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July 27, 2007

Burl W. Haar Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, Minnesota 55101-2147

RE: Comments of the Minnesota Department of Commerce Docket No. E999/CI-03-802

Dear Dr. Haar:

Pursuant to discussions with parties in the above docket, the Department of Commerce (Department) recommends that the Minnesota Public Utilities Commission (Commission) keep the above-referenced docket open, but allow parties to submit a new round of comments to discuss the issues that each party believes is relevant to the Commission under current circumstances.

The parties recommend that the comments be submitted by September 28, with reply comments submitted by October 30.

The Department is available to answer any questions the Commission may have on these recommendations.

Sincerely,

/s/ KATE O'CONNELL Supervisor, Electric Planning and Advocacy

KO/sm Attachment



BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE

DOCKET NO. E999/CI-03-802

I. BACKGROUND

As indicated in the attached March 30, 2007 Notice from the Minnesota Public Utilities Commission (Commission), the Commission requested comments from parties on the issues that were raised *In the Matter of the Commission's Investigation into the Appropriateness of Continuing to Permit Electric Cost Adjustments*, (Investigation Docket) Docket No. E999/CI-03-802. Pursuant to that Notice, a number of parties filed comments. Some comments recommended closing the Investigation Docket while others recommended that the docket remain open.

The matters in this investigation docket relate to other dockets pertaining to fuel clause adjustments (FCAs), such as the Commission's current annual investigation into automatic adjustment charges, Docket No. E,G-999/AA-06-1208. To attempt to sort out some of the issues involving FCAs, the Department met with representatives of utilities having FCAs, along with the Residential Utilities Division of the Office of Attorney General and representatives of the Minnesota Chamber of Commerce and of large energy consumers. One topic in those discussions was the question of how to treat the numerous FCA dockets in front of the Commission. The stakeholder group decided to recommend that the Commission hold open the Investigation Docket but allow parties to file comments updating the record and indicating which of their previous comments they believe remain relevant, and address any other issues they believe need to be addressed.

The Department concludes that this approach would assist the Commission and allow parties to clarify their positions about the current relevance of issues in this docket.

II. RECOMMENDATION

For the reasons indicated above, the Department recommends that the Commission hold open the Investigation Docket and allow parties to file comments updating the record and indicating which of their previous comments they believe remain relevant, and address any other issues they believe need to be addressed.

STATE OF MINNESOTA)) ss COUNTY OF RAMSEY)

AFFIDAVIT OF SERVICE

I, Linda Chavez, being first duly sworn, deposes and says:

That on the **27th** day of **July**, **2007**, she served the attached **Minnesota Department of Commerce - Comments**

Docket Number(s): E999/CI-03-802

by depositing in the United States Mail at the City of St. Paul, a true and correct copy thereof, properly enveloped with postage prepaid.

- by personal service
- by express mail
- by delivery service
- X by electronic file
- X by e-mail

to all persons at the addresses indicated below or on the attached list:

/S/LINDA CHAVEZ

Subscribed and sworn to before me

this 27th day of July, 2007

/s/ Vickie Harty

Vickie L. Harty Notary Public – Minnesota My Commission Expires Jan 31, 2011

E999/CI-03-802

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