

The Commission met on **Thursday, March 12, 2015**, with Chair Heydinger and Commissioners Lange, Lipschultz, Tuma, and Wergin present.

The following matters were taken up by the Commission:

## **ENERGY AGENDA**

### **E-111/M-15-40**

#### **In the Matter of Dakota Electric Association's 2015 Annual Resource And Tax Adjustment**

Commissioner Wergin moved to accept Dakota Electric Association's 2015 Annual Resource and Tax Adjustment.

The motion passed 5-0

### **G-004/M-14-332**

#### **In the Matter of the 2013 Annual Gas Service Quality Report Submitted by Great Plains Natural Gas Company, a Division of MDU Resources Group, Inc.**

Commissioner Lipschultz moved to accept Great Plains Natural Gas Company's 2013 Annual Service Quality Report.

The motion passed 5-0

### **G-011/M-14-365**

#### **In the Matter of the 2013 Annual Service Quality Report Submitted by Minnesota Energy Resources Corporation**

Commissioner Wergin moved to accept Minnesota Energy Resources Corporation's 2013 Annual Service Quality Report.

The motion passed 5-0

### **G-002/M-14-367**

#### **In the Matter of the 2013 Annual Natural Gas Service Quality Report Submitted by Northern States Power Company, a Minnesota Corporation**

Commissioner Tuma moved to accept Northern Natural Gas Company's 2013 Annual Service Quality Report, as revised by the company's June 3, 2014 submission and supplemented by the Company's June 19, 2014 submittal.

The motion passed 5-0

**G-001/M-14-374**

**In the Matter of the 2013 Annual Service Quality Report Submitted by Interstate Power and Light Company, an Alliant Energy Company**

Commissioner Lange moved to take the following actions:

1. Accept Interstate Power and Light Company's 2013 Annual Service Quality Report; and
2. Require the Company to file an informational report containing its 2015 service quality data as a compliance filing in this docket by the earlier of (i) 90 days after closing the transaction to sell its gas assets to Minnesota Energy Resources Corporation (MERC) or (ii) May 1, 2016. The informational report will include all information routinely reported as part of the annual gas service quality reports and shall cover the period from January 1, 2015 through the close of the transaction to sell the IPL gas assets.

The motion passed 5-0

**G-008/M-14-316**

**In the Matter of the 2013 Annual Service Quality Report Submitted by CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas**

Commissioner Wergin moved to accept CenterPoint Energy's 2013 Annual Service Quality Report as supplemented by the Company's June 12, 2014 filing.

The motion passed 5-0

**G-011/GR-13-617**

**In the Matter of a Petition by Minnesota Energy Resources Corporation for Authority to Increase Natural Gas Rates in Minnesota**

**G-011/MR-13-732**

**In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of a New Base Cost of Gas for Interim Rates**

Commissioner Wergin moved to take the following actions:

1. Authorize MERC to implement its final rates from the Commission's October 28, 2014 Order on April 1, 2015;
2. Require MERC to resubmit the CIP tracker account Order requirements (Schedule F) for the entire interim rate period within 10 days after the actual date final rates become effective and separately reflect the following adjustments:
  - A. Include the entire interim period, currently projected to end March 31, 2015;
  - B. The revised Northshore Mining CIP calculations;

- C. The CIP under-recovery caused by the initial interim period CCRC factor being lower than the revised CIP CCRA factor of \$0.02448 for the entire interim period, currently projected to end March 31, 2015; and
  - D. The impacts to the CCRA arising from the Commission's determination that the Iowa LDC is CIP and GAP applicable.
- 3. Approve MERC's refund plan;
  - 4. Within 10 days of the completion of the refund for all of its customers, require MERC to submit a compliance filing that separately shows the actual refunds and interest paid by rate class, including supporting calculations;
  - 5. In future rate cases require MERC to file the following:
    - A. The company's rate and revenue schedules both with and without the base cost of gas revenues; and
    - B. The Company's proposed CIP applicable Distribution Rates at a level high enough to cover the proposed CCRC factor.
  - 6. Within 30 days of the Commission's order in this matter, require MERC to file a proposed scope of work for an internal audit to be conducted by Integrys Business Support Internal Audit, which is charged to provide independent, objective assurance and consulting services to Integrys and its subsidiaries, including MERC. The proposed scope of work shall address the objectives and scope of the audit, and proposed timelines for completion. Interested parties will have 10 days from the date the scope of work is filed to submit comments on the proposed scope of work.
  - 7. With the filing of the Company's next rate case, MERC (or its successor) shall file such preliminary (if the internal audit is not yet complete) or final internal audit findings as are available.
  - 8. Allow MERC to make the revised Northshore adjustments in its "MERC CIP Tracker."
    - Determine that the Iowa LDC is CIP and GAP applicable, and that MERC is responsible, pursuant to the Commission's Billing Error Rule, for any over/under collections that occurred because MERC did not correctly bill the CCRA and GAP factors. Require MERC to reflect the CCRA impact in its compliance filing with other CIP tracker adjustments.

The motion passed 5-0

**E-017/M-14-649**

**In the Matter of Otter Tail Power's Request for Approval to Revise its Energy Adjustment Rider to Include Emission Controls Costs**

Commissioner Lipschultz moved to deny Otter Tail Power's petition to recover reagent costs through the Company's Energy Adjustment Rider (FCA) mechanism.

The motion passed 4-1 (with Commissioner Lange voting no).

Commissioner Tuma moved to deny the Company's requests for a variance to Minn. R. 7825.2400 and .2500 without prejudice.

The motion passed 5-0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: April 1, 2015**

A handwritten signature in black ink that reads "Daniel P. Wolf". The signature is written in a cursive, flowing style.

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**Daniel P. Wolf, Executive Secretary**