

The Commission met on **Thursday, September 7, 2006**, with Chair Koppendraye, and Commissioners Johnson, Pugh and Reha and present.

Comment [COMMENT1]: Minutes by Marcia Johnson. 9 motions were made.

The following matters were taken up by the Commission:

ENERGY

E-002, E-111/SA-06-963

In the Matter of a Service Territory Clarification Between Dakota Electric Associations and Northern States Power Company d/b/a Xcel Energy

Commissioner Johnson moved that the Commission give notice and approve the Petition.

The motion passed, 4 - 0.

E-139,305/SA-06-855

Joint Petition by South Central Electric Service Association and the City of St. James for Modification of Assigned Service Areas.

Commissioner Johnson moved that the Commission give notice and approve the Petition.

The motion passed, 4-0.

E-001,290/SA-06-906

Joint Petition of the City of Owatonna and Interstate Power and Light Company for Approval of their Settlement Agreement Concerning a Change in their Service Territory Boundaries and Related Compensation.

Commissioner Johnson moved that the Commission give notice and approve the Petition.

The motion passed, 4-0.

G-008/M-06-664

CenterPoint Energy's 2005 Demand-Side Management Financial Incentive and Conservation Improvement Program Tracker Report Compliance Filing.

Commissioner Rhea moved that the Commission approve CenterPoint's Petition.

The motion passed, 4-0.

ET-2TL-06-468

In the Matter of the Application of the Great River Energy for a Transmission Route Permit under the Alternative Permitting Process for the RDO 115 kV Project in Hubbard County.

Commissioner Johnson moved that the Commission approve and adopt the Findings of Fact, Conclusions and Order which:

- 1) Determines that the environmental assessment and the record created at the public hearing address the issues identified in the EA Scoping Decision;
- 2) Designates a route for a new 115 kV high voltage transmission line route of 2.5 miles from the existing RDO Substation to the GRE 115 kV "HP" transmission line in Hubbard County; and
- 3) Issues a route permit to Great River Energy and Itasca-Mantrap Cooperative Electrical Association.

The motion passed, 4 - 0.

E-002/GR-92-1185; G-002/GR-92-1186

In the Matter of Northern States Power Company d/b/a Xcel Energy's Annual Report on the Operation and Performance of its 2005 Incentive compensation Plan Pursuant to MPUC Orders After Reconsideration.

Commissioner Pugh moved that the Commission:

- 1) Order a separate gas refund;
- 2) Defer the electric refund until the refund of interim rates in Docket No. E-002/GR-05-1428;
- 3) Calculate interest using Xcel Energy's weighted cost of capital approved in each utility's most recent general rate case and compounded monthly; and
- 4) Require refund reports within 10 days of the refunds.

The motion passed, 4-0.

E-002/M-02-633

In the Matter of the Petition of Northern States Power Company d/b/a Xcel Energy for Approval of a Rate Rider to Recover Costs for Emissions Reduction Proposal.

Commissioner Pugh moved that the Commission:

1. Approve Xcel's MERP revenue requirement and tracker balance report, including the request to use the Commission-certified depreciation lives for transmission property averaging approximately 40 years, to implement the Company's 2006 Environmental Improvement Rider (EIR); and
 2. Reserve the right to audit and review actual costs of the project at a later time.
- The motion passed 3 - 1. Commissioner Johnson voted no.

E-017/M-03-30

In the Matter of Otter Tail Power Company's Petition for Approval of a Fuel Clause Adjustment True-up Mechanism.

Commissioner Reha moved that the Commission:

1. Allow Otter Tail to continue the true-up charge implemented on August 2, 2006;
2. Require Otter Tail to supply a detailed explanation supporting the true-up charge within 30 days;
3. Request the Department to report within the normal comment periods for new filings under the Rules of Practice and Procedure.

The motion passed, 4 - 0.

E-002/M-05-2028

In the Matter of a Petition for Approval of Recovery of Property/Property Taxes Paid by Lake Benton Power Partners.

Commissioner Koppendrayer moved that the Commission deny the request for reconsideration.

The motion passed 4 - 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: SEPTEMBER 20, 2006

Burl W. Haar, Executive Secretary