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November 28, 2018

VIA ELECTRONIC FILING

Hon. MPUC Commissioners
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

Ms. Peggy Sorum
CenterPoint Energy
505 Nicollet Mall
Minneapolis, MN 55402

RE: In the Matter of a Commission Investigation into Parameters for Competition among Natural Gas Utilities Involving Duplication of Facilities and Use of Promotional Incentives and Other Payments
Docket No. G999/CI-17-499

Dear Commissioners and Ms. Sorum:

Recently, Greater Minnesota Gas, Inc. (GMG) became aware of a plan by CenterPoint Energy to construct a natural gas main line that will parallel GMG's natural gas main line for approximately 1 mile in the Eagle Lake, Minnesota area, presumably to serve a new customer that could otherwise be served by GMG's existing facilities. GMG became aware of the project as the result of a locating request for the planned CenterPoint line. GMG was quite surprised by the construction plans in light of the Commission's prohibition on building duplicate natural gas facilities as expressed in its Order in this docket. Accordingly, GMG takes this opportunity to respectfully request that CenterPoint re-examine its construction plans in light of the Order to carefully consider whether paralleling GMG's main constitutes unnecessary duplication of facilities; and, GMG respectfully invites the Commission to provide clarification regarding the application of its Order in circumstances such as these.

Upon review of the Order herein, GMG noted that the order only expressly prohibits a regulated utility from extending natural gas service to a customer that is already being served by another regulated utility. However, the spirit of the Order and some language in the Order suggest that the Commission intended that its Order would prohibit extension of natural gas service to a potential customer that could be served by another utility's existing facilities unless the existing utility does not seek to serve the new customer or duplication of facilities would be otherwise necessary.

GMG's interpretation of the Order is that applies in such a way that it prohibits duplication of facilities to serve new customers that could be served by another utility's existing facilities; ergo, it prohibits constructing parallel mains. Apparently, CenterPoint interprets the Order to mean that it can duplicate facilities and run parallel mains so long as it does not poach an existing GMG customer. Such an interpretation seems nonsensical in light of the contextual body of the Order; but, theoretically, that is the way the language of the Order reads.



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This situation presents an opportunity for the Commission to clarify both its intent and, if necessary, its language to ensure that the Order is uniformly interpreted and enforced. Minnesota's regulated natural gas utilities should have a homogeneous and constant understanding of the extent and limitations of the Order such that it can be properly effectuated. It would be unfair to both ratepayers and utilities to have some utilities interpret the Order as prohibiting any paralleling of mains and similar duplication of facilities while others interpret it as prohibiting only paralleling and duplication that results in poaching existing customers.

In order to preclude future conundrums such as the instant one and to provide an equal playing field for regulated utilities and their customers, GMG respectfully invites the Commission to clarify its Order issued herein.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is kanderson@greatermngas.com.

All individuals identified on the official service list have been electronically served with a copy of this letter.

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/

Kristine A. Anderson
Corporate Attorney

Enclosure

cc: Service List