

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

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Chair

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Commissioner

Phyllis Reha

Commissioner

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In the Matter of a Request by Minnesota Energy Resources Corporation for Approval of Property Transfers

The above entitled matter has been considered by the Commission and the following disposition made:

Approved MERC's sale of the Rochester property.

Approved the purchase and/or building of a new office/warehouse facility in Rochester and the termination of the related leases.

Approved the building of the new office/warehouse facility in Worthington and the termination of the related leases.

MERC shall record the gain on the sale of the Rochester facility in Account 108, Accumulated Provision for Depreciation of Gas Utility Plant.

MERC is invited to identify its claimed savings related to the gain in efficiency in the work

force, the reduction of redundant expenses, and the reduction of building maintenance expense risk in its reply comments.

MERC shall address the issue of adequate staffing level of technicians and response times in their service quality reports through 2009.

The Commission agrees with and adopts the recommendations of the Department of Commerce which are attached and hereby incorporated in the Order.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary

(S E A L)

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