

Minnesota Public Utilities Commission

Decisions

Thursday, August 5, 2021

10:15 AM

Online via Webex

INTRODUCTION

DELIBERATION AND DECISION ITEM

1. ** G999/CI-21-135; All Regulated Gas Utilities

G008/M-21-138; G004/M-21-235

In the Matter of a Commission Investigation into the Impact of Severe Weather in February 2021 on Impacted Minnesota Natural Gas Utilities and Customers; In the Matter of the Petition of CenterPoint Energy for Approval of a Recovery Process for Cost Impacts Due to February Extreme Gas Market Conditions; In the Matter of the Petition by Great Plains Natural Gas Co., a Division of Montana-Dakota Utilities Co., for Approval of Rule Variances to Recover High Natural Gas Costs from February 2021.

- A. Should the Commission provisionally approve recovery of February 2021 extraordinary gas costs, as proposed by the gas utilities, with or without modification?
 - 1. How should extraordinary February 2021 gas costs be defined?
 - 2. What dates should extraordinary February 2021 gas costs encompass?
 - 3. Should recovery of any February 2021 gas costs defined as extraordinary begin at this time?
 - 4. If recovery of any February 2021 gas costs defined as extraordinary are allowed at this time:
 - a. Should that recovery be included in the utilities' upcoming September 1, 2021 AAA report and annual true-up filings or in an alternative surcharge mechanism and tracker?
 - b. When should the recovery period begin and how long should it last?
 - c. Should recovery be via a volumetric or a fixed charge?
 - d. Should CenterPoint, Xcel, MERC, or Great Plains be authorized or required to implement a low-income rate to recover these costs to protect financially vulnerable customers? And, if so, how should the low-income rate be designed?
 - 5. What action, if any, should the Commission take before automatic adjustments begin on September 1, 2021? Do any of the recommended actions require rule variances?
- B. Were the extraordinary February 2021 gas costs incurred individually by CenterPoint, Xcel, MERC, and Great Plains prudent? Did the companies act

- reasonably and prudently prior to and during the February Market Event to mitigate and avoid costs they now seeks to recover?
- C. How should the Commission proceed with the other issues in this investigation including whether there should be any changes in how natural gas utility supply plans are developed and reviewed, how potential impacts from increasingly frequent extreme weather events are assessed, and the use of natural gas price hedging?
- D. Should this matter be referred to the Office of Administrative Hearings for a contested case proceeding? (PUC: Alonso, Larson, Manning, Worlobah)

Attachments: Briefing Papers

Public Comments Summary

Tuma Dept of Revenue Fact Sheet 8-3-21

Decision Options-Chair Sieben

Tuma Gas Spike Decision Options 8-4-21

DOC Decision Alternatives

Granted variances; referred prudence review to contested case; authorized modified recovery mechanism subject to prudence review; denied certain costs; required low-income exemptions; required filings.

ADJOURNMENT

- * One star indicates agenda item is unusual but is not disputed.
- ** Two stars indicate a disputed item or significant legal or procedural issue to be resolved. (Ex Parte Rules apply)

Please note: For the complete record, please see eDockets