decoupling has a disproportionate impact on low-income customers.

MERC is unaware of any further information or data that is available that would assist in the determination of whether or not decoupling has a disproportionate impact on low-income customers.

H.9. What were the total low income CIP expenditures for the period being evaluated? Did MERC make any commitments regarding funding levels as part of any rate cases or other regulatory proceedings? What is MERC's best estimate of the proportion of low-income participation in each of its conservation programs and how were such estimates derived?

The total expenditures for the Low-Income sector by program are detailed below.

² By order dated September 25, 2015, in Docket No. G011/M-15-539, effective October 1, 2015, the Commission ordered MERC's GAP surcharge set to \$0.00 per therm until further review.

Table H9(A) - Low Income Project Expenditures

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---------------------------|------------------|------------------|------------------|--------------------|------------------|--------------------|--------------------|--------------------|
| LI Weatherization - PNG | \$543,644 | \$400,130 | \$218,945 | | | | | |
| LI Weatherization - NMU | \$173,617 | \$89,705 | \$24,184 | | | | | |
| LI Weatherization - Total | \$717,261 | \$489,834 | \$243,129 | \$276,522 | \$288,493 | \$369,137 | \$293,083 | \$423,762 |
| 4U2 - PNG | \$51,801 | \$67,248 | \$345,858 | | | | | |
| 4U2 - NMU | \$0 | \$16,119 | \$169,123 | | | | | |
| 4U2 - Total | \$51,801 | \$83,367 | \$514,980 | \$767,901 | \$662,259 | \$667,377 | \$826,145 | \$1,172,699 |
| LI Total - PNG | \$595,445 | \$467,377 | \$564,803 | | | | | |
| LI Total - NMU | \$173,617 | \$105,824 | \$193,307 | | | | | |
| LI Total | \$769,062 | \$573,201 | \$758,110 | \$1,044,422 | \$950,752 | \$1,036,515 | \$1,119,228 | \$1,596,460 |

It is a challenge for MERC and all utilities to estimate the proportion of low-income customers who participate in its conservation programs, similar to the state’s challenge in estimating what percentage of income-eligible households apply for and receive assistance from its Energy Assistance program. As indicated in chart H10 below, 12,320 eligible MERC customers received grants from Minnesota’s Energy Assistance program in 2017. Collectively, MERC’s low-income CIP programs delivered 624 measures to 309 individual customers in 2017.

The Low Income Weatherization program provided a total of 195 measures to 120 individual customers, all of whom would have been eligible for Energy Assistance. The 4U2 program provided 429 measures to 189 customers. Within the 4U2 program, 125 individual customers were identified as up to 200 percent of the poverty guideline (the income qualification threshold for WAP and MERC’s Weatherization program) and 64 customers were defined as up to 300 percent of the poverty guidelines (the income qualification threshold for the 4U2 program). Therefore, only 2.5 percent of MERC’s LIHEAP recipients participated in the CIP Low Income Weatherization program in 2017. Based on Department data, in 2017, approximately 29 percent of the estimated income-eligible Minnesota households received Energy Assistance benefits. The implication is that Minnesota utilities have not reached a saturation point with the low-income customer sector programs.

Prior to 2015, MERC’s CIP program residential application forms requested customers to indicate if their actual income level fell above or below a specific Federal Poverty Guideline value based on the number of household members. Through this request, MERC was able to receive improved metrics tracking the income level of customers participating in its energy efficiency programs. A chart of low-income participation in MERC’s energy efficiency programs based on customer provided data is provided below. When the above discussed income information is not provided or available (such as for the Home Energy Reports), we use census statistics and extrapolate the data. Based on the Department’s decision that customers’ self-reported income information would no longer be considered as qualifying toward meeting the low-income spending requirement, the request for information regarding their income on every application form was discontinued as of 2015.

Table H9(B) - Low Income Participation in All Projects Without Residential Behavior

| Project | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| LI Weatherization - PNG | 278 | 240 | 118 | | | | | |
| LI Weatherization - NMU | 87 | 32 | 10 | | | | | |
| LI Weatherization - Total | 365 | 272 | 128 | 131 | 124 | 158 | 109 | 195 |
| 4U2 - PNG | 10 | 0 | 13 | | | | | |
| 4U2 - Total | 0 | 0 | 34 | | | | | |
| 4U2 - NMU | 10 | 0 | 47 | 270 | 219 | 246 | 339 | 429 |
| Res Sector Support - PNG | 31 | 82 | 109 | | | | | |
| Res Sector Support - NMU | 7 | 3 | 2 | | | | | |
| Res Sector Support - Total | 38 | 85 | 111 | 198 | 232 | n/a | n/a | n/a |
| Res Rebates - PNG | 1,747 | 2,694 | 1,483 | | | | | |
| Res Rebates - NMU | 643 | 749 | 342 | | | | | |
| Res Rebates - Total | 2,390 | 3,443 | 1,825 | 1,854 | 1,692 | n/a | n/a | 2 |
| Multifamily Project | 0 | 0 | 0 | 197 | 3,809 | 3,811 | 1,706 | 4,204 |
| All Projects - Total | 2,803 | 3,800 | 2,111 | 2,650 | 6,076 | 4,215 | 2,154 | 4,830 |

Note the 2017 CIP Status Report is not approved yet; therefore, the 2017 data in Table H9(A) and H9(B) should be considered preliminary. It should also be noted that low income status data is no longer being collected through self-reporting from application forms starting 2015 for Residential Sector Support or Residential Rebates. In addition, MERC received approval to include Low Income new construction activity in participation and spending rates.

H.10. What was the total distribution of LIHEAP funds to low-income customers for the period being evaluated?

The following chart provides the total amount of Minnesota Energy Assistance program credits (funded by Federal LIHEAP dollars) to MERC customers:

Table H10 - Low Income Energy Assistance (LIHEAP) Recipients

| Federal Fiscal Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|-------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Primary Heat Received | \$6,679,917 | \$4,764,886 | \$3,800,469 | \$4,229,929 | \$4,347,618 | \$4,310,273 | \$4,055,197 | \$4,150,638 |
| Crisis Received | \$553,701 | \$699,473 | \$223,455 | \$329,027 | \$594,148 | \$296,737 | \$139,771 | \$257,757 |
| PH & Crisis Total | \$7,233,618 | \$5,464,359 | \$4,023,924 | \$4,558,956 | \$4,941,766 | \$4,607,010 | \$4,194,968 | \$4,408,395 |
| # of Households Served | 14,414 | 14,727 | 13,610 | 12,717 | 13,204 | 13,731 | 12,675 | 12,320 |

I. Other Information

I. Other Information

- I.1. Was the decoupling pilot program in Minnesota recognized in any public reports issued by credit rating agencies or financial analysts? If so, provide a copy of the report.**

Credit Rating Agencies

To our knowledge, there has been no mention of MERC's decoupling pilot program within credit rating agencies reports during 2017.

Financial Analysts

To our knowledge, there has been no mention of MERC's decoupling pilot program within financial analyst reports during 2017.

- I.2. Is there any other information that would be helpful to the Commission in the evaluation of the decoupling pilot program?**

- a. A comparison of how revenues under traditional regulation would have differed from those collected under the decoupling pilot program;**

Under the RDM, MERC created a revenue adjustment (increase to revenue) and a regulatory asset to account for the surcharge to customers and began collecting a surcharge to recover the RDM effective March 1, 2018. Had the RDM not been in place in 2017, MERC would have recognized lower revenues of \$2,164,099 for Residential and \$151,347 for General Service Small C&I. Concurrently with the surcharge of the 2017 regulatory asset, the under-collected amount of \$852,710.01 for the 2015 RDM customer surcharge to customers March 1, 2016, through February 28, 2017, was added from the surcharge rate calculation.

- b. An evaluation of if the pilot stabilized revenues for the classes under the pilot and how has such stabilization impacted the utility's overall risk profile;**

The decoupling deferral for 2017 was \$2.3 million, or about 0.89 percent of total revenue. Thus, the program had little impact on total revenue.

- c. An evaluation of any problems encountered and improvements/ suggestions for the future;**

MERC's decoupling pilot was recently evaluated by the Commission and interested stakeholders in Docket No. G011/GR-15-736. At this time MERC has no suggestions for improvements to the RDM in the future.

- d. MERC will continue to provide annual service quality reports which currently measure and report:**

- 1) Call center response times;**

- 2) **Meter reading performance data;**
- 3) **Reference to service disconnection data submitted under Minn. Stat. §§ 216B.091 and 216B.096;**
- 4) **Service extension request response time data;**
- 5) **Customer deposit data;**
- 6) **Customer complaint data;**
- 7) **Telephone answer times for gas emergency phone line;**
- 8) **Mislocate data;**
- 9) **Damaged gas lines;**
- 10) **Service interruptions;**
- 11) **Summaries of major events that are immediately reportable to the Minnesota Office of Pipeline Safety and summaries of all service interruptions caused by system integrity pressure issues;**
- 12) **Gas emergency response times; and**
- 13) **Customer-service related operations and maintenance expenses.**

MERC agrees that it will continue to provide the annual service quality reports with the currently reported data. These reports are typically filed on May 1 of each year.

- e. **As part of its initial Evaluation Report Filing, MERC will also provide recent historical information on the above metrics in subsection d, which it has available in order to assist the Commission in determining a “baseline” service quality level prior to implementation of the pilot program, and will fully comply with any other service quality reporting obligations established in other dockets.**

Attachment C is MERC’s 2012 Annual Gas Service Quality Report to serve as the “baseline” service quality level prior to implementation of the pilot program.

f. Compliance with Prior Commission Orders

In its September 26, 2014, Order accepting MERC’s 2013 revenue decoupling evaluation report, the Commission required MERC to include in its 2014 annual

decoupling report an estimate of each class' revenues under the following decoupling scenarios:

- No Decoupling
- Partial Decoupling
- Full Decoupling

As explained in MERC's Reply Comments filed in this Docket on June 30, 2014, based on conversations with the Department, MERC understands that the Department intended the term "full decoupling" to mean MERC's currently approved pilot decoupling program. MERC notes that its approved decoupling mechanism applies only to Residential and Small C&I customer classes. Moreover, MERC's decoupling mechanism includes a symmetrical 10 percent cap. For purposes of the information required to be provided, MERC will assume decoupling applies to all rate classes. Additionally, MERC understands partial decoupling to be a revenue-per-customer decoupling mechanism that removes the effect of weather from decoupling deferrals (i.e., Weather Normalized Decoupling). Included as Attachment C is a spreadsheet estimating each class' revenues with no decoupling, under full decoupling (both with and without a 10 percent cap), and under a Weather Normalized Decoupling (both with and without a 10 percent cap).

On August 17, 2016, the Commission issued an Order in Docket No. G011/GR-10-977, accepting MERC's 2015 Decoupling Evaluation Report and requiring MERC to file, no later than May 1, 2017, an Excel file that revises the December 2015 data for the SV Transport, LV Transport & Super LV Interruptible & Joint customer classes. On November 15, 2016, MERC submitted a restated Excel file revised to restate the December 2015 customer counts for customers who were not billed in December 2015 and were billed twice in January 2016. In accordance with the Commission's April 17, 2016, Order and MERC's November 15, 2016 Compliance Filing in Docket No. G011/GR-10-977, Attachment D includes both actual data for 2015 and 2016 based on MERC's billing data from its billing system (under the tabs labeled "actual") and restated December 2015 and January 2016 data to restate customer counts for customers who were not billed in December 2015 and were billed twice in January 2016. The restated data is highlighted in yellow on the tabs labeled "2015 Restated" and "2016 Restated."

In its October 31, 2016, Order in Docket No. G011/GR-15-736, the Commission required that in MERC's future annual decoupling evaluation filings, the Company include an analysis of the financial consequences for ratepayers and MERC of extending the decoupling program to all customer classes with more than 50 customers. MERC may also include an analysis of the financial consequences of extending its decoupling program to any other combination of customer classes.

An analysis of the financial consequences for ratepayers and MERC of extending decoupling to each customer class is included in Attachment D. Currently, MERC's decoupling program is only applicable to Residential and Small C&I customers.

In Column P of each of the actual results tabs within Attachment D is a surcharge rate based on an estimation of each class' revenues under full decoupling (both with and without a 10 percent cap), and under a Weather Normalized Decoupling (both with and without a 10 percent cap). This surcharge is then applied to the average customer usage in that class (Column R), as well as a hypothetical low end usage customer (50 percent of actual average usage) (Column Q) and high end usage customer (150 percent of actual average usage) (Column S). For purposes of this analysis, MERC grouped the customers into the following categories: Residential, GS Small C&I, GS Large C&I, Small Volume Interruptible & Joint Sales, Large Volume Interruptible & Joint Sales, Small Volume Interruptible & Joint Transport, Large Volume Interruptible & Joint Transport (inclusive of Flex customers), and Super Large Volume Interruptible & Joint Transport.

Using 2017 as an example, an average GS Small C&I customer under MERC's current program with the 10 percent cap would experience a surcharge rate of \$0.01276 (cell P45), and with average 2017 usage of 948 therms would expect an annual surcharge of \$12.10. A customer that is on the high end for this example would experience an annual surcharge of \$18.16, based on 1,422 annual therms usage.

Using the data in Attachment D illustrates one of the concerns MERC has identified with expanding decoupling to the larger customer classes because usage bands are much larger in those customer classes. For example, using the data for GS Large C&I, and assuming a non-weather normalized decoupling mechanism with a 10 percent cap, we generate a per therm surcharge of \$0.01412 (cell P72), which equates to annual surcharge costs of \$99.03 for the average customer that uses 7,015 therms annually. That by itself does not raise any concerns, but the issue with applying the \$0.01412 rate to customers in this class is that the usage band width within this class could range from 1,501 therms annually to infinity. Therefore, as an example in the time period February 2016 to January 2017, MERC had a single customer on the GS Large C&I rate use 512,532 therms. If decoupling were extended to the Large C&I class, this customer could essentially experience a decoupling surcharge cost of \$7,236.95 ($512,532 * \0.01412), or 73 times greater than the average customer in this rate class. For comparison, the largest customer on MERC's GS Small C&I rate is capped at an annual 1,500 therms meaning that even the largest GS Small C&I customer would only be charged \$19.14 ($1,500 * \0.01276), or less than two times the customer group average.

A second concern that MERC has with expanding decoupling to additional customer classes is the impact on customer groups with a fewer number of customers if a customer were to leave MERC's system. For example, in MERC's Small Volume Transportation grouping, MERC had an average of 89 customers in 2017. If one of those customers were to leave MERC's system, then those other 88 customers would essentially be asked to cover an additional 1.12 percent of the decoupling surcharge. Conversely in the GS Small C&I customer class it would take 97 customers leaving the system to generate the same 1.12 percent cost shift.

Third, all customer groups other than General Service Large C&I that are not currently included in the RDM program are interruptible customers. To the extent these

customers are interruptible means that if MERC were to interrupt their usage, therefore reducing MERC's sales, then all else equal MERC would effectively recoup at least a portion of this revenue via the decoupling mechanism for sales that did not occur because MERC interrupted them. MERC could effectively recover its lost revenues for sales MERC did not provide due to limitations within MERC's own system.

Finally as shown in Attachment E, which is Exhibit _____ (SSD-34) from MERC's 2018 rate case in Docket No. G011/GR-17-563, MERC conducted an analysis of the throughput incentive for each customer class by comparing MERC's proposed rate design to the CCOSS for distribution rates. Attachment E illustrates the amount of additional revenue MERC would recognize for every 100 therms of additional sales to a class. This analysis shows that the classes MERC is proposing decoupling to be applicable to have throughput incentives of greater than \$16 per 100 therms. In other words, MERC realizes additional revenue of greater than \$16 for every 100 therms of additional sales with respect to the Residential and Small C&I classes. Conversely, the customer classes which MERC is not requesting decoupling to be applicable to all have throughput incentives of less than \$10 with the exception of Farm Tap Class 2 which has a throughput incentive of \$11.61 at 100 therms. While MERC recognizes that many of the classes will see a throughput incentive to some extent, MERC's current application of decoupling specifically addresses the customer classes with the greatest throughput incentive.

While MERC has identified concerns with expanding decoupling to its larger customer classes, consistent with the Commission's Findings of Fact, Conclusions, and Order in Docket No. G011/GR-15-736, MERC will continue to evaluate its program parameters and the effect of decoupling on additional classes, especially as we propose the appropriate rate design for our interruptible and firm customers going forward. MERC appreciates the concerns and ideas the stakeholders have raised and we look forward to working with them to determine the program parameters that will yield the most value to the Company and our customers.

In its December 1, 2017, Order in Docket No. G011/GR-15-736, the Commission Ordered MERC to include in its 2017 Revenue Decoupling Mechanism Report an analysis of how extending the RDM to other customer classes would impact overall rates for the period 2013-2017. To provide this analysis, a Rate Analysis tab was included in Attachment D which calculates what the actual revenue refunded or surcharged to each customer grouping would have been if decoupling was applicable to all customer classes. For example, in 2017, MERC would have collected revenues totaling \$235,283,538, absent the existence of any decoupling. However, based on decoupling rates that would have been in effect during 2017, MERC would have collected an additional \$5,641,254 for a total revenue collection of \$240,924,792.

g. Any other information that can provide assistance to the Commission in its evaluation.

Warmer than normal weather was experienced in 2017, and, because of that, customers will be surcharged an under-collection of revenues. The rates for the surcharge will be \$0.01643 for Residential customers and \$0.01774 for Small C&I customers. These surcharge rates are calculated by dividing the balance of the under-collection in 2017 and the under-collected amount from MERC's 2015 decoupling refund by the sales forecast approved in Docket No. G011/GR-15-736. In addition, it should be noted that the 10 percent cap on distribution revenue was not exceeded by either Residential and GS Small C&I customers.

ATTACHMENT A

NNG Residential

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|
| | | | | | | | Change in Rate | |
| 2011 | 1 | 0.61103 | 0.17746 | -0.00428 | | 0.78421 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.61794 | 0.19417 | -0.00428 | | 0.80783 | 0.02362 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.60496 | 0.19417 | -0.00428 | | 0.79485 | -0.01298 | |
| 2011 | 4 | 0.6133 | 0.19417 | -0.00428 | | 0.80319 | 0.00834 | |
| 2011 | 5 | 0.61012 | 0.19417 | -0.00428 | | 0.80001 | -0.00318 | |
| 2011 | 6 | 0.60734 | 0.19417 | -0.00428 | | 0.79723 | -0.00278 | |
| 2011 | 7 | 0.60414 | 0.19417 | -0.00428 | | 0.79403 | -0.00320 | |
| 2011 | 8 | 0.61333 | 0.19417 | -0.00428 | | 0.80322 | 0.00919 | |
| 2011 | 9 | 0.56851 | 0.19417 | -0.01609 | | 0.74659 | -0.05663 | |
| 2011 | 10 | 0.54608 | 0.19417 | -0.01609 | | 0.72416 | -0.02243 | |
| 2011 | 11 | 0.5966 | 0.19417 | -0.01609 | | 0.77468 | 0.05052 | |
| 2011 | 12 | 0.58007 | 0.19417 | -0.01609 | | 0.75815 | -0.01653 | |
| 2012 | 1 | 0.56467 | 0.19417 | -0.01609 | | 0.74275 | -0.01540 | |
| 2012 | 2 | 0.52995 | 0.19417 | -0.01609 | | 0.70803 | -0.03472 | |
| 2012 | 3 | 0.5344 | 0.19417 | -0.01609 | | 0.71248 | 0.00445 | |
| 2012 | 4 | 0.51893 | 0.19417 | -0.01609 | | 0.69701 | -0.01547 | |
| 2012 | 5 | 0.46855 | 0.19417 | -0.01609 | | 0.64663 | -0.05038 | |
| 2012 | 6 | 0.45904 | 0.19417 | -0.01609 | | 0.63712 | -0.00951 | |
| 2012 | 7 | 0.47173 | 0.19417 | -0.01609 | | 0.64981 | 0.01269 | |
| 2012 | 8 | 0.5087 | 0.19417 | -0.01609 | | 0.68678 | 0.03697 | |
| 2012 | 9 | 0.46959 | 0.19417 | 0.02602 | | 0.68978 | 0.00300 | |
| 2012 | 10 | 0.4965 | 0.19417 | 0.02602 | | 0.71669 | 0.02691 | |
| 2012 | 11 | 0.53469 | 0.19417 | 0.02602 | | 0.75488 | 0.03819 | |
| 2012 | 12 | 0.5503 | 0.19417 | 0.02602 | | 0.77049 | 0.01561 | |
| 2013 | 1 | 0.51287 | 0.19754 | 0.02602 | | 0.73643 | -0.03406 | Final Rates per Docket No. G007,011/GR-10-977 |
| 2013 | 2 | 0.50785 | 0.19754 | 0.02602 | | 0.73141 | -0.00502 | |
| 2013 | 3 | 0.52124 | 0.19754 | 0.02602 | | 0.74480 | 0.01339 | |
| 2013 | 4 | 0.56577 | 0.19754 | 0.02602 | | 0.78933 | 0.04453 | |
| 2013 | 5 | 0.60472 | 0.19754 | 0.02602 | | 0.82828 | 0.03895 | |
| 2013 | 6 | 0.60947 | 0.19754 | 0.02602 | | 0.83303 | 0.00475 | |

Viking Residential

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|
| | | | | | | | Change in Rate | |
| 2011 | 1 | 0.52445 | 0.17746 | 0.20306 | | 0.90497 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.52275 | 0.19417 | 0.20306 | | 0.91998 | 0.01501 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.51315 | 0.19417 | 0.20306 | | 0.91038 | -0.00960 | |
| 2011 | 4 | 0.50728 | 0.19417 | 0.20306 | | 0.90451 | -0.00587 | |
| 2011 | 5 | 0.52233 | 0.19417 | 0.20306 | | 0.91956 | 0.01505 | |
| 2011 | 6 | 0.51753 | 0.19417 | 0.20306 | | 0.91476 | -0.00480 | |
| 2011 | 7 | 0.51662 | 0.19417 | 0.20306 | | 0.91385 | -0.00091 | |
| 2011 | 8 | 0.51659 | 0.19417 | 0.20306 | | 0.91382 | -0.00003 | |
| 2011 | 9 | 0.46953 | 0.19417 | 0.01253 | | 0.67623 | -0.23759 | |
| 2011 | 10 | 0.46334 | 0.19417 | 0.01253 | | 0.67004 | -0.00619 | |
| 2011 | 11 | 0.48621 | 0.19417 | 0.01253 | | 0.69291 | 0.02287 | |
| 2011 | 12 | 0.4644 | 0.19417 | 0.01253 | | 0.67110 | -0.02181 | |
| 2012 | 1 | 0.46355 | 0.19417 | 0.01253 | | 0.67025 | -0.00085 | |
| 2012 | 2 | 0.43105 | 0.19417 | 0.01253 | | 0.63775 | -0.03250 | |
| 2012 | 3 | 0.43226 | 0.19417 | 0.01253 | | 0.63896 | 0.00121 | |
| 2012 | 4 | 0.38021 | 0.19417 | 0.01253 | | 0.58691 | -0.05205 | |
| 2012 | 5 | 0.29945 | 0.19417 | 0.01253 | | 0.50615 | -0.08076 | |
| 2012 | 6 | 0.33517 | 0.19417 | 0.01253 | | 0.54187 | 0.03572 | |
| 2012 | 7 | 0.36502 | 0.19417 | 0.01253 | | 0.57172 | 0.02985 | |
| 2012 | 8 | 0.39395 | 0.19417 | 0.01253 | | 0.60065 | 0.02893 | |

| | | | | | | | |
|------|----|---------|---------|----------|--|---------|----------|
| 2012 | 9 | 0.36502 | 0.19417 | -0.00344 | | 0.55575 | -0.04490 |
| 2012 | 10 | 0.40817 | 0.19417 | -0.00344 | | 0.59890 | 0.04315 |
| 2012 | 11 | 0.40874 | 0.19417 | -0.00344 | | 0.59947 | 0.00057 |
| 2012 | 12 | 0.40857 | 0.19417 | -0.00344 | | 0.59930 | -0.00017 |
| 2013 | 1 | 0.41512 | 0.19754 | -0.00344 | | 0.60922 | 0.00992 |
| 2013 | 2 | 0.40918 | 0.19754 | -0.00344 | | 0.60328 | -0.00594 |
| 2013 | 3 | 0.42975 | 0.19754 | -0.00344 | | 0.62385 | 0.02057 |
| 2013 | 4 | 0.44931 | 0.19754 | -0.00344 | | 0.64341 | 0.01956 |
| 2013 | 5 | 0.51036 | 0.19754 | -0.00344 | | 0.70446 | 0.06105 |
| 2013 | 6 | 0.50946 | 0.19754 | -0.00344 | | 0.70356 | -0.00090 |

Final Rates per Docket No. G007,011/GR-10-977

Great Lakes Residential

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|
| | | | | | | | Change in Rate | |
| 2011 | 1 | 0.51121 | 0.17746 | 0.14934 | | 0.83801 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.5091 | 0.19417 | 0.14934 | | 0.85261 | 0.01460 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.50022 | 0.19417 | 0.14934 | | 0.84373 | -0.00888 | |
| 2011 | 4 | 0.49917 | 0.19417 | 0.14934 | | 0.84268 | -0.00105 | |
| 2011 | 5 | 0.514 | 0.19417 | 0.14934 | | 0.85751 | 0.01483 | |
| 2011 | 6 | 0.50902 | 0.19417 | 0.14934 | | 0.85253 | -0.00498 | |
| 2011 | 7 | 0.50797 | 0.19417 | 0.14934 | | 0.85148 | -0.00105 | |
| 2011 | 8 | 0.5078 | 0.19417 | 0.14934 | | 0.85131 | -0.00017 | |
| 2011 | 9 | 0.46098 | 0.19417 | 0.02222 | | 0.67737 | -0.17394 | |
| 2011 | 10 | 0.44674 | 0.19417 | 0.02222 | | 0.66313 | -0.01424 | |
| 2011 | 11 | 0.46845 | 0.19417 | 0.02222 | | 0.68484 | 0.02171 | |
| 2011 | 12 | 0.44711 | 0.19417 | 0.02222 | | 0.66350 | -0.02134 | |
| 2012 | 1 | 0.44613 | 0.19417 | 0.02222 | | 0.66252 | -0.00098 | |
| 2012 | 2 | 0.41409 | 0.19417 | 0.02222 | | 0.63048 | -0.03204 | |
| 2012 | 3 | 0.41533 | 0.19417 | 0.02222 | | 0.63172 | 0.00124 | |
| 2012 | 4 | 0.36725 | 0.19417 | 0.02222 | | 0.58364 | -0.04808 | |
| 2012 | 5 | 0.28703 | 0.19417 | 0.02222 | | 0.50342 | -0.08022 | |
| 2012 | 6 | 0.32263 | 0.19417 | 0.02222 | | 0.53902 | 0.03560 | |
| 2012 | 7 | 0.35229 | 0.19417 | 0.02222 | | 0.56868 | 0.02966 | |
| 2012 | 8 | 0.38104 | 0.19417 | 0.02222 | | 0.59743 | 0.02875 | |
| 2012 | 9 | 0.3523 | 0.19417 | -0.00883 | | 0.53764 | -0.05979 | |
| 2012 | 10 | 0.39509 | 0.19417 | -0.00883 | | 0.58043 | 0.04279 | |
| 2012 | 11 | 0.40698 | 0.19417 | -0.00883 | | 0.59232 | 0.01189 | |
| 2012 | 12 | 0.40544 | 0.19417 | -0.00883 | | 0.59078 | -0.00154 | |
| 2013 | 1 | 0.406 | 0.19754 | -0.00883 | | 0.59471 | 0.00393 | Final Rates per Docket No. G007,011/GR-10-977 |
| 2013 | 2 | 0.40018 | 0.19754 | -0.00883 | | 0.58889 | -0.00582 | |
| 2013 | 3 | 0.42071 | 0.19754 | -0.00883 | | 0.60942 | 0.02053 | |
| 2013 | 4 | 0.44326 | 0.19754 | -0.00883 | | 0.63197 | 0.02255 | |
| 2013 | 5 | 0.5047 | 0.19754 | -0.00883 | | 0.69341 | 0.06144 | |
| 2013 | 6 | 0.50674 | 0.19754 | -0.00883 | | 0.69545 | 0.00204 | |

NMU Residential

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|
| | | | | | | | Change in Rate | |
| 2011 | 1 | 0.56243 | 0.21759 | 0.00679 | | 0.78681 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.56379 | 0.24189 | 0.00679 | | 0.81247 | 0.02566 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.55312 | 0.24189 | 0.00679 | | 0.80180 | -0.01067 | |
| 2011 | 4 | 0.5536 | 0.24189 | 0.00679 | | 0.80228 | 0.00048 | |
| 2011 | 5 | 0.56176 | 0.24189 | 0.00679 | | 0.81044 | 0.00816 | |
| 2011 | 6 | 0.55741 | 0.24189 | 0.00679 | | 0.80609 | -0.00435 | |
| 2011 | 7 | 0.55563 | 0.24189 | 0.00679 | | 0.80431 | -0.00178 | |
| 2011 | 8 | 0.55905 | 0.24189 | 0.00679 | | 0.80773 | 0.00342 | |
| 2011 | 9 | 0.51299 | 0.24189 | -0.01096 | | 0.74392 | -0.06381 | |

| | | | | | | | |
|------|----|---------|---------|----------|--|---------|----------|
| 2011 | 10 | 0.49179 | 0.24189 | -0.01096 | | 0.72272 | -0.02120 |
| 2011 | 11 | 0.53329 | 0.24189 | -0.01096 | | 0.76422 | 0.04150 |
| 2011 | 12 | 0.51374 | 0.24189 | -0.01096 | | 0.74467 | -0.01955 |
| 2012 | 1 | 0.50747 | 0.24189 | -0.01096 | | 0.73840 | -0.00627 |
| 2012 | 2 | 0.47422 | 0.24189 | -0.01096 | | 0.70515 | -0.03325 |
| 2012 | 3 | 0.4766 | 0.24189 | -0.01096 | | 0.70753 | 0.00238 |
| 2012 | 4 | 0.43686 | 0.24189 | -0.01096 | | 0.66779 | -0.03974 |
| 2012 | 5 | 0.36777 | 0.24189 | -0.01096 | | 0.59870 | -0.06909 |
| 2012 | 6 | 0.38641 | 0.24189 | -0.01096 | | 0.61734 | 0.01864 |
| 2012 | 7 | 0.40973 | 0.24189 | -0.01096 | | 0.64066 | 0.02332 |
| 2012 | 8 | 0.4416 | 0.24189 | -0.01096 | | 0.67253 | 0.03187 |
| 2012 | 9 | 0.40895 | 0.24189 | 0.01007 | | 0.66091 | -0.01162 |
| 2012 | 10 | 0.44586 | 0.24189 | 0.01007 | | 0.69782 | 0.03691 |
| 2012 | 11 | 0.47119 | 0.24189 | 0.01007 | | 0.72315 | 0.02533 |
| 2012 | 12 | 0.47647 | 0.24189 | 0.01007 | | 0.72843 | 0.00528 |
| 2013 | 1 | 0.47933 | 0.19754 | 0.01007 | | 0.68694 | -0.04149 |
| 2013 | 2 | 0.47379 | 0.19754 | 0.01007 | | 0.68140 | -0.00554 |
| 2013 | 3 | 0.49147 | 0.19754 | 0.01007 | | 0.69908 | 0.01768 |
| 2013 | 4 | 0.52209 | 0.19754 | 0.01007 | | 0.72970 | 0.03062 |
| 2013 | 5 | 0.57446 | 0.19754 | 0.01007 | | 0.78207 | 0.05237 |
| 2013 | 6 | 0.57653 | 0.19754 | 0.01007 | | 0.78414 | 0.00207 |

Final Rates per Docket No. G007,011/GR-10-977

NNG Residential

| Year | Month | GAS | | ACA | Decoupling | EFFECTIVE | \$/therm | Notes |
|------|-------|---------|---------|----------|------------|-----------|----------|-----------------------------------|
| | | COSTS | MARGIN | | | | | |
| 2013 | 7 | 0.55793 | 0.19754 | 0 | | 0.75547 | | PGA Consolidation |
| 2013 | 8 | 0.55893 | 0.19754 | 0 | | 0.75647 | 0.00100 | |
| 2013 | 9 | 0.54309 | 0.19754 | -0.0004 | | 0.74023 | -0.01624 | |
| 2013 | 10 | 0.5436 | 0.19754 | -0.0004 | | 0.74074 | 0.00051 | |
| 2013 | 11 | 0.57652 | 0.19754 | -0.0004 | | 0.77366 | 0.03292 | |
| 2013 | 12 | 0.57341 | 0.19754 | -0.0004 | | 0.77055 | -0.00311 | |
| 2014 | 1 | 0.64087 | 0.2229 | -0.0004 | | 0.86337 | 0.09282 | Docket No. G011/GR-13-617 Interim |
| 2014 | 2 | 0.69713 | 0.2229 | -0.0004 | | 0.91963 | 0.05626 | |
| 2014 | 3 | 0.76961 | 0.2229 | -0.0004 | | 0.99211 | 0.07248 | |
| 2014 | 4 | 0.67256 | 0.2229 | -0.0004 | -0.01247 | 0.88259 | -0.10952 | Implementation of 2013 Decoupling |
| 2014 | 5 | 0.67047 | 0.2229 | -0.0004 | -0.01247 | 0.88050 | -0.00209 | |
| 2014 | 6 | 0.65261 | 0.2229 | -0.0004 | -0.01247 | 0.86264 | -0.01786 | |
| 2014 | 7 | 0.6609 | 0.2229 | -0.0004 | -0.01247 | 0.87093 | 0.00829 | |
| 2014 | 8 | 0.58272 | 0.2229 | -0.0004 | -0.01247 | 0.79275 | -0.07818 | |
| 2014 | 9 | 0.59865 | 0.2229 | 0.04714 | -0.01247 | 0.85622 | 0.06347 | |
| 2014 | 10 | 0.5942 | 0.2229 | 0.04714 | -0.01247 | 0.85177 | -0.00445 | |
| 2014 | 11 | 0.60033 | 0.2229 | 0.04714 | -0.01247 | 0.85790 | 0.00613 | |
| 2014 | 12 | 0.67574 | 0.2229 | 0.04714 | -0.01247 | 0.93331 | 0.07541 | |
| 2015 | 1 | 0.57522 | 0.2229 | 0.04714 | -0.01247 | 0.83279 | -0.10052 | |
| 2015 | 2 | 0.58248 | 0.2229 | 0.04714 | -0.01247 | 0.84005 | 0.00726 | |
| 2015 | 3 | 0.58694 | 0.2229 | 0.04714 | -0.01247 | 0.84451 | 0.00446 | |
| 2015 | 4 | 0.51971 | 0.21806 | 0.04714 | -0.01936 | 0.76555 | -0.07896 | Implementation of 2014 Decoupling |
| 2015 | 5 | 0.46762 | 0.21806 | 0.04714 | -0.01936 | 0.71346 | -0.05209 | |
| 2015 | 6 | 0.47197 | 0.21806 | 0.04714 | -0.01936 | 0.71781 | 0.00435 | |
| 2015 | 7 | 0.46367 | 0.21806 | 0.04714 | -0.01936 | 0.70951 | -0.00830 | |
| 2015 | 8 | 0.46357 | 0.21806 | 0.04714 | -0.01936 | 0.70941 | -0.00010 | |
| 2015 | 9 | 0.45141 | 0.21806 | -0.01703 | -0.01936 | 0.63308 | -0.07633 | |
| 2015 | 10 | 0.44833 | 0.21806 | -0.01703 | -0.01936 | 0.63000 | -0.00308 | |
| 2015 | 11 | 0.42882 | 0.21806 | -0.01703 | -0.01936 | 0.61049 | -0.01951 | |
| 2015 | 12 | 0.43647 | 0.21806 | -0.01703 | -0.01936 | 0.61814 | 0.00765 | |
| 2016 | 1 | 0.43885 | 0.23980 | -0.01703 | -0.01936 | 0.64226 | 0.02412 | Interim rate implementation |
| 2016 | 2 | 0.43219 | 0.23980 | -0.01703 | -0.01936 | 0.63560 | -0.00666 | |
| 2016 | 3 | 0.40042 | 0.23980 | -0.01703 | 0.02022 | 0.64341 | 0.00781 | Implementation of 2015 Decoupling |
| 2016 | 4 | 0.38246 | 0.23980 | -0.01703 | 0.02022 | 0.62545 | -0.01796 | |

| | | | | | | | | |
|------|----|---------|---------|----------|---------|---------|----------|---|
| 2016 | 5 | 0.44307 | 0.23980 | -0.01703 | 0.02022 | 0.68606 | 0.06061 | |
| 2016 | 6 | 0.3096 | 0.23980 | -0.01703 | 0.02022 | 0.55259 | -0.13347 | |
| 2016 | 7 | 0.38224 | 0.23980 | -0.01703 | 0.02022 | 0.62523 | 0.07264 | |
| 2016 | 8 | 0.38965 | 0.23980 | -0.01703 | 0.02022 | 0.63264 | 0.00741 | |
| 2016 | 9 | 0.42577 | 0.23980 | 0.00000 | 0.02022 | 0.68579 | 0.05315 | 1 month delay in implementation of ACA factor |
| 2016 | 10 | 0.4285 | 0.23980 | 0.00301 | 0.02022 | 0.69153 | 0.00574 | |
| 2016 | 11 | 0.40001 | 0.23980 | 0.00301 | 0.02022 | 0.66304 | -0.02849 | |
| 2016 | 12 | 0.42918 | 0.23980 | 0.00301 | 0.02022 | 0.69221 | 0.02917 | |
| 2017 | 1 | 0.48683 | 0.23980 | 0.00301 | 0.02022 | 0.74986 | 0.05765 | |
| 2017 | 2 | 0.43831 | 0.23980 | 0.00301 | 0.02022 | 0.70134 | -0.04852 | |
| 2017 | 3 | 0.39064 | 0.23980 | 0.00301 | 0.01761 | 0.65106 | -0.05028 | Implementation of 2016 Decoupling |
| 2017 | 4 | 0.40083 | 0.24116 | 0.00301 | 0.01761 | 0.66261 | 0.01155 | Implementation of Final Rates 15-763 |
| 2017 | 5 | 0.41038 | 0.24116 | 0.00301 | 0.01761 | 0.67216 | 0.00955 | |
| 2017 | 6 | 0.43273 | 0.24116 | 0.00301 | 0.01761 | 0.69451 | 0.02235 | |
| 2017 | 7 | 0.40626 | 0.24116 | 0.00301 | 0.01761 | 0.66804 | -0.02647 | |
| 2017 | 8 | 0.40103 | 0.24116 | 0.00301 | 0.01761 | 0.66281 | -0.00523 | |
| 2017 | 9 | 0.42288 | 0.24116 | 0.01072 | 0.01761 | 0.69237 | 0.02956 | ACA Factor Implementation |
| 2017 | 10 | 0.40034 | 0.24116 | 0.01072 | 0.01761 | 0.66983 | -0.02254 | |
| 2017 | 11 | 0.41809 | 0.24116 | 0.01072 | 0.01761 | 0.68758 | 0.01775 | |
| 2017 | 12 | 0.43567 | 0.24116 | 0.01072 | 0.01761 | 0.70516 | 0.01758 | |

Consolidated Residential

| Year | Month | | | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm Change in Rate | Notes |
|------|-------|--------------|----------------|---------------|----------------------|-------------------|-------------------------------|-----------------------------------|
| | | GAS COSTS | DIST MARGIN | | | | | |
| 2013 | 7 | 0.47661 | 0.19754 | 0.00000 | | 0.67415 | | PGA Consolidation |
| 2013 | 8 | 0.47303 | 0.19754 | 0.00000 | | 0.67057 | -0.00358 | |
| 2013 | 9 | 0.47474 | 0.19754 | -0.03086 | | 0.64142 | -0.02915 | |
| 2013 | 10 | 0.47846 | 0.19754 | -0.03086 | | 0.64514 | 0.00372 | |
| 2013 | 11 | 0.46712 | 0.19754 | -0.03086 | | 0.63380 | -0.01134 | |
| 2013 | 12 | 0.49062 | 0.19754 | -0.03086 | | 0.65730 | 0.02350 | |
| 2014 | 1 | 0.51386 | 0.22290 | -0.03086 | | 0.70590 | 0.04860 | Docket No. G011/GR-13-617 Interim |
| 2014 | 2 | 0.65193 | 0.22290 | -0.03086 | | 0.84397 | 0.13807 | |
| 2014 | 3 | 0.74803 | 0.22290 | -0.03086 | | 0.94007 | 0.09610 | |
| 2014 | 4 | 0.58207 | 0.22290 | -0.03086 | -0.01247 | 0.76164 | -0.17843 | Implementation of 2013 Decoupling |
| 2014 | 5 | 0.58739 | 0.22290 | -0.03086 | -0.01247 | 0.76696 | 0.00532 | |
| 2014 | 6 | 0.55646 | 0.22290 | -0.03086 | -0.01247 | 0.73603 | -0.03093 | |
| 2014 | 7 | 0.55334 | 0.22290 | -0.03086 | -0.01247 | 0.73291 | -0.00312 | |
| 2014 | 8 | 0.48847 | 0.22290 | -0.03086 | -0.01247 | 0.66804 | -0.06487 | |
| 2014 | 9 | 0.50302 | 0.22290 | 0.08726 | -0.01247 | 0.80071 | 0.13267 | |
| 2014 | 10 | 0.51296 | 0.22290 | 0.08726 | -0.01247 | 0.81065 | 0.00994 | |
| 2014 | 11 | 0.57338 | 0.22290 | 0.08726 | -0.01247 | 0.87107 | 0.06042 | |
| 2014 | 12 | 0.5952 | 0.22290 | 0.08726 | -0.01247 | 0.89289 | 0.02182 | |
| 2015 | 1 | 0.52515 | 0.2229 | 0.08726 | -0.01247 | 0.82284 | -0.07005 | |
| 2015 | 2 | 0.47522 | 0.2229 | 0.08726 | -0.01247 | 0.77291 | -0.04993 | |
| 2015 | 3 | 0.52264 | 0.2229 | 0.08726 | -0.01936 | 0.81344 | 0.04053 | |
| 2015 | 4 | 0.43212 | 0.21806 | 0.08726 | -0.01936 | 0.71808 | -0.09536 | Implementation of 2014 Decoupling |
| 2015 | 5 | 0.38945 | 0.21806 | 0.08726 | -0.01936 | 0.67541 | -0.04267 | |
| 2015 | 6 | 0.40675 | 0.21806 | 0.08726 | -0.01936 | 0.69271 | 0.01730 | |
| 2015 | 7 | 0.39624 | 0.21806 | 0.08726 | -0.01936 | 0.68220 | -0.01051 | |
| 2015 | 8 | 0.40609 | 0.21806 | 0.08726 | -0.01936 | 0.69205 | 0.00985 | |
| 2015 | 9 | 0.39881 | 0.21806 | 0.01468 | -0.01936 | 0.61219 | -0.07986 | |
| 2015 | 10 | 0.39916 | 0.21806 | 0.01468 | -0.01936 | 0.61254 | 0.00035 | |
| 2015 | 11 | 0.393 | 0.21806 | 0.01468 | -0.01936 | 0.60638 | -0.00616 | |
| 2015 | 12 | 0.38818 | 0.21806 | 0.01468 | -0.01936 | 0.60156 | -0.00482 | |
| 2016 | 1 | 0.3959 | 0.23980 | 0.01468 | -0.01936 | 0.63102 | 0.02946 | Interim rate implementation |
| 2016 | 2 | 0.38753 | 0.23980 | 0.01468 | -0.01936 | 0.62265 | -0.00837 | |
| 2016 | 3 | 0.37177 | 0.23980 | 0.01468 | 0.02022 | 0.64647 | 0.02382 | Implementation of 2015 Decoupling |
| 2016 | 4 | 0.31489 | 0.23980 | 0.01468 | 0.02022 | 0.58959 | -0.05688 | |

| | | | | | | | | |
|------|----|---------|---------|----------|---------|---------|----------|---|
| 2016 | 5 | 0.29986 | 0.23980 | 0.01468 | 0.02022 | 0.57456 | -0.01503 | |
| 2016 | 6 | 0.29546 | 0.23980 | 0.01468 | 0.02022 | 0.57016 | -0.00440 | |
| 2016 | 7 | 0.39067 | 0.23980 | 0.01468 | 0.02022 | 0.66537 | 0.09521 | |
| 2016 | 8 | 0.34783 | 0.23980 | 0.01468 | 0.02022 | 0.62253 | -0.04284 | |
| 2016 | 9 | 0.38356 | 0.23980 | 0.00000 | 0.02022 | 0.64358 | 0.02105 | 1 month delay in implementation of ACA factor |
| 2016 | 10 | 0.39548 | 0.23980 | -0.00355 | 0.02022 | 0.65195 | 0.00837 | |
| 2016 | 11 | 0.37388 | 0.23980 | -0.00355 | 0.02022 | 0.63035 | -0.02160 | |
| 2016 | 12 | 0.38569 | 0.23980 | -0.00355 | 0.02022 | 0.64216 | 0.01181 | |
| 2017 | 1 | 0.42216 | 0.23980 | -0.00355 | 0.02022 | 0.67863 | 0.03647 | |
| 2017 | 2 | 0.39641 | 0.23980 | -0.00355 | 0.02022 | 0.65288 | -0.02575 | |
| 2017 | 3 | 0.37644 | 0.23980 | -0.00355 | 0.01761 | 0.63030 | -0.02258 | Implementation of 2016 Decoupling |
| 2017 | 4 | 0.36905 | 0.24116 | -0.00355 | 0.01761 | 0.62427 | -0.00603 | Implementation of Final Rates 15-763 |
| 2017 | 5 | 0.37369 | 0.24116 | -0.00355 | 0.01761 | 0.62891 | 0.00464 | |
| 2017 | 6 | 0.38179 | 0.24116 | -0.00355 | 0.01761 | 0.63701 | 0.00810 | |
| 2017 | 7 | 0.36668 | 0.24116 | -0.00355 | 0.01761 | 0.62190 | -0.01511 | |
| 2017 | 8 | 0.35905 | 0.24116 | -0.00355 | 0.01761 | 0.61427 | -0.00763 | |
| 2017 | 9 | 0.36078 | 0.24116 | -0.00711 | 0.01761 | 0.61244 | -0.00183 | ACA Factor Implementation |
| 2017 | 10 | 0.35919 | 0.24116 | -0.00711 | 0.01761 | 0.61085 | -0.00159 | |
| 2017 | 11 | 0.33682 | 0.24116 | -0.00711 | 0.01761 | 0.58848 | -0.02237 | |
| 2017 | 12 | 0.30692 | 0.24116 | -0.00711 | 0.01761 | 0.55858 | -0.02990 | |

Albert Lea Residential

| Year | Month | | | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|--------------|----------------|---------------|----------------------|-------------------|-------------------|---|
| | | GAS COSTS | DIST MARGIN | | | | Change in Rate | |
| 2013 | 7 | | | | | 0.00000 | | |
| 2013 | 8 | | | | | 0.00000 | 0.00000 | |
| 2013 | 9 | | | | | 0.00000 | 0.00000 | |
| 2013 | 10 | | | | | 0.00000 | 0.00000 | |
| 2013 | 11 | | | | | 0.00000 | 0.00000 | |
| 2013 | 12 | | | | | 0.00000 | 0.00000 | |
| 2014 | 1 | | | | | 0.00000 | 0.00000 | |
| 2014 | 2 | | | | | 0.00000 | 0.00000 | |
| 2014 | 3 | | | | | 0.00000 | 0.00000 | |
| 2014 | 4 | | | | | 0.00000 | 0.00000 | |
| 2014 | 5 | | | | | 0.00000 | 0.00000 | |
| 2014 | 6 | | | | | 0.00000 | 0.00000 | |
| 2014 | 7 | | | | | 0.00000 | 0.00000 | |
| 2014 | 8 | | | | | 0.00000 | 0.00000 | |
| 2014 | 9 | | | | | 0.00000 | 0.00000 | |
| 2014 | 10 | | | | | 0.00000 | 0.00000 | |
| 2014 | 11 | | | | | 0.00000 | 0.00000 | |
| 2014 | 12 | | | | | 0.00000 | 0.00000 | |
| 2015 | 1 | | | | | 0.00000 | 0.00000 | |
| 2015 | 2 | | | | | 0.00000 | 0.00000 | |
| 2015 | 3 | | | | | 0.00000 | 0.00000 | |
| 2015 | 4 | | | | | 0.00000 | 0.00000 | Acquisition of MERC-AL customers from IPL Docket No PA-14-107 |
| 2015 | 5 | 0.3932 | 0.21806 | 0 | 0.00000 | 0.61126 | 0.61126 | |
| 2015 | 6 | 0.42673 | 0.21806 | 0 | 0.00000 | 0.64479 | 0.03353 | |
| 2015 | 7 | 0.41821 | 0.21806 | 0 | 0.00000 | 0.63627 | -0.00852 | |
| 2015 | 8 | 0.42253 | 0.21806 | 0 | 0.00000 | 0.64059 | 0.00432 | |
| 2015 | 9 | 0.4165 | 0.21806 | -0.00054 | 0.00000 | 0.63402 | -0.00657 | |
| 2015 | 10 | 0.41205 | 0.21806 | -0.00054 | 0.00000 | 0.62957 | -0.00445 | |
| 2015 | 11 | 0.37257 | 0.21806 | -0.00054 | 0.00000 | 0.59009 | -0.03948 | |
| 2015 | 12 | 0.38323 | 0.21806 | -0.00054 | 0.00000 | 0.60075 | 0.01066 | |
| 2016 | 1 | 0.40102 | 0.23980 | -0.00054 | 0.00000 | 0.64028 | 0.03953 | Interim rate implementation |
| 2016 | 2 | 0.38964 | 0.23980 | -0.00054 | 0.00000 | 0.62890 | -0.01138 | |
| 2016 | 3 | 0.36288 | 0.23980 | -0.00054 | 0.02022 | 0.62236 | -0.00654 | Implementation of 2015 Decoupling |
| 2016 | 4 | 0.33509 | 0.23980 | -0.00054 | 0.02022 | 0.59457 | -0.02779 | |
| 2016 | 5 | 0.39574 | 0.23980 | -0.00054 | 0.02022 | 0.65522 | 0.06065 | |

| | | | | | | | | |
|------|----|---------|---------|----------|---------|---------|----------|---|
| 2016 | 6 | 0.32027 | 0.23980 | -0.00054 | 0.02022 | 0.57975 | -0.07547 | |
| 2016 | 7 | 0.39804 | 0.23980 | -0.00054 | 0.02022 | 0.65752 | 0.07777 | |
| 2016 | 8 | 0.3928 | 0.23980 | -0.00054 | 0.02022 | 0.65228 | -0.00524 | |
| 2016 | 9 | 0.4065 | 0.23980 | 0.00000 | 0.02022 | 0.66652 | 0.01424 | 1 month delay in implementation of ACA factor |
| 2016 | 10 | 0.42055 | 0.23980 | 0.01256 | 0.02022 | 0.69313 | 0.02661 | |
| 2016 | 11 | 0.40769 | 0.23980 | 0.01256 | 0.02022 | 0.68027 | -0.01286 | |
| 2016 | 12 | 0.4324 | 0.23980 | 0.01256 | 0.02022 | 0.70498 | 0.02471 | |
| 2017 | 1 | 0.47454 | 0.23980 | 0.01256 | 0.02022 | 0.74712 | 0.04214 | |
| 2017 | 2 | 0.4444 | 0.23980 | 0.01256 | 0.02022 | 0.71698 | -0.03014 | |
| 2017 | 3 | 0.40055 | 0.23980 | 0.01256 | 0.01761 | 0.67052 | -0.04646 | Implementation of 2016 Decoupling |
| 2017 | 4 | 0.41009 | 0.24116 | 0.01256 | 0.01761 | 0.68142 | 0.01090 | Implementation of Final Rates 15-763 |
| 2017 | 5 | 0.40966 | 0.24116 | 0.01256 | 0.01761 | 0.68099 | -0.00043 | |
| 2017 | 6 | 0.42416 | 0.24116 | 0.01256 | 0.01761 | 0.69549 | 0.01450 | |
| 2017 | 7 | 0.41947 | 0.24116 | 0.01256 | 0.01761 | 0.69080 | -0.00469 | |
| 2017 | 8 | 0.41424 | 0.24116 | 0.01256 | 0.01761 | 0.68557 | -0.00523 | |
| 2017 | 9 | 0.44564 | 0.24116 | 0.01072 | 0.01761 | 0.71513 | 0.02956 | ACA Factor Implementation |
| 2017 | 10 | 0.4231 | 0.24116 | 0.01072 | 0.01761 | 0.69259 | -0.02254 | |
| 2017 | 11 | 0.44085 | 0.24116 | 0.01072 | 0.01761 | 0.71034 | 0.01775 | |
| 2017 | 12 | 0.45843 | 0.24116 | 0.01072 | 0.01761 | 0.72792 | 0.01758 | |

NNG Small C&I

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|
| | | | | | | | Change in Rate | |
| 2011 | 1 | 0.61103 | 0.15022 | -0.00428 | | 0.75697 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.61794 | 0.16437 | -0.00428 | | 0.77803 | 0.02106 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.60496 | 0.16437 | -0.00428 | | 0.76505 | -0.01298 | |
| 2011 | 4 | 0.6133 | 0.16437 | -0.00428 | | 0.77339 | 0.00834 | |
| 2011 | 5 | 0.61012 | 0.16437 | -0.00428 | | 0.77021 | -0.00318 | |
| 2011 | 6 | 0.60734 | 0.16437 | -0.00428 | | 0.76743 | -0.00278 | |
| 2011 | 7 | 0.60414 | 0.16437 | -0.00428 | | 0.76423 | -0.00320 | |
| 2011 | 8 | 0.61333 | 0.16437 | -0.00428 | | 0.77342 | 0.00919 | |
| 2011 | 9 | 0.56851 | 0.16437 | -0.01609 | | 0.71679 | -0.05663 | |
| 2011 | 10 | 0.54608 | 0.16437 | -0.01609 | | 0.69436 | -0.02243 | |
| 2011 | 11 | 0.5966 | 0.16437 | -0.01609 | | 0.74488 | 0.05052 | |
| 2011 | 12 | 0.58007 | 0.16437 | -0.01609 | | 0.72835 | -0.01653 | |
| 2012 | 1 | 0.56467 | 0.16437 | -0.01609 | | 0.71295 | -0.01540 | |
| 2012 | 2 | 0.52995 | 0.16437 | -0.01609 | | 0.67823 | -0.03472 | |
| 2012 | 3 | 0.5344 | 0.16437 | -0.01609 | | 0.68268 | 0.00445 | |
| 2012 | 4 | 0.51893 | 0.16437 | -0.01609 | | 0.66721 | -0.01547 | |
| 2012 | 5 | 0.46855 | 0.16437 | -0.01609 | | 0.61683 | -0.05038 | |
| 2012 | 6 | 0.45904 | 0.16437 | -0.01609 | | 0.60732 | -0.00951 | |
| 2012 | 7 | 0.47173 | 0.16437 | -0.01609 | | 0.62001 | 0.01269 | |
| 2012 | 8 | 0.5087 | 0.16437 | -0.01609 | | 0.65698 | 0.03697 | |
| 2012 | 9 | 0.46959 | 0.16437 | 0.02602 | | 0.65998 | 0.00300 | |
| 2012 | 10 | 0.4965 | 0.16437 | 0.02602 | | 0.68689 | 0.02691 | |
| 2012 | 11 | 0.53469 | 0.16437 | 0.02602 | | 0.72508 | 0.03819 | |
| 2012 | 12 | 0.5503 | 0.16437 | 0.02602 | | 0.74069 | 0.01561 | |
| 2013 | 1 | 0.51287 | 0.18525 | 0.02602 | | 0.72414 | -0.01655 | Final Rates per Docket No. G007,011/GR-10-977 |
| 2013 | 2 | 0.50785 | 0.18525 | 0.02602 | | 0.71912 | -0.00502 | |
| 2013 | 3 | 0.52124 | 0.18525 | 0.02602 | | 0.73251 | 0.01339 | |
| 2013 | 4 | 0.56577 | 0.18525 | 0.02602 | | 0.77704 | 0.04453 | |
| 2013 | 5 | 0.60472 | 0.18525 | 0.02602 | | 0.81599 | 0.03895 | |
| 2013 | 6 | 0.60947 | 0.18525 | 0.02602 | | 0.82074 | 0.00475 | |

Viking Small C&I

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|-------|
| | | | | | | | Change in Rate | |

| | | | | | | | |
|------|----|---------|---------|----------|---------|----------|---|
| 2011 | 1 | 0.52445 | 0.15022 | 0.20306 | 0.87773 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.52275 | 0.16437 | 0.20306 | 0.89018 | 0.01245 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.51315 | 0.16437 | 0.20306 | 0.88058 | -0.00960 | |
| 2011 | 4 | 0.50728 | 0.16437 | 0.20306 | 0.87471 | -0.00587 | |
| 2011 | 5 | 0.52233 | 0.16437 | 0.20306 | 0.88976 | 0.01505 | |
| 2011 | 6 | 0.51753 | 0.16437 | 0.20306 | 0.88496 | -0.00480 | |
| 2011 | 7 | 0.51662 | 0.16437 | 0.20306 | 0.88405 | -0.00091 | |
| 2011 | 8 | 0.51659 | 0.16437 | 0.20306 | 0.88402 | -0.00003 | |
| 2011 | 9 | 0.46953 | 0.16437 | 0.01253 | 0.64643 | -0.23759 | |
| 2011 | 10 | 0.46334 | 0.16437 | 0.01253 | 0.64024 | -0.00619 | |
| 2011 | 11 | 0.48621 | 0.16437 | 0.01253 | 0.66311 | 0.02287 | |
| 2011 | 12 | 0.4644 | 0.16437 | 0.01253 | 0.64130 | -0.02181 | |
| 2012 | 1 | 0.46355 | 0.16437 | 0.01253 | 0.64045 | -0.00085 | |
| 2012 | 2 | 0.43105 | 0.16437 | 0.01253 | 0.60795 | -0.03250 | |
| 2012 | 3 | 0.43226 | 0.16437 | 0.01253 | 0.60916 | 0.00121 | |
| 2012 | 4 | 0.38021 | 0.16437 | 0.01253 | 0.55711 | -0.05205 | |
| 2012 | 5 | 0.29945 | 0.16437 | 0.01253 | 0.47635 | -0.08076 | |
| 2012 | 6 | 0.33517 | 0.16437 | 0.01253 | 0.51207 | 0.03572 | |
| 2012 | 7 | 0.36502 | 0.16437 | 0.01253 | 0.54192 | 0.02985 | |
| 2012 | 8 | 0.39395 | 0.16437 | 0.01253 | 0.57085 | 0.02893 | |
| 2012 | 9 | 0.36502 | 0.16437 | -0.00344 | 0.52595 | -0.04490 | |
| 2012 | 10 | 0.40817 | 0.16437 | -0.00344 | 0.56910 | 0.04315 | |
| 2012 | 11 | 0.40874 | 0.16437 | -0.00344 | 0.56967 | 0.00057 | |
| 2012 | 12 | 0.40857 | 0.16437 | -0.00344 | 0.56950 | -0.00017 | |
| 2013 | 1 | 0.41512 | 0.18525 | -0.00344 | 0.59693 | 0.02743 | Final Rates per Docket No. G007,011/GR-10-977 |
| 2013 | 2 | 0.40918 | 0.18525 | -0.00344 | 0.59099 | -0.00594 | |
| 2013 | 3 | 0.42975 | 0.18525 | -0.00344 | 0.61156 | 0.02057 | |
| 2013 | 4 | 0.44931 | 0.18525 | -0.00344 | 0.63112 | 0.01956 | |
| 2013 | 5 | 0.51036 | 0.18525 | -0.00344 | 0.69217 | 0.06105 | |
| 2013 | 6 | 0.50946 | 0.18525 | -0.00344 | 0.69127 | -0.00090 | |

Great Lakes Small C&I

| Year | Month | | | | | | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|
| | | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | Change in Rate | |
| 2011 | 1 | 0.51121 | 0.15022 | 0.14934 | | 0.81077 | | Final Rates per Docket No. G007,011/GR-08-836 |
| 2011 | 2 | 0.5091 | 0.16437 | 0.14934 | | 0.82281 | 0.01204 | Interim Rates per Docket No. G007,011/GR-10-977 |
| 2011 | 3 | 0.50022 | 0.16437 | 0.14934 | | 0.81393 | -0.00888 | |
| 2011 | 4 | 0.49917 | 0.16437 | 0.14934 | | 0.81288 | -0.00105 | |
| 2011 | 5 | 0.514 | 0.16437 | 0.14934 | | 0.82771 | 0.01483 | |
| 2011 | 6 | 0.50902 | 0.16437 | 0.14934 | | 0.82273 | -0.00498 | |
| 2011 | 7 | 0.50797 | 0.16437 | 0.14934 | | 0.82168 | -0.00105 | |
| 2011 | 8 | 0.5078 | 0.16437 | 0.14934 | | 0.82151 | -0.00017 | |
| 2011 | 9 | 0.46098 | 0.16437 | 0.02222 | | 0.64757 | -0.17394 | |
| 2011 | 10 | 0.44674 | 0.16437 | 0.02222 | | 0.63333 | -0.01424 | |
| 2011 | 11 | 0.46845 | 0.16437 | 0.02222 | | 0.65504 | 0.02171 | |
| 2011 | 12 | 0.44711 | 0.16437 | 0.02222 | | 0.63370 | -0.02134 | |
| 2012 | 1 | 0.44613 | 0.16437 | 0.02222 | | 0.63272 | -0.00098 | |
| 2012 | 2 | 0.41409 | 0.16437 | 0.02222 | | 0.60068 | -0.03204 | |
| 2012 | 3 | 0.41533 | 0.16437 | 0.02222 | | 0.60192 | 0.00124 | |
| 2012 | 4 | 0.36725 | 0.16437 | 0.02222 | | 0.55384 | -0.04808 | |
| 2012 | 5 | 0.28703 | 0.16437 | 0.02222 | | 0.47362 | -0.08022 | |
| 2012 | 6 | 0.32263 | 0.16437 | 0.02222 | | 0.50922 | 0.03560 | |
| 2012 | 7 | 0.35229 | 0.16437 | 0.02222 | | 0.53888 | 0.02966 | |
| 2012 | 8 | 0.38104 | 0.16437 | 0.02222 | | 0.56763 | 0.02875 | |
| 2012 | 9 | 0.3523 | 0.16437 | -0.00883 | | 0.50784 | -0.05979 | |
| 2012 | 10 | 0.39509 | 0.16437 | -0.00883 | | 0.55063 | 0.04279 | |
| 2012 | 11 | 0.40698 | 0.16437 | -0.00883 | | 0.56252 | 0.01189 | |
| 2012 | 12 | 0.40544 | 0.16437 | -0.00883 | | 0.56098 | -0.00154 | |
| 2013 | 1 | 0.406 | 0.18525 | -0.00883 | | 0.58242 | 0.02144 | Final Rates per Docket No. G007,011/GR-10-977 |

| | | | | | | | |
|------|---|---------|---------|----------|--|---------|----------|
| 2013 | 2 | 0.40018 | 0.18525 | -0.00883 | | 0.57660 | -0.00582 |
| 2013 | 3 | 0.42071 | 0.18525 | -0.00883 | | 0.59713 | 0.02053 |
| 2013 | 4 | 0.44326 | 0.18525 | -0.00883 | | 0.61968 | 0.02255 |
| 2013 | 5 | 0.5047 | 0.18525 | -0.00883 | | 0.68112 | 0.06144 |
| 2013 | 6 | 0.50674 | 0.18525 | -0.00883 | | 0.68316 | 0.00204 |

NMU Small C&I

| Year | Month | | | | | | \$/therm | | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|---|-------|
| | | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | Change in Rate | | |
| 2011 | 1 | 0.56243 | 0.18564 | 0.00679 | | 0.75486 | | Final Rates per Docket No. G007,011/GR-08-836 | |
| 2011 | 2 | 0.56379 | 0.20637 | 0.00679 | | 0.77695 | 0.02209 | Interim Rates per Docket No. G007,011/GR-10-977 | |
| 2011 | 3 | 0.55312 | 0.20637 | 0.00679 | | 0.76628 | -0.01067 | | |
| 2011 | 4 | 0.5536 | 0.20637 | 0.00679 | | 0.76676 | 0.00048 | | |
| 2011 | 5 | 0.56176 | 0.20637 | 0.00679 | | 0.77492 | 0.00816 | | |
| 2011 | 6 | 0.55741 | 0.20637 | 0.00679 | | 0.77057 | -0.00435 | | |
| 2011 | 7 | 0.55563 | 0.20637 | 0.00679 | | 0.76879 | -0.00178 | | |
| 2011 | 8 | 0.55905 | 0.20637 | 0.00679 | | 0.77221 | 0.00342 | | |
| 2011 | 9 | 0.51299 | 0.20637 | -0.01096 | | 0.70840 | -0.06381 | | |
| 2011 | 10 | 0.49179 | 0.20637 | -0.01096 | | 0.68720 | -0.02120 | | |
| 2011 | 11 | 0.53329 | 0.20637 | -0.01096 | | 0.72870 | 0.04150 | | |
| 2011 | 12 | 0.51374 | 0.20637 | -0.01096 | | 0.70915 | -0.01955 | | |
| 2012 | 1 | 0.50747 | 0.20637 | -0.01096 | | 0.70288 | -0.00627 | | |
| 2012 | 2 | 0.47422 | 0.20637 | -0.01096 | | 0.66963 | -0.03325 | | |
| 2012 | 3 | 0.4766 | 0.20637 | -0.01096 | | 0.67201 | 0.00238 | | |
| 2012 | 4 | 0.43686 | 0.20637 | -0.01096 | | 0.63227 | -0.03974 | | |
| 2012 | 5 | 0.36777 | 0.20637 | -0.01096 | | 0.56318 | -0.06909 | | |
| 2012 | 6 | 0.38641 | 0.20637 | -0.01096 | | 0.58182 | 0.01864 | | |
| 2012 | 7 | 0.40973 | 0.20637 | -0.01096 | | 0.60514 | 0.02332 | | |
| 2012 | 8 | 0.4416 | 0.20637 | -0.01096 | | 0.63701 | 0.03187 | | |
| 2012 | 9 | 0.40895 | 0.20637 | 0.01007 | | 0.62539 | -0.01162 | | |
| 2012 | 10 | 0.44586 | 0.20637 | 0.01007 | | 0.66230 | 0.03691 | | |
| 2012 | 11 | 0.47119 | 0.20637 | 0.01007 | | 0.68763 | 0.02533 | | |
| 2012 | 12 | 0.47647 | 0.20637 | 0.01007 | | 0.69291 | 0.00528 | | |
| 2013 | 1 | 0.47933 | 0.18525 | 0.01007 | | 0.67465 | -0.01826 | Final Rates per Docket No. G007,011/GR-10-977 | |
| 2013 | 2 | 0.47379 | 0.18525 | 0.01007 | | 0.66911 | -0.00554 | | |
| 2013 | 3 | 0.49147 | 0.18525 | 0.01007 | | 0.68679 | 0.01768 | | |
| 2013 | 4 | 0.52209 | 0.18525 | 0.01007 | | 0.71741 | 0.03062 | | |
| 2013 | 5 | 0.57446 | 0.18525 | 0.01007 | | 0.76978 | 0.05237 | | |
| 2013 | 6 | 0.57653 | 0.18525 | 0.01007 | | 0.77185 | 0.00207 | | |

NNG Small C&I

| Year | Month | | | | | | \$/therm | | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|-----------------------------------|-------|
| | | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | Change in Rate | | |
| 2013 | 7 | 0.55793 | 0.18525 | 0 | | 0.74318 | | PGA Consolidation | |
| 2013 | 8 | 0.55893 | 0.18525 | 0 | | 0.74418 | 0.00100 | | |
| 2013 | 9 | 0.54309 | 0.18525 | -0.0004 | | 0.72794 | -0.01624 | | |
| 2013 | 10 | 0.54360 | 0.18525 | -0.0004 | | 0.72845 | 0.00051 | | |
| 2013 | 11 | 0.57652 | 0.18525 | -0.0004 | | 0.76137 | 0.03292 | | |
| 2013 | 12 | 0.57341 | 0.18525 | -0.0004 | | 0.75826 | -0.00311 | | |
| 2014 | 1 | 0.64087 | 0.20904 | -0.0004 | | 0.84951 | 0.09125 | Docket No. G011/GR-13-617 Interim | |
| 2014 | 2 | 0.69713 | 0.20904 | -0.0004 | | 0.90577 | 0.05626 | | |
| 2014 | 3 | 0.76961 | 0.20904 | -0.0004 | | 0.97825 | 0.07248 | | |
| 2014 | 4 | 0.67256 | 0.20904 | -0.0004 | -0.01701 | 0.86419 | -0.11406 | Implementation of 2013 Decoupling | |
| 2014 | 5 | 0.67047 | 0.20904 | -0.0004 | -0.01701 | 0.86210 | -0.00209 | | |
| 2014 | 6 | 0.65261 | 0.20904 | -0.0004 | -0.01701 | 0.84424 | -0.01786 | | |
| 2014 | 7 | 0.66090 | 0.20904 | -0.0004 | -0.01701 | 0.85253 | 0.00829 | | |
| 2014 | 8 | 0.58272 | 0.20904 | -0.0004 | -0.01701 | 0.77435 | -0.07818 | | |

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|------|----|---------|---------|----------|----------|---------|----------|---|
| 2014 | 9 | 0.59865 | 0.20904 | 0.04714 | -0.01701 | 0.83782 | 0.06347 | |
| 2014 | 10 | 0.59420 | 0.20904 | 0.04714 | -0.01701 | 0.83337 | -0.00445 | |
| 2014 | 11 | 0.60033 | 0.20904 | 0.04714 | -0.01701 | 0.83950 | 0.00613 | |
| 2014 | 12 | 0.67574 | 0.20904 | 0.04714 | -0.01701 | 0.91491 | 0.07541 | |
| 2015 | 1 | 0.57522 | 0.20904 | 0.04714 | -0.01701 | 0.81439 | -0.10052 | |
| 2015 | 2 | 0.58248 | 0.20904 | 0.04714 | -0.01701 | 0.82165 | 0.00726 | |
| 2015 | 3 | 0.58694 | 0.20904 | 0.04714 | -0.01701 | 0.82611 | 0.00446 | |
| 2015 | 4 | 0.51971 | 0.18116 | 0.04714 | -0.01567 | 0.73234 | -0.09377 | Implementation of 2014 Decoupling |
| 2015 | 5 | 0.46762 | 0.18116 | 0.04714 | -0.01567 | 0.68025 | -0.05209 | |
| 2015 | 6 | 0.47197 | 0.18116 | 0.04714 | -0.01567 | 0.68460 | 0.00435 | |
| 2015 | 7 | 0.46367 | 0.18116 | 0.04714 | -0.01567 | 0.67630 | -0.00830 | |
| 2015 | 8 | 0.46357 | 0.18116 | 0.04714 | -0.01567 | 0.67620 | -0.00010 | |
| 2015 | 9 | 0.45141 | 0.18116 | -0.01703 | -0.01567 | 0.59987 | -0.07633 | |
| 2015 | 10 | 0.44833 | 0.18116 | -0.01703 | -0.01567 | 0.59679 | -0.00308 | |
| 2015 | 11 | 0.42882 | 0.18116 | -0.01703 | -0.01567 | 0.57728 | -0.01951 | |
| 2015 | 12 | 0.43647 | 0.18116 | -0.01703 | -0.01567 | 0.58493 | 0.00765 | |
| 2016 | 1 | 0.43885 | 0.19922 | -0.01703 | -0.01567 | 0.60537 | 0.02044 | Interim rate implementation |
| 2016 | 2 | 0.43219 | 0.19922 | -0.01703 | -0.01567 | 0.59871 | -0.00666 | |
| 2016 | 3 | 0.40042 | 0.19922 | -0.01703 | 0.01234 | 0.59495 | -0.00376 | Implementation of 2015 Decoupling |
| 2016 | 4 | 0.38246 | 0.19922 | -0.01703 | 0.01234 | 0.57699 | -0.01796 | |
| 2016 | 5 | 0.44307 | 0.19922 | -0.01703 | 0.01234 | 0.63760 | 0.06061 | |
| 2016 | 6 | 0.30960 | 0.19922 | -0.01703 | 0.01234 | 0.50413 | -0.13347 | |
| 2016 | 7 | 0.38224 | 0.19922 | -0.01703 | 0.01234 | 0.57677 | 0.07264 | |
| 2016 | 8 | 0.38965 | 0.19922 | -0.01703 | 0.01234 | 0.58418 | 0.00741 | |
| 2016 | 9 | 0.42577 | 0.19922 | 0.00000 | 0.01234 | 0.63733 | 0.05315 | 1 month delay in implementation of ACA factor |
| 2016 | 10 | 0.42850 | 0.19922 | 0.00301 | 0.01234 | 0.64307 | 0.00574 | |
| 2016 | 11 | 0.40001 | 0.19922 | 0.00301 | 0.01234 | 0.61458 | -0.02849 | |
| 2016 | 12 | 0.42918 | 0.19922 | 0.00301 | 0.01234 | 0.64375 | 0.02917 | |
| 2017 | 1 | 0.48683 | 0.19922 | 0.00301 | 0.01234 | 0.70140 | 0.05765 | |
| 2017 | 2 | 0.43831 | 0.19922 | 0.00301 | 0.01234 | 0.65288 | -0.04852 | |
| 2017 | 3 | 0.39064 | 0.19922 | 0.00301 | 0.01384 | 0.60671 | -0.04617 | Implementation of 2016 Decoupling |
| 2017 | 4 | 0.40083 | 0.22065 | 0.00301 | 0.01384 | 0.63833 | 0.03162 | Implementation of Final Rates 15-763 |
| 2017 | 5 | 0.41038 | 0.22065 | 0.00301 | 0.01384 | 0.64788 | 0.00955 | |
| 2017 | 6 | 0.43273 | 0.22065 | 0.00301 | 0.01384 | 0.67023 | 0.02235 | |
| 2017 | 7 | 0.40626 | 0.22065 | 0.00301 | 0.01384 | 0.64376 | -0.02647 | |
| 2017 | 8 | 0.40103 | 0.22065 | 0.00301 | 0.01384 | 0.63853 | -0.00523 | |
| 2017 | 9 | 0.42288 | 0.22065 | 0.01072 | 0.01384 | 0.66809 | 0.02956 | ACA Factor Implementation |
| 2017 | 10 | 0.40034 | 0.22065 | 0.01072 | 0.01384 | 0.64555 | -0.02254 | |
| 2017 | 11 | 0.41809 | 0.22065 | 0.01072 | 0.01384 | 0.66330 | 0.01775 | |
| 2017 | 12 | 0.43567 | 0.22065 | 0.01072 | 0.01384 | 0.68088 | 0.01758 | |

Consolidated Small C&I

| Year | Month | | | | | | | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|-------------------------|-----------------------------------|
| | | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm Change in Rate | |
| 2013 | 7 | 0.47661 | 0.18525 | 0 | | 0.66186 | | PGA Consolidation |
| 2013 | 8 | 0.47303 | 0.18525 | 0 | | 0.65828 | -0.00358 | |
| 2013 | 9 | 0.47474 | 0.18525 | -0.03086 | | 0.62913 | -0.02915 | |
| 2013 | 10 | 0.47846 | 0.18525 | -0.03086 | | 0.63285 | 0.00372 | |
| 2013 | 11 | 0.46712 | 0.18525 | -0.03086 | | 0.62151 | -0.01134 | |
| 2013 | 12 | 0.49062 | 0.18525 | -0.03086 | | 0.64501 | 0.02350 | |
| 2014 | 1 | 0.51386 | 0.20904 | -0.03086 | | 0.69204 | 0.04703 | Docket No. G011/GR-13-617 Interim |
| 2014 | 2 | 0.65193 | 0.20904 | -0.03086 | | 0.83011 | 0.13807 | |
| 2014 | 3 | 0.74803 | 0.20904 | -0.03086 | | 0.92621 | 0.09610 | |
| 2014 | 4 | 0.58207 | 0.20904 | -0.03086 | -0.01701 | 0.74324 | -0.18297 | Implementation of 2013 Decoupling |
| 2014 | 5 | 0.58739 | 0.20904 | -0.03086 | -0.01701 | 0.74856 | 0.00532 | |
| 2014 | 6 | 0.55646 | 0.20904 | -0.03086 | -0.01701 | 0.71763 | -0.03093 | |
| 2014 | 7 | 0.55334 | 0.20904 | -0.03086 | -0.01701 | 0.71451 | -0.00312 | |
| 2014 | 8 | 0.48847 | 0.20904 | -0.03086 | -0.01701 | 0.64964 | -0.06487 | |

| | | | | | | | | |
|------|----|---------|---------|----------|----------|---------|----------|---|
| 2014 | 9 | 0.50302 | 0.20904 | 0.08726 | -0.01701 | 0.78231 | 0.13267 | |
| 2014 | 10 | 0.51296 | 0.20904 | 0.08726 | -0.01701 | 0.79225 | 0.00994 | |
| 2014 | 11 | 0.57338 | 0.20904 | 0.08726 | -0.01701 | 0.85267 | 0.06042 | |
| 2014 | 12 | 0.5952 | 0.20904 | 0.08726 | -0.01701 | 0.87449 | 0.02182 | |
| 2015 | 1 | 0.52515 | 0.20904 | 0.08726 | -0.01701 | 0.80444 | -0.07005 | |
| 2015 | 2 | 0.47522 | 0.20904 | 0.08726 | -0.01701 | 0.75451 | -0.04993 | |
| 2015 | 3 | 0.52264 | 0.20904 | 0.08726 | -0.01701 | 0.80193 | 0.04742 | |
| 2015 | 4 | 0.43212 | 0.18116 | 0.08726 | -0.01567 | 0.68487 | -0.11706 | Implementation of 2014 Decoupling |
| 2015 | 5 | 0.38945 | 0.18116 | 0.08726 | -0.01567 | 0.64220 | -0.04267 | |
| 2015 | 6 | 0.40675 | 0.18116 | 0.08726 | -0.01567 | 0.65950 | 0.01730 | |
| 2015 | 7 | 0.39624 | 0.18116 | 0.08726 | -0.01567 | 0.64899 | -0.01051 | |
| 2015 | 8 | 0.40609 | 0.18116 | 0.08726 | -0.01567 | 0.65884 | 0.00985 | |
| 2015 | 9 | 0.39881 | 0.18116 | 0.01468 | -0.01567 | 0.57898 | -0.07986 | |
| 2015 | 10 | 0.39916 | 0.18116 | 0.01468 | -0.01567 | 0.57933 | 0.00035 | |
| 2015 | 11 | 0.393 | 0.18116 | 0.01468 | -0.01567 | 0.57317 | -0.00616 | |
| 2015 | 12 | 0.38818 | 0.18116 | 0.01468 | -0.01567 | 0.56835 | -0.00482 | |
| 2016 | 1 | 0.3959 | 0.19922 | 0.01468 | -0.01567 | 0.59413 | 0.02578 | Interim rate implementation |
| 2016 | 2 | 0.38753 | 0.19922 | 0.01468 | -0.01567 | 0.58576 | -0.00837 | |
| 2016 | 3 | 0.37177 | 0.19922 | 0.01468 | 0.01234 | 0.59801 | 0.01225 | Implementation of 2015 Decoupling |
| 2016 | 4 | 0.31489 | 0.19922 | 0.01468 | 0.01234 | 0.54113 | -0.05688 | |
| 2016 | 5 | 0.29986 | 0.19922 | 0.01468 | 0.01234 | 0.52610 | -0.01503 | |
| 2016 | 6 | 0.29546 | 0.19922 | 0.01468 | 0.01234 | 0.52170 | -0.00440 | |
| 2016 | 7 | 0.39067 | 0.19922 | 0.01468 | 0.01234 | 0.61691 | 0.09521 | |
| 2016 | 8 | 0.34783 | 0.19922 | 0.01468 | 0.01234 | 0.57407 | -0.04284 | |
| 2016 | 9 | 0.38356 | 0.19922 | 0.00000 | 0.01234 | 0.59512 | 0.02105 | 1 month delay in implementation of ACA factor |
| 2016 | 10 | 0.39548 | 0.19922 | -0.00355 | 0.01234 | 0.60349 | 0.00837 | |
| 2016 | 11 | 0.37388 | 0.19922 | -0.00355 | 0.01234 | 0.58189 | -0.02160 | |
| 2016 | 12 | 0.38569 | 0.19922 | -0.00355 | 0.01234 | 0.59370 | 0.01181 | |
| 2017 | 1 | 0.42216 | 0.19922 | -0.00355 | 0.01234 | 0.63017 | 0.03647 | |
| 2017 | 2 | 0.39641 | 0.19922 | -0.00355 | 0.01234 | 0.60442 | -0.02575 | |
| 2017 | 3 | 0.37644 | 0.19922 | -0.00355 | 0.01384 | 0.58595 | -0.01847 | Implementation of 2016 Decoupling |
| 2017 | 4 | 0.36905 | 0.22065 | -0.00355 | 0.01384 | 0.59999 | 0.01404 | Implementation of Final Rates 15-763 |
| 2017 | 5 | 0.37369 | 0.22065 | -0.00355 | 0.01384 | 0.60463 | 0.00464 | |
| 2017 | 6 | 0.38179 | 0.22065 | -0.00355 | 0.01384 | 0.61273 | 0.00810 | |
| 2017 | 7 | 0.36668 | 0.22065 | -0.00355 | 0.01384 | 0.59762 | -0.01511 | |
| 2017 | 8 | 0.35905 | 0.22065 | -0.00355 | 0.01384 | 0.58999 | -0.00763 | |
| 2017 | 9 | 0.36078 | 0.22065 | -0.00711 | 0.01384 | 0.58816 | -0.00183 | ACA Factor Implementation |
| 2017 | 10 | 0.35919 | 0.22065 | -0.00711 | 0.01384 | 0.58657 | -0.00159 | |
| 2017 | 11 | 0.33682 | 0.22065 | -0.00711 | 0.01384 | 0.56420 | -0.02237 | |
| 2017 | 12 | 0.30692 | 0.22065 | -0.00711 | 0.01384 | 0.53430 | -0.02990 | |

Albert Lea Small C&I

| Year | Month | GAS COSTS | DIST MARGIN | ACA Factor | Decoupling Factor | EFFECTIVE RATE | \$/therm | Notes |
|------|-------|-----------|-------------|------------|-------------------|----------------|----------------|-------|
| | | | | | | | Change in Rate | |
| 2013 | 7 | | | | | 0.00000 | | |
| 2013 | 8 | | | | | 0.00000 | 0.00000 | |
| 2013 | 9 | | | | | 0.00000 | 0.00000 | |
| 2013 | 10 | | | | | 0.00000 | 0.00000 | |
| 2013 | 11 | | | | | 0.00000 | 0.00000 | |
| 2013 | 12 | | | | | 0.00000 | 0.00000 | |
| 2014 | 1 | | | | | 0.00000 | 0.00000 | |
| 2014 | 2 | | | | | 0.00000 | 0.00000 | |
| 2014 | 3 | | | | | 0.00000 | 0.00000 | |
| 2014 | 4 | | | | | 0.00000 | 0.00000 | |
| 2014 | 5 | | | | | 0.00000 | 0.00000 | |
| 2014 | 6 | | | | | 0.00000 | 0.00000 | |
| 2014 | 7 | | | | | 0.00000 | 0.00000 | |
| 2014 | 8 | | | | | 0.00000 | 0.00000 | |
| 2014 | 9 | | | | | 0.00000 | 0.00000 | |

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|------|----|---------|---------|----------|---------|---------|----------|---|
| 2014 | 10 | | | | | 0.00000 | 0.00000 | |
| 2014 | 11 | | | | | 0.00000 | 0.00000 | |
| 2014 | 12 | | | | | 0.00000 | 0.00000 | |
| 2015 | 1 | | | | | 0.00000 | 0.00000 | |
| 2015 | 2 | | | | | 0.00000 | 0.00000 | |
| 2015 | 3 | | | | | 0.00000 | 0.00000 | |
| 2015 | 4 | | | | | 0.00000 | 0.00000 | Acquisition of MERC-AL customers from IPL Docket No PA-14-107 |
| 2015 | 5 | 0.39320 | 0.18116 | 0 | 0.00000 | 0.57436 | 0.57436 | |
| 2015 | 6 | 0.42673 | 0.18116 | 0 | 0.00000 | 0.60789 | 0.03353 | |
| 2015 | 7 | 0.41821 | 0.18116 | 0 | 0.00000 | 0.59937 | -0.00852 | |
| 2015 | 8 | 0.42253 | 0.18116 | 0 | 0.00000 | 0.60369 | 0.00432 | |
| 2015 | 9 | 0.41650 | 0.18116 | -0.00054 | 0.00000 | 0.59712 | -0.00657 | |
| 2015 | 10 | 0.41205 | 0.18116 | -0.00054 | 0.00000 | 0.59267 | -0.00445 | |
| 2015 | 11 | 0.37257 | 0.18116 | -0.00054 | 0.00000 | 0.55319 | -0.03948 | |
| 2015 | 12 | 0.38323 | 0.18116 | -0.00054 | 0.00000 | 0.56385 | 0.01066 | |
| 2016 | 1 | 0.40102 | 0.19922 | -0.00054 | 0.00000 | 0.59970 | 0.03585 | Interim rate implementation |
| 2016 | 2 | 0.38964 | 0.19922 | -0.00054 | 0.00000 | 0.58832 | -0.01138 | |
| 2016 | 3 | 0.36288 | 0.19922 | -0.00054 | 0.01234 | 0.57390 | -0.01442 | Implementation of 2015 Decoupling |
| 2016 | 4 | 0.33509 | 0.19922 | -0.00054 | 0.01234 | 0.54611 | -0.02779 | |
| 2016 | 5 | 0.39574 | 0.19922 | -0.00054 | 0.01234 | 0.60676 | 0.06065 | |
| 2016 | 6 | 0.32027 | 0.19922 | -0.00054 | 0.01234 | 0.53129 | -0.07547 | |
| 2016 | 7 | 0.39804 | 0.19922 | -0.00054 | 0.01234 | 0.60906 | 0.07777 | |
| 2016 | 8 | 0.39280 | 0.19922 | -0.00054 | 0.01234 | 0.60382 | -0.00524 | |
| 2016 | 9 | 0.40650 | 0.19922 | 0.00000 | 0.01234 | 0.61806 | 0.01424 | 1 month delay in implementation of ACA factor |
| 2016 | 10 | 0.42055 | 0.19922 | 0.01256 | 0.01234 | 0.64467 | 0.02661 | |
| 2016 | 11 | 0.40769 | 0.19922 | 0.01256 | 0.01234 | 0.63181 | -0.01286 | |
| 2016 | 12 | 0.43240 | 0.19922 | 0.01256 | 0.01234 | 0.65652 | 0.02471 | |
| 2017 | 1 | 0.47454 | 0.19922 | 0.00301 | 0.01234 | 0.68911 | 0.03259 | |
| 2017 | 2 | 0.44440 | 0.19922 | 0.00301 | 0.01234 | 0.65897 | -0.03014 | |
| 2017 | 3 | 0.40055 | 0.19922 | 0.00301 | 0.01384 | 0.61662 | -0.04235 | Implementation of 2016 Decoupling |
| 2017 | 4 | 0.41009 | 0.22065 | 0.00301 | 0.01384 | 0.64759 | 0.03097 | Implementation of Final Rates 15-763 |
| 2017 | 5 | 0.40966 | 0.22065 | 0.00301 | 0.01384 | 0.64716 | -0.00043 | |
| 2017 | 6 | 0.42416 | 0.22065 | 0.00301 | 0.01384 | 0.66166 | 0.01450 | |
| 2017 | 7 | 0.41947 | 0.22065 | 0.00301 | 0.01384 | 0.65697 | -0.00469 | |
| 2017 | 8 | 0.41424 | 0.22065 | 0.00301 | 0.01384 | 0.65174 | -0.00523 | |
| 2017 | 9 | 0.44564 | 0.22065 | 0.01072 | 0.01384 | 0.69085 | 0.03911 | ACA Factor Implementation |
| 2017 | 10 | 0.42310 | 0.22065 | 0.01072 | 0.01384 | 0.66831 | -0.02254 | |
| 2017 | 11 | 0.44085 | 0.22065 | 0.01072 | 0.01384 | 0.68606 | 0.01775 | |
| 2017 | 12 | 0.45843 | 0.22065 | 0.01072 | 0.01384 | 0.70364 | 0.01758 | |

ATTACHMENT B

NNG Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2011 | 1 | 0.61103 | \$ 5,193,548 |
| 2011 | 2 | 0.61794 | \$ 4,714,185 |
| 2011 | 3 | 0.60496 | \$ 3,391,061 |
| 2011 | 4 | 0.6133 | \$ 1,911,850 |
| 2011 | 5 | 0.61012 | \$ 1,003,226 |
| 2011 | 6 | 0.60734 | \$ (19,554) |
| 2011 | 7 | 0.60414 | \$ 278,402 |
| 2011 | 8 | 0.61333 | \$ 384,170 |
| 2011 | 9 | 0.56851 | \$ 463,786 |
| 2011 | 10 | 0.54608 | \$ 801,292 |
| 2011 | 11 | 0.5966 | \$ 1,880,409 |
| 2011 | 12 | 0.58007 | \$ 3,832,648 |
| 2012 | 1 | 0.56467 | \$ 4,163,182 |
| 2012 | 2 | 0.52995 | \$ 4,009,436 |
| 2012 | 3 | 0.5344 | \$ 2,789,361 |
| 2012 | 4 | 0.51893 | \$ 100,490 |
| 2012 | 5 | 0.46855 | \$ 939,924 |
| 2012 | 6 | 0.45904 | \$ 98,837 |
| 2012 | 7 | 0.47173 | \$ 377,511 |
| 2012 | 8 | 0.5087 | \$ 401,463 |
| 2012 | 9 | 0.46959 | \$ 451,711 |
| 2012 | 10 | 0.4965 | \$ 980,690 |
| 2012 | 11 | 0.53469 | \$ 2,261,933 |
| 2012 | 12 | 0.5503 | \$ 3,423,687 |
| 2013 | 1 | 0.51287 | \$ 4,515,141 |
| 2013 | 2 | 0.50785 | \$ 5,635,357 |
| 2013 | 3 | 0.52124 | \$ 3,824,256 |
| 2013 | 4 | 0.56577 | \$ 2,754,359 |
| 2013 | 5 | 0.60472 | \$ 1,500,597 |
| 2013 | 6 | 0.60947 | \$ (361,209) |

Viking Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2011 | 1 | 0.52445 | \$ 134,582 |
| 2011 | 2 | 0.52275 | \$ 123,362 |
| 2011 | 3 | 0.51315 | \$ 96,217 |
| 2011 | 4 | 0.50728 | \$ 54,171 |
| 2011 | 5 | 0.52233 | \$ 21,786 |
| 2011 | 6 | 0.51753 | \$ (5,334) |

| | | | | |
|------|----|---------|----|----------|
| 2011 | 7 | 0.51662 | \$ | 912 |
| 2011 | 8 | 0.51659 | \$ | 5,451 |
| 2011 | 9 | 0.46953 | \$ | 7,472 |
| 2011 | 10 | 0.46334 | \$ | 23,885 |
| 2011 | 11 | 0.48621 | \$ | 49,222 |
| 2011 | 12 | 0.4644 | \$ | 108,474 |
| 2012 | 1 | 0.46355 | \$ | 103,978 |
| 2012 | 2 | 0.43105 | \$ | 113,431 |
| 2012 | 3 | 0.43226 | \$ | 80,943 |
| 2012 | 4 | 0.38021 | \$ | 9,607 |
| 2012 | 5 | 0.29945 | \$ | 19,438 |
| 2012 | 6 | 0.33517 | \$ | (1,951) |
| 2012 | 7 | 0.36502 | \$ | 4,524 |
| 2012 | 8 | 0.39395 | \$ | 6,234 |
| 2012 | 9 | 0.36502 | \$ | 7,389 |
| 2012 | 10 | 0.40817 | \$ | 31,549 |
| 2012 | 11 | 0.40874 | \$ | 67,797 |
| 2012 | 12 | 0.40857 | \$ | 105,484 |
| 2013 | 1 | 0.41512 | \$ | 120,158 |
| 2013 | 2 | 0.40918 | \$ | 139,315 |
| 2013 | 3 | 0.42975 | \$ | 113,693 |
| 2013 | 4 | 0.44931 | \$ | 55,821 |
| 2013 | 5 | 0.51036 | \$ | 71,303 |
| 2013 | 6 | 0.50946 | \$ | (28,353) |

Great Lakes Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2011 | 1 | 0.51121 | \$ 170,883 |
| 2011 | 2 | 0.5091 | \$ 149,564 |
| 2011 | 3 | 0.50022 | \$ 132,559 |
| 2011 | 4 | 0.49917 | \$ 65,641 |
| 2011 | 5 | 0.514 | \$ 23,478 |
| 2011 | 6 | 0.50902 | \$ (7,889) |
| 2011 | 7 | 0.50797 | \$ (977) |
| 2011 | 8 | 0.5078 | \$ 6,069 |
| 2011 | 9 | 0.46098 | \$ 9,096 |
| 2011 | 10 | 0.44674 | \$ 28,020 |
| 2011 | 11 | 0.46845 | \$ 70,029 |
| 2011 | 12 | 0.44711 | \$ 141,660 |
| 2012 | 1 | 0.44613 | \$ 134,147 |
| 2012 | 2 | 0.41409 | \$ 144,637 |
| 2012 | 3 | 0.41533 | \$ 98,805 |
| 2012 | 4 | 0.36725 | \$ 22,140 |
| 2012 | 5 | 0.28703 | \$ 29,307 |

| | | | | |
|------|----|---------|----|----------|
| 2012 | 6 | 0.32263 | \$ | (6,479) |
| 2012 | 7 | 0.35229 | \$ | 2,126 |
| 2012 | 8 | 0.38104 | \$ | 5,795 |
| 2012 | 9 | 0.3523 | \$ | 9,581 |
| 2012 | 10 | 0.39509 | \$ | 42,624 |
| 2012 | 11 | 0.40698 | \$ | 84,457 |
| 2012 | 12 | 0.40544 | \$ | 138,870 |
| 2013 | 1 | 0.406 | \$ | 163,646 |
| 2013 | 2 | 0.40018 | \$ | 180,072 |
| 2013 | 3 | 0.42071 | \$ | 118,950 |
| 2013 | 4 | 0.44326 | \$ | 93,627 |
| 2013 | 5 | 0.5047 | \$ | 81,538 |
| 2013 | 6 | 0.50674 | \$ | (23,261) |

NMU Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2011 | 1 | 0.56243 | \$ 1,476,451 |
| 2011 | 2 | 0.56379 | \$ 1,424,182 |
| 2011 | 3 | 0.55312 | \$ 1,051,814 |
| 2011 | 4 | 0.5536 | \$ 690,876 |
| 2011 | 5 | 0.56176 | \$ 315,036 |
| 2011 | 6 | 0.55741 | \$ (21,885) |
| 2011 | 7 | 0.55563 | \$ 72,309 |
| 2011 | 8 | 0.55905 | \$ 41,711 |
| 2011 | 9 | 0.51299 | \$ 97,851 |
| 2011 | 10 | 0.49179 | \$ 266,325 |
| 2011 | 11 | 0.53329 | \$ 699,060 |
| 2011 | 12 | 0.51374 | \$ 1,290,398 |
| 2012 | 1 | 0.50747 | \$ 1,319,370 |
| 2012 | 2 | 0.47422 | \$ 1,276,601 |
| 2012 | 3 | 0.4766 | \$ 829,505 |
| 2012 | 4 | 0.43686 | \$ 356,144 |
| 2012 | 5 | 0.36777 | \$ 320,643 |
| 2012 | 6 | 0.38641 | \$ (39,527) |
| 2012 | 7 | 0.40973 | \$ 43,150 |
| 2012 | 8 | 0.4416 | \$ 74,322 |
| 2012 | 9 | 0.40895 | \$ 95,819 |
| 2012 | 10 | 0.44586 | \$ 374,212 |
| 2012 | 11 | 0.47119 | \$ 795,148 |
| 2012 | 12 | 0.47647 | \$ 1,247,845 |
| 2013 | 1 | 0.47933 | \$ 1,150,915 |
| 2013 | 2 | 0.47379 | \$ 1,405,649 |
| 2013 | 3 | 0.49147 | \$ 829,715 |
| 2013 | 4 | 0.52209 | \$ 555,765 |

| | | | | |
|------|---|---------|----|---------|
| 2013 | 5 | 0.57446 | \$ | 629,111 |
| 2013 | 6 | 0.57653 | \$ | 111,993 |

NNG Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2013 | 7 | 0.55793 | \$ 237,519 |
| 2013 | 8 | 0.55893 | \$ 435,771 |
| 2013 | 9 | 0.54309 | \$ 499,354 |
| 2013 | 10 | 0.5436 | \$ 769,591 |
| 2013 | 11 | 0.57652 | \$ 3,000,545 |
| 2013 | 12 | 0.57341 | \$ 5,565,923 |
| 2014 | 1 | 0.64087 | \$ 8,619,437 |
| 2014 | 2 | 0.69713 | \$ 6,904,807 |
| 2014 | 3 | 0.76961 | \$ 5,642,037 |
| 2014 | 4 | 0.67256 | \$ 3,419,462 |
| 2014 | 5 | 0.67047 | \$ 972,197 |
| 2014 | 6 | 0.65261 | \$ (82,648) |
| 2014 | 7 | 0.6609 | \$ 163,246 |
| 2014 | 8 | 0.58272 | \$ 547,583 |
| 2014 | 9 | 0.59865 | \$ 591,757 |
| 2014 | 10 | 0.5942 | \$ 1,251,490 |
| 2014 | 11 | 0.60033 | \$ 2,998,781 |
| 2014 | 12 | 0.67574 | \$ 7,193,917 |
| 2015 | 1 | 0.57522 | \$ 5,910,516 |
| 2015 | 2 | 0.58248 | \$ 5,642,159 |
| 2015 | 3 | 0.58694 | \$ 6,399,870 |
| 2015 | 4 | 0.51971 | \$ 1,164,510 |
| 2015 | 5 | 0.46762 | \$ 694,662 |
| 2015 | 6 | 0.47197 | \$ 259,323 |
| 2015 | 7 | 0.46367 | \$ 261,910 |
| 2015 | 8 | 0.46357 | \$ 523,625 |
| 2015 | 9 | 0.45141 | \$ 562,973 |
| 2015 | 10 | 0.44833 | \$ 918,998 |
| 2015 | 11 | 0.42882 | \$ 1,812,128 |
| 2015 | 12 | 0.43647 | \$ 4,414,768 |
| 2016 | 1 | 0.43885 | \$ 6,720,320 |
| 2016 | 2 | 0.43219 | \$ 7,895,131 |
| 2016 | 3 | 0.40042 | \$ 3,142,865 |
| 2016 | 4 | 0.38246 | \$ 2,204,390 |
| 2016 | 5 | 0.44307 | \$ 773,880 |
| 2016 | 6 | 0.3096 | \$ 675,833 |
| 2016 | 7 | 0.38224 | \$ 258,792 |
| 2016 | 8 | 0.38965 | \$ 582,243 |
| 2016 | 9 | 0.42577 | \$ 795,174 |

| | | | |
|------|----|---------|--------------|
| 2016 | 10 | 0.4285 | \$ 784,510 |
| 2016 | 11 | 0.40001 | \$ 2,411,527 |
| 2016 | 12 | 0.42918 | \$ 5,435,482 |
| 2017 | 1 | 0.48683 | \$ 6,448,269 |
| 2017 | 2 | 0.43831 | \$ 3,759,516 |
| 2017 | 3 | 0.39064 | \$ 4,503,874 |
| 2017 | 4 | 0.40083 | \$ 2,367,239 |
| 2017 | 5 | 0.41038 | \$ 1,470,166 |
| 2017 | 6 | 0.43273 | \$ 989,014 |
| 2017 | 7 | 0.40626 | \$ 1,266,149 |
| 2017 | 8 | 0.40103 | \$ 574,511 |
| 2017 | 9 | 0.42288 | \$ 662,748 |
| 2017 | 10 | 0.40034 | \$ 1,023,130 |
| 2017 | 11 | 0.41809 | \$ 3,847,632 |
| 2017 | 12 | 0.43567 | \$ 5,308,653 |

Consolidated Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2013 | 7 | 0.47661 | \$ (26,623) |
| 2013 | 8 | 0.47303 | \$ (22,012) |
| 2013 | 9 | 0.47474 | \$ 44,953 |
| 2013 | 10 | 0.47846 | \$ 140,645 |
| 2013 | 11 | 0.46712 | \$ 550,795 |
| 2013 | 12 | 0.49062 | \$ 978,683 |
| 2014 | 1 | 0.51386 | \$ 1,516,389 |
| 2014 | 2 | 0.65193 | \$ 1,238,674 |
| 2014 | 3 | 0.74803 | \$ 1,004,186 |
| 2014 | 4 | 0.58207 | \$ 551,446 |
| 2014 | 5 | 0.58739 | \$ 253,029 |
| 2014 | 6 | 0.55646 | \$ (50,956) |
| 2014 | 7 | 0.55334 | \$ (57,321) |
| 2014 | 8 | 0.48847 | \$ 39,754 |
| 2014 | 9 | 0.50302 | \$ 69,448 |
| 2014 | 10 | 0.51296 | \$ 218,769 |
| 2014 | 11 | 0.57338 | \$ 590,910 |
| 2014 | 12 | 0.5952 | \$ 1,293,095 |
| 2015 | 1 | 0.52515 | \$ 1,052,921 |
| 2015 | 2 | 0.47522 | \$ 991,242 |
| 2015 | 3 | 0.52264 | \$ 1,141,948 |
| 2015 | 4 | 0.43212 | \$ 230,997 |
| 2015 | 5 | 0.38945 | \$ 137,386 |
| 2015 | 6 | 0.40675 | \$ 17,903 |
| 2015 | 7 | 0.39624 | \$ (28,686) |

| | | | | |
|------|----|---------|----|-----------|
| 2015 | 8 | 0.40609 | \$ | 48,285 |
| 2015 | 9 | 0.39881 | \$ | 62,110 |
| 2015 | 10 | 0.39916 | \$ | 168,343 |
| 2015 | 11 | 0.393 | \$ | 385,256 |
| 2015 | 12 | 0.38818 | \$ | 809,662 |
| 2016 | 1 | 0.3959 | \$ | 1,229,485 |
| 2016 | 2 | 0.38753 | \$ | 1,300,960 |
| 2016 | 3 | 0.37177 | \$ | 651,664 |
| 2016 | 4 | 0.31489 | \$ | 402,315 |
| 2016 | 5 | 0.29986 | \$ | 201,158 |
| 2016 | 6 | 0.29546 | \$ | 16,972 |
| 2016 | 7 | 0.39067 | \$ | 17,853 |
| 2016 | 8 | 0.34783 | \$ | 56,887 |
| 2016 | 9 | 0.38356 | \$ | 64,992 |
| 2016 | 10 | 0.39548 | \$ | 220,532 |
| 2016 | 11 | 0.37388 | \$ | 485,323 |
| 2016 | 12 | 0.38569 | \$ | 881,224 |
| 2017 | 1 | 0.42216 | \$ | 1,144,104 |
| 2017 | 2 | 0.39641 | \$ | 2,338,185 |
| 2017 | 3 | 0.37644 | \$ | 951,266 |
| 2017 | 4 | 0.36905 | \$ | 397,562 |
| 2017 | 5 | 0.37369 | \$ | 320,451 |
| 2017 | 6 | 0.38179 | \$ | 101,547 |
| 2017 | 7 | 0.36668 | \$ | 2,062 |
| 2017 | 8 | 0.35905 | \$ | 65,769 |
| 2017 | 9 | 0.36078 | \$ | 44,226 |
| 2017 | 10 | 0.35919 | \$ | 207,593 |
| 2017 | 11 | 0.33682 | \$ | 732,968 |
| 2017 | 12 | 0.30692 | \$ | 1,047,575 |

Albert Lea Residential

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2013 | 7 | | |
| 2013 | 8 | | |
| 2013 | 9 | | |
| 2013 | 10 | | |
| 2013 | 11 | | |
| 2013 | 12 | | |
| 2014 | 1 | | |
| 2014 | 2 | | |
| 2014 | 3 | | |
| 2014 | 4 | | |
| 2014 | 5 | | |
| 2014 | 6 | | |

| | | | | |
|------|----|---------|----|---------|
| 2014 | 7 | | | |
| 2014 | 8 | | | |
| 2014 | 9 | | | |
| 2014 | 10 | | | |
| 2014 | 11 | | | |
| 2014 | 12 | | | |
| 2015 | 1 | | | |
| 2015 | 2 | | | |
| 2015 | 3 | | | |
| 2015 | 4 | | | |
| 2015 | 5 | 0.3932 | \$ | 27,176 |
| 2015 | 6 | 0.42673 | \$ | 100,732 |
| 2015 | 7 | 0.41821 | \$ | 7,787 |
| 2015 | 8 | 0.42253 | \$ | 26,766 |
| 2015 | 9 | 0.4165 | \$ | 31,954 |
| 2015 | 10 | 0.41205 | \$ | 47,679 |
| 2015 | 11 | 0.37257 | \$ | 103,832 |
| 2015 | 12 | 0.38323 | \$ | 261,590 |
| 2016 | 1 | 0.40102 | \$ | 386,922 |
| 2016 | 2 | 0.38964 | \$ | 425,652 |
| 2016 | 3 | 0.36288 | \$ | 179,752 |
| 2016 | 4 | 0.33509 | \$ | 140,067 |
| 2016 | 5 | 0.39574 | \$ | 50,626 |
| 2016 | 6 | 0.32027 | \$ | 23,424 |
| 2016 | 7 | 0.39804 | \$ | 21,304 |
| 2016 | 8 | 0.3928 | \$ | 28,607 |
| 2016 | 9 | 0.4065 | \$ | 37,838 |
| 2016 | 10 | 0.42055 | \$ | 43,896 |
| 2016 | 11 | 0.40769 | \$ | 129,610 |
| 2016 | 12 | 0.4324 | \$ | 294,168 |
| 2017 | 1 | 0.47454 | \$ | 367,136 |
| 2017 | 2 | 0.4444 | \$ | 205,342 |
| 2017 | 3 | 0.40055 | \$ | 255,811 |
| 2017 | 4 | 0.41009 | \$ | 136,338 |
| 2017 | 5 | 0.40966 | \$ | 65,674 |
| 2017 | 6 | 0.42416 | \$ | 55,757 |
| 2017 | 7 | 0.41947 | \$ | 44,465 |
| 2017 | 8 | 0.41424 | \$ | 31,880 |
| 2017 | 9 | 0.44564 | \$ | 30,845 |
| 2017 | 10 | 0.4231 | \$ | 51,669 |
| 2017 | 11 | 0.44085 | \$ | 221,729 |
| 2017 | 12 | 0.45843 | \$ | 288,668 |

NNG Small C&I

GAS* MARGIN

| Year | Month | COSTS | REVENUE |
|-------------|--------------|--------------|----------------|
| 2011 | 1 | 0.61103 | \$ 260,878 |
| 2011 | 2 | 0.61794 | \$ 228,393 |
| 2011 | 3 | 0.60496 | \$ 157,892 |
| 2011 | 4 | 0.6133 | \$ 76,942 |
| 2011 | 5 | 0.61012 | \$ (13,217) |
| 2011 | 6 | 0.60734 | \$ (11,948) |
| 2011 | 7 | 0.60414 | \$ 3,650 |
| 2011 | 8 | 0.61333 | \$ 8,469 |
| 2011 | 9 | 0.56851 | \$ 15,218 |
| 2011 | 10 | 0.54608 | \$ 19,387 |
| 2011 | 11 | 0.5966 | \$ 54,421 |
| 2011 | 12 | 0.58007 | \$ 128,167 |
| 2012 | 1 | 0.56467 | \$ 164,016 |
| 2012 | 2 | 0.52995 | \$ 162,252 |
| 2012 | 3 | 0.5344 | \$ 105,012 |
| 2012 | 4 | 0.51893 | \$ (17,247) |
| 2012 | 5 | 0.46855 | \$ 23,248 |
| 2012 | 6 | 0.45904 | \$ (1,258) |
| 2012 | 7 | 0.47173 | \$ 5,621 |
| 2012 | 8 | 0.5087 | \$ 10,295 |
| 2012 | 9 | 0.46959 | \$ 13,565 |
| 2012 | 10 | 0.4965 | \$ 43,608 |
| 2012 | 11 | 0.53469 | \$ 79,274 |
| 2012 | 12 | 0.5503 | \$ 159,598 |
| 2013 | 1 | 0.51287 | \$ 252,592 |
| 2013 | 2 | 0.50785 | \$ 376,418 |
| 2013 | 3 | 0.52124 | \$ 220,088 |
| 2013 | 4 | 0.56577 | \$ 159,065 |
| 2013 | 5 | 0.60472 | \$ 50,324 |
| 2013 | 6 | 0.60947 | \$ (52,759) |

Viking Small C&I

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------------|---------------------------------|
| 2011 | 1 | 0.52445 | \$ 10,022 |
| 2011 | 2 | 0.52275 | \$ 9,098 |
| 2011 | 3 | 0.51315 | \$ 7,607 |
| 2011 | 4 | 0.50728 | \$ 2,539 |
| 2011 | 5 | 0.52233 | \$ 256 |
| 2011 | 6 | 0.51753 | \$ (265) |
| 2011 | 7 | 0.51662 | \$ 153 |
| 2011 | 8 | 0.51659 | \$ 545 |
| 2011 | 9 | 0.46953 | \$ 476 |
| 2011 | 10 | 0.46334 | \$ 1,508 |

| | | | | |
|------|----|---------|----|---------|
| 2011 | 11 | 0.48621 | \$ | 2,440 |
| 2011 | 12 | 0.4644 | \$ | 7,739 |
| 2012 | 1 | 0.46355 | \$ | 7,022 |
| 2012 | 2 | 0.43105 | \$ | 9,535 |
| 2012 | 3 | 0.43226 | \$ | 5,602 |
| 2012 | 4 | 0.38021 | \$ | (230) |
| 2012 | 5 | 0.29945 | \$ | 1,181 |
| 2012 | 6 | 0.33517 | \$ | 146 |
| 2012 | 7 | 0.36502 | \$ | 313 |
| 2012 | 8 | 0.39395 | \$ | 420 |
| 2012 | 9 | 0.36502 | \$ | 624 |
| 2012 | 10 | 0.40817 | \$ | 2,035 |
| 2012 | 11 | 0.40874 | \$ | 5,242 |
| 2012 | 12 | 0.40857 | \$ | 10,492 |
| 2013 | 1 | 0.41512 | \$ | 13,811 |
| 2013 | 2 | 0.40918 | \$ | 18,745 |
| 2013 | 3 | 0.42975 | \$ | 11,630 |
| 2013 | 4 | 0.44931 | \$ | 8,191 |
| 2013 | 5 | 0.51036 | \$ | 6,777 |
| 2013 | 6 | 0.50946 | \$ | (2,387) |

Great Lakes Small C&I

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2011 | 1 | 0.51121 | \$ 22,915 |
| 2011 | 2 | 0.5091 | \$ 15,307 |
| 2011 | 3 | 0.50022 | \$ 13,632 |
| 2011 | 4 | 0.49917 | \$ 5,056 |
| 2011 | 5 | 0.514 | \$ (2,535) |
| 2011 | 6 | 0.50902 | \$ (935) |
| 2011 | 7 | 0.50797 | \$ (179) |
| 2011 | 8 | 0.5078 | \$ 223 |
| 2011 | 9 | 0.46098 | \$ 379 |
| 2011 | 10 | 0.44674 | \$ 1,346 |
| 2011 | 11 | 0.46845 | \$ 3,670 |
| 2011 | 12 | 0.44711 | \$ 11,516 |
| 2012 | 1 | 0.44613 | \$ 10,266 |
| 2012 | 2 | 0.41409 | \$ 13,459 |
| 2012 | 3 | 0.41533 | \$ 7,843 |
| 2012 | 4 | 0.36725 | \$ 1,021 |
| 2012 | 5 | 0.28703 | \$ 1,278 |
| 2012 | 6 | 0.32263 | \$ (812) |
| 2012 | 7 | 0.35229 | \$ 241 |
| 2012 | 8 | 0.38104 | \$ 481 |
| 2012 | 9 | 0.3523 | \$ 660 |

| | | | | |
|------|----|---------|----|---------|
| 2012 | 10 | 0.39509 | \$ | 2,545 |
| 2012 | 11 | 0.40698 | \$ | 8,253 |
| 2012 | 12 | 0.40544 | \$ | 14,512 |
| 2013 | 1 | 0.406 | \$ | 24,340 |
| 2013 | 2 | 0.40018 | \$ | 27,682 |
| 2013 | 3 | 0.42071 | \$ | 17,653 |
| 2013 | 4 | 0.44326 | \$ | 14,229 |
| 2013 | 5 | 0.5047 | \$ | 9,563 |
| 2013 | 6 | 0.50674 | \$ | (3,644) |

NMU Small C&I

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2011 | 1 | 0.56243 | \$ 106,958 |
| 2011 | 2 | 0.56379 | \$ 64,508 |
| 2011 | 3 | 0.55312 | \$ 80,890 |
| 2011 | 4 | 0.5536 | \$ 35,029 |
| 2011 | 5 | 0.56176 | \$ 2,070 |
| 2011 | 6 | 0.55741 | \$ (6,535) |
| 2011 | 7 | 0.55563 | \$ 3,347 |
| 2011 | 8 | 0.55905 | \$ 1,984 |
| 2011 | 9 | 0.51299 | \$ 3,802 |
| 2011 | 10 | 0.49179 | \$ 8,119 |
| 2011 | 11 | 0.53329 | \$ 29,195 |
| 2011 | 12 | 0.51374 | \$ 67,461 |
| 2012 | 1 | 0.50747 | \$ 71,219 |
| 2012 | 2 | 0.47422 | \$ 79,630 |
| 2012 | 3 | 0.4766 | \$ 45,465 |
| 2012 | 4 | 0.43686 | \$ 12,789 |
| 2012 | 5 | 0.36777 | \$ 16,545 |
| 2012 | 6 | 0.38641 | \$ (5,075) |
| 2012 | 7 | 0.40973 | \$ 1,257 |
| 2012 | 8 | 0.4416 | \$ 4,032 |
| 2012 | 9 | 0.40895 | \$ 4,468 |
| 2012 | 10 | 0.44586 | \$ 15,227 |
| 2012 | 11 | 0.47119 | \$ 41,301 |
| 2012 | 12 | 0.47647 | \$ 97,612 |
| 2013 | 1 | 0.47933 | \$ 81,245 |
| 2013 | 2 | 0.47379 | \$ 114,977 |
| 2013 | 3 | 0.49147 | \$ 62,373 |
| 2013 | 4 | 0.52209 | \$ 47,062 |
| 2013 | 5 | 0.57446 | \$ 46,200 |
| 2013 | 6 | 0.57653 | \$ (16,533) |

NNG Small C&I

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2013 | 7 | 0.55793 | \$ 3,345 |
| 2013 | 8 | 0.55893 | \$ 15,573 |
| 2013 | 9 | 0.54309 | \$ 17,228 |
| 2013 | 10 | 0.54360 | \$ 148,092 |
| 2013 | 11 | 0.57652 | \$ 129,069 |
| 2013 | 12 | 0.57341 | \$ 326,616 |
| 2014 | 1 | 0.64087 | \$ 583,804 |
| 2014 | 2 | 0.69713 | \$ 491,316 |
| 2014 | 3 | 0.76961 | \$ 370,117 |
| 2014 | 4 | 0.67256 | \$ 182,445 |
| 2014 | 5 | 0.67047 | \$ 8,344 |
| 2014 | 6 | 0.65261 | \$ (31,521) |
| 2014 | 7 | 0.66090 | \$ (5,742) |
| 2014 | 8 | 0.58272 | \$ 16,477 |
| 2014 | 9 | 0.59865 | \$ 20,991 |
| 2014 | 10 | 0.59420 | \$ 73,595 |
| 2014 | 11 | 0.60033 | \$ 197,614 |
| 2014 | 12 | 0.67574 | \$ 501,087 |
| 2015 | 1 | 0.57522 | \$ 1,052,921 |
| 2015 | 2 | 0.58248 | \$ 991,242 |
| 2015 | 3 | 0.58694 | \$ 1,141,948 |
| 2015 | 4 | 0.51971 | \$ 230,997 |
| 2015 | 5 | 0.46762 | \$ 137,386 |
| 2015 | 6 | 0.47197 | \$ 17,903 |
| 2015 | 7 | 0.46367 | \$ (28,686) |
| 2015 | 8 | 0.46357 | \$ 48,285 |
| 2015 | 9 | 0.45141 | \$ 62,110 |
| 2015 | 10 | 0.44833 | \$ 168,343 |
| 2015 | 11 | 0.42882 | \$ 385,256 |
| 2015 | 12 | 0.43647 | \$ 809,662 |
| 2016 | 1 | 0.43885 | \$ 227,056 |
| 2016 | 2 | 0.43219 | \$ 249,001 |
| 2016 | 3 | 0.40042 | \$ 298,713 |
| 2016 | 4 | 0.38246 | \$ (273,902) |
| 2016 | 5 | 0.44307 | \$ 238,655 |
| 2016 | 6 | 0.30960 | \$ (61,912) |
| 2016 | 7 | 0.38224 | \$ 157,829 |
| 2016 | 8 | 0.38965 | \$ (64,921) |
| 2016 | 9 | 0.42577 | \$ (44,251) |
| 2016 | 10 | 0.42850 | \$ 17,456 |
| 2016 | 11 | 0.40001 | \$ 153,053 |
| 2016 | 12 | 0.42918 | \$ 106,826 |
| 2017 | 1 | 0.48683 | \$ 329,060 |

| | | | | |
|------|----|---------|----|-----------|
| 2017 | 2 | 0.43831 | \$ | 424,619 |
| 2017 | 3 | 0.39064 | \$ | 117,024 |
| 2017 | 4 | 0.40083 | \$ | 71,392 |
| 2017 | 5 | 0.41038 | \$ | 198,568 |
| 2017 | 6 | 0.43273 | \$ | (223,503) |
| 2017 | 7 | 0.40626 | \$ | 11,205 |
| 2017 | 8 | 0.40103 | \$ | 30,108 |
| 2017 | 9 | 0.42288 | \$ | 18,011 |
| 2017 | 10 | 0.40034 | \$ | 25,862 |
| 2017 | 11 | 0.41809 | \$ | 202,129 |
| 2017 | 12 | 0.43567 | \$ | 200,399 |

Consolidated Small C&I

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2013 | 7 | 0.47661 | \$ (3,452) |
| 2013 | 8 | 0.47303 | \$ 3,569 |
| 2013 | 9 | 0.47474 | \$ 4,224 |
| 2013 | 10 | 0.47846 | \$ 9,294 |
| 2013 | 11 | 0.46712 | \$ 69,980 |
| 2013 | 12 | 0.49062 | \$ 84,468 |
| 2014 | 1 | 0.51386 | \$ 175,597 |
| 2014 | 2 | 0.65193 | \$ 139,998 |
| 2014 | 3 | 0.74803 | \$ 121,066 |
| 2014 | 4 | 0.58207 | \$ 47,037 |
| 2014 | 5 | 0.58739 | \$ 13,251 |
| 2014 | 6 | 0.55646 | \$ (4,389) |
| 2014 | 7 | 0.55334 | \$ (4,601) |
| 2014 | 8 | 0.48847 | \$ 5,447 |
| 2014 | 9 | 0.50302 | \$ 5,872 |
| 2014 | 10 | 0.51296 | \$ 19,174 |
| 2014 | 11 | 0.57338 | \$ 52,915 |
| 2014 | 12 | 0.5952 | \$ 145,460 |
| 2015 | 1 | 0.52515 | \$ 131,228 |
| 2015 | 2 | 0.47522 | \$ 114,252 |
| 2015 | 3 | 0.52264 | \$ 138,386 |
| 2015 | 4 | 0.43212 | \$ 12,435 |
| 2015 | 5 | 0.38945 | \$ 4,725 |
| 2015 | 6 | 0.40675 | \$ (9,092) |
| 2015 | 7 | 0.39624 | \$ (916) |
| 2015 | 8 | 0.40609 | \$ 3,816 |
| 2015 | 9 | 0.39881 | \$ 3,180 |
| 2015 | 10 | 0.39916 | \$ 7,377 |
| 2015 | 11 | 0.393 | \$ 17,127 |

| | | | | |
|------|----|---------|----|----------|
| 2015 | 12 | 0.38818 | \$ | 45,070 |
| 2016 | 1 | 0.3959 | \$ | 76,803 |
| 2016 | 2 | 0.38753 | \$ | 87,964 |
| 2016 | 3 | 0.37177 | \$ | 36,161 |
| 2016 | 4 | 0.31489 | \$ | 20,867 |
| 2016 | 5 | 0.29986 | \$ | 6,586 |
| 2016 | 6 | 0.29546 | \$ | 28,238 |
| 2016 | 7 | 0.39067 | \$ | (25,603) |
| 2016 | 8 | 0.34783 | \$ | 1,348 |
| 2016 | 9 | 0.38356 | \$ | 4,189 |
| 2016 | 10 | 0.39548 | \$ | 10,517 |
| 2016 | 11 | 0.37388 | \$ | 74,106 |
| 2016 | 12 | 0.38569 | \$ | 15,299 |
| 2017 | 1 | 0.42216 | \$ | 99,519 |
| 2017 | 2 | 0.39641 | \$ | 83,440 |
| 2017 | 3 | 0.37644 | \$ | 54,655 |
| 2017 | 4 | 0.36905 | \$ | 32,485 |
| 2017 | 5 | 0.37369 | \$ | 8,339 |
| 2017 | 6 | 0.38179 | \$ | 4,073 |
| 2017 | 7 | 0.36668 | \$ | 3,488 |
| 2017 | 8 | 0.35905 | \$ | 4,207 |
| 2017 | 9 | 0.36078 | \$ | 5,063 |
| 2017 | 10 | 0.35919 | \$ | 11,394 |
| 2017 | 11 | 0.33682 | \$ | 50,727 |
| 2017 | 12 | 0.30692 | \$ | 83,478 |

Albert Lea Small C&I

| Year | Month | GAS* COSTS | MARGIN REVENUE |
|-------------|--------------|-----------------------|---------------------------|
| 2013 | 7 | | |
| 2013 | 8 | | |
| 2013 | 9 | | |
| 2013 | 10 | | |
| 2013 | 11 | | |
| 2013 | 12 | | |
| 2014 | 1 | | |
| 2014 | 2 | | |
| 2014 | 3 | | |
| 2014 | 4 | | |
| 2014 | 5 | | |
| 2014 | 6 | | |
| 2014 | 7 | | |
| 2014 | 8 | | |
| 2014 | 9 | | |
| 2014 | 10 | | |

| | | | | |
|------|----|---------|----|----------|
| 2014 | 11 | | | |
| 2014 | 12 | | | |
| 2015 | 1 | | | |
| 2015 | 2 | | | |
| 2015 | 3 | | | |
| 2015 | 4 | | | |
| 2015 | 5 | 0.39320 | \$ | 1,384 |
| 2015 | 6 | 0.42673 | \$ | 1,158 |
| 2015 | 7 | 0.41821 | \$ | (178) |
| 2015 | 8 | 0.42253 | \$ | (972) |
| 2015 | 9 | 0.41650 | \$ | 6,823 |
| 2015 | 10 | 0.41205 | \$ | (1,700) |
| 2015 | 11 | 0.37257 | \$ | 11,401 |
| 2015 | 12 | 0.38323 | \$ | 6,074 |
| 2016 | 1 | 0.40102 | \$ | 14,015 |
| 2016 | 2 | 0.38964 | \$ | (14,436) |
| 2016 | 3 | 0.36288 | \$ | 17,253 |
| 2016 | 4 | 0.33509 | \$ | 412 |
| 2016 | 5 | 0.39574 | \$ | 1,305 |
| 2016 | 6 | 0.32027 | \$ | 393 |
| 2016 | 7 | 0.39804 | \$ | 2,316 |
| 2016 | 8 | 0.39280 | \$ | (1,148) |
| 2016 | 9 | 0.40650 | \$ | 1,646 |
| 2016 | 10 | 0.42055 | \$ | 2,968 |
| 2016 | 11 | 0.40769 | \$ | 8,299 |
| 2016 | 12 | 0.43240 | \$ | 4,483 |
| 2017 | 1 | 0.47454 | \$ | 9,197 |
| 2017 | 2 | 0.44440 | \$ | 9,170 |
| 2017 | 3 | 0.40055 | \$ | 5,478 |
| 2017 | 4 | 0.41009 | \$ | 3,604 |
| 2017 | 5 | 0.40966 | \$ | 1,633 |
| 2017 | 6 | 0.42416 | \$ | 976 |
| 2017 | 7 | 0.41947 | \$ | 961 |
| 2017 | 8 | 0.41424 | \$ | 1,074 |
| 2017 | 9 | 0.44564 | \$ | 1,368 |
| 2017 | 10 | 0.42310 | \$ | 2,216 |
| 2017 | 11 | 0.44085 | \$ | 14,958 |
| 2017 | 12 | 0.45843 | \$ | 11,617 |

*Gas Costs exclude the ACA Factor

ATTACHMENT C

MICHAEL J. AHERN
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May 1, 2013

VIA ELECTRONIC FILING

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

Re: Minnesota Energy Resources Corporation Gas Service Quality Standards Report
Docket No. G007,011/M-13-__

Dear Dr. Haar:

Enclosed for filing is Minnesota Energy Resources Corporation's (MERC's) Annual Gas Service Quality Standards Report for 2012.

Please feel free to contact me at (612) 340-2881 if you have any questions regarding this matter.

Sincerely yours,

/s/ Michael J. Ahern

Michael J. Ahern

cc: Service List

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

| | |
|-------------------------|--------------|
| Beverly Jones Heydinger | Chair |
| J. Dennis O'Brien | Commissioner |
| David C. Boyd | Commissioner |
| Nancy Lange | Commissioner |
| Betsy Wergin | Commissioner |

In the Matter of the Annual Service Quality
Report for Minnesota Energy Resources
Corporation for 2012

Docket No. G007,011/M-13-__

ANNUAL SERVICE QUALITY REPORT

Minnesota Energy Resources Corporation (“MERC” or the “Company”) submits this Annual Report for 2012 in compliance with the Minnesota Public Utilities Commission’s August 26, 2010 Order Setting Reporting Requirements in Docket No. G-999/CI-09-409 and March 6, 2012, Order Accepting Reports and Setting Further Requirements in Docket No. G-007,011/M-10-374.

A. Call Center Response Time

Each utility is required to report call center response time in terms of the percentage of calls answered within 20 seconds.

MERC Response: The required information is provided in Attachment A.

B. Meter Reading Performance Data

Each utility is required to report the meter reading performance data contained in Minn. Rules, part 7826.1400.

7826.1400 REPORTING METER-READING PERFORMANCE.

The annual service quality report must include a detailed report on the utility’s meter-reading performance, including, for each customer class and for each calendar month:

- A. the number and percentage of customer meters read by utility personnel;
- B. the number and percentage of customer meters self-read by customers;
- C. the number and percentage of customer meters that have not been read by utility personnel for periods of six to 12 months and for periods of longer than 12 months, and an explanation as to why they have not been read; and
- D. data on monthly meter-reading staffing levels, by work center or geographical area.

MERC Response: The required information is provided in Attachment B. The data for self reads includes both estimates and customer self reads.

In its March 6, 2012, Order Setting Further Reporting Requirements, the Commission also requested utilities to explain in their annual reports whether the difference between the total percentage of meters (100%) and the percentage of meters read (by both the utility and the customers) is equal to the percentage of estimated meter reads.

MERC Response: MERC's system does not differentiate between an estimate and a customer read so the customer read numbers include both estimates and customer self reads.

C. Involuntary Service Disconnections

In lieu of reporting data on involuntary service disconnections as contained in Minn. Rules, part 7826.1500, each utility shall reference the data that it submits under Minn. Stat. §§ 216B.091 and 216B.096.

MERC Response: MERC refers to its monthly reports filed with the Commission under Minn. Stat. §§ 216B.091 and 216B.096, and attached to this report as Attachment C. In particular:

1. The number of customers who received disconnection notices is reported in item 20 of MERC's monthly report.
2. The number of customers who sought Cold Weather Rule protection under chapter 7820 is reported in item 3, and the number of customers who sought Cold Weather Rule protection and whose service was disconnected is provided in item 22 of MERC's monthly report.
3. The total number of customers whose service was disconnected involuntarily is provided in item 23 of MERC's monthly report, and the number of customers whose service was disconnected for 24 hours or more is reported in item 34.
4. The number of customer accounts granted a reconnection request are reported in item 6 of MERC's monthly report.

D. Service Extension Requests

Each utility shall report the service extension request response time data contained in Minn. Rules, part 7826.1600, items A and B, except that data reported under Minn. Stat. 216B.091 and 216B.096, subd. 11, is not required.

7826.1600 REPORTING SERVICE EXTENSION REQUEST RESPONSE TIMES.

The annual service quality report must include a report on service extension request response times, including, for each customer class and each calendar month:

- A. the number of customers requesting service to a location not previously served by the utility and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service; and

B. the number of customers requesting service to a location previously served by the utility, but not served at the time of the request, and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service.

MERC Response: The required information is provided in Attachment E. “New installs” represent new service requests at locations where no gas service exists, either because the location is new construction or because an alternate fuel source has been used there previously. “Existing” installs represent any building that has previously had natural gas service, where the service has previously been disconnected.

In its March 6, 2012, Order Setting Further Reporting Requirements, the Commission also requested utilities to explain the types of extension requests included in the data on service extension request response times for locations previously served and not previously served.

MERC Response: For locations not previously served, new service requests are for service where no gas exists, usually for new construction or an existing customer who requests new service to convert to natural gas. For locations previously served, new service requests consist of requests to turn on service after the service was disconnected at the previous customer’s request. Disconnections for non-payment are not included in MERC’s response.

E. Customer Deposits

Each utility shall report the customer deposit data contained in Minn. Rules, part 7826.1900.

7826.1900 REPORTING CUSTOMER DEPOSITS.

The annual service quality report must include the number of customers who were required to make a deposit as a condition of receiving service.

MERC Response: Twenty-three customers were required to make deposits in 2012, all due to diversion (theft).

In its March 6, 2012, Order Setting Further Reporting Requirements, the Commission also requested utilities to explain the types of deposits included in the reported number of “required customer deposits.”

MERC Response: MERC had twenty-three new deposits in 2012 and all were required from customers because of theft of service. In total, MERC holds 695 deposits, 672 of which were required before 2012.

F. Customer Complaints

Each utility shall report the customer complaint data contained in Minn. Rules, part 7826.2000.

7826.2000 REPORTING CUSTOMER COMPLAINTS.

The annual service quality report must include a detailed report on complaints by customer class and calendar month, including at least the following information:

- A. the number of complaints received;
- B. the number and percentage of complaints alleging billing errors, inaccurate metering, wrongful disconnection, high bills, inadequate service, and the number involving service-extension intervals, service-restoration intervals, and any other identifiable subject matter involved in five percent or more of customer complaints;
- C. the number and percentage of complaints resolved upon initial inquiry, within ten days, and longer than ten days;
- D. the number and percentage of all complaints resolved by taking any of the following actions:
 - (1) taking the action the customer requested;
 - (2) taking an action the customer and the utility agree is an acceptable compromise;
 - (3) providing the customer with information that demonstrates that the situation complained of is not reasonably within the control of the utility; or
 - (4) refusing to take the action the customer requested; and
- E. the number of complaints forwarded to the utility by the commission's Consumer Affairs Office for further investigation and action.

MERC Response: The required information is provided in Attachment G.

G. Telephone Answer Times

Each utility shall report data on telephone answer times to its gas emergency phone line calls.

MERC Response: The required information is provided in Attachment H.

H. Mislocates

Each utility shall report data on mislocates, including the number of times a line is damaged due to a mismarked line or failure to mark a line.

MERC Response: The required information is provided in Attachment I. All of the mislocates noted in Attachment I resulted in a damaged line.

I. Damaged Gas Lines

Each utility shall report data on the number of gas lines damaged. The damage shall be categorized according to whether it was caused by the utility's employees or contractors, or whether it was due to any other unplanned cause.

MERC Response: The required information is provided in Attachment J.

J. Service Interruptions

Each utility shall report data on service interruptions. Each interruption shall be categorized according to whether it was caused by the utility's employees or contractors, or whether it was due to any other unplanned cause.

MERC Response: The required information is provided in Attachment K.

K. MOPS Reportable Events

Each utility shall report summaries of major events that are immediately reportable to the Minnesota Office of Pipeline Safety (MOPS) according to the criteria used by MOPS to identify reportable events. Each utility shall also provide summaries of all service interruptions caused by system integrity pressure issues. Each summary shall include the following ten items:

- the location;
- when the incident occurred;
- how many customers were affected;
- how the company was made aware of the incident;
- the root cause of the incident;
- the actions taken to fix the problem;
- what actions were taken to contact customers;
- any public relations or media issues;
- whether the customer or the company relighted; and
- the longest any customer was without gas service during the incident.

MERC Response: The required information is provided in Attachment L.

L. Notification of Reportable Events

Each utility shall provide the Commission and the OES with notification of reportable events as they are defined by MOPS, contemporaneous with the utility's notification of the event to MOPS. The notice should be sent to the Commission's Consumer Affairs Office at consumer.puc@state.mn.us and shall describe the location and cause of the event, the number of customers affected, the expected duration of the event, and the utility's best estimate of when service will be restored.

MERC Response: MERC is currently providing the Commission and the OES with notification of reportable events contemporaneous with the utility's notification of the event to MOPS through reporting to the Commission's Consumer Affairs Office.

M. Gas Emergency Response Times

Each utility shall report data on gas emergency response times and include the percentage of emergencies responded to within one hour and within more than one hour. CenterPoint, IPL, and MERC shall also report the average number of minutes it takes to respond to an emergency.

MERC Response: The required information is provided in Attachment H. The gas emergency call response times include all calls reporting a suspected gas leak, as well as all line hits.

In its March 6, 2012, Order Setting Further Reporting Requirements, the Commission also requested utilities to describe the types of gas emergency calls included in their gas emergency response times, as well as the types of emergency calls included in their reports to the Minnesota Office of Pipeline Safety (MOPS). Further, utilities must explain any difference between the reports provided to the Commission and MOPS.

MERC Response: The information provided in Attachment H includes response time for all calls reporting a suspected gas leak and line hits. The information in Attachment H is the same information provided to MOPS.

N. Customer-Service Related Operations and Maintenance Expenses

Each utility shall report customer-service related operations and maintenance expenses. The reports shall include only Minnesota-regulated, customer-service expenses and shall be based on the costs each utility records in its FERC accounts 901 and 903, plus payroll taxes and benefits.

MERC Response: The required information is provided in Attachment O.

Calls answered within 20 seconds

| 2012 | January | February | March | April | May | June | July | August | September | October | November | December |
|--------------------------|---------|----------|--------|--------|--------|--------|--------|--------|-----------|---------|----------|----------|
| Total calls | 27,186 | 26,062 | 27,281 | 27,336 | 29,152 | 25,052 | 25,125 | 25,125 | 25,867 | 34,098 | 27,905 | 27,662 |
| Average speed of answer | 19 | 20 | 21 | 22 | 21 | 17 | 16 | 19 | 19 | 23 | 18 | 18 |
| % answered in 20 seconds | 80.14% | 81.19% | 80.03% | 80.30% | 80.72% | 83.69% | 84.15% | 83.19% | 81.95% | 79.13% | 82.32% | 81.87% |

Answer time for gas emergency phone lines

2012

| | January | February | March | April | May | June | July | August | September | October | November | December | AVERAGE | TOTAL |
|--------------------------|---------|----------|--------|--------|--------|--------|--------|--------|-----------|---------|----------|----------|---------|--------|
| Total calls | 1,628 | 1,312 | 1,235 | 1,244 | 1,339 | 1,279 | 1,337 | 1,317 | 1,401 | 1,720 | 1,912 | 1,617 | 1,445 | 17,341 |
| Average speed of answer | 7 | 7 | 7 | 6 | 7 | 7 | 7 | 7 | 5 | 6 | 9 | 7 | 7 | |
| % answered in 15 seconds | 90.57% | 91.39% | 91.41% | 92.96% | 92.33% | 92.81% | 93.78% | 92.71% | 94.28% | 95.20% | 89.07% | 91.46% | 92.33% | |

***note:
increase in
Nov due to
propane
plant
release
resulting in
over 300
leak calls**

Meter Reading

2012

| 2012 | Total meters | # company read | % company read | # self-read | % of self-read | # not read in 6-12 months | % not read in 6-12 months | # not read > 12 months | % not read > 12 months | Comments |
|----------------|--------------|----------------|----------------|-------------|----------------|---------------------------|---------------------------|------------------------|------------------------|------------------------|
| w/o farm taps | | | | | | | | | | |
| January | 212,620 | 207,986 | 97.82% | 4,634 | 2.18% | 0 | 0.0000% | 0 | 0.0000% | accessibility and dogs |
| February | 212,655 | 208,643 | 98.11% | 4,012 | 1.89% | 0 | 0.0000% | 0 | 0.0000% | accessibility and dogs |
| March | 212,395 | 207,809 | 97.84% | 4,586 | 2.16% | 0 | 0.0000% | 0 | 0.0000% | accessibility and dogs |
| April | 212,652 | 209,949 | 98.73% | 2,703 | 1.27% | 0 | 0.0000% | 0 | 0.0000% | accessibility and dogs |
| May | 212,669 | 210,502 | 98.98% | 2,167 | 1.02% | 1 | 0.0005% | 0 | 0.0000% | accessibility and dogs |
| June | 212,728 | 207,384 | 97.49% | 5,344 | 2.51% | 1 | 0.0005% | 0 | 0.0000% | accessibility and dogs |
| July | 212,592 | 207,680 | 97.69% | 4,912 | 2.31% | 1 | 0.0005% | 0 | 0.0000% | accessibility and dogs |
| August | 212,787 | 207,871 | 97.69% | 4,916 | 2.31% | 1 | 0.0005% | 0 | 0.0000% | accessibility and dogs |
| September | 212,918 | 209,932 | 98.60% | 2,986 | 1.40% | 3 | 0.0014% | 0 | 0.0000% | accessibility and dogs |
| October | 213,145 | 209,339 | 98.21% | 3,806 | 1.79% | 3 | 0.0014% | 0 | 0.0000% | accessibility and dogs |
| November | 213,419 | 207,756 | 97.35% | 5,663 | 2.65% | 3 | 0.0014% | 0 | 0.0000% | accessibility and dogs |
| December | 213,723 | 209,799 | 98.16% | 3,924 | 1.84% | 3 | 0.0014% | 0 | 0.0000% | accessibility and dogs |
| Total | 2,554,303 | 2,504,650 | 98.06% | 49653 | 1.94% | 16 | 0.0006% | 0 | 0.0000% | |
| with farm taps | | | | | | | | | | |
| January | 214,527 | 209,893 | 97.84% | 6541 | 3.05% | 8 | 0.0037% | 9 | 0.0042% | |
| February | 214,562 | 210,550 | 98.13% | 5919 | 2.76% | 12 | 0.0056% | 9 | 0.0042% | |
| March | 214,302 | 209,716 | 97.86% | 6493 | 3.03% | 12 | 0.0056% | 9 | 0.0042% | |
| April | 214,559 | 211,856 | 98.74% | 4610 | 2.15% | 17 | 0.0079% | 9 | 0.0042% | |
| May | 214,576 | 212,409 | 98.99% | 4074 | 1.90% | 22 | 0.0103% | 15 | 0.0070% | |
| June | 214,635 | 209,291 | 97.51% | 7251 | 3.38% | 23 | 0.0107% | 20 | 0.0093% | |
| July | 214,499 | 209,587 | 97.71% | 6819 | 3.18% | 24 | 0.0112% | 28 | 0.0131% | |
| August | 214,694 | 209,778 | 97.71% | 6823 | 3.18% | 26 | 0.0121% | 28 | 0.0130% | |
| September | 214,825 | 211,839 | 98.61% | 4893 | 2.28% | 131 | 0.0610% | 31 | 0.0144% | |
| October | 215,052 | 211,246 | 98.23% | 5713 | 2.66% | 409 | 0.1902% | 32 | 0.0149% | |
| November | 215,326 | 209,663 | 97.37% | 7570 | 3.52% | 664 | 0.3084% | 37 | 0.0172% | |
| December | 215,630 | 211,706 | 98.18% | 5831 | 2.70% | 749 | 0.3474% | 43 | 0.0199% | |
| Total | 2,577,187 | 2,527,534 | 98.07% | 72,537 | 2.81% | 2,097 | 0.0814% | 270 | 0.0105% | |

| | January | February | March | April | May | June | July | August | September | October | November | December |
|--|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|
|--|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|

| | | | | | | | | | | | | |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|
| Meter reading staffing* | 32.54 | 33.34 | 31.88 | 39.19 | 26.15 | 23.38 | 24.07 | 25.32 | 24.29 | 36.56 | 23.92 | 28.5 |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|

* approximate FTEs based on labor reports

Attachment C

Minnesota Energy Resources
Service Quality Report

Minnesota Cold Weather Rule Compliance Questionnaire
Utility Monthly Reports (216B.091) Docket #12-02

Company: Minnesota Energy Resources for report period ending:

Jan-2012 Feb-2012 Mar-2012 Apr-2012 May-2012 Jun-2012 Jul-2012 Aug-2012 Sep-2012 Oct-2012 Nov-2012 Dec-2012

| | | | | | | | | | | | | | |
|---|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1 | Number of Residential Customer Accounts: | 190,743 | 190,925 | 190,816 | 190,895 | 190,980 | 191,221 | 190,719 | 190,924 | 190,340 | 191,264 | 191,497 | 191,963 |
| 2 | Number of Past Due Residential Customer Accounts: | 26,780 | 28,578 | 31,857 | 34,455 | 32,851 | 31,570 | 26,948 | 22,051 | 21,207 | 18,428 | 19,781 | 20,338 |
| 3 | Number of Cold Weather Protection Requests : | 675 | 654 | 334 | | | | | | | 2,639 | 629 | 476 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | | | | | | | | | | | |
|---|---|----|-----|-----|---|---|---|---|---|---|-------|-----|----|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 |
| 5 | <i>Intentionally Blank</i> | | | | | | | | | | | | |
| 6 | Number of customer accounts granted reconnection request: | 86 | 127 | 183 | | | | | | | 1,218 | 289 | 96 |

INABILITY TO PAY (ITP)

10% PLAN (TPP)

Minnesota Energy Resources
Service Quality Report

Minnesota Cold Weather Rule Compliance Questionnaire
Utility Monthly Reports (216B.091) Docket #12-02

Company: Minnesota Energy Resources for report period ending:

Jan-2012 Feb-2012 Mar-2012 Apr-2012 May-2012 Jun-2012 Jul-2012 Aug-2012 Sep-2012 Oct-2012 Nov-2012 Dec-2012

PAYMENT SCHEDULE (PS)

| | | | | | | | | | | | | |
|----|--|-----|-----|-----|--|--|--|--|--|-------|-----|-----|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 0 | 0 | 0 | | | | | | 0 | 1 | 0 |
| a) | Number of PS requests received | 675 | 654 | 334 | | | | | | 2,639 | 629 | 476 |
| 17 | <i>Intentionally Blank</i> | | | | | | | | | | | |
| 18 | Number of PS negotiations mutually agreed upon: | 675 | 654 | 334 | | | | | | 2,639 | 629 | 476 |
| 19 | <i>Intentionally Blank</i> | | | | | | | | | | | |

DISCONNECTIONS

| | | | | | | | | | | | | | |
|----|---|-------|-------|--------|-------|-------|-------|-------|-------|-----|-------|-------|-------|
| 20 | Number of disconnection notices mailed to customers: | 6,834 | 6,808 | 10,370 | 8,386 | 7,433 | 4,648 | 2,356 | 1,416 | 961 | 1,114 | 1,419 | 3,866 |
| 21 | Number of customer accounts disconnected who did not seek protection: | | | | | | | | | | | | |

Duplicate columns for use in April and October
April 1-15 and October 1-15 in 1st column

All other months, use 1st column only

| | | | | | | | | | | | | | |
|----|--------------------------------|----|-----|-----|-----|-------|-------|-------|-----|-----|-----|----|----|
| a) | # Electric - heat affected | | | | | | | | | | | | |
| b) | # Electric - heat not affected | | | | | | | | | | | | |
| c) | # Gas - heat affected | 65 | 159 | 354 | 159 | 1,529 | 1,371 | 1,314 | 514 | 269 | 152 | 15 | 14 |
| d) | # Gas - heat not affected | | | | | | | | | | | | |
| e) | Total # disconnected | 65 | 159 | 354 | 159 | 1,529 | 1,371 | 1,314 | 514 | 269 | 152 | 15 | 14 |

April 16-30 and October 16-31 in 2nd column

All other months, use 1st column only

| | | | | | | | | | | | | | |
|----|--------------------------------|---|---|---|-----|---|---|---|---|---|----|---|---|
| a) | # Electric - heat affected | | | | | | | | | | | | |
| b) | # Electric - heat not affected | | | | | | | | | | | | |
| c) | # Gas - heat affected | | | | 463 | | | | | | 14 | | |
| d) | # Gas - heat not affected | | | | | | | | | | | | |
| e) | Total # disconnected | 0 | 0 | 0 | 463 | 0 | 0 | 0 | 0 | 0 | 14 | 0 | 0 |

| | | | | | | | | | | | | | |
|----|--|---|---|---|---|---|---|---|---|---|---|---|---|
| 22 | Number of customer accounts disconnected seeking protection: | | | | | | | | | | | | |
| a) | # Electric - heat affected | | | | | | | | | | | | |
| b) | # Electric - heat not affected | | | | | | | | | | | | |
| c) | # Gas - heat affected | | | | | | | | | | | | |
| d) | # Gas - heat not affected | | | | | | | | | | | | |
| e) | Total # disconnected (See Note) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

NOTE: Please report immediately the names and addresses of customers whose service has been disconnected more than 24 hours.

| | | | | | | | | | | | | | |
|----|---|----|-----|-----|-----|-------|-------|-------|-----|-----|-----|----|----|
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 65 | 159 | 354 | 588 | 1,529 | 1,371 | 1,314 | 514 | 269 | 166 | 15 | 14 |
|----|---|----|-----|-----|-----|-------|-------|-------|-----|-----|-----|----|----|

Minnesota Energy Resources
Service Quality Report

Minnesota Cold Weather Rule Compliance Questionnaire
Utility Monthly Reports (216B.091) Docket #12-02

Company: Minnesota Energy Resources for report period ending:

Jan-2012 Feb-2012 Mar-2012 Apr-2012 May-2012 Jun-2012 Jul-2012 Aug-2012 Sep-2012 Oct-2012 Nov-2012 Dec-2012

DOLLAR VALUE

| | | | | | | | | | | | | | |
|----|--|--------------|--------------|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|
| 24 | Total dollars past due on all residential accounts: | \$3,250,133 | \$3,812,235 | \$4,573,213 | \$4,956,371 | \$3,987,257 | \$3,454,707 | \$2,732,589 | \$2,178,140 | \$1,959 | \$1,679,811 | \$1,823,628 | \$2,130,546 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$121 | \$133 | \$144 | \$144 | \$121 | \$109 | \$101 | \$99 | \$92 | \$91 | \$92 | \$105 |
| 26 | Total dollars received from energy assistance programs: | \$783,937 | \$850,960 | \$463,831 | \$387,489 | \$268,727 | \$119,153 | \$14,781 | \$169 | \$0 | \$0 | \$399,578 | \$562,213 |
| 27 | Total dollars received from other sources (private organizations): | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,931 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$22,927,081 | \$21,494,738 | \$14,691,251 | \$2,948,298 | \$5,776,912 | \$1,315,315 | \$2,939,455 | \$3,271,495 | \$3,514,489 | \$6,481,289 | \$13,255,927 | \$20,067,497 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$120 | \$113 | \$77 | \$15 | \$30 | \$7 | \$15 | \$17 | \$18 | \$34 | \$69 | \$105 |
| 30 | <i>Intentionally Blank</i> | | | | | | | | | | | | |
| 30 | Average annual residential bill: | | | | | | | | | | | | |
| 31 | Total residential account write-offs due to uncollectible: | \$116,686 | \$86,385 | \$74,299 | \$161,146 | \$158,702 | \$212,391 | \$148,935 | \$133,246 | \$134,318 | \$77,856 | \$70,034 | \$71,818 |

DISCONNECTION DURATION

| | | | | | | | | | | | | | |
|----|--|----|-----|-----|--|--|--|--|--|--|-----|---|---|
| 32 | Number of customer accounts disconnected 24 hours or more: | | | | | | | | | | | | |
| a) | # Electric - heat affected | | | | | | | | | | | | |
| b) | # Electric - heat not affected | | | | | | | | | | | | |
| c) | # Gas - heat affected | 34 | 139 | 289 | | | | | | | 131 | 8 | 8 |
| d) | # Gas - heat not affected | | | | | | | | | | | | |
| e) | Total # disconnected | 34 | 139 | 289 | | | | | | | | | |
| 33 | <i>Intentionally Blank</i> | | | | | | | | | | | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | 34 | 139 | 289 | | | | | | | 131 | 8 | 8 |
| 35 | <i>Intentionally Blank</i> | | | | | | | | | | | | |
| 36 | <i>Intentionally Blank</i> | | | | | | | | | | | | |

RECONNECTION DATA

| | | | | | | | | | | | | | |
|----|-----------------------------------|-----|-----|-----|-----|-------|-------|-------|-------|-------|-------|-----|-----|
| 37 | # Accounts reconnected | 86 | 127 | 183 | 270 | 423 | 590 | 673 | 503 | 577 | 1,218 | 289 | 96 |
| 38 | # Accounts remaining disconnected | 452 | 385 | 419 | 534 | 1,572 | 2,322 | 2,754 | 2,671 | 2,191 | 950 | 563 | 422 |
| a) | 1-30 days | 18 | 58 | 185 | 289 | 1,098 | 826 | 649 | 142 | 46 | 32 | 3 | 3 |
| b) | 31-60 days | 4 | 17 | 56 | 179 | 281 | 1,037 | 792 | 507 | 110 | 41 | 30 | 2 |
| c) | 61+ days | 430 | 310 | 178 | 66 | 193 | 459 | 1,313 | 2,022 | 2,035 | 877 | 530 | 417 |

Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | January | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: January, 2012

| | | |
|----------|---|---------|
| 1 | Number of Residential Customer Accounts: | 190,743 |
| 2 | Number of Past Due Residential Customer Accounts: | 26,780 |
| 3 | Number of Cold Weather Protection Requests: | 675 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | |
|----------|---|----|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| 5 | <i>Intentionally Blank</i> | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | 86 |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: January, 2012

PAYMENT SCHEDULE (PS)

| | | |
|-----------|--|-----|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| a) | Number of PS requests received | 675 |
| 17 | <i>Intentionally Blank</i> | |
| 18 | Number of PS negotiations mutually agreed upon: | 675 |
| 19 | <i>Intentionally Blank</i> | |

DISCONNECTIONS

| | | | |
|-----------|---|----|------------------------|
| 20 | Number of disconnection notices mailed to customers: | | <i>Required</i> |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 65 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 65 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 65 | 65 |

Monthly CWR January 2012.xls

Company: Minnesota Energy Resources People's Natural Gas for report period ending: January, 2012

DOLLAR VALUE

| | | |
|----|--|--------------|
| 24 | Total dollars past due on all residential accounts: | \$3,250,133 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$121 |
| 26 | Total dollars received from energy assistance programs: | \$783,937 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$22,927,081 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$120 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$116,686 |

DISCONNECTION DURATION

| | | | |
|----|--|----|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | 34 | |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 34 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | 34 | |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-----|
| 37 | # Accounts reconnected | 86 |
| 38 | # Accounts remaining disconnected | 452 |
| | a) 1-30 days | 18 |
| | b) 31-60 days | 4 |
| | c) 61+ days | 430 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | February | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: February, 2012

| | | |
|----------|---|---------|
| 1 | Number of Residential Customer Accounts: | 190,925 |
| 2 | Number of Past Due Residential Customer Accounts: | 28,578 |
| 3 | Number of Cold Weather Protection Requests: | 654 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | |
|----------|---|-----|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| 5 | <i>Intentionally Blank</i> | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | 127 |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Monthly CWR February 2012.xls

Company: Minnesota Energy Resources People's Natural Gas for report period ending: February, 2012

PAYMENT SCHEDULE (PS)

| | | |
|-----------|--|-----|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| a) | Number of PS requests received | 654 |
| 17 | <i>Intentionally Blank</i> | |
| 18 | Number of PS negotiations mutually agreed upon: | 654 |
| 19 | <i>Intentionally Blank</i> | |

DISCONNECTIONS

| | | |
|-----------|---|-----------------|
| 20 | Number of disconnection notices mailed to customers: | 6,808 |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column <i>All other months, use 1st column only</i> | |
| a) | # Electric - heat affected | Required |
| b) | # Electric - heat not affected | Required |
| c) | # Gas - heat affected | 159 |
| d) | # Gas - heat not affected | Required |
| e) | Total # disconnected | 159 0 |
| 22 | Number of customer accounts disconnected seeking protection: | |
| a) | # Electric - heat affected | CWR period only |
| b) | # Electric - heat not affected | CWR period only |
| c) | # Gas - heat affected | CWR period only |
| d) | # Gas - heat not affected | CWR period only |
| e) | Total # disconnected (See Note) | 0 |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 159 159 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: February, 2012

DOLLAR VALUE

| | | |
|----|--|--------------|
| 24 | Total dollars past due on all residential accounts: | \$3,812,235 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$133 |
| 26 | Total dollars received from energy assistance programs: | \$850,960 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$21,494,738 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$113 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$86,385 |

DISCONNECTION DURATION

| | | | |
|----|--|-----|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | 139 | |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 139 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | 139 | |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-----|
| 37 | # Accounts reconnected | 127 |
| 38 | # Accounts remaining disconnected | 385 |
| | a) 1-30 days | 58 |
| | b) 31-60 days | 17 |
| | c) 61+ days | 310 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | March | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: March, 2012

| | | |
|----------|---|---------|
| 1 | Number of Residential Customer Accounts: | 190,816 |
| 2 | Number of Past Due Residential Customer Accounts: | 31,857 |
| 3 | Number of Cold Weather Protection Requests: | 334 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | |
|----------|---|-----|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| 5 | <i>Intentionally Blank</i> | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | 183 |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: March, 2012

PAYMENT SCHEDULE (PS)

| | | |
|-----------|--|-----|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| a) | Number of PS requests received | 334 |
| 17 | <i>Intentionally Blank</i> | |
| 18 | Number of PS negotiations mutually agreed upon: | 334 |
| 19 | <i>Intentionally Blank</i> | |

DISCONNECTIONS

| | | |
|-----------|--|--------|
| 20 | Number of disconnection notices mailed to customers: | 10,370 |
|-----------|--|--------|

21 Number of customer accounts disconnected who did not seek protection:

Duplicate columns for use in April and October

April 1-15 and October 1-15 in 1st column

April 16-30 and October 16-31 in 2nd column

All other months, use 1st column only

| | | | | |
|-----------|--------------------------------|-----|---|-----------------|
| a) | # Electric - heat affected | | | <i>Required</i> |
| b) | # Electric - heat not affected | | | <i>Required</i> |
| c) | # Gas - heat affected | 354 | | |
| d) | # Gas - heat not affected | | | <i>Required</i> |
| e) | Total # disconnected | 354 | 0 | |

22 Number of customer accounts disconnected seeking protection:

| | | | | |
|-----------|--|---|--|------------------------|
| a) | # Electric - heat affected | | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | | |

| | | | |
|-----------|---|-----|-----|
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 354 | 354 |
|-----------|---|-----|-----|

Company: Minnesota Energy Resources People's Natural Gas for report period ending: March, 2012**DOLLAR VALUE**

| | | |
|----|--|--------------|
| 24 | Total dollars past due on all residential accounts: | \$4,573,213 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$144 |
| 26 | Total dollars received from energy assistance programs: | \$463,831 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$14,691,251 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$77 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$74,299 |

DISCONNECTION DURATION

| | | | |
|----|--|-----|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | 289 | |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 289 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | 289 | |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-----|
| 37 | # Accounts reconnected | 183 |
| 38 | # Accounts remaining disconnected | 419 |
| | a) 1-30 days | 185 |
| | b) 31-60 days | 56 |
| | c) 61+ days | 178 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | April | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: April, 2012

| | | | |
|----------|---|---------|------------------------|
| 1 | Number of Residential Customer Accounts: | 190,895 | |
| 2 | Number of Past Due Residential Customer Accounts: | 34,455 | |
| 3 | Number of Cold Weather Protection Requests: | | <i>CWR period only</i> |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | |
|----------|---|--|--------------------------------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | | <i><< Invalid Number</i> |
| 5 | <i>Intentionally Blank</i> | | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | | <i>CWR period only</i> |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: April, 2012

PAYMENT SCHEDULE (PS)

| | | | |
|-----------|--|--|------------------------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| a) | Number of PS requests received | | <i>CWR period only</i> |
| 17 | <i>Intentionally Blank</i> | | |
| 18 | Number of PS negotiations mutually agreed upon: | | <i>CWR period only</i> |
| 19 | <i>Intentionally Blank</i> | | |

DISCONNECTIONS

| | | | |
|-----------|---|-------|------------------------|
| 20 | Number of disconnection notices mailed to customers: | 8,386 | |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 588 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 588 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 588 | 588 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: April, 2012

DOLLAR VALUE

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$4,956,371 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$144 |
| 26 | Total dollars received from energy assistance programs: | \$387,489 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$2,948,298 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$15 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$161,146 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | | <i>CWR period only</i> |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 0 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-----|
| 37 | # Accounts reconnected | 270 |
| 38 | # Accounts remaining disconnected | 534 |
| | a) 1-30 days | 289 |
| | b) 31-60 days | 179 |
| | c) 61+ days | 66 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | May | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: May, 2012

| | | | |
|----------|---|---------|------------------------|
| 1 | Number of Residential Customer Accounts: | 190,980 | |
| 2 | Number of Past Due Residential Customer Accounts: | 32,851 | |
| 3 | Number of Cold Weather Protection Requests: | | <i>CWR period only</i> |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | |
|----------|---|-----|------------------------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| 5 | <i>Intentionally Blank</i> | | |
| 6 | Number of customer accounts granted reconnection request: | 423 | |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: May, 2012

PAYMENT SCHEDULE (PS)

| | | | |
|-----------|--|--|------------------------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| a) | Number of PS requests received | | <i>CWR period only</i> |
| 17 | <i>Intentionally Blank</i> | | |
| 18 | Number of PS negotiations mutually agreed upon: | | <i>CWR period only</i> |
| 19 | <i>Intentionally Blank</i> | | |

DISCONNECTIONS

| | | | |
|-----------|---|-------|------------------------|
| 20 | Number of disconnection notices mailed to customers: | 7,433 | |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 1,529 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 1,529 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 1,529 | 1,529 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: May, 2012

DOLLAR VALUE

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$3,987,257 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$121 |
| 26 | Total dollars received from energy assistance programs: | \$268,727 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$5,776,912 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$30 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$158,702 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | | <i>CWR period only</i> |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 0 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-------|
| 37 | # Accounts reconnected | 423 |
| 38 | # Accounts remaining disconnected | 1,572 |
| | a) 1-30 days | 1,098 |
| | b) 31-60 days | 281 |
| | c) 61+ days | 193 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | June | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: June, 2012

| | | | |
|----------|---|---------|------------------------|
| 1 | Number of Residential Customer Accounts: | 191,221 | |
| 2 | Number of Past Due Residential Customer Accounts: | 31,570 | |
| 3 | Number of Cold Weather Protection Requests: | | <i>CWR period only</i> |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | |
|----------|---|--|------------------------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| 5 | <i>Intentionally Blank</i> | | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | | <i>CWR period only</i> |

INABILITY TO PAY (ITP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: June, 2012

PAYMENT SCHEDULE (PS)

| | | | |
|-----------|--|--|------------------------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| a) | Number of PS requests received | | <i>CWR period only</i> |
| 17 | <i>Intentionally Blank</i> | | |
| 18 | Number of PS negotiations mutually agreed upon: | | <i>CWR period only</i> |
| 19 | <i>Intentionally Blank</i> | | |

DISCONNECTIONS

| | | | |
|-----------|---|-------|------------------------|
| 20 | Number of disconnection notices mailed to customers: | 4,648 | |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 1,371 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 1,371 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 1,371 | 1,371 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: June, 2012

DOLLAR VALUE

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$3,454,707 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$109 |
| 26 | Total dollars received from energy assistance programs: | \$119,153 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$1,315,315 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$7 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$212,391 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | | <i>CWR period only</i> |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 0 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-------|
| 37 | # Accounts reconnected | 590 |
| 38 | # Accounts remaining disconnected | 2,322 |
| | a) 1-30 days | 826 |
| | b) 31-60 days | 1,037 |
| | c) 61+ days | 459 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | July | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: July, 2012

| | | | |
|----------|---|---------|------------------------|
| 1 | Number of Residential Customer Accounts: | 190,719 | |
| 2 | Number of Past Due Residential Customer Accounts: | 26,948 | |
| 3 | Number of Cold Weather Protection Requests: | | <i>CWR period only</i> |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | |
|----------|---|--|------------------------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| 5 | <i>Intentionally Blank</i> | | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | | <i>CWR period only</i> |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: July, 2012

PAYMENT SCHEDULE (PS)

| | | | |
|-----------|--|--|------------------------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | | |
| | a) Number of PS requests received | | <i>CWR period only</i> |
| 17 | <i>Intentionally Blank</i> | | <i>CWR period only</i> |
| 18 | Number of PS negotiations mutually agreed upon: | | |
| 19 | <i>Intentionally Blank</i> | | <i>CWR period only</i> |

DISCONNECTIONS

| | | | |
|-----------|---|-------|------------------------|
| 20 | Number of disconnection notices mailed to customers: | 2,356 | |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 1,314 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 1,314 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 1,314 | 1,314 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: July, 2012

DOLLAR VALUE

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$2,732,589 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$101 |
| 26 | Total dollars received from energy assistance programs: | \$14,781 |
| 27 | Total dollars received from other sources (private organizations): | \$1,931 |
| 28 | Total Revenue from sales to residential accounts: | \$2,939,455 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$15 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$148,935 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | | <i>CWR period only</i> |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 0 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-------|
| 37 | # Accounts reconnected | 673 |
| 38 | # Accounts remaining disconnected | 2,754 |
| | a) 1-30 days | 649 |
| | b) 31-60 days | 792 |
| | c) 61+ days | 1,313 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

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| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | August | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: August, 2012

| | | | |
|----------|---|---------|------------------------|
| 1 | Number of Residential Customer Accounts: | 190,924 | |
| 2 | Number of Past Due Residential Customer Accounts: | 22,051 | |
| 3 | Number of Cold Weather Protection Requests: | | <i>CWR period only</i> |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | |
|----------|---|--|------------------------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| 5 | <i>Intentionally Blank</i> | | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | | <i>CWR period only</i> |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: August, 2012

PAYMENT SCHEDULE (PS)

| | | | |
|-----------|--|--|------------------------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| a) | Number of PS requests received | | <i>CWR period only</i> |
| 17 | <i>Intentionally Blank</i> | | |
| 18 | Number of PS negotiations mutually agreed upon: | | <i>CWR period only</i> |
| 19 | <i>Intentionally Blank</i> | | |

DISCONNECTIONS

| | | | |
|-----------|---|-------|------------------------|
| 20 | Number of disconnection notices mailed to customers: | 1,416 | |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 514 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 514 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 514 | 514 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: August, 2012

DOLLAR VALUE

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$2,178,140 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$99 |
| 26 | Total dollars received from energy assistance programs: | \$169 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$3,271,495 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$17 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$133,246 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | | <i>CWR period only</i> |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 0 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-------|
| 37 | # Accounts reconnected | 503 |
| 38 | # Accounts remaining disconnected | 2,671 |
| | a) 1-30 days | 142 |
| | b) 31-60 days | 507 |
| | c) 61+ days | 2,022 |

[END]

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Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | September | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: September, 2012

| | | | |
|---|---|---------|------------------------|
| 1 | Number of Residential Customer Accounts: | 190,340 | |
| 2 | Number of Past Due Residential Customer Accounts: | 21,207 | |
| 3 | Number of Cold Weather Protection Requests: | | <i>CWR period only</i> |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | | |
|---|---|--|------------------------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| 5 | <i>Intentionally Blank</i> | | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | | <i>CWR period only</i> |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: September, 2012

PAYMENT SCHEDULE (PS)

| | | | |
|-----------|--|--|------------------------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | | <i>CWR period only</i> |
| a) | Number of PS requests received | | <i>CWR period only</i> |
| 17 | <i>Intentionally Blank</i> | | |
| 18 | Number of PS negotiations mutually agreed upon: | | <i>CWR period only</i> |
| 19 | <i>Intentionally Blank</i> | | |

DISCONNECTIONS

| | | | |
|-----------|---|-----|------------------------|
| 20 | Number of disconnection notices mailed to customers: | 961 | |
| 21 | Number of customer accounts disconnected who did not seek protection: Duplicate columns for use in April and October April 1-15 and October 1-15 in 1st column April 16-30 and October 16-31 in 2nd column All other months, use 1st column only | | |
| a) | # Electric - heat affected | | <i>Required</i> |
| b) | # Electric - heat not affected | | <i>Required</i> |
| c) | # Gas - heat affected | 269 | |
| d) | # Gas - heat not affected | | <i>Required</i> |
| e) | Total # disconnected | 269 | 0 |
| 22 | Number of customer accounts disconnected seeking protection: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | |
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 269 | 269 |

Company: Minnesota Energy Resources People's Natural Gas for report period ending: September, 2012**DOLLAR VALUE**

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$1,958,867 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$92 |
| 26 | Total dollars received from energy assistance programs: | \$0 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$3,514,489 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$18 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$134,318 |

DISCONNECTION DURATION

| | | | |
|----|--|-----|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | 215 | |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected | 215 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-------|
| 37 | # Accounts reconnected | 577 |
| 38 | # Accounts remaining disconnected | 2,191 |
| a) | 1-30 days | 46 |
| b) | 31-60 days | 110 |
| c) | 61+ days | 2,035 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | October | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: October, 2012

| | | |
|----------|---|---------|
| 1 | Number of Residential Customer Accounts: | 191,264 |
| 2 | Number of Past Due Residential Customer Accounts: | 18,428 |
| 3 | Number of Cold Weather Protection Requests: | 2,639 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | |
|----------|---|-------|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| 5 | <i>Intentionally Blank</i> | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | 1,218 |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: October, 2012

PAYMENT SCHEDULE (PS)

| | | |
|-----------|--|-------|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| a) | Number of PS requests received | 2,639 |
| 17 | <i>Intentionally Blank</i> | |
| 18 | Number of PS negotiations mutually agreed upon: | 2,639 |
| 19 | <i>Intentionally Blank</i> | |

DISCONNECTIONS

| | | |
|-----------|--|-------|
| 20 | Number of disconnection notices mailed to customers: | 1,114 |
|-----------|--|-------|

21 Number of customer accounts disconnected who did not seek protection:

Duplicate columns for use in April and October

April 1-15 and October 1-15 in 1st column

April 16-30 and October 16-31 in 2nd column

All other months, use 1st column only

| | | | | |
|-----------|--------------------------------|-----|----|-----------------|
| a) | # Electric - heat affected | | | <i>Required</i> |
| b) | # Electric - heat not affected | | | <i>Required</i> |
| c) | # Gas - heat affected | 152 | 14 | |
| d) | # Gas - heat not affected | | | <i>Required</i> |
| e) | Total # disconnected | 152 | 14 | |

22 Number of customer accounts disconnected seeking protection:

| | | | | |
|-----------|--|---|--|------------------------|
| a) | # Electric - heat affected | | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | | |

| | | | |
|-----------|---|-----|-----|
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 152 | 166 |
|-----------|---|-----|-----|

Company: Minnesota Energy Resources People's Natural Gas for report period ending: October, 2012

DOLLAR VALUE

| | | |
|----|--|-------------|
| 24 | Total dollars past due on all residential accounts: | \$1,679,811 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$91 |
| 26 | Total dollars received from energy assistance programs: | \$0 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$6,481,289 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$34 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$77,856 |

DISCONNECTION DURATION

| | | | |
|----|--|-----|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | 131 | |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 131 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | 131 | |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-------|
| 37 | # Accounts reconnected | 1,218 |
| 38 | # Accounts remaining disconnected | 950 |
| | a) 1-30 days | 32 |
| | b) 31-60 days | 41 |
| | c) 61+ days | 877 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | November | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: November, 2012

| | | |
|---|---|---------|
| 1 | Number of Residential Customer Accounts: | 191,497 |
| 2 | Number of Past Due Residential Customer Accounts: | 19,781 |
| 3 | Number of Cold Weather Protection Requests: | 629 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | |
|---|---|-----|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 1 |
| 5 | <i>Intentionally Blank</i> | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | 289 |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: November, 2012

PAYMENT SCHEDULE (PS)

| | | |
|-----------|--|-----|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 1 |
| a) | Number of PS requests received | 629 |
| 17 | <i>Intentionally Blank</i> | |
| 18 | Number of PS negotiations mutually agreed upon: | 629 |
| 19 | <i>Intentionally Blank</i> | |

DISCONNECTIONS

| | | |
|-----------|--|-------|
| 20 | Number of disconnection notices mailed to customers: | 1,419 |
|-----------|--|-------|

21 Number of customer accounts disconnected who did not seek protection:

Duplicate columns for use in April and October

April 1-15 and October 1-15 in 1st column

April 16-30 and October 16-31 in 2nd column

All other months, use 1st column only

| | | | | |
|-----------|--------------------------------|----|---|-----------------|
| a) | # Electric - heat affected | | | <i>Required</i> |
| b) | # Electric - heat not affected | | | <i>Required</i> |
| c) | # Gas - heat affected | 15 | | |
| d) | # Gas - heat not affected | | | <i>Required</i> |
| e) | Total # disconnected | 15 | 0 | |

22 Number of customer accounts disconnected seeking protection:

| | | | | |
|-----------|--|---|--|------------------------|
| a) | # Electric - heat affected | | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | | |

| | | | |
|-----------|---|----|----|
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 15 | 15 |
|-----------|---|----|----|

Company: Minnesota Energy Resources People's Natural Gas for report period ending: November, 2012

DOLLAR VALUE

| | | |
|----|--|--------------|
| 24 | Total dollars past due on all residential accounts: | \$1,823,628 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$92 |
| 26 | Total dollars received from energy assistance programs: | \$399,578 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$13,255,927 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$69 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$70,034 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| | a) # Electric - heat affected | | <i>CWR period only</i> |
| | b) # Electric - heat not affected | | <i>CWR period only</i> |
| | c) # Gas - heat affected | 8 | |
| | d) # Gas - heat not affected | | <i>CWR period only</i> |
| | e) Total # disconnected | 8 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | 8 | |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-----|
| 37 | # Accounts reconnected | 289 |
| 38 | # Accounts remaining disconnected | 563 |
| | a) 1-30 days | 3 |
| | b) 31-60 days | 30 |
| | c) 61+ days | 530 |

[END]

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Minnesota Public Utilities Commission

Minnesota Cold Weather Rule Compliance Questionnaire

Version 3

| | | | |
|----------------------------------|---|---|-----------------|
| Company Submitting Reply: | Minnesota Energy Resources People's Natural Gas | ▼ | <i>Required</i> |
| Reporting Year: | 2012 | ▼ | <i>Required</i> |
| Reporting Period: | December | ▼ | <i>Required</i> |

Utility Monthly Reports (216B.091)

Company: Minnesota Energy Resources People's Natural Gas for report period ending: December, 2012

| | | |
|----------|---|---------|
| 1 | Number of Residential Customer Accounts: | 191,963 |
| 2 | Number of Past Due Residential Customer Accounts: | 20,338 |
| 3 | Number of Cold Weather Protection Requests: | 476 |

RECONNECTION AT BEGINNING OF COLD WEATHER MONTHS

| | | |
|----------|---|----|
| 4 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| 5 | <i>Intentionally Blank</i> | |
| 6 | Number of customer accounts granted reconnection <u>request</u> : | 96 |

INABILITY TO PAY (ITP)

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10% PLAN (TPP)

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Company: Minnesota Energy Resources People's Natural Gas for report period ending: December, 2012

PAYMENT SCHEDULE (PS)

| | | |
|-----------|--|-----|
| 16 | Number of "Right to Appeal" notices mailed to customers: | 0 |
| a) | Number of PS requests received | 476 |
| 17 | <i>Intentionally Blank</i> | |
| 18 | Number of PS negotiations mutually agreed upon: | 476 |
| 19 | <i>Intentionally Blank</i> | |

DISCONNECTIONS

| | | |
|-----------|--|-------|
| 20 | Number of disconnection notices mailed to customers: | 3,866 |
|-----------|--|-------|

21 Number of customer accounts disconnected who did not seek protection:

Duplicate columns for use in April and October

April 1-15 and October 1-15 in 1st column

April 16-30 and October 16-31 in 2nd column

All other months, use 1st column only

| | | | | |
|-----------|--------------------------------|----|---|-----------------|
| a) | # Electric - heat affected | | | <i>Required</i> |
| b) | # Electric - heat not affected | | | <i>Required</i> |
| c) | # Gas - heat affected | 14 | | |
| d) | # Gas - heat not affected | | | <i>Required</i> |
| e) | Total # disconnected | 14 | 0 | |

22 Number of customer accounts disconnected seeking protection:

| | | | | |
|-----------|--|---|--|------------------------|
| a) | # Electric - heat affected | | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | | <i>CWR period only</i> |
| c) | # Gas - heat affected | | | <i>CWR period only</i> |
| d) | # Gas - heat not affected | | | <i>CWR period only</i> |
| e) | Total # disconnected (See Note) | 0 | | |

| | | | |
|-----------|---|----|----|
| 23 | Number of customer accounts disconnected for nonpayment (auto-calculation of #21e+ #22e): | 14 | 14 |
|-----------|---|----|----|

Company: Minnesota Energy Resources People's Natural Gas for report period ending: December, 2012

DOLLAR VALUE

| | | |
|----|--|--------------|
| 24 | Total dollars past due on all residential accounts: | \$2,130,546 |
| 25 | Average past due dollar amount per past due account (auto-calculation of #24 ÷ #2): | \$105 |
| 26 | Total dollars received from energy assistance programs: | \$562,213 |
| 27 | Total dollars received from other sources (private organizations): | \$0 |
| 28 | Total Revenue from sales to residential accounts: | \$20,067,497 |
| 29 | Average monthly residential bill: (auto-calculation of #28 ÷ #1) | \$105 |
| 30 | <i>Intentionally Blank</i> | |
| 31 | Total residential account write-offs due to uncollectible: | \$71,818 |

DISCONNECTION DURATION

| | | | |
|----|--|---|------------------------|
| 32 | Number of customer accounts disconnected 24 hours or more: | | |
| a) | # Electric - heat affected | | <i>CWR period only</i> |
| b) | # Electric - heat not affected | | <i>CWR period only</i> |
| c) | # Gas - heat affected | 8 | |
| d) | # Gas - heat not affected | | <i>CWR period only</i> |
| e) | Total # disconnected | 8 | |
| 33 | <i>Intentionally Blank</i> | | |
| 34 | Number occupied heat-affected accounts disconnected 24 hours or more (to include customers who did and did not seek protection). | | <i>CWR period only</i> |
| 35 | <i>Intentionally Blank</i> | | |
| 36 | <i>Intentionally Blank</i> | | |

RECONNECTION DATA

| | | |
|----|-----------------------------------|-----|
| 37 | # Accounts reconnected | 96 |
| 38 | # Accounts remaining disconnected | 422 |
| a) | 1-30 days | 3 |
| b) | 31-60 days | 2 |
| c) | 61+ days | 417 |

[END]

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Service extension requests

| 2012 | Residential | | Commercial | | Existing | | residential average days between request and completion | # of existing commercial requested | # commercial completed as requested | commercial average days between request and completion |
|-----------|-----------------|---|-----------------|---|---|---|---|--|---|--|
| | new Installs | Avg time between requested date and install | New Installs | Avg time between requested date and install | # of existing residential requested | # residential completed as requested | | | | |
| January | 26 | 7 | 12 | 17 | 422 | 418 | 1 | 39 | 38 | 1 |
| February | 16 | 27 | 1 | 78 | 393 | 392 | 1 | 28 | 28 | 0 |
| March | 61 | 26 | 2 | 35 | 365 | 364 | 1 | 20 | 20 | 0 |
| April | 123 | 20 | 8 | 61 | 465 | 461 | 1 | 22 | 22 | 0 |
| May | 133 | 23 | 16 | 29 | 572 | 571 | 1 | 27 | 27 | 0 |
| June | 164 | 21 | 9 | 21 | 637 | 633 | 1 | 23 | 23 | 0 |
| July | 164 | 18 | 12 | 52 | 625 | 624 | 1 | 26 | 26 | 0 |
| August | 237 | 24 | 14 | 37 | 831 | 829 | 1 | 35 | 35 | 0 |
| September | 275 | 19 | 29 | 27 | 1087 | 1084 | 1 | 61 | 61 | 0 |
| October | 272 | 18 | 16 | 36 | 1469 | 1460 | 1 | 149 | 149 | 0 |
| November | 170 | 9 | 14 | 11 | 831 | 821 | 1 | 113 | 113 | 0 |
| December | 37 | 2 | 7 | 0 | 538 | 534 | 1 | 64 | 64 | 0 |

| # OF COMPLAINTS | JANUARY | | | | FEBRUARY | | | |
|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 54 | | | | 369 | | | |
| | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class |
| Employee Action / Behavior Issue | | | 3 | 5.55% | 2 | 0.54% | 12 | 3.25% |
| Billing / Meter Read Issue | | | 11 | 20.37% | 4 | 1.08% | 41 | 11.11% |
| Collection / Disconnection Issue | | | 4 | 7.41% | 4 | 1.08% | 60 | 16.26% |
| Service Quality | | | 11 | 20.37% | 2 | 0.54% | 69 | 18.70% |
| Meter Adjustment | | | 2 | | | | | |
| Outage | | | | | | | | |
| My bill is too high | | | 9 | 16.67% | 9 | 2.44% | 75 | 20.33% |
| Service Restoration Intervals | | | | | | | 1 | 0.27% |
| Service Extension Intervals | | | | | | | | |
| Others | 2 | 3.70% | 12 | 22.22% | 6 | 1.63% | 84 | 22.76% |
| TIME TO RESOLVE COMPLAINT | | | | | | | | |
| Initially | 48 | | | | 313 | | | |
| Within 10 days | 2 | | | | 48 | | | |
| > 10 days | 4 | | | | 8 | | | |
| | # resolved by taking listed action | | % resolved by taking listed action | | # resolved by taking listed action | | % resolved by taking listed action | |
| Complaint Resolution | | | | | | | | |
| Taking action as customer request | 16 | | 29.63% | | 160 | | 43.36% | |
| Agreeable Compromise | 26 | | 48.15% | | 128 | | 34.69% | |
| Not within the control of the Utility | 7 | | 12.96% | | 17 | | 4.61% | |
| Refuse | 5 | | 9.26% | | 64 | | 17.34% | |
| PUC COMPLAINTS | | | 7 | | | | 3 | |

| # OF COMPLAINTS | MARCH | | | | APRIL | | | |
|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 251 | | | | 219 | | | |
| | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class |
| Employee Action / Behavior Issue | 1 | 0.40% | 13 | 5.18% | | | 7 | 3.20% |
| Billing / Meter Read Issue | 2 | 0.80% | 41 | 16.33% | 6 | 2.74% | 21 | 9.59% |
| Collection / Disconnection Issue | 3 | 1.20% | 27 | 10.76% | 2 | 0.91% | 25 | 11.42% |
| Service Quality | 2 | 0.80% | 43 | 17.13% | | | 30 | 13.70% |
| Meter Adjustment | | | | | | | | |
| Outage | | | 1 | 0.40% | | | | |
| My bill is too high | 4 | 1.60% | 48 | 19.12% | 2 | 0.91% | 45 | 20.55% |
| Service Restoration Intervals | | | | | | | 1 | 0.46% |
| Service Extension Intervals | | | | | | | | |
| Others | 4 | 1.60% | 62 | 24.70% | 3 | 1.37% | 77 | 35.16% |
| TIME TO RESOLVE COMPLAINT | | | | | | | | |
| Initially | 220 | | | | 208 | | | |
| Within 10 days | 30 | | | | 6 | | | |
| > 10 days | 1 | | | | 5 | | | |
| | # resolved by taking listed action | | % resolved by taking listed action | | # resolved by taking listed action | | % resolved by taking listed action | |
| Complaint Resolution | | | | | | | | |
| Taking action as customer request | 101 | | 40.23% | | 100 | | 45.66% | |
| Agreeable Compromise | 104 | | 41.43% | | 91 | | 41.55% | |
| Not within the control of the Utility | 4 | | 1.59% | | 2 | | 0.91% | |
| Refuse | 42 | | 16.73% | | 26 | | 11.87% | |
| PUC COMPLAINTS | | | 3 | | | | 2 | |

| # OF COMPLAINTS | MAY | | | | JUNE | | | |
|---------------------------------------|-------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 122 | | | | 113 | | | |
| | # of complaints for Comercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class |
| Employee Action / Behavior Issue | | | | | | | 6 | 5.31% |
| Billing / Meter Read Issue | 2 | 1.64% | 10 | 8.19% | | | 10 | 8.85% |
| Collection / Disconnection Issue | 1 | 0.82% | 22 | 18.03% | 1 | 0.88% | 21 | 18.58% |
| Service Quality | | | 26 | 21.31% | | | 33 | 29.20% |
| Meter Adjustment | | | | | | | | |
| Outage | | | | | | | | |
| My bill is too high | 3 | 2.46% | 14 | 11.48% | 2 | 1.77% | 7 | 6.19% |
| Service Restoration Intervals | | | | | | | | |
| Service Extension Intervals | | | | | | | | |
| Others | 1 | 0.82% | 43 | 35.25% | | | 33 | 29.20% |
| TIME TO RESOLVE COMPLAINT | | | | 5 | | | | 2 |
| Initially | 108 | | | | 107 | | | |
| Within 10 days | 13 | | | | 4 | | | |
| > 10 days | 1 | | | | 2 | | | |
| | # resolved by taking listed action | | % resolved by taking listed action | | # resolved by taking listed action | | % resolved by taking listed action | |
| Complaint Resolution | | | | | | | | |
| Taking action as customer request | 47 | | 38.52% | | 33 | | 29.20% | |
| Agreeable Compromise | 48 | | 39.34% | | 35 | | 30.97% | |
| Not within the control of the Utility | 2 | | 1.64% | | 4 | | 3.54% | |
| Refuse | 25 | | 24.49% | | 41 | | 36.28% | |
| PUC COMPLAINTS | | | | | | | | |

| # OF COMPLAINTS | JULY | | | | AUGUST | | | |
|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 126 | | | | 144 | | | |
| | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class |
| Employee Action / Behavior Issue | | | 1 | 0.79% | | | 4 | 2.78% |
| Billing / Meter Read Issue | | | 8 | 6.34% | 2 | 1.39% | 9 | 6.25% |
| Collection / Disconnection Issue | | | 20 | 15.87% | 4 | 2.78% | 26 | 18.06% |
| Service Quality | 2 | 1.59% | 48 | 38.09% | 2 | 1.39% | 33 | 22.92% |
| Meter Adjustment | | | 4 | | | | | |
| Outage | | | | | | | | |
| My bill is too high | 1 | 0.79% | 8 | 6.34% | 2 | 1.39% | 7 | 4.86% |
| Service Restoration Intervals | | | | | | | 2 | 1.39% |
| Service Extension Intervals | | | | | 1 | 0.69% | | |
| Others | 1 | 0.79% | 33 | 26.19% | 1 | 0.69% | 51 | 35.42% |
| TIME TO RESOLVE COMPLAINT | | | | | | | | |
| Initially | 112 | | | | 135 | | | |
| Within 10 days | 13 | | | | 7 | | | |
| > 10 days | 1 | | | | 2 | | | |
| | # resolved by taking listed action | | % resolved by taking listed action | | # resolved by taking listed action | | % resolved by taking listed action | |
| Complaint Resolution | | | | | | | | |
| Taking action as customer request | 30 | | 23.81% | | 40 | | 27.78% | |
| Agreeable Compromise | 49 | | 38.89% | | 50 | | 34.72% | |
| Not within the control of the Utility | 4 | | 3.17% | | 8 | | 5.56% | |
| Refuse | 43 | | 34.13% | | 46 | | 31.94% | |
| PUC COMPLAINTS | | | | | | | | |

| # OF COMPLAINTS | SEPTEMBER | | | | OCTOBER | | | |
|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 149 | | | | 139 | | | |
| | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class |
| Employee Action / Behavior Issue | | | 3 | 2.01% | | | 3 | 2.16% |
| Billing / Meter Read Issue | 3 | 2.01% | 20 | 13.42% | 1 | 0.72% | 14 | 10.07% |
| Collection / Disconnection Issue | 3 | 2.01% | 29 | 19.46% | 3 | 2.16% | 13 | 9.35% |
| Service Quality | 1 | 0.67% | 35 | 23.49% | | | 56 | 40.29% |
| Meter Adjustment | | | | | | | | |
| Outage | | | | | | | | |
| My bill is too high | 1 | 0.67% | 5 | 3.36% | 1 | 0.72% | 4 | 2.88% |
| Service Restoration Intervals | | | 1 | 0.67% | | | | |
| Service Extension Intervals | | | | | | | 1 | 0.72% |
| Others | 2 | 1.34% | 46 | 30.87% | 3 | 2.16% | 40 | 28.78% |
| TIME TO RESOLVE COMPLAINT | | | | 2 | | | | 2 |
| Initially | 139 | | | | 130 | | | |
| Within 10 days | 7 | | | | 6 | | | |
| > 10 days | 3 | | | | 3 | | | |
| | # resolved by taking listed action | | % resolved by taking listed action | | # resolved by taking listed action | | % resolved by taking listed action | |
| Complaint Resolution | | | | | | | | |
| Taking action as customer request | 54 | | 36.24% | | 52 | | 37.41% | |
| Agreeable Compromise | 57 | | 38.26% | | 56 | | 40.29% | |
| Not within the control of the Utility | | | | | | | | |
| Refuse | 38 | | 25.50% | | 31 | | 22.30% | |
| PUC COMPLAINTS | | | | | | | | |

| # OF COMPLAINTS | NOVEMBER | | | | DECEMBER | | | |
|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|--------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|
| | 99 | | | | 119 | | | |
| | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class | # of complaints for Commercial Class | % of complaints for Commercial Class | # of complaints for Residential Class | % of complaints for Residential Class |
| Employee Action / Behavior Issue | | | 3 | 3.03% | | | 2 | 1.68% |
| Billing / Meter Read Issue | | | 10 | 10.10% | | | 18 | 15.13% |
| Collection / Disconnection Issue | | | 12 | 12.12% | | | 29 | 24.40% |
| Service Quality | 1 | 1.01% | 28 | 28.28% | 2 | 1.68% | 20 | 16.81% |
| Meter Adjustment | | | | | | | | |
| Outage | | | | | | | | |
| My bill is too high | 1 | 1.01% | 3 | 3.03% | 3 | 2.52% | 4 | 3.36% |
| Service Restoration Intervals | | | 1 | 1.01% | | | | |
| Service Extension Intervals | | | | | | | 1 | 0.84% |
| Others | 5 | 5.05% | 35 | 35.35% | 7 | 5.88% | 33 | 27.73% |
| TIME TO RESOLVE COMPLAINT | | | | 3 | | | | 2 |
| Initially | 91 | | | | 83 | | | |
| Within 10 days | 6 | | | | 1 | | | |
| > 10 days | 2 | | | | 35 | | | |
| | # resolved by taking listed action | | % resolved by taking listed action | | # resolved by taking listed action | | % resolved by taking listed action | |
| Complaint Resolution | | | | | | | | |
| Taking action as customer request | 37 | | 37.37% | | 37 | | 31.09% | |
| Agreeable Compromise | 45 | | 45.45% | | 60 | | 50.42% | |
| Not within the control of the Utility | | | | | | | | |
| Refuse | 17 | | 17.17% | | 22 | | 18.49% | |
| PUC COMPLAINTS | | | | | | | | |

Answer time for gas emergency phone lines

| 2012 | | | | | | | | | | | | | | |
|--------------------------|---------|----------|--------|--------|--------|--------|--------|--------|-----------|---------|----------|----------|---------|--------|
| | January | February | March | April | May | June | July | August | September | October | November | December | AVERAGE | TOTAL |
| Total calls | 1,628 | 1,312 | 1,235 | 1,244 | 1,339 | 1,279 | 1,337 | 1,317 | 1,401 | 1,720 | 1,912 | 1,617 | 1445 | 17,341 |
| Average speed of answer | 7 | 7 | 7 | 6 | 7 | 7 | 7 | 7 | 5 | 6 | 9 | 7 | 6.8 | |
| % answered in 15 seconds | 90.57% | 91.39% | 91.41% | 92.96% | 92.33% | 92.81% | 93.78% | 92.71% | 94.28% | 95.20% | 89.07% | 91.46% | 92.3% | |

Tech Response Time From Time of Call to Arrival

| | January | February | March | April | May | June | July | August | September | October | November | December | Total |
|------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| Calls responded to in Under 1 hour | 491 | 387 | 404 | 401 | 433 | 409 | 426 | 448 | 572 | 610 | 676 | 503 | 5760 |
| Calls responded to in Over 1 hour | 29 | 17 | 20 | 23 | 26 | 25 | 23 | 31 | 17 | 23 | 204 | 23 | 461 |
| Total Calls | 520 | 404 | 424 | 424 | 459 | 434 | 449 | 479 | 589 | 633 | 880 | 526 | 6221 |

Calls responded to in Under 1 hour

| | NW region | NE region | CN region | SE region | SW region | Total |
|---------------|------------|-------------|-------------|-------------|------------|-------------|
| January | 48 | 85 | 110 | 179 | 69 | 491 |
| February | 52 | 70 | 85 | 136 | 44 | 387 |
| March | 55 | 70 | 93 | 141 | 45 | 404 |
| April | 36 | 83 | 88 | 145 | 49 | 401 |
| May | 53 | 84 | 126 | 129 | 41 | 433 |
| June | 33 | 114 | 85 | 127 | 50 | 409 |
| July | 47 | 95 | 80 | 157 | 47 | 426 |
| August | 52 | 85 | 109 | 157 | 45 | 448 |
| September | 76 | 116 | 127 | 167 | 86 | 572 |
| October | 79 | 111 | 134 | 207 | 79 | 610 |
| November | 54 | 105 | 239 | 205 | 73 | 676 |
| December | 45 | 82 | 171 | 153 | 52 | 503 |
| Totals | 630 | 1100 | 1447 | 1903 | 680 | 5760 |

| MERC Average emergency response time in minutes | Month |
|---|---------|
| January | 0.28.33 |
| February | 0.26.58 |
| March | 0.27.48 |
| April | 0.27.46 |
| May | 0.29.28 |
| June | 0.28.44 |
| July | 0.28.22 |
| August | 0.28.32 |
| September | 0.28.12 |
| October | 0.26.37 |
| November | 0.49.59 |
| December | 0.29.07 |
| YTD Average 2012 | 0:30:00 |

Calls responded to in Over 1 hour

| | NW region | NE region | CN region | SE region | SW region | Total |
|---------------|-----------|-----------|------------|-----------|-----------|------------|
| January | 7 | 4 | 10 | 3 | 5 | 29 |
| February | 6 | 1 | 1 | 4 | 5 | 17 |
| March | 7 | 0 | 2 | 5 | 6 | 20 |
| April | 7 | 0 | 8 | 4 | 4 | 23 |
| May | 7 | 2 | 9 | 2 | 6 | 26 |
| June | 5 | 6 | 2 | 7 | 5 | 25 |
| July | 14 | 1 | 4 | 0 | 4 | 23 |
| August | 9 | 3 | 6 | 7 | 6 | 31 |
| September | 6 | 4 | 1 | 1 | 5 | 17 |
| October | 7 | 5 | 3 | 2 | 6 | 23 |
| November | 7 | 4 | 182 | 8 | 3 | 204 |
| December | 7 | 2 | 6 | 1 | 7 | 23 |
| Totals | 89 | 32 | 234 | 44 | 62 | 461 |

MERC's emergency response time target is 30 minutes

*note: Central increase in Nov due to propane plant release resulting in over 300 leak calls

| Emergency reponse time | | | | | | | | | | | | | |
|----------------------------|---------|----------|-------|-------|-------|-------|-------|--------|-----------|---------|----------|----------|-------|
| 2012 | January | February | March | April | May | June | July | August | September | October | November | December | Total |
| Total calls | 520 | 404 | 424 | 424 | 459 | 434 | 449 | 479 | 589 | 633 | 880 | 526 | 6221 |
| # responded to in < 1 hour | 491 | 387 | 404 | 401 | 433 | 409 | 426 | 448 | 572 | 610 | 676 | 503 | 5760 |
| % responded to in < 1 hour | 94.4% | 95.8% | 95.3% | 94.6% | 94.3% | 94.2% | 94.9% | 93.5% | 97.1% | 96.4% | 76.8% | 95.6% | 92.6% |
| # responded to in > 1 hour | 29 | 17 | 20 | 23 | 26 | 25 | 23 | 31 | 17 | 23 | 204 | 23 | 461 |
| % responded to in > 1 hour | 5.9% | 4.4% | 5.0% | 5.7% | 6.0% | 6.1% | 5.4% | 6.9% | 3.0% | 3.8% | 30.2% | 4.6% | 7.4% |
| Average minutes to respond | 29 | 27 | 28 | 28 | 29 | 29 | 28 | 29 | 28 | 27 | 50 | 29 | 30 |

***note:
 Central
 increase in
 Nov due to
 propane
 plant
 release
 resulting in
 over 300
 leak calls**

Mislocates

| | 2012 | | | | | | | | | | | | |
|---------------|---------|----------|--------|--------|--------|--------|--------|--------|-----------|---------|----------|----------|--------|
| | January | February | March | April | May | June | July | August | September | October | November | December | TOTAL |
| Total locates | 1561 | 856 | 2080 | 5624 | 9090 | 9480 | 8383 | 9579 | 4242 | 7976 | 9294 | 2831 | 70996 |
| Mislocates | 0 | 0 | 0 | 0 | 1 | 3 | 4 | 5 | 4 | 2 | 3 | 2 | 24 |
| % mislocated | 0.000% | 0.000% | 0.000% | 0.000% | 0.011% | 0.032% | 0.048% | 0.052% | 0.094% | 0.025% | 0.032% | 0.071% | 0.034% |

Gas lines damaged

2012

| DATE | Address | Outage caused by system issue | outage caused by MERC employee or MERC contractor | outage caused by other | Number of customer affected | outage duration/m inutes | Lost Gas Billed/Mcf |
|-----------------|---------------------------------|-------------------------------|---|------------------------|-----------------------------|--------------------------|---------------------|
| JANUARY | | | | | | | |
| 1/5/2012 | 133 2nd Ave Worthington | N | N | Y | 2 | 15 | 0.00 |
| 1/7/2012 | 120 N Dugan Welcome | N | N | Y | 1 | 1200 | 8.19 |
| 1/19/2012 | 125 Center St Oronoco | N | N | Y | 1 | 549 | 24.60 |
| FEBRUARY | | | | | | | |
| MARCH | | | | | | | |
| 3/20/2012 | 4916 Whispering Way Eagan | N | N | Y | 1 | 15 | 9.06 |
| 3/27/2012 | 3355 Discovery Rd Eagan | N | N | Y | 1 | 20 | 0.00 |
| 3/8/2012 | 13 South St Dodge Center | N | N | Y | 1 | 96 | 4.97 |
| 3/19/2012 | 913 17th Ave NE Rochester | N | N | Y | 1 | 60 | 0.57 |
| 3/29/2012 | 301 2nd St NW Kasson | N | N | Y | 2 | 80 | 0.00 |
| APRIL | | | | | | | |
| 4/1/2012 | 428 Superior Ave Crosby | N | N | Y | 1 | 300 | 0.16 |
| 4/2/2012 | 105 S Main Dover | N | N | Y | 1 | 20 | 0.00 |
| 4/9/2012 | 221 7th St NW Rochester | N | N | Y | 1 | 120 | 0.18 |
| 4/20/2012 | 1201 S Broadway Rochester | N | N | Y | 3 | 60 | 0.72 |
| 4/11/2012 | 432 N Rebecca Ivanhow | N | N | Y | 1 | 780 | 0.06 |
| 4/26/2012 | 15 W Front St Cottonwood | N | N | Y | 1 | 35 | 0.51 |
| 4/30/2012 | 310 Brown St Jackson | N | N | Y | 1 | 1311 | 32.78 |
| 4/16/2012 | 39545 Government Rd Hinckley | N | N | Y | 1 | 45 | 4.34 |
| 4/24/2012 | 850 Hwy 65 S Mora | N | N | Y | 1 | 30 | 2.07 |
| 4/5/2012 | 21547 Harvest Hills Prior Lake | N | N | Y | 1 | 90 | 4.65 |
| 4/24/2012 | 20195 Holyoke Ave Lakeville | N | N | Y | 1 | 60 | 74.40 |
| 4/26/2012 | 123 NE 7th St Grand Rapids | N | N | Y | 1 | 20 | 0.19 |
| 4/30/2012 | 50940 Miller Highway Hermantown | N | N | Y | 100 | 540 | 1.24 |
| MAY | | | | | | | |
| 5/15/2012 | 215 Highway 56 Hayfield | N | N | Y | 1 | 93 | 2.46 |
| 5/26/2012 | 1619 Wishire Ct NE Rochester | N | N | Y | 1 | 150 | 0.72 |

| | | | | | | | |
|-------------|-------------------------------------|---|---|---|---|-----|--------|
| 5/25/2012 | 418 E Eyota St Dover | N | N | Y | 6 | 120 | 0.00 |
| 5/7/2012 | 350 S Edquist Appleton | N | N | Y | 1 | 15 | 0.26 |
| 5/30/2012 | 507 S Hwy Jackson | N | Y | N | 1 | 30 | 0.72 |
| 5/18/2012 | 940 W 4th St Rush City | N | N | Y | 1 | 60 | 0.00 |
| 5/5/2012 | 1301 Trapp Rd Eagan | N | N | Y | 1 | 15 | 7.57 |
| 5/30/2012 | 15100 Cty Rd 23 Verndale | N | N | Y | 1 | 160 | 0.46 |
| 5/2/2012 | 1237 Lake Ave Detroit Lakes | N | N | Y | 1 | 60 | 2.15 |
| 5/16/2012 | 719 19th St NW Bemidji | N | N | Y | 1 | 10 | 2.87 |
| JUNE | | | | | | | |
| 6/1/2012 | 312 N 4th Ave Biwabik | N | N | Y | 1 | 30 | 0.27 |
| 6/28/2012 | 100 Block E Main Ada | N | N | Y | 1 | 20 | 0.00 |
| 6/25/2012 | 3259 Terminal Dr Eagan | N | N | Y | 1 | 135 | 144.85 |
| 6/28/2012 | 5204 Oriole Dr Farmington | N | N | Y | 1 | 15 | 4.65 |
| 6/26/2012 | 27920 Danville Ave Castle Rock | N | N | Y | 1 | 190 | 148.80 |
| 6/24/2012 | 1654 Hickory Ln Eagan | N | N | Y | 4 | 180 | 29.52 |
| 6/5/2012 | 2700 Schaeffer Ln NE Rochester | N | N | Y | 1 | 60 | 5.36 |
| 6/4/2012 | 626 Chalet Dr Rochester | N | Y | N | 1 | 60 | 1.12 |
| 6/12/2012 | 532 Willow Bend Ln SW Rochester | N | N | Y | 2 | 40 | 24.16 |
| 6/20/2012 | 1104 6th Ave NW Rochester | N | Y | N | 1 | 60 | 8.58 |
| 6/16/2012 | 6810 Chester Heights Rochester | N | N | Y | 1 | 30 | 1.12 |
| 6/12/2012 | 705 3rd Ave Windom | N | N | Y | 1 | 20 | 8.96 |
| 6/26/2012 | 857 Hwy 12 Ortonville | N | N | Y | 1 | 30 | 0.00 |
| 6/12/2012 | 205 3rd St E Canby | N | N | Y | 1 | 50 | 16.40 |
| JULY | | | | | | | |
| 7/9/2012 | 992 Gary St Calumet | N | N | Y | 1 | 30 | 0.21 |
| 7/1/2012 | 5668 Miller Hwy Pike Lake | N | N | Y | 1 | 90 | 0.31 |
| 7/13/2012 | 3113 Cty Rd 112 International Falls | N | N | Y | 1 | 15 | 3.10 |
| 7/14/2012 | 4846 Morris Thomas Rd Hermantown | N | N | Y | 1 | 5 | 0.00 |
| 7/16/2012 | 19563 Gama Beach Rd Grand Rapids | N | N | Y | 2 | 150 | 6.70 |
| 7/18/2012 | 18394 520th St Deer River | N | N | Y | 1 | 30 | 8.04 |
| 7/18/2012 | 1531 E 3rd Ave International Falls | N | N | Y | 1 | 27 | 6.20 |
| 7/26/2012 | 1407 E Hwy 2 Grand Rapids | N | N | Y | 1 | 40 | 10.72 |
| 7/9/2012 | 123 Carlton Dr SW Rochester | N | N | Y | 1 | 90 | 21.00 |
| 7/19/2012 | 300 3rd Ave NW Pine Island | N | N | Y | 1 | 120 | 0.00 |
| 7/31/2012 | 25510 625th St Kasson | N | N | Y | 1 | 5 | 1.34 |
| 7/25/2012 | 120 E Main west Concord | N | N | Y | 1 | 240 | 5.25 |
| 7/9/2012 | 14155 Abbeyfield Ct Rosemount | N | N | Y | 1 | 60 | 18.60 |
| 7/23/2012 | 3805 Windcrest Ct Eagan | N | N | Y | 2 | 120 | 2.46 |

| | | | | | | | |
|---------------|--------------------------------------|---|---|---|----|------|--------|
| 7/12/2012 | 3430 200th St W Farmington | N | N | Y | 1 | 60 | 19.38 |
| 7/10/2012 | 37887 Lincoln Trail North Branch | N | N | Y | 1 | 60 | 4.34 |
| 7/17/2012 | 5400 Oriole Dr Farmington | N | N | Y | 1 | 15 | 4.02 |
| 7/18/2012 | 5417 Oriole Dr Farmington | N | N | Y | 1 | 20 | 1.95 |
| 7/2/2012 | 2038 Knollwodd Dr Fairmont | N | N | Y | 1 | 90 | 0.93 |
| 7/5/2012 | 1378 Springfield Pkwy Jackson | N | N | Y | 1 | 143 | 32.75 |
| 7/3/2012 | Weave & Cleveland Welcome | N | N | Y | 7 | 60 | 14.58 |
| 7/9/2012 | 418 Weaver St Welcome | N | N | Y | 9 | 1020 | 3.60 |
| 7/23/2012 | 216 1/2 Cleveland St Welcome | N | N | Y | 1 | 60 | 0.80 |
| 7/24/2012 | 1208 River Rd Windom | N | N | Y | 2 | 1020 | 45.80 |
| 7/12/2012 | 1156 River Rd Windom | N | N | Y | 1 | 1200 | 0.24 |
| 7/24/2012 | 101 Shady Ln Jackson | N | N | Y | 1 | 60 | 0.69 |
| 7/2/2012 | 111 Benjamin Jackson | N | N | Y | 3 | 1140 | 111.90 |
| 7/20/2012 | 300 Block Hwy 9 Ada | N | N | Y | 1 | 0 | 0.00 |
| 7/22/2012 | 1332 E Shore Dr Detroit Lakes | N | N | Y | 2 | 20 | 4.65 |
| 7/23/2012 | 500 8th Ave Ironton | N | N | Y | 1 | 0 | 0.00 |
| 7/31/2012 | 506 SE 7th Ave Roseau | N | N | Y | 1 | 120 | 0.00 |
| AUGUST | | N | N | Y | | | |
| 8/12/2012 | 609 18th St Cloquet | N | N | Y | 1 | 120 | 8.67 |
| 8/16/2012 | 2014 Town Rd 416 Ranier | N | N | Y | 1 | 5 | 1.55 |
| 8/17/2012 | 607 18th St Cloquet | N | N | Y | 1 | 60 | 8.67 |
| 8/24/2012 | Golf Course and Horseshoe Rd Cloquet | N | N | Y | 74 | 245 | 30.20 |
| 8/8/2012 | 627 5th St SW Rochester | N | Y | N | 1 | 60 | 4.29 |
| 8/8/2012 | 1408 Pahama Ct Rochester | N | Y | N | 14 | 240 | 29.22 |
| 8/14/2012 | 7130 SE 30th St Rochester | N | N | Y | 1 | 349 | 0.14 |
| 8/14/2012 | 1213 S Broadway Rochester | N | N | Y | 1 | 90 | 0.10 |
| 8/21/2012 | 801 S Broadway Rochester | 1 | N | Y | 1 | 180 | 0.46 |
| 8/15/2012 | 726 3rd St NW Rochester | N | N | Y | 1 | 90 | 2.15 |
| 8/27/2012 | 30 Civic Center Dr Rochester | N | Y | N | 1 | 30 | 17.19 |
| 8/30/2012 | 25055 608th St Mantorville | N | Y | N | 1 | 20 | 5.36 |
| 8/1/2012 | 723 NW 2nd St Rochester | N | N | Y | 1 | 360 | 2.86 |
| 8/9/2012 | 110 Center Ave S Hayfield | N | N | Y | 2 | 345 | 160.08 |
| 8/2/2012 | 1392 Cleome Ln Eagan | N | Y | N | 1 | 10 | 2.46 |
| 8/26/2012 | 350 Johnson Ave Pine City | N | N | Y | 1 | 10 | 0.47 |
| 8/29/2012 | 1692 Covington Ln Eagan | N | N | Y | 2 | 120 | 7.38 |
| 8/24/2012 | 669 Coventry Pkwy Eagan | N | N | Y | 1 | 60 | 9.84 |
| 8/6/2012 | 14640 Diamond Path Rosemount | N | N | Y | 1 | 120 | 22.92 |
| 8/15/2012 | 419 6th St Pine City | N | Y | N | 2 | 150 | 6.76 |

| | | | | | | | |
|------------------|-------------------------------------|---|---|---|-----|------|--------|
| 8/7/2012 | 10005 205th St W Rosmeount | N | Y | N | 1 | 30 | 1.17 |
| 8/20/2012 | 1609 6th Ave Mountain Lake | N | N | Y | 1 | 60 | 2.73 |
| 8/6/2012 | 511 Main St Lambertton | N | N | Y | 1 | 5 | 22.32 |
| 8/27/2012 | 1429 6th Ave Mountain Lake | N | N | Y | 1 | 60 | 3.20 |
| 8/28/2012 | 1403 6th Ave Mountain Lake | N | N | Y | 1 | 260 | 3.20 |
| SEPTEMBER | | | | | | | |
| 9/4/2011 | 1108 Ugstad Rd Proctor | N | N | Y | 3 | 35 | 173.60 |
| 9/10/2012 | 715 17th St Int Falls | N | N | Y | 1 | 120 | 7.75 |
| 9/11/2012 | 1721 1st Ave E Int Falls | N | N | Y | 1 | 30 | 9.30 |
| 9/11/2012 | 1571 Airport Rd Cloquet | N | N | Y | 1 | 240 | 0.00 |
| 9/11/2012 | 609 18th St Cloquet | N | N | Y | 1 | 90 | 0.00 |
| 9/14/2012 | 106 Sharon St Buhl | N | N | Y | 1 | 60 | 4.02 |
| 9/20/2012 | 444 3rd St Int Falls | N | N | Y | 2 | 115 | 0.29 |
| 9/5/2012 | 10 9 1/2 St SE Rochester | N | Y | N | 3 | 42 | 6.01 |
| 9/8/2012 | 218 N Chatfield St Dover | N | N | Y | 267 | 390 | 39.60 |
| 9/14/2012 | 100 9th St SE Kasson | N | N | Y | 1 | 96 | 5.78 |
| 9/14/2012 | 1355 East Ln LaCrescent | N | N | Y | 3 | 90 | 33.21 |
| 9/14/2012 | 2nd St & 9Th Ave Rochester | N | N | Y | 19 | 45 | 11.46 |
| 9/8/2012 | 955 21st SE Rochester | N | N | Y | 1 | 120 | 1.08 |
| 9/11/2012 | 723 2nd St NW Rochester | N | N | Y | 1 | 60 | 0.54 |
| 9/28/2012 | 1117 E Caledonia St Caledonia | N | N | Y | 1 | 510 | 5.54 |
| 9/4/2012 | 17280 Sunset Trail Pine City | N | N | Y | 1 | 5 | 0.00 |
| 9/8/2012 | 8896 197th St Lakeville | N | N | Y | 1 | 60 | 4.65 |
| 9/9/2012 | 11300 235th St E Lakeville | N | N | Y | 1 | 105 | 7.75 |
| 9/12/2012 | 313 Walnut St Farmington | N | N | Y | 1 | 60 | 10.20 |
| 9/6/2012 | 1696 Woodgate Ln Eagan | N | Y | N | 2 | 60 | 2.46 |
| 9/19/2012 | 213 Cleveland Welcome | N | N | Y | 1 | 45 | 0.40 |
| 9/25/2012 | 1317 2nd Ave Mountain Lake | N | N | Y | 1 | 60 | 24.40 |
| 9/27/2012 | 908 Milwaukee Lakefield | N | N | Y | 1 | 1080 | 77.50 |
| 9/15/2012 | 213 Elm St Tracy | N | N | N | 1 | | |
| OCTOBER | | | | | | | |
| 10/11/2012 | 315 SE 1st St Grand Rapids | N | N | Y | 1 | 15 | 0.29 |
| 10/22/2012 | 301 3rd St Nashwauk | N | Y | N | 1 | 60 | 0.00 |
| 10/31/2012 | 34336 Chestnut Cir Moos Lake | N | N | Y | 1 | 30 | 0.27 |
| 10/3/2012 | 61057 252nd Ave Mntorville | N | N | Y | 1 | 90 | 7.44 |
| 10/24/2012 | 200 2nd St Claremont | N | N | Y | 1 | 75 | 0.06 |
| 10/19/2012 | 2003 NE Parkwood Hills Dr Rochester | N | N | Y | 1 | 240 | 1.08 |
| 10/17/2012 | 116 E Main Hayfield | N | N | Y | 1 | 65 | 17.18 |

House destroyed

| | | | | | | | |
|-----------------|-----------------------------|---|---|---|---|-----|--------|
| 10/2/2012 | 1317 2nd Ave Mt Lake | N | N | Y | 1 | 15 | 2.70 |
| 10/4/2012 | 1313 2nd Ave Mt Lake | N | N | Y | 1 | 15 | 2.70 |
| 10/9/2012 | 401 Milwaukee Lakefield | N | N | Y | 1 | 60 | 1.10 |
| 10/22/2012 | 262 State St Jackson | N | N | Y | 1 | 420 | 0.51 |
| 10/6/2012 | 9596 Main St Elko | N | N | Y | 1 | 60 | 1.17 |
| 10/13/2012 | 14429 565th St West Concord | N | N | Y | 1 | 10 | 0.47 |
| 10/9/2012 | 3500 Dodd Rd Eagan | N | Y | N | 1 | 90 | 128.76 |
| 10/12/2012 | 190 Shorewood Detroit Lakes | N | N | Y | 1 | 15 | 4.65 |
| 10/2/2012 | 23402 Cross Dr Deerwood | N | N | Y | 1 | 68 | 18.22 |
| NOVEMBER | | | | | | | |
| 11/1/2012 | 87 Outer Dr Silver Bay | N | Y | N | 1 | 20 | 0.00 |
| 11/13/2012 | 702 NE 9th Ave Grand Rapids | N | N | Y | 1 | 100 | 2.68 |
| 11/30/2012 | 1504 Edge Dr Cloquet | N | N | Y | 1 | 150 | 0.78 |
| 11/6/2012 | 839 5th Ave SE Rochester | N | Y | N | 1 | 60 | 0.14 |
| 11/13/2012 | 2138 Gemini Dr SW Rochester | N | N | Y | 1 | 90 | 1.55 |
| 11/27/2012 | 416 State St West Concord | N | N | Y | 1 | 315 | 22.03 |
| 11/1/2012 | 235 State St Jackson | N | N | Y | 1 | 960 | 109.89 |
| 11/23/2012 | 37303 600th Ave Mt Lake | N | N | Y | 1 | 60 | 39.41 |
| 11/8/2012 | 132 2nd St NE Crosby | N | Y | N | 1 | 90 | 0.00 |
| DECEMBER | | | | | | | |
| 12/5/2012 | 1308 Hwy 33 Cloquet | N | N | Y | 1 | 480 | 515.04 |
| 12/4/2012 | 2930 146th St W Rosemount | N | N | Y | 1 | 120 | 0.00 |
| 12/4/2012 | 4462 Dodd Rd Eagan | N | N | Y | 1 | 15 | 0.00 |
| 12/4/2012 | 24232 Pillsbury Lakeville | N | N | Y | 1 | 150 | 304.50 |

Service interruptions

| | 2012 | | | | | | | | | | | | Total |
|---|---------|----------|-------|-------|-----|------|------|--------|-----------|---------|----------|----------|-------|
| | January | February | March | April | May | June | July | August | September | October | November | December | |
| Total System Integrity | 3 | 0 | 5 | 13 | 10 | 14 | 31 | 25 | 23 | 16 | 9 | 4 | 153 |
| Company employee or company contractor damage caused by other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 1 | 2 | 0 | 7 | 2 | 2 | 3 | 0 | 17 |
| | 3 | 0 | 5 | 13 | 9 | 12 | 31 | 18 | 21 | 14 | 6 | 4 | 136 |

2012

| DATE | Address | Outage caused by system issue | outage caused by MERC employee or MERC contractor | outage caused by other | Number of customers affected | outage duration | comments |
|-----------|---------------------------------|-------------------------------|---|------------------------|------------------------------|-----------------|--|
| 1/19/2012 | 125 E Center Oronoco | N | N | Y | 1 | 9.15 hours | vehicle ran off the road and hit a residential meter |
| 5/18/2012 | Cloquet | N | N | Y | 2 | 0 | Transmission pipeline experienced low pressure. Only 2 customers affected had alternate fuel source. |
| 6/26/2012 | 27920 Danville Ave Castle Rock | N | N | Y | 1 | 3.16 | Service line severed, excavator had not requested a locate. |
| 7/3/2012 | Rochester International Airport | N | N | N | 0 | 0 | The service to the airport has it's own odorizer. During low load periods "slugging" can occur. Slugging is where odorant pools and eventually passes through the line. The liquid odorant can be easily detected through any of the gas burners. This is what occurred resulting in the the fire department evacuating the airport. |
| 8/13/2012 | 1771 Yankee Doodle Rd Eagan | Y | N | N | 0 | 0 | Measurement Tech was testing large volume meter. When tech went to trun the inlet valve on the valve failed (broke). 2 buildings were evacuated while the valve was being replaced. |
| 9/10/2012 | 218 N Chatfield St Dover | N | N | Y | 267 | 390 | Contractor severed main feed serving Dover, requiring turning gas off to the town. The contractor was determined to be at fault. |
| 9/11/2012 | 1571 Airport Rd Cloquet | N | N | Y | 1 | 240 | Contractor severed service line to nursing home, resulting in the nursing home being evacuated. The contractor was determined to be at fault. |
| 9/15/2012 | 213 Elm St Tracy | N | N | N | 1 | | Home destroyed due to explosion. Investigation on-going. |
| 12/6/2012 | 20802 Kensington Blvd Lakeville | N | N | N | 0 | 0 | 200 people evacuated from commercial building by business management. No gas in building, only 3 small leaks were found. |

O&M expenses FERC Account 901 and 903 plus payroll taxes and benefits

2012

| | January | February | March | April | May | June | July | August | September | October | November | December | Total |
|----|---------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|--------------|
| \$ | 550,986 | \$ 454,909 | \$ 642,276 | \$ 549,033 | \$ 513,547 | \$ 522,441 | \$ 485,439 | \$ 488,944 | \$ 474,394 | \$ 753,406 | \$ 393,197 | \$ 580,755 | \$ 6,409,328 |

901000

903000

| | | |
|--------|------------|--------------|
| Jan-13 | \$ 38,652 | \$ 512,335 |
| Feb-13 | \$ 54,616 | \$ 400,293 |
| Mar-13 | \$ 50,879 | \$ 591,397 |
| Apr-13 | \$ 16,416 | \$ 532,618 |
| May-13 | \$ 35,304 | \$ 478,243 |
| Jun-13 | \$ 33,300 | \$ 489,141 |
| Jul-13 | \$ 33,505 | \$ 451,934 |
| Aug-13 | \$ 38,405 | \$ 450,538 |
| Sep-13 | \$ 53,248 | \$ 421,147 |
| Oct-13 | \$ 59,593 | \$ 693,813 |
| Nov-13 | \$ 43,001 | \$ 350,196 |
| 12-Dec | \$ 48,223 | \$ 532,532 |
| | \$ 505,142 | \$ 5,904,186 |
| | | \$ 6,409,328 |

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

Kristin M. Stastny hereby certifies that on the 1st day of May, 2013, on behalf of Minnesota Energy Resources Corporation (MERC) she electronically filed a true and correct copy of MERC's Service Quality Report on www.edockets.state.mn.us. Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

/s/ Kristin M. Stastny
Kristin M. Stastny

Subscribed and sworn to before me
this 1st Day of May, 2013.

/s/ Paula Bjorkman
Notary Public, State of Minnesota

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|-------------------------------------|---------------------------------------|---|--------------------|-------------------|---|
| Michael | Ahern | ahern.michael@dorsey.com | Dorsey & Whitney, LLP | 50 S 6th St Ste 1500 Minneapolis, MN 554021498 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Julia | Anderson | Julia.Anderson@ag.state.mn.us | Office of the Attorney General-DOC | 1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Michael | Bradley | bradley@moss-barnett.com | Moss & Barnett | 4800 Wells Fargo Ctr 90 S 7th St Minneapolis, MN 55402-4129 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 500 Saint Paul, MN 551012198 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Daryll | Fuentes | N/A | USG | 550 W. Adams Street Chicago, IL 60661 | Paper Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Burl W. | Haar | burl.haar@state.mn.us | Public Utilities Commission | Suite 350 121 7th Place East St. Paul, MN 551012147 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Richard | Haubensak | RICHARD.HAUBENSAK@CONSTELLATION.COM | Constellation New Energy Gas | Suite 200 12120 Port Grace Boulevard La Vista, NE 68128 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Amber | Lee | lee.amber@dorsey.com | Dorsey & Whitney LLP | Suite 1500 50 South Sixth Street Minneapolis, MN 55402 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| John | Lindell | agorud.ecf@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Brian | Meloy | brian.meloy@leonard.com | Leonard, Street & Deinard | 150 S 5th St Ste 2300 Minneapolis, MN 55402 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| | | | | | | | |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|--|---|---|--------------------|-------------------|---|
| Andrew | Moratzka | apmoratzka@stoel.com | Stoel Rives LLP | 33 South Sixth Street Suite 4200 Minneapolis, MN 55402 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Eric | Swanson | eswanson@winthrop.com | Winthrop Weinstine | 225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |
| Gregory | Walters | gjwalters@minnesotaenergyresources.com | Minnesota Energy Resources Corporation | 3460 Technology Dr. NW Rochester, MN 55901 | Electronic Service | No | GEN_SL_Minnesota Energy Resources Corporation_General Service List |

MICHAEL J. AHERN
(612) 340-2881
FAX (612) 340-2643
ahern.michael@dorsey.com

July 8, 2013

VIA ELECTRONIC FILING

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

Re: Minnesota Energy Resources Corporation's (MERC's) 2012 Annual Service
Quality Report (Report)
Docket No. G007, 011/M-13-355
Reply Comments

Dear Dr. Haar:

On June 27, 2013, the Department of Commerce, Division of Energy Resources filed Comments recommending that the Minnesota Public Utilities Commission (Commission) accept MERC's Report pending the provision of additional information in MERC's Reply Comments. The specific information the Department requested is provided in detail in the following pages.

Thank you for your attention to this matter.

Sincerely yours,

/s/ Michael J. Ahern

Michael J. Ahern

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
J. Dennis O'Brien
David C. Boyd
Nancy Lange
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Review of
Minnesota Energy Resources
Corporation's (MERC's) 2012
Annual Service Quality Report

Docket No. G007, 011/M-13-355

REPLY COMMENTS OF MINNESOTA ENERGY RESOURCES CORPORATION

Minnesota Energy Resources Corporation (MERC) submits the attached Reply Comments in response to the June 27, 2013, Minnesota Department of Commerce, Division of Energy Resources (Department) Comments in this docket. In its Comments, the Department recommended that MERC provide additional information in its Reply Comments, specifically:

- A. an explanation for the large increase in meters not read for 6-12 months at the end of 2012;
- B. an explanation detailing why the average commercial installation time increased from 2011 to 2012 and why April's average commercial response time was significantly longer than other months in 2012;
- C. a full explanation of why meter adjustment and service quality complaints increased between 2011 and 2012. Specifically, MERC should address whether the increase in complaints, in particular service quality, resulted from additional changes in how the Company classifies complaints or whether those complaints are due to operational or other issues;
- D. a full explanation as to why the percentage of complaints resolved upon initial inquiry decreased from 2011 to 2012. Specifically, MERC should address whether the decrease

in complaints resolved upon initial inquiry was due changes in the way the Company processes disputes or whether the increase was due to some other issue;

- E. a copy of MERC's May 1, 2012 customer complaint report required by Minnesota Rule 7820.0500
- F. a detailed explanation of each unusual service interruption, as defined in the Department's comments on the Company's 2011 Service Quality Report; including, what caused the service interruption and why the event impacted several customers or lasted for an extended period of time;
- G. further information regarding the residential explosion that occurred on September 15, 2012 and updates on the status and findings of the investigation;
- H. an explanation detailing why monthly O&M expenses in October 2012 were noticeably different than the monthly average.

Below, MERC discusses the additional information requested by the Department.

A. The large increase in meters not read for 6-12 months at the end of 2012

With the warmer than normal weather in 2012, MERC was able to perform the annual farm tap inspections earlier in the year, with the annual readings taken at the time of the inspection. Typically, these inspections are performed throughout the summer. With the readings being done earlier in the year, MERC experienced more accounts having 6-12 month reads. Farm tap accounts provide their own monthly readings with MERC being required to perform an annual read.

B. Why the average commercial installation time increased from 2011 to 2012 and why April's average commercial response time was significantly longer than other months in 2012

In reviewing these applications, it appears several of these requests — while ready for service — decided to wait until there was not a winter construction charge. The date was not updated which resulted in the appearance of service extensions being delayed.

C. Why meter adjustment and service quality complaints increased between 2011 and 2012. Specifically, whether the increase in complaints, in particular service quality, resulted from additional changes in how the Company classifies complaints or whether those complaints are due to operational or other issues

MERC initiated a new customer complaint tracking system late in 2011. Prior to that time, complaints to the Call Center were manually tracked and MERC felt not as accurate as a more automated process. Now the customer service representative needs to complete a pop up window before moving in the system. This consists of indicating whether the call is regarding a complaint and if so, what type of complaint. There is also an automated follow up that requires the customer service representative to provide the required reporting information. MERC does not believe there were any more particular types of complaints in 2012, but rather more accurate reporting.

D. Why the percentage of complaints resolved upon initial inquiry decreased from 2011 to 2012. Specifically, whether the decrease in complaints resolved upon initial inquiry was due changes in the way the Company processes disputes or whether the increase was due to some other issue

As explained above, MERC believes the complaint reporting is now more accurate than in the past and it would be difficult to compare with previous years.

E. A copy of MERC's May 1, 2012 customer complaint report required by Minnesota Rule 7820.0500

A copy of MERC's May 1, 2012 customer complaint report is attached (Attachment A).

F. Explanation of each unusual service interruption, as defined in the Department's comments on the Company's 2011 Service Quality Report; including, what caused the service interruption and why the event impacted several customers or lasted for an extended period of time

Attachment B to these reply comments provides additional information regarding the twelve "unusual service interruptions" identified, including what caused the service interruption (where known), and why the event impacted several customers or lasted for an extended period of time.

G. Further information regarding the residential explosion that occurred on September 15, 2012 and updates on the status and findings of the investigation

The investigation of the incident of September 15, 2012 at 213 Elm Street, Tracy, MN is not complete. Post-incident inspections and testing show that there were no natural gas leaks from jurisdictional piping or equipment.

H. Why monthly O&M expenses in October 2012 were noticeably different than the monthly average

In September 2012, MERC booked the performance incentive payout to its third party billing and call center vendor, Vertex. This resulted in an accrual being booked in October which overstated the October O&M. There was a reversal done in November which resulted in that month's O&M being less than other months. When averaging October and November you will note the amounts are similar to the other months.

DATED this 8th day of July, 2013.

Respectfully submitted,
DORSEY & WHITNEY LLP

/s/ Michael J. Ahern
Michael J. Ahern
50 South Sixth Street
Minneapolis, MN 55402
(612) 340-2881

Attorney for Minnesota Energy
Resources Corporation

Attachment A

Attachment A



Minnesota Public Utilities Commission

Consumer Affairs Office
121 7th Place East #350
St. Paul, MN 55101-2147

ANNUAL SUMMARY OF CUSTOMER COMPLAINTS

For Year End 2012

Due May 1st

Docket 377

In accordance with MINN. Reg. PSC 284

Name of Utility: Minnesota Energy Resources

Address: 2665 145TH STREET WEST, ROSEMOUNT, MN

Prepared By: Nancy Lilienthal Phone: 651-322-8902

NUMBER OF DISCONNECTS
FOR NON-PAYMENT
(By Month)

1 2 3

| | 1 | 2 | 3 |
|--------------|--------------|------------|----------|
| JAN | 73 | 17 | |
| FEB | 181 | 15 | |
| MAR | 383 | 44 | |
| APR | 632 | 78 | |
| MAY | 1688 | 70 | |
| JUNE | 1536 | 71 | |
| JULY | 1477 | 30 | |
| AUG | 594 | 18 | |
| SEPT | 270 | 7 | |
| OCT | 169 | 16 | |
| NOV | 13 | 3 | |
| DEC | 13 | 8 | |
| TOTAL | 7,029 | 377 | 0 |

I. Complaint Type

- A. Service
- B. Billing
- C. Rates
- D. Rules
- TOTAL COMPLAINTS**

| | Residential | | | Commercial/Industrial | | | Interruptible | | |
|-------------------------|-----------------|-----------------|-------------------|-----------------------|-----------------|-------------------|-----------------|-----------------|-------------------|
| | Number Received | Number Resolved | Number Unresolved | Number Received | Number Resolved | Number Unresolved | Number Received | Number Resolved | Number Unresolved |
| A. Service | 1040 | 1040 | | 51 | 51 | | | | |
| B. Billing | 199 | 199 | | 20 | 20 | | | | |
| C. Rates | 280 | 280 | | 21 | 21 | | | | |
| D. Rules | 224 | 224 | | 29 | 29 | | | | |
| TOTAL COMPLAINTS | 1743 | 1743 | 0 | 121 | 121 | 0 | 0 | 0 | 0 |

- II. A. Number of Disconnections for Nonpayment
- B. Number of Escrow Forms Filed (per PSC Rule 302G)
- III. A. Total Number of Customers (year end)
- B. Number of Customer's Added During Year

| | Residential | Commercial/Industrial | Interruptible |
|---|-------------|-----------------------|---------------|
| II. A. Number of Disconnections for Nonpayment | 7,029 | 377 | 0 |
| B. Number of Escrow Forms Filed (per PSC Rule 302G) | 0 | 0 | 0 |
| III. A. Total Number of Customers (year end) | 191,448 | 21,331 | 461 |
| B. Number of Customer's Added During Year | 965 | -29 | -47 |

- 1. Residential
- 2. Commercial/Industrial
- 3. Interruptible

Attachment B

Attachment B—Unusual Service Interruptions

| Date | Address | Cause (System issue, MERC employee/contractor, or other) | Number of customers affected | Outage Duration | Cause of unusual service interruption; explanation of length and number of customers affected |
|-----------|---------------------------------------|--|------------------------------|-----------------|--|
| 1/7/2012 | 120 N Dugan Welcome | Other | 1 | 1200 | An individual hit a meter set with his car, causing damage and a leak. The service interruption occurred on a Saturday night. The business affected was closed over the weekend and a crew repaired it the next business day. |
| 4/30/2012 | 310 Brown St Jackson | Other | 1 | 1311 | A third party-contractor was using a boring machine, pulling back pipe. Contactor did not verify the depth of the boring machine reamer and struck the underside of a service line, forcing the pipe upward and breaking the pipe at the threaded connection. The service interruption occurred at approximately 9pm. The area was made safe and a repair crew repaired the following day. |
| 4/30/2012 | 50940 Miller Highway Hermantown | Other | 100 | 540 | On April 30, 2012 a contractor working on a sewer project hit a service tee on a 2 inch PE main breaking the service tee off the main and allowing gas to blow. The main was squeezed off upstream of the damage, resulting in an interruption of natural gas service to one hundred customers. After repairs were completed the main was placed back in-service and service restored to the impacted customers. |
| 7/2/2012 | 111 Benjamin Jackson | Other | 3 | 1140 | An unknown service line was hit during third party contractor boring. The service line was not on maps and the meter inside the home had not been in service for years. The service interruption occurred at |

| | | | | | |
|-----------|--------------------------------------|-------|----|------|--|
| | | | | | approximately 4pm. The area was evacuated and made safe by 9pm and a repair crew restored service the following morning. |
| 7/9/2012 | 418 Weaver St Welcome | Other | 9 | 1020 | A contractor was installing sewer and water north of a gas main and service tee. As the contractor was completing work for the day, he smelled gas and notified the fire department and MERC. It was discovered there was a leak from the service tee. The service interruption occurred around 7 pm. A construction crew made the area safe and completed repairs to the tee and services the next day. |
| 7/12/2012 | 1156 River Rd Windom | Other | 1 | 1200 | A service line was pulled out because it was not supported during installation of a water line. The service interruption occurred at approximately 4pm. The area was made safe and repairs were made the next day. |
| 7/24/2012 | 1208 River Rd Windom | Other | 2 | 1020 | A service line was pulled while a new water main was being installed. The root cause was determined to be a failure to hand dig while excavating the area. The service interruption occurred at approximately 4pm. The area was made safe and repairs were made the next day. |
| 8/8/2012 | 1408 Pahama Ct Rochester | Other | 14 | 240 | Contractor severed dead end main resulting in service being lost to 14 customers. |
| 8/24/2012 | Golf Course and Horseshoe Rd Cloquet | Other | 74 | 245 | On August 21, 2012 a contractor working on a road rebuild project hit a 2 inch PE main. In order to safely repair the damage, the main was squeezed off. Seventy-four customers downstream of the squeeze |

| | | | | | |
|-----------|----------------------------------|-------|-----|------|---|
| | | | | | point were impacted by a natural gas service interruption. Service to impacted customers was restored after repairs were completed on the damaged main. |
| 9/8/2012 | 218 N Chatfield St Dover | Other | 267 | 390 | Contractor severed main feed serving Dover, requiring turning gas off to the town. The contractor was determined to be at fault. |
| 9/14/2012 | 2nd St & 9th Ave Rochester | Other | 19 | 45 | Contractor severed dead end main resulting in service being lost to 19 customers. |
| 9/27/2012 | 908 Milwaukee Lakefield | Other | 1 | 1080 | Operator for GM Contracting pulled the service line from the main while digging in sewer lines. Service interruption occurred at approximately 3pm. Temporary repairs were made on September 27 and service line and main repair was completed on September 28. |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|-------------------------------------|------------------------------------|---|--------------------|-------------------|------------------------|
| Michael | Ahern | ahern.michael@dorsey.com | Dorsey & Whitney, LLP | 50 S 6th St Ste 1500 Minneapolis, MN 554021498 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| Julia | Anderson | Julia.Anderson@ag.state.mn.us | Office of the Attorney General-DOC | 1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134 | Electronic Service | Yes | OFF_SL_13-355_M-13-355 |
| Michael | Bradley | bradley@moss-barnett.com | Moss & Barnett | 4800 Wells Fargo Ctr 90 S 7th St Minneapolis, MN 55402-4129 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 500 Saint Paul, MN 551012198 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| Daryll | Fuentes | N/A | USG | 550 W. Adams Street Chicago, IL 60661 | Paper Service | No | OFF_SL_13-355_M-13-355 |
| Burl W. | Haar | burl.haar@state.mn.us | Public Utilities Commission | Suite 350 121 7th Place East St. Paul, MN 551012147 | Electronic Service | Yes | OFF_SL_13-355_M-13-355 |
| Richard | Haubensak | RICHARD.HAUBENSAK@CONSTELLATION.COM | Constellation New Energy Gas | Suite 200 12120 Port Grace Boulevard La Vista, NE 68128 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| Amber | Lee | lee.amber@dorsey.com | Briggs and Morgan | 2200 IDS Center 80 South 8th Street Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| John | Lindell | agorud.ecf@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | Yes | OFF_SL_13-355_M-13-355 |
| Brian | Meloy | brian.meloy@leonard.com | Leonard, Street & Deinard | 150 S 5th St Ste 2300 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_13-355_M-13-355 |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|--|--|---|--------------------|-------------------|------------------------|
| Andrew | Moratzka | apmoratzka@stoel.com | Stoel Rives LLP | 33 South Sixth Street Suite 4200 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| Eric | Swanson | eswanson@winthrop.com | Winthrop Weinstine | 225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629 | Electronic Service | No | OFF_SL_13-355_M-13-355 |
| Gregory | Walters | gjwalters@minnesotaenergyresources.com | Minnesota Energy Resources Corporation | 3460 Technology Dr. NW Rochester, MN 55901 | Electronic Service | No | OFF_SL_13-355_M-13-355 |

ATTACHMENT 8

Filed as separate Excel spreadsheet

ATTACHMENT E'

| | MERC Customer Class | Rate | | Throughput | | Currently Decoupled | Proposed Decoupled |
|-----------------------------------|-----------------------------------|------------|------------|-------------|---------------|------------------------|-----------------------|
| | | Design | CCOSS | Rate Design | Benefit | | |
| | | less CCRC | less CCRC | less CCOSS | at 100 therms | | |
| NNG SALES | | | | | | | |
| GS-NNG Residential Sales | GS-NNG Residential Sales | \$ 0.25836 | \$ 0.06174 | \$ 0.19662 | \$ 19.66 | Yes | Yes |
| GS-NNG Residential Farm-Tap Sales | GS-NNG Residential Farm-Tap Sales | \$ 0.25836 | \$ 0.01079 | \$ 0.24757 | \$ 24.76 | Yes | Yes |
| GS-NNG SC&I Sales | C&I FIRM Class 1 | \$ 0.23306 | \$ 0.06690 | \$ 0.16616 | \$ 16.62 | Yes | Yes |
| GS-NNG SC&I Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05947 | \$ 0.09053 | \$ 9.05 | Yes | |
| GS-NNG SC&I Sales | GS-NNG SC&I Farm-Tap Sales | \$ 0.23306 | \$ 0.01027 | \$ 0.22279 | \$ 22.28 | Yes | Yes |
| GS-NNG LC&I Sales | C&I FIRM Class 2 | \$ 0.12590 | \$ 0.06102 | \$ 0.06488 | \$ 6.49 | | |
| GS-NNG LC&I Sales | C&I FIRM Class 3 | \$ 0.10805 | \$ 0.06061 | \$ 0.04744 | \$ 4.74 | | |
| GS-NNG LC&I Sales | Power Generating Unit - Class 1 | \$ 0.08000 | \$ 0.04988 | \$ 0.03012 | \$ 3.01 | | |
| GS-NNG LC&I Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05947 | \$ 0.09053 | \$ 9.05 | | |
| GS-NNG LC&I Sales | GS-NNG LC&I Farm-Tap Sales | \$ 0.12590 | \$ 0.00975 | \$ 0.11615 | \$ 11.61 | | |
| SVI-NNG Sales | C&I INT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | |
| SVI-NNG Sales | C&I INT Class 3 | \$ 0.06519 | \$ 0.03280 | \$ 0.03239 | \$ 3.24 | | |
| SVI-NNG Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05879 | \$ 0.09121 | \$ 9.12 | | |
| SVI-NNG Sales | Agriculture Grain Dryer - Class 2 | \$ 0.05197 | \$ 0.05171 | \$ 0.00026 | \$ 0.03 | | |
| LVI-NNG Sales | C&I INT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | |
| LVI-NNG Sales | C&I INT Class 3 | \$ 0.06519 | \$ 0.03280 | \$ 0.03239 | \$ 3.24 | | |
| LVI-NNG Sales | Power Generating Unit - Class 1 | \$ 0.08000 | \$ 0.04765 | \$ 0.03235 | \$ 3.23 | | |
| LVI-NNG Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05879 | \$ 0.09121 | \$ 9.12 | | |
| LVI-NNG Sales | Agriculture Grain Dryer - Class 2 | \$ 0.05197 | \$ 0.05171 | \$ 0.00026 | \$ 0.03 | | |
| SVJ-NNG Sales | C&I JOINT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | |
| CONSOLIDATED SALES | | | | | | | |
| GS-CONSOLIDATED Residential Sales | GS-CONSOLIDATED Residential Sales | \$ 0.25836 | \$ 0.06174 | \$ 0.19662 | \$ 19.66 | Yes | Yes |
| GS-CONSOLIDATED SC&I Sales | C&I FIRM Class 1 | \$ 0.23306 | \$ 0.06690 | \$ 0.16616 | \$ 16.62 | Yes | Yes |
| GS-CONSOLIDATED SC&I Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05947 | \$ 0.09053 | \$ 9.05 | Yes | |
| GS-CONSOLIDATED LC&I Sales | C&I FIRM Class 2 | \$ 0.12590 | \$ 0.06102 | \$ 0.06488 | \$ 6.49 | | |
| GS-CONSOLIDATED LC&I Sales | C&I FIRM Class 3 | \$ 0.10805 | \$ 0.06061 | \$ 0.04744 | \$ 4.74 | | |
| GS-CONSOLIDATED LC&I Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05947 | \$ 0.09053 | \$ 9.05 | | |
| SVI-CONSOLIDATED Sales | C&I INT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | |
| SVI-CONSOLIDATED Sales | C&I INT Class 3 | \$ 0.06519 | \$ 0.03280 | \$ 0.03239 | \$ 3.24 | | |
| SVI-CONSOLIDATED Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05879 | \$ 0.09121 | \$ 9.12 | | |
| SVI-CONSOLIDATED Sales | Agriculture Grain Dryer - Class 2 | \$ 0.05197 | \$ 0.05171 | \$ 0.00026 | \$ 0.03 | | |
| LVI-CONSOLIDATED Sales | C&I INT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | |
| LVI-CONSOLIDATED Sales | C&I INT Class 3 | \$ 0.06519 | \$ 0.03280 | \$ 0.03239 | \$ 3.24 | | |
| LVI-CONSOLIDATED Sales | C&I INT Class 4 | \$ 0.04289 | \$ 0.04203 | \$ 0.00086 | \$ 0.09 | | |
| SVJ-CONSOLIDATED Sales | C&I JOINT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | |

| | | ALBERT LEA-NNG SALES | | | | | | | |
|-------------------------------------|--|-----------------------------|------------|--------------|-----------|-----|-----|--|--|
| GS-ALBERT LEA NNG Residential Sales | GS-ALBERT LEA NNG Residential Sales | \$ 0.25836 | \$ 0.06174 | \$ 0.19662 | \$ 19.66 | Yes | Yes | | |
| GS-ALBERT LEA NNG SC&I Sales | C&I FIRM Class 1 | \$ 0.23306 | \$ 0.06690 | \$ 0.16616 | \$ 16.62 | Yes | Yes | | |
| GS-ALBERT LEA NNG LC&I Sales | C&I FIRM Class 2 | \$ 0.12590 | \$ 0.06102 | \$ 0.06488 | \$ 6.49 | | | | |
| GS-ALBERT LEA NNG LC&I Sales | C&I FIRM Class 3 | \$ 0.10805 | \$ 0.06061 | \$ 0.04744 | \$ 4.74 | | | | |
| SVI-ALBERT LEA NNG Sales | C&I INT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | | | |
| SVI-ALBERT LEA NNG Sales | C&I INT Class 3 | \$ 0.06519 | \$ 0.03280 | \$ 0.03239 | \$ 3.24 | | | | |
| SVI-ALBERT LEA NNG Sales | Agriculture Grain Dryer - Class 1 | \$ 0.15000 | \$ 0.05879 | \$ 0.09121 | \$ 9.12 | | | | |
| SVI-ALBERT LEA NNG Sales | Agriculture Grain Dryer - Class 2 | \$ 0.05197 | \$ 0.05171 | \$ 0.00026 | \$ 0.03 | | | | |
| LVI-ALBERT LEA NNG Sales | C&I INT Class 2 | \$ 0.08519 | \$ 0.03270 | \$ 0.05249 | \$ 5.25 | | | | |
| LVI-ALBERT LEA NNG Sales | C&I INT Class 3 | \$ 0.06519 | \$ 0.03280 | \$ 0.03239 | \$ 3.24 | | | | |
| | | NNG TRANSPORT | | | | | | | |
| SVI-NNG Transport | C&I INT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 | | | | |
| SVI-NNG Transport | C&I INT Class 4 | \$ 0.04289 | \$ 0.03503 | \$ 0.00786 | \$ 0.79 | | | | |
| LVI-NNG Transport - CIP Applicable | C&I INT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 | | | | |
| LVI-NNG Transport - CIP Applicable | C&I INT Class 4 | \$ 0.04289 | \$ 0.03503 | \$ 0.00786 | \$ 0.79 | | | | |
| LVI-NNG Transport - CIP Applicable | Agriculture Grain Dryer - Class 3 | \$ 0.02907 | \$ 0.02960 | \$ (0.00053) | \$ (0.05) | | | | |
| SVJ-NNG Transport | C&I JOINT Class 2 | \$ 0.08519 | \$ 0.02570 | \$ 0.05949 | \$ 5.95 | | | | |
| SVJ-NNG Transport | C&I JOINT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 | | | | |
| SVJ-NNG Transport | Agriculture Grain Dryer - Class 2 | \$ 0.05197 | \$ 0.04470 | \$ 0.00727 | \$ 0.73 | | | | |
| LVJ-NNG Transport - CIP Applicable | C&I JOINT Class 2 | \$ 0.08519 | \$ 0.02570 | \$ 0.05949 | \$ 5.95 | | | | |
| LVJ-NNG Transport - CIP Applicable | C&I JOINT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 | | | | |
| LVJ-NNG Transport - CIP Applicable | C&I JOINT Class 4 | \$ 0.04289 | \$ 0.03503 | \$ 0.00786 | \$ 0.79 | | | | |
| LVJ-NNG Transport - CIP Exempt | C&I JOINT Class 5 - CIP Exempt | \$ 0.00490 | \$ 0.02287 | \$ (0.01797) | \$ (1.80) | | | | |
| SLVI-NNG Transport-CIP Exempt | C&I INT Class 5 - CIP Exempt | \$ 0.00490 | \$ 0.02287 | \$ (0.01797) | \$ (1.80) | | | | |
| SLVI-NNG Transport-CIP Applicable | C&I INT Class 4 | \$ 0.04289 | \$ 0.03503 | \$ 0.00786 | \$ 0.79 | | | | |
| SLVJ-NNG Transport-CIP Exempt | Power Generating Unit - Class 2 CIP Exempt | \$ 0.00490 | \$ 0.01057 | \$ (0.00567) | \$ (0.57) | | | | |
| Transport for Resale | Transport for Resale | \$ 0.04661 | \$ 0.02681 | \$ 0.01980 | \$ 1.98 | | | | |
| LVJ-NNG Flex Transport (Cust "A") | LVJ-NNG Flex Transport (Cust "A") | \$ 0.00450 | \$ 0.01086 | \$ (0.00636) | \$ (0.64) | | | | |
| LVI-NNG Flex Transport (Cust "B") | LVI-NNG Flex Transport (Cust "B") | \$ 0.00500 | \$ 0.01086 | \$ (0.00586) | \$ (0.59) | | | | |
| LVI-NNG Flex Transport (Cust "C") | LVI-NNG Flex Transport (Cust "C") | \$ 0.00700 | \$ 0.01086 | \$ (0.00386) | \$ (0.39) | | | | |
| LVI-NNG Flex Transport (Cust "D") | LVI-NNG Flex Transport (Cust "D") | \$ 0.01500 | \$ 0.01086 | \$ 0.00414 | \$ 0.41 | | | | |
| LVJ-NNG Flex Transport (Cust "E") | LVJ-NNG Flex Transport (Cust "E") | \$ 0.01500 | \$ 0.01086 | \$ 0.00414 | \$ 0.41 | | | | |
| LVJ-NNG Flex Transport (Cust "F") | LVJ-NNG Flex Transport (Cust "F") | \$ 0.00637 | \$ 0.01086 | \$ (0.00449) | \$ (0.45) | | | | |
| LVJ-NNG Flex Transport (Cust "G") | LVJ-NNG Flex Transport (Cust "G") | \$ 0.00552 | \$ 0.01086 | \$ (0.00534) | \$ (0.53) | | | | |

| | | | | | |
|--|---------------------------------|------------|------------|--------------|-----------|
| | CONSOLIDATED TRANSPORT | | | | |
| SVI-CONSOLIDATED Transport | C&I INT Class 2 | \$ 0.08519 | \$ 0.02570 | \$ 0.05949 | \$ 5.95 |
| SVI-CONSOLIDATED Transport | C&I INT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 |
| LVI-CONSOLIDATED Transport | C&I INT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 |
| LVI-CONSOLIDATED Transport | C&I INT Class 4 | \$ 0.04289 | \$ 0.03503 | \$ 0.00786 | \$ 0.79 |
| SVJ-CONSOLIDATED Transport | C&I JOINT Class 2 | \$ 0.08519 | \$ 0.02570 | \$ 0.05949 | \$ 5.95 |
| SVJ-CONSOLIDATED Transport | C&I JOINT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 |
| LVJ-CONSOLIDATED Transport | C&I JOINT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 |
| SLVJ-CONSOLIDATED Transport-CIP Exempt | C&I INT Class 5 - CIP Exempt | \$ 0.00490 | \$ 0.02287 | \$ (0.01797) | \$ (1.80) |
| | ALBERT LEA-NNG TRANSPORT | | | | |
| SVI-ALBERT LEA Transport | C&I INT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 |
| LVI-ALBERT LEA Transport | C&I INT Class 3 | \$ 0.06519 | \$ 0.02579 | \$ 0.03940 | \$ 3.94 |

CERTIFICATE OF SERVICE

I, Lauren E. Pockl, hereby certify that on the 1st of May, 2018, on behalf of Minnesota Energy Resources Corporation, I electronically filed a true and correct copy of the enclosed Annual Decoupling Evaluation Report on www.edockets.state.mn.us. Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

Dated this 1st of May, 2018.

/s/ Lauren E. Pockl
Lauren E. Pockl

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|----------------|--------------------|--------------------------------------|---|--|--------------------|-------------------|------------------------|
| Michael | Ahern | ahern.michael@dorsey.com | Dorsey & Whitney, LLP | 50 S 6th St Ste 1500 Minneapolis, MN 554021498 | Electronic Service | No | OFF_SL_10-977_Official |
| Christopher | Anderson | canderson@allete.com | Minnesota Power | 30 W Superior St Duluth, MN 558022191 | Electronic Service | No | OFF_SL_10-977_Official |
| Michael | Auger | N/A | U S Energy Services, Inc. | Suite 1200 605 Highway 169 N Minneapolis, MN 554416531 | Paper Service | No | OFF_SL_10-977_Official |
| James J. | Bertrand | james.bertrand@stinson.com | Stinson Leonard Street LLP | 50 S 6th St Ste 2600 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_10-977_Official |
| Kathleen M. | Brennan | kmb@mcgrannshea.com | McGrann Shea Carnival, Straughn & Lamb, Chartered | 800 Nicollet Mall Ste 2600 Minneapolis, MN 554027035 | Electronic Service | No | OFF_SL_10-977_Official |
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| Seth | DeMerritt | ssdemerritt@integrysgroup.com | MERC (Holding) | 700 North Adams P.O. Box 19001 Green Bay, WI 543079001 | Electronic Service | No | OFF_SL_10-977_Official |
| Ian | Dobson | residential.utilities@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | Yes | OFF_SL_10-977_Official |
| Richard | Eichstadt | richard.eichstadt@poet.com | Poet Biorefining - Preston | 701 Industrial Dr N PO Box 440 Preston, MN 55965 | Electronic Service | No | OFF_SL_10-977_Official |
| Darcy | Fabrizius | Darcy.fabrizius@constellation.com | Constellation Energy | N21 W23340 Ridgeview Pkwy Waukesha, WI 53188 | Electronic Service | No | OFF_SL_10-977_Official |
| | | | | | | | |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|-------------------------------------|--|--|--------------------|-------------------|------------------------|
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 280 Saint Paul, MN 551012198 | Electronic Service | No | OFF_SL_10-977_Official |
| David P. | Geschwind | dp.geschwind@smmpa.org | Southern Minnesota Municipal Power Agency | 500 First Avenue SW Rochester, MN 55902 | Electronic Service | No | OFF_SL_10-977_Official |
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| Eric | Johnson | Eric.Johnson@ever-greenenergy.com | Ever-Green Energy | 1350 Landmark Towers 345 St. Peter Street St. Paul, MN 55102 | Electronic Service | No | OFF_SL_10-977_Official |
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| David | Kyto | djkyto@integrysgroup.com | Integrays Business Support | 700 North Adams PO Box 19001 Green Bay, WI 543079001 | Electronic Service | No | OFF_SL_10-977_Official |
| James D. | Larson | james.larson@avantenergy.com | Avant Energy Services | 220 S 6th St Ste 1300 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_10-977_Official |
| Amber | Lee | ASLee@minnesotaenergyresources.com | Minnesota Energy Resources Corporation | 2665 145th St W Rosemount, MN 55068 | Electronic Service | No | OFF_SL_10-977_Official |
| Eric | Lipman | eric.lipman@state.mn.us | Office of Administrative Hearings | PO Box 64620 St. Paul, MN 551640620 | Electronic Service | No | OFF_SL_10-977_Official |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|----------------|---------------------------|------------------------------|--|--------------------|-------------------|------------------------|
| Michael | Loeffler | mike.loeffler@nngco.com | Northern Natural Gas Co. | CORP HQ, 714 1111 So. 103rd Street Omaha, NE 681241000 | Electronic Service | No | OFF_SL_10-977_Official |
| Pam | Marshall | pam@energycents.org | Energy CENTS Coalition | 823 7th St E St. Paul, MN 55106 | Electronic Service | No | OFF_SL_10-977_Official |
| Thomas R. | Maus | | Energy Associates, Inc. | 254 Highway 33 North Cloquet, MN 557209403 | Paper Service | No | OFF_SL_10-977_Official |
| Mike | McGlone | N/A | Heat Share - Salvation Army | 2445 Prior Avenue Roseville, MN 55113 | Paper Service | No | OFF_SL_10-977_Official |
| Brian | Meloy | brian.meloy@stinson.com | Stinson, Leonard, Street LLP | 50 S 6th St Ste 2600 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_10-977_Official |
| Andrew | Moratzka | andrew.moratzka@stoel.com | Stoel Rives LLP | 33 South Sixth St Ste 4200 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_10-977_Official |
| Jeff | Sande | | Bemidji State University | Box 1 Deputy Hall 1500 Birchmont Drive Bemidji, MN 566012699 | Paper Service | No | OFF_SL_10-977_Official |
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| Byron E. | Starns | byron.starns@stinson.com | Stinson Leonard Street LLP | 50 S 6th St Ste 2600 Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_10-977_Official |
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| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|-----------|------------------------------|-----------------------------|---|--------------------|-------------------|------------------------|
| Eric | Swanson | eswanson@winthrop.com | Winthrop & Weinstine | 225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629 | Electronic Service | No | OFF_SL_10-977_Official |
| Casey | Whelan | cwhelan@usenergyservices.com | U.S. Energy Services, Inc. | 605 Highway 169 N Ste 1200 Plymouth, MN 55441 | Electronic Service | No | OFF_SL_10-977_Official |
| Daniel P | Wolf | dan.wolf@state.mn.us | Public Utilities Commission | 121 7th Place East Suite 350 St. Paul, MN 551012147 | Electronic Service | Yes | OFF_SL_10-977_Official |

| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|----------------|--------------------|--------------------------------------|------------------------------------|--|--------------------|-------------------|-----------------------------------|
| Elizabeth | Brama | ebrama@briggs.com | Briggs and Morgan | 2200 IDS Center 80 South 8th Street Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_15-736_Official CC List |
| Jeanne | Cochran | Jeanne.Cochran@state.mn.us | Office of Administrative Hearings | P.O. Box 64620 St. Paul, MN 55164-0620 | Electronic Service | Yes | OFF_SL_15-736_Official CC List |
| Generic Notice | Commerce Attorneys | commerce.attorneys@ag.state.mn.us | Office of the Attorney General-DOC | 445 Minnesota Street Suite 1800 St. Paul, MN 55101 | Electronic Service | Yes | OFF_SL_15-736_Official CC List |
| Ian | Dobson | residential.utilities@ag.state.mn.us | Office of the Attorney General-RUD | 1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130 | Electronic Service | Yes | OFF_SL_15-736_Official CC List |
| Darcy | Fabrizius | Darcy.fabrizius@constellation.com | Constellation Energy | N21 W23340 Ridgeview Pkwy Waukesha, WI 53188 | Electronic Service | No | OFF_SL_15-736_Official CC List |
| Sharon | Ferguson | sharon.ferguson@state.mn.us | Department of Commerce | 85 7th Place E Ste 280 Saint Paul, MN 551012198 | Electronic Service | Yes | OFF_SL_15-736_Official CC List |
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| First Name | Last Name | Email | Company Name | Address | Delivery Method | View Trade Secret | Service List Name |
|------------|----------------|------------------------------------|--|---|--------------------|-------------------|-----------------------------------|
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| Richard | Savelkoul | rsavelkoul@martinsquires.com | Martin & Squires, P.A. | 332 Minnesota Street Ste W2750 St. Paul, MN 55101 | Electronic Service | No | OFF_SL_15-736_Official CC List |
| Janet | Shaddix Elling | jshaddix@janetshaddix.com | Shaddix And Associates | 7400 Lyndale Ave S Ste 190 Richfield, MN 55423 | Electronic Service | Yes | OFF_SL_15-736_Official CC List |
| Kristin | Stastny | kstastny@briggs.com | Briggs and Morgan, P.A. | 2200 IDS Center 80 South 8th Street Minneapolis, MN 55402 | Electronic Service | No | OFF_SL_15-736_Official CC List |
| Daniel P | Wolf | dan.wolf@state.mn.us | Public Utilities Commission | 121 7th Place East Suite 350 St. Paul, MN 551012147 | Electronic Service | Yes | OFF_SL_15-736_Official CC List |