

FINDINGS AND CONCLUSIONS

Findings of Fact

The Commission finds that the Company has only 90 Minnesota customers and \$26,000 in annual Minnesota revenues. The cost of preparing the report would be approximately \$4.60 per Minnesota customer.

The Commission also finds that the information the Company would put in the Report is obtainable from other sources.

The Commission finds that only 1% of the Company's cost of generating electricity is attributable to fuel costs, the subject of the report. The Company generates most of its electricity from its hydroelectric plant.

Findings on the Request for Variance

The Commission may grant a variance to any of its rules upon finding that the following conditions apply:

1. Enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
2. Granting of the variance would not adversely affect the public interest; and
3. Granting the variance would not conflict with standards imposed by law.

Minn. Rules, part 7830.4400.

The Commission finds that requiring the Company to file the Report at issue would impose an excessive burden on both the Company and its Minnesota customers. The report is lengthy and detailed. Its estimated preparation cost of \$4.60 per Minnesota customer is not justified in light of the fact that only 1% of the Company's generation costs are attributable to fuel. The Commission therefore finds that the Company's request meets the first requirement for granting a variance.

The Commission finds that granting the variance would not adversely affect the public interest. The purpose of the Report is to enable the Commission and the DPS to review fuel expenditures to ensure prudence in fuel purchasing procedures. The information necessary to do this is obtainable from other sources. The DPS has stated it will not be unduly burdensome to rely on these other sources, given the small amount of fuel purchased by this particular company. The Commission therefore finds that the Company's request meets the second requirement for granting a variance.

The Commission finds that there is no legal authority prohibiting waiver of the filing of this Report. The Commission therefore finds that the Company's request meets the third requirement for granting a variance.

The Company having met the requirements for a variance, the Commission concludes it will grant a one year variance from the requirement of Minn. Rules, part 7825.2800 that the Company file an annual Automatic Adjustment Charge Report.

ORDER

1. Northwestern Wisconsin Electric Company is hereby granted a one year variance from the requirement of Minn. Rules, part 7825.2800 that it file an annual Automatic Adjustment Charge Report.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)