

April 29, 2019

PUBLIC DOCUMENT

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

RE: **PUBLIC Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. PL-6580/M-19-191

Dear Mr. Wolf:

Attached are the **PUBLIC** Comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Compliance Filing – Annual Load Utilization for Various Petitions for Approval of Firm Gas Transportation Agreements

The Application was filed on February 27, 2019 by:

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Transmission
202 South Main Street
Le Sueur, Minnesota 56058

The Department recommends that the Minnesota Public Utilities Commission (Commission) **accept Greater Minnesota Transmission's compliance filing**. The Department is available to answer any questions that the Commission may have.

Sincerely,

/s/ JOHN KUNDERT
Financial Analyst

JK/ar
Attachment



Before the Minnesota Public Utilities Commission

PUBLIC Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. PL6580/M-19-191

I. INTRODUCTION

Greater Minnesota Transmission LLC (Company, GMT) is a privately-held company that constructs and operates several intrastate pipelines in Minnesota. The Minnesota Public Utilities Commission (Commission, MPUC) requires GMT to submit its annual load utilization factors by contract for each of its intrastate pipelines and pipeline segments.¹ This requirement applies to fourteen Commission proceedings.²

In its Order dated October 30, 2018 in those proceedings, the Commission required GMT to meet with Commission Staff, with Office of the Attorney General (OAG) and Department staff attending at their option, prior to filing GMT's 2018 Compliance Report on or before March 1, 2019.

GMT, Commission, OAG and Department staff met via conference call in early February 2019, consistent with the Commission's Order. On February 27, 2019 GMT filed its compliance filing including results from calendar year 2018 for facilities approved in fourteen Commission proceedings.

II. DEPARTMENT ANALYSIS

A. GMT LOAD UTILIZATION FACTORS

1. Factors in Excess of One Hundred Percent

Similar to its 2017 Compliance filing, GMT had two facilities³ that posted an annual load factor greater than 100%. GMT noted in its compliance filing that the reason for that particularly high load factor in 2018 was the same as it was in 2017 – interruptible grain drying load on the facility. GMT explained that, “While [Greater Minnesota Gas] has contracted for a particular

¹ *In the Matter of a Petition by Greater Minnesota Transmission, LLC for Approval of a Firm Transportation Agreement with Community Co-ops of Lake Park for Red Lake Falls Community*, Docket No. PL6580/M-15-967 (February 18, 2016).

² Those 14 proceedings include the following: 1) PL6580/M-06-1063, 2) PL6580/M-13-91, 3) PL6580/M-13-94, 4) PL6580/M-14-386, 5) G022/M-14-342, 6) PL6580/M-14-578, 7) PL6580/M-14-1056, 8) PL6580/M-15-967, 9) PL6580/M-15-968, 10) PL6580/M-16-936, 11) PL6580/M-16-1026, 12) PL6580/M-16-1041, 13) PL6580/M-17-809, 14) PL6580/M-17-810.

³ The facilities were approved in Docket No. PL6580/G011/AI-13-94.

amount of entitlement on each line, the contracts include provisions that permit the use of excess capacity on an interruptible basis if it is available, resulting in contractually approved overrun volume usage by GMG on some occasions.”

The Department recommends that the Commission accept GMT’s explanation. The Department also notes that by its calculation, GMT delivered over **[TRADE SECRET DATA HAS BEEN EXCISED]** in 2017 and 2018 to Greater Minnesota Gas.

2016 - 2018 Annual Load Utilization Factors by Facility

During the course of the meeting on this issue, Commission staff asked if GMT could provide a year-to-year comparison of the annual load utilization factors by facility. The Company provided that information in **TRADE SECRET** Exhibit A of the filing. **TRADE SECRET** Table 1 summarizes this information.

PUBLIC Table 1 – Comparison of Annual Load Utilization Factors by Facility

<i>Facility</i>	<i>Load Utilization Factor by Year</i>		
	<i>2016</i>	<i>2017</i>	<i>2018</i>
<i>Cannon Falls Line</i>	[TRADE SECRET DATA HAS BEEN EXCISED]		
<i>Prairie Island Indian Community</i>			
<i>Barnesville</i>			
<i>Holdingford</i>			
<i>Ulen</i>			
<i>Twin Valley</i>			
<i>Red Lake Falls</i>			
<i>Beltrami</i>			
<i>Lafayette Courtland</i>			
<i>Lower Sioux</i>			
<i>Parkers Prairie</i>			
<i>Dent</i>			

Generally speaking, the annual load utilization factors are **[TRADE SECRET DATA HAS BEEN EXCISED]** on an annual basis for most of the facilities. That result is consistent with the state policy of encouraging extension of natural gas service to un-served or under-served areas.

III. DEPARTMENT CONCLUSIONS AND RECOMMENDATIONS

The Department concludes that GMT has complied with the requirements included in the Commission's October 30, 2018 Order. The Department recommends that the Commission accept the Company's 2018 annual load utilization factor compliance filing.

/ar