

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendraye
Marshall Johnson
Ken Nickolai
Thomas Pugh
Phyllis A. Reha

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Application of CenterPoint Energy Minnesota Gas, a Division of CenterPoint Energy Resources Corp., for Authority to Increase Natural Gas Rates in Minnesota

ISSUE DATE: December 21, 2005

DOCKET NO. G-008/GR-05-1380

ORDER ACCEPTING FILING AND SUSPENDING RATES

PROCEDURAL HISTORY

On November 2, 2005, CenterPoint Energy Minnesota Gas, a division of CenterPoint Energy Resources Corp. (CenterPoint) filed a petition to increase the amount it charges for natural gas service. CenterPoint seeks to increase revenues by approximately \$40.9 million, or 2.4%. If the Commission suspends the rate increase in order to conduct an evidentiary hearing, CenterPoint asks that the Commission authorize an interim rate increase of 2.07 % until the case is resolved.

On November 3, 2005, the Commission issued a notice requesting comments on whether CenterPoint's filing complies with the requirements in Minnesota Statutes § 216B.16, Minnesota Rules parts 7825.3100 to 7825.4400 and prior Commission Orders. The Commission also requested comments on whether the matter should be referred to the Office of Administrative Hearings (OAH) for a contested case proceeding.

On November 14, 2005, the City of Brainerd asked the Commission to deny CenterPoint's request for an interim rate increase.

On November 18, 2005, the Minnesota Department of Commerce (the Department) filed comments. Based on its review of CenterPoint's petition and on CenterPoint's commitment to file certain additional information, the Department recommends that the Commission accept CenterPoint's filing as complete and refer this matter to the OAH for a contested case proceeding.

On November 21, 2005, CenterPoint filed the supplemental information requested by the Department.

By December 14, 2005, the Commission had received requests for permission to intervene from the Energy CENTS Coalition, a not-for-profit advocacy group; the Legal Services Advocacy Project, another not-for-profit advocacy group; and the Residential and Small Business Utilities Division of Minnesota's Office of Attorney General (RUD-OAG). The Commission had also received a request for participant status from Cornerstone Energy, a natural gas marketer.

This matter came before the Commission on December 15, 2005.

FINDINGS AND CONCLUSIONS

I. ACCEPTANCE OF FILING

Having examined the filing and having considered the comments of the Department and the responses of CenterPoint, the Commission finds that the filing substantially complies with the statute (Minnesota Statutes § 216B.16), applicable rules (Minnesota Rules, parts 7825.3100 to 7825.4600) and Commission Orders. This is a finding as to form only; it implies no judgment on the merits of the application.

II. SUSPENSION OF RATES

Under Minnesota Statutes § 216B.16 the rates proposed by CenterPoint become effective 60 days from filing 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 therefore suspend the operation of the proposed rate schedule under Minnesota Statutes § 216B.16, subdivision 2.

By separate Order the Commission has found that contested case proceedings are necessary for adequate examination of the merits of the proposed rate change.¹ Rates will remain suspended until the conclusion of those proceedings.

The Commission will establish interim rates for the suspension period, under Minnesota Statutes § 216B.16, subdivision 3, by separate Order.²

ORDER

1. CenterPoint's petition is accepted as being in proper form and substantially complete as of November 2, 2005.
2. The operation of the proposed rate schedule is hereby suspended under Minnesota Statutes § 216B.16, subdivision 2, until the Commission has issued a final determination in this case.

¹ NOTICE AND ORDER FOR HEARING, this docket.

² ORDER SETTING INTERIM RATES, this docket.

3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

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