

G-001/GR-90-700 ORDER ACCEPTING FILING AND SUSPENDING RATES

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Patrice Vick	Commissioner

In the Matter of the
Application of Interstate
Power Company for Authority to
Increase its Rates for Natural
Gas Service in the State of
Minnesota

ISSUE DATE: December 10, 1990

DOCKET NO. G-001/GR-90-700

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PROCEDURAL HISTORY

On September 28, 1990, Interstate Power Company (Interstate or the Company) filed a request to increase its rates for natural gas service in Minnesota. The Company requested that rates be increased by 8.5% to produce an increase in operating revenues of \$688,142.

On October 29, 1990, the Commission issued its ORDER REJECTING FILING AS INCOMPLETE. The Commission found that the Company had failed to provide a jurisdictional class cost of service study (CCOSS) as required in the Company's last general rate case in Docket No. G-001/GR-85-189.

On November 13, 1990, the Company filed its CCOSS, along with supplemental testimony and workpapers supporting the development of the study.

On November 26, 1990, the Department of Public Service (the Department) submitted comments indicating that the Company's CCOSS meets the requirements of Minnesota Rules 7825.4300, subpart C and that the CCOSS was therefore adequate.

The matter came before the Commission on December 4, 1990.

FINDINGS AND CONCLUSIONS

The Commission finds that Interstate's November 13, 1990 filing is sufficient for the purposes of filing a general rate case under Minn. Stat. § 216B.16 (1988) and Minn. Rules, parts

7825.3100 to 7825.4600. In addition, it contains a satisfactory jurisdictional class cost of service study (CCOSS) as required in the Company's last general rate case. Docket No. G-001/GR-85-189. The Company's rate case is deemed filed, therefore, as of November 13, 1990. The filed information will be subject to additional examination and scrutiny during the contested case hearing process which will follow.

By separate Order the Commission has found that contested case proceedings are necessary for adequate examination of the Company's rate increase proposal. See NOTICE AND ORDER FOR HEARING entered in this docket on this date. During the contested case proceeding the Commission may require Interstate to produce additional information within ten days of service of any information request by the Department or any other party.

Under Minn. Stat. § 216B. 16, subds. 1 and 2 (1988), the rates proposed by the Company become effective 60 days from November 13, 1990, the date this rate case was filed, unless they are suspended by the Commission. The Commission finds that it cannot resolve all issues regarding the reasonableness of the proposed rates within this 60 day period and that the public interest requires suspension.

The Commission will establish interim rates for the suspension period, under Minn. Stat. § 216B.16, subd. 3 (1988), by separate Order.

ORDER

1. The November 13, 1990 rate increase petition of Interstate Power Company is accepted as sufficient for the purposes of filing a general rate case under Minn. Stat. § 216B.16 (1988) and Minn. Rules, parts 7825.3100 to 7825.4600.
2. The Department of Public Service shall conduct an investigation into the reasonableness of the rate changes proposed by the Company.
3. All parties to this proceeding may serve information requests on any other party. Information requests shall be answered within ten days of receipt.
4. The operation of the proposed rate schedule is suspended under Minn. Stat. § 216B.16, subd. 2 (1988), until the Commission has issued a final determination in the matter.
5. The Company shall give written notice, as approved by the Commission, of the proposed change in rates to the governing

body of each municipality and county in the area affected and shall submit an affidavit of such service to the Commission within 45 days of the service date of this Order.

6. The Company shall give individual written notice to all customers (including contract customers) of the proposed increase. This customer notice shall be included as an insert in the first bill rendered after the effective date of the interim rates as set by future Commission Order. The Company shall submit the proposed notice, and any other billing inserts proposed for the billing cycle, for prior Commission approval.
7. The Commission authorizes the Executive Secretary to enter Orders on behalf of the Commission varying time requirements for the filing of pleadings and other documents and determining the conduct of this proceeding, according to the standards set forth in Minn. Rules, part 7830.4400. Any party adversely affected by such an Order shall file a motion for reconsideration, vacation, or modification, no later than ten days from the date of its entry or one day before any filing deadline or occurrence of an act directed in such Order. Such motions will be heard by the Commission.
8. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster
Executive Secretary

(S E A L)