

The Commission met on **Thursday, September 7, 2017**, with Chair Lange and Commissioners Lipschultz, Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

ENERGY AGENDA

G-008/GR-17-285

In the Matter of the Application by CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, for Authority to Increase Rates for Natural Gas Service in Minnesota
Commission Tuma moved that the Commission:

1. Accept the filing as being in proper form and substantially complete as of August 2, 2017.
2. Suspend the operation of the proposed rate schedule under Minn. Stat. § 216B.16, subd. 2(a), until the Commission has issued a final determination in this case.
3. Extend the suspension period under Minn. Stat. § 216B.16, subd. 2(f), to allow 90 additional calendar days to make a final determination in this case, for a final determination no later than August 31, 2018.
4. Request the Administrative Law Judge's report on or before June 2, 2018. If the Commission's decision is extended beyond the suspension period for any reason, the Commission requests the Administrative Law Judge's report at least three months before the extended deadline for the Commission's decision.
5. Identify the following issues requiring development of a complete record in this case:
 - a. Whether the test year revenue increase sought by the Company is reasonable or will result in unreasonable or excessive earnings;
 - b. Whether the Company's proposed capital structure and return on equity are reasonable;
 - c. Whether the rate design proposed by the Company is reasonable; and
 - d. How the Proration Rule pertaining to the normalization rules for deferred income taxes should be incorporated into rates in the event that a Private Letter Ruling from the Internal Revenue Service is not received before the conclusion of this proceeding.

6. Require the Company to reflect any updated sales forecasts from its general rate case in its per dekatherm demand cost of gas rates, and require that updates be filed in the general rate case docket (Docket No. G-008/GR-17-285) and the related base cost of gas docket (Docket No. G-008/MR-17-591).
7. Approve the Company's interim-rates proposal as modified to be calculated using the capital structure approved in the Company's last rate case.
8. Authorize the company to collect the interim-rates increase as a uniform percentage increase to the basic charge, the delivery charge (excluding CCRA), and the GAP charge, and to display that increase on customer bills using a single, line-item interim rate adjustment.
9. Authorize the Company to implement interim rates for service rendered on and after October 1, 2017.
10. Approve the Company's request to assess but forgo collection of the interim rate increase from its market rate service rider customers, and to not seek recovery of the difference from its other customers.
11. Require the Company to file revised financial schedules and calculations (interim rate base, income statement, cost of capital, and revenue summary), as well as class-revenue schedules, reflecting the Commission's modifications to its interim-rates proposal, within five calendar days of the Commission meeting.
12. Company to file with the Commission and the Department interim-rate tariff sheets and supporting documentation demonstrating compliance with the decisions made at the Commission meeting. This filing shall include a customer notice, approved by the Executive Secretary, informing customers of the rate change under the interim-rates schedule.
13. Require the Company to include with each customer's first bill under the interim-rate schedule a notice of the rate change, approved by the Executive Secretary, and shall make a filing certifying its compliance with this requirement as soon as compliance is complete.
14. Require the Company to keep such records of sales and collections under interim rates as would be necessary to calculate a potential refund; such refund shall be made within 120 days of the effective date of the Commission's final order and in a manner approved by the Commission.
15. Require the Company to, throughout the interim-rate period, keep records of CIP costs and revenue so it can be ascertained that recoveries dedicated to CIP are properly recorded to the CIP tracker account.

16. Require the Company to mail copies of the Notice of an Order for Hearing to the governing bodies of all municipalities, counties, and local governing authorities within its Minnesota service area.
 17. Require that public hearing be held in this case at locations within the Company's service area; those locations shall be set by the ALJ after consultation with the parties and Commission staff.
 18. Require the Company to give the following notices of the evidentiary and public hearings:
 - a. Individual written notice to each customer, which may be in the form of a bill insert, and shall be served at least ten days before the first day of hearings;
 - b. Written notice to the governing bodies of all municipalities, counties, and local governing authorities in the area affected and to all parties in the Company's last two rate cases. These notices shall be mailed at least ten days before the first day of hearings;
 - c. Display advertisements in legal newspapers of affected counties and other newspapers of general circulation within the Company's Minnesota service area. These advertisements shall appear at least ten days before the first day of hearings. They shall include the heading **RATE INCREASE NOTICE**, which shall appear in bold-face type no smaller than 30 points.
 19. Require the Company to submit proposed notices for Commission approval prior to publication or service.
 20. Delegate to the Executive Secretary the authority to approve notices, bill inserts, and bill format for the duration of this proceeding.
- The motion passed 5-0.

G-008/MR-17-591

In the Matter of the Application of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, to Establish a New Base Cost of Gas and Reset the Purchased Gas Adjustment to Zero, to Coincide with the Implementation of Interim Rates in Its General Rate Case Filing, in Docket G-008/GR-17-285

Commission Sieben moved that the Commission:

1. Approve the Company's application to establish a new base cost of gas.
2. Require the Company to file periodic updates on the commodity cost of gas in the base cost of gas docket (Docket No. G-008/MR-17-591) and in the general rate case docket

(Docket No. G-008/GR-17-285). The Company shall work with the Department and Commission staff to determine the appropriate timing for providing this information and whether this updated information should be applied to the base cost of gas.

The motion passed 5-0.

E,G-999/CI-12-1344

In the Matter of a Commission Inquiry into the Privacy Policies of Rate-Regulated Energy Utilities

Commissioner Schuerger moved that the Commission:

1. Approve the consent forms proposed by Minnesota Energy Resources Corporation, CenterPoint, and Great Plains.
2. Delegate to the Executive Secretary the authority to approve minor changes to utility consent forms via notice if, within 60 days of the filing of a modified consent form, no party or Commission staff person objects.

The motion passed 5-0.

E-015/RP-15-690

In the Matter of Minnesota Power's 2015-2029 Integrated Resource Plan

E-015/AI-17-568

In the Matter of Minnesota Power's Petition for Approval of the EnergyForward Resource Package

Commissioner Lipschultz moved to take the following actions:

1. Refer to the OAH consideration of Minnesota Power's proposed gas plant;
2. Allow Minnesota Power to refile an updated petition limited to those portions relevant to consideration of the proposed gas plant, with a revised forecast and updated alternative;
3. The referral includes the following understandings and requirements: Minnesota Power bears the burden of proving that the proposed gas plant or any portion thereof is needed and reasonable based on all relevant factors including the consideration of:
 - A. An updated forecast of demand;

- B. Costs, including socioeconomic and environmental costs, which would include consideration of the most recent environmental externality values established by the Commission in Docket 14-643; and
 - C. Alternatives to some or all of the gas plant energy and capacity proposed by the Company, including but not limited to alternatives such as additional wind and solar resources with updated costs, storage, demand response, and additional energy efficiency.
4. The renewable resource requirements set forth in Minn. Stat. Section 21B.243, subd. 3a will apply to consideration of Minnesota Power's proposed gas plant;
 5. The scope of the proceeding will include consideration of compliance with the affiliated interest statute;
 6. Request that the Administrative Law Judge complete his or her report by July 2, 2018;
 7. Approve Minnesota Power's request for an extension to file the Company's next Integrated Resource Plan on October 1, 2019.

The motion passed 5–0.

E-015/M-16-564

In the Matter of a Revised Petition by Minnesota Power for a Competitive Rate for Energy-Intensive Trade-Exposed Customers and an EOTE Cost Recovery Rider.

E-015/GR-16-664

In the Matter of the Application of Minnesota Power for Authority to Increase Rates for Electric Service in Minnesota

Commissioner Lipschultz moved to take the following actions:

1. Approve Minnesota Power's proposal to exclude rider revenue from its 2016 baseline calculation;
2. Require Minnesota Power to use the actual 2016 calendar-year EITE-customer revenue as the baseline for calculating the extent of any refundable increases;
3. Require Minnesota to use the refund to be determined using revenues;
4. Take no action regarding the test year revenue requirement in Minnesota Power's rate case;

5. Require Minnesota Power to develop a specific method for tracking the number of exempt customers;
6. Require Minnesota Power to automatically exempt any customer who receives Cold Weather Rule protection;
7. Require Minnesota Power to develop an internal process for contacting payment-troubled customers and verifying eligibility for the EITC exemption;
8. Require Minnesota Power to provide EITE exemption applications to community-based organizations and appropriate agencies and implement a process so those agencies can return the applications to the Company; and
9. Require Minnesota Power to report the number of exemptions granted quarterly in the first year of the EITE rate and on a biannual basis thereafter.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: November 8, 2017

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive, flowing style.

Daniel P. Wolf, Executive Secretary