

The Commission met on **Wednesday, January 9, 2019**, with Commissioners Lipschultz, Schuerger, Sieben, and Tuma present.

The following matters were taken up by the Commission:

**IP-6997/CN-18-699**

**In the Matter of the Application of Plum Creek Wind Farm, LLC for a Certificate of Need for an up to 414 MW Large Wind Energy Conversion System and 345 kV Transmission Line in Cottonwood, Murray and Redwood Counties, Minnesota**

Commissioner Tuma moved to do the following:

1. Approve the notice plan proposed by Plum Creek Wind Farm, LLC, with the modifications recommended by the Minnesota Department of Commerce (Department) to –
  - A. Include a reference to Minnesota Rules chapter 4410, and
  - B. Send copies of the notice to state and federal senators and representatives whose districts are within the notice area.
2. Approve the requested exemptions conditioned on Plum Creek providing the alternative data identified in its November 13, 2018 Request for Exemption from Certain Application Content Requirements.
3. Vary the 30-day requirement of Minn. R. 7849.0200, subp. 6.

The motion passed 4–0.

**E-002,124/SA-18-693**

**In the Matter of the Joint Request of Northern States Power Company, doing business as Xcel Energy, and Minnesota Valley Electric Cooperative for Approval of Three Compensation and Orderly Transfer Agreements and Three Exception Agreements**

Commissioner Sieben moved to do the following:

1. Approve the requested service territory transfers and service by exception agreements between Northern States Power Company d/b/a Xcel Energy (Xcel) and Minnesota Valley Electric Cooperative.

2. Request that the Minnesota Geospatial Information Office update the Commission's maps to reflect the service area designations as shown on the map in the petition.

The motion passed 4–0.

**E-148,221/SA-18-705**

**In the Matter of the Joint Request of the City of Buffalo and Wright-Hennepin Cooperative Electric Association to Update Electric Service Territory Records**

Commissioner Schuerger moved to do the following:

1. Approve the permanent service territory transfer from Wright-Hennepin Cooperative Electric Association to the City of Buffalo.
2. Request that the Minnesota Geospatial Information Office update the Commission's maps to reflect the service area designations as shown on the map in the petition.

The motion passed 4–0.

**E-999/AA-17-492**

**In the Matter of the Review of the 2016-2017 Annual Automatic Adjustment Reports for All Electric Utilities**

Commissioner Schuerger moved to do the following:

1. Accept all the electric utilities' Fiscal Year End 2017 Annual Automatic Adjustment reports as filed, and subsequently amended, as being substantially complete as to Minnesota Rules parts 7825.2390 through 7825.2920.
2. Accept the compliance filings required by Commission order, as discussed in Section III, items A through N of the Department's Review of 2016–2017 (FYE17) Annual Automatic Adjustment Reports (October 19, 2018).
3. Accept the utilities' reporting related to the Midcontinent Independent System Operator, Inc., (MISO) Day 1 markets, MISO Day 2 markets, asset-based margin, and ancillary services market.
4. Direct each electric utility, within 90 calendar days from the date of the order, to make a compliance filing containing an initial analysis of the impacts of self-commitment and self-scheduling of their generators, including annual differential between production costs and corresponding prevailing market prices both for Fiscal Year End 2017 and (in Docket No. E-999/AA-18-373, *In the Matter of 2017-2018 Annual Automatic Adjustment Reports*) for

Fiscal Year End 2018. In future Annual Automatic Adjustment Reports, each electric utility shall provide a complete analysis and discussion of the impacts of self-commitment and self-scheduling of their generators, including annual differential between production costs and corresponding prevailing market prices.

The motion passed 4–0.

**E-015/D-18-544**

**In the Matter of Minnesota Power's 2018 Remaining Life Depreciation Petition**

Commissioner Schuerger moved to do the following:

1. Approve Minnesota Power's proposed remaining lives.
2. Deny Minnesota Power's request to update its salvage rates and approve the salvage rates approved previously in Docket No. E-015/D-17- 118, *In the Matter of Minnesota Power's 2017 Remaining Life Depreciation Petition*.
3. Require Minnesota Power to record supplemental depreciation expense of \$2.0 million for the Boswell Common Facilities, and \$0.8 million for Boswell Unit 3 over a period of time that the Commission determines to be reasonable.
4. Require Minnesota Power to include in any future request for cost recovery all adjustments necessary to ensure that ratepayers bear no additional expense as a result of the errors in the 2017 depreciation accruals for Boswell Unit 3 and the Boswell Common Facilities.
5. Minnesota Power to include in future depreciation filings a comparison of the remaining lives used in its depreciation filing to the operating lives used in the Company's most recent integrated resource plan and explain any differences.
6. Require Minnesota Power to include in its next depreciation petition a proposal to depreciate the largest structures included in plant account 390 Structures and Improvements individually, while continuing to apply group depreciation to the smaller structures in the account, that explains how Minnesota Power will:
  - A. determine which structures should be removed from the group to be depreciated separately, and which should remain in the group;
  - B. allocate the existing depreciation reserve among structures that should be removed from the larger group and those that remain in the group;

- C. determine the remaining lives for structures that should be removed from the group and the remaining life for the group.
7. Require MP to make its next depreciation filing on or before September 2, 2019 to establish depreciation parameters and rates to be effective January 1, 2019.

The motion passed 4–0.

**E,G-002/D-18-523**

**In the Matter of the Petition of Northern States Power Company for Approval of its 2018 Annual Review of Transmission, Distribution, and General Depreciation Certification**

Commissioner Tuma moved to do the following:

1. Approve Xcel's proposed depreciation lives and rates in the 2018 Depreciation Study, effective January 1, 2019.
2. Require Xcel to file its next remaining life depreciation petition by July 31, 2019.
3. Require Xcel to file a comprehensive five-year depreciation study for its transmission, distribution, and general accounts by July 31, 2022.
4. Require Xcel to return the net decrease in electric utility depreciation expense of \$707,421 to ratepayers in the 2019 capital true-up filing in Docket No. E-002/GR-15-826, *In the Matter of an Application by Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota*.
5. Require Xcel to provide the following information in its next Transmission, Distribution, and General Depreciation filing:
  - Schedule listing the buildings included in Account 390;
  - Historical cost amounts;
  - Individual or allocated depreciation reserve amounts;
  - Depreciation rate and method;
  - In-service dates;
  - Building address/location; and
  - A description of the assets' operational purpose.

The motion passed 4–0.

**G-008/GR-13-316; G-008/M-18-574**

**In the Matter of an Application by CenterPoint Energy for Authority to Increase Natural Gas Rates in Minnesota**

Commissioner Sieben moved to do the following:

1. Accept the 2018 revenue decoupling evaluation report of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (CenterPoint).
2. Approve CenterPoint's revenue decoupling adjustment factors.
3. Order CenterPoint to file all future Annual Decoupling Evaluation Reports in their own separate docket.

The motion passed 4–0.

**G-008/AI-18-517**

**In the Matter of the Petition of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas, for Approval of an Affiliated Interest Agreement between CenterPoint Energy Minnesota Gas and Minnesota Limited**

Commissioner Lipschultz moved to do the following:

1. Approve the CenterPoint Stipulation and incorporate the stipulated terms and conditions of the agreement into the Commission's order in this docket.
2. Request that the Department examine the affiliated interest agreement, and invite other interested parties to do so as well.

The motion passed 4–0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: July 31, 2019**



---

**Daniel P. Wolf, Executive Secretary**