



505 Nicollet Mall
P.O. Box 59038
Minneapolis, MN 55402

June 21, 2019

Mr. Dan Wolf, Executive Secretary
Minnesota Public Utilities Commission
121 East Seventh Place, Suite 350
St. Paul, MN 55101

RE: Petition of CenterPoint Energy for Approval of a Continued Variance from the Commission's Automatic Adjustment Rules Related to the Recovery of Demand Costs
Docket No. G-008/M-19-342

Dear Mr. Wolf,

On May 21, 2019, CenterPoint Energy (the "Company") petitioned for approval of a Continued Variance from the Commission's Automatic Adjustment Rules to the Recovery of Demand Costs.

On June 20, 2019, the Department of Commerce, Division of Energy Resources (the "Department") filed Comments regarding the Company's petition. The Department recommends that the Minnesota Public Utilities Commission grant the requested variance to Minnesota Rule 7825.2700 subp. 5 for a period of three years (Department preferred) or five years (Company preferred); allow the Company to continue to calculate a monthly demand adjustment to the Company's demand-cost recovery rate as approved in Docket No. G-008/M-07-1063 and updated in Docket No. G-008/M-13-728, including the provision regarding capacity-release credits and removal of the one-month lag; continue to cap the maximum monthly allowed demand adjustment at 25 percent of the demand cost recovery rate; and continue to require the Company to report information pertaining to the operation of the program.

In its Comments¹, the Department continues to support a three-year variance for "purposes of consistency and to prompt a reevaluation of this rule variance before 5 years has passed." While this approach is not disputed, the Company maintains extending the variance to five years, if a permanent variance is not permitted, is reasonable and would not adversely affect the public interest.

The Company appreciates the analysis and Comments provided by the Department and supports the recommendations outlined in the Department's analysis.

If you have any questions or require additional information, please contact me at 612.321.4677 or Donald.Wynia@CenterPointEnergy.com.

Sincerely,

/s/

Donald Wynia
Regulatory Analyst
Regulatory Portfolio Management

Enclosures
cc: Service List

¹ See Page 9, Paragraph 2, in current Docket No. G008/M-19-342.

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss.
COUNTY OF HENNEPIN)

Donald Wynia, being first duly sworn on oath, deposes and says he served the foregoing document on the attached list of persons by e-filing and depositing a true and correct copy thereof, with postage paid in the United States mail at City of Minneapolis, Minnesota.

/s/ _____
Donald Wynia, Regulatory Analyst

Subscribed and sworn to before me
This 1st day of May 2019

/s/ _____
Mary Meemken, Notary Public
My Commission expires 1/31/2024

[illegible]

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Moeller	dmoeller@allte.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_CenterPoint Energy_General Service List
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Samantha	Norris	samanthanorris@alliantene rgy.com	Interstate Power and Light Company	200 1st Street SE PO Box 351 Cedar Rapids, IA 524060351	Electronic Service	No	GEN_SL_CenterPoint Energy_General Service List
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Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_CenterPoint Energy_General Service List

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