

The Commission met on **Thursday, March 29, 2007**, with Acting Chair Reha and Commissioners Nickolai and Pugh present.

Comment [COMMENT1]: Minutes by Eric Witte, Marcia Johnson, & Peter Brown. 7 motions were made.

The following matters were taken up by the Commission:

ENERGY AGENDA

ET-2, E-015/TL-07-76

In the Matter of the Application for a Route Permit for the Badoura 15 kV High Voltage Transmission Line and Associated Substation under the Alternative Permitting Process

Commissioner Nickolai moved to do the following:

1. Accept the application as complete.
2. Authorize the Energy Facility Permitting (EFP) staff of the Minnesota Department of Commerce (the Department) to initiate the alternative review process under Minnesota Rules parts 4400.2000-.2950.
3. Authorize the EFP staff to name a public advisor.
4. Determine that no advisory task force was necessary.

The motion passed 3 - 0.

PL, E-280/GP-06-1481

In the Matter of the Application for a Pipeline Routing Permit and Partial Exemption from Pipeline Routs Selection Procedures for the Nashwauk-Blackberry Natural Gas Pipeline Project

Commissioner Pugh moved to do the following:

1. Accept the application under the partial exemption process as complete.
2. Authorize the EFP staff to name a public advisor.
3. Take no action on an advisory task force at this time.

The motion passed 3 - 0.

ET-2, E-002/TL-07-224

In the Matter of the Joint Petition to Transfer Portion of Route Permit for the Sherburne County Substation to Benton County Substation 345 kV Transmission Line from Northern States Power Company d/b/a Xcel Energy to Great River Energy

Commissioner Nickolai moved to authorize the transfer from Northern States Power Company d/b/a Xcel Energy (Xcel) to Great River Energy of all Xcel's rights and responsibilities under the route permit for Sherburne County Substation to Benton County Substation 345 kV transmission line under the transfer of permit provisions of Minnesota Rules part 4400.3850.

The motion passed 3 - 0.

ET-2/TL-06-980

In the Matter of the Great River Energy Application for a Route Permit for the Mud Lake to Wilson Lake 115 kV High Voltage Transmission Line

Commissioner Nickolai moved to deny reconsideration of its FINDINGS OF FACT, CONCLUSIONS AND ORDER ISSUING A ROUTE PERMIT TO GREAT RIVER ENERGY FOR THE MUD LAKE TO WILSON LAKE 115 kV TRANSMISSION LINE PROJECT AND ASSOCIATED FACILITIES (February 12, 2007).

The motion passed 3 - 0.

E-002/M-07-97

In the Matter of a Request by Northern States Power Company d/b/a Xcel Energy for Approval of a Power Purchase Agreement with St. Olaf College

Commissioner Pugh moved to do the following:

1. Approve the power purchase agreement between Xcel and St. Olaf Collage.
2. Authorize Xcel to recover costs incurred in connection with the agreement consistent with Minnesota Statutes § 216B.1645 via Xcel's fuel cost charge.
3. Authorize Xcel to count the resulting energy toward fulfilling the Renewable Energy Objectives pursuant to Minnesota Statutes § 216B.1691 as modified by Minnesota Session Laws 2007, Chapter 3.

The motion passed 3 - 0.

G-008/GR-05-1380

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

Commissioner Nickolai moved to do the following:

1. Authorize CenterPoint Energy (CenterPoint), a division of CenterPoint Energy Resources Corp., to implement new, final "base" rates on May 1, 2007 by "dropping in" final rates on customer bills starting on May 1, 2007.
2. Require CenterPoint to implement the \$0.00482 per therm Gas Affordability Service Program rate on a prorated basis, effective May 1, 2007, for services rendered on and after May 1, 2007.
3. Approve CenterPoint's interim rate refund plan as filed for customers subscribed to the No Surprise Bill® (NSB®) program. Do not authorize CenterPoint to assess NSB® customers for the Gas Affordability Service Program until the start of the 2007-2008 NSB® program year when the charge for the NSB® program can be included in bill quotes for the 2007-2008 NSB® program year.
4. Approve CenterPoint's interim rate refund plan as filed for the rest of CenterPoint's customers.
5. Require CenterPoint to submit, within 10 days of the completion of the refunds for all of its system (sales) customers, non-system (transportation) customers and NSB® customers, compliance filings that separately show the actual refunds and interest paid by rate area and class including the calculations.
6. Require CenterPoint to change, in Section VIII of the proposed tariff for the Gas Affordability Service Program, the following tariff page references:
 - A. Change "Third Revised Page 2 Replaces Second Revised Page 2" to "Fourth Revised Page 2 Replaces Third Revised Page 2," and
 - B. Change "Third Revised Page 3 Replaces Second Revised Page 3" to "Fourth Revised Page 3 Replaces Third Revised Page 3."
7. Deny CenterPoint's proposed tariff provision concerning the Gas Affordability Service Program that only includes Residential, Small Volume Commercial and Industrial Sales, and Small Volume Firm Transportation customer classes in both the Northern and Viking service areas of the Gas Affordability Service Program tariff.
8. Deny CenterPoint's proposal to exempt the Large General Firm Sales and Large Volume Firm Transportation classes from paying the recovery rate for the Gas Affordability

- Service Program.
9. Require CenterPoint to submit, within 10 days of the Commission's written Order concerning this compliance filing, the entire Gas Affordability Service Program tariff with the recommendations discussed above.
 10. Require modifications to CenterPoint's proposed customer notices for the Northern rate area and the Viking rate area to reflect the May 1, 2007 effective date, the increased amount of the interim rate refund, and to make the notices consistent with the Commission's decisions to prorate the \$0.00482 gas affordability charge to the May 1, 2007 effective date of the Gas Affordability Service Program.
 11. Defer any decision regarding CenterPoint's proposed base cost of gas to Docket No. G-008/MR-07-193, *In the Matter of a Petition to Establish a New Base Cost of Gas to Coincide with the Implementation of Final Rates in Docket No. G-008/GR-05-1380*.
 12. Approve CenterPoint's proposed conservation cost recovery charge (CCRC) of \$0.04494 per dekatherm (dth) for all customer classes.
 13. Require CenterPoint to resubmit the conservation improvement plan (CIP) tracker account (including rates, revenues, expenses, and ending balance) for the entire period that interim rates were in effect within 20 days after final rates become effective.
 14. Require CenterPoint to resubmit, within 20 days after final rates become effective, the CIP tracker account with a supporting schedule that shows the difference between revenues collected at the interim CCRC of \$0.05242 per dth and revenues that would have been collected with the final CCRC of \$0.04494 per dth from the beginning of the test year to the effective date of final rates, together with an associated accounting entry in the CIP tracker account.
 15. Require CenterPoint to make a compliance filing within 60 days of the date of the Commission's written Order providing by month, the amount of late payment charges reversed or refunded to customers, when the reversals or refunds were made, and any other information that may be useful to the Commission on this matter.

The motion passed 3 - 0.

G-008/MR-07-193

In the Matter of a Petition to Establish a New Base Cost of Gas to Coincide with the Implementation of Final Rates in Docket No. G-008/GR-05-1380

Commissioner Reha moved to approve an overall new base cost of gas of \$1,384,164,779 as well as a per dth demand rate of \$1.1730 to coincide with the implementation of final rates in Docket No. G-008/GR-05-1380, *In the Matter of the Application of CenterPoint Energy for Authority to*

Increase Natural Gas Rates in Minnesota.

The motion passed 3 - 0.

There being no further business, the meeting was adjourned.

APPROVED BY THE COMMISSION: APRIL 25, 2007

Burl W. Haar, Executive Secretary