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August 12, 2009

VIA ELECTRONIC FILING

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 Great Lakes Gas Transmission System
Docket No. G011/M-08-1330

Dear Dr. Haar:

Minnesota Energy Resources Corporation ("MERC") submitted its initial Petition in the above-referenced docket to the Commission on November 3, 2008. Shortly after filing, MERC realized that realized it had not updated the commodity and demand costs in the filing to reflect actual costs rather than estimated costs, and on November 5, 2008, MERC submitted revised Attachment 4, Page 1 of 2; and Attachment 7.

MERC recently realized that when it submitted the revised attachments on November 5, 2008, the Company failed to submit revised Attachment 4, page 2 of 2, that included actual (rather than estimated) costs. Enclosed for filing is a complete Attachment 4, pages 1-2, that replaces the estimated demand costs with actual demand costs in both pages of the attachment.

Thank you for your attention to this matter.

Sincerely yours,

/s/ Michael J. Ahern

Michael J. Ahern

cc: Service List

MINNESOTA ENERGY RESOURCES - PNG

RATE IMPACT OF THE PROPOSED DEMAND CHANGE NOVEMBER 1, 2008

All costs in \$/MMBtu	Last Rate Case G011 GR-92-132	Last Demand Change G011/ M06-XXXX Nov. 06	Last Demand Change G011/ M07-XXXX Nov. 07	GLGT	Current Proposal Effective Nov.1,2008	Result of Proposed Change			
				Most Recent PGA Oct. 08		Change from Last Rate Case	Change from Last Demand Change	Change from Last PGA	Change from Last PGA \$

1) General Service: Avg. Annual Use:					167	Mcf				
Commodity Cost	\$2.8377	\$7.3498	\$6.9623	\$6.9436	\$8.5698	202.00%	16.60%	23.42%	\$1.6262	
Demand Cost	\$0.2068	\$0.9106	\$0.8835	\$0.8000	\$0.7964	285.11%	-12.54%	-0.44%	(\$0.0036)	
Commodity Margin	\$1.1771	\$1.1771	\$1.1771	\$1.6263	\$1.6263	38.16%	38.16%	0.00%	\$0.0000	
Total Cost of Gas	\$4.2216	\$9.4375	\$9.0229	\$9.3699	\$10.9925	160.39%	16.48%	17.32%	\$1.6227	
Avg Annual Cost	\$705.01	\$1,576.06	\$1,506.82	\$1,564.76	\$1,835.75	160.39%	16.48%	17.32%	\$270.98	
Effect of proposed commodity change on average annual bills:									\$271.58	
Effect of proposed demand change on average annual bills:									(\$0.59)	

2) Small Vol. Interruptible: Avg. Annual Use:					3,063	Mcf				
Commodity Cost	\$2.8377	\$7.3498	\$6.9623	\$6.9436	\$8.5698	202.00%	16.60%	23.42%	\$1.6262	
Demand Cost										
Commodity Margin	\$0.9000	\$0.9000	\$0.9000	\$1.2434	\$1.2434	38.16%	38.16%	0.00%	\$0.0000	
Total Cost of Gas	\$3.7377	\$8.2498	\$7.8623	\$8.1870	\$9.8132	162.55%	18.95%	19.86%	\$1.6262	
Avg Annual Cost	\$11,448.58	\$25,269.14	\$24,082.22	\$25,076.78	\$30,057.83	162.55%	18.95%	19.86%	\$4,981.05	
Effect of proposed commodity change on average annual bills:									\$4,981.05	
Effect of proposed demand change on average annual bills:									\$0.00	

3) Small Vol. Firm: Avg. Annual Use:					5,148	Mcf				
	Avg, Annual CD units:				51					
Commodity Cost	\$2.8377	\$7.3498	\$6.9623	\$6.9436	\$8.5698	202.00%	16.60%	23.42%	\$1.6262	
Demand Cost	\$1.6270	\$3.4580	\$3.4580	\$3.4580	\$3.4580	112.54%	0.00%	0.00%	\$0.0000	
Commodity Margin	\$0.9000	\$0.9000	\$0.9000	\$1.2434	\$1.2434	38.16%	38.16%	0.00%	\$0.0000	
Demand Margin	\$1.5000	\$1.5000	\$1.5000	\$2.0724	\$2.0724	38.16%	38.16%	0.00%	\$0.0000	
Total Cost of Gas	\$3.7377	\$8.2498	\$7.8623	\$8.1870	\$9.8132	162.55%	18.95%	19.86%	\$1.6262	
Total Demand Cost	\$3.1270	\$4.9580	\$4.9580	\$5.5304	\$5.5304	76.86%	11.54%	0.00%	\$0.0000	
Avg Annual Cost	\$19,401.16	\$42,722.83	\$40,727.98	\$42,428.73	\$50,800.40	161.84%	18.91%	19.73%	\$8,371.68	
Effect of proposed commodity change on average annual bills:									\$8,371.68	
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-05-1403

**MERC-PNG
CALCULATION OF PURCHASED GAS ADJUSTMENT (PGA)
GREAT LAKES CURRENT COST OF GAS**

II. GREAT LAKES TRANSMISSION'S RATES -- CURRENT COST OF GAS EFFECTIVE							01-Nov-08	CURRENT	
Commodity From Schedule D								\$0.85371	
III. ANNUAL SALES -- As filed in Docket No. G007,011/MR-08-836									
Total Great Lakes Sales								10,663,940 therms	
IV. PNG'S -- CURRENT COST OF GAS EFFECTIVE							01-Nov-08	CURRENT	
A. GS-5	Season	Monthly Entitlement (MCF)	Months	Rate (\$/MCF)	Contract Costs	GS-5 Sales (therm)	Rate (\$/therm)		
T-17 Demand	Annual	4,105	12	\$3.4580	\$170,341	8,626,910	\$0.01975		
FT-075-RES FEE	Annual	1,973	12	\$3.4580	\$81,872	8,626,910	\$0.00949		
FT-155(12)	Annual	2,422	12	\$3.4580	\$100,503	8,626,910	\$0.01165		
FT-155(5)	Winter	1,500	5	\$3.4580	\$25,935	8,626,910	\$0.00301		
FT	Winter	500	12	\$3.4580	\$20,748	8,626,910	\$0.00241		
Exchange	Annual	162,508	1	\$1.7700	\$287,639	8,626,910	\$0.03334		
GS-5 Current Demand Cost of Gas/therm						\$687,038	8,626,910	\$0.07964	
Current Commodity Cost of Gas/therm								\$0.85698	
GS-5 Current Total Cost of Gas/therm								\$0.93662	
B. GS-5, SVI-5, SJ-5 & LJ-5 Commodity									
Current T-17 Commodity Cost of Gas/therm								\$0.85371	
Call Option Premium							\$ 28,178.08	10,663,940	\$0.00327
GS-5, SVI-5, SJ-5 & LJ-5 Commodity Current Cost of Gas/therm								\$0.85698	
C. SJ-5									
Current T-17 Demand Cost of Gas/therm								\$0.34580	
Current T-17 Commodity Cost of Gas/therm								\$0.85698	
D. LJ-5									
Current T-17 Demand Cost of Gas/therm								\$0.34580	
Current T-17 Commodity Cost of Gas/therm								\$0.85698	

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 12th day of August, 2009, the attached revised spreadsheet of Minnesota Energy Resources Corporation were electronically filed with the Minnesota Public Utilities Commission and the Minnesota Department of Commerce. A copy of the filing was delivered by first class mail to the remaining individuals on the attached service list.

/s/ Sarah J. Kerbeshian

Subscribed and sworn to before me
this 12th day of August, 2009.

/s/ Paula R. Bjorkman
Notary Public, State of Minnesota

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