



Minnesota Energy Resources Corporation
2685 145th Street West
Rosemount, MN 55068
www.minnesotaenergyresources.com

November 9, 2020

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

VIA ELECTRONIC FILING

**Re: Reply Comments of Minnesota Energy Resources Corporation
In the Matter of the Petition of Minnesota Energy Resources Corporation
for a Variance and Notice of Refund Plan for Northern Natural Gas Pipeline
Refund
Docket No. G011/M-20-700**

Dear Mr. Seuffert:

On September 1, 2020, Minnesota Energy Resources Corporation ("MERC" or the "Company") filed a Petition with the Minnesota Public Utilities Commission ("Commission") requesting approval of a variance from Minnesota Rule 7825.2700, subp. 8 and a notice of a refund plan to allow MERC to return a pipeline refund from Northern Natural Gas ("NNG") to customers in the MERC-NNG purchased gas adjustment ("PGA") area through the monthly PGA as soon as the Commission approves the variance request or as soon as the NNG refund has been issued, whichever occurs later.

On October 27, 2020, MERC submitted a letter in the above docket clarifying in requesting approval of a variance from Minnesota Rule 7825.2700, subp. 8, the Company was also requesting a variance from the requirement contained in that rule that "within classes, the refund amount per unit must be applied to bills on the basis of individual 12-month usage." As stated in MERC's initial petition at page 4, "MERC seeks a variance from the Commission from the requirements of Minn. R. 7825.2700, subp. 8 in order to issue the NNG refund through the NNG-PGA over one month after Commission approval rather than as a bill credit." MERC's October 27, 2020 letter also stated that NNG had processed the refund with September invoicing, which was received by MERC in October. MERC continued to request approval to allow implementation of the refund as proposed, as soon as possible. Additionally, in the event the Commission does not take action on MERC's request to allow PGA refunds to be completed within 90 days, consistent with Minn. R. 7825.2700, subp. 8, MERC also requested that the Commission vary that requirement to allow for implementation via the PGA in the month following Commission approval.

On November 3, 2020, the Minnesota Department of Commerce, Division of Energy Resources (the "Department") filed Comments on MERC's Petition, recommending approval of the Company's proposal with modifications. In particular, the Department recommends that the Commission:

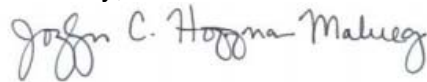
- Reject the Company's proposal to allocate the NNG refund to customer classes using sales volumes from MERC's most recent Base Cost of Gas filing (Docket No. G011/MR-17-564).
- Instead, require the refund to be allocated to customer classes based on their actual natural gas use during the period January through April 2020 when NNG's rates were in effect.
- Grant a variance and allow the Company to disburse the NNG refund via the PGA.
- Require MERC to report on the status of the NNG refund after it is completed; specifically require MERC to report the percentage of the refund that was returned through the PGA, by customer class.

MERC thanks the Department for its review and submits these Reply Comments in response to the Department's recommendations. MERC agrees to the Department's recommendations and proposed modifications, and as a result, all issues between the Company and the Department are resolved.

Based on the foregoing, MERC requests that the Commission approve the refund, as modified by the Department's recommendations, for implementation with the December 2020 PGA, or as soon as feasible.

Please contact me at (414) 221-4208 if you have any questions. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joylyn C. Hoffman Malueg". The signature is fluid and cursive, with the first name "Joylyn" being more prominent.

Joylyn Hoffman Malueg
Project Specialist 3
Minnesota Energy Resources Corporation

cc: Service List

In the Matter of the Petition of Minnesota
Energy Resources Corporation for a
Variance and Notice of Refund Plan
for Northern Natural Gas Pipeline Refund

Docket No. G011/M-20-700

CERTIFICATE OF SERVICE

I, Colleen T. Sipiorski, hereby certify that on the 9th day of November, 2020, on behalf of Minnesota Energy Resources Corporation (MERC), I electronically filed Reply Comments of Minnesota Energy Resources Corporation on www.edockets.state.mn.us. Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

Dated this 9th day of November, 2020.

/s/ Colleen T. Sipiorski
Colleen T. Sipiorski

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	OFF_SL_20-700_M-20-700
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-700_M-20-700
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_20-700_M-20-700
Daryll	Fuentes	dfuentes@usg.com	USG Corporation	550 W Adams St Chicago, IL 60661	Electronic Service	No	OFF_SL_20-700_M-20-700
Joylyn C	Hoffman Malueg	Joylyn.hoffmanmalueg@wecenergygroup.com	Minnesota Energy Resources	2685 145th St W Rosemount, MN 55068	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Brian	Meloy	brian.meloy@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-700_M-20-700
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-700_M-20-700
Catherine	Phillips	Catherine.Phillips@wecenergygroup.com	Minnesota Energy Resources	231 West Michigan St Milwaukee, WI 53203	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-700_M-20-700

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Colleen	Sipiorski	Colleen.Sipiorski@wecenergygroup.com	Minnesota Energy Resources Corporation	700 North Adams St Green Bay, WI 54307	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Kristin	Stastny	kstastny@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th St Minneapolis, MN 55402	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_20-700_M-20-700
Mary	Wolter	mary.wolter@wecenergygroup.com	Minnesota Energy Resources Corporation (HOLDING)	231 West Michigan St Milwaukee, WI 53203	Electronic Service	Yes	OFF_SL_20-700_M-20-700
Tina E	Wuyts	tina.wuyts@wecenergygroup.com	Minnesota Energy Resources Corporation	PO Box 19001 700 N Adams St Green Bay, WI 54307-9001	Electronic Service	Yes	OFF_SL_20-700_M-20-700