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- VIA ELECTRONIC FILING -

December 31, 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 Parameters for Competition Among Natural Gas Utilities Involving Duplication of Facilities and Use of Promotional Incentives and Other Payments Docket No. G-999/CI-17-499

Dear Mr. Wolf:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint Energy or the Company), submits these Initial Comments pursuant to the Minnesota Public Utility Commission's (Commission) Notice of Comment Period dated December 4, 2018, in the above-referenced docket.

On November 28, 2018, Greater Minnesota Gas, Inc. (GMG) submitted a letter stating that CenterPoint Energy intends to construct facilities that parallel existing GMG facilities for one mile in the Eagle Lake, Minnesota area. GMG believes CenterPoint Energy intends to serve a new customer that could otherwise be served by GMG's existing facilities. GMG requests clarification of the September 19, 2018, Order and a determination of whether parallel natural gas main lines in this instance would constitute unnecessary duplication of facilities.

The Commission noticed the following two topics for comment: (1) Whether GMG's filing constitutes a complaint as described in the Commission's September 19, 2018, Order Adopting Standards Governing Competition Among Natural Gas Utilities; and (2) whether the Commission should clarify its September 19, 2018, Order, as requested by GMG. The Company responds to these topics below.

I. GMG's Filing Does Not Constitute a Complaint Under the Commission's September 19, 2018, Order in This Docket.

In its September 19, 2018, Order in this docket, the Commission prohibited regulated utilities from extending natural gas service to any customer who is already being served by another Commission-regulated utility through its existing facilities unless (1) the utility with the existing infrastructure does not seek to serve the customer, or (2) the utility seeking to extend service can demonstrate that it would not be duplicating the existing facilities of the other utility or that its duplication of the existing facilities is necessary to serve the customer or further the public interest.

GMG's November 28 letter does not constitute a complaint under the Commission's Order, and GMG confirmed that its letter was not meant as either a formal or an informal complaint in its Initial Comments filed in this docket on December 20, 2018. By its own language, GMG's November 28 letter admits no violation of statute, rule, tariff or order exists. Thus, the filing should not be treated as a valid complaint. See also Minn. R. 7829.1800, subp. 1.

II. The Commission Need Not Clarify Its September 19, 2018, Order.

As stated earlier, GMG filed its letter in this docket on November 28, 2018, requesting "clarification" of the September 19, 2018, Order in this docket. GMG states that the Commission's ordering language is contrary to the "spirit of the Order."

The Commission's procedural rules do not provide a process for "clarification" of Commission orders, but they do provide a process for parties to move for reconsideration. Minnesota Rule 7829, subpart 1, provides that parties may file for reconsideration within twenty days of the date the order or decision is served by the executive secretary. GMG's letter was filed outside the time frame provided by the rule. Additionally, Minnesota Rule 7829 Subpart 2 requires that any party moving for reconsideration "set forth specifically the grounds relied upon or errors claimed" as grounds for why the Commission should reconsider its decision. The Company acknowledges the important policy issues that were evaluated and decided in this docket, but it appears that GMG is advocating for the Commission to adopt a policy that it explicitly rejected in its September 19, 2018, decision,¹ without providing new information or alleging grounds for error.

Moreover, the standard for which GMG advocates (any paralleling of main should be prohibited duplication) is not attainable. CenterPoint has existing facilities within the Eagle Lake, Minnesota area and is currently in the process of designing and constructing at least two system integrity projects in and around that area. These types of system reinforcement

¹ See, e.g., Order at p. 8:

projects are necessary for the Company, and all natural gas utilities, to continue to reliably serve customers. To the extent these reinforcement projects parallel other system facilities, the duplication is "necessary" and the Commission should not prohibit these integrity projects merely because they are proximate to other system facilities.

In sum, GMG's request is untimely and lacks the specific information called for by rule as necessary to articulate a petition for reconsideration, and the Commission need not take action to clarify its Order.

Please contact me at (612) 321-4625 if you have questions regarding the information in this filing.

Sincerely,

/s/

Amber Lee Director Regulatory Affairs Amber.Lee@CenterPointEnergy.com

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)) ss. COUNTY OF HENNEPIN)

Shari Grams, being first duly sworn on oath, deposes and says she served the attached initial comments in Docket No. G-999/CI-17-499 via e-filing to all parties on the attached service list.

<u>/s/</u> Shari Grams

Subscribed and sworn to before me this 31^{st} day of December, 2018.

<u>/s/</u>

Mary Jo Schuh, Notary Public My Commission expires 1/31/20

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Kristine	Anderson	kanderson@greatermngas. com	Greater Minnesota Gas, Inc.	202 S. Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_17-499_Official
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