

The Commission met on **Thursday, August 8, 2019** with Commissioners Lipschultz, Means, Schuerger, and Tuma present.

The following matters were taken up by the Commission:

**E-002/M-19-270**

**In the Matter of Northern States Power Company, d/b/a Xcel Energy's Revised 2020 Tariff Rates for its Renewable\*Connect Pilot**

Commissioner Means moved that the Commission accept Xcel's annual Renewable\*Connect Pilot Program Annual Report, and approve the proposed rates.

The motion passed 4-0.

**E-015/M-19-295**

**In the Matter of Matter of Minnesota Power's Annual Compliance Report Regarding its Business Development Incentive Rider**

**E-015/GR-16-664**

**In the Matter of the Application of Minnesota power for Authority to Increase Rates for Electric Service in Minnesota**

Commissioner Tuma moved that the Commission take the following actions:

1. Accept the compliance filing; and
2. Require Minnesota Power to clarify its BDIR tariff language regarding delivery points and provide the rationale for using a single delivery point in a cover letter.

The motion passed 4-0.

**G-008/M-19-342**

**In the Matter of the Petition of CenterPoint Energy for Approval of a Variance from the Commission's Automatic Adjustment Rules Related to the Recovery of Demand Costs**

Commissioner Schuerger moved that the Commission take the following actions:

1. Approve CenterPoint Energy's request for an extension of the previously-granted variance to Minn. R. 7825.2700, subp. 5, related to recovery of demand costs;
2. Authorize CenterPoint Energy's request for extension of the variance for three years;

3. Allow CenterPoint 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;
4. Require CenterPoint to continue to cap the maximum monthly allowed demand adjustment at 25 percent of the demand cost recovery rate; and
5. Require CenterPoint to continue to report the information pertaining to the operation of the program, including:
  - a. Reporting in CenterPoint's monthly PGA filings the detailed calculations of the demand adjustment;
  - b. Reporting in CenterPoint's AAA Report a summary of the results of the over/ (under) recovery with and without the proposed additional demand recovery adjustment. The summary will reflect the method of calculating this analysis as the Commission ordered in Docket No. G-008/M-05-1196; and
  - c. Reporting in CenterPoint's AAA Filing the results of the Company's monthly demand adjustment compared to a hypothetical demand-cost recovery rate that reflects a one-month lag.

The motion passed 4-0.

**E,G002/D-19-161**

**In the Matter of the Petition of Northern States Power Company for Approval of its 2019 Annual Review of Remaining Lives**

Commissioner Lipschultz moved that the Commission take the following actions:


1. Approve the Company's proposed depreciation lives and rates in the 2019 Review of Remaining Lives Petition, except for the proposed modifications to the remaining lives of Sherco Units 1, 2, and 3, and the Sherco Unit 3 Deferral;
2. Approve a one-year passage-of-time adjustment for all of the Company's natural gas, electric production, and gas-storage facilities;
3. Approve the removal from all schedules of the portion of the Wescott Gas Production facility approved for sale, following finalization of the sale;
4. Accept the Company's initial proposed remaining lives and salvage rates for the Blazing Star I, Foxtail, and Lake Benton wind projects;

5. Require the Company to return the net decrease in electric utility depreciation expense to ratepayers in the 2019 capital true-up filing in Docket No. E-002/GR-15-826;
6. Require the Company to include the Granite City Plant in its annual reporting on dismantling costs;
7. Require the Company to file its next remaining life depreciation petition by February 18, 2020;
8. In future depreciation filings, require the Company to provide a supplemental schedule showing the total (in addition to the remaining) depreciable lives of the Company's electric production facilities;
9. In its next depreciation filing, require the Company to provide a supplemental schedule with the (1) actual costs to date, (2) projected future costs, and (3) percentage of completion to date for the Minnesota Valley Plant, Key City Plant, Granite City Plant, and Black Dog Units 3 & 4, as applicable; and
10. In future depreciation filings, require the Company to continue to provide the following information:
  - a. a comparison of depreciation remaining lives and resource planning lives for electric production with an explanation of any differences;
  - b. a historical comparison of changes in remaining lives and net-salvage rates; and
  - c. updates on the removal costs for the Minnesota Valley Plant, Key City Plant, Granite City Plant, and Black Dog Units 3 & 4, including the impact on depreciation reserves and a final true-up when the retirement/removal is completed.

The motion passed 4-0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: November 13, 2019**



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Daniel P. Wolf, Executive Secretary