

The Commission met on **Thursday, April 21, 2005**, with Chair Koppendrayer and Commissioners Nickolai and Reha present.

Comment [COMMENT1]: Minutes by Carol Casebolt and Peter Brown.

The following matters were taken up by the Commission.

### **Decision Items**

#### **P-405, et al./CP-04-1352**

#### **In the Matter of a Petition for Extended Area Service from the Kilkenny Exchange to the Minneapolis/St. Paul Metropolitan Calling Area**

Commissioner Reha moved to take the following actions:

1. Adopt the extended area service (EAS) rate additives submitted by the companies.
2. Order the affected telephone companies to provide a single EAS number reflecting both the facilities cost and lost access and EAS revenues in customers' monthly bills, if the proposed Extended Area Service is adopted.
3. Order that the balloting materials and any tariffs ultimately filed itemize EAS rate additives to show which portion of the additive will recover facilities costs and which portion will recover lost access revenues.
4. Order the affected companies to provide cooperation and assistance to Commission staff and Commission contractors by providing usable, deliverable addresses for all access lines in a format and under time frames set by Commission staff and to provide proof of the accuracy of customer lists as requested by Commission staff.

The motion passed 3-0.

Commissioner Nickolai moved to take the actions listed below:

#### **G-001/M-04-1750**

#### **In the Matter of the Petition of Interstate Power Company – Gas Utility for Approval of Changes in Demand Entitlements for Firm Customers**

- Approve the request of Interstate Power Company-Gas Utility (the Company) to restructure its 2004-2005 heating season demand entitlement portfolio in response to the changes in Northern Natural Gas Company's TF-12 Base and TF-12 Variable tariffs;
- Approve the Company's requested TF-5, TFX, TDD, SMS and SBA entitlements;
- Approve the requested decrease in the Company's overall Design Day Capacity;

and

- Approve the Company's purchased gas adjustment recovery of the costs associated with the requested changes, effective November 1, 2004.

**E-111/M-05-319**

**In the Matter of the Petition of Dakota Electric Association to Modify the Monthly Rate for the Optional Renewable Energy Rider**

- Approve the petition.

**E-111/M-04-1908**

**In the Matter of Dakota Electric Association's Conservation Improvement Report for 2005**

- approve the petition, as modified to incorporate the recommendations of the Minnesota Department of Commerce (the Department).

The motion passed 3-0.

**G-007,011/CI-02-1369**

**In the Matter of an Inquiry Into Possible Effects of the Financial Difficulties at Aquila, Inc. on Peoples Natural Gas Company and Northern Minnesota Utilities Company and Their Customers**

Commissioner Nickolai moved to accept the 2004 gas service quality standards reports of Aquila, Inc. (Aquila), and to direct Aquila to include in future reports region-specific data on emergency response time averages.

The motion passed 3-0.

**G,E-999/AA-03-1264**

**In the Matter of the Review of the 2003 Annual Automatic Adjustment of Charges for All Gas and Electric Utilities**

**G-007/AA-03-1379**

**In the Matter of a Request by Aquila Networks-NMU, an Operating Division of Aquila, Inc. for Approval of its 2003 True-Up Filing**

**G-011/AA-03-1380**

**In the Matter of a Request by Aquila Networks-PNG, an Operating Division of Aquila, Inc. for Approval of its 2003 True-Up Filing**

Commissioner Reha moved to –

1. accept Aquila's allocation of capacity release revenue as filed and
2. accept the accounting treatment for pipeline capacity costs, and for revenues from the release of non-recallable pipeline capacity, for 2004-2005 and beyond, as proposed by the parties in their December 1, 2004 Memorandum of Understanding.

The motion passed 3-0.

**E-002/M-05-109**

**In the Matter of a Petition by Northern States Power Company d/b/a Xcel Energy for Approval of the Renewable Development Fund Annual Report, Tracker Account True-up, and 2005 Rate Rider Factor**

Commissioner Nickolai moved to do the following:

1. Approve a change to the Renewable Development Fund (RDF) rate adjustment rider of Northern States Power Company d/b/a Xcel Energy (Xcel) from 0.000415 per kilowatt-hour (kWh) to \$0.000134 per kWh effective the first month after approval is granted.
2. Require Xcel to file the appropriate updated tariff sheets within 30 days of the Order in this matter.
3. Approve the grant contract amendments filed as part of Xcel's July 14, 2004, and January 31, 2005, RDF progress reports in Docket No. E-002/M-00-1583 *In the Matter of the Request of Northern States Power Company d/b/a Xcel Energy for Approval of a Development Fund Oversight Process*, and require Xcel to continue making appropriate project payments for Cycle 1 projects as of April 21, 2005.
4. Approve the process for grant contract amendments for funding Cycle 1 projects as proposed by Xcel in its July 14, 2004, and January 31, 2005, RDF progress reports in Docket No. E-002/M-00-1583, and detailed by the Commission's staff, including the filing of quarterly progress reports by Xcel.
5. Clarify that there will be no carrying charge applied to Xcel's RDF tracker account at this time for the reasons provided by the Department in its July 15, 2004, compliance filing in Docket No. E-002/M-03-2018 *In the Matter of the Petition of Xcel Energy for Approval to Separate Renewable Development Fund Cost Recovery from the Fuel Clause Adjustment, Establish a Renewable Development Fund Rate Rider, and Establish Deferred Accounting Treatment*.
6. Require Xcel to continue to include the RDF annual reporting requirements from the ORDER VARYING RULES TO PERMIT RECOVERY OF RENEWABLE

DEVELOPMENT FUND EXPENDITURES AND REQUIRING COMPLIANCE FILING (December 23, 2002) in Docket No. E-002/M-00-1583 as part of its annual tracker account and true-up filing.

7. Require Xcel to work with the Commission's Consumer Affairs Office to finalize the language on the RDF rider to be included on customers' bills.

The motion passed 3-0.

There being no further business, the meeting was adjourned.

**APPROVED BY THE COMMISSION: MAY 4, 2005**

---

**Burl W. Haar, Executive Secretary**