

The Commission met on **Thursday, December 8**, with Chair Sieben and Commissioners Means, Schuerger, Sullivan, and Tuma present.

The following matters were taken up by the Commission:

G-008/M-21-138

In the Matter of the Petition of CenterPoint Energy for Approval of a Recovery Process for Cost Impacts Due to February Extreme Gas Market Conditions

Commissioner Schuerger moved that the Commission deny CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas's petition for reconsideration.

The motion passed 4–1, with Commissioner Means voting no.

G-004/M-21-235

In the Matter of the Petition by Great Plains Natural Gas Co., a Division of Montana-Dakota Utilities Co., for Approval of Rule Variances to Recover High Natural Gas Costs from February 2021

Commissioner Tuma moved that the Commission deny Great Plains Natural Gas Co.'s petition for reconsideration.

The motion passed 4–1, with Commissioner Means voting no.

G-002/CI-21-610

In the Matter of the Petition of Xcel Energy for Approval of a Recovery Process for Cost Impacts Due to February Extreme Gas Market Conditions

Commissioner Sullivan moved that the Commission grant the request of Northern States Power Company d/b/a Xcel Energy (Xcel) for clarification regarding allocation and cost recovery for the interruptible customer class, and clarify that the Commission adopted Finding 306 of the Administrative Law Judges' Findings of Fact, Conclusions of Law, and Recommendation.

The motion passed 5–0.

Commissioner Sullivan moved that the Commission:

1. Deny Xcel's petition for reconsideration.
2. Grant the Department of Commerce's request for clarification of the Commission's rationale for using the Ventura index price.

The motion passed 4–1, with Commissioner Means voting no.

G-999/CI-21-135

G-008/M-21-138

G-004/M-21-235

G-002/CI-21-610

G-011/CI-21-611

In the Matter of a Commission Inquiry into the Impact of Severe Weather in February 2021 on Minnesota Natural Gas Utilities and Customers

Commissioner Schuerger moved that the Commission:

1. Not approve the economic trigger for interruptible customer curtailment proposed by CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas (CenterPoint); Northern States Power Company d/b/a Xcel Energy (Xcel); Minnesota Energy Resources Corporation (MERC); and Great Plains Natural Gas Co. (Great Plains).
2. Order each gas utility in this docket, no later than its next rate case, to update its existing interruptible tariffs to ensure customers understand the possibility of economic interruptions, and propose new or alternative interruptible tariffs that include additional economic curtailment provisions that could protect the system from future price spikes.
3. Order that, if a gas utility in this docket pays prices on the daily spot market that exceed five times the average price of gas in the utility's filed purchased-gas adjustment for the current month when the gas was purchased, the utility shall make a filing to the Commission within 14 days identifying:
 - A. Its costs for procuring gas for Minnesota customers while gas prices were inflated above this amount,
 - B. What actions the utility took to account for or mitigate those costs, and
 - C. Justifications for why its actions were prudent.
4. Order the gas utilities in this docket, by August 1 of each year, to make annual compliance filings that detail their recent efforts and address parties' recommendations made in this proceeding.

5. Order the gas utilities in this docket to participate in the North American Energy Standards Board (NAESB) Gas/Electric Harmonization Forum and other relevant efforts to track and pursue beneficial reforms, such as improving the force majeure language in the NAESB standard contract.
6. Order the gas utilities in this docket to continue exploring the availability and cost of contracting, hedging, and supply options that would provide better protection against price spikes.
7. Order the gas utilities in this docket to consider variations to, and explain their plans to, incorporate a greater degree of baseload purchases.
8. Order the gas utilities in this docket to discuss, in future Contract Demand Entitlement filings, how changes to their pipeline capacity affect their supply diversity and, if pipeline capacity comes at a cost premium but increases supply diversity, to provide a meaningful cost/benefit discussion of the tradeoff, including a comparison with the least-cost capacity option.
9. Order the gas utilities in this docket to commit to improving their supply reserve margin practices to minimize these quantities to the greatest extent reasonable and be prepared to explain the level of their supply reserve margins in the future.
10. Order the Gas Utilities in this docket to include in their relevant annual, forward-looking gas planning or hedging filings:
 - A. Their expected supply mix across different load and weather conditions throughout each month of the upcoming winter season;
 - B. The forecasted minimum, average, and maximum day load requirements; and
 - C. The expected mix of baseload, storage, and spot supply on those days.
11. Order the gas utilities in this docket to explore modifications to storage inventory management that could preserve withdrawal capabilities for later in the winter.
12. Order CenterPoint to use the circumstances of the event, the prevailing winter, and the status of its fuel inventory to inform its peak-shaving dispatch decisions.
13. Order Xcel to use the circumstances of the event, the prevailing winter, and the status of its fuel inventory to inform its peak-shaving dispatch decisions.
14. Order Xcel and CenterPoint to file more dynamic proposals that recognize that calling on peaking resources depends on the economic and situational context of the utility and the market.
15. Order the gas utilities in this docket to design plans that study customer responses to conservation calls.
16. Find that natural gas resource planning is in the public interest.

17. Delegate authority to the Executive Secretary to begin a proceeding to establish the content and procedural requirements for natural gas resource plans for CenterPoint, Xcel, and MERC, and to identify existing regulatory requirements that should be included in future resource planning. The starting point for the notice should be based on the comments and proposal filed on October 14, 2022 by the Citizen's Utility Board of Minnesota in this proceeding. Delegate authority to the Executive Secretary to establish timelines and procedural requirements for the proceeding as necessary.
18. It is anticipated that the Commission will consider comments, establish requirements, and set dates for filings for each individual utility's initial plans within 18 months of the order resulting from this decision.
19. Pursuant to Minn. Stat. § 216B.62, subd. 8, authorize the Commissioner of the Department of Commerce to ask the Commissioner of Management and Budget for permission to incur costs for specialized technical and professional investigative services to assist with matters related to any proceedings related to natural gas utility planning.

The motion passed 5–0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: December 28, 2022

A handwritten signature in black ink, appearing to read "Will Seuffert", with a long horizontal flourish extending to the right.

Will Seuffert, Executive Secretary