

February 16, 2018

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Response Comments of the Minnesota Department of Commerce, Division of Energy Resources to Lake Region Energy Services' Reply Comments in the Matter of a Petition for Exemption for Small Gas Utility Franchise**
Docket No. G6977/M-17-829

Dear Mr. Wolf:

In its February 1, 2018 Comments in the above-referenced matter, the Minnesota Department of Commerce, Division of Energy Resources (Department or DOC) requested that Lake Region Energy Services (LRES or the Company) provide additional information in its Reply Comments. The Department also recommended conditional approval of the Company's Petition.

Specifically, the Department asked LRES to clarify its intent to comply with Minnesota Statutes §216B.098 – Residential Customer Protections. The Department also asked LRES to propose tariff language addressing payment agreements for the payment of arrears and for payment of undercharges or to identify in its tariff where it addresses those rule requirements.

LRES submitted its Reply Comments on February 12, 2018. As to the Department's first request, LRES confirmed that it would comply with all statutory requirements, specifically Minnesota Statutes §§216B.16, subd. 12(b) and (c); 216B.0976; and 216B.098.

Turning to the Department's second request, the Company provided an updated rate book that includes proposed language that satisfactorily addresses the Department's concerns regarding the availability of payment agreements, as required by Minnesota Statutes § 216B.098.

The DOC recommends **approval** of LRES's request for exemption for small gas utility franchise. The Department is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ JOHN KUNDERT
Financial Analyst

JK/ja
Attachment

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Response Comments**

Docket No. G6977/M-17-829

Dated this 16th day of February 2018

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_17-829_M-17-829
Ian	Dobson	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_17-829_M-17-829
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_17-829_M-17-829
Ryan D	Fullerton	r.fullerton@pemplaw.com	Pemberton, Sorlie, Rufer & Kershner	110 North Mill St Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_17-829_M-17-829
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Tim	Thompson	tthompson@lrec.coop	Lake Region Electric Cooperative	PO Box 643 1401 South Broadway Pelican Rapids, MN 56572	Electronic Service	No	OFF_SL_17-829_M-17-829
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_17-829_M-17-829