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April 5, 2017

Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, Minnesota 55101

RE: Comments of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. E111/M-17-207

Dear Mr. Wolf:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Dakota Electric Association Petition to Implement an Optional Communication Fee for Schedules 46 and 54.

The filing was submitted on March 15, 2017 by:

Douglas R. Larson Vice President of Regulatory Services Dakota Electric Association 4300 220<sup>th</sup> Street West Farmington, MN 55024

The Department recommends approval, with modification, and is available to respond to any questions the Minnesota Public Utilities Commission may have on this matter.

Sincerely,

/s/ BEN KAMARA Financial Analyst

BK/It Attachment



# BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

# COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE DIVISION OF ENERGY RESOURCES

DOCKET NO. E111/M-17-207

## I. BACKGROUND AND SUMMARY OF FILING

On March 15, 2017, Dakota Electric Association (Dakota Electric, DEA or the Association) filed a petition with the Minnesota Public Utilities Commission (Commission) requesting to implement an optional monthly Communication Fee for Service Schedules 46 (General Service) and 54 (General Service – Optional Time-of-Day Rate). Specifically, the Association proposed to implement an optional \$8.70 Communication Fee associated with meters with digital cellular modem communication capabilities for members participating in the Member Specific Discount (MSD) Rider¹ or the Large Load High Load Factor (LLHLF) Rider.² The Association indicated that participation in the MSD or LLHLF Riders necessitates a meter that can measure energy and demand, can store demand readings, and can transfer the information to DEA through remote automated means.

To effectuate the Communication Fee for customers participating in the MSD or LLHLF Riders, DEA proposed to add a clause to Schedules 46 and 54 that reads: 3

A monthly Communication Fee of \$8.70 will be applied to accounts that participate in riders that require the collection and storage of energy and demand consumption data that is transmitted to the Association by means of digital cellular modem communication.

The proposed Communication Fee amount is the same amount charged customers taking service under DEA's Commercial and Industrial (C&I) Interruptible service (Schedules 70 and 71).

<sup>&</sup>lt;sup>1</sup> See the Commission's January 24, 2017 Order in Docket No. E111/M-16-774.

<sup>&</sup>lt;sup>2</sup> See the Commission's January 19, 2017 Order in Docket No. E111/M-16-923.

<sup>&</sup>lt;sup>3</sup> This language would appear in Schedule 46, Section V, Sheet 16.1, Revision 4 and Schedule 54, Section V, Sheet 24.1.

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#### II. DEPARTMENT ANALYSIS

The Department has reviewed DEA's proposal and recommends approval, with modification, as more fully explained below.

Participation in the MSD and LLHLF Riders involves the need to measure the customer's coincident billing peak demand, and/or non-coincident load factor; therefore, the Department agrees that participation requires a meter equipped with digital cellular modem communication capabilities. The Department also agrees that the Communication Fee charged under Schedules 70 and  $71^4$  is appropriate to apply to these Riders.

However, to ensure that it is clear to members considering the option of participating in the MSD and LLHLF Riders that a Communication Fee will be charged under those Riders, the Department recommends that Dakota include the following Communications Fee language in the MSD and LLHLG Rider tariff pages:

A monthly Communication Fee of \$8.70 per meter will be charged for digital cellular modem communication.

#### III. RECOMMENDATION

The Department recommends that the Commission approve Dakota Electric Association's proposal to implement an Optional Communication Fee for Schedules 46 and 54 customers. The Department recommends that, in addition to the proposed tariff language to be added to Schedules 46 and 54, the Commission require Dakota to add the following language to the MSD and LLHLF Riders:

A monthly Communication Fee of \$8.70 per meter will be charged for digital cellular modem communication.

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<sup>&</sup>lt;sup>4</sup> The Communication Fee charged under Schedules 70 and 71 was approved in Docket No. E111/M-11-393.

## CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce Comments

Docket No. E111/M-17-207

Dated this 5th day of April 2017

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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