

March 1, 2018

VIA ELECTRONIC FILING

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

RE: Lake Region Energy Services, Inc.
Petition for Small Gas Utility Franchise Exemption
Docket No. G6977/M-17-186
Petition Filing Date: March 6, 2017

COMPLIANCE FILING – ANNUAL REPORT

Dear Mr. Wolf and the Minnesota Public Utilities Commission:

Lake Region Energy Services, Inc. (“LRES”) submitted a Petition for Exemption for Small Gas Utility on March 6, 2017 (the “Petition”). The Commission issued its Order dated July 28, 2017, granting the requests of LRES set forth in the Petition.

Contained within that Order was a requirement that LRES provide the following filings on an annual basis:

1. Annual Cold Weather Rule reports.
2. Annual tariff updates with municipally approved rates.
3. File an Annual Report which would include the following:
 - a. Customer count by customer class, including applicable rates for each customer class.
 - b. The associated annual gas and non-gas revenues by customer class.
 - c. Net Plant in Service by year and on an accumulated basis from when Lake Region Energy Services began construction on their natural gas systems (Net Plant in Service = Total Plant in Service – Accumulated Depreciation – Deferred Income Taxes).

This filing is intended to comply with the above-stated Annual Report obligation.

ANNUAL REPORT

A. Customer County By Customer Class

Class	Count	Rate
Residential	[REDACTED]	\$1.12/thm
Small Commercial	[REDACTED]	\$1.07/thm
Large Commercial	[REDACTED]	\$0.92/thm
Agricultural	[REDACTED]	\$0.92/thm
Interruptible	[REDACTED]	\$0.81/thm
Total	[REDACTED]	

B. Annual Gas and Non-Gas Revenues by Customer Class

Class	Annual revenue
Residential	[REDACTED]
Small Commercial	[REDACTED]
Large Commercial	[REDACTED]
Agricultural	[REDACTED]
Interruptible	[REDACTED]
Total	[REDACTED]

C. Net Plant in Service

GL Acct	Asset	Total Plant	Accum. Depreciation	Net Plant
301.00	ORGANIZATION	[REDACTED]	[REDACTED]	[REDACTED]
376.00	MAINS	[REDACTED]	[REDACTED]	[REDACTED]
	MEASURING &			
378.00	REGULATING	[REDACTED]	[REDACTED]	[REDACTED]
380.00	SERVICES	[REDACTED]	[REDACTED]	[REDACTED]
381.00	METERS	[REDACTED]	[REDACTED]	[REDACTED]
	METER COMM.			
381.05	EQUIP/SFTWR	[REDACTED]	[REDACTED]	[REDACTED]
395.00	LABORATORY	[REDACTED]	[REDACTED]	[REDACTED]
	Totals	[REDACTED]	[REDACTED]	[REDACTED]

CONFIRMATION OF OBLIGATIONS

Also included in the PUC's July 28, 2017 Order was a reminder that LRES is obligated to comply with certain statutory and regulatory consumer protection requirements. At this time, LRES confirms its understanding of the following future filing requirements:

1. Report any subsequent changes in rates, tariffs, and contracts for services outside the Municipalities at least 30 days before implementation.
2. Notify the Commission should the customer base expand beyond the 5,000 customer threshold.
3. Comply with the DOC's Minnesota Natural Gas Utility Information Reporting (Minn. Rules 7610.0800-7610.0860).
4. Comply with Minn. Stat. § 216B.098 with respect to customer protections.
5. Comply with Minn. Stat. § 216B.0976 with respect to disconnections.

Should any questions or concerns arise following the submission of this Compliance filing, please do not hesitate to contact the undersigned.

[Separate Signature Page Attached]

Dated: February 28, 2018



Tim Thompson, CEO
Lake Region Energy Services, Inc.
1401 South Broadway
Pelican Rapids, MN 56572

Respectfully submitted,



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