DORSEY
DORSEY & WHITNEY LLP

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November 2, 2009

**VIA ELECTRONIC FILING**

**PUBLIC DOCUMENT – TRADE SECRET DATA HAS BEEN EXCISED**

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

Re: In the Matter of the Petition of Minnesota Energy Resources Corporation–PNG for Approval of a Change in Demand Entitlement for its Viking Gas Transmission System;
Docket No. ___________________

Dear Dr. Haar:

In accordance with Minnesota Rule 7825.2910, subpart 2, please find the public and nonpublic versions of Minnesota Energy Resources Corporation's (MERC) request to change demand entitlement.

Please note that page 15 of the Petition and Attachments 5, 9, and 12 contain financial information with independent economic value that is not generally known to, and not readily ascertainable by, competitors of MERC, who could obtain economic value from its disclosure. MERC maintains this information as secret. Accordingly this data qualifies as trade secret data as defined in Minn. Stat. § 13.37, subd. 1(b), and MERC requests that the data be treated as trade secret information.

In accordance with Minnesota Rule 7825.2910, subpart 3, a Notice of Availability has been sent to all intervenors in the Company's previous two rate cases.

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

| | |
|---|---|
| David C. Boyd | Chair |
| J. Dennis O'Brien | Commissioner |
| Thomas Pugh | Commissioner |
| Phyllis A. Reha | Commissioner |
| Betsy Wergin | Commissioner |

| | | |
|---|---|---|
| In the Matter of the Petition of Minnesota | ) | |
| Energy Resources Corporation – PNG for | ) | |
| Approval of a Change in Demand | ) | Docket No. ______________ |
| Entitlement for its Viking Gas | ) | |
| Transmission System | ) | |

**FILING UPON CHANGE IN DEMAND**

Pursuant to Minnesota Rule 7825.2910, subpart 2 (Filing Upon Change in Demand), Minnesota Energy Resources Corporation - PNG (MERC or the Company), hereby petitions the Minnesota Public Utilities Commission (Commission) for approval of changes in demand entitlements for MERC's Minnesota customers served off of the Viking Gas Transmission Company (VGT or Viking) system. MERC requests that the Commission approve the requested changes to be recovered in the Purchased Gas Adjustment (PGA) effective on November 1, 2009.

This filing includes the following attachments:

| | |
|---|---|
| **Attachment 1**: | Notice of Availability. |
| **Attachment 2**: | One paragraph summary of the filing in accordance with Minn. R. 7829.1300, subp. 1. |
| **Attachment 3**: | Petition for Change in Demand with Attachments. |
| **Attachment 4**: | Affidavit of Service and Service List. |

The following information is provided in accordance with Minn. R. 7829.1300:

## 1. <u>Summary of Filing</u>

Pursuant to Minn. R. 7829.1300, subp. 1, a one-paragraph summary of the filing is attached.

## 2. <u>Service</u>

Pursuant to Minn. R. 7829.1300, subp. 2, MERC has served a copy of this filing on the Department of Commerce and the Office of the Attorney General – Residential Utilities Division. The summary of the filing has been served on all parties on the attached service list. Additionally, pursuant to Minn. R. 7825.2910, subp. 3, a Notice of Availability has been sent to all intervenors in the Company's previous two rate cases.

## 3. <u>General Filing Information</u>

### A. Name, Address, and Telephone Number of the Utility

Minnesota Energy Resources Corporation
2665 145th Street West
Box 455
Rosemount, MN 55068-0455
(651) 322-8901

### B. Name, Address, and Telephone Number of Attorney for the Utility

Michael J. Ahern
Dorsey & Whitney LLP
50 S. Sixth Street, Suite 1500
Minneapolis, MN 55402-1498
(612) 340-2881

### C. Date of the Filing and Proposed Effective Date

Date of filing: November 2, 2009
Proposed Effective Date: November 1, 2009

## D. Statute Controlling Schedule for Processing the Filing

Minnesota Statutes and related rules do not provide an explicit time frame for action by the Commission. Under Minn. R. 7829.1400, initial comments are due within 30 days of filing, with reply comments due 10 days thereafter.

## E. Utility Employee Responsible for the Filing

Gregory J. Walters
519 First Avenue SW
P.O. Box 6538
Rochester, MN 55903-6538
(507) 529-5100

If additional information is required, please contact Michael J. Ahern at: (612) 340-2881.

DATED: November 2, 2009

Respectfully Submitted,

DORSEY & WHITNEY LLP

By /s/ Michael J. Ahern
Michael J. Ahern
Suite 1500, 50 South Sixth Street
Minneapolis, MN 55402-1498
Telephone: (612) 340-2600

Attorney for Minnesota Energy Resources Corporation

November 2, 2009

To: Service List

RE: Minnesota Energy Resources Corporation-PNG Petition for Approval of Change in Demand Entitlement

**Notice of Availability**

Please take notice that Minnesota Energy Resources Corporation-PNG has filed a petition with the Minnesota Public Utilities Commission for approval of a change in demand entitlement.

To obtain copies, or if you have any questions, please contact:

Gregory J. Walters
Minnesota Energy Resources Corporation
519 1st Ave SW
Rochester, MN 55902
507-529-5100.

Please note that this filing is also available through the eDockets system maintained by the Minnesota Department of Commerce and the Minnesota Public Utilities Commission. You can access this document by going to eDockets through the websites of the Department of Commerce or the Public Utilities Commission or going to the eDockets homepage at:

https://www.edockets.state.mn.us/EFiling/home.jsp

Once on the eDockets homepage, this document can be accessed through the Search Documents link and by entering the date of the filing.

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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| for its Viking Gas Transmission System | ) | |

**SUMMARY OF FILING**

Pursuant to Minnesota Rule 7825.2910, subpart 2 (Filing Upon Change in Demand), Minnesota Energy Resources Corporation - PNG (MERC or the Company), hereby petitions the Minnesota Public Utilities Commission (Commission) for approval of changes in demand entitlements for MERC's Minnesota customers served off of the Viking Gas Transmission Company (VGT or Viking) system. MERC requests that the Commission approve the requested changes to be recovered in the Purchased Gas Adjustment (PGA) effective on November 1, 2009.

**PUBLIC DOCUMENT – TRADE SECRET DATA HAS BEEN EXCISED**

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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| Approval of a Change in Demand | ) | Docket No. _______________ |
| Entitlement for its Viking Gas | ) | |
| Transmission System | ) | |

## PETITION FOR CHANGE IN DEMAND

### I. INTRODUCTION

Pursuant to Minnesota Rule 7825.2910, subpart 2 (Filing Upon Change in Demand), Minnesota Energy Resources Corporation - PNG (MERC or the Company), a division of Integrys Energy Group, Inc. (TEG), hereby petitions the Minnesota Public Utilities Commission (Commission) for approval of changes in demand entitlements for MERC's Minnesota customers served off of the Viking Gas Transmission (VGT or Viking) system. MERC requests that the Commission approve the requested changes to be recovered in the Purchased Gas Adjustment (PGA) effective on November 1, 2009.

II. DISCUSSION

A. MERC's PNG-VGT Design Day Requirements

MERC's 2009-2010 PNG-VGT design day requirements decreased 529 Mcf (or approximately 7.13 percent) from 7,420 Mcf to 6,891 Mcf.

**Table 1: MERC's Proposed Reserve Margins For the 2008-2009 Heating Season VGT PNG**

| | Reserve Margin 2009-2010 Heating Season | Reserve Margin 2008-2009 Heating Season | Change |
|---|---|---|---|
| VGT-PNG | 10.65% | 2.76% | 7.89% |

As shown in Table 1 and Attachment 3, MERC's proposed system wide reserve margin for PNG-VGT for the 2009-2010 heating season is positive.

For the Demand Entitlement filing effective November 1, 2009, the total Design Day requirement for Viking Gas Transmission (VGT), is 6,891 Dth as calculated in Attachment 1, Page 2 and Attachment 3.

For the Demand Entitlement filing effective November 1, 2009, the total Design Day capacity on VGT, is 7,625 Dth as calculated in Attachment 3.

The difference between the total Design Day requirement and total Design Day capacity results in a 10.65% positive reserve margin.

B. Forecast Methodology for MERC Demand Entitlement Nov. 1, 2008

**Peakday**

**Purpose**

Gather data and perform analysis used in the "Petition for Change in Demand" for Minnesota Energy Resources Corporation – PNG and Minnesota Energy Resources Corporation

– NMU for “Approval of a Change in Demand Entitlement” to be sent to the Minnesota Public Utilities Commission, otherwise known as the “MERC Demand Entitlement Filings”.

**Background**

MERC is composed of two service areas:

1. PNG - Peoples Natural Gas (company – approximately 170,000 customers)
2. NMU - Northern Minn Utility (company – approximately 40,000 customers)

Which are served by four pipelines:

3. VGT - Viking Gas Transmission system (serves both PNG and NMU)
4. NNG- Northern Natural Gas pipeline (serves both PNG and NMU)
5. GLGT - Great Lakes Gas Transmission pipeline (serves both PNG and NMU)
6. Centra - Centra pipeline (serves NMU)

Four Petitions for Change in Demand are filed (one for each of PGAC):

A. PNG customers served off of VGT = PNG - VGT
B. PNG customers served off of GLGT = PNG - GLGT
C. PNG customers served off of NNG = PNG - NNG
D. All NMU customers - served off NNG, GLGT, VGT & Centra = NMU

Weather data is obtained from six weather stations:

1. International Falls
2. Bemidji
3. Cloquet
4. Fargo
5. Minneapolis
6. Rochester

For analytical purposes, data is subdivided, analyzed and regressed by the following eight demand areas:

| | Demand Area (Service Area / Pipeline) | PGAC | Weather Station(s) |
|---|---|---|---|
| 1 | NMU-Centra | NMU | International Falls |
| 2 | NMU-GLGT * | NMU | Bemidji & Cloquet |
| 3 | NMU-NNG | NMU | Cloquet |
| 4 | NMU-VGT * | NMU | Fargo |
| 5 | NMU-GLGT&VGT* | NMU | Bemidji |
| 6 | PNG-GLGT | PNG-GLGT | Bemidji |
| 7 | PNG-NNG | PNG-NNG | Minneapolis, Rochester & Cloquet |
| 8 | PNG-VGT | PNG-VGT | Fargo |

* Thief River Falls is included only in NMU-GLGT&VGT

## Analytical Approach

### Summary

1. Obtain daily weather data for each weather station as shown in Attachment 13

2. Obtain daily total throughput volumes by pipeline

3. Perform total throughput peak day regressions

4. Subtract interruptible, transport, and joint interruptible expected peak day load volumes based on monthly billing data

5. Add back Daily Firm Capacity (DFC) customer selections

6. Apply sales forecast growth rates

### Detail

The Peak Day Forecasting Team (the Team) followed a data-driven approach for the MERC Peak Day Forecast. Since the forecast is for a peak day, the best daily data available is required to provide the best estimate. Theoretically, the peak day regression should be performed using daily net firm load by service area, pipeline, and weather station. A review of the data available indicated that the two best daily data sources are the daily weather data by weather station and the daily throughput data by Town Border Station (TBS) and pipeline meter. (Some pipeline meters are dedicated to a TBS, and some are dedicated to individual customers.)

Most of the interruptible, transportation, and joint interruptible data available is from monthly billing record excerpts provided by ADS/Vertex, an external vendor that has been providing billing services to MERC-PNG and MERC-NMU.

The Team followed an approach generally consistent with the one used last year that would:

- Make the best use of the best available data; and
- Isolate the effects the monthly billing cycle data has on the Peak Day forecast so that the new process can be easily updated as better data is available.
- Provide a basis for future risk adjustment to the forecast.

The Peak Day Process consisted of:

I. Data Preparation
II. Regression Generation of Net Daily Metered Volumes
III. Volume Risk Adjustments
IV. Adjusting the Regression Results to a Firm peak day estimate

I. The **Data Preparation** Steps consisted of:

- Identify the coldest Adjusted Heating Degree Day (AHDD65) in the last 20 years for each weather station.
- Determine the most recent three years of December through February daily total metered throughput for the eight demand areas by weather station.
- Subtract the daily pipeline meter readings for all non-firm customers with daily pipeline meter readings available for all three December through February years from the total

throughput for each demand area and weather station. Use the resulting net daily metered volumes for regressions. Examples of non-firm customer meter readings subtracted from the demand area total daily throughputs are paper mills, direct-connects, taconites, and off-system end users. (see “Adjusting the Regression Results to a Firm Peak Day Estimate” below)

- Determine how to map the monthly billing data to the eight demand areas.

Each daily weather station data file was searched to find the coldest Adjusted Heating Degree Day (AHDD65) in the last 20 years. This 1-in-20 approach is consistent with prior years. The results are provided in the following table:

| Station | Date | Avg. Temp | Avg. Wind | HDD65 | AHDD65 |
|---|---|---|---|---|---|
| Bemidji | 2/1/1996 | -34 | 8 | 99 | 107 |
| Cloquet | 2/2/1996 | -31 | 7 | 96 | 103 |
| Fargo | 1/18/1996 | -16 | 34 | 81 | 109 |
| International Falls | 2/2/1996 | -34 | 8 | 99 | 107 |
| Minneapolis | 2/2/1996 | -25 | 8 | 90 | 97 |
| Rochester | 2/2/1996 | -27 | 10 | 92 | 101 |

The daily throughput data was provided by pipeline and meter, with each meter on each pipeline mapped to one of the weather stations shown in the above chart. Each meter was also designated as either PNG or NMU. As noted above, some of the meters represented a TBS. Some meters were dedicated to a customer who is not a firm service customer of either PNG or NMU. For example, certain transportation, interruptible, direct-connect, and taconite customers have their own meter, but are not counted as firm service customers.

In a more nearly ideal world, the Team would have also had daily telemetered data from each interruptible, transportation, and joint interruptible customer mapped to each of the eight demand areas and related weather stations. This was the case for a handful of paper mills, direct-connects, taconites, and off-system end users. The rest of the interruptible, transportation, and joint interruptible data was available based on monthly billing cycle data that introduces billing lag, meter read lag (not all meters were read every month resulted in billing cycle estimates and reversals), and other potential errors into their volumes.

Similar to the process used the prior year, the team generated regressions of the daily throughput data available less the known daily meter readings for non-firm customers and adjusted those regressions for the estimated peak day impact of the other non-firm customers who do not have daily readings. This approach was used because it introduced much less error into the data and regressions than trying to guess how to allocate monthly billing cycle data to daily when the load factors and relative temperature sensitivity of the non-daily-metered customers was not known. Using only the daily metered data for the regressions makes the best use of the best data available and provides insights into the total daily metered load that could be active on a peak day even if supply access at the non-firm pipeline meters were shut off.

II. The **Regression Generation of Net Daily Metered Volumes** consisted of:

- For each of the eight Demand Areas (Service Area / Pipeline):
    1. Gather the net daily metered volumes and weather station data including AHDD65[1].

[1] Temperature and weather data was obtained from Weather Bank/DTN via TherMaxx then converted to HDD65 and AHDD65 in an Excel spreadsheet by MERC – Gas Supply. Temperature and wind data is 24-hour average based on 9am to 9am gas day.

2. If more than one weather station is represented in a given demand area, weight each weather station's AHDD65 by the total December through February metered volumes attributable to that weather station
3. Add indicator variables for day-type and month. Day-type variables are used to isolate load that changes by day of the week, such as commercial or industrial customers who may change their consumption on weekends when they run fewer shifts. Month indicator variables are used to isolate load that changes based on winter month, such as businesses that are open extra hours in December and resume normal operating hours in January.
4. Perform ordinary least squares linear regressions for the 3-year time frame using the AHDD65 weather variable and the significant indicator variables.
5. Summarize the Baseload and Use/AHDD65 from each regression.
6. Calculate a point estimate from each regression based on the baseload value plus the Use/AHDD65 coefficient times the coldest AHDD65 in 20 years (volume weighted if using more than one weather station in a single Demand Area).

## III. Volume Risk Adjustments

For the 2010 forecast, volume risk adjustments were incorporated into the forecast to provide a confidence level that the daily metered load under design conditions would not exceed the daily metered regression estimate. An appropriate volume risk adjustment was determined for each regression group by multiplying the standard error of each regression analysis (sigma) by a factor needed to attain a desired confidence level. The desired confidence level chosen was 97.5%.

**<u>IV. Adjusting the Regression Results to a Firm Peak Day Estimate</u>** consisted of:

**A. Subtract interruptible, transport, and joint interruptible expected peak day load volumes based on monthly billing data**

In order to determine firm peak day load, volumes contained in the daily pipeline meter readings for interruptible, joint interruptible and transportation customers needed to be isolated and removed. While it would have been ideal to have daily billing data for all customers, most of the interruptible, transportation, and joint interruptible data was, in most cases, only available from monthly billing records[2]. An unfortunate, but unavoidable consequence was that this data was based on monthly billing cycles that introduce billing lag, meter read lag (not all meters were read every month resulted in billing cycle estimates and reversals), and other potential errors into their volumes.

A database of volumes billed for all customers the prior winter was obtained. The database contained detail by customer class[3], calendar month, (service) area, city, location, zip code and responsibility center. The billing database was provided by ADS/Vertex, an outside firm that has been providing billing services to MERC. Sales and Revenue Forecasting had previously adjusted the billing data to properly fit the appropriate calendar month of consumption by apportioning billed volumes, i.e. for a bill covering February 15 to March 15, volumes were split evenly between February and March.

Volumes for the interruptible, transportation and joint interruptible customer classes (INTER, TRANS and JINTER classes) needed to be mapped to the appropriate regression demand area,

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[2] Individual daily volumes were available for a handful of paper mills, direct-connects, taconites, and off-system end users.

[3] Transportation, Interruptible, Joint Interruptible, Residential, Large Commercial & Industrial and Small Commercial & Industrial

and were then summed. This billing data included consumption that was billed, but not included in the daily metered volumes for several large specific customers (paper mills, direct-connects, taconites, and off-system end users), and therefore needed to be removed from the gross interruptible, transportation and joint interruptible totals. Such customers were identified, mapped to the demand areas, summed and subtracted from the interruptible, transportation and joint interruptible customer classes totals. The following peak demand estimation method based on the highest monthly total from the prior winter was then used to calculate the amount to subtract from the results of the data regressions for each demand area:

*The MERC-PNG and MERC-NMU tariff General Rules, Regulations, Terms, and Conditions Section 1.N "Maximum Daily Quantity (MDQ)" on Original Sheet No. 8.04:*

*N. <u>Maximum Daily Quantity (MDQ):</u>*

> *The amount calculated by dividing the volumes consumed by a particular customer during the highest historical peak month of usage for that customer by twenty (20). Company will estimate a peak month for new customers. A Maximum Daily Quantity may also be established through direct measurement or other means (i.e. estimating the peak day requirements after installation of new processing equipment or more energy efficient heating systems) if approved by [the] Company.*

## B. Add back Daily Firm Capacity (DFC) customer selections

While interruptible, joint interruptible and transportation customer volumes were removed (as described above), in order to determine firm peak day load, daily firm capacity selections needed to be added back. The Sales and Revenue Forecasting department provided historical monthly DFC data for the "joint interruptible" customers from January 2008 through

March 2009 that showed the volume that each customer has selected to receive as firm service from MERC each month. Based on the direction from MERC Gas Supply, the Small Volume Joint Firm/Interruptible customers who were relying on MERC to provide peak day firm supply were identified and their daily firm capacity volumes were summed by month for each demand area. The total volumes for January 2009 were then added back to the adjusted regression results.

**C. Apply Sales Forecast Growth Rates**

The throughput volumes used in the data regressions were from December 2006 through February 2009 and needed to be adjusted to properly forecast 2010. The sales forecast "MERC Fcst 200904", as approved by the Gas Planning Committee, was used to determine a growth rate for each demand area. Because the Peak Day Forecast is based on firm load, General Service volumes (GS - residential, commercial and industrial firm) were used as a proxy to calculate growth rates. These growth rates were then applied to the adjusted regression results.

**Demand Area / (Service Area / Pipeline) Regression Notes**

**A. Interruptible, Transportation and Joint Interruptible**

<u>NMU-GLGT</u>

Paper Mills = Ainsworth and Blandon in Bemidji, and Sappi and USG in Cloquet

<u>NMU-VGT</u>

Note: Lamb Weston (RDO) was included in the regression analysis, and therefore, not removed with the interruptible and transportation volumes.

<u>PNG-NNG</u>

Taconites / Direct Connects =

- CCI EMPIRE IND DEL PT 2 TILDEN
- CCI NORTHSHORE
- EVELETH TACONITE
- HIBBING TACONITE CO.
- U.S. STEEL
- NATIONAL STEEL PELLET
- COTTAGE GROVE TBS LS POWER
- INLAND STEEL
- HANNA MINING

<u>PNG-NNG</u>

OSEU (EndUsers) =

- CORRECTIONAL CTR
- GRAND CASINO HINCKLEY (no longer being served gas behind a MERC TBS as of December 2008)
- KEMPS LLC
- KERRY BIO-SCIENCE
- LAKESIDE
- LAND OF LAKES
- PRO-CORN
- SWIFT

**B. Daily Firm Capacity**

PNG-VGT

| CUSTOMER NAME | FIRM CAPACITY |
|---|---|
| DETROIT LAKES MIDDLE SCHOOL | 4 |
| ROSSMAN SCHOOL | .3 |
| BEST WESTERN | 32 |
| | |
| TOTAL | 36.3 |

PNG-GLGT

- 

| CUSTOMER NAME | FIRM CAPACITY |
|---|---|
| AMERIPRIDE/WPS SERVICES INC | 25 |
| ELDERCARE | 6.1 |
| NORTHLAND APTS | 10.2 |
| NW TECH COLLEGE – BEMIDJI | 111 |
| BEM ISD #31-JW SMITH ELEM | 41 |
| BEM ISD #31-CENTRAL ELEM | 25 |
| | |
| TOTAL | 218.3 |

**Daily Design Day Estimate to Actual Comparison**

In the 2007 demand entitlement dockets, MERC agreed to include a daily estimate utilizing the design day model which is calculated in Attachment 10. The daily estimate is compared to actual consumption. The actual volumes is total through-put which includes interruptible and transportation volumes that are located behind MERC citygates. This does not include any transportation volumes that are directly connected with NNG pipeline. The Design Day model only calculates firm volumes. MERC does not forecast on a daily/monthly basis utilizing the Design Day model. The Design Day model is utilized to calculate the theoretical peak day. The calculated base load natural gas usage at zero heating degree days is 1,142 Dth which includes interruptible and transportation volumes. Since daily volume consumption is not available for all interruptible and transportation customers, MERC is not able to determine an exact number to deduct from the 1,142 Dth to determine the firm base load natural gas consumption at zero (0) HDD.

**Average Customer Counts**

In the 2007 demand entitlement dockets, MERC agreed to include average customer counts which is provided in Attachment 11.

C. MERC's Specific VGT Proposed Demand-Related Changes

There are two types of demand entitlement changes. The first type is design day deliverability, which, in this case, there is no change in the amount of firm transportation capacity actually available to MERC's PNG-VGT customers during winter peak periods. The second type does not affect design day deliverability levels, but alters the capacity portfolio and the PGA costs recovered from customers.

1. Design Day Deliverability Changes

As shown in PNG-VGT Attachment 6, MERC PNG-VGT proposes a changes in the Viking Backhaul contract and the NNG Chisago contract that delivers gas into the VGT system for design day deliverability for the upcoming heating season.

2. Other Demand Entitlement Changes

As shown in the Attachment 6, MERC PNG-VGT proposes no changes in other pipeline entitlements that are not included in peak day deliverability.

D. <u>Financial Option Units and Premiums</u>

i. MERC entered into New York Mercantile Exchange (NYMEX) financial Call Options for the upcoming 2009/2010 winter (November through March). Please see Attachment 5.

ii. Total premium cost to enter into the financial Call Options on behalf of MERC's firm customers amounted to $109,726 for the 2009/2010 winter. Please see Attachment 5.

iii. MERC entered into **[TRADE SECRET DATA BEGINS TRADE SECRET DATA ENDS]** Total premium per contract is approximately **[TRADE SECRET DATA BEGINS TRADE SECRET DATA ENDS]** Please see Attachment 5.

iv. Please see Attachment 5 for the various contract dates.

v. Please see Attachment 5 for the various contract prices.

vi. MERC believes a diversified portfolio approach towards hedging is in the best interest of MERC's firm customers. MERC implemented a 40% fixed price (storage and physical fixed price purchases), 30% financial call options and 30% market based prices, assuming normal weather. A dollar-cost-averaging approach is utilized in purchasing the hedging portfolio. Although this hedging strategy will most likely not provide the lowest priced supply, it does meet MERC's stated objectives of providing reliable and reasonably priced natural gas and mitigates natural gas price volatility. Please see Attachment 9, Page 1 of 2.

E. Gas Supply.

The PNG-VGT 2009-2010 Winter Portfolio Plan - Minnesota Energy Resources Corporation for VGT gas supply purchases for the Hedging Plan is in Attachment 9, page 2. This Attachment includes the projected sales number by month for the November 2009 through March 2010 period as well as the planned physical fixed price, financial call options and storage and/or exchange volumes by month.

F. Price Volatility

MERC hedging strategy as described in section 2.(D.)(vi.) provides the opportunity to ensure MERC customers are seventy percent (70%) hedged assuming normal winter volumes. The 70% hedged is accomplished by 40% of normal winter volumes hedged by a fixed price, which is comprised of storage and physical fixed price purchases. MERC is projecting the weighted average cost of gas (WACOG) for physical fixed price purchases of natural gas to be approximately $5.27. Please see Attachment 12, page 1 of 3. MERC is projecting the exchange volume WACOG at Emerson for VGT_PNG to be approximately $3.57. This is an estimate based upon the purchases in October but since this is report is filed before the accounting is closed for October, this estimate may change. Please see Attachment 12, page 2 of 3. The remaining 30% of the 70% is hedged by financial call options. MERC purchased call options at an average strike price of $6.10, which means if NYMEX contract(s) settle above that price, the options are exercised and MERC's customers gas cost is capped at the average strike price. Please see Attachment 12, page 3 of 3. Since financial options are paper only MERC purchases physical index supply to back the financial call options. MERC projects the gas costs to be approximately $5.05 for 70% of normal winter volumes assuming that the NYMEX prices are above the average $6.10 strike price plus the physical index basis spread. If the NYMEX prices are below the average $6.10 strike price, the average natural gas cost for 70% of the normal winter volumes will be lower. The remaining 30% of normal winter volumes are purchased at index or market prices. All numbers reflected are natural gas costs only and do not include any transportation, storage, hedge premium or margin costs.

G. PGA Cost Recovery

MERC proposes to begin recovering the costs associated with the change in demand-related costs in its monthly PGA effective November 1, 2009. Rate impacts can be found on Attachment 4 and Attachment 7.

## II. CONCLUSION

Based upon the foregoing, MERC respectfully requests the Minnesota Public Utilities Commission grant the demand changes requested herein effective November 1, 2009. If any further information, clarification, or substantiation is required to support this filing please advise.

DATED: November 2, 2009

Respectfully Submitted,

DORSEY & WHITNEY LLP

By /s/ Michael J. Ahern
Michael J. Ahern
Suite 1500, 50 South Sixth Street
Minneapolis, MN 55402-1498
Telephone: (612) 340-2600

Attorney for Minnesota Energy Resources Corporation

**AFFIDAVIT OF SERVICE**

STATE OF MINNESOTA )
) ss.
COUNTY OF HENNEPIN )

Sarah J. Kerbeshian, being first duly sworn on oath, deposes and states that on the 2nd day of November, 2009, the Petition of Minnesota Energy Resources Corporation was electronically filed with the Minnesota Public Utilities Commission and the Minnesota Department of Commerce. A copy of the filing was provided via United States first class mail to the individuals on the attached service list at the Office of the Attorney General, and a summary of the filing was provided via United States first class mail to the remaining individuals on the attached service list.

/s/ Sarah J. Kerbeshian

Subscribed and sworn to before me
this 2nd day of November, 2009.

Joni K. Vincent
Notary Public, State of Minnesota

Burl W. Haar
MN Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101-5147

Sharon Ferguson
MN Department of Commerce
85 Seventh Place East
Suite 500
St. Paul, MN 55101-2198

Julia Anderson
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11/2/2009

# MINNESOTA ENERGY RESOURCES - PNG

## DESIGN-DAY DEMAND SUMMARY
## NOVEMBER 1, 2009

**VGT**

| | | |
|---|---|---|
| Design Day Requirement | | 6,891 |
| Total Entitlement on Peak Day(excl. Peak Shaving) | | 7,625 |
| Firm Peak Day Actual Sendout -Non Coincidental | (Feb. 10) | 7,058 |
| Firm Annual Throughput - Minnesota | | 619,466 |
| No. of Firm Customers | | 4,408 |
| DPS Load Factor Calculation | | 24.05% |

# MINNESOTA ENERGY RESOURCES - PNG

**MINNESOTA DESIGN DAY REQUIREMENTS**
**NOVEMBER 1, 2009**
**VGT**

| Pipeline Group | Nov08-Mar 09 Avg. Customer Count | 1/20 Design DDD | Regression Factors Intercept | Regression Factors Slope | Regression Total Footnote 1 | Regression Adjustment Footnote 2 | 1/20 Requirements Regression Load Footnote 3 | Nov08-Mar 09 Avg. Customer Growth | Total |
|---|---|---|---|---|---|---|---|---|---|
| **PEAK** | | | | | | | | | |
| | 4,408 | 109 | 1,142 | 78 | 9,567 | 2,263 | 7,304 | -5.7% | 6,891 |
| **Total** | 4,408 | | | | | | | | 6,891 |
| **OFF PEAK** | | | | | | | | | |
| | 4,408 | 57 | 1,142 | 78 | 5,564 | 1,082 | 4,482 | -5.7% | 4,228 |
| **Total** | 4,408 | | | | | | | | 4,228 |

**Footnote 1:** Regression Total is based on total through-put data.
**Footnote 2:** Regression Adjustment substracts out Interruptible, Transportation and Joint Interruptible volumes and adds Firm Joint volumes.
**Footnote 3:** Total equals Regression Total minus Regression Adjustment.

*All requirement adjusted for customer growth

11/2/2009

# MINNESOTA ENERGY RESOURCES - PNG

## DESIGN-DAY DEMAND PER CUSTOMER

## NOVEMBER 1, 2009

**VGT**

| Heating Season | No. of Firm Customers | Design Day Requirements | MMBtus /Customer /Day |
|---|---|---|---|
| 09/10 | 4,408 | 6,891 | 1.56 |
| 08/09 | 4,635 | 7,420 | 1.60 |
| 07/08 | 4,586 | 8,135 | 1.77 |
| 06/07 | 4,523 | 8,112 | 1.79 |
| 05/04 | 4,502 | 7,598 | 1.69 |
| 04/03 | 4,471 | 7,423 | 1.66 |
| 03/02 | 4,374 | 7,083 | 1.62 |

11/2/2009

# MINNESOTA ENERGY RESOURCES - PNG

## SUMMER/WINTER USAGE - Mcf

## PROJECTED 12 MONTHS ENDING JUNE 2010

**VGT**

| Class | Summer Apr-Oct | Winter Nov-Mar | Total |
|---|---|---|---|
| GS | 179,625 | 428,345 | 607,971 |
| SVI | 56,795 | 142,569 | 199,364 |
| SVJ | 3,604 | 7,891 | 11,495 |
| LVI | 0 | 0 | 0 |
| **Total** | 240,024 | 578,805 | 818,829 |

0

11/2/2009

Attachment 3

# MINNESOTA ENERGY RESOURCES - PNG

## ENTITLEMENT LEVELS
## PROPOSED TO BE EFFECTIVE NOVEMBER 1, 2009

**VGT**

| Type of Capacity or Entitlement | | Current Amount Mcf or MMBtu | Proposed Change Mcf or MMBtu | Proposed Amount Mcf or MMBtu |
|---|---|---|---|---|
| AF0012 | | 3,527 | 0 | 3,527 |
| AF0014 (Dec-Feb) * | | 1,098 | 0 | 1,098 |
| AF0016 | | 1,000 | 0 | 1,000 |
| AF0102 | | 2,000 | 0 | 2,000 |
| NNG-TF12 Base | 112495 | 172 | 83 | 255 |
| NNG-TF12 Variable | 112495 | 0 | 178 | 178 |
| NNG-TF5 Chisago | 112495 | 389 | (284) | 105 |
| NNG-TFX 12 Chisago | 112486 | 432 | (43) | 389 |
| NNG-TFX 5 Chisago | 112486 | 105 | 67 | 172 |
| Chisago Backhaul* | RF0361 | 0 | 0 | 0 |
| Heating Season Total | | 7,625 | 202 | 7,625 |
| Non-Heating Season Total | | 7,131 | | 7,170 |
| **Total Entitlement** | | 7,625 | 202 | 7,625 |
| Heating Season Forecasted Design Day | | 8,112 | (1,221) | 6,891 |
| Non-Heating Season Forecasted Design Day | | 2,693 | 1,535 | 4,228 |
| Heating Season Capacity Surplus/Shortage | | (487) | 1,221 | 734 |
| Non-Heating Season Capacity Surplus/Shortage | | 4,438 | (1,496) | 2,942 |
| Reserve Margin | | -6.00% | | 10.65% |

*Not included in total firm entitlement
(1) Increase entitlement to ensure adequate reserve margin against design day.

# MINNESOTA ENERGY RESOURCES - PNG

**RATE IMPACT OF THE PROPOSED DEMAND CHANGE**
**NOVEMBER 1, 2009**

| All costs in $/MMBtu | Last Base Cost of Gas G007,G011/ MR08-836* Oct. 08 | Demand Change G011-M-07-XXXX Oct .07 | Last Demand Change G011-M-08-XXXX Oct. 08 | VGT Most Recent PGA Oct. 2009 | Current Proposal Effective Nov.1,2009 | Result of Proposed Change | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Change from Last Rate Case** | Change from Last Demand Change | Change from Last PGA % | Change from Last PGA $ |
| **1) General Service: Avg. Annual Use:** | | | | **132** | **Mcf** | | | | |
| Commodity Cost | $8.2454 | $6.9399 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.51% | 18.21% | $0.6681 |
| Demand Cost | $1.2591 | $1.1745 | $1.2591 | $1.0908 | $1.0998 | -12.65% | -6.36% | 0.83% | $0.0090 |
| Commodity Margin | $1.6263 | $1.1771 | $1.6263 | $1.6263 | $1.6263 | 0.00% | 38.16% | 0.00% | $0.0000 |
| Total Cost of Gas | $11.1308 | $9.2915 | $9.8487 | $6.3855 | $7.0626 | -36.55% | -23.99% | 10.60% | $0.6771 |
| Avg Annual Cost | $1,472.53 | $1,229.20 | $1,302.92 | $844.76 | $934.33 | -36.55% | -23.99% | 10.60% | $89.57 |
| Effect of proposed commodity change on average annual bills: | | | | | | | | | $88.38 |
| Effect of proposed demand change on average annual bills: | | | | | | | | | $1.19 |
| **2) Small Vol. Interruptible: Avg. Annual Use:** | | | | **3,499** | **Mcf** | | | | |
| Commodity Cost | $8.2454 | $6.9399 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.51% | 18.21% | $0.6681 |
| Demand Cost | | | | | | | | | |
| Commodity Margin | $1.2434 | $0.9000 | $1.2434 | $1.2434 | $1.2434 | 0.00% | 38.16% | 0.00% | $0.0000 |
| Total Cost of Gas | $9.4888 | $7.8399 | $8.2067 | $4.9118 | $5.5799 | -41.20% | -28.83% | 13.60% | $0.6681 |
| Avg Annual Cost | $33,198.65 | $27,429.61 | $28,712.95 | $17,185.01 | $19,522.40 | -41.20% | -28.83% | 13.60% | $2,337.39 |
| Effect of proposed commodity change on average annual bills: | | | | | | | | | $2,337.39 |
| Effect of proposed demand change on average annual bills: | | | | | | | | | $0.00 |
| **3) Large Vol. Interruptible: Avg. Annual Use:** | | | | **113,688** | **Mcf** | | | | |
| Commodity Cost | $8.2454 | $6.9399 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.51% | 18.21% | $0.6681 |
| Demand Cost | | | | | | | | | |
| Commodity Margin | $0.3592 | $0.2600 | $0.3592 | $0.3592 | $0.3592 | 0.00% | 38.15% | 0.00% | $0.0000 |
| Total Cost of Gas | $8.6046 | $7.1999 | $7.3225 | $4.0276 | $4.6957 | -45.43% | -34.78% | 16.59% | $0.6681 |
| Avg Annual Cost | $978,239.76 | $818,542.23 | $832,480.38 | $457,889.79 | $533,841.33 | -45.43% | -34.78% | 16.59% | $75,951.54 |
| Effect of proposed commodity change on average annual bills: | | | | | | | | | $75,951.54 |
| Effect of proposed demand change on average annual bills: | | | | | | | | | $0.00 |
| **4) Small Vol. Firm: Avg. Annual Use:** | | | | **3,893** | **Mcf** | | | | |
| **Agg. Annual CD Units:** | | | | **15** | | | | | |
| Commodity Cost | $8.2454 | $6.9399 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.51% | 18.21% | $0.6681 |
| Demand Cost | $3.4671 | $3.4671 | $3.4671 | $3.4671 | $3.4671 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Commodity Margin | $0.3592 | $0.9000 | $1.2434 | $1.2434 | $1.2434 | 246.16% | 38.16% | 0.00% | $0.0000 |
| Demand Margin | $2.0724 | $1.5000 | $2.0724 | $2.0724 | $2.0724 | 0.00% | 38.16% | 0.00% | $0.0000 |
| Total Cost of Gas | $8.6046 | $7.8399 | $8.2067 | $4.9118 | $5.5799 | -35.15% | -28.83% | 13.60% | $0.6681 |
| Total Demand Cost | $5.5395 | $4.9671 | $5.5395 | $5.5395 | $5.5395 | 0.00% | 11.52% | 0.00% | $0.0000 |
| Avg Annual Cost | $33,580.80 | $30,595.24 | $32,031.78 | $19,204.73 | $21,805.53 | -35.07% | -28.73% | 13.54% | $2,600.80 |
| Effect of proposed commodity change on average annual bills: | | | | | | | | | $2,600.80 |
| Effect of proposed demand change on average annual bills: | | | | | | | | | $0.00 |

Note: Average Annual Average based on PNG Annual Automatic Adjustment Report in
Docket No. E,G999/AA-09-896

*Implemented with Interim rates

**Interim rates implented on 10/1/08

# MINNESOTA ENERGY RESOURCES - PNG

**RATE IMPACT OF THE PROPOSED DEMAND CHANGE**
**NOVEMBER 1, 2009**
**VGT**

**II. VIKING GAS TRANSMISSION'S RATES -- CURRENT COST OF GAS EFFECTIVE** | **01-Nov-09** | **CURRENT**

Commodity From Schedule D $0.43221

**III. ANNUAL SALES -- As filed in Docket No. G007,011/MR-08-836**
**Total Viking Sales** 8,444,250 therms

**IV. PNG'S -- CURRENT COST OF GAS EFFECTIVE** | **01-Nov-09** | **CURRENT**

| | | Season | Monthly Entitlement (MCF) | Months | Rate ($/MCF) | Contract Costs | GS-1 Sales (therm) | Rate ($/therm) |
|---|---|---|---|---|---|---|---|---|
| **A. GS-4** | FT | Annual | 3,527 | 12 | $3.4671 | $146,742.00 | 6,019,300 | $0.02438 |
| | FT | Dec-Feb | 1,098 | 3 | $3.4671 | $11,421.00 | 6,019,300 | $0.00190 |
| | FT | Annual | 1,000 | 12 | $3.4671 | $41,605.00 | 6,019,300 | $0.00691 |
| | FT | Annual | 2,000 | 12 | $3.4671 | $83,210.00 | 6,019,300 | $0.01382 |
| | TF-12 B | Annual | 255 | 12 | $7.5776 | $23,149.00 | 6,019,300 | $0.00385 |
| | TF-12 V | Annual | 178 | 12 | $9.0926 | $19,391.00 | 6,019,300 | $0.00322 |
| | TF-5 | Winter | 105 | 5 | $15.1530 | $7,939.00 | 6,019,300 | $0.00132 |
| | TFX-12 | Annual | 389 | 12 | $9.6288 | $44,912.00 | 6,019,300 | $0.00746 |
| | TFX-5 | Winter | 172 | 5 | $15.1530 | $13,049.00 | 6,019,300 | $0.00217 |
| | FT | Winter | 0 | 3 | $2.7360 | $0.00 | 6,019,300 | $0.00000 |
| | Exchange | Annual | 152,888 | 1 | $1.7700 | $270,612.00 | 6,019,300 | $0.04496 |
| | **GS-4 Current Demand Cost of Gas/therm** | | | | | $662,030 | 6,019,300 | **$0.10998** |
| | **Current Commodity Cost of Gas/therm** | | | | | | | **$0.43365** |
| | **GS-4 Current Total Cost of Gas/therm** | | | | | | | **$0.54363** |
| **B. GS-4, SVI-4, SJ-4 & LVI-4 Commodity** | | | | | | | | |
| | Current Commodity Cost of Gas/therm | | | | | | | $0.43221 |
| | **Call Option Premium** | | | | | $ 12,126.92 | 8,444,250 | **$0.00144** |
| | **GS-4, SVI-4, SJ-4 & LVI-4 Commodity Current Cost of Gas/therm** | | | | | | | **$0.43365** |
| **C. SJ-4** | Current Demand Cost of Gas/therm | | | | | | | $0.34671 |
| | Current Commodity Cost of Gas/therm | | | | | | | $0.43365 |
| **D. LVI-4** | Current Commodity Cost of Gas/therm | | | | | | | $0.43365 |

# MINNESOTA ENERGY RESOURCES - PNG-GLGT

Attachment 5

## Financial Options

### Heating Season 2009-2010

**[TRADE SECRET DATA BEGINS**

**Units - Gas Daily Packages**

No Gas Daily Peakers were purchased

**Units - Call Option (Daily Volume)**

| | November | | December | | January | | February | | March | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Contract Date | Daily Volume | Contract Date | Daily Volume | Contract Date | Daily Volume | Contract Date | Daily Volume | Contract Date | Daily Volume | Daily Total | Term Total |
| Total | | 1,000 | | 1,290 | | 1,613 | | 1,429 | | 968 | 6,300 | 190,000 |

**Premium - Call Option (Monthly Cost)**

| | November | | December | | January | | February | | March | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Option Premium | Premium Cost | Option Premium | Premium Cost | Option Premium | Premium Cost | Option Premium | Premium Cost | Option Premium | Premium Cost | Option Premium | Premium Cost |
| Total | 0.4039 | **$ 12,117** | 0.5838 | **$ 23,352** | 0.5671 | **$ 28,355** | 0.6151 | **$ 24,603** | 0.71 | **$ 21,299** | 0.5775 | **$ 109,726** |

**Units - Collar Floor (put)**

No Puts were purchased.

**TRADE SECRET DATA ENDS]**

# MINNESOTA ENERGY RESOURCES - PNG

**Attachment 6**
**VGT**

| 2006-07<br>G011/M-06-XXXX | Quantity (Mcf) | | | 2007-08<br>G011/M-07-XXXX | Quantity (Mcf) | |
|---|---|---|---|---|---|---|
| FT-A 12 months | 3,527 | 2/ | | FT-A 12 months | 3,527 | 2/ |
| FT-A 3 months | 1,098 | | | FT-A 3 months | 1,098 | |
| FT-A (5 month backhaul) | 1,277 | 1/ | | FT-A (5 month backhaul) | 915 | 1/ |
| NNG TF 12 mos. (backhaul) | 1,098 | 1/ | | NNG TF 12 mos. (backhaul) | 1,098 | 1/ |
| TF12 (NNG) | 1,308 | | | TF12 (NNG) | 1,108 | |
| TF5 (NNG) | 1,067 | | | TF5 (NNG) | 905 | |
| FT-D 12 months | 3,000 | | | FT-D 12 months | 3,000 | |
| Total Design Day Capacity | 8,902 | | | Total Design Day Capacity | 8,540 | |
| Total Viking Transportation | 8,902 | | | Total Viking Transportation | 8,540 | |
| Total Annual Transportation | 7,835 | | | Total Annual Transportation | 7,635 | |
| Total Seasonal Transport | 1,067 | | | Total Seasonal Transport | 905 | |
| Percent Seasonal on Viking | 12.0% | | | Percent Seasonal on Viking | 10.6% | |

| 2008-09<br>G011/M-08-XXXX | Quantity (Mcf) | | | 2009-10<br>G011/M-09-XXXX | Quantity (Mcf) | | Change in Quantity |
|---|---|---|---|---|---|---|---|
| FT-A 12 months | 6,527 | | | FT-A 12 months | 6,527 | | 0 |
| FT-A 3 months | 1,098 | | | FT-A 3 months | 1,098 | | 0 |
| FT-A (5 month backhaul) | 0 | 1/ | | FT-A (5 month backhaul) | 0 | 1/ | 0 |
| NNG TF 12 mos. (backhaul) | 1,098 | 1/ | | NNG TF 12 mos. (backhaul) | 1,098 | 1/ | 0 |
| TF12 (NNG) | 172 | | | TF12 (NNG) | 432 | | 260 |
| TF5 (NNG) | 389 | | | TF5 (NNG) | 105 | | (284) |
| TFX12 (NNG) | 432 | | | TFX12 (NNG) | 389 | | (43) |
| TFX5 (NNG) | 105 | | | TFX5 (NNG) | 172 | | 67 |
| FT-D 12 months | 0 | | | FT-D 12 months | 0 | | 0 |
| Total Design Day Capacity | 7,625 | | | Total Design Day Capacity | 7,625 | | 0 |
| Total Viking Transportation | 7,625 | | | Total Viking Transportation | 7,625 | | 0 |
| Total Annual Transportation | 7,131 | | | Total Annual Transportation | 7,348 | | 217 |
| Total Seasonal Transport | 494 | | | Total Seasonal Transport | 277 | | (217) |
| Percent Seasonal on Viking | 6.5% | | | Percent Seasonal on Viking | 3.6% | | -2.85% |

1/ The amount is excluded from the design day capacity since it is a backhaul to transport gas to Viking.

# MINNESOTA ENERGY RESOURCES - PNG

**Attachment 7** 

**VGT**

| General Service | Base Cost of Gas Change G011/MR08-836^ | Last Demand Change M-08-XXXX | Most Recent PGA Oct 1/09 | Nov 1/09 PGA w/ Proposed Demand Changes** | % Change From Last Rate Case^^ | % Change From Last Demand Filing | % Change From Last PGA | $ Change From Last PGA |
|---|---|---|---|---|---|---|---|---|
| Commodity Cost of Gas (WACOG) | $8.2454 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.72% | 18.21% | $0.6681 |
| Demand Cost of Gas | $1.2591 | $1.2591 | $1.0908 | $1.0998 | -12.65% | -12.65% | 0.83% | $0.0090 |
| Commodity Margin | $1.6263 | $1.6263 | $1.6263 | $1.6263 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Total Cost of Gas | $11.1308 | $9.8487 | $6.3855 | $7.0626 | -36.55% | -28.29% | 10.60% | $0.6771 |
| Average Annual Usage (Mcf) | 132 | 132 | 132 | 132 | | | | |
| Average Annual Total Cost of Gas* | $1,472.53 | $1,302.92 | $844.76 | $934.33 | -36.55% | -28.29% | 10.60% | $89.57 |

| Small Volume Interruptible | Base Cost of Gas Change G011/MR08-836^ | Last Demand Change M-08-XXXX | Most Recent PGA Oct 1/09 | Nov 1/09 PGA w/ Proposed Demand Changes** | % Change From Last Rate Case^^ | % Change From Last Demand Filing | % Change From Last PGA | $ Change From Last PGA |
|---|---|---|---|---|---|---|---|---|
| Commodity Cost of Gas (WACOG) | $8.2454 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.72% | 18.21% | $0.6681 |
| Demand Cost of Gas | | | | | | | | |
| Commodity Margin | $1.2434 | $1.2434 | $1.2434 | $1.2434 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Total Cost of Gas | $9.4888 | $8.2067 | $4.9118 | $5.5799 | -41.20% | -32.01% | 13.60% | $0.6681 |
| Average Annual Usage (Mcf) | 3,499 | 3,499 | 3,499 | 3,499 | | | | |
| Average Annual Total Cost of Gas* | $33,198.65 | $28,712.95 | $17,185.01 | $19,522.40 | -41.20% | -32.01% | 13.60% | $2,337.39 |

| Large Volume Interruptible | Base Cost of Gas Change G011/MR08-836^ | Last Demand Change M-08-XXXX | Most Recent PGA Oct 1/09 | Nov 1/09 PGA w/ Proposed Demand Changes** | % Change From Last Rate Case^^ | % Change From Last Demand Filing | % Change From Last PGA | $ Change From Last PGA |
|---|---|---|---|---|---|---|---|---|
| Commodity Cost of Gas (WACOG) | $8.2454 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.72% | 18.21% | $0.6681 |
| Demand Cost of Gas | | | | | | | | |
| Commodity Margin | $0.3592 | $0.3592 | $0.3592 | $0.3592 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Total Cost of Gas | $8.6046 | $7.3225 | $4.0276 | $4.6957 | -45.43% | -35.87% | 16.59% | $0.6681 |
| Average Annual Usage (Mcf) | 113,688 | 113,688 | 113,688 | 113,688 | | | | |
| Average Annual Total Cost of Gas* | $978,239.76 | $832,480.38 | $457,889.79 | $533,841.33 | -45.43% | -35.87% | 16.59% | $75,951.54 |

| Small Volume Firm/Interruptible | Base Cost of Gas Change G011/MR08-836^ | Last Demand Change M-08-XXXX | Most Recent PGA Oct 1/09 | Nov 1/09 PGA w/ Proposed Demand Changes** | % Change From Last Rate Case^^ | % Change From Last Demand Filing | % Change From Last PGA | $ Change From Last PGA |
|---|---|---|---|---|---|---|---|---|
| Commodity Cost of Gas (WACOG) | $8.2454 | $6.9633 | $3.6684 | $4.3365 | -47.41% | -37.72% | 18.21% | $0.6681 |
| Demand Cost of Gas | $3.4671 | $3.4671 | $3.4671 | $3.4671 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Commodity Margin | $0.3592 | $1.2434 | $1.2434 | $1.2434 | 246.16% | 0.00% | 0.00% | $0.0000 |
| Demand Margin | $2.0724 | $2.0724 | $2.0724 | $2.0724 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Total Commodity Cost | $8.6046 | $8.2067 | $4.9118 | $5.5799 | -35.15% | -32.01% | 13.60% | $0.6681 |
| Total Demand Cost | $5.5395 | $5.5395 | $5.5395 | $5.5395 | 0.00% | 0.00% | 0.00% | $0.0000 |
| Total Recovery | $14.1441 | $13.7462 | $10.4513 | $11.1194 | -21.39% | -19.11% | 6.39% | $0.6681 |
| Average Annual Usage (Mcf) | 3,893 | 3,893 | 3,893 | 3,893 | | | | |
| Average Annual CD units (Mcf) | 15 | 15 | 15 | 15 | | | | |
| Average Annual Commodity Bill* | $33,580.80 | $32,031.78 | $19,204.73 | $21,805.53 | -35.07% | -31.93% | 13.54% | $2,600.80 |

| Summary | Commodity Change ($/Mcf) | Commodity Change (%) | Demand Change ($/Mcf) | Demand Change (%) | Total Change ($/Mcf) | Total Change (%) | Effect on Annual Bill |
|---|---|---|---|---|---|---|---|
| General Service | $0.6681 | 66.81% | $0.0090 | 0.83% | $0.6771 | 10.60% | $89.57 |
| Small Volume Interruptible | $0.6681 | 66.81% | $0.0000 | 0.00% | $0.6681 | 13.60% | $2,337.39 |
| Large Volume Interruptible | $0.6681 | 66.81% | $0.0000 | 0.00% | ($0.6681) | 16.59% | $75,951.54 |
| Small Volume Firm | $0.6681 | 66.81% | $0.0000 | 0.00% | $0.0000 | 0.00% | $2,600.80 |

# MINNESOTA ENERGY RESOURCES - PNG

**Atttachment 8**
**VGT**

| | Oct-09 Entitlement | Nov-09 Entitlement | Entitlement Change | Months | Oct. 2009 Tariff Rate | Oct. 2009 Total Cost | Nov. 2009 Total Cost | Entitlement Change |
|---|---|---|---|---|---|---|---|---|
| FT-A (AF0012) | 3,527 | 3,527 | 0 | 12 | $3.4671 | $146,742 | $146,742 | $0 |
| FT-A (AF0014) | 1,098 | 1,098 | 0 | 3 | $3.4671 | $11,421 | $11,421 | $0 |
| FT-A (AF0016) | 1,000 | 1,000 | 0 | 12 | $3.4671 | $41,605 | $41,605 | $0 |
| FT-A (AF0102) | 2,000 | 2,000 | 0 | 12 | $3.4671 | $83,210 | $83,210 | $0 |
| TF-12 (NNG)-Base(112495) | 172 | 255 | 83 | 12 | $7.5776 | $15,661 | $23,149 | $7,488 |
| TF-12 (NNG)-Variable(112495) | 0 | 178 | 178 | 12 | $9.0926 | $0 | $19,391 | $19,391 |
| TFX-12 (NNG) (112495) | 389 | 389 | 0 | 12 | $15.1530 | $70,678 | $70,678 | $0 |
| TF-5 (NNG) (112495) | 432 | 105 | -327 | 5 | $9.6288 | $20,813 | $5,045 | -$15,768 |
| TFX-5 (NNG) (112486) | 105 | 172 | 67 | 5 | $15.1530 | $7,939 | $13,049 | $5,110 |
| Chisago Backhaul | 915 | 0 | -915 | 5 | $2.7360 | $12,517 | $0 | -$12,517 |
| Chisago Backhaul | 0 | 0 | 0 | 5 | $3.7671 | $0 | $0 | $0 |
| Nexen PSO | 154,541 | 152,888 | -1,653 | 1 | $1.7700 | $273,538 | $270,612 | -$2,926 |
| | | | | | | | | |
| Total Demand Cost | | | | | | $684,124 | $684,901 | $778 |

**09/10 Winter Portfolio Plan - MERC VGT-PNG Hedging Plan**

**[TRADE SECRET DATA BEGINS]**

10,000 Contract Size

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Total | | | | | | | | | | | | | 632,792 | **100.00%** |

**[TRADE SECRET DATA ENDS]**

***PUBLIC DOCUMENT - TRADE SECRET DATA EXCISED***



# MINNESOTA ENERGY RESOURCES

## VGT WINTER PLAN (PNG)

## NOVEMBER, 2009 THROUGH MARCH, 2010

**[TRADE SECRET DATA BEGINS**

| PHYSICAL FIXED PRICE HEDGES - VGT | | Trigger | Trigger | | Daily Volumes | | | | | Monthly |
|---|---|---|---|---|---|---|---|---|---|---|
| | Deal # | Locked | Exercised | Receipt Point | Nov | Dec | Jan | Feb | Mar | Total |
| | Total Actual Fixed/Option Physical | | | | **667** | **646** | **968** | **715** | **968** | **120,071** |

| INDEX - VGT | Contract Number | Date | Receipt Point | Nov | Dec | Jan | Feb | Mar | Total |
|---|---|---|---|---|---|---|---|---|---|
| Total Actual Seasonal Index | | | | **1,000** | **1,290** | **1,613** | **1,429** | **968** | **190,008** |

**GAS DAILY PACKAGES**

**NO Gas Daily Peakers**

**STORAGE**

No Storage

**TRADE SECRET DATA ENDS]**

***PUBLIC DOCUMENT - TRADE SECRET DATA EXCISED***

# MINNESOTA ENERGY RESOURCES - PNG

**Attachment 10**

**Daily Total Throughput Data - July 1, 2008 through June 30, 2009**

**VGT**

| | |
|---|---|
| Base | 623 |
| Variable | 86 |

| Date | 15.00% Bemidji Adjusted HDD | 85.00% Fargo Adjusted HDD | 100.00% Weighted Adjusted HDD | Actual Total Through-Put * | Estimated Through-Put |
|---|---|---|---|---|---|
| 7/1/08 | 0 | 0 | 0 | 819 | 623 |
| 7/2/08 | 8 | 0 | 1 | 911 | 723 |
| 7/3/08 | 9 | 5 | 6 | 680 | 1,119 |
| 7/4/08 | 3 | 0 | 0 | 508 | 663 |
| 7/5/08 | 0 | 0 | 0 | 509 | 623 |
| 7/6/08 | 0 | 0 | 0 | 625 | 623 |
| 7/7/08 | 2 | 0 | 0 | 851 | 650 |
| 7/8/08 | 7 | 0 | 1 | 867 | 711 |
| 7/9/08 | 2 | 0 | 0 | 842 | 650 |
| 7/10/08 | 1 | 0 | 0 | 847 | 637 |
| 7/11/08 | 0 | 0 | 0 | 647 | 623 |
| 7/12/08 | 5 | 0 | 1 | 628 | 685 |
| 7/13/08 | 2 | 0 | 0 | 692 | 654 |
| 7/14/08 | 0 | 0 | 0 | 827 | 623 |
| 7/15/08 | 0 | 0 | 0 | 818 | 623 |
| 7/16/08 | 2 | 0 | 0 | 859 | 650 |
| 7/17/08 | 0 | 0 | 0 | 850 | 623 |
| 7/18/08 | 2 | 0 | 0 | 656 | 650 |
| 7/19/08 | 7 | 0 | 1 | 576 | 716 |
| 7/20/08 | 0 | 0 | 0 | 645 | 623 |
| 7/21/08 | 0 | 0 | 0 | 800 | 623 |
| 7/22/08 | 0 | 0 | 0 | 811 | 623 |
| 7/23/08 | 0 | 0 | 0 | 800 | 623 |
| 7/24/08 | 0 | 0 | 0 | 803 | 623 |
| 7/25/08 | 0 | 0 | 0 | 659 | 623 |
| 7/26/08 | 0 | 0 | 0 | 542 | 623 |
| 7/27/08 | 0 | 0 | 0 | 591 | 623 |
| 7/28/08 | 0 | 0 | 0 | 825 | 623 |
| 7/29/08 | 0 | 0 | 0 | 858 | 623 |
| 7/30/08 | 0 | 0 | 0 | 873 | 623 |
| 7/31/08 | 0 | 0 | 0 | 865 | 623 |
| 8/1/08 | 0 | 0 | 0 | 626 | 623 |
| 8/2/08 | 0 | 0 | 0 | 512 | 623 |
| 8/3/08 | 0 | 0 | 0 | 610 | 623 |
| 8/4/08 | 0 | 0 | 0 | 807 | 623 |
| 8/5/08 | 0 | 0 | 0 | 812 | 623 |
| 8/6/08 | 0 | 0 | 0 | 813 | 623 |
| 8/7/08 | 2 | 0 | 0 | 819 | 650 |
| 8/8/08 | 4 | 2 | 2 | 626 | 831 |
| 8/9/08 | 0 | 0 | 0 | 532 | 623 |
| 8/10/08 | 0 | 0 | 0 | 624 | 623 |
| 8/11/08 | 3 | 0 | 0 | 834 | 666 |
| 8/12/08 | 0 | 0 | 0 | 816 | 623 |
| 8/13/08 | 0 | 0 | 0 | 794 | 623 |
| 8/14/08 | 0 | 0 | 0 | 810 | 623 |
| 8/15/08 | 4 | 0 | 1 | 674 | 676 |
| 8/16/08 | 0 | 0 | 0 | 551 | 623 |
| 8/17/08 | 0 | 0 | 0 | 588 | 623 |
| 8/18/08 | 0 | 0 | 0 | 824 | 623 |

| | | | | | |
|---|---|---|---|---|---|
| 9/26/08 | 0 | 0 | 0 | 773 | 623 |
| 9/27/08 | 14 | 13 | 13 | 818 | 1,748 |
| 9/28/08 | 14 | 8 | 9 | 1,029 | 1,379 |
| 9/29/08 | 21 | 19 | 19 | 1,746 | 2,247 |
| 9/30/08 | 22 | 13 | 14 | 1,693 | 1,826 |
| 10/1/08 | 19 | 18 | 18 | 1,762 | 2,174 |
| 10/2/08 | 15 | 10 | 11 | 1,512 | 1,529 |
| 10/3/08 | 24 | 18 | 19 | 1,458 | 2,241 |
| 10/4/08 | 19 | 9 | 11 | 1,100 | 1,530 |
| 10/5/08 | 15 | 10 | 11 | 1,296 | 1,577 |
| 10/6/08 | 13 | 6 | 7 | 1,380 | 1,203 |
| 10/7/08 | 16 | 12 | 12 | 1,610 | 1,679 |
| 10/8/08 | 14 | 10 | 11 | 1,586 | 1,543 |
| 10/9/08 | 20 | 18 | 18 | 1,709 | 2,199 |
| 10/10/08 | 26 | 24 | 24 | 2,220 | 2,715 |
| 10/11/08 | 20 | 21 | 21 | 1,394 | 2,452 |
| 10/12/08 | 8 | 8 | 8 | 1,212 | 1,295 |
| 10/13/08 | 13 | 23 | 21 | 2,345 | 2,448 |
| 10/14/08 | 24 | 23 | 23 | 2,022 | 2,636 |
| 10/15/08 | 26 | 21 | 22 | 2,165 | 2,528 |
| 10/16/08 | 26 | 23 | 23 | 2,103 | 2,612 |
| 10/17/08 | 27 | 18 | 19 | 2,035 | 2,286 |
| 10/18/08 | 19 | 16 | 17 | 1,553 | 2,046 |
| 10/19/08 | 23 | 19 | 19 | 1,962 | 2,295 |
| 10/20/08 | 30 | 27 | 27 | 2,550 | 2,953 |
| 10/21/08 | 31 | 28 | 28 | 2,462 | 3,045 |
| 10/22/08 | 26 | 24 | 25 | 2,702 | 2,740 |
| 10/23/08 | 21 | 19 | 19 | 2,048 | 2,278 |
| 10/24/08 | 24 | 24 | 24 | 2,313 | 2,694 |
| 10/25/08 | 22 | 21 | 22 | 1,962 | 2,481 |
| 10/26/08 | 33 | 33 | 33 | 3,364 | 3,420 |
| 10/27/08 | 40 | 36 | 37 | 3,570 | 3,762 |
| 10/28/08 | 31 | 28 | 28 | 3,017 | 3,057 |
| 10/29/08 | 27 | 24 | 24 | 2,250 | 2,712 |
| 10/30/08 | 10 | 11 | 11 | 1,968 | 1,554 |
| 10/31/08 | 26 | 24 | 24 | 2,193 | 2,704 |
| 11/1/08 | 25 | 18 | 19 | 1,860 | 2,253 |
| 11/2/08 | 16 | 11 | 12 | 1,561 | 1,630 |
| 11/3/08 | 9 | 11 | 11 | 1,487 | 1,555 |
| 11/4/08 | 12 | 13 | 13 | 1,528 | 1,728 |
| 11/5/08 | 12 | 11 | 11 | 1,403 | 1,557 |
| 11/6/08 | 22 | 28 | 27 | 2,136 | 2,974 |
| 11/7/08 | 34 | 43 | 42 | 3,193 | 4,233 |
| 11/8/08 | 48 | 49 | 49 | 3,884 | 4,807 |
| 11/9/08 | 50 | 46 | 46 | 4,124 | 4,616 |
| 11/10/08 | 46 | 44 | 44 | 4,099 | 4,408 |
| 11/11/08 | 40 | 38 | 38 | 3,871 | 3,927 |
| 11/12/08 | 35 | 34 | 34 | 3,508 | 3,555 |
| 11/13/08 | 35 | 29 | 30 | 3,224 | 3,202 |
| 11/14/08 | 42 | 43 | 43 | 3,868 | 4,332 |
| 11/15/08 | 45 | 40 | 41 | 3,469 | 4,144 |
| 11/16/08 | 47 | 41 | 42 | 3,948 | 4,227 |
| 11/17/08 | 53 | 48 | 48 | 4,934 | 4,779 |
| 11/18/08 | 47 | 44 | 45 | 4,624 | 4,475 |
| 11/19/08 | 52 | 50 | 50 | 4,946 | 4,916 |
| 11/20/08 | 61 | 60 | 60 | 5,943 | 5,793 |
| 11/21/08 | 56 | 52 | 53 | 5,034 | 5,154 |
| 11/22/08 | 46 | 40 | 41 | 3,934 | 4,161 |
| 11/23/08 | 39 | 36 | 36 | 3,872 | 3,730 |
| 11/24/08 | 49 | 43 | 44 | 4,713 | 4,416 |
| 11/25/08 | 46 | 40 | 41 | 4,219 | 4,161 |
| 11/26/08 | 40 | 38 | 38 | 3.468 | 3.901 |

| | | | | | |
|---|---|---|---|---|---|
| 1/3/09 | 69 | 72 | 71 | 5,384 | 6,757 |
| 1/4/09 | 88 | 83 | 84 | 6,754 | 7,856 |
| 1/5/09 | 78 | 73 | 74 | 6,107 | 6,947 |
| 1/6/09 | 61 | 70 | 69 | 5,927 | 6,528 |
| 1/7/09 | 69 | 72 | 72 | 6,915 | 6,804 |
| 1/8/09 | 68 | 67 | 67 | 6,300 | 6,417 |
| 1/9/09 | 67 | 69 | 68 | 6,166 | 6,511 |
| 1/10/09 | 63 | 67 | 67 | 5,692 | 6,348 |
| 1/11/09 | 62 | 60 | 60 | 5,644 | 5,810 |
| 1/12/09 | 87 | 84 | 84 | 7,582 | 7,888 |
| 1/13/09 | 88 | 90 | 89 | 7,924 | 8,313 |
| 1/14/09 | 92 | 92 | 92 | 8,661 | 8,542 |
| 1/15/09 | 87 | 94 | 93 | 8,564 | 8,600 |
| 1/16/09 | 80 | 70 | 72 | 6,670 | 6,790 |
| 1/17/09 | 55 | 50 | 51 | 4,909 | 5,009 |
| 1/18/09 | 58 | 51 | 52 | 4,904 | 5,074 |
| 1/19/09 | 62 | 50 | 52 | 5,450 | 5,058 |
| 1/20/09 | 50 | 54 | 53 | 5,112 | 5,212 |
| 1/21/09 | 46 | 54 | 52 | 4,973 | 5,135 |
| 1/22/09 | 60 | 64 | 64 | 5,295 | 6,105 |
| 1/23/09 | 85 | 84 | 84 | 7,053 | 7,861 |
| 1/24/09 | 84 | 84 | 84 | 7,043 | 7,878 |
| 1/25/09 | 83 | 83 | 83 | 7,149 | 7,751 |
| 1/26/09 | 79 | 83 | 82 | 7,374 | 7,718 |
| 1/27/09 | 72 | 77 | 77 | 6,596 | 7,202 |
| 1/28/09 | 65 | 63 | 63 | 6,015 | 6,050 |
| 1/29/09 | 80 | 71 | 73 | 6,846 | 6,878 |
| 1/30/09 | 63 | 51 | 52 | 5,126 | 5,129 |
| 1/31/09 | 40 | 40 | 40 | 3,892 | 4,039 |
| 2/1/09 | 66 | 65 | 65 | 5,189 | 6,225 |
| 2/2/09 | 83 | 82 | 82 | 7,467 | 7,672 |
| 2/3/09 | 77 | 77 | 77 | 7,215 | 7,236 |
| 2/4/09 | 72 | 69 | 69 | 6,347 | 6,591 |
| 2/5/09 | 49 | 50 | 50 | 4,473 | 4,892 |
| 2/6/09 | 37 | 43 | 42 | 3,771 | 4,217 |
| 2/7/09 | 49 | 54 | 53 | 4,652 | 5,180 |
| 2/8/09 | 38 | 44 | 43 | 3,735 | 4,361 |
| 2/9/09 | 34 | 32 | 32 | 3,647 | 3,414 |
| 2/10/09 | 34 | 35 | 35 | 3,727 | 3,646 |
| 2/11/09 | 41 | 45 | 45 | 4,164 | 4,465 |
| 2/12/09 | 54 | 57 | 57 | 4,917 | 5,494 |
| 2/13/09 | 58 | 60 | 60 | 5,097 | 5,796 |
| 2/14/09 | 67 | 62 | 63 | 5,659 | 6,043 |
| 2/15/09 | 61 | 56 | 56 | 4,655 | 5,472 |
| 2/16/09 | 47 | 54 | 53 | 4,537 | 5,143 |
| 2/17/09 | 57 | 59 | 58 | 4,663 | 5,642 |
| 2/18/09 | 72 | 71 | 71 | 6,415 | 6,749 |
| 2/19/09 | 64 | 64 | 64 | 5,873 | 6,096 |
| 2/20/09 | 58 | 64 | 63 | 5,399 | 6,042 |
| 2/21/09 | 65 | 66 | 66 | 5,554 | 6,276 |
| 2/22/09 | 64 | 63 | 63 | 5,750 | 6,060 |
| 2/23/09 | 61 | 61 | 61 | 5,299 | 5,889 |
| 2/24/09 | 44 | 49 | 48 | 3,992 | 4,774 |
| 2/25/09 | 64 | 69 | 68 | 5,605 | 6,496 |
| 2/26/09 | 75 | 86 | 84 | 6,422 | 7,851 |
| 2/27/09 | 73 | 79 | 78 | 6,397 | 7,334 |
| 2/28/09 | 77 | 73 | 74 | 6,167 | 6,985 |
| 3/1/09 | 68 | 73 | 72 | 5,785 | 6,807 |
| 3/2/09 | 57 | 58 | 58 | 5,498 | 5,588 |
| 3/3/09 | 46 | 47 | 47 | 4,480 | 4,636 |
| 3/4/09 | 37 | 41 | 40 | 3,723 | 4,081 |
| 3/5/09 | 30 | 38 | 37 | 3.102 | 3.773 |

| | | | | | |
|---|---|---|---|---|---|
| 4/12/09 | 19 | 18 | 18 | 2,077 | 2,195 |
| 4/13/09 | 19 | 17 | 17 | 2,184 | 2,112 |
| 4/14/09 | 19 | 15 | 15 | 2,045 | 1,936 |
| 4/15/09 | 14 | 8 | 9 | 1,866 | 1,408 |
| 4/16/09 | 10 | 12 | 11 | 1,654 | 1,589 |
| 4/17/09 | 20 | 20 | 20 | 1,696 | 2,339 |
| 4/18/09 | 29 | 31 | 30 | 2,218 | 3,222 |
| 4/19/09 | 24 | 24 | 24 | 2,202 | 2,700 |
| 4/20/09 | 32 | 27 | 28 | 3,168 | 3,042 |
| 4/21/09 | 25 | 21 | 21 | 2,334 | 2,460 |
| 4/22/09 | 23 | 19 | 20 | 2,084 | 2,332 |
| 4/23/09 | 8 | 5 | 5 | 1,477 | 1,073 |
| 4/24/09 | 33 | 32 | 32 | 2,679 | 3,375 |
| 4/25/09 | 24 | 19 | 20 | 1,934 | 2,339 |
| 4/26/09 | 30 | 28 | 28 | 2,853 | 3,066 |
| 4/27/09 | 30 | 25 | 25 | 2,907 | 2,805 |
| 4/28/09 | 20 | 14 | 14 | 2,048 | 1,870 |
| 4/29/09 | 21 | 20 | 20 | 2,371 | 2,379 |
| 4/30/09 | 28 | 25 | 25 | 2,724 | 2,801 |
| 5/1/09 | 22 | 20 | 20 | 2,120 | 2,378 |
| 5/2/09 | 22 | 18 | 19 | 1,799 | 2,231 |
| 5/3/09 | 21 | 15 | 16 | 1,720 | 2,004 |
| 5/4/09 | 10 | 5 | 5 | 1,420 | 1,087 |
| 5/5/09 | 17 | 11 | 12 | 1,599 | 1,648 |
| 5/6/09 | 6 | 6 | 6 | 1,286 | 1,112 |
| 5/7/09 | 20 | 16 | 17 | 1,613 | 2,050 |
| 5/8/09 | 24 | 30 | 29 | 2,004 | 3,096 |
| 5/9/09 | 30 | 29 | 29 | 2,078 | 3,125 |
| 5/10/09 | 22 | 14 | 15 | 1,623 | 1,915 |
| 5/11/09 | 11 | 9 | 9 | 1,500 | 1,436 |
| 5/12/09 | 11 | 8 | 9 | 1,519 | 1,367 |
| 5/13/09 | 21 | 17 | 17 | 1,826 | 2,116 |
| 5/14/09 | 30 | 22 | 23 | 2,231 | 2,629 |
| 5/15/09 | 20 | 18 | 18 | 2,238 | 2,191 |
| 5/16/09 | 25 | 21 | 21 | 1,891 | 2,471 |
| 5/17/09 | 9 | 8 | 8 | 1,252 | 1,325 |
| 5/18/09 | 10 | 8 | 8 | 1,171 | 1,351 |
| 5/19/09 | 9 | 5 | 5 | 1,147 | 1,070 |
| 5/20/09 | 0 | 0 | 0 | 1,024 | 623 |
| 5/21/09 | 20 | 8 | 9 | 1,156 | 1,439 |
| 5/22/09 | 11 | 10 | 10 | 872 | 1,514 |
| 5/23/09 | 20 | 15 | 15 | 891 | 1,950 |
| 5/24/09 | 6 | 2 | 3 | 683 | 867 |
| 5/25/09 | 10 | 5 | 5 | 880 | 1,096 |
| 5/26/09 | 19 | 19 | 19 | 1,451 | 2,271 |
| 5/27/09 | 16 | 9 | 10 | 1,194 | 1,452 |
| 5/28/09 | 11 | 7 | 7 | 1,019 | 1,240 |
| 5/29/09 | 9 | 4 | 5 | 817 | 1,064 |
| 5/30/09 | 17 | 4 | 6 | 819 | 1,163 |
| 5/31/09 | 11 | 1 | 3 | 832 | 845 |
| 6/1/09 | 13 | 6 | 7 | 1,036 | 1,193 |
| 6/2/09 | 21 | 15 | 16 | 1,250 | 2,015 |
| 6/3/09 | 6 | 1 | 2 | 1,015 | 786 |
| 6/4/09 | 5 | 1 | 2 | 971 | 767 |
| 6/5/09 | 26 | 21 | 22 | 1,176 | 2,527 |
| 6/6/09 | 18 | 16 | 16 | 1,398 | 2,042 |
| 6/7/09 | 17 | 14 | 15 | 1,334 | 1,876 |
| 6/8/09 | 22 | 15 | 16 | 1,594 | 1,966 |
| 6/9/09 | 17 | 16 | 16 | 1,301 | 1,984 |
| 6/10/09 | 13 | 9 | 10 | 1,153 | 1,478 |
| 6/11/09 | 11 | 6 | 7 | 1,090 | 1,219 |
| 6/12/09 | 1 | 0 | 0 | 851 | 637 |

# MINNESOTA ENERGY RESOURCES - PNG

**Attachment 11**

**Customer Counts by PGAC Class - July 1, 2008 through June 30, 2009**
**VGT**

| Rate Class | Tariff Rate Designation | Jul-08 Average Customers | Aug-08 Average Customers | Sep-08 Average Customers | Oct-08 Average Customers | Nov-08 Average Customers | Dec-08 Average Customers | Jan-09 Average Customers | Feb-09 Average Customers | Mar-09 Average Customers | Apr-09 Average Customers | May-09 Average Customers | Jun-09 Average Customers |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Residential w/ Heat | MN004 | 4,363 | 3,801 | 3,853 | 3,904 | 3,933 | 3,909 | 4,027 | 4,098 | 4,066 | 4,148 | 4,169 | 4,097 |
| Residential w/o Heat | MN003 | 71 | 69 | 70 | 70 | 75 | 75 | 74 | 76 | 70 | 73 | 79 | 75 |
| Commercial-SV | MN051/072 | 370 | 309 | 314 | 303 | 305 | 312 | 337 | 321 | 320 | 312 | 316 | 334 |
| Commercial-LV | MN073 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 8 | 10 | 8 |
| Industrial-SV | MN058 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Industrial-LV | MN061 | 468 | 383 | 388 | 382 | 387 | 385 | 404 | 395 | 400 | 392 | 416 | 551 |
| SV-Interruptible | MN105/126 | 30 | 18 | 23 | 25 | 22 | 24 | 23 | 24 | 23 | 23 | 27 | 25 |
| LV-Interruptible | MN223 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transport | MN70A | 5 | 5 | 5 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 | 3 |
| Transport | MN76A | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Transport | MN586 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | | 5,315 | 4,593 | 4,661 | 4,696 | 4,734 | 4,717 | 4,876 | 4,925 | 4,890 | 4,959 | 5,020 | 5,093 |