

505 Nicollet Mall P.O. Box 59038 Minneapolis, MN 55459-0038

- VIA ELECTRONIC FILING -

April 16, 2018

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

Re: In the Matter of a Commission Investigation into Natural Gas Utilities' Practices, Tariffs and Assignment of Cost Responsibility for Installation of Excess Flow Valves and Other Similar Gas Safety Equipment

Docket No. G-999/CI-18-41

Dear Mr. Wolf:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, hereby submits Reply Comments in the above-captioned matter. Copies of this filing have also been served on those persons listed on the attached service list.

If there are any questions, please contact me at the email address below or at 612-321-5140.

Sincerely,

/s/

Lisa Randall Regulatory Analyst lisa.randall@centerpointenergy.com

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION 121 Seventh Place East, Suite 350

St. Paul, MN 55101-2147

Nancy Lange	Chair
Dan Lipschultz	Commissioner
Matt Schuerger	Commissioner
Katie Sieben	Commissioner
John Tuma	Commissioner

Docket No. G-999/CI-18-41

In the Matter of a Commission Investigation into Natural Gas Utilities' Practices, Tariffs and Assignment of Cost Responsibility for Installation of Excess Flow Valves and Other Similar Gas Safety Equipment

REPLY COMMENTS

INTRODUCTION

On February 6, 2018, the Minnesota Public Utilities Commission (the Commission) requested that all natural gas utilities make initial filings in the instant docket with comments on four topics related to excess flow valves (EFVs). CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy or the Company), did so on March 6, 2018, and subsequently submitted Initial Comments on other utilities' initial filings on April 6, 2018. Only the Company and the Department of Commerce (Department) filed Initial Comments. In these Reply Comments, the Company addresses the Department's Initial Comments.

CUSTOMER NOTIFICATION

The Department pointed out two deficiencies in the Company's customer notification flyer: it does not contain the word "automatically" in reference to how an EFV shuts off the flow of natural gas when a service line breaks, and it does not specify that when a customer requests an EFV, the work will be done on a mutually agreeable date.

While the Company continues to believe that readers of the current notice understand it to include the points the Department references, if the Commission agrees that added language is necessary, the Company proposes adding text to the its current customer notice (appended as Attachment A) as illustrated below.

- Paragraph 2 In this scenario, the excess flow valve <u>automatically</u> activates to help prevent the buildup of gas – reducing the chance of natural gas fires and explosions, personal injury, and property damage. Excess flow valves are not able to protect against leaks beyond the meter
- Paragraph 4 Federal law now requires excess flow valves to be installed on newly constructed or replaced natural gas lines, although some exceptions apply due to operating limitations. On existing service lines, it's up to the consumer (that's you!) to choose to install one at his or her own expense. Cost can vary depending on how difficult the installation is, but most CenterPoint Energy customers can expect an average price of about \$800. Once installed, there is no cost to the customer to maintain. Installation will occur on a mutually agreeable date.

EFV-SPECIFIC TARIFF

The Department directed the Company to provide, in these Reply Comments, a proposed tariff consistent with that which was approved in Docket No. G-004/M-17-625. If so ordered by the Commission, the Company will add to its tariff as shown in Attachment B.

The proposed tariff language in Attachment B mirrors the DOC recommendation to not charge individual customers for the cost of the EFV itself. The Company maintains, as expressed in its Initial Comments, that because of the small cost of the EFV itself relative to the overall cost of installing a retrofit EFV, socializing this cost will not materially reduce the cost burden on a requesting customer and may result in increased costs related to the designing, building, testing, and implementation of processes to remove the material cost from the work orders used to bill customers.

PAYMENT PLAN

The Department recommended that the Company be required to offer a payment plan for EFVs. The Company believes it is unlikely that the existence of a payment plan would result in more customers requesting EFVs, but is willing to offer a ninety-day payment plan which splits the amount due into three monthly payments. This is the same plan offered to extension customers who owe contributions in aid of construction (CIACs) for their excess construction costs, as permitted under Company tariff section VI, pages 5 (mains) and 12 (service lines). Placing EFV retrofit customers onto a payment plan that already exists in the Company's billing system will minimize costs related to creating special payment arrangements for this group.

CONCLUSION

CenterPoint Energy is available for further follow-up, if requested.

Dated: April 16, 2018

Respectfully submitted,

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas

By:<u>/s/</u>

Lisa Randall 612-321-5140

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)) ss. COUNTY OF HENNEPIN)

Lisa Randall, being first duly sworn on oath, deposes and says she served the attached Initial Filing in Docket No. G-999/CI-18-41 via e-filing to all parties on the attached service list.

____/s/

Lisa Randall

Subscribed and sworn to before me this 16th day of April, 2018.

/s/

Mary Jo Schuh, Notary Public My Commission Expires January 31, 2020 Attachment A

How Excess Flow Valves Can Affect



Excess flow valves are devices that can be installed by CenterPoint Energy on your home's or business' natural gas service line (the underground line that runs from the main line to the meter). They are designed to restrict natural gas flow when it exceeds prescribed limits, such as when a service line is damaged due to excavation or other similar activity.

In this scenario, the excess flow valve activates to help prevent the buildup of gas — reducing the chance of natural gas fires and explosions, personal injury, and property damage. Excess flow valves are not able to protect against leaks beyond the meter assembly (i.e., your house piping).

With or without an excess flow valve, these damages can be avoided by following the law and calling 811 (or your local One Call Center) to mark the location of underground utilities at least 48 hours before excavation.

Federal law now requires excess flow valves to be installed on newly constructed or replaced natural gas lines, although some exceptions apply due to operating limitations. On existing service lines, it's up to the customer (that's you!) to choose to install one at his or her own expense. Cost can vary depending on how difficult the installation is, but most CenterPoint Energy customers can expect an average price of about \$800. Once installed, there is no cost to the customer to maintain.

Are you curious if your home or business has an excess flow valve? Want to learn more about having one installed? Contact CenterPoint Energy at the customer service phone number listed on your bill, or check out frequently asked questions at **CenterPointEnergy.com/ExcessFlowValve**.



Attachment B



TECHNICAL TERMS AND ABBREVIATIONS

Applicant

A person, firm, association, partnership, corporation, and any agency or political subdivision of the federal, state, or local government requesting CenterPoint Energy to supply gas service. A request for gas service is distinguished from an inquiry as to the availability of or charges for such service.

Customer

The person, firm, association, partnership, corporation, or any agency of the federal, state, or local government being supplied with gas service by CenterPoint Energy in whose name service is rendered as evidenced by an application, contract, or agreement for service. In the absence of an application, contract, or agreement for service, the customer shall be the person receiving or paying bills issued in his/her or its name, regardless of the identity of the actual user of the service.

Excess Flow Valve

Safety device designed to automatically stop or restrict the flow of gas if an underground pipe is broken or severed.

Gas Mains

Any pipe used or useable for the purpose of delivering and distributing gas to individual gas service lines or other gas mains.

Gas Main Extension

An extension of an existing gas main.

Gas Service Line

All pipe, valves, and fittings from and including the connection at the gas main up to the including the stopcock on the inlet side of the regulator or gas meter.

Gas Meter Set

All fittings, including regulator, meter and attachment bracket between the stopcock at the end of the gas service line and the connection to the customer's piping at the outlet of the meter.

Normal Gas Meter Location

On the outside of the building to be served and on the face or within five feet of the corner of the building in closest proximity to the gas main to which the gas service pipe is to be attached.



16.00 EXCESS FLOW VALVE

In accordance with Federal Pipeline Safety Regulations 49 CFR 192.383, the Company will install an excess flow valve on an existing service line at the customer's request at a mutually agreeable date. At the time of the customer's request CenterPoint Energy will provide the customer with a detailed explanation of the estimated installation costs identifying specific line items and the per hour rates that the customer would be charged. The actual cost of the installation excluding the cost of the excess flow valve and any other physical property necessary to install the excess flow valve will be assessed to the customer.

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Γamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street Bismarck, ND 585014092	Electronic Service	No	OFF_SL_18-41_Official
Kristine	Anderson	kanderson@greatermngas. com	Greater Minnesota Gas, Inc.	202 S. Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_18-41_Official
Ryan	Barlow	Ryan.Barlow@ag.state.mn. us	Office of the Attorney General-RUD	445 Minnesota Street Bremer Tower, Suite 1 St. Paul, Minnesota 55101	Electronic Service 400	No	OFF_SL_18-41_Official
David	Blomseth	davidb@communitycoops.c om	Community Co-ops of Lake Park	PO Box 329 14583 Hwy 10 W Lake Park, MN 56554	Electronic Service	No	OFF_SL_18-41_Official
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_18-41_Official
Carl	Cronin	Regulatory.records@xcele nergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_18-41_Official
lan	Dobson	residential.utilities@ag.stat e.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_18-41_Official
Randy	Dooley	rdooley@dooleypetro.com	Dooley's Natural Gas LLC	PO Box 100 Murdock, MN 56271	Electronic Service	No	OFF_SL_18-41_Official
Steve	Downer	sdowner@mmua.org	MMUA	3025 Harbor Ln N Ste 400 Plymouth, MN 554475142	Electronic Service	No	OFF_SL_18-41_Official
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_18-41_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Mike	Gorham	mike@nwgas.com	Gorham's Inc dba Northwest Gas	1608 NW 4th St Grand Rapids, MN 55744	Electronic Service	No	OFF_SL_18-41_Official
Travis	Jacobson	travis.jacobson@mdu.com	Great Plains Natural Gas Company	400 N 4th St Bismarck, ND 58501	Electronic Service	No	OFF_SL_18-41_Official
Jack	Kegel	jkegel@mmua.org	MMUA	3025 Harbor Lane N Suite 400 Plymouth, MN 55447-5142	Electronic Service	No	OFF_SL_18-41_Official
Allen	Krug	allen.krug@xcelenergy.co m	Xcel Energy	414 Nicollet Mall-7th fl Minneapolis, MN 55401	Electronic Service	No	OFF_SL_18-41_Official
Amber	Lee	ASLee@minnesotaenergyr esources.com	Minnesota Energy Resources Corporation	2665 145th St W Rosemount, MN 55068	Electronic Service	No	OFF_SL_18-41_Official
Amy	Liberkowski	amy.a.liberkowski@xcelen ergy.com	Xcel Energy	414 Nicollet Mall 7th Floor Minneapolis, MN 554011993	Electronic Service	No	OFF_SL_18-41_Official
Douglas	Lund	doug.lund@ufcmn.com	United Natural Gas, LLC	705 E. 4th Street PO Box 461 Winthrop, MN 55396	Electronic Service	No	OFF_SL_18-41_Official
Brian	Meloy	brian.meloy@stinson.com	Stinson,Leonard, Street LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-41_Official
Greg	Palmer	gpalmer@greatermngas.co m	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Stree Le Sueur, MN 56058	Electronic Service	No	OFF_SL_18-41_Official
Adam	Pyles	adam.pyles@centerpointen ergy.com	CenterPoint Energy	800 LaSalle Avenue PO Box 59038 Minneapolis, MN 554590038	Electronic Service	No	OFF_SL_18-41_Official

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Amanda	Rome	amanda.rome@xcelenergy. com	Xcel Energy	414 Nicollet Mall FL 5 Minneapoli, MN 55401	Electronic Service	No	OFF_SL_18-41_Official
Peggy	Sorum	peggy.sorum@centerpointe nergy.com	CenterPoint Energy	505 Nicollet Mall Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-41_Official
Kristin	Stastny	kstastny@briggs.com	Briggs and Morgan, P.A.	2200 IDS Center 80 South 8th Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-41_Official
James M.	Strommen	jstrommen@kennedy- graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Stree Minneapolis, MN 55402	Electronic Service	No	OFF_SL_18-41_Official
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_18-41_Official
Tim	Thompson	tthompson@lrec.coop	Lake Region Electric Cooperative	PO Box 643 1401 South Broadway Pelican Rapids, MN 56572	Electronic Service	No	OFF_SL_18-41_Official
Teresa	Wenninger	teresa.wenninger@ufcmn.c om	United Farmers Cooperative	PO Box 461 Winthrop, MN 55396	Electronic Service	No	OFF_SL_18-41_Official
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_18-41_Official