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March 31, 2025

VIA ELECTRONIC FILING

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

RE: Gas Affordability Program Annual Report for 2024
Docket No. G022/M-25-40

Dear Mr. Seuffert:

Attached hereto, please find Greater Minnesota Gas, Inc.'s Gas Affordability Program Annual Report for 2024 for filing in a new docket.

All individuals identified on the attached service list have been electronically served with the same.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 209-2110 and my email address is kanderson@greatermngas.com.

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/
Kristine A. Anderson
Corporate Attorney

Enclosure

cc: Service List

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben
Hwikwon Ham
Audrey Partridge
Joe Sullivan
John Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

MPUC Docket No. G022/M-25-40

**Greater Minnesota Gas, Inc.'s
Gas Affordability Program
Annual Report for 2024**

**ANNUAL GAS
AFFORDABILITY PROGRAM
REPORT FOR 2024**

Greater Minnesota Gas, Inc. (“GMG”) hereby submits its Annual Gas Affordability Program (“GAP”) Report for the period ending December 31, 2024. GMG partners with the Energy Cents Coalition (“ECC”) as a third-party administrator to assist with its GAP; and, GMG’s GAP and reporting requirements are closely aligned with the programs of other natural gas providers, with some minor exceptions.

SERVICE ON REQUIRED AND INTERESTED PARTIES

Pursuant to Minnesota Rule Part 7829.1300, Subpart 2, GMG served a copy of this Report on the Residential Utilities Division of the Office of the Attorney General. Pursuant to Minnesota Rule Part 7825.2840, GMG served the Summary of Filing on all parties reflected on the accompanying Certificate of Service and Service List.

GENERAL FILING INFORMATION

Pursuant to Minnesota Rule Part 7829.1300, the following specific content is provided:

A. Name, Address and Telephone Number of the Utility

Greater Minnesota Gas, Inc.
1900 Cardinal Lane
Faribault, Minnesota 55021
Telephone: (507) 209-2110

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

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
1900 Cardinal Lane
Faribault, Minnesota 55021
Phone: (507) 209-2110

C. Date of Filing and Proposed Effective Date of Rate Change

Date Filed: March 31, 2025
Proposed Effective Date: N/A; filing does not include a rate change

D. Statute Controlling Time Frame for Processing Filing

Greater Minnesota Gas, Inc. is unaware of any statute that controls the time frame for processing this filing by the Commission.

E. Utility Employee Responsible for this Filing (and Signature):

/s/ Kristine A. Anderson
Kristine A. Anderson, Esq.
Corporate Attorney

PROGRAM BACKGROUND

GMG's Gas Affordability Program is available to its residential customers who meet three qualification criteria: 1) they qualify for the Low Income Home Energy Assistance Program ("LIHEAP"); 2) they stipulate to a defined monthly payment plan; and 3) they make timely payments pursuant to the schedule. GMG's GAP was developed to serve qualified low-income residential natural gas customers by implementing an affordability-based bill credit and an arrearage forgiveness credit for those participants that successfully complete the program.

GMG's GAP participants are eligible for an affordability bill credit which was determined as one-twelfth of the difference between the estimate of the participant's annual gas bill and 4% of the participant's household income, calculated pursuant to GMG's tariff provisions. GMG's GAP participants who had an arrearage balance when they entered the program were also eligible for an arrearage forgiveness credit that was determined as an amount that would retire the customer's pre-program arrears over a period of up to 24 months, calculated pursuant to GMG's tariff provisions. Credit calculations were performed by ECC.

As part of GMG's commitment to its effort to increase GAP participation, GMG substantially marketed its GAP to all of its customers with additional targeted marketing to at-risk customers.

GMG's website contains information about both LIHEAP and GAP. The page provides information about both programs along with links to additional program information and application materials. GMG sent energy assistance awareness letters to certain targeted customers, including each customer that was currently receiving LIHEAP, those customers that previously received LIHEAP, and others. When GMG was notified of new LIHEAP recipients, GMG reached out to each one with information regarding GAP. When any GMG residential customer receives written notice regarding possible disconnection, LIHEAP and GAP information is included. Moreover, GMG's customer service team makes individual phone calls to customers facing disconnection and discusses LIHEAP and GAP during those calls. Additionally, GMG reached out to churches and community organizations throughout its service territory with a request that they also make their members and local residents aware of energy assistance and GAP programs by sharing information in their bulletins and through other means.

Administratively, ECC is responsible for receiving applications from potential GAP participants, determining eligibility, calculating GAP payment and credit amounts, sending out notification letters, and provision of some of the statistics required for regulatory purposes. GMG's personnel handle providing requested data to ECC, all billing and related processing; making calls to GAP participants who are approved for the program, who miss a monthly payment, who are in jeopardy of removal from the program for non-compliance, and to answer any GAP questions; and regulatory reporting.

ANNUAL REPORTING INFORMATION

The requisite statistical information regarding GMG's GAP for 2024 is found below and on an Xcel spreadsheet filed simultaneously herewith:

- *Average annual affordability benefit received per GAP customer: \$503.52 (\$41.96 per month)*
- *Average annual arrearage forgiveness benefit received per GAP customer: \$17.76 (\$1.48 per month).* If the calculation is limited to only those GAP participants that had a past due balance, the average annual arrearage forgiveness benefit was approximately \$148.75 (\$12.40 per month).
- *Percentage of LIHEAP customers that participated in GAP:* GMG had 216 customers that received LIHEAP during the 2024 calendar year, of which 44 participated in GAP at some point throughout the year. Therefore, approximately 20% of GMG's customers that received LIHEAP funds participated in GAP during 2024.
- *Disconnection rates for GAP participants, non-GAP LIHEAP customers, and non-LIHEAP residential customers:*

- Total number of residential customers that were disconnected: GMG disconnected 43 residential customers during 2024, which represents approximately 0.4% of its 9,925 residential customers as of December 2024.
 - Total number of GAP participants that were disconnected: GMG did not disconnect any GAP participants in 2024; therefore, the GAP participant disconnection rate was 0% for 2024.
 - Total number of non-GAP LIHEAP customers that were disconnected: GMG did not disconnect any customers who received LIHEAP but who did not participate in GAP during 2024; therefore, the resulting disconnection rate for non-GAP LIHEAP customers was 0%.
 - Total number of non-LIHEAP residential customers that were disconnected: GMG disconnected 43 residential customers who did not receive LIHEAP at the time of disconnection, which represents 0.4% of its residential customers as of December 2024.
- *Number of GAP participants enrolled as of year-end:* 33
- *Number of GAP participants enrolled and receiving benefits at some time during the year:* 44
- *Annual program budget:* GMG's annual GAP budget is capped at \$20,000 for all estimated program costs.
- *Actual program revenue:* GMG did not have any GAP revenue for 2024, as it did not collect a rate-affordability surcharge during the year.
- *Actual program cost:* GMG's actual program cost for 2024 was approximately \$18,903.98. The actual cost includes a combination of GAP credits, outsourcing costs, GMG's internal administration costs, and regulatory charges including those related to regulatory review and approval of GAP reports. 2024 was the second year for permanence of GMG's GAP program, as its pilot program ended with the 2022 calendar year. GMG is evaluating the financial aspects of its program, including assessing the viability of incorporating a rate-affordability surcharge.
- *GAP tracker balance as of year-end:* GMG has not instituted a tracker for the purpose of comparison and collection of actual program costs. GMG has not yet requested approval of cost recovery. Nonetheless, GMG has historically kept an unofficial tracker that identified the GAP credits given since the inception of the GAP program. Consistent with its revised GAP requirements and plan, GMG included the GAP credits given but also began adding all program costs including administrative and regulatory costs in its unofficial tracker. As of December 31, 2024, the tracker balance was \$142,564.33. GMG anticipates that its formal tracker will be instituted when regulatory approval is received for the addition of a rate-affordability surcharge and that the tracker components will be identified and approved simultaneously therewith.

- *GAP rate-affordability surcharge (\$/therm) (after implementation):* \$0.00. GMG has not instituted a GAP rate-affordability surcharge.

GMG remains committed to marketing, content, and administration of its GAP to embody the commitment it made to the program's principles. GMG remains hopeful that its continued efforts will result in increased awareness and use of its GAP by qualifying customers.

CONCLUSION

GMG respectfully submits this Annual Report summarizing its GAP for the year ending December 31, 2024, in accordance with the requirements of its program and the Commission.

Dated: March 31, 2025

Respectfully submitted,
/s/
Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
1900 Cardinal Lane
Faribault, MN 55021
Telephone: (507) 209-2110

CERTIFICATE OF SERVICE

I, Kristine Anderson, hereby certify that I have this day served a true and correct copy of the following document to all persons at the addresses indicated on the attached list by electronic filing, electronic mail, or by depositing the same enveloped with postage paid in the United States Mail at Faribault, Minnesota:

**Greater Minnesota Gas, Inc.'s Gas Affordability Program
Annual Report for 2024
Docket No. G022/M-25-40**

filed this 31st day of March, 2025.

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

