Minnesota Energy Resources Corporation
2685 145th Street West
Rosemount, MN 55068
www.minnesotaenergyresources.com

November 1, 2022

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101-2147

VIA ELECTRONIC FILING

Re: In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota
Docket No. G011/GR-22-504

Dear Mr. Seuffert:

Enclosed for filing is the Application of Minnesota Energy Resources Corporation ("MERC" or the "Company") for Authority to Increase Rates for Natural Gas Service in Minnesota (the "Application"). This Application is being filed with the Minnesota Public Utilities Commission (the "Commission") pursuant to Minn. Stat. § 216B.16, subd. 1.

MERC seeks authority to increase rates to reflect the current cost of providing natural gas service to the Company's customers, including an appropriate return on common equity. Pursuant to Section 216B.16, subdivision 1, MERC requests a final increase in natural gas rates of $40,322,302 or 9.91 percent effective January 1, 2023, without suspension. If the Commission elects to suspend the proposed rate increase under Minn. Stat. § 216B.16. subd. 2, the Company requests, pursuant to Minn. Stat. § 216B.16, subd.3, that an interim rate increase of $36,973,887 or 9.08 percent be effective on January 1, 2023, with final rates becoming effective within ten months of the date of the Application.

MERC's Application is presented in four volumes as described below:

Volume	Contents
Volume 1	Cover Letter Index of Not-Public Information Table of Contents Notice of Change in Rates Summary of Filing Certificate of Service and Service List Filing Requirements Compliance Table Proposed Notices to Counties and Municipalities List of Counties and Municipalities Notice and Petition for Interim Rates Interim Rate Petition Schedules Agreement and Undertaking Certification Proposed Notices to Customers Interim Tariff Sheets – Redlined Interim Tariff Sheets – Clean
Volume 2	Testimony & Schedules Proposed Final Rate Tariffs (Clean and Redlined)
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Pursuant to Minn. R. 7825.2700, subp. 2, MERC has also submitted a separate miscellaneous rate change filing seeking to restate the Base Cost of Gas for interim rates in Docket No. G011/MR-22-505.

A copy of the Application has been served on the Minnesota Department of Commerce, Division of Energy Resources (the “Department”) and the Minnesota Office of the Attorney General – Residential Utilities Division (the “OAG”), and a Summary of Filing has been served on all parties on the general service list for MERC’s natural gas filings and on the service list in MERC’s last natural gas rate case proceeding (Docket No. G011/GR-17-563).

Please note that certain portions of the enclosed documents and exhibits contain non-public information. Relevant pages containing not-public information are designated as such.

Attachment A to this letter summarizes the documents and exhibits that have been designated as not-public and the justification for that designation. MERC has identified the trade secret and other not-public information pursuant to Minn. R. 7829.0500.

Thank you for your attention to this matter. MERC looks forward to working with the Commission, the Department, the OAG, and other stakeholders as they review the Company's Application. Please contact Rich Stasik at richard.stasik@wecenergygroup.com or (414) 221-3685 or Joylyn Hoffman-Malueg at joylyn.hoffmanmalueg@wecenergygroup.com or (414) 221-4208 with any questions regarding the Application.

Sincerely yours,

Nicholas Krzeminski

Nicholas J. Krzeminski
Vice President
Minnesota Energy Resources Corporation

Enclosures
cc: Service List

Attachment A - Index of Not-Public Information Contained in Filing

Item/Location	Justification
Direct Testimony of Joseph L. Zgonc, Exhibit __ (JLZ-D), Schedule 41, Volume 2	The compensation planning information is designated as Trade Secret information as defined by Minn. Stat. § 13.37, subd. 1(b), in that this information has not been publicly released. It also derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
Direct Testimony of Ann E. Bulkley, Exhibit ___ (AEB-D), Schedule 13, Volume 2	This information is trade secret information as defined by Minn. Stat. §13.37, subd. 1(b) in that this information was purchased from a third party and derives independent economic value from not being publicly released to, generally known to, or readily ascertainable by others who could obtain financial advantage from its use, and is therefore maintained as a trade secret.
Direct Testimony of Jared J. Peccarelli, Exhibit ___ (JJP-D), Schedule 1, Volume 2	The information marked as non-public includes customer data and is designated as trade secret, as defined by Minn. Stat. § 13.37, subd. 1(b). Specific customer data (including the name, address, or related usage) consists of “private data on individuals” and “confidential customer data” as recognized under the Minnesota Data Practices Act. As such, any unique information that can identify an individual customer is maintained by the Company as not public data and protected from public disclosure.

Item/Location	Justification
Informational Requirement 9, Page 1, Volume 3	The information marked as non-public includes customer data and is designated as trade secret, as defined by Minn. Stat. § 13.37, subd. 1(b). Specific customer data (including the name, address, or related usage) consists of "private data on individuals" and "confidential customer data" as recognized under the Minnesota Data Practices Act. As such, any unique information that can identify an individual customer is maintained by the Company as not public data and protected from public disclosure.
Informational Requirement 14, Page 1, Volume 3	The salary information of individuals is private data on individuals, as defined in Minn. Stat. §13.02, subdivision 12. This salary information is also trade secret information as defined by Minn. Stat. §13.37, subd. 1(b) in that this information is not publicly available and derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who could obtain economic value from its disclosure or use. In accordance with Minn. Stat. §216B.16, subd. 17, MERC did not designate the salary information of its five highest paid employees as non-public or trade secret.
Informational Requirement 16, Schedules 1-5, Volume 3	This document contains proprietary and forward-looking financial information designated as Trade Secret information as defined by Minn. Stat. § 13.37, subd. 1(b) in that this information has not been publicly released. This information is also trade secret information as defined by Minn. Stat. §13.37, subd. 1(b) in that this information derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons

Item/Location	Justification
	who could obtain economic value from its disclosure or use.
Joseph L. Zgonc Workpapers, Rate of Return and Cost of Capital Workpaper, Volume 4	These workpapers contain proprietary and forward-looking financial information designated as Trade Secret information as defined by Minn. Stat. § 13.37, subd. 1(b) in that this information has not been publicly released. This information is also trade secret information as defined by Minn. Stat. §13.37, subd. 1(b) in that this information derives independent economic value from not being generally known to, and not being readily ascertainable by proper means by, other persons who could obtain economic value from its disclosure or use.
Joseph L. Zgonc Workpapers, Balance Sheet, Income Statement, Plant, Volume 4	The information marked as non-public includes customer data and is designated as trade secret, as defined by Minn. Stat. § 13.37, subd. 1(b). Specific customer data (including the name, address, or related usage) consists of “private data on individuals” and “confidential customer data” as recognized under the Minnesota Data Practices Act. As such, any unique information that can identify an individual customer is maintained by the Company as not public data and protected from public disclosure.
Ann E. Bulkley Workpapers, Workpaper 5, Volume 4	This document has been designated as non-public in its entirety, as it contains information considered to be Trade Secret as defined by Minn. Stat. § 13.37, subd. 1(b). Nature of the Material: Key adjustment clauses of large U.S. electric and gas utilities prepared by a third party Author: S&P Global Market Intelligence General Import: The information contained in this document represents key adjustment clauses used by some of the

Item/Location	Justification
	largest electric and gas utilities in the United States. This information was purchased from a third party and derives independent economic value from not being publicly released to, generally known to, or readily ascertainable by others who could obtain financial advantage from its use, and is therefore maintained as a trade secret. Date Prepared: July 18, 2022

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G011/GR-22-504

November 1, 2022

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Before the Minnesota Public Utilities Commission
State of Minnesota

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

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Docket No. G011/GR-22-504

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STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G011/GR-22-504

NOTICE OF CHANGE IN RATES

A. Introduction.

Minnesota Energy Resources Corporation ("MERC" or the "Company"), seeks authority from the Minnesota Public Utilities Commission (the "Commission") to increase the rates for natural gas service provided to retail customers in Minnesota. Pursuant to Minn. Stat. § 216B.16, subd. 1, MERC requests a rate increase of $40,322,302 or 9.91 percent effective January 1, 2023, without suspension. MERC has determined that it will incur an interim revenue deficiency of $37,811,382 or 9.29 percent. If the Commission elects to suspend the proposed rate increase under Minn. Stat. § 216B.16, subd. 2, MERC requests, pursuant to Minn. Stat. § 216B.16, subd. 3, that an interim rate increase of $36,973,887 or 9.08 percent be effective on January 1, 2023, with final rates becoming effective within ten months of the date of the Application.

This Application includes the following information in accordance with Minnesota statutes and rules:

B. Notice and Proposal Regarding General Rate Change (Minn. R. 7825.3200A(1) and 7825.3500)

1. Name, address, and telephone number of utility.

Minnesota Energy Resources Corporation
2685 145th Street W
Rosemount, MN 55068

2. Name, address, and telephone number of attorneys for the utility.

Kristin M. Stastny
Elizabeth M. Brama
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
(612) 977-8656
(612) 977-8624

Catherine Phillips
WEC Energy Group, Inc.
231 W Michigan Street
Milwaukee, WI 53203
414-221-3479

3. Date of filing and date modified rates are to be effective.

The date of this filing is November 1, 2022. Pursuant to Minn. Stat. § 216B.16, subd. 1, MERC proposes and requests that the requested natural gas rates become effective January 1, 2023, approximately 60 days after filing, without suspension.[1] A schedule of rates and tariffs, reflecting the revenue increase requested and the proposed rate design described in the attached documents is included with the Application.

If the Commission suspends the proposed natural gas rates pursuant to Minn. Stat. § 216B.16, subd. 2, then, pursuant to Minn. Stat. § 216B.16, subd. 3, MERC requests that the Commission approve the interim natural gas rates proposed in the Petition for Interim Rates, which is filed as part of this Application, effective January 1, 2023, with final rates effective within ten months of the date of this Application.

4. Description and purpose of the change in rates requested.

The Application for a change in rates applies to all of MERC's retail natural gas customers in the State of Minnesota, and the proposed rates are designed to produce additional revenues sufficient to meet MERC's cost of service for the test year ending December 31, 2023. This

[1] Although Minn. Stat. § 216B.16, subd. 3 requires the Commission to approve interim rates no later than 60 days after the initial filing date, MERC waives its right, under the statute, to have interim rates in effect not later than 60 days after the initial filing for the purpose of placing interim rates in effect on January 1, 2023. MERC's customers would not be harmed by granting the Company's request. *See In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G007,011/GR-08-835, ORDER SETTING INTERIM RATES (Sept. 25, 2008).

filing complies with the provisions of Minn. Stat. § 216B.16 and the Commission's rules governing rate changes.

5. Effect of the change in rates.

The effect on the Company's natural gas rates will be an increase in gross revenues for the test year of $40,322,302, or an approximate increase of 9.91 percent above the test year gross revenues. The typical residential gas customer served by MERC uses 852 therms per year. On average, the proposed rate change would increase the bill for a typical residential gas customer by $8.28 per month or $99.33 annually, or 9.04 percent.

If the requested rates are suspended, the interim rates would increase the bill for a typical residential gas customer by $7.06 per month or $84.77 annually, or 7.71 percent.

6. Signature and title of utility officer authorizing the proposal.

The Application is signed on behalf of MERC by Nicholas J. Krzeminski, Vice President of MERC.

C. Modified rates.
(Minn. R. 7825.3200A(2) and 7825.3600)

Included in this Application are rate schedules containing the proposed changed rates and tariffs. These schedules and tariffs are supported by the pre-filed Direct Testimony of Joylyn C. Hoffman Malueg, and are included in Volume 2 of this Application.

D. Expert opinions and supporting documents.
(Minn. R. 7825.3200A(3) and 7825.3700)

Included in this Application are statements of fact, expert opinions, substantiating documents and exhibits supporting the change in retail natural gas rates. Pursuant to Minn. R. 7825.3700, Mr. Richard F. Stasik provides Direct Testimony as MERC's designated official in support of the Application. A list of MERC's other witnesses is provided in Mr. Stasik's Direct Testimony, which is included in Volume 2 of the Application.

E. Information requirements.
(Minn. R. 7825.3200A(4) and 7825.3800 – 7825.4400)

Included in this Application in Volume 2 are the Direct Testimonies of MERC's witnesses and proposed tariffs, which along with Volumes 3 and 4, represent MERC's supporting documentation and contain the information in support of a general rate increase required by Minn. R. 7825.3800 through Minn. R. 7825.4400.

Data is provided for the 2021 historical year, the 2022 projected year, and the proposed test year ending December 31, 2023.

F. Methods and procedures for refunding.
(Minn. R. 7825.3200A(5) and 7825.3300)

Included with this Application is an "Agreement and Undertaking" signed and verified by Nicholas J. Krzeminski, Vice President of MERC.

G. Notice to municipalities and counties.
(Minn. Stat. § 216B.16, subd. 1, Minn. R. 7829.2400, subp. 3)

Pursuant to Minn. Stat. § 216B.16, subd. 1 and Minn. R. 7829.2400, subp. 3, MERC proposes to mail the Proposed Notice to Counties and Municipalities included with the Application to all municipalities and counties in MERC's natural gas service territory. This notice includes a discussion of the proposed interim rates, as well as information regarding the general natural gas rate case filing. The representation of present, interim, and proposed rates on this notice reflects the approach described in the Company's response to Part B.5 above. MERC requests Commission approval of the notice so it may be mailed in a timely fashion.

H. Customer notice.
(Minn. R. 7829.2400, subp. 3)

MERC will notify customers through a bill insert of its Application to increase retail natural gas rates and explain the proposed general rate increase. If MERC's requested retail natural gas rate increase is suspended, MERC will also explain the impact of its interim rates on customer bills in the same bill insert.

Included in this Application is an example of MERC's proposed notice of its rate increase. MERC requests approval of the customer notice so it can be included prior to or with the first bills issued with interim rates.

I. <u>Filing requiring determination of gross revenue requirement</u>. <u>(Minn. R. 7829.2400)</u>

Pursuant to Minn. R. 7829.2400, MERC is submitting the following information in addition to that required by Minn. R. 7825.3100 – 7825.4600.

1. Summary.

A summary of the Application is attached to this Notice.

2. Service; proof of service.

MERC has served copies of this Application on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota Office of the Attorney General – Residential Utilities Division. MERC will serve a copy of the Summary of Filing on the other parties on the general service list for MERC's natural gas filings and on the service list in MERC's last natural gas rate case proceeding (Docket No. G011/GR-17-563). The combined service list for these proceedings and a certificate of service are attached.

3. Notice to public and governing bodies.

See Sections G. and H., above. In addition, MERC will publish a notice of the proposed change in newspapers of general circulation in all county seats in MERC's Minnesota natural gas service territory, in accordance with Minn. R. 7829.2400, subp. 3.

4. Notice of hearing.

MERC will notify ratepayers of hearings held in connection with this Application as directed by the Commission. MERC will also publish notice of the hearings in newspapers of general circulation in all county seats in MERC's natural gas service area, as directed by the Commission.

J. <u>Service list.</u>

Pursuant to Minn. R. 7829.0700, MERC requests the following persons representing MERC be placed on the Commission's official service list for this proceeding:

Kristin M. Stastny
Elizabeth M. Brama
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
kstastny@taftlaw.com
ebrama@taftlaw.com

Richard F. Stasik
Minnesota Energy Resources Corporation
231 W Michigan Street
Milwaukee, WI 53203
Richard.stasik@wecenergygroup.com

Joylyn C. Hoffman Malueg
WEC Business Support
231 W Michigan Street
Milwaukee, WI 53203
Joylyn.hoffmanmalueg@wecenergygroup.com

Catherine Phillips
WEC Energy Group, Inc.
231 W Michigan Street
Milwaukee, WI 53203
Catherine.phillips@wecenergygroup.com

K. **Conclusion.**

MERC respectfully requests consideration and acceptance of its Application.

Dated: October 31, 2022

Respectfully submitted,

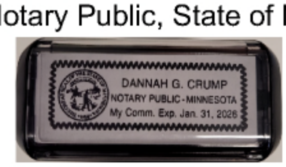
Nick Krzeminski

Nicholas J. Krzeminski
Minnesota Energy Resources Corporation
2685 145th Street W
Rosemount, MN 55068

Subscribed and sworn to before me
this 31st day of October, 2022.

Dannah Crump

Notary Public, State of Minnesota



Online Notary Public. This notarial act involved the use of online audio/video communication technology.

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G011/GR-22-504

SUMMARY OF FILING

On November 1, 2022, Minnesota Energy Resources Corporation ("MERC" or the "Company"), filed with the Minnesota Public Utilities Commission (the "Commission") an application to increase retail gas rates in the State of Minnesota (the "Application"). Pursuant to Minn. Stat. § 216B.16, subd. 1, MERC requests a rate increase of $40,322,302 or 9.91 percent, effective January 1, 2023, without suspension. MERC has determined that it will incur an interim revenue deficiency of $37,811,382 or 9.29 percent. If the Commission elects to suspend the proposed rate increase under Minn. Stat. § 216B.16, subd. 2, the Company requests, pursuant to Minn. Stat. § 216B.16, subd. 3, that an interim rate increase of $36,973,887 or 9.08 percent be effective on January 1, 2023, with final rates becoming effective within ten months of the date of the Application.

On average, the proposed rate change would increase the bill for a typical residential gas customer by $8.28 per month or $99.33 annually. If the requested rates are suspended, the interim rates would increase the bill for a typical residential gas customer by $7.06 per month or $84.77 annually.

The proposed rate schedules and a comparison of present and proposed rates are available at www.minnesotaenergyresources.com and can also be examined during normal business hours at the Minnesota Department of Commerce, 85 7th Place East, Suite 500, St. Paul, MN 55101. Additionally, this filing is available through the eDockets system maintained by the Minnesota Department of Commerce and the Commission. You can access this document by going to eDockets through the websites of the Department of Commerce or the Commission or by going to the eDockets homepage at https://www.edockets.state.mn.us/ by searching Docket Number G011/GR-22-504.

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G011/GR-22-504

CERTIFICATE OF SERVICE

I, Kristin M. Stastny, hereby certify that on the 1st day of November, 2022, on behalf of Minnesota Energy Resources Corporation ("MERC"), I electronically filed a true and correct copy of MERC's Application for Authority to Increase Rates for Natural Gas Service in Minnesota on www.edockets.state.mn.us. This filing served electronically via eDockets on the Minnesota Department of Commerce, Division of Energy Resources and the Minnesota Office of the Attorney General – Residential Utilities Division. A summary of the filing was provided via electronic service or United States first class mail as designated on the attached service list.

Dated this 1st day of November, 2022.

/s/ Kristin M. Stastny
Kristin M. Stastny

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	OFF_SL_22-504_GR-22-504
Michael J	Auger	Michael.auger@ever-greenenergy.com	Ever-Green Energy	305 Saint Peter St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_22-504_GR-22-504
Jessica L	Bayles	Jessica.Bayles@stoel.com	Stoel Rives LLP	1150 18th St NW Ste 325 Washington, DC 20036	Electronic Service	No	OFF_SL_22-504_GR-22-504
James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Cody	Black	cblack@peoplesenergy.coop	People's Energy Cooperative	1775 Lake Shady Ave S Oronoco, MN 55960	Electronic Service	No	OFF_SL_22-504_GR-22-504
Elizabeth	Brama	ebrama@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 South 8th Street Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Kathleen M.	Brennan	kmb@mcgrannshea.com	McGrann Shea Carnival, Straughn & Lamb, Chartered	800 Nicollet Mall Ste 2600 Minneapolis, MN 554027035	Electronic Service	No	OFF_SL_22-504_GR-22-504
James	Canaday	james.canaday@ag.state.mn.us	Office of the Attorney General-RUD	Suite 1400 445 Minnesota St. St. Paul, MN 55101	Electronic Service	No	OFF_SL_22-504_GR-22-504
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_22-504_GR-22-504
Riley	Conlin	riley.conlin@stoel.com	Stoel Rives LLP	33 S. 6th Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_22-504_GR-22-504
Ian M.	Dobson	ian.m.dobson@xcelenergy.com	Xcel Energy	414 Nicollet Mall, 401-8 Minneapolis, MN 55401	Electronic Service	No	OFF_SL_22-504_GR-22-504
Richard	Eichstadt	richard.eichstadt@poet.com	Poet Biorefining - Preston	701 Industrial Dr N PO Box 440 Preston, MN 55965	Electronic Service	No	OFF_SL_22-504_GR-22-504
Darcy	Fabrizius	Darcy.fabrizius@constellation.com	Constellation Energy	N21 W23340 Ridgeview Pkwy Waukesha, WI 53188	Paper Service	No	OFF_SL_22-504_GR-22-504
Catherine	Fair	catherine@energycents.org	Energy CENTS Coalition	823 E 7th St St Paul, MN 55106	Electronic Service	No	OFF_SL_22-504_GR-22-504
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	Yes	OFF_SL_22-504_GR-22-504
Daryll	Fuentes	energy@usg.com	USG Corporation	550 W Adams St Chicago, IL 60661	Electronic Service	No	OFF_SL_22-504_GR-22-504
David P.	Geschwind	dp.geschwind@smmpa.org	Southern Minnesota Municipal Power Agency	500 First Avenue SW Rochester, MN 55902	Electronic Service	No	OFF_SL_22-504_GR-22-504
Ana	Gonzalez	Ana.Gonzalez@usc.salvationarmy.org	Heat Share - Salvation Army	2445 Prior Ave Roseville, MN 55113	Electronic Service	No	OFF_SL_22-504_GR-22-504
Annete	Henkel	mui@mnutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St.Paul, MN 55101	Electronic Service	No	OFF_SL_22-504_GR-22-504

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Michael	Krikava	mkrikava@taftlaw.com	Taft Stettinius & Hollister LLP	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
David	Kyto	djkyto@integrysgroup.com	Integrys Business Support	700 North Adams PO Box 19001 Green Bay, WI 543079001	Electronic Service	No	OFF_SL_22-504_GR-22-504
Carmel	Laney	carmel.laney@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Eric	Lipman	eric.lipman@state.mn.us	Office of Administrative Hearings	PO Box 64620 St. Paul, MN 551640620	Electronic Service	No	OFF_SL_22-504_GR-22-504
Michael	Loeffler	mike.loeffler@nngco.com	Northern Natural Gas Co.	CORP HQ, 714 1111 So. 103rd Street Omaha, NE 681241000	Electronic Service	No	OFF_SL_22-504_GR-22-504
Brian	Meloy	brian.meloy@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Joseph	Meyer	joseph.meyer@ag.state.mn.us	Office of the Attorney General-RUD	Bremer Tower, Suite 1400 445 Minnesota Street St Paul, MN 55101-2131	Electronic Service	No	OFF_SL_22-504_GR-22-504

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Catherine	Phillips	Catherine.Phillips@wecenergygroup.com	Minnesota Energy Resources	231 West Michigan St Milwaukee, WI 53203	Electronic Service	No	OFF_SL_22-504_GR-22-504
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_22-504_GR-22-504
Jeff	Sande		Bemidji State University	Box 1 Deputy Hall 1500 Birchmont Drive Bemidji, MN 566012699	Paper Service	No	OFF_SL_22-504_GR-22-504
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	OFF_SL_22-504_GR-22-504
Elizabeth	Schmiesing	eschmiesing@winthrop.com	Winthrop & Weinstine, P.A.	225 South Sixth Street Suite 3500 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-504_GR-22-504
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_22-504_GR-22-504
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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Minnesota Rules, Part		
7825.3200	**Notice of Change in Rates. A utility filing for a change in rates shall serve notice to the commission at least 90 days prior to the proposed effective date of the modified rates. Such notice shall include the items prescribed below for:**	Notice of Change in Rates, Volume 1
(A)	A. general rate changes: (1) proposal for change in rates as prescribed in part 7825.3500; (2) modified rates as prescribed in part 7825.3600; (3) expert opinions and supporting exhibits as prescribed in part 7825.3700; (4) informational requirements as prescribed in parts 7825.3800 to 7825.4400; and (5) statement indicating the method of insuring the payment of refunds as prescribed in part 7825.3300	Notice of Change in Rates, Volume 1, and see below for reference to parts 7825.3600, 7825.3700, 7825.3800-4400, and 7825.3300
7825.3300	**Insure payment of refunds under either of the following methods: file with the commission a bond, signed by an authorized official of the utility, in an amount and with sureties approved by the commission; or file an unqualified agreement, signed by an authorized official of the utility, to refund to the customers or credit to customers' accounts within 90 days from the effective date of the commission order any portion of the increase in rates determined to be unreasonable together with interest at the average prime interest rate computed from the effective date of the proposed rates through the date of refund or credit.**	Agreement and Undertaking, Volume 1
7825.3500	**The utility's proposal for a change in rates shall summarize the notice of change in rates and shall include the following information:**	
(A)	Name, address, and telephone number of the utility without abbreviation and the name and address and telephone number of the attorney for the utility, if there be one;	Notice of Change in Rates, Volume 1
(B)	Date of filing and date modified rates are effective;	Notice of Change in Rates, Volume 1
(C)	Description and purpose of the change in rates requested;	Notice of Change in Rates, Volume 1
(D)	Effect of the change in rates expressed in gross revenue dollars and as a percentage of test year gross revenue; and	Notice of Change in Rates, Volume 1
(E)	Signature and title of utility officer authorizing the proposal.	Notice of Change in Rates, Volume 1
7825.3600	**Revised or new pages to the rate book previously filed with the commission and identifying those pages which were not changed. Each revised or new page of the rate book shall contain the information required for each page of the rate book and shall be in a format consistent with the currently filed rate book. In addition, each revised page shall contain the revision number and the page number of the revised page.**	Redline and Clean Final Tariff Sheets, Volume 2
7825.3700	**Expert opinions and supporting exhibits shall include written statements, in question and answer format, together with supporting exhibits of utility personnel and other expert witnesses as deemed appropriate by the utility in support of the proposal. At a minimum, expert opinions shall include a statement by the chief executive officer or other designated official in support of the proposal.**	Testimony and Schedules of MERC's Nine Witnesses, Volume 2; Certification signed by MERC's Vice President Supporting the Proposal, Volume 1
7825.3900	**A jurisdictional financial summary schedule as required by part 7825.3800 shall be filed showing:**	
(A)	the proposed rate base, operating income, overall rate of return, and the calculation of income requirements, income deficiency, and revenue requirements for the test year;	Informational Requirement Document 1, Volume 3

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
(B)	the actual unadjusted average rate base consisting of the same components as the proposed rate base, unadjusted operating income, overall rate of return, and the calculation of income requirements, income deficiency, and revenue requirements for the most recent fiscal year; and	Informational Requirement Documents 1, 2, 3, 4, 5, 6, and 7, Volume 3
(C)	the projected unadjusted average rate base consisting of the same components as the proposed rate base, unadjusted operating income under present rates, overall rate of return, and the calculation of income requirements, income deficiency, and revenue requirements for the projected fiscal year.	Informational Requirement Documents 1, 2, 3, 4, 5, 6, and 7, Volume 3
7825.4000	**The following rate base schedules as required by part 7825.3800 shall be filed:**	
(A)	A rate base summary schedule by major rate base component (e.g. plant in service, construction work in progress, and plant held for future use) showing the proposed rate base, the unadjusted average rate base for the most recent fiscal year and unadjusted average rate base for the projected fiscal year. The totals for this schedule shall agree with the rate base amounts included in the financial summary.	Informational Requirement Documents 2, 3, and 4, Volume 3
(B)	A comparison of total utility and Minnesota jurisdictional rate base amounts by detailed rate base component showing:	Informational Requirement Documents 2, 3, and 4, Volume 3
(1)	total utility and the proposed jurisdictional rate base amounts for the test year including the adjustments, if any, used in determining the proposed rate base;	Informational Requirement Documents 2, 3, and 4, Volume 3
(2)	the unadjusted average total utility and jurisdictional rate base amounts for the most recent fiscal year and the projected fiscal year.	Informational Requirement Documents 2, 3, and 4, Volume 3
(C)	Adjustment schedules, if any, showing the title, purpose, and description and the summary calculations of each adjustment used in determining the proposed jurisdictional rate base.	Informational Requirement Documents 2, 3, and 4, Volume 3
(D)	A summary by rate base component of the assumptions made and the approaches used in determining average unadjusted rate base for the projected fiscal year. Such assumptions and approaches shall be identified and quantified into two categories: known changes from the most recent fiscal year and projected changes.	Informational Requirement Documents 3 and 4, Volume 3
(E)	For multijurisdictional utilities only, a summary by rate base component of the jurisdictional allocation factors used in allocating the total utility rate base amounts to the Minnesota jurisdiction. This summary shall be supported by a schedule showing for each allocation factor the total utility and jurisdictional statistics used in determining the proposed rate base and the Minnesota jurisdictional rate base for the most recent fiscal year and the projected fiscal year.	Informational Requirement Documents 2, 4, and 9, Volume 3
7825.4100	**The following operating income schedules as required by part 7825.3800 shall be filed:**	
(A)	A summary schedule of jurisdictional operating income statements which reflect proposed test year operating income, and unadjusted jurisdictional operating income for the most recent fiscal year and the projected fiscal year calculated using present rates.	Informational Requirement Documents 5, 6, 7, and 10, Volume 3
(B)	For multijurisdictional utilities only, a schedule showing the comparison of total utility and unadjusted jurisdictional operating income statement for the test year, for the most recent fiscal year and the projected fiscal year. In addition, the schedule shall provide the proposed adjustments, if any, to jurisdictional operating income for the test year together with the proposed operating income statement.	Informational Requirement Documents 5, 6, and 7, Volume 3
(C)	For investor-owned utilities only, a summary schedule showing the computation of total utility and allocated Minnesota jurisdictional federal and state income tax expense and deferred income taxes for the test year, the most recent fiscal year, and the projected fiscal rear. This summary schedule shall be supported by a detailed schedule, showing the development of the combined federal and state income tax rates.	Informational Requirement Document 8, Volume 3

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
(D)	A summary schedule of adjustments, if any, to jurisdictional test year operating income and detailed schedules for each adjustment providing an adjustment title, purpose and description of the adjustment, and summary calculations.	Informational Requirement Documents 5, 6, and 7, Volume 3
(E)	A schedule summarizing the assumptions made and the approaches used in projecting each major element of operating income. Such assumptions and approaches shall be identified and quantified into two categories: known changes from the most recent fiscal year and projected changes.	Informational Requirement Documents 5 and 6, Volume 3
(F)	For multijurisdictional utilities only, a schedule providing, by operating income element, the factor or factors used in allocating total utility operating income to Minnesota jurisdiction. This schedule shall be supported by a schedule that sets forth the statistics used in determining each jurisdictional allocation factor for the test year, the most recent fiscal year, and the projected fiscal year.	Informational Requirement Documents 5, 7, and 9, Volume 3
7825.4200	**The following rate of return cost of capital schedules as required by part 7825.3800 shall be filed:**	
(A)	A rate of return cost of capital summary schedule showing the calculation of the weighted cost of capital using the proposed capital structure and the average capital structures for the most recent fiscal year and the projected fiscal year. This information shall be provided for the unconsolidated parent and subsidiary corporations, or for the consolidated parent corporation.	Joseph Zgonc Testimony, Exhibit__ (JLZ-D), Schedule 40, Volume 2; Informational Requirement Document 16, Volume 3.
(B)	Supporting schedules showing the calculation of the embedded cost of long-term debt, if any, and the embedded cost of preferred stock, if any, at the end of the most recent fiscal year and the projected fiscal year.	Joseph Zgonc Testimony, Exhibit__ (JLZ-D), Schedule 40, Volume 2
(C)	Schedule showing average short-term securities for the proposed test year, most recent fiscal year, and the projected fiscal year.	Joseph Zgonc Testimony, Exhibit__ (JLZ-D), Schedule 40, Volume 2
7825.4300	**The following rate structure and design information as required by part 7825.3800 shall be filed:**	
(A)	A summary comparison of test year operating revenue under present and proposed rates by customer class of service showing the difference in revenue and the percentage change.	Joylyn Hoffman Malueg Testimony, Exhibit __ (JCHM-D), Schedule 2 Summary, Volume 2
(B)	A detailed comparison of test year operating revenue under present and proposed rates by type of charge including minimum, demand, energy by block, gross receipts, automatic adjustments, and other charge categories within each rate schedule and within each customer class of service.	Joylyn Hoffman Malueg Testimony, Exhibit __ (JCHM-D), Schedule 2, Volume 2
(C)	A cost-of-service study by customer class of service, by geographic area, or other categorization as deemed appropriate for the change in rates requested, showing revenues, costs, and profitability for each class of service, geographic area, or other appropriate category, identifying the procedures and underlying rationale for cost and revenue allocations. Such study is appropriate whenever the utility proposes a change in rates which results in a material change in its rate structure.	Patrick Sullivan Testimony, Volume 2 Informational Requirement Document 12, Volume 3
7825.4400	**The following supplemental information as required by part 7825.3800 shall be filed:**	

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
(A)	Annual report to stockholders or members including financial statements and statistical supplements for the most recent fiscal year. If a utility is not audited by an independent public accountant, unaudited financial statements will satisfy this filing requirement.	Informational Requirement Document 11, Volume 3
(B)	For investor-owned utilities only, a schedule showing the development of the gross revenue conversion factor.	Informational Requirement Document 1, Volume 3
(C)	For cooperatives only, REA Form 7, Financial and Statistical Report for the last month of the most recent fiscal year.	Not Applicable
(D)	For cooperatives only. REA Form 7A, Annual Supplement to Financial and Statistical Report.	Not Applicable
(E)	For REA cooperatives only, REA Form 325, Financial Forecast.	Not Applicable
7825.2700	**New Base Cost of Gas**	
Subpart 2	A new base cost of gas must be submitted as a miscellaneous rate change to coincide with the implementation of interim rates during a general rate proceeding. A new base gas cost must also be part of the rate design compliance filing submitted as a result of a general rate proceeding. The base gas cost must separately state the commodity base cost and the demand base cost components for each class. The base gas cost for each class is determined by dividing the estimated base period cost of purchased gas for each class by the estimated base period annual sales volume for each class.	In the Matter of the Petition of Minnesota Energy Resources Corporation for Approval of a New Base Cost of Gas for Interim Rates, Docket No. G011/MR-22-505 (Filed November 1, 2022)
7829.2400	**Filing requiring determination of gross revenue.**	
Subpart 1	A utility filing a general rate case or other filing that requires determination of its gross revenue requirement shall include, on a separate page, a brief summary of the filing, sufficient to apprise potentially interested parties of its nature and general content.	Summary of Filing, Volume 1
Subpart 2	A utility filing a general rate change request shall serve copies of the filing on the department and Office of the Attorney General. The utility shall serve the filing or the summary described in subpart 1 on the persons on the applicable general service list and persons who were parties to its last general rate case or incentive plan proceeding.	Certificate of Service, Volume 1
Subpart 3	A utility seeking a general rate change shall give notice of the proposed change to the governing body of each municipality and county in its service area and to its ratepayers. The utility shall also publish notice of the proposed change in newspapers of general circulation in all county seats in its service area.	Proposed Notices, Volume 1
Minn. Stat. § 216B.16	**Rate Change, Procedure, Hearing**	

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Subd. 1	Unless the commission otherwise orders, no public utility shall change a rate which has been duly established under this chapter, except upon 60 days' notice to the commission. The notice shall include statements of facts, expert opinions, substantiating documents, and exhibits, supporting the change requested, and state the change proposed to be made in the rates then in force and the time when the modified rates will go into effect. If the filing utility does not have an approved energy conservation improvement plan on file with the department, it shall also include in its notice an energy conservation plan pursuant to section 216B.241. A filing utility subject to rate regulation under section 216B.026 shall reference in its notice the energy conservation improvement plans of the generation and transmission cooperative providing energy conservation improvement programs to members of the filing utility pursuant to section 216B.241. The filing utility shall give written notice, as approved by the commission, of the proposed change to the governing body of each municipality and county in the area affected. All proposed changes shall be shown by filing new schedules or shall be plainly indicated upon schedules on file and in force at the time.	Notice of Change in Rates, Volume 1 The Company has an approved Conservation Improvement Program Plan for the period 2021-2023. See In the Matter of Minnesota Energy Resources Corporation's 2021-2023 Natural Gas Conservation Improvement Program Triennial Plan, Docket No. G011/CIP-20-479, Decision (Nov. 25, 2020). Proposed Notices, Volume 1 Redline and Clean Final Tariff Sheets, Volume 2
Subd. 3(b)	Interim rate. (b) Unless the commission finds that exigent circumstances exist, the interim rate schedule shall be calculated using the proposed test year cost of capital, rate base, and expenses, except that it shall include: (1) a rate of return on common equity for the utility equal to that authorized by the commission in the utility's most recent rate proceeding; (2) rate base or expense items the same in nature and kind as those allowed by a currently effective order of the commission in the utility's most recent rate proceeding; and (3) no change in the existing rate design. In the case of a utility which has not been subject to a prior commission determination, the commission shall base the interim rate schedule on its most recent determination concerning a similar utility.	Interim Rate Petition, Volume 1
Subd. 6a	Construction work in progress. To the extent that construction work in progress is included in the rate base, the commission shall determine in its discretion whether and to what extent the income used in determining the actual return on the public utility property shall include an allowance for funds used during construction, considering the following factors: (1) the magnitude of the construction work in progress as a percentage of the net investment rate base; (2) the impact on cash flow and the utility's capital costs; (3) the effect on consumer rates; (4) whether it confers a present benefit upon an identifiable class or classes of customers; and (5) whether it is of a short-term nature or will be imminently useful in the provision of utility service.	Not Applicable
Subd. 6b	Subd. 6b.Energy conservation improvement. (a) Except as otherwise provided in this subdivision, all investments and expenses of a public utility as defined in section 216B.241, subdivision 1, paragraph (h), incurred in connection with energy conservation improvements shall be recognized and included by the commission in the determination of just and reasonable rates as if the investments and expenses were directly made or incurred by the utility in furnishing utility service.	Joseph Zgonc Testimony at Section II, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Subd. 8	Advertising expense. (a) The commission shall disapprove the portion of any rate which makes an allowance directly or indirectly for expenses incurred by a public utility to provide a public advertisement which: (1) is designed to influence or has the effect of influencing public attitudes toward legislation or proposed legislation, or toward a rule, proposed rule, authorization or proposed authorization of the Public Utilities Commission or other agency of government responsible for regulating a public utility; (2) is designed to justify or otherwise support or defend a rate, proposed rate, practice or proposed practice of a public utility; (3) is designed primarily to promote consumption of the services of the utility; (4) is designed primarily to promote good will for the public utility or improve the utility's public image; or (5) is designed to promote the use of nuclear power or to promote a nuclear waste storage facility. (b) The commission may approve a rate which makes an allowance for expenses incurred by a public utility to disseminate information which: (1) is designed to encourage conservation of energy supplies; (2) is designed to promote safety; or (3) is designed to inform and educate customers as to financial services made available to them by the public utility. (c) The commission shall not withhold approval of a rate because it makes an allowance for expenses incurred by the utility to disseminate information about corporate affairs to its owners.	Informational Requirement Document 13, Volume 3 Joseph Zgonce Testimony at Section II.D. and Exhibit __ (JLZ-D), Schedule 31, Volume 2
Subd. 9	Charitable contribution. The commission shall allow as operating expenses only those charitable contributions that the commission deems prudent and that qualify under section 300.66, subdivision 3. Only 50 percent of the qualified contributions are allowed as operating expenses.	Informational Requirement Document 15, Volume 3 Joseph Zgonce Testimony at Section II.D and Exhibit ___ (JLZ-D), Schedule 32, Volume 2
Subd. 13.	Economic and community development. The commission may allow a public utility to recover from ratepayers the expenses incurred for economic and community development.	Joseph Zgonc Testimony at Section II.D. and Exhibit __ (JLZ-D), Schedule 34, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Subd. 17	(a) The commission may not allow as operating expenses a public utility's travel, entertainment, and related employee expenses that the commission deems unreasonable and unnecessary for the provision of utility service. In order to assist the commission in evaluating the travel, entertainment, and related employee expenses that may be allowed for ratemaking purposes, a public utility filing a general rate case petition shall include a schedule separately itemizing all travel, entertainment, and related employee expenses as specified by the commission, including but not limited to the following categories: (1) travel and lodging expenses; (2) food and beverage expenses; (3) recreational and entertainment expenses; (4) board of director-related expenses, including and separately itemizing all compensation and expense reimbursements; (5) expenses for the ten highest paid officers and employees, including and separately itemizing all compensation and expense reimbursements; (6) dues and expenses for memberships in organizations or clubs; (7) gift expenses; (8) expenses related to owned, leased, or chartered aircraft; and (9) lobbying expenses. (b) To comply with the requirements of paragraph (a), each applicable expense incurred in the most recently completed fiscal year must be itemized separately, and each itemization must include the date of the expense, the amount of the expense, the vendor name, and the business purpose of the expense. The separate itemization required by this paragraph may be provided using standard accounting reports already utilized by the utility involved in the rate case, in a written format or an electronic format that is acceptable to the commission. For expenses identified in response to paragraph (a), clauses (1) and (2), the utility shall disclose the total amounts for each expense category and provide separate itemization for those expenses incurred by or on behalf of any employee at the level of vice president or higher and for board members. The petitioning utility shall also provide a one-page summary of the total amounts for each expense category included in the petitioning utility's proposed test year. (c) Except as otherwise provided in this paragraph, data submitted to the commission under paragraph (a) are public data. The commission or an administrative law judge assigned to the case may treat the salary of one or more of the ten highest paid officers and employees, other than the five highest paid, as private data on individuals as defined in section 13.02, subdivision 12, or issue a protective order governing release of the salary, if the utility establishes that the competitive disadvantage to the utility that would result from release of the salary outweighs the public interest in access to the data. Access to the data by a government entity that is a party to the rate case must not be restricted.	Informational Requirement Document 14, Volume 3 Joseph Zgonc Testimony at Section V and Schedules 30, 33, Volume 2
Citation/Source of Requirement	**Information Required Under Commission Policy Statements**	
PolicyStatement		
Advertising	Statement that recovery is requested only for permitted advertisements. Complete samples of all advertising for which recovery is sought, including a schedule that: 1. Identifies the sample ad. 2. Categorizes the advertisement by allowable and disallowable type. 3. Defines the percentage by which the content fits into the allowable and disallowable statutory categories. 4. Provides the corresponding test year dollar amount for each ad. 5. Describes the period of time during which each ad will be used, the service area in which it will appear, and the media employed.	Informational Requirement Document 13, Volume 3 Joseph Zgonc Testimony at Section II.D. and Exhibit __ (JLZ-D), Schedule 31, Volume 2
Charitable Contributions	Evidence as to whether the recipients of the contributions: serve the utility's Minnesota service area, are nondiscriminatory in selecting recipients; and do not promote political or special interest groups. Evidence as to what organizations are gifted, their activities, and that no part of the contribution goes to benefit any private stockholder or individual. Itemized schedule showing amount, recipient and time of donations.	Informational Requirement Document 15, Volume 3 Joseph Zgonc Testimony at Section II.D and Exhibit ___ (JLZ-D), Schedule 32, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Organizational Dues	Schedule showing each organization being paid, the number of employees belonging to each organization and the dollar amount of dues being paid to each organization. Testimony explaining the primary purpose of each organization.	Joseph Zgonc Testimony at Section II.D and Exhibit __ (JLZ-D), Schedule 30, Volume 2 Informational Requirement Document 14, Volume 3
Research Expenses	Schedule that describes each research activity for which an expense is claimed that completely itemizes and supports all expenses for each activity. Testimony that: explains the nature of control of the research, including the setting of research goals and evaluation of services; identifies the persons or groups who will conduct the research; describes the persons who will benefit from the research and the time expected to be needed for benefits to begin to accrue to those persons; and reveals the parties who will acquire ownership of any processes, patents, rights, or other tangible products that result from the research.	Not Applicable
Cash Working Capital	Lead-lag study with: (1) lead time divided into service to meter reading; meter reading to billing; and billing to collection; and (2) lag expenses divided in categories such as fuel, purchased power, labor, etc. Separate components of working capital not included in the lead-lag study may include average or minimum cash balances required, depreciation, dividends and interest on debt.	Joylyn Hoffman Malueg Testimony at Section V and Exhibit ___ (JCHM-D), Schedule 11, Volume 2
Interim Rates		
Item 1, page 2	Name, address and telephone number of utility without abbreviations and the name, address and telephone number for the attorney for the utility.	Interim Rate Petition, Volume 1
Item 2, page 2	Date of filing and date proposed interim rates are requested to become effective.	Interim Rate Petition, Volume 1
Item 3, page 2	Description and need for interim rates.	Interim Rate Petition, Volume 1
Item 4, page 2	Description and corresponding dollar amount of changes included in interim rates as compared with most current approved general rate case and with the most recent year for which audited data is available. The data for the most recent actual year should be for the same time period in months as the test year, if the test year is a projected test year.	Interim Rate Petition, Volume 1 Joseph Zgonc Testimony at Section VII, Volume 2
Item 5, page 2	Effect of the interim rates expressed in gross revenue dollars and as a percentage of test year gross revenue.	Interim Rate Petition, Volume 1 Joseph Zgonc Testimony at Section VII, Volume 2
Item 6, page 2	Certification by officer of the utility, that affirms the proposed interim rate petition is in compliance with Minnesota Statutes.	Certification of Officer, Volume 1
	Methods and procedures for refunding.	Agreement and Undertaking, Volume 1
Item 7, page 2	Signature and title of the utility officer authorizing the proposed interim rates.	Interim Rate Petition, Volume 1
Items 1-4, page 3	Supporting schedules and work papers, including:	
(1)	A schedule showing the interim rate of return calculation.	Interim Rate Petition, Volume 1
(2)	A schedule showing the interim operating income statement.	Interim Rate Petition, Volume 1

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
(3)	A schedule showing the interim proposed rate base.	Interim Rate Petition, Volume 1
(4)	A schedule showing revenue deficiency calculations for each of the operating income statements and rate bases requested in (2) and (3) above. The revenue deficiency should be calculated for the actual data and the interim data using the rate of return calculated in (1) above.	Interim Rate Petition, Volume 1
	Modified tariffs.	Interim Tariff Sheets – Redlined and Clean, Volume 1
	Notices.	Proposed Notices, Volume 1 Notices will be distributed after they are approved by the Commission
Commission Orders		
G011/M-91-989	**PNG's Request to Establish a Tariff for Repairing and Replacing Farm Tap Lines**	
Order Permitting Company to Continue Deferred Accounting (February 17, 1998)	Aquila shall file with the PUC, the Department, and the Office of Pipeline Safety within 90 days of the end of each five-year inspection period and in each general rate case a five-year report on the farm tap inspection program including the cumulative results of the inspection program and any recommendations for future improvements.	Ted Prosser Testimony at Section XI and Exhibit ___ (TFP-D), Schedule 6, Volume 2
G007,011/M-05-1676; G,E999/CI-90-1008	**Sale of Aquila, Inc.'s Minnesota Assets to Minnesota Energy Resources Corporation**	
Order Approving Sale Subject to Conditions (June 1, 2006)	[Order Point 3.3] MERC is put on notice that in its future general rate cases it must conform to the Commission's policies and procedures and filing requirements for allocation of costs for all WPSR's non-regulated activities as well as Service Guard and shall comply with accounting standards established by the Commission in its September 28, 1994 Order in Docket No. G,E-999/CI-90-1008.	Joseph Zgonc Testimony at Section II.D, Volume 2
G011/GR-13-617	**2013 General Rate Case**	
Findings of Fact, Conclusions, and Order (October 28, 2014)	[Order Point 9] MERC shall continue its current CCRC calculation methodology by including the CCRC factor in its base distribution rate and maintain its CCRA factor in its current format.	Joseph Zgonc Testimony at Section IV.B, Volume 2
	[Order Point 14] In future rate cases, MERC shall meet with Department and Commission staff prior to making its initial filing to discuss CIP issues and their presentation in the filing.	Joseph Zgonc Testimony at Section II.B, Volume 2 MERC met with the Department and Commission Staff on October 17, 2022 to discuss CIP issues and their presentation in the filing

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 32] MERC shall take the following actions in preparing future class cost of service studies: a. collect data on additional variables that impact the unit cost of mains installation; b. avoid aggregating or averaging data and use data at the finest level reasonable; c. check ordinary-least-squares regression assumptions and correct for violations; and d. make any future zero-intercept analysis more transparent to ensure that MERC's work can be easily replicated.	Patrick Sullivan Testimony at Section II, Volume 2
	[Order Point 39] In the initial filings of future rate cases MERC shall continue to provide the data on winter construction charges required in earlier orders in Dockets 07-1188 and 08-835. [MERC must show, in the Companies' next general rate case, that no Winter Construction Charges were assessed to customers outside the tariffed Winter Construction Charges period (i.e., November 1 through April 1), and that no Winter Construction Charges incurred by the Companies from NPL, or any other winter construction contractor, outside the tariffed Winter Construction Charges period are proposed to be recovered from other ratepayers]	Ted Prosser Testimony at Section X, Volume 2
	[Order Point 40] In the initial filings of future rate cases MERC shall provide a schedule that reconciles the expenses in the cash working capital to the expenses in MERC's test-year Income Statement and shall base its cash-working-capital schedule on number of days rather than percentages.	Joylyn Hoffman Malueg Testimony at Section V and Exhibit ___ (JCHM-D), Schedule 11, Volume 2
	[Order Point 41] In the initial filings of future rate cases, MERC shall provide direct testimony explaining all large differences between base-year and test-year rate base, other income, and expense data.	Joseph Zgonc Testimony at Section I and throughout testimony, Volume 2; Richard Stasik Testimony Section Section III and Section IV, Volume 2; Ted Prosser Testimony throughout, Volume 2.
	[Order Point 42] In the initial filing in future rate cases, the Company shall include the following: a. A summary spreadsheet that links together the Company's test-year sales and revenue estimates, its CCOSS, and its rate-design schedules; b. A spreadsheet that fully links together all raw data, to the most detailed information available and in a format that enables the full replication of MERC's process, that the Company uses to calculate the input data it uses in its test-year sales analysis; c. A bridging schedule that fully links together old and new billing systems, and demonstrates that there is no difference between the two billing systems, in the event the Company updates, modifies, or changes its billing system; d. Any, and all, data used for its sales forecast 30 days in advance of its next general rate case; and e. Detailed information sufficient to allow for replication of any and all Company-derived forecast variables.	Jared Peccarelli Testimony and Exhibit ___ (JJP-D), Schedule 4, Volume 2 and MERC's Sales Forecast Pre-Filing in Docket No. G011/GR-22-504, submitted September 30, 2022
	[Order Point 43] In future rate cases, MERC shall change the CCRC rate at the beginning of the interim rates period and again at implementation of final rates.	Joseph Zgonc Testimony at Section IV.B, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 44] In future rate-case filings, MERC shall meet the reporting requirements of Minn. Stat. § 216B.16, subd. 17, for all travel and entertainment expenses, including expenses related to employees working for MERC affiliates.	Joseph Zgonc Testimony at Section V, Volume 2 Informational Requirement Document 14, Volume 3
	[Order Point 45] In future rate-case filings, MERC shall allocate any costs not specific to Minnesota based on the allocation factor MERC files in its direct testimony and identify which costs have been allocated.	Joseph Zgonc Testimony at Section II.D, Volume 2 Informational Requirement Documents 4, 7 and 9, Volume 3
G011/GR-13-617; G011/MR-13-732	**Authority to Increase Natural Gas Rates in Minnesota and New Base Cost of Gas**	
Order Authorizing MERC Final Rate Implementation (March 18, 2015)	Required MERC, in future rate cases, to file the following: . The Company's rate and revenue schedules both with and without the base cost of gas revenues; and . The Company's proposed CIP applicable Distribution Rates at a level high enough to cover the proposed CCRC factor.	Joylyn Hoffman Malueg Testimony at Section II.C and Exhibit ___ (JCHM-D), Schedules 2 and 4, Volume 2 Joylyn Hoffman Malueg Testimony at Section II.C and Exhibit ___ (JCHM-D) Schedule 1, Volume 2
G011/GR-13-617; G011/M-15-165; G,E999/CI-90-563	**2013 General Rate Case/ Petition by Minnesota Energy Resources Corporation for Approval to Modify Its Main and Service Extension Model and Amend Its Extension Tariffs**	

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Findings of Fact, Conclusions, and Order (October 28, 2014) Order (July 13, 2015)	[Order Point 38] In the initial filings of future rate cases MERC shall continue to address the three Commission concerns referred to in its March 31, 1995 order regarding service-extension requirements and shall continue to address the six questions listed in that order. ORDER TERMINATING INVESTIGATION AND CLOSING DOCKET, In the Matter of an Inquiry into Competition Between Gas Utilities in Minnesota, Docket No. G-999/CI-90-563 (March 31, 1995). · That local distribution companies are applying their tariffs correctly and consistently; · That the additions are appropriately cost and load justified, and · That wasteful additions to plant and facilities are not allowed into rate base. With respect to the reviews to be conducted in future rate cases, the Commission would like the Department and the parties to address the following kinds of questions: · Should the "free" footage or service extension allowance include the majority of all new extensions with only the extremely long extensions requiring a customer contribution-in-aid-of construction (CIAC)? · How should the LDC determine the economic feasibility of service extension projects and whether the excess footage charges are collected? · Should the LDC's service extension policy be tariffed in number of feet without consideration to varying construction costs amongst projects or should the allowance be tariffed as a total dollar amounts per customer? · Is the LDC's extension charge refund policy appropriate? · Should customers be allowed to run their own service line from the street to the house (or use an independent contractor) if it would be less expensive than having the utility construct the line? · Should the LDC be required to offer its customers financing for service extension charges? This could be offered as an alternative to paying extension charges in advance of construction. [Order, pp. 5-6]	Ted Prosser Testimony at Section VIII, Volume 2
G011/PA-14-664	**Request for Approval of the Merger Agreement Between Integrys Energy Group, Inc. and Wisconsin Energy Corporation**	
Order Approving Merger Subject to Conditions (June 25, 2015)	[Order Point 2] The Commission adopts the nine unnumbered conditions contained in Attachment A of the Company's April 3, 2015 filing, attached hereto. · MERC commits not to seek to recover in retail rates transaction costs incurred to execute the proposed transaction, or the acquisition premium paid by WEC to Integrys as part of the Proposed Transaction. · MERC commits to maintain historic levels of community and charitable involvement. · MERC commits to maintain the same level of customer service after the Proposed Transaction. · MERC will not attempt to recover the acquisition premium or the costs of executing the proposed transaction from its utility customers. · MERC agrees with the OAG's position that all of the commitments that MERC made in its Minnesota filings are binding.	Joseph Zgonc Testimony at Section II.E.3 and Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 3] The Commission adopts the 23 conditions contained in Attachment C of the Department's April 20, 2015 filing, with modifications to condition 14. · Identify all transaction, transition, and acquisition premium costs in an accounting system. · After closing, and in any rate proceeding decided within six years after the Transaction closing, the Applicant shall provide proof that no transaction costs are included in historical expenses of the operating utility or in the determination of revenue requirement. · Identify all transaction and transition costs in accounting system. · Push-down accounting related to the Reorganization will only be used by the Wisconsin Operating Companies for financial reporting if required by Generally Accepted Accounting Principles (GAAP). Push down accounting related to the Reorganization will not be used by the Wisconsin Operating Companies for regulatory accounting or ratemaking purposes regardless of GAAP requirements. · Deny "push down" of acquisition premium and transaction costs for WEPCO and WPSC ratemaking purposes regardless of which entity records the costs, GAAP accounting requirements, and whether incurred before or after transaction closes. · Any accounting entries made to the books of the Gas Companies for push- down accounting related to the Reorganization shall be disregarded for ratemaking and regulatory reporting purposes. · Allocation of any savings resulting from the proposed reorganization shall flow through to ratepayers. · Transition costs may be recoverable to the extent the transition costs produce savings. · Prohibit MERC from loaning funds to or borrowing funds from its post-acquisition parent or other regulated subsidiaries except to the extent that such borrowing arrangements existed prior to approval of the Proposed Transaction or the transaction (i.e. the borrowing arrangement) costs less than other MERC alternatives. · The Commission shall as a condition of acquisition approval take continuing jurisdiction over the service company structure. · WEPCO, WG, and WPSC can recover acquisition-related transition costs from the Wisconsin retail jurisdiction, only if and to the extent such costs are: (a) incurred by or allocated to each of the utilities (each utilities portion or share of acquisition-related transition costs), (b) associated with financial benefits that each utility's ratepayers will receive as a result of the acquisition, and (c) the acquisition-related savings realized by each utility's ratepayers are equal to or greater than its acquisition-related transition costs.	Joseph Zgonc Testimony at Section II.E.3 and Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 5] MERC may request recovery of transition costs if and only to the extent that MERC can demonstrate that the transition costs produce acquisition-related savings that are greater than the transition costs.	Joseph Zgonc Testimony at Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 6] Regardless of whether a Commission review is performed, the cost of any acquisition condition from another jurisdiction subsequently found to have an adverse cost impact on Minnesota shall be absorbed by WEC Energy without recourse to, or reimbursement by, MERC.	Joseph Zgonc Testimony at Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 8] If, in the future, Wisconsin Energy Group or its subsidiaries are downsized in any significant way, the absolute cost allocation to MERC shall not increase unless the Petitioners demonstrate that the cost allocation is just and reasonable.	Not applicable
	[Order Point 9] The Commission shall have approval authority over allocation methodology and factors. If the allocation methodology and factors ultimately approved by the Commission differ from those approved in other jurisdictions, the holding company should absorb any cost differentials.	Tracy Kupsh Testimony at Section III, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 11] MERC shall not defer transition costs.	Joseph Zgonc Testimony at Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 12] For severance and/or early termination costs, the Petitioners shall provide detailed information in any rate proceeding on each instance of severance and/or early termination, including the position, the reasoning, the costs and savings, etc., in sufficient detail for the Commission to make a determination on whether the cost is an unrecoverable transaction cost or a transition cost.	Joseph Zgonc Testimony at Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 13] MERC may request recovery of transition costs only to the extent that MERC can demonstrate that the transition costs produce acquisition-related savings that are greater than the transition costs.	Joseph Zgonc Testimony at Section VI, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 14] MERC shall request and obtain Commission approval pursuant to Minn. Stat. § 216B.48 and/or Minn. Stat. § 216B.49 before it includes any debt provided by its parent companies in its capital structure.	Joseph Zgonc Testimony at Section II.E.3, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
	[Order Point 15] In its performance of services, the service company: (a) shall follow applicable federal and state regulation, including codes and standards of conduct; (b) shall not give one or more entities in the corporate structure a competitive advantage in relevant markets; (c) shall not subsidize WEPCO, WG, and/or WPSC or cause MERC to subsidize an affiliate; and (d) may include a return on its net assets at a rate no higher than the appropriate weighed cost of capital for MERC.	Tracy Kupsh Testimony at Section III, Volume 2; Richard Stasik Testimony Exhibit ___ (RFS-D), Section VII.B and Schedule 3, Volume 2
G011/GR-15-736	**2015 General Rate Case**	
Findings of Fact, Conclusions, and Order (October 31, 2016)	[Order Point 2] The Commission accepts, adopts, and incorporates the findings, conclusions, and recommendations of the Administrative Law Judge, except as set forth herein. · ALJ Findings of Fact, Conclusions, and Recommendations at ¶ 357: MERC agreed to confirm that, in future forecast pre-filings, all relevant data files will be provided to the Department.	Jared Peccarelli Testimony at Section II, Volume 2
	[Order Point 3] The Commission clarifies that (1) the 2016 former-manufactured-gas-plant costs will be deferred and amortized rather than expensed in the test year; and (2) MERC's post-2014 former-manufactured-gas-plant cleanup costs will be subject to review for prudence and reasonableness	Joseph Zgonc Testimony, Section II.B, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 12(a)(iii)] in future rate cases, explore the use of this project-specific data in MERC's Zero Intercept CCOSS.	Patrick Sullivan Testimony at Section II, Volume 2 Not applicable in this case, as the Company is not filing a zero intercept CCOSS
	[Order Point 17] MERC shall continue its farm-tap safety inspection program and shall a. Continue to send farm-tap safety and information brochures to new farm-tap customers before they take service and to all exiting farm customers annually; and c. File with the Commission, the Department, and the Minnesota Office of Pipeline Safety, within 90 days of the end of each five-year inspection cycle and in each general rate case, a five-year report including cumulative results of the inspection program and any recommendations for future improvements.	Ted Prosser Testimony at Section XI and Exhibit ___ (TFP-D), Schedule 6, Volume 2
G011/AI-16-284	**Petition for Approval of the WEC Energy Group Affiliated Interest Agreement of Minnesota Energy Resources Corporation**	
Order (November 29, 2016)	MERC is put on notice that it should be prepared to demonstrate in the Company's next rate case that its proposed allocation methods provide similar results compared to the Commission's preferred general allocation method, or that the Company's method better serves the public interest.	Joseph Zgonc Testimony at Section II.D, Volume 2; Tracy Kupsh Testimony, Section II, Volume 2.
	Required the Company to file in its next general rate case, Direct Testimony demonstrating continued compliance with the Commission's 1008 Docket requirements and support that the Company's cost assignments and cost allocations continue to be reasonable.	Joseph Zgonc Testimony at Section II.D, Volume 2; Tracy Kupsh Testimony, Volume 2.
G011/M-15-895; G011/M-16-315	**Petition by Minnesota Energy Resources Corporation for Evaluation and Approval of Rider Recovery for Its Rochester Natural Gas Extension Project**	
Order Approving Rochester Project and Granting Rider Recovery with Conditions (May 5, 2017)	[Order Point 2] The Commission grants MERC's requested preapproval to recover Phase II costs of up to $44 million through the combination of an NGEP rider and base rates, with the understanding that the Company retains the burden in future rate proceedings to demonstrate that the project was implemented reasonably and prudently and to justify any alterations in the cost of the individual items that made up the total $44 million Phase II estimate.	Ted Prosser Testimony at Section IV and Exhibit ___ (TFP-D), Schedule 1, Volume 2; Richard Stasik Testimony at Section IV, Volume 2
	[Order Point 4] The Commission imposes a soft cap of $44 million on recovery of Phase II costs and places the burden of proof on MERC to establish the reasonableness of any costs that exceed the cap.	Ted Prosser Testimony at Section IV and Exhibit ___ (TFP-D), Schedule 1, Volume 2
G007,011/GR-10-977	**2010 General Rate Case**	
Order (December 21, 2012).	[Order Point 15] Require MERC, in future general rate cases, to prepare and submit its filings (i.e., testimony) so that these filings reflect the financial adjustments to the Company's positions in pre-filed direct testimony.	On-going throughout rate case proceeding
G007,011-GR- 08-835	**2008 General Rate Case**	

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Findings of Fact, Conclusions of Law, and Order (June 29, 2009)	[Order Point 7] In future Class Cost of Service Studies filed in general rate cases, the Company shall allocate income taxes on the basis of the taxable income attributable to each customer class, not on the basis of rate base.	Patrick Sullivan Testimony at Sections II, X, Volume 2 Informational Requirement Document 12, Volume 3
	[Order Point 8] In future Class Cost of Service Studies filed in general rate cases, the Company shall include an explanatory filing identifying and describing each allocation method used in the study and detailing the reasons for concluding that each allocation method is appropriate and superior to other allocation methods considered.	Patrick Sullivan Testimony at Section II, XI, and throughout testimony, Volume 2 Informational Requirement Document 12, Volume 3
U999/CI-92-96	**Accounting and Ratemaking Effects of the Statement of Financial Accounting Standard No. 106**	
Order Denying Petition for Reconsideration, Granting in Part and Denying in Part Petitions for Clarification (November 2, 1992)	[Order Point 6] Utilities filing future rate cases must file, in addition to information regarding the funding method they have chosen for OPEB obligations, detailed evidence and arguments supporting and justifying the choice of their funding methods over funding alternatives.	Joe Zgonc Testimony at Section II.D, Volume 2
G011/M-15-992	**Petition for Authorization to Establish Amortization Periods Related to Pre-Acquisition Pension and Other Postretirement Benefits Costs**	
Order Approving Amortization of Qualified Amounts (March 8, 2017)	[Order Point 1] MERC shall amortize the pension and other post-employment benefit assets and liabilities realized upon the Wisconsin Energy Group merger with Integrys Holding, Inc., after identifying and excluding all non-qualified plan amounts. [Order Point 3] MERC shall transfer to its balance sheet its share of the Integrys Business Services legacy benefit plans costs allowed in paragraph 1, add this amount to the MERC-specificed costs, and amortize the combined balance over 14 years. The amortization shall be calculated to begin as of January 1, 2016. [Order Point 4] MERC shall account for the pre-acquisition pension and OPEB costs it is being allowed to amortize in a manner reflecting that those costs are not eligible to be included in rate base.	Joseph Zgonc Testimony at Sections II.A, II.B, Volume 2
G011/GR-17-563	**2018 General Rate Case**	
Findings of Fact, Conclusions, and Order (December 26, 2018)	[Order Point 12] As pertains to MERC's test year rate-case expense, MERC shall c. Amortize rate case expense over a two year period commencing January 1, 2018 and defer revenue collected associated with the rate case expense amortization after the end of the two period until the next rate case is filed and propose a rate offset of the amount collected in that rate case.	Joseph Zgonc Testimony at Sections II.B, and Informational Requirements Document No. 2, Schedule 1, Page 7.

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 15] In either its next rate case or its next depreciation filing, whichever comes first, MERC shall propose a set of depreciation practices and adjustments for the separate depreciation of large assets, like office buildings or to provide explanation why no such modification from the Company's depreciation practices is warranted or appropriate.	MERC addressed compliance with this requirement in its 2019 Depreciation Filing in Docket No. G011/D-19-377
	[Order Point 17] MERC must establish a tracker to account for actual Minnesota property tax expense paid each year, less the amounts approved for recovery in base rates, ensuring that tax refunds are tracked as they are received from local taxing authorities and netted against expenses. Carrying charges should be applied to the tracker balance at MERC's approved weighted cost of debt. In subsequent general rate cases, if relevant, MERC must include testimony regarding the balance in the tracker account, Company actions taken regarding property taxes, and a proposal on how to refund or collect the balance in the tracker.	Mark Kissinger Testimony at Section IV and Exhibit ___ (MEK-D), Schedule 2, Volume 2; Joseph Zgonc Testimony at Section II.B, Volume 2
	[Order Point 19] The Commission adopts the reporting requirement recommendations in ALJ Report ¶ 502, p. 82 and ¶ 233, p. 38: 502. Beginning at least six months before MERC files its next rate case, MERC and the Department should work on the following forecasting-related issues: (1) whether MERC's forecasting models have appropriate signs on the independent variables chosen by MERC; (2) use of actual weighted Heating Degree Days; (3) avoiding use of predicted residential customer counts as an independent variable in the Small C&I customer count model; (4) reducing misallocation or "ad hoc adjustments" of customer classifications between the Small C&I class (a decoupled class) and the Large C&I class (a non-decoupled class); (5) implementing improvements to transportation models; and, (6) resolving data integrity issues, including those related to the Small C&I and Large C&I customer classes and the unavailability of historical data. 233. The Administrative Law Judge further agrees that removal of reporting requirements related to the audit initiated in Docket No. GR-10-977 is appropriate. However, MERC should continue to provide a bridging schedule that links the old and new billing systems to demonstrate that there is no difference between the two. Further, MERC and the Department should work together in advance of any forecast filings to address the listed areas of concern regarding forecasting methodology.	Jared Peccarelli Testimony at Section III, Volume 2
	[Order Point 29] In its next rate case, MERC shall file detailed information regarding the status of the Mapping Project and associated costs, including: (1) a full discussion of both phases of the Mapping Project; (2) the status of the Mapping Project; (3) the actual costs by year and the reasons for variances from forecasted amounts beginning with 2016; (4) the projected costs in the test year and how determined; (5) the actual and projected costs and how determined for the year immediately before the test year; (6) the portion of that year's costs performed by external contractors by year; and (7) any other evidence to support MERC's Mapping Project costs.	Ted Prosser Testimony at Section II, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 30] Require MERC to file one cost study in future rate cases, and if MERC elects to file a zero-intercept cost study to file a minimum-size classification in lieu of a full-blown minimum-size cost study.	Patrick Sullivan Testimony at Sections II and VI, Volume 2 Informational Requirement Document 12, Volume 3
	[Order Point 32] Require MERC to provide for an updated analysis of the impact on customers of extending its revenue decoupling program to all of MERC's customer classes with 50 or more customers, when MERC files its next rate case.	Joylyn Hoffman Malueg Testimony at Section VI, Volume 2
	[Order Point 33.a] In future rate cases, MERC shall show all revenues by FERC Account, with a breakout of the types of revenues included in each account; provide an explanation for why any revenue amount is excluded from the test year; and provide the last five years of actual revenues by type, plus related test-year amounts for that same period	Joseph Zgonc Testimony at Sections II.C and Schedules 6-7, Volume 2.
	[Order Point 33.b] In future rate cases, provide a schedule showing all allocated services to and from MERC and all other subsidiaries for five years of actuals and related test-year amounts during that five-year period. MERC should also include a brief description of each type of service or cost in the agreed upon format.	Tracy Kupsh Testimony at Sections II.1, 2 and Schedules 2-3, Volume 2.
	[Order Point 33.c] In future rate cases, provide its rate base information by including beginning-of-year rate base and end-of-year rate base and 13 month rate base information and then calculating average rate base, to allow parties to better understand how MERC's rate base was calculated and to be able to tie out actual rate base amounts.	Joseph Zgonc Testimony at Sections II.A and Schedule 43, Volume 2.
	[Order Point 37] MERC shall provide separately the retirements included in the test year rate base. MERC should provide actual retirements for the most recent five years to assist parties in evaluating whether the retirements MERC has included in rate base are reasonable.	Joseph Zgonc Testimony at Sections II.A and Schedule 3, Volume 2
	[Order Point 41] MERC shall continue its farm tap inspection program and submit information about the program in its next rate case. MERC shall also: a. continue to send farm-tap safety and information brochures to new farm tap customers before they take service and to all existing farm customers annually. b. continue to file annual reports on its farm tap inspection program on or before April 1 of each year. c. Within 90 days of the end of each five-year inspection cycle, and in each general rate case, file with the Commission, the Department, and the Minnesota Office of Pipeline Safety a five-year report including cumulative results of the inspection program and any recommendations for future improvements	Ted Prosser Testimony at Section XI and Exhibit ___ (TFP-D), Schedule 6, Volume 2
	[Order Point 42] MERC shall continue to address the reporting requirements of Docket No. 07-1188 in future general rate cases for Winter Construction Costs.	Ted Prosser Testimony at Section X and Exhibit ___ (TFP-D), Schedule 5, Volume 2

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
	[Order Point 43] MERC shall continue to address the reporting requirements of Docket No. 90-563 in future general rate cases for abnormal construction costs and the collection of CIAC.	Ted Prosser Testimony at Section IX and Exhibit ___ (TFP-D), Schedule 4, Volume 2
Findings of Fact, Summary of Public Testimony, Conclusions of Law, and Recommendation (ALJ Report) (September 21, 2018)	510. With respect to ICE compliance, MERC should provide the information included in Order Points 8 and 9 of the Commission's Order in MERC's last rate case, as updated by the Direct Testimony of Ms. Wolter in this case. ***G011/GR-15-736: [Order Point 8]*** MERC shall provide the following information with its initial filing of its next rate case: a. An update on the decision process for WEC legacy utilities to implement the ICE system, fully justifying any decision for the WEC legacy utilities not to use ICE; b. If a process has been implemented to explore the idea, or an actual timeline has been established for WEC legacy utilities to adopt ICE, MERC shall provide a detailed discussion of the status, along with a proposal to reimburse Minnesota ratepayers for their share of the ICE system (deferred and ongoing costs; and c. If MERC does not provide this information in its initial filing in its next rate case, the initial rate-case filing shall be considered incomplete. ***G011/GR-15-736: [Order Point 9]*** In the event that WEC decides to implement the ICE system for its WEC legacy utilities prior to MERC filing its next rate case, MERC shall make a filing within 30 days of such a decision, which shall also be no less than 12 months before initial implementation for WEC legacy utilities. Approval by the WEC board of directors shall be considered the point of decision and will trigger the start of the 30 days. The filing should provide details of WEC's implementation plans and a proposal for adjusting the costs paid by MERC's customers for the ICE system to ensure the costs paid by MERC's customers are reasonable. If such a filing is made prior to the next rate case, the Commission can determine, at that time, whether to revise the contents of the filing to be made by MERC in its next case, as discussed above.	Richard Stasik Testimony at Section VII.A, Volume 2. See also compliance filings in Docket No. G011/GR-17-563, described in Section VII of Mr. Stasik's Direct Testimony.
G011/GR-17-563	**2018 Rate Case - Order Approving Surcharge and Requiring Further Action**	
Order Approving Surcharge and Requiring Further Action (March 28, 2019)	[Order Point 2] MERC shall, in its next rate case filing, discontinue directly assigning regulatory costs to the GAP rider, and incorporate into base rates all regulatory costs, including those incrurred for GAP evaluation.	Joseph Zgonc Testimony at Sections II.B, Volume 2; Richard F. Stasik at Section V, Volume 2
G011/M-18-460	**Petition for Approval of New Area Surcharge and Natural Gas Extension Project rider for the Pengilly Project**	
Order Approving New-Area Surcharge and Authorizing Deferred Accounting for Certain Costs (March 29, 2019)	[Order Point 2] The Commission approves a regulatory asset to allow MERC to recover the remaining Pengilly costs through base rates in its next rate case. MERC may charge the cost of short-term debt for the regulatory asset.	Joseph Zgonc Testimony at Section II.B, Volume 2
G011/M-19-608	**In the Matter of Minnesota Energy Resources Corporation's 2020 Rochester Natural Gas Extension Project Rider**	
Order Approving NGEP Rider Surcharge with Modifications (September 21, 2020)	[Order Point 9] In its next general rate case, MERC must address the apportionment of revenue responsibility in direct testimony and propose an updated apportionment of revenue responsibility that fully aligns with its new rate design and rate classes approved in its 2017 general rate case.	Joylyn Hoffman Malueg Testimony at Section II.C, Volume 2
G011/M-19-282	**2020 Gas Utility Infrastructure Costs Rider**	

Citation/Source of Requirement	Information Required by Commission Rule and Statute	Section and Page of Application
Order Authorizing Rider Recovery and Setting Reporting Requirements (June 18, 2020)	[Order Point 6] MERC shall include and discuss in its next general rate case, in pre-filed direct testimony and supporting schedules, the Company's proposed apportionment of revenue responsibility that fully aligns with its proposed customer rate classes and rate design.	Joylyn Hoffman Malueg Testimony at Section II.C, Volume 2 and Exhibit ___ (JCHM-D), Schedules 1-10
	[Order Point 11] MERC must include in its next general rate case filing a discussion of its GUIC rider cost recovery transition to base rates (and requested interim rate) recovery.	Joseph Zgonc Testimony at Sections III, Volume 2; Richard Stasik at Section IV.C, Volume 2; Joylyn Hoffman Malueg Testimony at Section IV, Volume 2
	[Order Point 12] MERC must roll in rider recovered facilities at the beginning of its next general rate case.	Joseph Zgonc Testimony at Sections III, Volume 2; Joylyn Hoffman Malueg Testimony at Section IV, Volume 2
G011/M-20-420	**2021 Natural Gas Extension Project Rider Surcharge Factors**	
Order Approving 2021 NGEP Rider Surcharge Factors with Modifications (July 15, 2021)	MERC agreed, in its next rate case, to eliminate the NGEP Rider and instead seek to recover depreciation and return on rate base as part of its base rates, and to support suspending the NGEP Rider when it implements interim rates.	Joseph Zgonc Testimony at Sections III, Volume 2; Joylyn Hoffman Malueg Testimony at Section IV, Volume 2
G011/M-17-409	**Petition for Approval of Farm Tap Customer-Owned Fuel Line Replacement Plan, Tariff Amendments, and Deferred Accounting**	
Order Approving Phase II of Farm Tap Replacement Project with Conditions (October 6, 2021)	[Order Point 2.E] MERC may use deferred accounting for its Phase II costs, and pursue recovery of these costs via a gas utility infrastructure cost rider as provided by Minn. Stat. § 216B.1635, provided that MERC seek to recover the unrecovered balance of its GUIC rider via base rates as part of MERC's next rate case.	Richard Stasik Testimony at Section III, Volume 2; Ted Prosser Testimony at Section III, Volume 2
E,G999/CI-20-425	**In the Matter of an Inquiry into the Financial Effects of COVID-19 on Natural Gas and Electric Utilities**	
Order Adopting Methodology and Setting Additional Requirements (November 11, 2020)	[Order Point 5] The Commission hereby allows deferred COVID-19-related expenses to be tracked through the end of the Governor's peacetime emergency (Emergency Executive Order 20-01), plus 30 days.	MERC is not seeking recovery of these costs

Notice to Counties and Municipalities, Under
Minnesota Statutes Section 216B.16, Subdivision 1

Re: Minnesota Energy Resources Corporation Request for Increase in Natural Gas Rates

On November 1, 2022, Minnesota Energy Resources Corporation ("MERC") filed an application with the Minnesota Public Utilities Commission (the "Commission") for a general increase in rates for natural gas services provided to customers in the State of Minnesota of $40,322,302, or 9.91 percent, pursuant to Minn. Stat. § 216B.16.

In accordance with Minn. Stat. § 216B.16, subd. 2, the Commission has delayed proposed final rates in order to evaluate the application and has referred the matter to the Office of Administrative Hearings. In addition to the review by the Commission, the Minnesota Department of Commerce, Division of Energy Resources will conduct an investigation of MERC's books and records as part of the rate review. The Minnesota Office of the Attorney General – Residential Utilities Division may investigate this proposal, as well as other parties such as consumer or public interest groups.

In accordance with MN Statute 216B.16, subd. 3, the Commission has authorized an interim (temporary) rate increase of approximately 9.08 percent, including the cost of gas. This increase is equal to $36,973,887 and will be effective January 1, 2023. All MERC gas customers' bills will be approximately 9.08 percent higher during this interim period and this rate will remain in effect until a final decision is made.

The chart below shows the effect of the interim and proposed rate change on monthly bills for customers with average gas usage. This calculation will not necessarily result in an interim monthly bill that is uniformly 9.08 percent higher than present bills because gas costs are not included in the calculation of the interim rate increase.

The interim rate increase will be collected through a 32.82 percent interim rate increase on distribution margins. Distribution margins include the customer charge, the distribution charge, and if applicable, the firm distribution charge (i.e., daily firm capacity charge) for firm/interruptible service customers.

PROPOSED CHANGE IN AVERAGE MONTHLY BILLS

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
CONSOLIDATED SALES				
GS-CONSOLIDATED Residential Sales	72	$79	$86	$87
GS-CONSOLIDATED C&I FIRM Class 1	73	$87	$97	$95
GS-CONSOLIDATED C&I FIRM Class 2	555	$533	$571	$572
GS-CONSOLIDATED C&I FIRM Class 3	9,842	$8,315	$8,722	$8,662
CONSOLIDATED C&I INT Class 2	3,399	$2,566	$2,652	$2,673
CONSOLIDATED C&I INT Class 3	15,749	$11,557	$12,021	$11,864
CONSOLIDATED C&I INT Class 4	101,748	$69,073	$70,234	$69,330
CONSOLIDATED Agriculture Grain Dryer - Class 1	491	$421	$450	$447
CONSOLIDATED Agriculture Grain Dryer - Class 2	2,397	$1,768	$1,815	$1,825
CONSOLIDATED Electric Generation - Class 1	1,137	$883	$919	$915
CONSOLIDATED C&I Firm/Interruptible Class 2	5,011	$3,939	$4,116	$4,203
CONSOLIDATED TRANSPORT				
Transport-CONSOLIDATED C&I FIRM Class 2	3,801	$887	$1,110	$1,153
Transport-CONSOLIDATED C&I FIRM Class 2 - CIP Exempt	5,015	$960	$1,185	$1,312
Transport-CONSOLIDATED C&I FIRM Class 3	23,664	$3,381	$4,332	$4,216
Transport-CONSOLIDATED C&I FIRM Class 4	124,171	$7,187	$8,717	$7,472
Transport-CONSOLIDATED C&I FIRM Class 5 - CIP Exempt	1,962,554	$15,092	$11,138	$16,407
Transport-CONSOLIDATED C&I INT Class 2	6,101	$915	$1,106	$1,107
Transport-CONSOLIDATED C&I INT Class 3	26,565	$2,960	$3,754	$3,477
Transport-CONSOLIDATED C&I INT Class 4	129,765	$7,245	$8,758	$7,572

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
Transport-CONSOLIDATED C&I INT Class 5	395,311	$14,785	$18,534	$14,334
Transport-CONSOLIDATED C&I Firm/Interruptible Class 3	20,271	$2,440	$3,106	$2,891
Transport-CONSOLIDATED C&I Firm/Interruptible Class 5 - CIP Exempt	1,001,711	$7,479	$5,543	$7,275

**The "present monthly bill" amounts reflect the rates authorized in Docket No. G011/GR-17-563, the cost of gas, and applicable Natural Gas Extension Project Rider and Gas Utility Infrastructure Cost Rider surcharge rates.*

The Commission will make a decision on the rate increase in the fall of 2023. Final rate changes, if approved, will be implemented after that date. If final rates are less than interim rates, the difference in the amount collected during the interim period will be refunded to customers with interest.

The public may review the proposed rate schedules and a comparison of present and proposed rates at:

Minnesota Energy Resources
2685 145th Street West
Rosemount, MN 55068
Phone: 1-800-889-9508
Web: www.minnesotaenergyresources.com/company/rate_case.aspx

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101
Telephone: 651-539-1534
Web: https://www.edockets.state.mn.us/EFiling/search.jsp.
Select 22 in the year field, enter 504 in the number field, select Search, and the list of documents will appear on the next page.

As part of this case, an Administrative Law Judge will schedule public hearings and customers will be notified by mail or bill insert of the dates of those hearings. Public notice of hearing dates and locations will be published in local newspapers in MERC's service area.

Persons who wish to formally intervene or testify in this case should contact the Administrative Law Judge, Minnesota Office of Administrative Hearings, P.O. Box 64620, St. Paul, MN 55101, Telephone: (651) 361-7900.

<u>Notice to Counties and Municipalities, Under</u>
<u>Minnesota Statutes Section 216B.16, Subdivision 1</u>

Re: Minnesota Energy Resources Corporation Request for Increase in Natural Gas Rates

On November 1, 2022, Minnesota Energy Resources Corporation ("MERC") filed an application with the Minnesota Public Utilities Commission (the "Commission") for a general increase in rates for natural gas services provided to customers in the State of Minnesota of $40,322,302, or 9.91 percent, pursuant to Minn. Stat. § 216B.16.

In accordance with Minn. Stat. § 216B.16, subd. 2, the Commission has delayed proposed final rates in order to evaluate the application and has referred the matter to the Office of Administrative Hearings. In addition to the review by the Commission, the Minnesota Department of Commerce, Division of Energy Resources will conduct an investigation of MERC's books and records as part of the rate review. The Minnesota Office of the Attorney General – Residential Utilities Division may investigate this proposal, as well as other parties such as consumer or public interest groups.

In accordance with MN Statute 216B.16, subd. 3, the Commission has authorized an interim (temporary) rate increase of approximately 9.08 percent, including the cost of gas. This increase is equal to $36,973,887 and will be effective January 1, 2023. All MERC gas customers' bills will be approximately 9.08 percent higher during this interim period and this rate will remain in effect until a final decision is made.

The chart below shows the effect of the interim and proposed rate change on monthly bills for customers with average gas usage. This calculation will not necessarily result in an interim monthly bill that is uniformly 9.08 percent higher than present bills because gas costs are not included in the calculation of the interim rate increase.

The interim rate increase will be collected through a 32.82 percent interim rate increase on distribution margins. Distribution margins include the customer charge, the distribution charge, and if applicable, the firm distribution charge (i.e., daily firm capacity charge) for firm/interruptible service customers.

PROPOSED CHANGE IN AVERAGE MONTHLY BILLS

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
NNG SALES				
GS-NNG Residential Sales	71	$93	$100	$102
GS-NNG Residential Farm-Tap Sales	127	$160	$170	$175
GS-NNG C&I FIRM Class 1	72	$101	$112	$109
GS-NNG C&I Farm-Tap Class 1	112	$147	$160	$159
GS-NNG C&I FIRM Class 2	624	$729	$770	$773
GS-NNG C&I FIRM Class 3	12,340	$13,040	$13,536	$13,476
GS-NNG C&I Farm-Tap Class 2	955	$1,092	$1,147	$1,159
GS-NNG C&I Farm-Tap Class 3	31,164	$32,680	$33,852	$33,781
NNG C&I INT Class 2	3,758	$3,524	$3,617	$3,642
NNG C&I INT Class 3	20,442	$18,712	$19,298	$19,110
NNG Agriculture Grain Dryer - Class 1	787	$793	$831	$834
NNG Agriculture Grain Dryer - Class 2	3,832	$3,505	$3,570	$3,595
NNG Electric Generation - Class 1	951	$921	$954	$948
NNG C&I Firm/Interruptible Class 2	7,133	$6,959	$7,223	$7,369
NNG TRANSPORT				
Transport-NNG C&I FIRM Class 2	4,541	$1,022	$1,276	$1,340
Transport-NNG C&I FIRM Class 3	20,023	$2,909	$3,730	$3,616
Transport-NNG C&I FIRM Class 4	106,604	$6,217	$7,547	$6,463
Transport-NNG C&I FIRM Class 5 - CIP Exempt	574,963	$4,782	$3,742	$5,167
Transport-NNG Electric Generation FIRM Class 2 - CIP Exempt	5,159,320	$38,844	$28,177	$42,300
Transport-NNG C&I INT Class 2	5,889	$890	$1,077	$1,075
Transport-NNG C&I INT Class 3	42,392	$4,535	$5,741	$5,361
Transport-NNG C&I INT Class 4	149,532	$8,298	$10,024	$8,674
Transport-NNG C&I INT Class 5	188,137	$7,304	$9,176	$7,089
Transport-NNG C&I INT Class 5 - CIP Exempt	3,493,785	$17,385	$16,330	$20,355
Transport-NNG Electric Generation INT Class 2	108,969	$4,445	$5,600	$4,321

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
Transport-NNG Electric Generation INT Class 2 - CIP Exempt	208,858	$1,884	$1,613	$1,696
Transport-NNG C&I Firm/Interruptible Class 2	5,708	$956	$1,167	$1,188
Transport-NNG C&I Firm/Interruptible Class 3	42,240	$4,786	$6,076	$5,749
Transport-NNG C&I Firm/Interruptible Class 4	193,833	$10,933	$13,229	$11,390
Transport-NNG C&I Firm/Interruptible Class 5	355,394	$13,356	$16,748	$12,975
Transport-NNG C&I Firm/Interruptible Class 5 - CIP Exempt	977,331	$7,299	$5,414	$7,082
Transport for Resale	28,366	$2,554	$3,314	$2,697
LVJ-NNG Flex Transport (Cust "A")	392,144	$18,293	$18,265	$20,297
LVJ-NNG Flex Transport (Cust "F")	108,965	$5,466	$5,447	$5,944
LVJ-NNG Flex Transport (Cust "G")	104,163	$5,232	$5,123	$5,564

**The “present monthly bill” amounts reflect the rates authorized in Docket No. G011/GR-17-563, the cost of gas, and applicable Natural Gas Extension Project Rider and Gas Utility Infrastructure Cost Rider surcharge rates.*

The Commission will make a decision on the rate increase in the fall of 2023. Final rate changes, if approved, will be implemented after that date. If final rates are less than interim rates, the difference in the amount collected during the interim period will be refunded to customers with interest.

The public may review the proposed rate schedules and a comparison of present and proposed rates at:

Minnesota Energy Resources
2685 145th Street West
Rosemount, MN 55068
Phone: 1-800-889-9508
Web: www.minnesotaenergyresources.com/company/rate_case.aspx

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101
Telephone: 651-539-1534
Web: https://www.edockets.state.mn.us/EFiling/search.jsp.
Select 22 in the year field, enter 504 in the number field, select Search, and the list of documents will appear on the next page.

As part of this case, an Administrative Law Judge will schedule public hearings and customers will be notified by mail or bill insert of the dates of those hearings. Public notice of hearing dates and locations will be published in local newspapers in MERC's service area.

Persons who wish to formally intervene or testify in this case should contact the Administrative Law Judge, Minnesota Office of Administrative Hearings, P.O. Box 64620, St. Paul, MN 55101, Telephone: (651) 361-7900.

MINNESOTA COUNTIES SERVED BY MERC

Aitkin
Anoka
Becker
Beltrami
Benton
Big Stone
Blue Earth
Brown
Carlton
Carver
Chisago
Cottonwood
Crow Wing
Dakota
Dodge
Douglas
Faribault
Fillmore
Freeborn
Goodhue
Hennepin
Houston
Hubbard
Isanti
Itasca
Jackson
Kanabec
Kandiyohi
Koochiching
Lac qui Parle
Lake
Lake of the Woods
Le Sueur
Lincoln
Lyon
Martin
McLeod
Meeker
Morrison
Mower
Nobles
Norman
Olmsted
Ottertail
Pennington
Pine
Pipestone
Pope
Redwood
Renville
Rice
Roseau
Scott
Sherburne
Sibley
Steele
St. Louis
Stearns
Steele
Stevens
Swift
Todd
Wabasha
Wadena
Waseca
Washington
Watonwan
Winona
Wright
Yellow Medicine

MINNESOTA CITIES SERVED BY MERC

Ada
Adams
Aitkin
Albert Lea
Alden
Altura
Appleton
Audubon
Aurora
Balaton
Barnum
Baudette
Bayview Township
Bemidji
Bertha
Biwabik
Blooming Prairie
Bovey
Brewster
Brownsdale
Buhl
Butterfield
Byron
Caledonia
Calumet
Camp Ripley*
Canby
Cannon Falls
Canosia Township
(Duluth)
Canton
Carlton
Castle Rock
Chatfield
Chisholm
Claremont
Clarks Grove
Cloquet
Coleraine
Conger
Cottage Grove
Cottonwood
Credit River Township
Crosby
Deer River
Deerwood
Detroit Lakes
Dodge Center
Dover
Duluth
Dunnell
Eagan
Elgin
Elko
Ellendale
Emmons
Empire
Esko
Eveleth
Eureka Township
Eyota
Fairmont
Farmington
Fayal Township
Finlayson
Floodwood
Fountain
Frazee
Freeborn
Geneva
Gilbert
Glenville
Grand Lake Township
Grand Rapids
Harmony
Harris
Hayfield
Hayward
Hendricks
Hermantown
Hewitt
Hinckley
Hollandale
Houston
Hoyt Lakes
International Falls
Ironton
Ivanhoe
Jackson
Kasson
Keewatin
Kenyon
Kettle River
LaCrescent
LaPrairie
Lakefield
Lakeville
Lamberton
Lanesboro
Lansing Township
Leonadis
Leroy
Lewiston
Lyle
Mabel
Madison
Mantorville
Marble
Mayhew
Menahga
Midway
Moose Lake
Moose Lake Township
Mora
Motley
Mountain Iron
Mountain Lake
Nashwauk
New Market
New Market Township
New Richland
New Scandia
Township
North Branch
Northrop
Oakland
Oronoco
Ortonville
Owatonna Township
Park Rapids
Pengilly
Peterson
Pike Lake
Pine City
Pine Island
Plainview
Pokegama Township
Preston
Prior Lake
Proctor
Randolph Township
Ranier
Revere
Riverton
Rochester
Roseau
Rose Creek
Rosemount
Rush City
Rushford
Rushford Village
Rush Lake Township
Sanborn
Sand Lake
Sandstone
Scanlon
Sebeka
Silver Bay
Silver Brook Township
Sherburn
Spring Grove
Spring Lake Township
Spring Valley
Staples
St. Charles
Stewartville
Sturgeon Lake
Taopi
Thomson Township
Thief River Falls
Tracy
Trimont
Truman
Twin Lakes
Twin Lake Township
Utica
Verndale
Viola
Wadena
Walnut Grove
Waltham
Wanamingo
Warroad
Webster Township
Welcome
Wells
West Concord
Willow River
Windemere Township
Windom
Worthington
Wrenshall
Wykoff
Zemple
Zumbrota

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G011/GR-22-504

NOTICE AND PETITION FOR INTERIM RATES

A. Introduction.

Minnesota Energy Resources Corporation ("MERC"), hereby submits to the Minnesota Public Utilities Commission (the "Commission") this Petition for Interim Rates (the "Petition") for Minnesota natural gas customers, pursuant to Minn. Stat. § 216B.16, subd. 3; the Commission's Statement of Policy on Interim Rates dated April 14, 1982; and relevant Commission rules.

B. Information Provided Pursuant to the Commission Statement of Policy on Interim Rates and Relevant Commission Rules.

1. Name, address, and telephone number of utility and name, address, and telephone number of attorneys for the utility.
(Policy Statement, Item 1, page 2)

Minnesota Energy Resources Corporation
2685 145th Street W
Rosemount, MN 55068

Kristin M. Stastny
Elizabeth M. Brama
Taft Stettinius & Hollister LLP
2200 IDS Center
80 South 8th Street
Minneapolis, MN 55402
(612) 977-8656
(612) 977-8624

Catherine Phillips
WEC Energy Group, Inc.
231 W Michigan Street
Milwaukee, WI 53203
(414) 221-3479

2. Date of filing and date proposed interim rates are requested to become effective. (Policy Statement, Item 2, page 2)

The date of the submission of this Petition is November 1, 2022. The Petition is submitted as part of MERC's Application for a general natural gas rate increase. Pursuant to Minn. Stat. § 216B.16, subd. 3, MERC requests, if the Commission suspends the operation of the general rate schedules which accompany the Application pursuant to Minn. Stat. § 216B.16, subd. 2, that the proposed interim rates be made effective on January 1, 2023. The interim rates will be subject to refund, pending final Commission determination on the general natural gas rate increase Application.

**3. Description and need for interim rates.
(Policy Statement, Item 3, page 2)**

Interim rates are needed because the increased costs of service reflected in MERC's general rate Application will be incurred on or before January 1, 2023, the proposed effective date. Without interim rate relief, MERC would be unable to recover these increased costs of service.

Schedule A to this Interim Rate Petition provides the interim revenue deficiency of $37,811,382 or 9.29 percent. As required by Minn. Stat. § 216B.16, subd. 3, and the Commission's Statement of Policy on Interim Rates, MERC has removed from the interim rate revenue deficiency costs that are not of the same nature and kind as allowed in the most recent rate proceeding. As examples, MERC excluded advertising expenses associated with goodwill and economic development; 50 percent of economic development, investor relations, and charitable contribution costs; all Long Term Incentive Plan costs, Restricted Stock, and Stock Options; 85 percent of Executive Incentive, Executive Deferred Comp ESOP; the costs of the Supplement Executive Retirement Plan except the non-qualified pension plan costs authorized by the Commission in Docket No. G007,011/M-06-1287; and the pension regulatory asset and liabilities except those authorized by the Commission in Docket Nos. G011/GR-15-992 (without a return) and G007,011/M-06-1287. MERC does not seek recovery of these excluded costs in interim or final rates. *See* Direct Testimony & Exhibits of Mr. Joseph Zgonc.

MERC also identified the following adjustments after calculation of the 2023 revenue deficiency in this proceeding, which together reduce the overall interim rate revenue deficiency. Specifically, MERC identified the following changes:

- Reduce Advertising Expense by $13 to apply the correct inflation rate to advertising costs removed from the Company's revenue requirement.
- Reduce Travel & Entertainment by $408, to remove additional employee expenses for which the Company is not seeking recovery.
- Reduce Investor Relations by $59,738, to include only 50 percent of these costs in interim rates consistent with prior Commission decisions.
- Reduce Depreciation Expense by $304,949 to reflect the application of updated depreciation rates for forecasted plant additions in the case.
- Increase Income Taxes related to the above income statement changes and related to using the last approved cost of equity.

MERC has reduced its interim rate request to reflect these downward adjustments, and proposes to similarly update its final rate request in rebuttal.

In addition to these adjustments, the return on equity requested for interim rates is 9.70 percent, which is the return on equity approved by the Commission in MERC's last natural gas rate case (Docket No. G011/GR-17-563). Minn. Stat. § 216B.16, subd. 3(b) requires that the interim rate of return on common equity equal the rate of return authorized in the last general rate proceeding, unless exigent circumstances exist.

Finally, consistent with Commission precedent, MERC proposes to collect less than the full amount of the interim rate revenue deficiency from its Class 5 CIP Exempt, Electric Generation Class 2 CIP Exempt, and FLEX rate customers. The Class 5 CIP Exempt and Electric Generation Class 2 CIP Exempt customers are especially sensitive to rate increases, even during a period of interim rates, and have the ability to bypass MERC's system in favor of alternative natural gas service they may receive elsewhere, and the FLEX rate customers have contracted rates in place. The departure of these customers from MERC's system would shift costs for MERC's remaining customers. Therefore, MERC requests that the Commission find that exigent circumstances exist to alter the present rate design during the period of interim rates. The Commission has previously found exigent circumstances justifying a departure from existing rate design under similar circumstances. *See In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Nat. Gas Serv. in Minn.*, Docket No. G011/GR-17-563, ORDER SETTING INTERIM RATES (Dec. 5, 2017); *In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Nat. Gas Serv. in Minn.*, Docket No. G011/GR-15-736, ORDER SETTING INTERIM RATES (Nov. 30, 2015); *In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G011/GR-13-617, ORDER SETTING INTERIM RATES (Nov. 27, 2013); *In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G007,011/GR-10-977, ORDER SETTING INTERIM RATES (Jan. 28, 2011); *In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G007,011/GR-08-835, ORDER SETTING INTERIM RATES (Sept. 25, 2008).

MERC proposes to recover some of the interim rates increase attributed to its Class 5 CIP Exempt, Electric Generation Class 2 CIP Exempt, and FLEX rate customers rather than forgo the entire amount. MERC proposes to increase the customer charge and the transportation administrative fee for these customers by the same 32.82 percent requested as the interim rate increase request for MERC, exclusive of the cost of gas.

This increase will have a small overall impact on these customers' bills. MERC proposes to keep the distribution charges for the Class 5 CIP Exempt, Electric Generation Class 2 CIP Exempt, and FLEX rate classes consistent with their current rates, which are also the rates MERC proposes in the final rate design. The Commission has previously authorized such increases where a utility sought a small increase in final rates for certain classes of customers. *See In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G011/GR-13-617, ORDER SETTING INTERIM RATES (Nov. 27, 2013); *In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G-007,011/GR-10-977, ORDER SETTING INTERIM RATES (Jan. 28, 2011); *In the Matter of the Application of Minn. Energy Res. Corp. for Auth. to Increase Rates for Nat. Gas Serv. in Minn.*, Docket No. G-007,011/GR-08-835, ORDER SETTING INTERIM RATES (Sept. 25, 2008); *In the Matter of the Application of CenterPoint Energy Minnegasco, a Div. of CenterPoint Energy Res. Corp., for Auth. to Increase Nat. Gas Rates in Minn.*, Docket No. G-008/GR-05-1380, ORDER SETTING INTERIM RATES (Dec. 21, 2005). However, while MERC proposes to collect less than the full amount of the interim rate increase from its Class 5 CIP Exempt, Electric Generation Class 2 CIP Exempt, and FLEX rate customers, it does not seek to recover the difference from its other customer classes.

This adjustment results in an interim rate increase of $36,973,887 or 9.08 percent inclusive of the new base cost of gas filed contemporaneously with this application. The updated Conservation Cost Recovery Charge ("CCRC") factor included in interim rates is $0.02929/therm. The calculation of this requested interim rate amount is illustrated in Schedule F to this interim rate petition.

4. Description and corresponding dollar amount of changes included in interim rates as compared with most current approved general rate case and with the most recent year for which audited data is available. (Policy Statement, Item 4, page 2)

A comparison of the changes included in interim rates as compared with MERC's most recently approved natural gas rate case (Docket No. G011/GR-17-563) is contained along with this Petition in Schedule C of this filing. A comparison of the changes included in interim rates as compared with MERC's most recent year for which audited data is available is contained along with this Petition in Schedule D of this filing.

5. Effect of the interim rates expressed in gross revenue dollars and as a percentage of test year gross revenues. (Policy Statement, Item 5, page 2)

The test year for MERC's general natural gas rate increase filing is the calendar year ending December 31, 2023. The revenue requirement study supporting the necessity for interim rate relief shows a deficiency in revenue of $37,811,382 or 9.29 percent under present rates. Present rates, as referred to in this Petition, are the rates authorized by the Commission in its final order in Docket No. G011/GR-17-563.[1] MERC is requesting an interim rate adjustment which will increase MERC's test year revenues by amount less than its full interim rate deficiency, for a $36,973,887 or 9.08 percent interim increase above present rates.

6. Certification by Officer of the Utility. (Policy Statement, Item 6, page 2)

This Petition contains a certificate signed by Nicholas J. Krzeminski, Vice President of Minnesota Energy Resources Corporation, affirming that this interim rate Petition complies with Minnesota Statutes.

7. Methods and procedures for refunding.

Pursuant to Minn. Stat. § 216B.16, subd. 3, this filing contains MERC's Agreement and Undertaking of Refund.

8. Signature and title of the utility officer authorizing the proposed interim rates. (Policy Statement, Item 7, page 2)

This Petition is signed by Nicholas J. Krzeminski, Vice President of Minnesota Energy Resources Corporation.

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[1] While present rates are those authorized by the Commission in Docket G011/GR-17-563, customers' current bills also include separate line items for surcharge revenues associated with the Company's Gas Utility Infrastructure Cost ("GUIC") and Natural Gas Extension Project ("NGEP") Riders, which the Company is proposing to zero out and roll into base rates beginning with interim rates in this proceeding.

9. Supporting schedules and workpapers.
(Policy Statement, Items 1-4, page 3)

The supporting schedules and workpapers described in the Commission's Policy Statement are included along with this Petition. These schedules include the rate base amounts, income statement amounts, revenue deficiencies, capital structures, and rates of return required for interim rates as compared to the same information for MERC's general rate increase Application, the allowed amounts in MERC's most recent general rate case in Docket No. G011/GR-17-563, and the most recent actual year.

10. Interim rate schedules. Revenue rate comparisons.
(Minn. R. 7825.3600)

The rate schedules containing proposed interim rates are included along with the Petition in Volume 1. Consistent with Minn. Stat. § 216B.16, subd. 3, no change has been made in the existing rate design, except as noted above. A uniform percentage equal to the proposed interim rate increase has been applied to the non-gas revenues (margins) currently being recovered from each customer class, other than the Class 5 CIP Expense, Electric Generation Class 2 CIP Exempt, and FLEX rate classes, as discussed above.

11. Customer notice.
(Minn. R. 7829.2400, subp. 3; Minn. Stat. § 216B.16, subd. 1)

Pursuant to Minn. R. 7829.2400, subp. 3 and Minn. Stat. § 216B.16, subd. 1, MERC proposes to send a notice to the counties and municipalities it serves in Minnesota and a bill insert to its natural gas customers in the State of Minnesota. The proposed notice to counties and municipalities and a proposed customer notice pursuant to Minn. Stat. § 216B.16, subd. 1, are included with this filing. In addition, MERC will publish a display advertisement in the newspapers of general circulation in all county seats in MERC's service territory. The display advertisement will replicate the notice to the counties and municipalities.

12. Interim Bills

The Commission's Policy Statement on Interim Rates suggests that changes in interim rates be shown on customer bills as a separate line item "if practical." The interim rate amount will be shown as a separate line item identified as "Interim Increase."

C. Conclusion.

MERC hereby submits this Petition for Interim Rates. If the Commission suspends the operation of the general rate schedules under Minn. Stat. § 216B.16, subd. 2, MERC respectfully requests that the Petition for Interim Rates be promptly considered and accepted by the Commission, and that the interim rate schedule be approved and made effective on January 1, 2023, pursuant to Minn. Stat. § 216B.16, subd. 3, subject to refund pending final Commission action on the general rate increase Application.

Dated: October 31, 2022

Respectfully submitted,

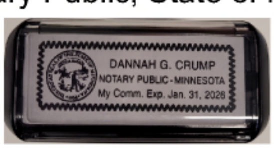
Nick Krzeminski

Nicholas J. Krzeminski
Vice President
Minnesota Energy Resources Corporation
2685 145th Street W
Rosemount, MN 55068

Subscribed and sworn to before me
this 31st day of October, 2022.

Dannah Crump

Notary Public, State of Minnesota



Online Notary Public. This notarial act involved the use of online audio/video communication technology.

INTERIM RATE PETITION SCHEDULES
SUPPORTING SCHEDULES AND WORKPAPERS

The Minnesota Public Utilities Commission ("Commission"), in its Statement of Policy on Interim Rates, encourages any regulated company seeking interim rates to submit to the Commission an interim rate petition as part of its general rate case filing. The interim rate petition should include a cover letter and supporting schedules. The supporting schedules should include the following:

1) A schedule showing the interim rate of return calculation. This schedule should show the capital structure and rate of return calculation approved by the Commission in the most recent general rate case; the capital structure and rate of return calculation proposed for interim rates; and a description and corresponding dollar amount of any changes between the two capital structures.

Note:
Schedule C, Part 4 of 4 contains this information.

2) A schedule showing the interim operating income statement. This schedule should show the same operating income statement accounts as filed in the general rate case. Also, the schedule should include the operating income statement approved by the Commission in the most recent general rate case; the equivalent operating income statement corresponding with the most recent actual year for which audited data is available and corresponding with the same period in months as the test year, if the test year is a projected year and the operating income statement proposed for interim rates. A description of all changes and corresponding dollar amounts between each of the operating income statements should be provided. Workpapers should be provided which show how revenues, Allowance for Funds Used During Construction ("AFUDC"), taxes, expenses, and other income statement components have been determined.

Notes:
Schedule C, Part 1 of 4 of this volume compares the operating income statement approved by the Commission in the most recent general rate case with the income statement for the proposed interim rate test year, including a description of all changes and corresponding dollar amounts.

Schedule D, Part 1 of 3 of this volume compares the operating income statement for the most recent actual year for which audited data is available with the income statement for the test year, as adjusted for interim rates, including a description of all changes and corresponding dollar amounts.

Schedule E, Part 1 of 3 of this volume compares the operating income statement approved by the Commission in the most recent general rate case with the most recent actual year for which audited data is available, including a description of all changes and corresponding dollar amounts.

Although the Commission's Statement of Policy does not require regulated companies to do so, MERC has included as Schedule B, Part 1 of 3 of this volume, a comparison of the operating income statement for this general rate case filing with the income statement for the proposed interim test year, including a description of all changes and corresponding dollar amounts.

Workpapers for the above Interim Rate Petition Schedules can be found in the materials referencing the proposed test year in Volumes 2 - 4 of this filing, as the revenue deficiency for interim rates and the proposed final rates are closely linked except for the small number of items discussed in the Direct Testimony of Mr. Joseph Zgonc.

3) A schedule showing the interim proposed rate base. This schedule should show the same rate base accounts as filed in the general rate case. This schedule should include the average rate base approved by the Commission in the most recent general rate case; the equivalent average rate base corresponding with the most recent actual year for which audited data is available and corresponding with the same period in months as the test year, if the test year is a projected test year; and the average rate base proposed for interim rates. A description of all changes and corresponding dollar amounts between each of the rate bases should be provided. Workpapers should be provided which show how the rate base components have been determined.

Notes:
Schedule C, Part 2 of 4 of this volume compares the average rate base approved by the Commission in the most recent general rate case with the average rate base proposed for interim rates, including a description of all changes and corresponding dollar amounts.

Schedule D, Part 2 of 3 of this volume compares the average rate base for the most recent actual year for which audited data is available with the average rate base proposed for interim rates, including a description of all changes and corresponding dollar amounts.

Schedule E, Part 2 of 3 of this volume compares the average rate base approved by the Commission in the most recent general rate case with average rate base for the most recent actual year for which audited data is available, including a description of all changes and corresponding dollar amounts.

Although not required by the Commission's Policy Statement, MERC has included as Schedule B, Part 2 of 3 of this volume, a comparison of the average rate base for this general rate case filing with the average rate base for the proposed interim test year, including a description of all changes and corresponding dollar amounts.

Workpapers for the above Interim Rate Petition Schedules can be found in the materials referencing the proposed test year in Volumes 2 - 4 of this filing.

4) A schedule showing revenue deficiency calculations for each of the operating income statements and rate bases requested in 2) and 3) above. The revenue

deficiency should be calculated for the actual data and the interim data using the rate of return calculated in 1) above.

Notes:
Schedule C, Part 3 of 4 of this volume shows the revenue deficiency calculations for the most recent general rate case and for the proposed interim rates.

Schedule D, Part 3 of 3 of this volume shows the revenue deficiency calculations for the most recent actual year for which audited data is available and for the proposed interim rates.

Schedule E, Part 3 of 3 of this volume shows the revenue deficiency calculations for the most recent general rate case and the most recent actual year for which audited data is available.

Although not required by the Commission's Policy Statement, MERC has included as Schedule B, Part 3 of 3 of this volume, the revenue deficiency calculations for this general rate case filing and for the proposed interim rates.

Finally, Schedule F of this volume illustrates the Company's proposed distribution of the interim revenue deficiency to arrive at MERC's total interim rate request.

DEFINITIONS

The following definitions have been used in this filing:

Proposed Interim Test Year
The proposed interim test year information is for the calendar year ending December 31, 2023 and includes the effect of rate making adjustments.

General Rate Case Filing
The general rate case filing information is for the proposed test year ending December 31, 2023 and includes the effects of rate making adjustments.

Most Recent General Rate Case
This information represents the financial data for the calendar test year ending December 31, 2018 from Docket No. G011/GR-17-563 as approved by the Commission.

Most Recent Actual Year
This information represents actual unadjusted financial information for the calendar year ended December 31, 2021.

Minnesota Energy Resources Corporation

Interim Rate Schedule

Summary of Revenue Requirements

Line No.	Description	Total MERC Interim Rate Petition Present Rates
1	Average Rate Base	482,450
2	Operating Income	5,618
3	Allowance for funds used during Construction	-
4	Total Available for Return	5,618
5	Overall Rate of Return (Line 4 / Line 1)	1.16%
6	Required Rate of Return	6.75%
7	Required Operating Income (Line 1 x Line 6)	32,561
8	Income Deficiency (Line 7 - Line 4)	26,944
9	Gross Revenue Conversion Factor	1.403
10	Revenue Defieciency (Line 8 x Line 9)	37,811
11	Total Natural Gas Revenue	406,984
12	Rate Increase/(Decrease) %	9.29%

Minnesota Energy Resources Corporation
Interim Rate Schedule
Statement of Operating Income

Line No.	Description	Total MERC Interim Rate Petition Present Rates
	Operating Revenues	
1	Total Natural Gas Revenue	406,984
2	Other Operating	1,374
3	Total Operating Revenues	408,358
	Expenses	
	Operating Expenses:	
4	Purchased Gas	291,792
5	Other Production	330
6	Gas Supply	456
7	Transmission	845
8	Distribution	21,153
9	Customer Accounting	11,178
10	Customer Service & Information	826
11	Sales	-
12	Administrative & General	16,737
13	Amortizations	14,468
14	Total Operating Expenses	357,784
15	Depreciation	24,389
	Taxes:	
16	Taxes Other Than Income Taxes	22,534
17	Federal & State Income Tax	(2,000)
18	Total Taxes	20,533
19	Total Expenses	402,706
20	Tax Effect of Interest Allowed	(34)
21	Allowance for Funds Used During Construction	-
22	Other Interest	-
23	Total Operating Income	5,618

Minnesota Energy Resources Corporation
Interim Rate Schedule
Detailed Rate Base Components

Line No.	Description	Total MERC Interim Rate Petition Present Rates
1	Plant in Service	851,493
2	Property Held for Future Use	-
3	Construction Work in Progress	8,108
4	Accumulated Depreciation and Plant Deferred Taxes	(382,204)
5	Customer Advances	-
6	Net Utility Plant	477,397
7	Cash Working Capital	(9,187)
	Other Rate Base Items	
8	Materials and Supplies	268
9	Gas Storage	23,004
10	Prepayments	921
11	Deferred Taxes Other than Plant, M&S	24,705
12	Non-Plant Assets & Liabilities	(34,657)
13	Total Other Rate Base Items	14,240
14	Total Average Rate Base	482,450

Minnesota Energy Resources Corporation
Interim Rate Schedule
Statement of Operating Income

Line No.	Description	Total MERC General Rate Case Filing	Total MERC Interim Rate Petition Present Rates	Change
	Operating Revenues			
1	Total Natural Gas Revenue	406,984	406,984	-
2	Other Operating	1,374	1,374	-
3	Total Operating Revenues	408,358	408,358	-
	Expenses			
	Operating Expenses:			
4	Purchased Gas	291,792	291,792	-
5	Other Production	330	330	-
6	Gas Supply	456	456	
7	Transmission	845	845	-
8	Distribution	21,153	21,153	-
9	Customer Accounting	11,178	11,178	-
10	Customer Service & Information	826	826	(0)
11	Sales	-	-	
12	Administrative & General	16,797	16,737	(60)
13	Amortizations	14,468	14,468	-
14	Total Operating Expenses	357,844	357,784	(60)
15	Depreciation	24,694	24,389	(305)
	Taxes:			
16	Taxes Other Than Income Taxes	22,534	22,534	-
17	Federal & State Income Tax	(2,111)	(2,000)	110
18	Total Taxes	20,423	20,533	110
19	Total Expenses	402,961	402,706	(255)
20	Tax Effect of Interest Allowed	(34)	(34)	0
21	Allowance for Funds Used During Construction	-	-	-
22	Other Interest	-	-	
23	Total Operating Income	5,363	5,618	255

Minnesota Energy Resources Corporation
Interim Rate Schedule
Detailed Rate Base Components

Line No.	Description	Total MERC General Rate Case Filing	Total MERC Interim Rate Petition Present Rates	Change
1	Plant in Service	851,493	851,493	-
2	Property Held for Future Use	-	-	-
3	Construction Work in Progress	8,108	8,108	-
4	Accumulated Depreciation and Plant Deferred Taxes	(382,204)	(382,204)	-
5	Customer Advances	-	-	
6	Net Utility Plant	477,397	477,397	-
7	Cash Working Capital	(9,187)	(9,187)	-
	Other Rate Base Items			
8	Materials and Supplies	268	268	-
9	Gas Storage	23,004	23,004	-
10	Prepayments	921	921	-
11	Deferred Taxes Other than Plant, M&S	24,705	24,705	
12	Regulatory Assets & Liabilities	(34,657)	(34,657)	-
13	Total Other Rate Base Items	14,240	14,240	-
14	Total Average Rate Base	482,450	482,450	-

Minnesota Energy Resources Corporation
Interim Rate Schedule
Summary of Revenue Requirements

Line No.	Description	Total MERC General Rate Case Filing	Total MERC Interim Rate Petition Present Rates	Change
1	Average Rate Base	482,450	482,450	-
2	Adjusted Operating Income	5,363	5,618	255
3	Allowance for funds used during Construction	-	-	-
4	Total Available for Return	5,363	5,618	255
5	Overall Rate of Return (Line 4 / Line 1)	1.11%	1.16%	0.05%
6	Required Rate of Return	7.07%	6.75%	-0.32%
7	Required Operating Income (Line 1 x Line 6)	34,096	32,561	(1,534)
8	Income Deficiency (Line 7 - Line 4)	28,733	26,944	(1,789)
9	Gross Revenue Conversion Factor	1.403	1.403	-
10	Revenue Defieciency (Line 8 x Line 9)	40,322	37,811	(2,511)
11	Total Natural Gas Revenue	406,984	406,984	-
12	Rate Increase/(Decrease) %	9.91%	9.29%	-0.62%

COMPARISON OF PROPOSED INTERIM RATES TO PRESENT RATES
STATEMENT OF OPERATING INCOME
DESCRIPTION OF CHANGES

Utility operating income decreases by approximately $11.5M for MERC's Minnesota Operations from the 2018 test year used for the most recent Commission approved rate case, in Docket No. G011/GR-17-563, compared to the 2023 test year in MERC's proposed interim rate petition, in Docket No. G011/GR-22-504.

Major components of the change in utility operating income included the following:

Retail Gas, Transportation, and Other Operating Revenues increased by $160.2M.

Other Operating Expenses increased by $157.4M, of which $152.4M is due to increased gas costs, $1.1M is due to increases in Amortization expense, and $3.9M is due to increases in Operations and Maintenance expense.

Depreciation expense increased by $10.7M.

Taxes other than Income Taxes increased by $9.6M.

Income taxes decreased $5.8M.

Minnesota Energy Resources Corporation
Comparison of Proposed Interim Rates to Present Rates
Statement of Operating Income

Line No.	Description	Total MERC From Most Recent General Rate Case Filing	Total MERC Interim Rate Petition Present Rates	Change
	Operating Revenues			
1	Total Natural Gas Revenue	246,813	406,984	160,171
2	Other Operating	1,359	1,374	15
3	Total Operating Revenues	248,172	408,358	160,186
	Expenses			
	Operating Expenses:			
4	Purchased Gas	139,406	291,792	152,386
5	Other Production	1,407	330	(1,077)
6	Gas Supply	777	456	
7	Transmission	54	845	791
8	Distribution	18,713	21,153	2,440
9	Customer Accounting	10,346	11,178	832
10	Customer Service & Information	1,159	826	(333)
11	Sales	-	-	
12	Administrative & General	15,517	16,737	1,220
13	Amortizations	13,355	14,468	1,112
14	Total Operating Expenses	200,733	357,784	157,372
15	Depreciation	13,691	24,389	10,697
	Taxes:			
16	Taxes Other Than Income Taxes	12,973	22,534	9,560
17	Federal & State Income Tax	3,768	(2,000)	(5,768)
18	Total Taxes	16,741	20,533	3,792
19	Total Expenses	231,166	402,706	171,862
20	Tax Effect of Interest Allowed	(178)	(34)	144
21	Allowance for Funds Used During Construction	-	-	-
22	Other Interest	-	-	
23	Total Operating Income	16,828	5,618	(11,532)

COMPARISON OF PROPOSED INTERIM RATES TO PRESENT RATES
RATE BASE
DESCRIPTION OF CHANGES

Utility Rate Base increased by approximately $206.1M for MERC's Minnesota operations from the Company's 2018 test year used for the most recent Commission approved rate case, at Docket No. G011/GR-17-563, compared to the 2023 test year in MERC's proposed interim rate petition, in Docket No. G011/GR-22-504.

Major components of the change of rate base include:

Net utility plant increased by $196.7M. These increases are driven by the overall capital investments described in the testimony of Mr. Richard Stasik and Mr. Joseph Zgonc.

Cash working capital decreased by $3.6M.

The cost of gas in storage has increased by $16.9M, primarily driven by higher gas prices.

Other rate base items decreased by $3.95M, primarily as a result of regulatory assets and liabilities.

Minnesota Energy Resources Corporation
Comparison of Proposed Interim Rates to Present Rates
Detailed Rate Base Components

Line No.	Description	Total MERC From Most Recent General Rate Case Filing	Total MERC Interim Rate Petition Present Rates	Change
1	Plant in Service	549,945	851,493	301,548
2	Property Held for Future Use	-	-	-
3	Construction Work in Progress	6,532	8,108	1,576
4	Accumulated Depreciation and Plant Deferred Taxes	(275,794)	(382,204)	(106,409)
5	Customer Advances	(36)	-	
6	Net Utility Plant	280,647	477,397	196,715
7	Cash Working Capital	(5,624)	(9,187)	(3,563)
	Other Rate Base Items			
8	Materials and Supplies	231	268	37
9	Gas Storage	6,062	23,004	16,942
10	Prepayments	951	921	(31)
11	Deferred Taxes Other than Plant, M&S	32,735	24,705	
12	Regulatory Assets & Liabilities	(30,703)	(34,657)	(3,953)
13	Total Other Rate Base Items	9,275	14,240	12,995
14	Total Average Rate Base	284,298	482,450	206,146

COMPARISON OF PROPOSED INTERIM RATES TO PRESENT RATES
REVENUE REQUIREMENT CALC
DESCRIPTION OF CHANGES

The 2023 test year interim revenue requirement increased by approximately $34.7M for MERC's Minnesota Operations from the Company's 2018 test year used for the most recent Commission approved rate case, in Docket No. G011/GR-17-563.

The major components of the change in revenue requirement include:

Increase in rate base and associated depreciation expense and property taxes, as previously mentioned.

Minnesota Energy Resources Corporation
Comparison of Proposed Interim Rates to Present Rates
Summary of Revenue Requirements

Line No.	Description	Total MERC From Most Recent General Rate Case Filing	Total MERC Interim Rate Petition Present Rates	Change
1	Average Rate Base	284,298	482,450	198,152
2	Adjusted Operating Income	16,828	5,618	(11,210)
3	Allowance for funds used during Construction	-	-	-
4	Total Available for Return	16,828	5,618	(11,210)
5	Overall Rate of Return (Line 4 / Line 1)	5.92%	1.16%	-4.75%
6	Required Rate of Return	6.70%	6.75%	0.05%
7	Required Operating Income (Line 1 x Line 6)	19,040	32,561	13,522
8	Income Deficiency (Line 7 - Line 4)	2,211	26,944	24,732
9	Gross Revenue Conversion Factor	1.402	1.403	0.001
10	Revenue Deficiency (Line 8 x Line 9)	3,100	37,811	34,711
11	Total Natural Gas Revenue	246,813	406,984	160,171
12	Rate Increase/(Decrease) %	1.26%	9.29%	8.03%

COMPARISON OF PROPOSED INTERIM RATES TO PRESENT RATES
CAPITAL STRUCTURE AND RATE OF RETURN CALCULATIONS
DESCRIPTION OF CHANGES

Rate of Return increased by approximately 0.05% from the Company's 2018 test year used for the most recent Commission approved rate case, at Docket No. G011/GR-17-563, compared to the 2023 test year in MERC's proposed interim rate petition, in Docket No. G011/GR-22-504.

The major driver of this change is the increase in the amount of Net Common Equity from 2018 to 2023.

Minnesota Energy Resources Corporation
Comparison of Proposed Interim Rates to Present Rates
Detailed Rate Base Components

Line No.	Capitaization	Amount	Percent of Total Capitaization	Cost of Capital	Weighted Cost of Capital
I. Captial Structure from Most Recent General Rate Case					
1	Long-Term Debt	119,195	39.16%	3.58%	1.40%
2	Short-Term Debt	30,244	9.94%	3.60%	0.36%
3	Total Debt	149,439	49.10%		1.76%
4	Preferred Stock	0	0.00%		0.00%
5	Net Common Equity	154,916	50.90%	9.70%	4.94%
6	Total Equity	154,916	50.90%		4.94%
7	Total Capitalization	304,355	100.00%		6.70%
II. Captial Structure from Interim Rate Case Proposal					
1	Long-Term Debt	209,099	42.64%	3.14%	1.34%
2	Short-Term Debt	21,356	4.36%	6.16%	0.27%
3	Total Debt	230,455	47.00%		1.61%
4	Preferred Stock	-	0.00%	0.00%	0.00%
5	Net Common Equity	259,875	53.00%	9.70%	5.14%
6	Total Equity	259,875	53.00%		5.14%
9	Total Capitalization	490,330	100.00%		6.75%

COMPARISON OF PROPOSED INTERIM RATES TO 2018 ACTUAL
STATEMENT OF OPERATING INCOME
DESCRIPTION OF CHANGES

Utility operating income decreased by approximately $18.7M for MERC's Minnesota Operations from the Company's 2021 historical year, compared to the 2023 test year in MERC's proposed interim rate petition in Docket No. G011/GR-22-504.

Major components of the change in utility operating income include:

Operating Revenues increased by $59.5M, which is primarily explained by increases in the cost of gas.

Non-Fuel O&M expenses increased by $10.5M. These increases are explained by the inflation and the known and measurable processes described in the Direct Testimony of Mr. Joseph Zgonc.

Amortization expense increased by $2.6M.

Depreciation expense increased by $3.5M, as a result of the increased capital investments described in the Direct Testimony of Mr. Richard Stasik and Mr. Ted Prosser.

Taxes other than Income Taxes increased by $9.9M.

Income taxes decreased $8.4M.

Minnesota Energy Resources Corporation
Comparison of Proposed Interim Rates to Historical Year Actual (Unadjusted)
Statement of Operating Income

Line No.	Description	Total MERC Historical Year Unadjusted	Total MERC Interim Rate Petition Present Rates	Change
	Operating Revenues			
1	Total Natural Gas Revenue	262,863	406,984	144,121
2	Other Operating	85,979	1,374	(84,605)
3	Total Operating Revenues	348,842	408,358	59,516
	Expenses			
	Operating Expenses:			
4	Purchased Gas	231,503	291,792	60,288
5	Other Production	1,382	330	(1,052)
6	Gas Supply	429	456	
7	Transmission	5	845	840
8	Distribution	13,983	21,153	7,170
9	Customer Accounting	6,340	11,178	4,838
10	Customer Service & Information	706	826	120
11	Sales	-	-	
12	Administrative & General	18,179	16,737	(1,443)
13	Amortizations	11,833	14,468	2,634
14	Total Operating Expenses	284,362	357,784	73,396
15	Depreciation	20,920	24,389	3,469
	Taxes:			
16	Taxes Other Than Income Taxes	12,613	22,534	9,921
17	Federal & State Income Tax	6,398	(2,000)	(8,398)
18	Total Taxes	19,011	20,533	1,523
19	Total Expenses	324,293	402,706	78,387
20	Tax Effect of Interest Allowed	(188)	(34)	154
21	Allowance for Funds Used During Construction	-	-	-
22	Other Interest	(8)	-	
23	Total Operating Income	24,370	5,618	(18,718)

COMPARISON OF PROPOSED INTERIM RATES TO 2021 ACTUAL RATE BASE DESCRIPTION OF CHANGES

Utility rate base increased by approximately $61.6M for MERC's Minnesota Operations from the Company's 2021 historical year compared to the 2023 test year in MERC's proposed interim rate petition in Docket No. G011/GR-22-504.

Major components of this increase include:

Net utility plant in service which increased by $53.5M as a result of the increased capital investment described in the Direct Testimony of Mr. Richard Stasik and Mr. Ted Prosser.

Cost of gas storage increased by $10.2M.

Cash working capital decreased $1.8M.

Minnesota Energy Resources Corporation
Comparison of Proposed Interim Rates to Historical Year Actual (Unadjusted)
Detailed Rate Base Components

Line No.	Description	Total MERC Historical Year Unadjusted	Total MERC Interim Rate Petition Present Rates	Change
1	Plant in Service	740,451	851,493	111,042
2	Property Held for Future Use	-	-	-
3	Construction Work in Progress	14,095	8,108	(5,987)
4	Accumulated Depreciation and Plant Deferred Taxes	(330,677)	(382,204)	(51,526)
5	Customer Advances	-	-	
6	Net Utility Plant	423,868	477,397	53,529
7	Cash Working Capital	(7,393)	(9,187)	(1,794)
	Other Rate Base Items			
8	Materials and Supplies	257	268	11
9	Gas Storage	12,759	23,004	10,245
10	Prepayments	875	921	45
11	Deferred Taxes Other than Plant, M&S	15,142	24,705	
12	Regulatory Assets & Liabilities	(34,201)	(34,657)	(456)
13	Total Other Rate Base Items	(5,168)	14,240	9,845
14	Total Average Rate Base	411,307	482,450	61,581

**COMPARISON OF PROPOSED INTERIM RATES TO 2021 ACTUAL REVENUE REQUIREMENT
DESCRIPTION OF CHANGES**

The interim revenue requirement increased by approximately $36.4M for MERC's Minnesota Operations from the Company's 2021 historical year compared to the 2023 test year in MERC's proposed interim rate petition, in Docket No. G011/GR-22-504.

The major components of the change in revenue requirement include:

Increase in rate base, O&M expenditures, and property taxes, due to the changes discussed on the prior pages.

Line No.	Description	Total MERC Historical Year Unadjusted	Total MERC Interim Rate Petition Present Rates	Change
1	Average Rate Base	411,307	482,450	71,144
2	Adjusted Operating Income	24,370	5,618	(18,752)
3	Allowance for funds used during Construction	-	-	-
4	Total Available for Return	24,370	5,618	(18,752)
5	Overall Rate of Return (Line 4 / Line 1)	5.93%	1.16%	-4.76%
6	Required Rate of Return	6.17%	6.75%	0.58%
7	Required Operating Income (Line 1 x Line 6)	25,378	32,561	7,184
8	Income Deficiency (Line 7 - Line 4)	1,007	26,944	25,936
9	Gross Revenue Conversion Factor	1.403	1.403	-
10	Revenue Deficiency (Line 8 x Line 9)	1,414	37,811	36,398
11	Total Natural Gas Revenue	262,863	406,984	144,121
12	Rate Increase/(Decrease) %	0.54%	9.29%	8.75%

COMPARISON OF MOST RECENT COMMISSION APPROVED RATE CASE TO 2021 ACTUALS STATEMENT OF OPERATING INCOME DESCRIPTION OF CHANGES

Utility operating income increased by approximately $7.2M for MERC's Minnesota Operations from the Company's 2018 test year used for the most recent Commission approved rate case, Docket No. G011/GR-17-563, compared to the 2021 historical year.

Major components of the increase include:

An increase in operating revenues of $100.7M, which is primarily explained by increases in the cost of gas of $92.1M.

Operating and Maintenance expenses decreased $6.6M.

Amortization decreased $1.5M.

Depreciation expense increased $7.2M.

Taxes other than Income Taxes decreased $0.4M.

Income taxes increased $2.6M.

Minnesota Energy Resources Corporation
Comparison of Most Recent General Rate Case to Historical Year Actual (Unadjusted)
Statement of Operating Income

Line No.	Description	Total MERC From Most Recent General Rate Case Filing	Total MERC Historical Year Unadjusted	Change
	Operating Revenues			
1	Total Natural Gas Revenue	246,813	262,863	16,051
2	Other Operating	1,359	85,979	84,620
3	Total Operating Revenues	248,172	348,842	100,670
	Expenses			
	Operating Expenses:			
4	Purchased Gas	139,406	231,503	92,097
5	Other Production	1,407	1,382	(24)
6	Gas Supply	777	429	
7	Transmission	54	5	(49)
8	Distribution	18,713	13,983	(4,730)
9	Customer Accounting	10,346	6,340	(4,006)
10	Customer Service & Information	1,159	706	(453)
11	Sales	-	-	
12	Administrative & General	15,517	18,179	2,662
13	Amortizations	13,355	11,833	(1,522)
14	Total Operating Expenses	200,733	284,362	83,976
15	Depreciation	13,691	20,920	7,229
	Taxes:			
16	Taxes Other Than Income Taxes	12,973	12,613	(361)
17	Federal & State Income Tax	3,768	6,398	2,631
18	Total Taxes	16,741	19,011	2,270
19	Total Expenses	231,166	324,293	93,475
20	Tax Effect of Interest Allowed	(178)	(188)	(10)
21	Allowance for Funds Used During Construction	-	-	-
22	Other Interest	-	(8)	
23	Total Operating Income	16,828	24,370	7,186

**COMPARISON OF MOST RECENT COMMISSION APPROVED
RATE CASE TO 2021 ACTUALS
RATE BASE
DESCRIPTION OF CHANGES**

Utility rate base increased by approximately $144.6M for MERC's Minnesota Operations from the Company's 2018 test year used for the most recent Commission approved rate case, Docket No. G011/GR-17-563, compared to the 2021 historical year.

Major components of the change of rate base include:

Net utility plant increased by $143.2M.

The cost of gas in storage increased by $6.7M.

Cash working capital decreased by $1.8M

Other rate base items decreased by $3.5M, primarily as a result of regulatory assets and liabilities.

Minnesota Energy Resources Corporation
Comparison of Most Recent General Rate Case to Historical Year Actual (Unadjusted)
Detailed Rate Base Components

Line No.	Description	Total MERC From Most Recent General Rate Case Filing	Total MERC Historical Year Unadjusted	Change
1	Plant in Service	549,945	740,451	190,506
2	Property Held for Future Use	-	-	-
3	Construction Work in Progress	6,532	14,095	7,563
4	Accumulated Depreciation and Plant Deferred Taxes	(275,794)	(330,677)	(54,883)
5	Customer Advances	(36)	-	
6	Net Utility Plant	280,647	423,868	143,185
7	Cash Working Capital	(5,624)	(7,393)	(1,770)
	Other Rate Base Items			
8	Materials and Supplies	231	257	26
9	Gas Storage	6,062	12,759	6,697
10	Prepayments	951	875	(76)
11	Deferred Taxes Other than Plant, M&S	32,735	15,142	
12	Regulatory Assets & Liabilities	(30,703)	(34,201)	(3,498)
13	Total Other Rate Base Items	9,275	(5,168)	3,150
14	Total Average Rate Base	284,298	411,307	144,565

COMPARISON OF MOST RECENT COMMISSION APPROVED RATE CASE TO 2021 ACTUALS REVENUE REQUIREMENTS DESCRIPTION OF CHANGES

The revenue requirement decreased by approximately $1.7M for MERC's Minnesota Operations from the Company's 2018 test year used for the most recent Commission approved rate case, at Docket No. G011/GR-17-563, compared to the 2021 historical year.

The major components of the change in revenue requirement include increases in rate base, increase in revenue less cost of gas (margin), decrease in O&M expenditures, and decreases in taxes other than income taxes, due to the changes discussed on the prior pages.

Minnesota Energy Resources Corporation
Comparison of Most Recent General Rate Case to Historical Year Actual (Unadjusted)
Summary of Revenue Requirements

Line No.	Description	Total MERC From Most Recent General Rate Case Filing	Total MERC Historical Year Unadjusted	Change
1	Average Rate Base	284,298	411,307	127,009
2	Adjusted Operating Income	16,828	24,370	7,542
3	Allowance for funds used during Construction	-	-	-
4	Total Available for Return	16,828	24,370	7,542
5	Overall Rate of Return (Line 4 / Line 1)	5.92%	5.93%	0.01%
6	Required Rate of Return	6.70%	6.17%	-0.53%
7	Required Operating Income (Line 1 x Line 6)	19,040	25,378	6,338
8	Income Deficiency (Line 7 - Line 4)	2,211	1,007	(1,204)
9	Gross Revenue Conversion Factor	1.402	1.403	0.001
10	Revenue Deficiency (Line 8 x Line 9)	3,100	1,414	(1,687)
11	Total Natural Gas Revenue	246,813	262,863	16,051
12	Rate Increase/(Decrease) %	1.26%	0.54%	-0.72%

MINNESOTA ENERGY RESOURCES CORPORATION

COMPARISON OF REVENUE FROM CURRENT AND PROPOSED **INTERIM RATES (INCLUDING GAS COSTS)**

MERC Customer Class	Current Revenues	Proposed Revenues	$ Increase/ (Decrease)	% Increase/ (Decrease)
NNG SALES				
GS-NNG Residential Sales	$ 207,891,300	$ 227,978,421	$ 20,087,121	9.66%
GS-NNG Residential Farm-Tap Sales	$ 2,334,290	$ 2,533,761	$ 199,471	8.55%
GS-NNG C&I FIRM Class 1	$ 9,080,561	$ 10,094,095	$ 1,013,534	11.16%
GS-NNG C&I Farm-Tap Class 1	$ 199,053	$ 218,345	$ 19,292	9.69%
GS-NNG C&I FIRM Class 2	$ 87,553,564	$ 93,543,617	$ 5,990,053	6.84%
GS-NNG C&I FIRM Class 3	$ 8,019,792	$ 8,364,909	$ 345,117	4.30%
GS-NNG C&I Farm-Tap Class 2	$ 2,732,540	$ 2,903,771	$ 171,231	6.27%
GS-NNG C&I Farm-Tap Class 3	$ 780,571	$ 812,439	$ 31,868	4.08%
NNG C&I INT Class 2	$ 6,431,619	$ 6,697,714	$ 266,095	4.14%
NNG C&I INT Class 3	$ 9,770,948	$ 10,132,316	$ 361,368	3.70%
NNG Agriculture Grain Dryer - Class 1	$ 713,545	$ 757,515	$ 43,970	6.16%
NNG Agriculture Grain Dryer - Class 2	$ 2,651,811	$ 2,741,883	$ 90,072	3.40%
NNG Electric Generation - Class 1	$ 98,081	$ 103,033	$ 4,952	5.05%
NNG C&I Firm/Interruptible Class 2	$ 82,347	$ 86,681	$ 4,333	5.26%
CONSOLIDATED SALES				
GS-CONSOLIDATED Residential Sales	$ 30,189,485	$ 33,678,720	$ 3,489,235	11.56%
GS-CONSOLIDATED C&I FIRM Class 1	$ 2,364,911	$ 2,676,286	$ 311,375	13.17%
GS-CONSOLIDATED C&I FIRM Class 2	$ 20,161,678	$ 21,904,188	$ 1,742,510	8.64%
GS-CONSOLIDATED C&I FIRM Class 3	$ 1,337,791	$ 1,411,662	$ 73,871	5.52%
CONSOLIDATED C&I INT Class 2	$ 1,220,519	$ 1,284,141	$ 63,621	5.21%
CONSOLIDATED C&I INT Class 3	$ 1,022,176	$ 1,070,505	$ 48,329	4.73%
CONSOLIDATED C&I INT Class 4	$ 1,645,500	$ 1,685,613	$ 40,113	2.44%
CONSOLIDATED Agriculture Grain Dryer - Class 1	$ 44,790	$ 48,638	$ 3,848	8.59%
CONSOLIDATED Agriculture Grain Dryer - Class 2	$ 145,797	$ 152,424	$ 6,627	4.55%
CONSOLIDATED Electric Generation - Class 1	$ 10,409	$ 11,032	$ 623	5.98%
CONSOLIDATED C&I Firm/Interruptible Class 2	$ 185,817	$ 197,560	$ 11,743	6.32%
NNG TRANSPORT				
Transport-NNG C&I FIRM Class 2	$ 367,598	$ 488,235	$ 120,637	32.82%
Transport-NNG C&I FIRM Class 3	$ 770,878	$ 1,023,876	$ 252,998	32.82%
Transport-NNG C&I FIRM Class 4	$ 65,902	$ 87,528	$ 21,626	32.82%
Transport-NNG C&I FIRM Class 5 - CIP Exempt	$ 42,895	$ 44,903	$ 2,009	4.68%
Transport-NNG Electric Generation FIRM Class 2 - CIP Exempt	$ 336,110	$ 338,119	$ 2,009	0.60%
Transport-NNG C&I INT Class 2	$ 197,431	$ 262,232	$ 64,801	32.82%
Transport-NNG C&I INT Class 3	$ 1,946,727	$ 2,585,552	$ 638,825	32.82%
Transport-NNG C&I INT Class 4	$ 612,700	$ 813,799	$ 201,099	32.82%
Transport-NNG C&I INT Class 5	$ 331,610	$ 440,426	$ 108,816	32.81%
Transport-NNG C&I INT Class 5 - CIP Exempt	$ 1,163,675	$ 1,175,727	$ 12,052	1.04%
Transport-NNG Electric Generation INT Class 2	$ 50,593	$ 67,194	$ 16,602	32.81%
Transport-NNG Electric Generation INT Class 2 - CIP Exempt	$ 17,348	$ 19,357	$ 2,009	11.58%
Transport-NNG C&I Firm/Interruptible Class 2	$ 61,154	$ 81,225	$ 20,071	32.82%
Transport-NNG C&I Firm/Interruptible Class 3	$ 950,538	$ 1,262,470	$ 311,932	32.82%
Transport-NNG C&I Firm/Interruptible Class 4	$ 231,033	$ 306,851	$ 75,818	32.82%
Transport-NNG C&I Firm/Interruptible Class 5	$ 151,318	$ 200,972	$ 49,654	32.81%
Transport-NNG C&I Firm/Interruptible Class 5 - CIP Exempt	$ 314,812	$ 324,855	$ 10,043	3.19%
Transport for Resale	$ 28,935	$ 38,431	$ 9,497	32.82%
LVJ-NNG Flex Transport (Cust "A")	$ 217,865	$ 219,185	$ 1,319	0.61%
LVI-NNG Flex Transport (Cust "B")				
LVI-NNG Flex Transport (Cust "C")				
LVI-NNG Flex Transport (Cust "D")				
LVJ-NNG Flex Transport (Cust "E")				
LVJ-NNG Flex Transport (Cust "F")	$ 188,538	$ 196,096	$ 7,558	4.01%
LVJ-NNG Flex Transport (Cust "G")	$ 60,161	$ 61,480	$ 1,319	2.19%
CONSOLIDATED TRANSPORT				
Transport-CONSOLIDATED C&I FIRM Class 2	$ 331,145	$ 439,819	$ 108,675	32.82%
Transport-CONSOLIDATED C&I FIRM Class 2 - CIP Exempt	$ 10,708	$ 14,222	$ 3,514	32.82%
Transport-CONSOLIDATED C&I FIRM Class 3	$ 636,823	$ 845,825	$ 209,002	32.82%
Transport-CONSOLIDATED C&I FIRM Class 4	$ 76,122	$ 101,102	$ 24,980	32.82%
Transport-CONSOLIDATED C&I FIRM Class 5 - CIP Exempt	$ 263,290	$ 267,307	$ 4,017	1.53%
Transport-CONSOLIDATED C&I INT Class 2	$ 67,608	$ 89,799	$ 22,191	32.82%
Transport-CONSOLIDATED C&I INT Class 3	$ 458,896	$ 609,486	$ 150,589	32.82%
Transport-CONSOLIDATED C&I INT Class 4	$ 76,471	$ 101,571	$ 25,099	32.82%
Transport-CONSOLIDATED C&I INT Class 5	$ 167,454	$ 222,403	$ 54,949	32.81%
Transport-CONSOLIDATED C&I Firm/Interruptible Class 3	$ 54,237	$ 72,036	$ 17,799	32.82%
Transport-CONSOLIDATED C&I Firm/Interruptible Class 5 - CIP Exempt	$ 64,504	$ 66,513	$ 2,009	3.11%
Total NNG Sales Customers	$ 338,340,024	$ 366,968,500	$ 28,628,476	8.46%
Total Consolidated Sales Customers	$ 58,328,873	$ 64,120,768	$ 5,791,895	9.93%
TOTAL SALES CUSTOMERS	**$ 396,668,897**	**$ 431,089,268**	**$ 34,420,371**	**8.68%**
Total NNG Transport Customers	$ 8,107,819	$ 10,038,513	$ 1,930,693	23.81%
Total Consolidated Transport Customers	$ 2,207,259	$ 2,830,082	$ 622,823	28.22%
TOTAL TRANSPORT CUSTOMERS	**$ 10,315,079**	**$ 12,868,595**	**$ 2,553,516**	**24.76%**
Total NNG Customers	$ 346,447,843	$ 377,007,013	$ 30,559,170	8.82%
Total Consolidated Customers	$ 60,536,132	$ 66,950,849	$ 6,414,717	10.60%
TOTAL	**$ 406,983,976**	**$ 443,957,863**	**$ 36,973,887**	**9.08%**

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieven	Chair
Valerie Means	Commissioner
Matt Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Application of Minnesota Energy Resources Corporation for Authority to Increase Rates for Natural Gas Service in Minnesota

Docket No. G011/GR-22-504

AGREEMENT AND UNDERTAKING

Minnesota Energy Resources Corporation ("MERC"), in conjunction with the Notice and Petition for Interim Rates filing with the Minnesota Public Utilities Commission (the "Commission") makes the following unqualified agreement concerning refunding any portion of the requested increase in rates determined by the Commission to be unreasonable.

Pursuant to Minn. R. 7825.3300, MERC hereby agrees and undertakes to refund to its customers the amount, if any, collected during the interim rate period, plus interest at the current rate determined by the Commission, computed from the effective date of the interim rates through the date of refund. The refund shall be made in accordance with Minn. Stat. § 216B.16, subd. 3, and in a manner approved by the Commission.

In addition, MERC agrees to keep such records of sales and billings under the proposed interim rates as will be necessary to compute any potential refund.

This Agreement and Undertaking is made pursuant to authority granted by the Board of Directors of Minnesota Energy Resource Corporation.

Dated: October 31, 2022

Respectfully submitted,

Nick Krzeminski

Nicholas J. Krzeminski
Vice President
Minnesota Energy Resources Corporation
2685 145th Street West
Rosemount, MN 55068

Subscribed and sworn to before me
this 31st day of October, 2022.

Dannah Crump

Notary Public, State of Minnesota

Online Notary Public. This notarial act involved the use of online audio/video communication technology.

CERTIFICATION OF OFFICER OF MINNESOTA ENERGY RESOURCES CORPORATION

As required by the Minnesota Public Utilities Commission's Statement of Policy on Interim Rates dated April 14, 1982, I hereby certify and affirm that the petition of Minnesota Energy Resources Corporation for approval of Proposed Interim Rates and Final Rates is in compliance with Minnesota Statutes.

Dated: October 31, 2022

Respectfully submitted,

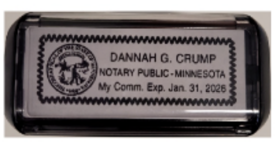
Nick Krzeminski

Nicholas J. Krzeminski
Vice President
Minnesota Energy Resources Corporation
2685 145th Street West
Rosemount, MN 55068

Subscribed and sworn to before me
this 31st day of October, 2022.

Dannah Crump

Notary Public, State of Minnesota



Online Notary Public. This notarial act involved the use of online audio/video communication technology.

IMPORTANT INFORMATION ABOUT YOUR NATURAL GAS RATES FOR CUSTOMERS SERVED BY THE CONSOLIDATED PGA INTERIM GAS RATES IN EFFECT JANUARY 1, 2023

Minnesota Energy Resources has asked the Minnesota Public Utilities Commission ("MPUC") for approval to increase rates for natural gas distribution service. The requested increase is for approximately $40.3 million or about 9.91 percent per year. The requested increase would add about $8 to a typical Residential customer's monthly bill.

State law allows Minnesota Energy Resources to collect higher rates on an interim (temporary) basis while the MPUC considers Minnesota Energy Resources' request. **The overall interim rate increase is about 9.08 percent or $36.97 million more than current rates.** This increase appears on your bill as "Interim Rate Adjustment."

Also effective January 1, 2023, the existing Gas Utility Infrastructure Cost (GUIC) and Natural Gas Extension Project (NGEP) rider surcharge rates are being set to $0.00000 because the projects that were being recovered through those rider surcharges will be recovered through rates for natural gas distribution service. These surcharges had appeared on customer bills as line items labeled "Infrastructure Rider" and "Extension Rider."

The MPUC will likely decide on our requested rate increase in the fall of 2023. If final rates are lower than interim rates, we will refund customers the difference with interest. If you move before we issue a refund and we cannot find you, we may treat your refund as abandoned property. This means we will send your refund to the Minnesota Department of Commerce, Unclaimed Property Unit. You can check for unclaimed property at www.missingmoney.com. To make sure we can send you any refund owed, please provide a forwarding address when you stop service.

Why is Minnesota Energy Resources requesting an increase?
Our last request for a rate increase for natural gas distribution service was made in 2017. Since that time, we have made and continue to make significant investments to serve our customers. These investments, such as our ongoing pipeline replacement programs, maintain the safety and reliability of our natural gas system and benefit our customers and communities. We are improving and modernizing natural gas pipelines and distribution mains throughout our service area.

How Will The Rate Change Affect Monthly Bills?
The proposed rate increase will affect individual monthly bills differently depending on natural gas use and customer type. Customer bills include a Customer Charge, Distribution Charge, and the cost of gas. The proposed Customer Charges and the Distribution Charges recover only the cost of providing distribution service to our customers. These rates do not include the wholesale cost of natural gas – which is passed on to you directly without any mark up. Your monthly bills will continue to vary due to changes in the wholesale cost of natural gas.

The chart below shows an example of the effect of the interim and proposed rate change on monthly bills for customers with average natural gas use. This chart compares present monthly bills including applicable Gas Utility Infrastructure Cost rider surcharges and Natural Gas Extension Project Rider surcharges.

PROPOSED CHANGE IN AVERAGE MONTHLY BILLS

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
CONSOLIDATED SALES				
GS-CONSOLIDATED Residential Sales	72	$79	$86	$87
GS-CONSOLIDATED C&I FIRM Class 1	73	$87	$97	$95
GS-CONSOLIDATED C&I FIRM Class 2	555	$533	$571	$572
GS-CONSOLIDATED C&I FIRM Class 3	9,842	$8,315	$8,722	$8,662
CONSOLIDATED C&I INT Class 2	3,399	$2,566	$2,652	$2,673
CONSOLIDATED C&I INT Class 3	15,749	$11,557	$12,021	$11,864
CONSOLIDATED C&I INT Class 4	101,748	$69,073	$70,234	$69,330
CONSOLIDATED Agriculture Grain Dryer - Class 1	491	$421	$450	$447
CONSOLIDATED Agriculture Grain Dryer - Class 2	2,397	$1,768	$1,815	$1,825
CONSOLIDATED Electric Generation - Class 1	1,137	$883	$919	$915
CONSOLIDATED C&I Firm/Interruptible Class 2	5,011	$3,939	$4,116	$4,203
CONSOLIDATED TRANSPORT				
Transport-CONSOLIDATED C&I FIRM Class 2	3,801	$887	$1,110	$1,153
Transport-CONSOLIDATED C&I FIRM Class 2 - CIP Exempt	5,015	$960	$1,185	$1,312
Transport-CONSOLIDATED C&I FIRM Class 3	23,664	$3,381	$4,332	$4,216
Transport-CONSOLIDATED C&I FIRM Class 4	124,171	$7,187	$8,717	$7,472
Transport-CONSOLIDATED C&I FIRM Class 5 - CIP Exempt	1,962,554	$15,092	$11,138	$16,407
Transport-CONSOLIDATED C&I INT Class 2	6,101	$915	$1,106	$1,107
Transport-CONSOLIDATED C&I INT Class 3	26,565	$2,960	$3,754	$3,477

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
Transport-CONSOLIDATED C&I INT Class 4	129,765	$7,245	$8,758	$7,572
Transport-CONSOLIDATED C&I INT Class 5	395,311	$14,785	$18,534	$14,334
Transport-CONSOLIDATED C&I Firm/Interruptible Class 3	20,271	$2,440	$3,106	$2,891
Transport-CONSOLIDATED C&I Firm/Interruptible Class 5 - CIP Exempt	1,001,711	$7,479	$5,543	$7,275

PROPOSED CHANGES FOR MONTHLY CUSTOMER CHARGE AND THE PER UNIT GAS DISTRIBUTION CHARGE

MERC Customer Class	Current Customer Charge	Current Distribution Charge	Proposed Customer Charge	Proposed Distribution Charge
CONSOLIDATED SALES				
GS-CONSOLIDATED Residential Sales	$9.50	$0.24686	$9.50	$0.38878
GS-CONSOLIDATED C&I FIRM Class 1	$18.00	$0.22251	$18.00	$0.34491
GS-CONSOLIDATED C&I FIRM Class 2	$45.00	$0.16857	$45.00	$0.25209
GS-CONSOLIDATED C&I FIRM Class 3	$165.00	$0.12453	$165.00	$0.16486
CONSOLIDATED C&I INT Class 2	$45.00	$0.10453	$45.00	$0.14947
CONSOLIDATED C&I INT Class 3	$165.00	$0.09453	$165.00	$0.11902
CONSOLIDATED C&I INT Class 4	$185.00	$0.04823	$185.00	$0.05577
CONSOLIDATED Agriculture Grain Dryer - Class 1	$45.00	$0.12953	$45.00	$0.19554
CONSOLIDATED Agriculture Grain Dryer - Class 2	$45.00	$0.08150	$45.00	$0.11858
CONSOLIDATED Electric Generation - Class 1	$45.00	$0.09953	$45.00	$0.14146
CONSOLIDATED C&I Firm/Interruptible Class 2	$45.00	$0.10453	$45.00	$0.14947
CONSOLIDATED TRANSPORT				
Transport-CONSOLIDATED C&I FIRM Class 2	$195.00	$0.16857	$195.00	$0.25209
Transport-CONSOLIDATED C&I FIRM Class 2 - CIP Exempt	$195.00	$0.13904	$195.00	$0.22280
Transport-CONSOLIDATED C&I FIRM Class 3	$315.00	$0.12453	$315.00	$0.16486
Transport-CONSOLIDATED C&I FIRM Class 4	$335.00	$0.05016	$335.00	$0.05748
Transport-CONSOLIDATED C&I FIRM Class 5 - CIP Exempt	$510.00	$0.00533	$510.00	$0.00810
Transport-CONSOLIDATED C&I INT Class 2	$195.00	$0.10453	$195.00	$0.14947
Transport-CONSOLIDATED C&I INT Class 3	$315.00	$0.09453	$315.00	$0.11902

MERC Customer Class	Current Customer Charge	Current Distribution Charge	Proposed Customer Charge	Proposed Distribution Charge
Transport-CONSOLIDATED C&I INT Class 4	$335.00	$0.04823	$335.00	$0.05577
Transport-CONSOLIDATED C&I INT Class 5	$510.00	$0.03401	$510.00	$0.03497
Transport-CONSOLIDATED C&I Firm/Interruptible Class 3	$315.00	$0.09453	$315.00	$0.11902
Transport-CONSOLIDATED C&I Firm/Interruptible Class 5 - CIP Exempt	$510.00	$0.00448	$510.00	$0.00568

What is the process for reviewing Minnesota Energy Resources' request?
In addition to the review by the MPUC, the Minnesota Department of Commerce conducts an investigation of Minnesota Energy Resources' books and records as part of the rate review. The Minnesota Office of the Attorney General – Residential Utilities Division may investigate this proposal, as well as other parties such as customer or public interest groups.

The MPUC will hold public hearings to hear from customers and will review any written comments about our rate increase request. You may add verbal comments, written comments, or both for the record. Notice of the public hearing dates and locations are published in local newspapers, provided as in bill inserts, and posted on our website at www.minnesotaenergyresources.com.

HOW TO LEARN MORE
Minnesota Energy Resources current and proposed rate schedules are available at:

Minnesota Energy Resources
2685 145th Street West
Rosemount, MN 55068
Phone: 1-800-889-9508
Web: www.minnesotaenergyresources.com/company/rate_case.aspx

You may also contact the Minnesota Department of Commerce at:

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101
Telephone: 651-539-1534
Web: https://www.edockets.state.mn.us/EFiling/search.jsp.
Select 22 in the year field, enter 504 in the number field, select Search, and the list of documents will appear on the next page.

If you need information or have questions about the Minnesota Public Utilities Commission's review process:

Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101
Phone: 651-296-0406 or 1-800-657-3782
Email: consumer.puc@ state.mn.us

Citizens with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.

IMPORTANT INFORMATION ABOUT YOUR NATURAL GAS RATES
FOR CUSTOMERS SERVED BY THE NNG PGA
INTERIM GAS RATES IN EFFECT JANUARY 1, 2023

Minnesota Energy Resources has asked the Minnesota Public Utilities Commission ("MPUC") for approval to increase rates for natural gas distribution service. The requested increase is for approximately $40.3 million or about 9.91 percent per year. The requested increase would add about $8 to a typical Residential customer's monthly bill.

State law allows Minnesota Energy Resources to collect higher rates on an interim (temporary) basis while the MPUC considers Minnesota Energy Resources' request. **The overall interim rate increase is about 9.08 percent or $36.97 million more than current rates.** This increase appears on your bill as "Interim Rate Adjustment."

Also effective January 1, 2023, the existing Gas Utility Infrastructure Cost (GUIC) and Natural Gas Extension Project (NGEP) rider surcharge rates are being set to $0.00000 because the projects that were being recovered through those rider surcharges will be recovered through rates for natural gas distribution service. These surcharges had appeared on customer bills as line items labeled "Infrastructure Rider" and "Extension Rider."

The MPUC will likely decide on our requested rate increase in the fall of 2023. If final rates are lower than interim rates, we will refund customers the difference with interest. If you move before we issue a refund and we cannot find you, we may treat your refund as abandoned property. This means we will send your refund to the Minnesota Department of Commerce, Unclaimed Property Unit. You can check for unclaimed property at www.missingmoney.com. To make sure we can send you any refund owed, please provide a forwarding address when you stop service.

Why is Minnesota Energy Resources requesting an increase?
Our last request for a rate increase for natural gas distribution service was made in 2017. Since that time, we have made and continue to make significant investments to serve our customers. These investments, such as our ongoing pipeline replacement programs, maintain the safety and reliability of our natural gas system and benefit our customers and communities. We are improving and modernizing natural gas pipelines and distribution mains throughout our service area.

How Will The Rate Change Affect Monthly Bills?
The proposed rate increase will affect individual monthly bills differently depending on natural gas use and customer type. Customer bills include a Customer Charge, Distribution Charge, and the cost of gas. The proposed Customer Charges and the Distribution Charges recover only the cost of providing distribution service to our customers. These rates do not include the wholesale cost of natural gas – which is passed on to you directly without any mark up. Your monthly bills will continue to vary due to changes in the wholesale cost of natural gas.

The chart below shows an example of the effect of the interim and proposed rate change on monthly bills for customers with average natural gas use. This chart compares present monthly bills including applicable Gas Utility Infrastructure Cost rider surcharges and Natural Gas Extension Project Rider surcharges.

PROPOSED CHANGE IN AVERAGE MONTHLY BILLS

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
NNG SALES				
GS-NNG Residential Sales	71	$93	$100	$102
GS-NNG Residential Farm-Tap Sales	127	$160	$170	$175
GS-NNG C&I FIRM Class 1	72	$101	$112	$109
GS-NNG C&I Farm-Tap Class 1	112	$147	$160	$159
GS-NNG C&I FIRM Class 2	624	$729	$770	$773
GS-NNG C&I FIRM Class 3	12,340	$13,040	$13,536	$13,476
GS-NNG C&I Farm-Tap Class 2	955	$1,092	$1,147	$1,159
GS-NNG C&I Farm-Tap Class 3	31,164	$32,680	$33,852	$33,781
NNG C&I INT Class 2	3,758	$3,524	$3,617	$3,642
NNG C&I INT Class 3	20,442	$18,712	$19,298	$19,110
NNG Agriculture Grain Dryer - Class 1	787	$793	$831	$834
NNG Agriculture Grain Dryer - Class 2	3,832	$3,505	$3,570	$3,595
NNG Electric Generation - Class 1	951	$921	$954	$948
NNG C&I Firm/Interruptible Class 2	7,133	$6,959	$7,223	$7,369
NNG TRANSPORT				
Transport-NNG C&I FIRM Class 2	4,541	$1,022	$1,276	$1,340
Transport-NNG C&I FIRM Class 3	20,023	$2,909	$3,730	$3,616
Transport-NNG C&I FIRM Class 4	106,604	$6,217	$7,547	$6,463
Transport-NNG C&I FIRM Class 5 - CIP Exempt	574,963	$4,782	$3,742	$5,167
Transport-NNG Electric Generation FIRM Class 2 - CIP Exempt	5,159,320	$38,844	$28,177	$42,300
Transport-NNG C&I INT Class 2	5,889	$890	$1,077	$1,075
Transport-NNG C&I INT Class 3	42,392	$4,535	$5,741	$5,361
Transport-NNG C&I INT Class 4	149,532	$8,298	$10,024	$8,674
Transport-NNG C&I INT Class 5	188,137	$7,304	$9,176	$7,089
Transport-NNG C&I INT Class 5 - CIP Exempt	3,493,785	$17,385	$16,330	$20,355

MERC Customer Class	Average Monthly Usage (Therms)	Present Monthly Bill	Interim Monthly Bill	Proposed Monthly Bill
Transport-NNG Electric Generation INT Class 2	108,969	$4,445	$5,600	$4,321
Transport-NNG Electric Generation INT Class 2 - CIP Exempt	208,858	$1,884	$1,613	$1,696
Transport-NNG C&I Firm/Interruptible Class 2	5,708	$956	$1,167	$1,188
Transport-NNG C&I Firm/Interruptible Class 3	42,240	$4,786	$6,076	$5,749
Transport-NNG C&I Firm/Interruptible Class 4	193,833	$10,933	$13,229	$11,390
Transport-NNG C&I Firm/Interruptible Class 5	355,394	$13,356	$16,748	$12,975
Transport-NNG C&I Firm/Interruptible Class 5 - CIP Exempt	977,331	$7,299	$5,414	$7,082
Transport for Resale	28,366	$2,554	$3,314	$2,697
LVJ-NNG Flex Transport (Cust "A")	392,144	$18,293	$18,265	$20,297
LVJ-NNG Flex Transport (Cust "F")	108,965	$5,466	$5,447	$5,944
LVJ-NNG Flex Transport (Cust "G")	104,163	$5,232	$5,123	$5,564

PROPOSED CHANGES FOR MONTHLY CUSTOMER CHARGE AND THE PER UNIT GAS DISTRIBUTION CHARGE

MERC Customer Class	Current Customer Charge	Current Distribution Charge	Proposed Customer Charge	Proposed Distribution Charge
NNG SALES				
GS-NNG Residential Sales	$9.50	$0.24686	$9.50	$0.38878
GS-NNG Residential Farm-Tap Sales	$9.50	$0.24686	$9.50	$0.38878
GS-NNG C&I FIRM Class 1	$18.00	$0.22251	$18.00	$0.34491
GS-NNG C&I Farm-Tap Class 1	$18.00	$0.22251	$18.00	$0.34491
GS-NNG C&I FIRM Class 2	$45.00	$0.16857	$45.00	$0.25209
GS-NNG C&I FIRM Class 3	$165.00	$0.12453	$165.00	$0.16486
GS-NNG C&I Farm-Tap Class 2	$45.00	$0.16857	$45.00	$0.25209
GS-NNG C&I Farm-Tap Class 3	$165.00	$0.12453	$165.00	$0.16486
NNG C&I INT Class 2	$45.00	$0.10453	$45.00	$0.14947
NNG C&I INT Class 3	$165.00	$0.09453	$165.00	$0.11902
NNG Agriculture Grain Dryer - Class 1	$45.00	$0.12953	$45.00	$0.19554
NNG Agriculture Grain Dryer - Class 2	$45.00	$0.08150	$45.00	$0.11858
NNG Electric Generation - Class 1	$45.00	$0.09953	$45.00	$0.14146
NNG C&I Firm/Interruptible Class 2	$45.00	$0.10453	$45.00	$0.14947
NNG TRANSPORT				
Transport-NNG C&I FIRM Class 2	$45.00	$0.16857	$45.00	$0.25209
Transport-NNG C&I FIRM Class 3	$165.00	$0.12453	$165.00	$0.16486
Transport-NNG C&I FIRM Class 4	$185.00	$0.05016	$185.00	$0.05748
Transport-NNG C&I FIRM Class 5 - CIP Exempt	$360.00	$0.00533	$360.00	$0.00810
Transport-NNG Electric Generation FIRM Class 2 - CIP Exempt	$360.00	$0.00533	$360.00	$0.00810
Transport-NNG C&I INT Class 2	$45.00	$0.10453	$45.00	$0.14947
Transport-NNG C&I INT Class 3	$165.00	$0.09453	$165.00	$0.11902
Transport-NNG C&I INT Class 4	$185.00	$0.04823	$185.00	$0.05577
Transport-NNG C&I INT Class 5	$360.00	$0.03401	$360.00	$0.03497
Transport-NNG C&I INT Class 5 - CIP Exempt	$360.00	$0.00448	$360.00	$0.00568

MERC Customer Class	Current Customer Charge	Current Distribution Charge	Proposed Customer Charge	Proposed Distribution Charge
Transport-NNG Electric Generation INT Class 2	$360.00	$0.03401	$360.00	$0.03497
Transport-NNG Electric Generation INT Class 2 - CIP Exempt	$360.00	$0.00448	$360.00	$0.00568
Transport-NNG C&I Firm/Interruptible Class 2	$45.00	$0.10453	$45.00	$0.14947
Transport-NNG C&I Firm/Interruptible Class 3	$165.00	$0.09453	$165.00	$0.11902
Transport-NNG C&I Firm/Interruptible Class 4	$185.00	$0.04823	$185.00	$0.05577
Transport-NNG C&I Firm/Interruptible Class 5	$360.00	$0.03401	$360.00	$0.03497
Transport-NNG C&I Firm/Interruptible Class 5 - CIP Exempt	$360.00	$0.00448	$360.00	$0.00568
Transport for Resale	$185.00	$0.07614	$185.00	$0.08327
LVJ-NNG Flex Transport (Cust "A")	$185.00	$0.03403	$185.00	$0.03500
LVJ-NNG Flex Transport (Cust "F")	$185.00	$0.03590	$185.00	$0.03737
LVJ-NNG Flex Transport (Cust "G")	$185.00	$0.03319	$185.00	$0.03393

What is the process for reviewing Minnesota Energy Resources' request?
In addition to the review by the MPUC, the Minnesota Department of Commerce conducts an investigation of Minnesota Energy Resources' books and records as part of the rate review. The Minnesota Office of the Attorney General – Residential Utilities Division may investigate this proposal, as well as other parties such as customer or public interest groups.

The MPUC will hold public hearings to hear from customers and will review any written comments about our rate increase request. You may add verbal comments, written comments, or both for the record. Notice of the public hearing dates and locations are published in local newspapers, provided as in bill inserts, and posted on our website at www.minnesotaenergyresources.com.

HOW TO LEARN MORE
Minnesota Energy Resources current and proposed rate schedules are available at:

Minnesota Energy Resources
2685 145th Street West
Rosemount, MN 55068
Phone: 1-800-889-9508
Web: www.minnesotaenergyresources.com/company/rate_case.aspx

You may also contact the Minnesota Department of Commerce at:

Minnesota Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101
Telephone: 651-539-1534
Web: https://www.edockets.state.mn.us/EFiling/search.jsp.
Select 22 in the year field, enter 504 in the number field, select Search, and the list of documents will appear on the next page.

If you need information or have questions about the Minnesota Public Utilities Commission's review process:

Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101
Phone: 651-296-0406 or 1-800-657-3782
Email: consumer.puc@ state.mn.us

Citizens with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.

SUMMARY OF INTERIM TARIFF CHANGES

Section 5.00	
GS-NNG General Service	5.00
GS-NNG Farm Tap	5.01
GS-Consolidated General Service	5.02a
NNG Interruptible Service	5.11-5.12[1]
NNG Agricultural Grain Dryer Service	5.13
NNG Electric Generation Service	5.14
NNG Firm/Interruptible Service	5.16-517[2]
Consolidated Interruptible Service	5.18-5.19[3]
Consolidated Agricultural Grain Dryer Service	5.19a-5.19b[4]
Consolidated Electric Generation Service	5.20
Consolidated Firm/Interruptible Service	5.21a-5.22[5]
Section 6.00	
Transportation Services	6.00-6.01
Flexible Rate Gas Service Rider	6.30
Transportation for Resale Northwest Natural Gas	6.40
Section 7.00	
Conservation Cost Recovery Charge and Adjustment	7.02
Tariff Sales Rates	7.07[6]
Gas Utility Infrastructure Cost Rider	7.21a
Natural Gas Extension Project Rider	7.24

[1] There are no substantive changes to Tariff Sheet No. 5.12. The redline changes reflect existing language that moved to sheet 5.12 as a result of the additional interim rate adjustment language being added to Sheet No. 5.11.

[2] There are no substantive changes to Tariff Sheet No. 5.17. The redline changes reflect existing language that moved to sheet 5.17 as a result of the additional interim rate adjustment language being added to Sheet No. 5.16.

[3] There are no substantive changes to Tariff Sheet No. 5.19. The redline changes reflect existing language that moved to sheet 5.19 as a result of the additional interim rate adjustment language being added to Sheet No. 5.18.

[4] There are no substantive changes to Tariff Sheet No. 5.19b. The redline changes reflect existing language that moved to sheet 5.19b as a result of the additional interim rate adjustment language being added to Sheet No. 5.19a.

[5] There are no substantive changes to Tariff Sheet No. 5.22. The redline changes reflect existing language that moved to sheet 5.22 as a result of the additional interim rate adjustment language being added to Sheet No. 5.21a.

[6] This tariff page is filed on a monthly basis and the filed version contains updates only those numbers that do not change from month to month.

Redlined Interim Rate Tariff Sheets

RATE SCHEDULE GS-NNG GENERAL SERVICE 12~~11~~th Revised Sheet No. 5.00

1. Availability: Service under this rate schedule is available customers supplied by Northern Natural Gas in MERC's Minnesota Service Area meeting the specified usage requirements provided below. This rate schedule shall apply to firm gas service for Residential, Commercial, and Industrial Customers. Such service shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.

2. Classes or Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions of the Purchase Gas Adjustment - Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas Per Therm
Residential	Any	$9.50	$0.24686	$0.91381~~46036~~
Commercial & Industrial Firm Class 1	0 – 1,500	$18.00	$0.22251	$0.91381~~46036~~
Commercial & Industrial Firm Class 2	1,501 – 100,000	$45.00	$0.16857	$0.91381~~46036~~
Commercial & Industrial Firm Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.91381~~46036~~
Commercial & Industrial Firm Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.91381~~46036~~
Commercial & Industrial Firm Class 5	Greater than 2,000,000	$360.00	$0.03486	$0.91381~~46036~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

RATE SCHEDULE GS-NNG FARM TAP SALES 4th~~3rd~~ Revised Sheet No. 5.01

1. Availability: Service under this rate schedule is available to customers who are directly connected to the Northern Natural Gas interstate pipeline through a tap provided in consideration for an easement granted directly to Northern Natural Gas or its predecessors. Such customers are referred to as “Farm Tap Customers.” This rate schedule shall apply to firm gas service for all Farm Tap Customers. Such service shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.

2. Classes or Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment - Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas
Residential Farm Tap	Any	$9.50	$0.24686	$0.91381~~46036~~
Commercial & Industrial Farm Tap Class 1	0 – 1,500	$18.00	$0.22251	$0.91381 ~~46036~~
Commercial & Industrial Farm Tap Class 2	1,501 – 100,000	$45.00	$0.16857	$0.91381 ~~46036~~
Commercial & Industrial Farm Tap Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.91381 ~~46036~~
Commercial & Industrial Farm Tap Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.91381 ~~46036~~
Commercial & Industrial Farm Tap Class 5	Greater than 2,000,000	$360.00	$0.03486	$0.91381 ~~46036~~

Interim Rate Adjustment: Effective January 1, 2023, customers’ bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC’s Minnesota General Rules, Regulations, Terms and Conditions. Btu’s will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. <u>General Terms and Conditions:</u> The General Terms and Conditions contained in this tariff shall apply to this rate schedule with the exception of Section 2.F. Meter Reading. The following provision shall apply instead:

<u>Meter Reading:</u>

Farm Tap Customers shall supply meter readings on a form supplied by the Company and return them promptly each month (every 30 days). If the customer fails to supply a meter reading form in time for the billing operation or in case of emergency (storms, accidents, etc.), an estimated reading may be rendered. Estimated bills shall be based on the customer's historical actual consumption, if available, or rate schedule history where historical actual consumption is not available. Each Farm Tap Customer will receive at least one actual reading within a twelve month period. After a reading is obtained, if there is any material difference, an adjusted bill shall be rendered for the period since the last previous reading of the meter.

RATE SCHEDULE GS-CONSOLIDATED GENERAL SERVICE 4th~~3rd~~ Revised Sheet No. 5.02a

1. Availability: Service under this rate schedule is available customers supplied by Viking Gas Transmission, Great Lakes Gas Transmission, and Centra Pipeline in MERC's Minnesota Service Area meeting the specified usage requirements provided below. This rate schedule shall apply to firm gas service for Residential, Commercial, and Industrial Customers. Such service shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.

2. Classes or Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment - Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas
Residential	Any	$9.50	$0.24686	$0.69850~~36273~~
Commercial & Industrial Firm Class 1	0 – 1,500	$18.00	$0.22251	$0.69850~~36273~~
Commercial & Industrial Firm Class 2	1,501 – 100,000	$45.00	$0.16857	$0.69850~~36273~~
Commercial & Industrial Firm Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.69850~~36273~~
Commercial & Industrial Firm Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.69850~~36273~~
Commercial & Industrial Firm Class 5	Greater than 2,000,000	$360.00	$0.03486	$0.69850~~36273~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

CANCELED

CANCELED

CANCELED

RATE SCHEDULE NNG INTERRUPTIBLE SERVICE 9th Revised Sheet No. 5.10

1. Availability: Service under this rate schedule is available to Commercial and Industrial Customers supplied through Northern Natural Gas in MERC's Minnesota Service Area except for Farm Tap, Agricultural Grain Dryer and Electric Generation Customers. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Interruptible service is available to a Human Needs Customer only if the customer has signed an affidavit that it has and will maintain capability and adequate fuel supplies to use alternate fuel if MERC's service to such customer is interrupted. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Transfer of Service: A firm customer may transfer to interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. An interruptible customer may not return to firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer faces unforeseen circumstances that were not known ninety days prior to November 1, the customer may request a waiver of the notice requirement to allow the customer to transfer service. The Company has sole discretion to grant or deny such a request and may only grant such a request if the Company determines that (1) unforeseen circumstances prevented the customer from timely requesting to transfer service, (2) adequate gas supply and interstate pipeline capacity is available to serve the customer, and (3) the waiver will not result in any detriment to existing system sales customers. If the Company waives the notice requirement, the Company may require the customer to pay an exit fee to recover the costs related to a switch to or from service under this rate schedule. This exit fee may include, but is not limited to, any above market gas commodity costs, any interstate pipeline transportation and/or storage costs, and any other demand costs.

3. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

3. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm (CIP Applicable)	Distribution Charge Per Therm (CIP Exempt)	Base Cost of Gas (interruptible)
Commercial & Industrial Interruptible Class 1	0 – 1,500	$18.00	$0.15847	$0.12894	$0.80777~~36673~~
Commercial & Industrial Interruptible Class 2	1,501 – 100,000	$45.00	$0.10453	$0.07500	$0.80777~~36673~~
Commercial & Industrial Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.09453	$0.06500	$0.80777~~36673~~
Commercial & Industrial Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.04823	$0.01870	$0.80777~~36673~~
Commercial & Industrial Interruptible Class 5	2,000,001 and greater	$360.00	$0.03401	$0.00448	$0.80777~~36673~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

4. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Service under this rate schedule is required for any customer using more than 50% of their annual volumes for grain dryer operations, with the exception of farm tap customers. If an Agriculture Grain Dryer Customer is also a Farm Tap Customer as defined under these tariffs, the farm tap tariff applies. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Agricultural Grain Dryer Class 1	0 – 20,000	$45.00	$0.12953	$0.80777~~36673~~
Agricultural Grain Dryer Class 2	20,001 – 500,000	$45.00	$0.08150	$0.80777~~36673~~
Agricultural Grain Dryer Class 3	500,001 or more	$165.00	$0.05860	$0.80777~~36673~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Service under this rate schedule is required for any customer using more than 50% of annual volumes for electric generation. Gas used for plant startup only, while no electricity is being generated, does not qualify the customer for service under any of the Electric Generation classes. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Electric Generation – Class 1	0 – 500,000	$45.00	$0.09953	$0.80777~~36673~~
Electric Generation – Class 2	500,001 or more	$360.00	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.80777~~36673~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Firm/Interruptible Sales Service is available to Commercial and Industrial Customers contingent on adequate gas supply and distribution system capacity. This rate schedule shall apply to gas service consisting of a base level of firm gas volumes daily, supplemented by interruptible volumes. A customer may transfer to Firm/Interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. Customers must maintain Firm/Interruptible service and must nominate a quantity of Daily Firm Nominations for the entire November through October period. Daily Firm Nominations will be the first through the meter each day, supplemented by interruptible volumes. If a partial day curtailment is called, the customer's Daily Firm Nomination will be prorated by, and applied to, the number of hours remaining the in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time other than 9:00am (Central Clock time). A Firm/Interruptible customer may not return to interruptible or firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer wishes to obtain or maintain Firm/Interruptible gas service, the customer or the customer's Marketer must provide the Company with details as to the amount of firm capacity purchased to date in a calendar year on the interstate pipeline by August 1. If a customer or its Marketer provides this information, the Company will take this information into account when evaluating the upcoming heating season. This information will allow the Company to reconcile the amounts purchased for firm capacity from these Firm/Interruptible customers on the interstate pipeline with the capabilities of the Company's distribution system for the upcoming heating season.

2. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

3. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

5. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

6. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

Minnesota Energy Resources Corporation
Tariff and Rate Book

RATE SCHEDULE NNG FIRM/INTERRUPTIBLE SERVICE 5~~4~~th Revised Sheet No. 5.16

7. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions of the Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range (Annual)	Monthly Customer Charge	Firm Distribution Charge Per Therm	Interruptible Distribution Charge Per Therm	Base Cost of Gas (Firm Nominations)	Base Cost of Gas (Interruptible)
Commercial & Industrial Firm/Interruptible Class 1	0 – 1,500	$18.00	$0.22251	$0.15847	$0.91381~~46036~~	$0.80777~~36673~~
Commercial & Industrial Firm/Interruptible Class 2	1,501 – 100,000	$45.00	$0.16857	$0.10453	$0.91381~~46036~~	$0.80777~~36673~~
Commercial & Industrial Firm/Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.09453	$0.91381~~46036~~	$0.80777~~36673~~
Commercial & Industrial Firm/Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.04823	$0.91381~~46036~~	$0.80777~~36673~~
Commercial & Industrial Firm/Interruptible Class 5	2,000,001 and greater	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.91381~~46036~~	$0.80777~~36673~~
Agricultural Grain Dryer Firm/Interruptible Class 1	0 – 20,000	$45.00	$0.19357	$0.12953	$0.91381~~46036~~	$0.80777~~36673~~
Agricultural Grain Firm/Interruptible Dryer Class 2	20,001 – 500,000	$45.00	$0.14554	$0.08150	$0.91381~~46036~~	$0.80777~~36673~~
Agricultural Grain Firm/Interruptible Dryer Class 3	500,001 or more	$165.00	$0.08860	$0.05860	$0.91381~~46036~~	$0.80777~~36673~~
Electric Generation Firm/Interruptible Class 1	0 – 500,000	$45.00	$0.16357	$0.09953	$0.91381~~46036~~	$0.80777~~36673~~
Electric Generation Firm/Interruptible Class 2	500,001 or more	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.91381~~46036~~	$0.80777~~36673~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

1. Availability: Service under this rate schedule is available to Commercial and Industrial Customers supplied through Viking Gas Transmission, Great Lakes Gas Transmission, and Centra Pipeline in MERC's Minnesota Service Area except for Farm Tap, Agricultural Grain Dryer, and Electric Generation Customers. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Interruptible service is available to a Human Needs Customer only if the customer has signed an affidavit that it has and will maintain capability and adequate fuel supplies to use alternate fuel if MERC's service to such customer is interrupted. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Transfer of Service: A firm customer may transfer to interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. An interruptible customer may not return to firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer faces unforeseen circumstances that were not known ninety days prior to November 1, the customer may request a waiver of the notice requirement to allow the customer to transfer service. The Company has sole discretion to grant or deny such a request and may only grant such a request if the Company determines that (1) unforeseen circumstances prevented the customer from timely requesting to transfer service, (2) adequate gas supply and interstate pipeline capacity is available to serve the customer, and (3) the waiver will not result in any detriment to existing system sales customers. If the Company waives the notice requirement, the Company may require the customer to pay an exit fee to recover the costs related to a switch to or from service under this rate schedule. This exit fee may include, but is not limited to, any above market gas commodity costs, any interstate pipeline transportation and/or storage costs, and any other demand costs.

3. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

RATE SCHEDULE CONSOLIDATED INTERRUPTIBLE SALES SERVICE 4th~~3rd~~ Revised Sheet No. 5.18
(Continued)

4. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm (CIP Applicable)	Distribution Charge Per Therm (CIP Exempt)	Base Cost of Gas
Commercial & Industrial Interruptible Class 1	0 – 1,500	$18.00	$0.15847	$0.12894	$0.62380~~28746~~
Commercial & Industrial Interruptible Class 2	1,501 – 100,000	$45.00	$0.10453	$0.07500	$0.62380~~28746~~
Commercial & Industrial Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.09453	$0.06500	$0.62380~~28746~~
Commercial & Industrial Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.04823	$0.01870	$0.62380~~28746~~
Commercial & Industrial Interruptible Class 5	2,000,001 and greater	$360.00	$0.03401	$0.00448	$0.62380~~28746~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

5. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

RATE SCHEDULE CONSOLIDATED INTERRUPTIBLE SALES SERVICE (Continued)

7~~6~~th Revised Sheet No. 5.19

6. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

7. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

8. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

9. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

RATE SCHEDULE CONSOLIDATED AGRICULTURAL GRAIN DRYER SERVICE

3rd~~2nd~~ Revised Sheet No. 5.19a

1. Availability: Service under this rate schedule is required for any customer using more than 50% of their annual volumes for grain dryer operations, with the exception of farm tap customers. If an Agriculture Grain Dryer Customer is also a Farm Tap Customer as defined under these tariffs, the farm tap tariff applies. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Agricultural Grain Dryer Class 1	0 – 20,000	$45.00	$0.12953	$0.62380~~28746~~
Agricultural Grain Dryer Class 2	20,001 – 500,000	$45.00	$0.08150	$0.62380~~28746~~
Agricultural Grain Dryer Class 3	500,001 or more	$165.00	$0.05860	$0.62380~~28746~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Service under this rate schedule is required for any customer using more than 50% of annual volumes for electric generation. Gas used for plant startup only, while no electricity is being generated, does not qualify the customer for service under any of the Electric Generation classes. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Electric Generation – Class 1	0 – 500,000	$45.00	$0.09953	$0.62380~~28746~~
Electric Generation – Class 2	500,001 or more	$360.00	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.62380~~28746~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

RATE SCHEDULE CONSOLIDATED FIRM/INTERRUPTIBLE SERVICE 10th Revised Sheet No. 5.21

1. Availability: Firm/Interruptible Sales Service is available to Commercial and Industrial Customers contingent on adequate gas supply and distribution system capacity. This rate schedule shall apply to gas service consisting of a base level of firm gas volumes daily, supplemented by interruptible volumes. A customer may transfer to Firm/Interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. Customers must maintain Firm/Interruptible service and must nominate a quantity of Daily Firm Nominations for the entire November through October period. Daily Firm Nominations will be the first through the meter each day, supplemented by interruptible volumes. If a partial day curtailment is called, the customer's Daily Firm Nomination will be prorated by, and applied to, the number of hours remaining the in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time other than 9:00am (Central Clock time). A Firm/Interruptible customer may not return to interruptible or firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer wishes to obtain or maintain Firm/Interruptible gas service, the customer or the customer's Marketer must provide the Company with details as to the amount of firm capacity purchased to date in a calendar year on the interstate pipeline by August 1. If a customer or its Marketer provides this information, the Company will take this information into account when evaluating the upcoming heating season. This information will allow the Company to reconcile the amounts purchased for firm capacity from these Firm/Interruptible customers on the interstate pipeline with the capabilities of the Company's distribution system for the upcoming heating season.

2. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

3. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

5. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

6. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

RATE SCHEDULE CONSOLIDATED FIRM/INTERRUPTIBLE SERVICE
(Continued)

7. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range (Annual)	Monthly Customer Charge	Firm Distribution Charge Per Therm	Interruptible Distribution Charge Per Therm	Base Cost of Gas (Firm Nominations) Per Therm	Base Cost of Gas (Interruptible) Per Therm
Commercial & Industrial Firm/Interruptible Class 1	0 – 1,500	$18.00	$0.22251	$0.15847	$0.69850~~36273~~	$0.62380~~28746~~
Commercial & Industrial Firm/Interruptible Class 2	1,501 – 100,000	$45.00	$0.16857	$0.10453	$0.69850~~36273~~	$0.62380~~28746~~
Commercial & Industrial Firm/Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.09453	$0.69850~~36273~~	$0.62380~~28746~~
Commercial & Industrial Firm/Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.04823	$0.69850~~36273~~	$0.62380~~28746~~
Commercial & Industrial Firm/Interruptible Class 5	2,000,001 and greater	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.69850~~36273~~	$0.62380~~28746~~
Agricultural Grain Dryer Firm/Interruptible Class 1	0 – 20,000	$45.00	$0.19357	$0.12953	$0.69850~~36273~~	$0.62380~~28746~~
Agricultural Grain Firm/Interruptible Dryer Class 2	20,001 – 500,000	$45.00	$0.14554	$0.08150	$0.69850~~36273~~	$0.62380~~28746~~
Agricultural Grain Firm/Interruptible Dryer Class 3	500,001 or more	$165.00	$0.08860	$0.05860	$0.69850~~36273~~	$0.62380~~28746~~
Electric Generation Firm/Interruptible Class 1	0 – 500,000	$45.00	$0.16357	$0.09953	$0.69850~~36273~~	$0.62380~~28746~~
Electric Generation Firm/Interruptible Class 2	500,001 or more	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.69850~~36273~~	$0.62380~~28746~~

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

RATE SCHEDULE CONSOLIDATED FIRM/INTERRUPTIBLE SERVICE (Continued)

3rd~~2nd~~ Revised Sheet No. 5.22

~~CANCELED~~

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average

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6th Revised Sheet No. 5.32

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TRANSPORTATION SERVICES 7~~6~~th Revised Sheet No. 6.00

1. Availability and Rates: Service under this rate schedule is available to any non-general service customer who purchases gas supplies that can be transported to MERC's distribution system. Transportation customers, if otherwise qualified for the rate, may choose transportation service from one of the following classes, at the following applicable rates:

Customer Class	Therm Usage Range (Annual)	Monthly Customer Charge	Monthly Administrative Fee	Firm Distribution Charge Per Therm – CIP Applicable	Firm Distribution Charge Per Therm – CIP Exempt	Interruptible Distribution Charge Per Therm – CIP Applicable	Interruptible Distribution Charge Per Therm – CIP Exempt
Commercial & Industrial Firm/Interruptible Class 1 Transport	0 – 1,500	$18.00	$150.00	$0.22251	$0.19298	$0.15847	$0.12894
Commercial & Industrial Firm/Interruptible Class 2 Transport	1,501 – 100,000	$45.00	$150.00	$0.16857	$0.13904	$0.10453	$0.07500
Commercial & Industrial Firm/Interruptible Class 3 Transport	100,001 – 1,000,000	$165.00	$150.00	$0.12453	$0.09500	$0.09453	$0.06500
Commercial & Industrial Firm/Interruptible Class 4 Transport	1,000,001 – 2,000,000	$185.00	$150.00	$0.05016	$0.02063	$0.04823	$0.01870
Commercial & Industrial Firm/Interruptible Class 5 Transport	2,000,001 and greater	$360.00	$150.00	$0.03486	$0.00533	$0.03401	$0.00448
Agricultural Grain Dryer Firm/Interruptible Class 1 Transport	0 – 20,000	$45.00	$150.00	$0.19357	$0.16404	$0.12953	$0.10000
Agricultural Grain Firm/Interruptible Dryer Class 2 Transport	20,001 – 500,000	$45.00	$150.00	$0.14554	$0.11601	$0.08150	$0.05197
Agricultural Grain Firm/Interruptible Dryer Class 3	500,001 or more	$165.00	$150.00	$0.08860	$0.05907	$0.05860	$0.02907
Electric Generation Firm/Interruptible Class 1 Transport	0 – 500,000	$45.00	$150.00	$0.16357	$0.13404	$0.09953	$0.07000
Electric Generation Firm/Interruptible Class 2 Transport	500,001 or more	$360.00	$150.00	$0.03486	$0.00533	$0.03401	$0.00448

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge, monthly administrative fee, and the distribution charge per therm, with the exception listed below. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Exception for Interim Rate Adjustment: Effective January 1, 2023, Class 5-CIP Exempt and Electric Generation Class 2-CIP Exempt customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and monthly administrative fee only. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

2. Type of Service: Transportation services are available on a firm or interruptible basis, contingent on adequate interstate pipeline and distribution capacity. To take transportation service on a firm basis, customer must arrange firm transportation for gas supply on an interstate pipeline serving Company's distribution system. The customer must provide Company a Certification confirming this firm transportation signed by the customer and, if applicable, the marketer. Company must expressly approve the customer's requested firm nominations.

3. Other Rates and Charges: In addition to applicable rates above, other charges for Transportation service include following:

- Balancing and Scheduling Charges and Penalties
- Late Payment Charges
- Franchise Fees
- Conservation Cost Recovery Charges and Conservation Cost Recovery Adjustments (for non-CIP Exempt customers, as reflected in Tariff Sheet No. 7.02)
- Unauthorized gas fees and penalties, including penalties and charges passed on by the pipeline that the customer causes the Company to incur
- Any other costs, charges, penalties, or assessments passed on by the pipeline that the customer causes the Company to incur
- Applicable Rider charges
- Any other charges or rates approved by the Minnesota Public Utilities Commission

The Severe Weather Cost Recovery Surcharge, Sheet Nos. 7.25 and 7.26, applies to customers taking service under this rate that were taking sales service at any point from February 13-17, 2021.

BTU Adjustment: Customer billed usage is in therm volumes that are derived by applying BTU adjustment factors as necessary. Company meter readings will be adjusted when the Btu content of delivered gas varies from 1,000 Btu per cubic foot.

Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid within 17 days of the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. End User Allocation Agreement: Company will enter into and/or maintain an End User Allocation Agreement ("EUAA") with any transportation customer requesting such EUAA under the following conditions: (1) Customer must have telemetry installed at its facility; (2) Such EUAA will not negatively impact Company's sales customers; and (3) Northern Natural Gas Company is willing to enter into such EUAA.

5. Terms and Conditions of Service:

A. Transport Contract Requirements: Customer must have arranged for the purchase of gas other than Company's system supply and for its delivery to Company system. Customer must sign Company's contract for Transportation Service to each delivery point. Company shall be deemed to have title to transportation gas, as necessary, to arrange interstate pipeline transportation to Company's system.

B. Telemetry: All transportation customers must have Company install telemetry equipment at the customer's expense. The telemetry equipment must be installed prior to the commencement of natural gas service to the customer. Company will offer financing for periods up to 90 days interest free. Company will offer financing with interest to a customer to pay for the installation of telemetry equipment for a period of more than 90 days but not more than 12 consecutive months on a non-regulated basis. The telemetry equipment and any other improvements made by Company shall remain the property of Company.

C. Transportation Order of Billing: The order of gas delivery for purposes of billing will be as follows:

a. First, customer-owned firm volumes.
b. Second, customer-owned interruptible volumes.
c. Third, sales gas priced per Company's applicable sales tariffs.

D. Failure of Transportation Supply: If a customer or a customer's supplier notified Company that it will be unable to deliver volumes to Company's Town Border Station sufficient to meet daily consumption, Company will use reasonable efforts to make gas available to the customer. Such gas will be charged to the customer at the highest incremental supply cost for the day plus the commodity cost of interruptible transportation plus applicable Daily Balancing Fees. If Company is unable to obtain a replacement for the customer's transportation supply, the customer will be given the option to discontinue the use of gas or incur the penalty associated with the use of Unauthorized Gas.

E. Curtailment Events – Firm Volumes: During an interruption or curtailment event, firm transportation customers will be limited to the natural gas delivered to their company designated Town Boarder Station or delivery point. Customers who have no natural gas delivered during an interruption or curtailment event will be expected to self-curtail their natural gas usage. If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request.

F. Curtailment Events – Interruptible Volumes: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized

Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

G. General Terms and Condition: The General Terms and Conditions contained in this tariff shall apply to all Transportation customers under this rate schedule.

6. Class Switching: Customers may transfer to Transportation Service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. A transportation customer must maintain transportation service for the entire November through October period. A transportation customer may not return to sales service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer faces unforeseen circumstances that were not known ninety days prior to November 1, the customer may request a waiver of the notice requirement to allow the customer to transfer service. The Company has sole discretion to grant or deny such a request and may only grant such a request if the Company determines that (1) unforeseen circumstances prevented the customer from timely requesting to transfer service, (2) adequate gas supply and interstate pipeline capacity is available to serve the customer, and (3) the waiver will not result in any detriment to existing system sales customers. If the Company waives the notice requirement, the Company may require the customer to pay an exit fee to recover the costs related to a switch to or from service under this rate schedule. This exit fee may include, but is not limited to, any above market gas commodity costs, any interstate pipeline transportation and storage costs, and any other demand costs.

7. Nomination, Balancing, and Scheduling Charges: The following provisions apply to all Transportation customers except as set forth in Tariff Sheet No. 6.50 with respect to Direct Connect Transportation customers.

   A. Nomination: Customers requesting volumes to flow on the first day of any month must directly advise Company's Gas Supply Services Division by 9:00 a.m. (Central Clock time) five (5) working days prior to the end of the preceding month of the volumes to be delivered on their behalf. Customers requesting nomination changes on days subsequent to the first day commencing at 9:00 a.m. Central Clock time must directly advise Company's Gas Supply Services Division by 9:00 a.m. (Central Clock time) on the preceding day of the volumes to be delivered on their behalf. Intraday nominations will be accepted by the Company on a best efforts basis, provided the nomination is confirmed by the interstate pipeline. Customer will provide Company with a concurrent copy of all nominations made to the transporting pipeline for deliveries nominated to Company's Town Border Stations. Nominations must be to areas of the Company's distribution system within the same interstate pipeline operational zone servicing the customer's location.

   B. Daily Balancing: To assure Company's system integrity, the customer is responsible for: 1) scheduling deliveries which accurately reflect customer's expected consumption, and 2) balancing deliveries to Company's system with volumes consumed at the delivery points. When daily volumes of natural gas delivered on behalf of customer to the Company's receipt points or natural gas received at customer's designated delivery point differ, above or below daily scheduled volumes, the customer is out-of-balance. It is the customer's sole responsibility to maintain balance between nominated volumes and actual use, however, the Company reserves the right to adjust or refuse nominations to maintain balance. Volume differences between daily receipts and deliveries shall be accumulated and recorded in customer's account. Company shall determine the imbalance quantity for each day on a therm basis. Company shall then account for the imbalance volumes according to the Daily Scheduling Charges below.

C. Daily Scheduling Charges: Each Transport customer must pay for any balancing or scheduling penalties from pipelines that the customer causes Company to incur. Additionally, any upstream costs that can be identified as being caused by a specific customer will be assigned to that customer.

a. Northern Natural Gas Daily Scheduling Charges

Non-SUL/SOL/CRITICAL DAYS: When a customer's scheduled deliveries to the Company differ from daily consumption a tolerance of +/-5% of confirmed nomination will be applied. For consumption within tolerance, no scheduling charges will be applied. For consumption outside tolerance, a scheduling charge will be applied to the volume exceeding tolerance equal to the maximum effective Northern Natural Gas TI rate for the customer's market area

SOL Days: On days that Northern Natural Gas calls a System Overrun Limitation (SOL), a charge equal to the charge of the pipeline will apply to those volumes in excess of confirmed nominations

SUL Days: On days that Northern Natural Gas declares a System Under run Limitation (SUL), the 5% daily imbalance will be suspended and a charge of equal to the charge of the pipeline will apply for each therm of consumption less than the confirmed nomination.

Critical Days: On days that Northern Natural Gas declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently, this charge is as much as $11.30 per therm.

Telemetry Failure: Should the specific measurement or telemetry systems that provide daily consumption data fail, Company will temporarily suspend daily scheduling charges for the affected account until Company can confirm the cause of the loss of telemetry is not due to the Company's measurement or telemetry systems. In the event the Company determines the problem is caused by the Company's equipment, daily scheduling charges will be waived until the Company can return the faulty device or system to operation. In the event the Company determines the problem is caused by the customer's equipment (such as utility power, phone line, etc.), the customer will be responsible for any daily scheduling charges, including charges incurred during the suspension. Company will promptly notify and work with the customer or customer's agent to identify and isolate the problem such that the customer can correct the problem in an orderly and efficient manner. The Company, at its sole discretion, may choose to continue to waive daily scheduling charges for a period of time if it determines the customer is proactively attempting to correct the cause of the problem in a reasonable and timely manner.

C. Daily Scheduling Charges (continued)

b. Great Lakes and Viking Daily Scheduling Charges

i. Any penalties incurred as a result of the customer will be passed along to the customer.
ii. Any upstream costs that can be specifically identified as being caused by a specific customer will be assigned to that customer.
iii. These charges are in addition to any Company charges, as provided for in Company's tariff, for unauthorized takes of gas when service is interrupted.

D. Monthly Imbalances: Volume differences between monthly receipts and deliveries shall be accumulated and recorded in customer's account. The Company shall determine the imbalance quantity for each month on a therm basis. As imbalances occur, Company and the customer will attempt to correct them within the same month in which they occur. Failing such a correction, the imbalances will be corrected on a monthly basis through the following cash out procedure.

Northern Natural Gas—Monthly Imbalances: The difference between confirmed nominated volumes and actual consumption will be charged or credited to the customer based on the appropriate Market Index Price (MIP). The basis for the MIP shall be the average weekly prices as quoted for the Ventura and Demarc points in Gas Daily for a 5 week period starting on the first Tuesday of the calendar month for which the MIP is being established and ending on the first or second Monday of the following month, whichever is applicable, to arrive at a 5 week period. The MIPs shall be determined as follows:

i. High MIP: The highest weekly average during the 5 week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate, plus a capacity release value, which will be deemed to be $0.07/dekatherm.
ii. Low MIP: The lowest weekly average during the 5 week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate.
iii. Average MIP: The average of the weekly averages during the 5 week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate

In addition, the cash out price is tiered to encourage good performance and discourage gaming of the system.

Imbalance Level	Due Company	Due Customer
0% - 3%	High MIP * 100%	Low MIP * 100%
For the increment that is greater than 3% up to 5%	High MIP * 102%	Low MIP * 98%
For the increment that is greater than 5% up to 10%	High MIP * 110%	Low MIP * 90%
For the increment that is greater than 10% up to 15%	High MIP * 120%	Low MIP * 80%
For the increment that is greater than 15% up to 20%	High MIP * 130%	Low MIP * 70%
For the increment that is greater than 20%	High MIP * 140%	Low MIP * 60%

Example:
If the nominated volume was 100 dekatherms and the actual consumption was 130 dekatherms, there is an imbalance of 30 dekatherms due Company. The transportation customer would owe Company the following amount using the above hypothetical High MIP of $2.23: (*)

3 dekatherms at MIP * 100%	$ 6.69
2 dekatherms at MIP * 102%	$ 4.55
5 dekatherms at MIP * 110%	$12.26
5 dekatherms at MIP * 120%	$13.38
5 dekatherms at MIP * 130%	$14.49
10 dekatherms at MIP * 140%	$31.22
	$82.59

(*) These hypothetical prices are used for illustration purposes only.

If the pipeline provides an imbalance to storage option, and the transporter has a storage account on the pipeline, Company and the transporter may transfer imbalances to or from pipeline storage accounts, provided certain conditions are met. If the transaction would cause Company's storage account to breach any contractual limitations, or would otherwise cause undue harm to Company's management of its storage accounts, the storage transfer may not be allowed. If there are any charges from the pipeline to effectuate the storage transfer, the customer will be responsible for payment of any such actual costs.

Viking and Great Lakes – Monthly Imbalances

If the monthly imbalance is due to a deficiency of deliveries (customer excess) relative to scheduled nominations, Company shall pay customer in accordance with Schedule A below. If the monthly imbalance is due to an excess of deliveries (customer shortfall) relative to scheduled nominations, customer shall pay Company in accordance with Schedule B below. In addition to correcting the monthly imbalance in cash, (a) Company shall pay to customer the "Transportation Component" if deliveries are greater than scheduled nominations, or (b) Customer shall pay to Company the "Transportation Component" if deliveries are less than scheduled nominations. For Viking, the "Transportation Component" shall be equal to the Commodity Rate under Rate Schedule FT-A rate for transportation to the applicable zone multiplied by the monthly imbalance, plus an applicable fuel and use charges, as stated in Viking's tariff. For Great Lakes, the "Transportation component" shall be equal to the Usage Rate under Rate Schedule FT, for a West to West transport (Emerson to Cloquet) multiplied by the monthly imbalance plus fuel, plus FERC's Annual Charge Adjustment (ACA), plus Gas Research Institute charge (GRI), as stated in Great Lakes tariff.

Schedule A

% Monthly Imbalance	Company Pays Customer Following % of Index Price
0-5%	100% Average Monthly
>5-10%	85% Average Monthly
>10-15%	70% Average Monthly
>15-20%	60% Average Monthly
<20%	50% Average Monthly

Schedule B

% Monthly Imbalance	Customer Pays Company Following % of Index Price
0-5%	100% Average Monthly
>5-10%	115% Average Monthly
>10-15%	130% Average Monthly
>15-20%	140% Average Monthly
<20%	150% Average Monthly

The Index Price shall be determined on a weekly and monthly basis. Each Weekly Index Price shall equal the price of gas at Emerson, Manitoba as published in the "Weekly Price Survey" of Gas Daily for such week. For purposes of determining the cashout of imbalances in accordance with Schedules A and B herein, the "Average Monthly Index Price" shall be the average of the Weekly Index Prices determined during a given month.

If Gas Daily's "Weekly Price Survey" is no longer published, customer and Company shall meet to undertake to agree upon alternative spot price indices.

8. Pipeline Charges: Any charges which Company incurs from the pipeline on behalf of a customer shall be passed through to that customer.

1. Availability: Aggregation Service is optional and available to any transportation customer within the same interstate pipeline operational zone. Under this service, a Marketer or other third-party supplier may combine a group of transportation customers that have the same balancing provisions and are located on the same interstate pipeline system and within the same interstate pipeline operational zone. If the Marketer or other third-party supplier purchases this aggregation service, the aggregated group will be considered as one customer for purposes of calculating the daily scheduling penalties and monthly imbalances, i.e., individual customer nominations and consumption will be summed and treated as if there were one customer. In the event that the pipeline calls a limitation day (SOL, SUL, critical day) at less than a pipeline or zone level, the Company has the right to require the aggregation provisions to occur at the same level.

2. Rates: The cost of the aggregation service is $.00425 per therm of gas delivered to the aggregated group.

Charge Description	$/Therm	Additional Description
Aggregation Fee	$0.00425	All gas delivered to aggregated group.

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2nd Revised Sheet No. 6.27

CANCELED

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1. Availability: Service under this rate schedule is limited to customers subject to effective competition. ("Effective competition" means that a customer who either receives interruptible service or whose daily requirement exceeds 50 dekatherm maintains or plans on acquiring the capability to switch to the same, equivalent or substitutable energy supplies or service, except indigenous biomass energy supplies composed of wood products, grain, biowaste, or cellulosic materials, at comparable prices from a supplier not regulated by the Commission.)

   A customer whose only alternative source of energy is gas from a supplier not regulated by the Commission and who must use Company's system to transport the gas is not eligible for flexible-rate service. However, customers who have or can reasonably acquire the capability to bypass Company's system are eligible to take service under flexible tariffs.

2. Rate:
   Minimum and maximum charges are shown on Sheet 7.07, Columns G and H , for each class of Transport customer eligible to take flexible-rate service.

   A. The Customer Charge shall be the amount in the applicable non-flexible tariff under which customer would otherwise take service.

   B. The minimum monthly bill shall be the sum of the Customer Charge, Transport Administrative Fee, and the daily firm nomination charge (if applicable).

   C. The charge for daily firm nominations shall be $0.00193 per therm for all volumes nominated as firm. This charge shall be in addition to the applicable per therm distribution rate.

   Interim Rate Adjustment: Effective January 1, 2023, Flex Rate customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and monthly administrative fee. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

3. Election of Service: Service under this rider is at the option of the customer, except that, customers who use alternative energy supplies as described in Section 1 are limited to taking service under this rider. Any customer electing service under this rider must remain on this rider for a period of at least one year.

4. Default Rate: If a rate cannot be negotiated in a timely manner, the customer agrees to pay Company a default rate equal to the applicable upward flexible rate shown on Sheet 7.07.

5. Terms and Conditions Applicable to Flexible Rate Customers: All terms of the non-flexible tariff under which customer would otherwise take service apply. The General Terms and Conditions contained in the tariff book shall also apply to service taken under this flexible rate tariff.

CANCELED

TRANSPORTATION FOR RESALE NORTHWEST NATURAL GAS 9~~8~~th Revised Sheet No. 6.40

1. Availability: Service under this rate schedule is available to Northwest Natural Gas and other "Transportation for Resale" customers with similar cost characteristics, i.e., customers for whom the cost of providing service is approximately equal to that of Northwest Natural Gas.

2. Applicability and Character of Service: This rate schedule shall apply to transportation service provided for resale to end use customers. The end-use customers for this service are firm customers. Customers under this rate schedule are required to secure Daily Firm Nominations at the MDQ level. If customers do not secure Daily Firm Nominations and demonstrate firm capacity on the pipeline, they may be interrupted.

3. Rate:
   A. Fixed Charge: The customer charge shall be $185.00 per month plus a charge of $150.00 per month for administrative costs related to transportation.
   B. Tariff Margin Charge: All volumes received by the customer hereunder shall be charged a rate equal to the tariff margin of $0.07428 per therm. Additional costs will be assigned as they are authorized by the FERC or state Commissions to be charged for transportation services, including but not limited to take-or-pay costs, TCR costs, and GRI costs.
   C. Firm/Interruptible Daily Firm Nominations: Firm/Interruptible service is available contingent upon adequate distribution system capacity and customer having arranged for firm transportation of gas supply. Terms and Conditions for Transportation Services shall apply. The customer is responsible for purchasing interstate pipeline capacity from a third party non-regulated supplier (as demonstrated by providing Company with a Certification signed by the customer and the third party supplier). The customer is also responsible for overrun penalties, balancing charges and any out of balance penalties incurred from its transportation of gas by its pipeline suppliers. The following rates shall apply:

Distribution Charge Per Therm for Firm Nominations	Distribution Charge Per Therm for Interruptible Volumes
$0.10614	$0.07614

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge, monthly administrative fee, and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

4. Payment: The bill is due seventeen days after issuance. There shall be a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.

5. Volume Adjustment:
   Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A. of MERC's General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

1. Availability: A customer qualifies for service under this schedule if (1) the customer is directly connected to the interstate pipeline with no Company-owned underground distribution facilities and (2) no non-Direct Connect customers are served off of the same point of interconnection. Farm Tap customers are not eligible for this service.

2. Applicability and Character of Service: This rate schedule shall apply to transportation service provided for customers who are directly connected to an interstate natural gas pipeline. Service is available to qualifying direct connect customers on a firm or interruptible basis, contingent on adequate interstate pipeline and distribution capacity.

3. Rates, Terms, and Conditions of Service. Applicable rates, terms, and conditions of service are set forth in Tariff Sheet Nos. 6.00-6.07 except with respect to the following:

   A. Nomination, Balancing, and Scheduling Charges. Direct connect transportation customers shall not be subject to daily balancing or scheduling charges except that such customers must pay for any balancing or scheduling penalties from pipelines that they cause Company to incur.

1. Rates Subject to the Purchased Gas Adjustment (PGA) Clause: All gas utility rate schedules shall be subject to a gas cost adjustment as defined in 2. and 3. below. Since the Company purchases gas from different supply sources, the Company will determine the delivered cost of gas purchased by Supplier and implement any change in the billing rate which exceeds .3 cents per therm. The Company will also update its PGA every three months since the last change, which exceeded .3 cents per therm.

2. Determination of Purchased Gas Adjustment Amount: For purpose of computing the Purchased Gas Adjustment, the following formula will be used:

$$\frac{PD}{V} + WACOG + \frac{A}{V^1} - B = \text{Gas Cost Adjustment}$$

Where:

PD = Demand Cost: (1) The cost of purchased gas to be sold calculated by multiplying the current cost of purchased gas from each supplier times the last authorized demand volumes approved by the Commission and (2) The costs of firm transportation are calculated by multiplying the current cost from each supplier times the last demand volumes approved by the Commission.

WACOG = Projected weighted average cost of gas: The cost of purchased gas to be sold calculated by multiplying the estimated cost per dekatherm, therm or Btu by supplier (including transportation commodity costs) times the estimated purchase volumes by supplier for the upcoming month.

A = The current balance of unrecovered or over-recovered purchased gas costs. This is calculated once a year and filed each September 1 as explained in 5. on Sheet No. 7.01.

V = The sales volume for the forthcoming twelve month period ending August 31. The annual volumes shall:

A. Be adjusted to reflect normal temperatures.
B. Be for the most recent twelve months of the fourteen months immediately preceding the effective date of any demand increase or decrease.
C. Once normalized, be further adjusted by an average percentage change in normalized sales computed over the preceding three year period.
D. Also change in accordance with Minnesota Rules 7825.2390 - 7825.3000.

V^1 = Projected 12 months sales volumes.

B = Actual purchased gas cost embedded in the gas utility filed rate schedules based on purchase and sales volumes established during the base period including all adjustments approved by the Commission.

3. Application of Calculation

The formula $\frac{PD}{V} + WACOG + \frac{A}{V^{1}} - B$ identified previously will be calculated separately for each supplier and/or supply zone (where separate rate schedules are maintained), if appropriate by class of service for interruptible, firm and general service sales. Demand charges will be assigned on a unit basis to applicable customers.

4. Cost Included in the Purchased Gas Adjustment: The cost of gas included in the computation shall consist of all costs properly included in FERC Accounts 800 through 812, transportation charges and all other charges incurred to obtain gas supplies.

5. Frequency of Change: The underrecovery/overrecovery balance adjustments under this provision shall be computed and filed by September 1 of each year.

Accounting Requirement: Subsequent to the effective date of this clause, the Company shall maintain a continuing monthly comparison of the actual cost of gas as shown on the books and records of the Company, exclusive of refunds, and the cost recovery for the same month calculated by multiplying the volumes sold during said month by the currently effective rate for purchased gas. The difference in the actual cost of gas and the cost recovery represents the over/under recovery for the month. The total differences for the twelve-month period ending August 31 represent the balance of underrecovered or overrecovered purchased gas cost for the period. The balance for the period, plus the balance at the beginning of the period, and any adjustments represent the current balance in the Account ("A" in the formula above).

As approved by the MPUC, extraordinary gas costs incurred by the Company from February 13-17, 2021 will be excluded from the annual gas cost reconciliation for the period ending June 30, 2021. These costs will be recovered via the Severe Weather Cost Recovery Surcharge, Sheet Nos. 7.25 and 7.26.

Costs included in the Purchased Gas Adjustment will be offset by the revenues collected from Company's Small Volume Balancing Service on a yearly basis in the annual Reconciliation Adjustment.

The Company shall maintain an over/under account for each supply zone for the under-recovered or over-recovered purchased gas costs on a monthly basis.

6. Treatment of Refund: Refunds and interest thereon received from the suppliers of purchased gas that are attributable to the cost of gas previously sold will be refunded by credits to bills or by checks within a period not to exceed 90 days from the date the refund is received from a supplier, provided the refund amount per customer is equal to or greater than five dollars. The utility shall include the unrefunded balance as an adjustment to the balance of under recovered or over recovered purchased gas cost for the period as explained in the Accounting Requirements above.

7. Information to be Filed with the Commission: Each Purchased Gas Adjustment will be accomplished by filing an application and will be accompanied by such supporting data and information as the Commission may require.

1. Applicability of Conservation Cost Recovery Charge and Adjustment:

“Large Energy Facility”, as defined in Minn. Stat. 216B.2421 customers shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the “Large Energy Facility” customers can no longer participate in any utility’s Energy Conservation Improvement Program.

“Large Customer Facility” customers that have been exempted from the Company’s Conservation Improvement Program charges pursuant to Minn. Stat. 216B.241, Subd. 1a (b) shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from conservation program charges, the “Large Customer Facility” customers can no longer participate in the Company’s Energy Conservation Improvement Program.

“Commercial Gas Customers” that have been exempted from the Company’s Conservation Improvement Program charges pursuant to Minn. Stat. 216B.241, Subd.1a (c) shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat.216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from conservation program charges, the “Commercial Gas Customers” can no longer participate in the Company’s Energy Conservation Improvement Program. The Company has fewer than 600,000 natural gas customers in Minnesota, thus making the Company subject to this Minnesota Statute.

2. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the MPUC in the Company’s rate case. The CCRC factor is approved and applied on a per therm basis by .dividing the test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes) The CCRC for each rate schedule is:

All Classes MERC $0.02929~~02953~~/therm*

3. Adjustment: There shall be included on each customer’s monthly bill a CCRA factor multiplied by the customer’s monthly billing therms for gas service before any applicable adjustments, city surcharge, or sales tax.

4. Determination of Conservation Cost Recovery Adjustment Factor (CCRA): The CCRA is calculated for each customer class by dividing the recoverable CIP costs by the projected sales volumes for a designated recovery period, excluding the sales volumes of CIP-exempt customers. The factor may be adjusted annually with approval of the Minnesota Public Utilities Commission. The CCRA for each rate schedule is:

* Effective January 1, 2023~~2018~~ in Docket No. ~~G011/GR-17-563~~G011/GR-22-504.

Date Filed: ~~June 21, 2019~~November 1, 2022 Effective Date: ~~July 1, 2019~~January 1, 2023
Docket No.: ~~G011/GR-17-563~~G011/GR-22-504
Submitted By: Theodore Eidukas
Vice President –Regulatory Affairs

All Classes MERC	$0.00116*

*Approved effective January 1, 2023 in Docket No. G011/M-22-209

5. Exemption: For those customer accounts granted an exemption by the Commissioner of the Minnesota Department of Commerce (or successor agency) from Conservation Improvement Program (CIP) costs pursuant to Minnesota Statutes section 216B.241, the CCRC and CCRA shall not apply. Those customer accounts determined by the Commission to qualify as a Large Energy Facility Customers, shall receive a monthly exemption from conservation program charges pursuant to Minn. Stat.§ 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the Large Energy Facility customers can no longer participate in any utility's energy Conservation Improvement Program.

   Under Minn. Stat. 216B.241, any customer account determined by the Commission of the Minnesota Department of Commerce to qualify as a large customer facility shall be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the large customer facility. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from the conservation program charges, no exempt customer facility may participate in a utility conservation improvement program unless the owner of the facility submits a filing with the Commissioner to withdraw its exemption.

   Under Minn. Stat. 216B.241, any customer account that is not a large customer facility and that purchases or acquires natural gas from a public utility having fewer than 600,000 natural gas customers in Minnesota shall, upon a determination by the Commissioner of the Department of Commerce as qualifying for an opt out of the Conservation Improvement Program, be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the commercial gas customers. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from conservation program charges, the customers can no longer participate in any utility's energy Conservation Improvement Program unless the customer submits a filing with the Commissioner to withdraw its exemption.

6. Accounting Requirements: The Company is required to record all costs associated with the conservation program in a CIP Tracker Account. All revenues recovered through the CCRA are booked to the Tracker as an offset to expenses.

1. Availability:

GAP is available to residential customers in the MERC Minnesota service area who have been qualified and receive assistance from the Low Income Home Energy Assistance Program ("LIHEAP") during the federal fiscal year ("Program Year").

2. Program Description and Rate Impact for Qualifying Customers:

This Program shall meet the conditions of Minnesota Statutes, Chapter 216B.16, Subd. 15 on low income programs. The Program has two components: 1) Affordability, and 2) Arrearage Forgiveness. MERC or an agent of MERC, will review current billing and consumption information, approved LIHEAP benefits and household income information as submitted to MERC to determine a Qualified Customer's affordability bill credit and arrearage forgiveness. A Qualified Customer's payment each month shall include both payment of the customer's current month's bill after inclusion of the affordability bill credit, and payment of a portion of the Qualified Customer's pre-program arrears.

2.1. *Affordability Component:*

The Affordability component consists of a bill credit determined as one-twelfth of the difference between the Qualified Customer's actual annual gas bills from the prior year and 3% of the Qualified Customer's actual annual household income as provided by the Qualified Customer in their most recent LIHEAP application. This bill credit is a Program cost that will be included in the Tracker. Any energy assistance sums not applied to arrears will be applied to a Qualified Customer's current bill.

2.2. *Arrearage Forgiveness Component:*

The Arrearage Forgiveness component consists of a monthly credit that will be applied each month after receipt of the Qualified Customer's payment. The credit will be designed to retire pre-program arrears over a period of up to 24 months, with the Company matching the Qualifying Customer's contribution to retiring pre-program arrears. The credit is determined by taking the pre-program arrears divided by the number of months to retire the arrears divided by two and then subtracting any energy assistance sums received by the Company on behalf of the customer divided by the number of months remaining to retire the arrears divided by two. This arrearage forgiveness credit is a Program cost that will be included in the Tracker.

3. Conditions of Service:

   3.1. Enrollment participation is limited to a first come first served basis until the estimated Program dollar cap is reached. This limitation is suspended until reinstated by the MPUC.

   3.2. Before the start of an enrollment period, MERC will mail information on the Program and an application to participate in the Program to targeted current LIHEAP customers in arrears. The application for participation must be completed in full and returned to MERC before the close of the enrollment period.

   3.3. Regardless of arrears balances, MERC agrees to maintain service and suspend collection activities to Qualified Customers if they maintain their payment schedule.

   3.4. Qualified Customers must maintain an active MERC account in said customer's name at their permanent primary residence only to be eligible for this Program.

   3.5. Qualified Customers agree to notify MERC of any changes in address, income level, or household size. Such changes may result in removal from the Program. Additionally, Qualified Customers who do not continue to qualify under the provisions of Section 1 above can be removed from the Program.

   3.6 If a Qualified Customer fails to pay two consecutive monthly payments in full under the Program, they will be terminated from the Program and will be subject to MERC's regular collection practices including the possibility of disconnection.

4. Funding:

   4.1. Total Program costs, which include start-up costs, Affordability component, Arrearage Forgiveness component and incremental administration costs incurred collectively by MERC shall not exceed $750,000 per year plus the estimated tracker balance as of December 31, 2011. This annual spending cap is suspended until reinstated by the MPUC. MERC shall limit administrative costs included in the Tracker (except start-up related costs) to 5% of total Program costs. Administrative costs will include, but are not limited to, the costs to inform customers of the Program and costs to process and implement enrollments.

   4.2. MERC shall recover Program costs in the Delivery Charge applicable to all firm service customers receiving service under Rate Schedules GS-NNG General Service and GS-Consolidated General Service.

   4.3. A tracking mechanism ("Tracker") will be established to provide for recovery of actual Program costs as compared to the recovery of Program costs through rates. MERC will track and defer Program costs with regulatory approval. The prudency of the Program costs are subject to regulatory review.

4.4. Program costs shall be recovered in the GAP Surcharge for all firm service customers receiving service under Rate Schedules GS-NNG General Service and GS-Consolidated General Service. Effective August 1, 2022, the surcharge shall be $0.00000 per therm. MERC may petition the Commission to adjust this rate in order to true-up the Program balance in the Tracker either in a general rate case, in an annual GAP report filing, or in a future GAP evaluation filing. .

5. Evaluation:

5.1. The Program shall be evaluated once every three years and may be modified based on annual reports and on a financial evaluation.

5.2. The annual reports will include the effect of the Program on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility customer collection activity. The annual reports may also include information about customer satisfaction with the Program.

5.3. The financial evaluation will include a discounted cash flow of the Program's cost-effectiveness analysis from a ratepayer perspective comparing the 1) total Program costs, which includes the Affordability component, Arrearage Forgiveness component and total company incurred administration costs, to 2) the total net savings including cost reductions on utility functions such as the impact of the Program on write-offs, service disconnections and reconnections and collections activities. The discounted cash flow difference between total Program costs and total net savings will result in either a net benefit or a net cost to ratepayers for the Program.

6. Program Revocation:

The Program is effective unless the Commission, after notice and hearing, rescinds or amends its order approving the Program.

7. Term:

The Program is approved on a permanent basis, with annual reports to be filed by March 31 each year and a program evaluation to be filed every three years, beginning May 31, 2022 covering Program years 2019-2021.

8. Applicability:

Unless otherwise specified in this tariff, Qualified Customers in the Program shall receive service in accordance with all terms and conditions of the standard gas service tariffs applicable to residential customers.

CANCELED

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1. Purpose

The purpose of the Revenue Decoupling Mechanism (RDM) is to: (a) reduce the financial disincentive for the Minnesota Energy Resources Corporation (Company) to promote energy efficiency and conservation and (b) promote distribution revenue symmetry by breaking the link between sales volumes and distribution revenues.

2. Applicability

Effective January 1, 2019, the RDM shall apply to all customers served under the Residential and Residential-Farm Tap rate schedules.

3. Definitions

As used in the RDM, the terms below are defined to mean:

Actual Margin (AM) shall mean that dollar amount of distribution revenues, excluding revenues arising from the CCRC and adjustments under the RDM, which were billed for each applicable Rate Schedule Group in the Calendar Year.

Actual Customers (AC) shall mean the number of customers in each applicable Rate Schedule Group in the Calendar Year.

Billing Period shall mean the 12-month period, or any other period deemed reasonable by the Commission, beginning the date the Company submits its RDM adjustment under Section 7 succeeding the Calendar Year for which the RDM is billed.

Conservation Cost Recovery Charge (CCRC) shall mean the Conservation Cost Recovery Charge imbedded in base volumetric distribution rates.

Factor V (V) shall mean the sales volumes, in therms, projected to be delivered by the Company to customers in each applicable Rate Schedule Group for the Billing Period.

Calendar Year shall mean the Calendar Year that ended as of the most recent December 31.

Rate Case Customers (RCC) shall mean the number of customers that underlie the distribution rates approved by the Commission in the Company's most recent rate proceeding for each applicable Rate Schedule Group.

Rate Case Margin (RCM) shall mean the dollar amount of distribution revenues arising from the test year sales volumes and distribution charges approved by the Commission in the Company's most recent rate proceeding for each applicable Rate Schedule Group, less any revenues arising from the CCRC.

Rate Schedule Group shall mean the rate schedule group approved by the Commission in Docket No. G011/GR-17-563 for the purposes of determining a RDM adjustment.

Reconciliation Adjustment (RA) shall mean dollar amounts due the Company (+RA) or the customers (-RA) arising from RDM adjustments that were under-billed or over-billed to each Rate Schedule Group in the Billing Period.

4. Determination of Adjustment

There shall be a separate per therm adjustment amount determined under the RDM for each applicable Rate Schedule Group and such amount shall be determined as follows:

$$\frac{[(RCM / RCC) - (AM / AC)] \times RCC}{V} + \frac{RA}{V}$$

Where:

RCM = Rate Case Margin for the Calendar Year.

RCC = Rate Case Customers for the Calendar Year.

AM = Actual Margin for the Calendar Year.

AC = Number of Actual Customers for the Calendar Year.

V = Factor V for the Billing Period.

RA = Reconciliation Adjustment as defined in Section 3.

5. Symmetrical Cap

A symmetrical cap of ten percent of non-gas margin rates, excluding CCRC rates, will be imposed on the calculation of the RDM. The cap limits the amount the Company can collect or credit via the RDM to ten percent of distribution revenues.

6. Minnesota Public Utilities Commission (Commission) Authority

If warranted by unforeseen circumstances, the Commission has the authority to modify or suspend the rates set via the RDM calculation during the pilot program.

7. Reports

Through 2021, no later than March 1 of each year, the Company shall file annually with the Commission a calculation of the RDM adjustments, as well as any applicable reconciliation adjustment calculations, to be effective for each Rate Schedule Group for the Billing Period. Adjustments shall be effective with bills rendered on or after March 1 of the Billing Period and shall continue for 12 months, or any other period deemed reasonable by the Commission.

Beginning in 2022 and until the RDM terminates, no later than June 1 of each year, the Company shall file annually with the Commission a calculation of the RDM adjustments, as well as any applicable reconciliation adjustment calculations, to be effective for each Rate Schedule Group for the Billing Period. Adjustments shall be effective with bills rendered on or after June 1 of the Billing Period and shall continue for 12 months, or any other period deemed reasonable by the Commission.

No later than June 1 each year, the Company shall file annually with the Commission a Decoupling Evaluation Report for the preceding Calendar Year, with information required by the Commission in Docket Nos. G011/GR-15-736, G011/GR-17-563, and G011/M-20-332.

In the event any portions of the proposed RDM adjustments are modified by the Commission, the adjustments shall be adjusted in accordance with the Commission's Order.

The Company shall record its best estimate of the amounts to be recognized under the RDM so as to reflect in its books and records a fair representation of the impact of the RDM in actual earnings. Such estimates shall be adjusted if necessary, upon filing RDM calculations with the Commission and again upon final Commission approval.

8. Pilot Period

Pursuant to the Commission's Order in Docket No. G011/GR-17-563, the pilot revenue decoupling program is extended through 2022, with RDM adjustments effective through February 2024. The Company may request approval from the Commission to extend the RDM beyond the pilot period.

9. RDM Rates

The RDM rates effective June 1, 2022 shall be as follows:

Rate Class	**Surcharge/(Refund) Rate/Therm**
Residential, including Farm Tap	$0.01766
Small C&I, Class 1 Firm sales, including Farm Tap	$ 0.00000

GAS UTILITY INFRASTRUCTURE COST RIDER 1st Revised Sheet No. 7.20

1. APPLICABILITY

Applicable to bills for natural gas service provided under all utility rate schedules, as approved by the Minnesota Public Utilities Commission (MPUC). Effective August 26, 2019, the GUIC Rider rate is suspended for Direct Connect Customers, who are subject to service under Tariff Sheet No. 6.50.

2. RIDER

The Gas Utility Infrastructure Cost (GUIC) rider statute (Minn. Stat. § 216B.1635) permits a public utility to petition the MPUC outside of a general rate case for a rider to recover the revenue deficiency from projects not already included in utility rates that have been incurred for:

A. replacement of natural gas facilities located in the public right-of-way required by the construction or improvement of a highway, road, street, public building, or other public work by or on behalf of the United States, the state of Minnesota, or a political subdivision; and
B. replacement or modification of existing natural gas facilities, including surveys, assessments, reassessment, and other work necessary to determine the need for replacement or modification of existing infrastructure that is required by a federal or state agency.

3. RATE

The GUIC Rider rate for any customer class will be the MPUC-approved rate for that customer class. Such GUIC Rider rates may be volumetric, a flat fee, or some other form of approved recovery.

4. TERM

The GUIC Rider rate will be established for each customer group and be based on the annual revenue requirements for costs associated with forecasted natural gas infrastructure projects eligible for recovery under Minnesota Statute Sections 216B.1635 that are determined by the Commission to be eligible for recovery under this GUIC Rider.

The Company will file a GUIC Annual Report each April 1, which will include a reconciliation of the previous full calendar year's GUIC Tracker Account balance, if applicable, as well as support for any request to change the GUIC Rider Rate for a subsequent calendar year. (For example, the year-end 2019 GUIC Rider Tracker Account balance will be applied as a true-up adjustment to the 2021 GUIC Rider rate.) The GUIC Rider rate will be adjusted to reflect new Recoverable GUIC Costs as well as the amortization of the prior year's GUIC Tracker balance as approved by the Commission.

5. DEFINITIONS

A. GUIC Tracker: An accounting process used to accumulate any difference between the actual revenue requirement impact of Recoverable GUIC Costs and the actual revenues recovered through the GUIC Rider.

B. GUIC Rider Reconciliation: The GUIC Factor for each customer group may be adjusted annually with approval of the MPUC. The Company will file a GUIC Annual Report on or before April 1, which will include a reconciliation of the previous full calendar year's GUIC Tracker Account balance, if applicable, as well as support for any request to change the GUIC Factor for the subsequent calendar year.

C. Qualifying Projects: Projects eligible for recovery via the GUIC Rider under Minn. Stat. § 216B.1635 include:

i. replacement of natural gas facilities located in the public right-of-way required by the construction or improvement of a highway, road, street, public building, or other public work by or on behalf of the United States, the state of Minnesota, or a political subdivision; and

ii. replacement or modification of existing natural gas facilities, including surveys, assessments, reassessment, and other work necessary to determine the need for replacement or modification of existing infrastructure that is required by a federal or state agency.

D. Recoverable GUIC Costs: The revenue requirement related to Qualifying Projects not already reflected in rates. The annual revenue requirement for costs associated with the Qualifying Projects includes the currently authorized rate of return on capital investment, incremental income taxes, incremental property taxes, incremental depreciation expense, and any incremental operation and maintenance costs relative to the Qualifying Project(s). A standard model will be used to calculate the revenue requirement related to Qualifying Project(s) for the filing period.

6. GUIC RIDER RATES

A. Currently Authorized GUIC Rider Rate

A separate GUIC Rate may be calculated for each customer class or the same rate may be applied across all or a portion of customer classes, as approved by the MPUC. The GUIC rate shall be calculated to recover the Recoverable GUIC Costs over the period approved by the MPUC.

GAS UTILITY INFRASTRUCTURE COST RIDER 2nd~~1st~~ Revised Sheet No. 7.21a
(Continued)

6. GUIC RIDER RATES (Continued)

A. Currently Authorized GUIC Rider Rate (Continued)

The GUIC surcharge rates effective January~~December~~ 1, 2023~~2021~~ shall be as follows:

Rate Class	Rate/Therm
Residential, including Farm Tap	$0.00000~~02074~~
Class 1-2 Firm (Sales and Transport), including Farm Tap	$0.00000~~01076~~
Class 1-2 Interruptible (Sales and Transport), Class 1-2 Ag Grain Dryer, and Class 1 Electric Generation	$0.00000~~01076~~
Class 3-4 Firm (Sales and Transport), including Farm Tap	$0.00000~~00467~~
Class 3-4 Interruptible (Sales and Transport) and Class 3 Ag Grain Dryer	$0.00000~~00467~~
Class 5 (including Farm Tap), FLEX, Transport for Resale, and Class 2 Electric Generation	$0.00000~~00175~~
Direct Connect	$0.00000

Effective August 26, 2019, the GUIC Rider rate is suspended for Direct Connect Customers.

B. Adjustment to GUIC Tracker Account with Changes in Base Rates

Whenever the Company implements changes in base rates as the result of a final Commission order in a general rate case, the Company shall simultaneously adjust the GUIC Tracker Account to remove all costs that have been included in the approved base rates.

NATURAL GAS EXTENSION PROJECT (NGEP) RIDER

1. APPLICABILITY

Applicable to bills for natural gas service provided under the Company's retail and transportation rate schedules as approved by the MPUC.

2. RIDER

The Natural Gas Extension Project (NGEP) rider statute (Minn. Stat. § 216B.1638) permits a public utility to petition the Minnesota Public Utilities Commission (MPUC) outside of a general rate case for a rider to be billed to all of the utility's customers, including transport customers, to recover the revenue deficiency from a qualifying natural gas extension project. Qualifying Projects are natural gas service extensions to unserved or inadequately served areas where the cost would otherwise have been prohibitive under the Company's present rate and service extension policy.

Nothing in this rate schedule shall obligate the Company to extend natural gas service to any area. Rather, the NGEP Rider will be used and implemented at the Company's discretion upon receipt of MPUC approval.

3. RATE

The NGEP Rider rate for any customer class will be the MPUC-approved rate for that customer class. Such NGEP Rider rates may be volumetric, a flat fee, or some other form of approved recovery.

The MPUC may not approve an NGEP Rider that allows a utility to recover more than 33 percent of the costs of a Qualifying Project.

NATURAL GAS EXTENSION PROJECT (NGEP) RIDER (Continued)

4. DEFINITIONS

A. Revenue Deficiency: The deficiency in funds that results when projected revenues from customers receiving natural gas service as the result of a natural gas extension project, plus any contribution in aid of construction paid by those customers, fall short of the total revenue requirement of the natural gas extension project.

A standard model will be used to calculate the Revenue Deficiency related to Qualifying Project(s) for the filing period. The Revenue Deficiency will be adjusted for retail revenues (actual and/or expected) generated from incremental customers served by the Qualifying Project(s) in the one-year NGEP Rider period.

B. NGEP Tracker: An accounting process used to accumulate any difference between the actual revenue requirement impact of Qualifying Projects and the actual revenues received through the NGEP Rider.

C. NGEP Rider Reconciliation: The balance at the end of each calendar year in the NGEP Rider Tracker, either positive or negative, is subject to review and approval by the MPUC in an annual NGEP Rider Reconciliation filing. The approved balance is to be applied as an adjustment to the ongoing NGEP Rider rate.

D. Qualifying Project: A project eligible for recovery via the NGEP Rider under Minn. Stat. § 216B.1638 is one used to extend or expand service to an unserved or inadequately served area, further defined as an area in Minnesota lacking adequate natural gas pipeline infrastructure to meet the demand of existing or potential end use customers.

E. Recoverable NGEP Expenses: The annual revenue requirement for costs associated with the Qualifying Project(s) includes the currently authorized rate of return on capital investment, incremental income taxes, incremental property taxes, incremental depreciation expenses, and any incremental operation and maintenance costs relative to the Qualifying Project(s).

NATURAL GAS EXTENSION PROJECT (NGEP) RIDER (Continued)

5. NGEP RATES

A. Currently Authorized NGEP Rate

A separate NGEP Rate may be calculated for each customer class or the same rate may be applied across all or a portion of customer classes, as approved by the MPUC. The NGEP rate shall be calculated to recover the NGEP Revenue Deficiency over the period approved by the MPUC.

The NGEP Rates effective January~~September~~ 1, 2023~~2021~~ shall be:

Customer Class	NGEP Surcharge Rate Per Therm
Residential, including Farm Tap	$0.0000~~00288~~
Class 1 & 2 Firm (Sales and Transport), including Farm Tap	$0.0000~~00149~~
Class 1 & 2 Interruptible (Sales and Transport), Class 1 & 2 Ag Grain Dryer, and Class 1 Electric Generation	$0.0000~~00149~~
Class 3 & 4 Firm (Sales and Transport), including Farm Tap	$0.0000~~00025~~
Class 3 &4 Interruptible (Sales and Transport) and Class 3 Ag Grain Dryer	$0.0000~~00025~~
Class 5 (including Farm Tap), FLEX, Transport for Resale, and Class 2 Electric Generation	$0.0000~~00025~~
Direct Connect	$0.0000~~00025~~

B. Adjustment to NGEP Tracker with Changes in Base Rates

Whenever the Company implements changes in base rates as the result of a final Commission order in a general rate case, the Company shall simultaneously adjust the NGEP Tracker to remove all costs that have been included in the approved base rates.

SEVERE WEATHER COST RECOVERY (SWCR) SURCHARGE

1. APPLICABILITY

   Applicable to bills for natural gas service provided under the Company's Northern Natural Gas (NNG) retail sales rate schedules as approved by the MPUC.

2. DEFINITIONS

   A. February 2021 Severe Weather Event: The Company has received approval from the MPUC to begin recovering extraordinary natural gas costs from February 2021 through a temporary bill surcharge in Docket No. G999/CI-21-135 effective September 1, 2021.

   B. SWCR Tracker: An accounting process used to accumulate any difference between the extraordinary purchased gas costs attributable to the February 2021 Severe Weather Event, including all adjustments approved by the Commission and any recovery offsets, and the actual revenues received through the SWCR surcharge.

   C. SWCR Reconciliation:

      a. The balance at the end of Period 1in the SWCR Tracker, either positive or negative, is subject to review and approval by the MPUC in an SWCR Prudence Review filing. The approved balance is to be applied as an adjustment in Period 2 to the ongoing SWCR surcharge rate.
         i. The MPUC is allowing the Company to begin recovery of the February 2021 Severe Weather Event costs from customers over a 27-month period from September 2021 – November 2023. The MPUC is still reviewing the extraordinary costs, and amounts collected from customers will be refunded to the extent they exceed costs ultimately approved by the MPUC.

      b. The balance at the end of Period 2 in the SWCR Tracker, either positive or negative, is subject to review and approval by the MPUC in the standard annual September 1 filing, as explained in 5. on Sheet No. 7.01

3. SWCR RATE

A. Currently Authorized SWCR Surcharge Rate

The SWCR surcharge rate shown below shall be effective for the time periods as follows:

Season	Time Period	SWCR Surcharge Rate Per Therm
Summer (Period 1)	September 1, 2021 – October 31, 2021	$0.14030
Winter (Period 1)	November 1, 2021 – April 30, 2022	$0.05612
Summer (Period 1)	May 1, 2022 – October 31, 2022	$0.14030
Winter (Period 1)	November 1, 2022 – November 30, 2022	$0.05612
Winter (Period 2)	December 1, 2022 – April 30, 2023	$0.11224
Summer (Period 2)	May 1, 2023 – October 31, 2023	$0.28059
Winter (Period 2)	November 1, 2023 – November 30, 2023	$0.11224

4. EXEMPTION

A. Customers under the Company's NNG retail sales rate schedules that qualify for an exemption from the SWCR Surcharge are defined as:
   a. Low-income residential customers who receive or previously received LIHEAP assistance during 2019-2020, 2020-2021, 2021-2022 or 2022-2023.
   b. Residential customers who are 60 to 120 days in arrears on their natural gas bill.
   c. Initial exemption qualification is to be set based on customer qualifying status as of June 30, 2021.

B. The Company has been authorized by the MPUC to recalibrate the customers covered by this exemption once every six months—exempting any new customers who have received LIHEAP or who fall within the category of being greater than 60 days and less than 120 days in arrears on a going-forward basis and removing customers who are no longer greater than 60 days and less than 120 days in arrears. These exemptions are to be adjusted:
   a. effective March 1, 2022 based on arrears and new LIHEAP enrollments as of January 31, 2022;
   b. effective September 1, 2022 based on arrears and new LIHEAP enrollments as of July 31, 2022;
   c. effective March 1, 2023 based on arrears and new LIHEAP enrollments as of January 31, 2023.

Clean Interim Rate Tariff Sheets

RATE SCHEDULE GS-NNG GENERAL SERVICE 12th Revised Sheet No. 5.00

1. Availability: Service under this rate schedule is available customers supplied by Northern Natural Gas in MERC's Minnesota Service Area meeting the specified usage requirements provided below. This rate schedule shall apply to firm gas service for Residential, Commercial, and Industrial Customers. Such service shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.

2. Classes or Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions of the Purchase Gas Adjustment - Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas Per Therm
Residential	Any	$9.50	$0.24686	$0.91381
Commercial & Industrial Firm Class 1	0 – 1,500	$18.00	$0.22251	$0.91381
Commercial & Industrial Firm Class 2	1,501 – 100,000	$45.00	$0.16857	$0.91381
Commercial & Industrial Firm Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.91381
Commercial & Industrial Firm Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.91381
Commercial & Industrial Firm Class 5	Greater than 2,000,000	$360.00	$0.03486	$0.91381

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

RATE SCHEDULE GS-NNG FARM TAP SALES 4th Revised Sheet No. 5.01

1. Availability: Service under this rate schedule is available to customers who are directly connected to the Northern Natural Gas interstate pipeline through a tap provided in consideration for an easement granted directly to Northern Natural Gas or its predecessors. Such customers are referred to as "Farm Tap Customers." This rate schedule shall apply to firm gas service for all Farm Tap Customers. Such service shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.

2. Classes or Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment - Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas
Residential Farm Tap	Any	$9.50	$0.24686	$0.91381
Commercial & Industrial Farm Tap Class 1	0 – 1,500	$18.00	$0.22251	$0.91381
Commercial & Industrial Farm Tap Class 2	1,501 – 100,000	$45.00	$0.16857	$0.91381
Commercial & Industrial Farm Tap Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.91381
Commercial & Industrial Farm Tap Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.91381
Commercial & Industrial Farm Tap Class 5	Greater than 2,000,000	$360.00	$0.03486	$0.91381

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule with the exception of Section 2.F. Meter Reading. The following provision shall apply instead:

Meter Reading:

Farm Tap Customers shall supply meter readings on a form supplied by the Company and return them promptly each month (every 30 days). If the customer fails to supply a meter reading form in time for the billing operation or in case of emergency (storms, accidents, etc.), an estimated reading may be rendered. Estimated bills shall be based on the customer's historical actual consumption, if available, or rate schedule history where historical actual consumption is not available. Each Farm Tap Customer will receive at least one actual reading within a twelve month period. After a reading is obtained, if there is any material difference, an adjusted bill shall be rendered for the period since the last previous reading of the meter.

RATE SCHEDULE GS-CONSOLIDATED GENERAL SERVICE 4th Revised Sheet No. 5.02a

1. Availability: Service under this rate schedule is available customers supplied by Viking Gas Transmission, Great Lakes Gas Transmission, and Centra Pipeline in MERC's Minnesota Service Area meeting the specified usage requirements provided below. This rate schedule shall apply to firm gas service for Residential, Commercial, and Industrial Customers. Such service shall not be subject to curtailment or interruption, but will be subject to curtailment by pipeline supplier in compliance with their approved Federal Energy Regulatory Commission curtailment plan.

2. Classes or Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment - Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas
Residential	Any	$9.50	$0.24686	$0.69850
Commercial & Industrial Firm Class 1	0 – 1,500	$18.00	$0.22251	$0.69850
Commercial & Industrial Firm Class 2	1,501 – 100,000	$45.00	$0.16857	$0.69850
Commercial & Industrial Firm Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.69850
Commercial & Industrial Firm Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.69850
Commercial & Industrial Firm Class 5	Greater than 2,000,000	$360.00	$0.03486	$0.69850

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

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RATE SCHEDULE NNG INTERRUPTIBLE SERVICE 9th Revised Sheet No. 5.10

1. Availability: Service under this rate schedule is available to Commercial and Industrial Customers supplied through Northern Natural Gas in MERC's Minnesota Service Area except for Farm Tap, Agricultural Grain Dryer and Electric Generation Customers. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Interruptible service is available to a Human Needs Customer only if the customer has signed an affidavit that it has and will maintain capability and adequate fuel supplies to use alternate fuel if MERC's service to such customer is interrupted. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Transfer of Service: A firm customer may transfer to interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. An interruptible customer may not return to firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer faces unforeseen circumstances that were not known ninety days prior to November 1, the customer may request a waiver of the notice requirement to allow the customer to transfer service. The Company has sole discretion to grant or deny such a request and may only grant such a request if the Company determines that (1) unforeseen circumstances prevented the customer from timely requesting to transfer service, (2) adequate gas supply and interstate pipeline capacity is available to serve the customer, and (3) the waiver will not result in any detriment to existing system sales customers. If the Company waives the notice requirement, the Company may require the customer to pay an exit fee to recover the costs related to a switch to or from service under this rate schedule. This exit fee may include, but is not limited to, any above market gas commodity costs, any interstate pipeline transportation and/or storage costs, and any other demand costs.

3. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

3. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm (CIP Applicable)	Distribution Charge Per Therm (CIP Exempt)	Base Cost of Gas (interruptible)
Commercial & Industrial Interruptible Class 1	0 – 1,500	$18.00	$0.15847	$0.12894	$0.80777
Commercial & Industrial Interruptible Class 2	1,501 – 100,000	$45.00	$0.10453	$0.07500	$0.80777
Commercial & Industrial Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.09453	$0.06500	$0.80777
Commercial & Industrial Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.04823	$0.01870	$0.80777
Commercial & Industrial Interruptible Class 5	2,000,001 and greater	$360.00	$0.03401	$0.00448	$0.80777

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

4. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Service under this rate schedule is required for any customer using more than 50% of their annual volumes for grain dryer operations, with the exception of farm tap customers. If an Agriculture Grain Dryer Customer is also a Farm Tap Customer as defined under these tariffs, the farm tap tariff applies. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Agricultural Grain Dryer Class 1	0 – 20,000	$45.00	$0.12953	$0.80777
Agricultural Grain Dryer Class 2	20,001 – 500,000	$45.00	$0.08150	$0.80777
Agricultural Grain Dryer Class 3	500,001 or more	$165.00	$0.05860	$0.80777

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Service under this rate schedule is required for any customer using more than 50% of annual volumes for electric generation. Gas used for plant startup only, while no electricity is being generated, does not qualify the customer for service under any of the Electric Generation classes. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Electric Generation – Class 1	0 – 500,000	$45.00	$0.09953	$0.80777
Electric Generation – Class 2	500,001 or more	$360.00	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.80777

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Firm/Interruptible Sales Service is available to Commercial and Industrial Customers contingent on adequate gas supply and distribution system capacity. This rate schedule shall apply to gas service consisting of a base level of firm gas volumes daily, supplemented by interruptible volumes. A customer may transfer to Firm/Interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. Customers must maintain Firm/Interruptible service and must nominate a quantity of Daily Firm Nominations for the entire November through October period. Daily Firm Nominations will be the first through the meter each day, supplemented by interruptible volumes. If a partial day curtailment is called, the customer's Daily Firm Nomination will be prorated by, and applied to, the number of hours remaining the in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time other than 9:00am (Central Clock time). A Firm/Interruptible customer may not return to interruptible or firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer wishes to obtain or maintain Firm/Interruptible gas service, the customer or the customer's Marketer must provide the Company with details as to the amount of firm capacity purchased to date in a calendar year on the interstate pipeline by August 1. If a customer or its Marketer provides this information, the Company will take this information into account when evaluating the upcoming heating season. This information will allow the Company to reconcile the amounts purchased for firm capacity from these Firm/Interruptible customers on the interstate pipeline with the capabilities of the Company's distribution system for the upcoming heating season.

2. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

3. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

5. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

6. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

7. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions of the Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range (Annual)	Monthly Customer Charge	Firm Distribution Charge Per Therm	Interruptible Distribution Charge Per Therm	Base Cost of Gas (Firm Nominations)	Base Cost of Gas (Interruptible)
Commercial & Industrial Firm/Interruptible Class 1	0 – 1,500	$18.00	$0.22251	$0.15847	$0.91381	$0.80777
Commercial & Industrial Firm/Interruptible Class 2	1,501 – 100,000	$45.00	$0.16857	$0.10453	$0.91381	$0.80777
Commercial & Industrial Firm/Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.09453	$0.91381	$0.80777
Commercial & Industrial Firm/Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.04823	$0.91381	$0.80777
Commercial & Industrial Firm/Interruptible Class 5	2,000,001 and greater	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.91381	$0.80777
Agricultural Grain Dryer Firm/Interruptible Class 1	0 – 20,000	$45.00	$0.19357	$0.12953	$0.91381	$0.80777
Agricultural Grain Firm/Interruptible Dryer Class 2	20,001 – 500,000	$45.00	$0.14554	$0.08150	$0.91381	$0.80777
Agricultural Grain Firm/Interruptible Dryer Class 3	500,001 or more	$165.00	$0.08860	$0.05860	$0.91381	$0.80777
Electric Generation Firm/Interruptible Class 1	0 – 500,000	$45.00	$0.16357	$0.09953	$0.91381	$0.80777
Electric Generation Firm/Interruptible Class 2	500,001 or more	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.91381	$0.80777

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

1. Availability: Service under this rate schedule is available to Commercial and Industrial Customers supplied through Viking Gas Transmission, Great Lakes Gas Transmission, and Centra Pipeline in MERC's Minnesota Service Area except for Farm Tap, Agricultural Grain Dryer, and Electric Generation Customers. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Interruptible service is available to a Human Needs Customer only if the customer has signed an affidavit that it has and will maintain capability and adequate fuel supplies to use alternate fuel if MERC's service to such customer is interrupted. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Transfer of Service: A firm customer may transfer to interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. An interruptible customer may not return to firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer faces unforeseen circumstances that were not known ninety days prior to November 1, the customer may request a waiver of the notice requirement to allow the customer to transfer service. The Company has sole discretion to grant or deny such a request and may only grant such a request if the Company determines that (1) unforeseen circumstances prevented the customer from timely requesting to transfer service, (2) adequate gas supply and interstate pipeline capacity is available to serve the customer, and (3) the waiver will not result in any detriment to existing system sales customers. If the Company waives the notice requirement, the Company may require the customer to pay an exit fee to recover the costs related to a switch to or from service under this rate schedule. This exit fee may include, but is not limited to, any above market gas commodity costs, any interstate pipeline transportation and/or storage costs, and any other demand costs.

3. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

4. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm (CIP Applicable)	Distribution Charge Per Therm (CIP Exempt)	Base Cost of Gas
Commercial & Industrial Interruptible Class 1	0 – 1,500	$18.00	$0.15847	$0.12894	$0.62380
Commercial & Industrial Interruptible Class 2	1,501 – 100,000	$45.00	$0.10453	$0.07500	$0.62380
Commercial & Industrial Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.09453	$0.06500	$0.62380
Commercial & Industrial Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.04823	$0.01870	$0.62380
Commercial & Industrial Interruptible Class 5	2,000,001 and greater	$360.00	$0.03401	$0.00448	$0.62380

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

5. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

6. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

7. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

8. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

9. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

RATE SCHEDULE CONSOLIDATED AGRICULTURAL GRAIN DRYER SERVICE 3rd Revised Sheet No. 5.19a

1. Availability: Service under this rate schedule is required for any customer using more than 50% of their annual volumes for grain dryer operations, with the exception of farm tap customers. If an Agriculture Grain Dryer Customer is also a Farm Tap Customer as defined under these tariffs, the farm tap tariff applies. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Agricultural Grain Dryer Class 1	0 – 20,000	$45.00	$0.12953	$0.62380
Agricultural Grain Dryer Class 2	20,001 – 500,000	$45.00	$0.08150	$0.62380
Agricultural Grain Dryer Class 3	500,001 or more	$165.00	$0.05860	$0.62380

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

1. Availability: Service under this rate schedule is required for any customer using more than 50% of annual volumes for electric generation. Gas used for plant startup only, while no electricity is being generated, does not qualify the customer for service under any of the Electric Generation classes. Customers under this rate schedule are subject to interruption at any time upon order of MERC. Customer must: (1) have and maintain adequate standby facilities and have available sufficient fuel supplies to maintain operations during periods of curtailment; or (2) agree to curtail the use of interruptible gas on one hour's notice when requested by Company. Regardless of whether Customer has standby facilities, Customer must fully suspend natural gas usage within one hour of being requested to do so by the Company. Customer is solely responsible to install, maintain, and test any standby systems. The Company bears no responsibility for the operation of Customer's standby facilities. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. Company may shut off gas to any customer who fails to comply with a curtailment order.

2. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range	Monthly Customer Charge	Distribution Charge Per Therm	Base Cost of Gas per therm
Electric Generation – Class 1	0 – 500,000	$45.00	$0.09953	$0.62380
Electric Generation – Class 2	500,001 or more	$360.00	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.62380

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

3. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. Penalty For Unauthorized Takes When Service Is Interrupted: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

5. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

7. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

8. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

RATE SCHEDULE CONSOLIDATED FIRM/INTERRUPTIBLE SERVICE 10th Revised Sheet No. 5.21

1. Availability: Firm/Interruptible Sales Service is available to Commercial and Industrial Customers contingent on adequate gas supply and distribution system capacity. This rate schedule shall apply to gas service consisting of a base level of firm gas volumes daily, supplemented by interruptible volumes. A customer may transfer to Firm/Interruptible service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. Customers must maintain Firm/Interruptible service and must nominate a quantity of Daily Firm Nominations for the entire November through October period. Daily Firm Nominations will be the first through the meter each day, supplemented by interruptible volumes. If a partial day curtailment is called, the customer's Daily Firm Nomination will be prorated by, and applied to, the number of hours remaining the in the gas day when the curtailment goes into effect. A partial day curtailment means a curtailment that is effective any time other than 9:00am (Central Clock time). A Firm/Interruptible customer may not return to interruptible or firm service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer wishes to obtain or maintain Firm/Interruptible gas service, the customer or the customer's Marketer must provide the Company with details as to the amount of firm capacity purchased to date in a calendar year on the interstate pipeline by August 1. If a customer or its Marketer provides this information, the Company will take this information into account when evaluating the upcoming heating season. This information will allow the Company to reconcile the amounts purchased for firm capacity from these Firm/Interruptible customers on the interstate pipeline with the capabilities of the Company's distribution system for the upcoming heating season.

2. Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid by the next billing date, for residential and Even Pay Plan customers, or within 17 days of the current billing date for nonresidential customers. For residential customers, the next billing date must not be less than 25 days from the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

3. Telemetry: Customers must install telemetry equipment. Customer shall reimburse Company for all costs incurred by Company to install and maintain telemetry equipment or other related improvements. Any such equipment and improvements shall remain the property of Company.

4. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

5. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of Conservation Improvement Program (CIP) costs as approved by the MPUC. The CCRC factor is approved and applied on a per therm basis.

6. Determination of CCRC Exemption: For those customer accounts granted an exemption by the Commissioner of Minnesota Department of Commerce, Division of Energy Resources (or successor agency) from CIP costs pursuant to Minnesota Statutes § 216B.241, the CCRC shall not apply. Those customers will not be charged the per therm CCRC factor.

RATE SCHEDULE CONSOLIDATED FIRM/INTERRUPTIBLE SERVICE (Continued)

7. Classes of Service, Usage, and Rates: Customers will be eligible for one of the following classes at the following rates. These rates are base rates subject to change in accordance with the provisions Purchase Gas Adjustment Uniform Clause.

Customer Class	Therm Usage Range (Annual)	Monthly Customer Charge	Firm Distribution Charge Per Therm	Interruptible Distribution Charge Per Therm	Base Cost of Gas (Firm Nominations) Per Therm	Base Cost of Gas (Interruptible) Per Therm
Commercial & Industrial Firm/Interruptible Class 1	0 – 1,500	$18.00	$0.22251	$0.15847	$0.69850	$0.62380
Commercial & Industrial Firm/Interruptible Class 2	1,501 – 100,000	$45.00	$0.16857	$0.10453	$0.69850	$0.62380
Commercial & Industrial Firm/Interruptible Class 3	100,001 – 1,000,000	$165.00	$0.12453	$0.09453	$0.69850	$0.62380
Commercial & Industrial Firm/Interruptible Class 4	1,000,001 – 2,000,000	$185.00	$0.05016	$0.04823	$0.69850	$0.62380
Commercial & Industrial Firm/Interruptible Class 5	2,000,001 and greater	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.69850	$0.62380
Agricultural Grain Dryer Firm/Interruptible Class 1	0 – 20,000	$45.00	$0.19357	$0.12953	$0.69850	$0.62380
Agricultural Grain Firm/Interruptible Dryer Class 2	20,001 – 500,000	$45.00	$0.14554	$0.08150	$0.69850	$0.62380
Agricultural Grain Firm/Interruptible Dryer Class 3	500,001 or more	$165.00	$0.08860	$0.05860	$0.69850	$0.62380
Electric Generation Firm/Interruptible Class 1	0 – 500,000	$45.00	$0.16357	$0.09953	$0.69850	$0.62380
Electric Generation Firm/Interruptible Class 2	500,001 or more	$360.00	$0.03486 (CIP Applicable) $0.00533 (CIP Exempt)	$0.03401 (CIP Applicable) $0.00448 (CIP Exempt)	$0.69850	$0.62380

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Monthly Minimum Bill: The minimum bill is the customer charge and the applicable commodity charge for all volumes taken.

Volume Adjustment: Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A of MERC's Minnesota General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average

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1. Availability and Rates: Service under this rate schedule is available to any non-general service customer who purchases gas supplies that can be transported to MERC's distribution system. Transportation customers, if otherwise qualified for the rate, may choose transportation service from one of the following classes, at the following applicable rates:

Customer Class	Therm Usage Range (Annual)	Monthly Customer Charge	Monthly Administrative Fee	Firm Distribution Charge Per Therm – CIP Applicable	Firm Distribution Charge Per Therm – CIP Exempt	Interruptible Distribution Charge Per Therm – CIP Applicable	Interruptible Distribution Charge Per Therm – CIP Exempt
Commercial & Industrial Firm/Interruptible Class 1 Transport	0 – 1,500	$18.00	$150.00	$0.22251	$0.19298	$0.15847	$0.12894
Commercial & Industrial Firm/Interruptible Class 2 Transport	1,501 – 100,000	$45.00	$150.00	$0.16857	$0.13904	$0.10453	$0.07500
Commercial & Industrial Firm/Interruptible Class 3 Transport	100,001 – 1,000,000	$165.00	$150.00	$0.12453	$0.09500	$0.09453	$0.06500
Commercial & Industrial Firm/Interruptible Class 4 Transport	1,000,001 – 2,000,000	$185.00	$150.00	$0.05016	$0.02063	$0.04823	$0.01870
Commercial & Industrial Firm/Interruptible Class 5 Transport	2,000,001 and greater	$360.00	$150.00	$0.03486	$0.00533	$0.03401	$0.00448
Agricultural Grain Dryer Firm/Interruptible Class 1 Transport	0 – 20,000	$45.00	$150.00	$0.19357	$0.16404	$0.12953	$0.10000
Agricultural Grain Firm/Interruptible Dryer Class 2 Transport	20,001 – 500,000	$45.00	$150.00	$0.14554	$0.11601	$0.08150	$0.05197
Agricultural Grain Firm/Interruptible Dryer Class 3	500,001 or more	$165.00	$150.00	$0.08860	$0.05907	$0.05860	$0.02907
Electric Generation Firm/Interruptible Class 1 Transport	0 – 500,000	$45.00	$150.00	$0.16357	$0.13404	$0.09953	$0.07000
Electric Generation Firm/Interruptible Class 2 Transport	500,001 or more	$360.00	$150.00	$0.03486	$0.00533	$0.03401	$0.00448

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge, monthly administrative fee, and the distribution charge per therm, with the exception listed below. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

Exception for Interim Rate Adjustment: Effective January 1, 2023, Class 5-CIP Exempt and Electric Generation Class 2-CIP Exempt customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and monthly administrative fee only. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

2. Type of Service: Transportation services are available on a firm or interruptible basis, contingent on adequate interstate pipeline and distribution capacity. To take transportation service on a firm basis, customer must arrange firm transportation for gas supply on an interstate pipeline serving Company's distribution system. The customer must provide Company a Certification confirming this firm transportation signed by the customer and, if applicable, the marketer. Company must expressly approve the customer's requested firm nominations.

3. Other Rates and Charges: In addition to applicable rates above, other charges for Transportation service include following:

- Balancing and Scheduling Charges and Penalties
- Late Payment Charges
- Franchise Fees
- Conservation Cost Recovery Charges and Conservation Cost Recovery Adjustments (for non-CIP Exempt customers, as reflected in Tariff Sheet No. 7.02)
- Unauthorized gas fees and penalties, including penalties and charges passed on by the pipeline that the customer causes the Company to incur
- Any other costs, charges, penalties, or assessments passed on by the pipeline that the customer causes the Company to incur
- Applicable Rider charges
- Any other charges or rates approved by the Minnesota Public Utilities Commission

The Severe Weather Cost Recovery Surcharge, Sheet Nos. 7.25 and 7.26, applies to customers taking service under this rate that were taking sales service at any point from February 13-17, 2021.

BTU Adjustment: Customer billed usage is in therm volumes that are derived by applying BTU adjustment factors as necessary. Company meter readings will be adjusted when the Btu content of delivered gas varies from 1,000 Btu per cubic foot.

Late Payment Charge: If the unpaid balance is in excess of $10, a late payment charge of 1.5% of the unpaid balance or $1 whichever is greater shall be added to the unpaid balance if the bill is not paid within 17 days of the current billing date. No late payment charge will be made if the unpaid balance is $10 or less.

4. End User Allocation Agreement: Company will enter into and/or maintain an End User Allocation Agreement ("EUAA") with any transportation customer requesting such EUAA under the following conditions: (1) Customer must have telemetry installed at its facility; (2) Such EUAA will not negatively impact Company's sales customers; and (3) Northern Natural Gas Company is willing to enter into such EUAA.

5. Terms and Conditions of Service:

A. Transport Contract Requirements: Customer must have arranged for the purchase of gas other than Company's system supply and for its delivery to Company system. Customer must sign Company's contract for Transportation Service to each delivery point. Company shall be deemed to have title to transportation gas, as necessary, to arrange interstate pipeline transportation to Company's system.

B. Telemetry: All transportation customers must have Company install telemetry equipment at the customer's expense. The telemetry equipment must be installed prior to the commencement of natural gas service to the customer. Company will offer financing for periods up to 90 days interest free. Company will offer financing with interest to a customer to pay for the installation of telemetry equipment for a period of more than 90 days but not more than 12 consecutive months on a non-regulated basis. The telemetry equipment and any other improvements made by Company shall remain the property of Company.

C. Transportation Order of Billing: The order of gas delivery for purposes of billing will be as follows:
   a. First, customer-owned firm volumes.
   b. Second, customer-owned interruptible volumes.
   c. Third, sales gas priced per Company's applicable sales tariffs.

D. Failure of Transportation Supply: If a customer or a customer's supplier notified Company that it will be unable to deliver volumes to Company's Town Border Station sufficient to meet daily consumption, Company will use reasonable efforts to make gas available to the customer. Such gas will be charged to the customer at the highest incremental supply cost for the day plus the commodity cost of interruptible transportation plus applicable Daily Balancing Fees. If Company is unable to obtain a replacement for the customer's transportation supply, the customer will be given the option to discontinue the use of gas or incur the penalty associated with the use of Unauthorized Gas.

E. Curtailment Events – Firm Volumes: During an interruption or curtailment event, firm transportation customers will be limited to the natural gas delivered to their company designated Town Boarder Station or delivery point. Customers who have no natural gas delivered during an interruption or curtailment event will be expected to self-curtail their natural gas usage. If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request.

F. Curtailment Events – Interruptible Volumes: If a customer fails to discontinue use of gas within one hour of such request, the customer will be deemed to have taken Unauthorized Gas. Company shall have the right to shut off customer's supply of gas in the event of failure to discontinue use after such request. The penalty for unauthorized use of gas will be the prevailing delivery charge plus the highest incremental supply cost for the day plus $5 per therm for all Unauthorized Gas usage. Customer will also be responsible for all applicable rates and charges hereunder for Unauthorized Gas. Failure of Customer's standby facilities, failure to obtain adequate alternative fuel supplies, failure to provide the Company with correct or updated contact information, or a failure to appropriately verify or correct for errors in contact information on file with the Company shall not be considered justification for disregard of curtailment orders. The penalty for unauthorized gas use shall apply in such circumstances.

G. General Terms and Condition: The General Terms and Conditions contained in this tariff shall apply to all Transportation customers under this rate schedule.

6. Class Switching: Customers may transfer to Transportation Service for the period November 1 through October 31 after giving the Company ninety days advance notice prior to November 1. A transportation customer must maintain transportation service for the entire November through October period. A transportation customer may not return to sales service until the next November 1st and must notify the Company in writing at least ninety days prior to the transfer. A customer may only transfer to firm sales service if Company is able to arrange adequate additional firm gas entitlements to meet the needs imposed on its system by the customer, without jeopardizing system reliability or increasing costs for its other customers. If a customer faces unforeseen circumstances that were not known ninety days prior to November 1, the customer may request a waiver of the notice requirement to allow the customer to transfer service. The Company has sole discretion to grant or deny such a request and may only grant such a request if the Company determines that (1) unforeseen circumstances prevented the customer from timely requesting to transfer service, (2) adequate gas supply and interstate pipeline capacity is available to serve the customer, and (3) the waiver will not result in any detriment to existing system sales customers. If the Company waives the notice requirement, the Company may require the customer to pay an exit fee to recover the costs related to a switch to or from service under this rate schedule. This exit fee may include, but is not limited to, any above market gas commodity costs, any interstate pipeline transportation and storage costs, and any other demand costs.

7. Nomination, Balancing, and Scheduling Charges: The following provisions apply to all Transportation customers except as set forth in Tariff Sheet No. 6.50 with respect to Direct Connect Transportation customers.

   A. Nomination: Customers requesting volumes to flow on the first day of any month must directly advise Company's Gas Supply Services Division by 9:00 a.m. (Central Clock time) five (5) working days prior to the end of the preceding month of the volumes to be delivered on their behalf. Customers requesting nomination changes on days subsequent to the first day commencing at 9:00 a.m. Central Clock time must directly advise Company's Gas Supply Services Division by 9:00 a.m. (Central Clock time) on the preceding day of the volumes to be delivered on their behalf. Intraday nominations will be accepted by the Company on a best efforts basis, provided the nomination is confirmed by the interstate pipeline. Customer will provide Company with a concurrent copy of all nominations made to the transporting pipeline for deliveries nominated to Company's Town Border Stations. Nominations must be to areas of the Company's distribution system within the same interstate pipeline operational zone servicing the customer's location.

   B. Daily Balancing: To assure Company's system integrity, the customer is responsible for: 1) scheduling deliveries which accurately reflect customer's expected consumption, and 2) balancing deliveries to Company's system with volumes consumed at the delivery points. When daily volumes of natural gas delivered on behalf of customer to the Company's receipt points or natural gas received at customer's designated delivery point differ, above or below daily scheduled volumes, the customer is out-of-balance. It is the customer's sole responsibility to maintain balance between nominated volumes and actual use, however, the Company reserves the right to adjust or refuse nominations to maintain balance. Volume differences between daily receipts and deliveries shall be accumulated and recorded in customer's account. Company shall determine the imbalance quantity for each day on a therm basis. Company shall then account for the imbalance volumes according to the Daily Scheduling Charges below.

C. Daily Scheduling Charges: Each Transport customer must pay for any balancing or scheduling penalties from pipelines that the customer causes Company to incur. Additionally, any upstream costs that can be identified as being caused by a specific customer will be assigned to that customer.

a. Northern Natural Gas Daily Scheduling Charges

Non-SUL/SOL/CRITICAL DAYS: When a customer's scheduled deliveries to the Company differ from daily consumption a tolerance of +/-5% of confirmed nomination will be applied. For consumption within tolerance, no scheduling charges will be applied. For consumption outside tolerance, a scheduling charge will be applied to the volume exceeding tolerance equal to the maximum effective Northern Natural Gas TI rate for the customer's market area

SOL Days: On days that Northern Natural Gas calls a System Overrun Limitation (SOL), a charge equal to the charge of the pipeline will apply to those volumes in excess of confirmed nominations

SUL Days: On days that Northern Natural Gas declares a System Under run Limitation (SUL), the 5% daily imbalance will be suspended and a charge of equal to the charge of the pipeline will apply for each therm of consumption less than the confirmed nomination.

Critical Days: On days that Northern Natural Gas declares a Critical Day, a charge equal to the daily delivery variance charge (DDVC) of the pipeline will apply to those volumes in excess of the confirmed nomination level. Currently, this charge is as much as $11.30 per therm.

Telemetry Failure: Should the specific measurement or telemetry systems that provide daily consumption data fail, Company will temporarily suspend daily scheduling charges for the affected account until Company can confirm the cause of the loss of telemetry is not due to the Company's measurement or telemetry systems. In the event the Company determines the problem is caused by the Company's equipment, daily scheduling charges will be waived until the Company can return the faulty device or system to operation. In the event the Company determines the problem is caused by the customer's equipment (such as utility power, phone line, etc.), the customer will be responsible for any daily scheduling charges, including charges incurred during the suspension. Company will promptly notify and work with the customer or customer's agent to identify and isolate the problem such that the customer can correct the problem in an orderly and efficient manner. The Company, at its sole discretion, may choose to continue to waive daily scheduling charges for a period of time if it determines the customer is proactively attempting to correct the cause of the problem in a reasonable and timely manner.

C. Daily Scheduling Charges (continued)

b. Great Lakes and Viking Daily Scheduling Charges

i. Any penalties incurred as a result of the customer will be passed along to the customer.
ii. Any upstream costs that can be specifically identified as being caused by a specific customer will be assigned to that customer.
iii. These charges are in addition to any Company charges, as provided for in Company's tariff, for unauthorized takes of gas when service is interrupted.

D. Monthly Imbalances: Volume differences between monthly receipts and deliveries shall be accumulated and recorded in customer's account. The Company shall determine the imbalance quantity for each month on a therm basis. As imbalances occur, Company and the customer will attempt to correct them within the same month in which they occur. Failing such a correction, the imbalances will be corrected on a monthly basis through the following cash out procedure.

Northern Natural Gas—Monthly Imbalances: The difference between confirmed nominated volumes and actual consumption will be charged or credited to the customer based on the appropriate Market Index Price (MIP). The basis for the MIP shall be the average weekly prices as quoted for the Ventura and Demarc points in Gas Daily for a 5 week period starting on the first Tuesday of the calendar month for which the MIP is being established and ending on the first or second Monday of the following month, whichever is applicable, to arrive at a 5 week period. The MIPs shall be determined as follows:

i. High MIP: The highest weekly average during the 5 week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate, plus a capacity release value, which will be deemed to be $0.07/dekatherm.
ii. Low MIP: The lowest weekly average during the 5 week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate.
iii. Average MIP: The average of the weekly averages during the 5 week period for the applicable month, plus pipeline fuel at the effective pipeline fuel rate, plus pipeline commodity at the effective pipeline commodity rate

In addition, the cash out price is tiered to encourage good performance and discourage gaming of the system.

Imbalance Level	Due Company	Due Customer
0% - 3%	High MIP * 100%	Low MIP * 100%
For the increment that is greater than 3% up to 5%	High MIP * 102%	Low MIP * 98%
For the increment that is greater than 5% up to 10%	High MIP * 110%	Low MIP * 90%
For the increment that is greater than 10% up to 15%	High MIP * 120%	Low MIP * 80%
For the increment that is greater than 15% up to 20%	High MIP * 130%	Low MIP * 70%
For the increment that is greater than 20%	High MIP * 140%	Low MIP * 60%

Example:
If the nominated volume was 100 dekatherms and the actual consumption was 130 dekatherms, there is an imbalance of 30 dekatherms due Company. The transportation customer would owe Company the following amount using the above hypothetical High MIP of $2.23: (*)

3 dekatherms at MIP * 100%	$ 6.69
2 dekatherms at MIP * 102%	$ 4.55
5 dekatherms at MIP * 110%	$12.26
5 dekatherms at MIP * 120%	$13.38
5 dekatherms at MIP * 130%	$14.49
10 dekatherms at MIP * 140%	$31.22
	$82.59

(*) These hypothetical prices are used for illustration purposes only.

If the pipeline provides an imbalance to storage option, and the transporter has a storage account on the pipeline, Company and the transporter may transfer imbalances to or from pipeline storage accounts, provided certain conditions are met. If the transaction would cause Company's storage account to breach any contractual limitations, or would otherwise cause undue harm to Company's management of its storage accounts, the storage transfer may not be allowed. If there are any charges from the pipeline to effectuate the storage transfer, the customer will be responsible for payment of any such actual costs.

Viking and Great Lakes – Monthly Imbalances

If the monthly imbalance is due to a deficiency of deliveries (customer excess) relative to scheduled nominations, Company shall pay customer in accordance with Schedule A below. If the monthly imbalance is due to an excess of deliveries (customer shortfall) relative to scheduled nominations, customer shall pay Company in accordance with Schedule B below. In addition to correcting the monthly imbalance in cash, (a) Company shall pay to customer the "Transportation Component" if deliveries are greater than scheduled nominations, or (b) Customer shall pay to Company the "Transportation Component" if deliveries are less than scheduled nominations. For Viking, the "Transportation Component" shall be equal to the Commodity Rate under Rate Schedule FT-A rate for transportation to the applicable zone multiplied by the monthly imbalance, plus an applicable fuel and use charges, as stated in Viking's tariff. For Great Lakes, the "Transportation component" shall be equal to the Usage Rate under Rate Schedule FT, for a West to West transport (Emerson to Cloquet) multiplied by the monthly imbalance plus fuel, plus FERC's Annual Charge Adjustment (ACA), plus Gas Research Institute charge (GRI), as stated in Great Lakes tariff.

Schedule A

% Monthly Imbalance	Company Pays Customer Following % of Index Price
0-5%	100% Average Monthly
>5-10%	85% Average Monthly
>10-15%	70% Average Monthly
>15-20%	60% Average Monthly
<20%	50% Average Monthly

Schedule B

% Monthly Imbalance	Customer Pays Company Following % of Index Price
0-5%	100% Average Monthly
>5-10%	115% Average Monthly
>10-15%	130% Average Monthly
>15-20%	140% Average Monthly
<20%	150% Average Monthly

The Index Price shall be determined on a weekly and monthly basis. Each Weekly Index Price shall equal the price of gas at Emerson, Manitoba as published in the "Weekly Price Survey" of Gas Daily for such week. For purposes of determining the cashout of imbalances in accordance with Schedules A and B herein, the "Average Monthly Index Price" shall be the average of the Weekly Index Prices determined during a given month.

If Gas Daily's "Weekly Price Survey" is no longer published, customer and Company shall meet to undertake to agree upon alternative spot price indices.

8. Pipeline Charges: Any charges which Company incurs from the pipeline on behalf of a customer shall be passed through to that customer.

TRANSPORTATION SERVICES
AGGREGATION SERVICE

4th Revised Sheet No. 6.08

1. Availability: Aggregation Service is optional and available to any transportation customer within the same interstate pipeline operational zone. Under this service, a Marketer or other third-party supplier may combine a group of transportation customers that have the same balancing provisions and are located on the same interstate pipeline system and within the same interstate pipeline operational zone. If the Marketer or other third-party supplier purchases this aggregation service, the aggregated group will be considered as one customer for purposes of calculating the daily scheduling penalties and monthly imbalances, i.e., individual customer nominations and consumption will be summed and treated as if there were one customer. In the event that the pipeline calls a limitation day (SOL, SUL, critical day) at less than a pipeline or zone level, the Company has the right to require the aggregation provisions to occur at the same level.

2. Rates: The cost of the aggregation service is $.00425 per therm of gas delivered to the aggregated group.

Charge Description	$/Therm	Additional Description
Aggregation Fee	$0.00425	All gas delivered to aggregated group.

CANCELED

CANCELED

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CANCELED

2nd Revised Sheet No. 6.27

CANCELED

CANCELED

CANCELED

1. Availability: Service under this rate schedule is limited to customers subject to effective competition. ("Effective competition" means that a customer who either receives interruptible service or whose daily requirement exceeds 50 dekatherm maintains or plans on acquiring the capability to switch to the same, equivalent or substitutable energy supplies or service, except indigenous biomass energy supplies composed of wood products, grain, biowaste, or cellulosic materials, at comparable prices from a supplier not regulated by the Commission.)

   A customer whose only alternative source of energy is gas from a supplier not regulated by the Commission and who must use Company's system to transport the gas is not eligible for flexible-rate service. However, customers who have or can reasonably acquire the capability to bypass Company's system are eligible to take service under flexible tariffs.

2. Rate:
   Minimum and maximum charges are shown on Sheet 7.07, Columns G and H , for each class of Transport customer eligible to take flexible-rate service.

   A. The Customer Charge shall be the amount in the applicable non-flexible tariff under which customer would otherwise take service.

   B. The minimum monthly bill shall be the sum of the Customer Charge, Transport Administrative Fee, and the daily firm nomination charge (if applicable).

   C. The charge for daily firm nominations shall be $0.00193 per therm for all volumes nominated as firm. This charge shall be in addition to the applicable per therm distribution rate.

Interim Rate Adjustment: Effective January 1, 2023, Flex Rate customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge and monthly administrative fee. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

3. Election of Service: Service under this rider is at the option of the customer, except that, customers who use alternative energy supplies as described in Section 1 are limited to taking service under this rider. Any customer electing service under this rider must remain on this rider for a period of at least one year.

4. Default Rate: If a rate cannot be negotiated in a timely manner, the customer agrees to pay Company a default rate equal to the applicable upward flexible rate shown on Sheet 7.07.

5. Terms and Conditions Applicable to Flexible Rate Customers: All terms of the non-flexible tariff under which customer would otherwise take service apply. The General Terms and Conditions contained in the tariff book shall also apply to service taken under this flexible rate tariff.

CANCELED

TRANSPORTATION FOR RESALE NORTHWEST NATURAL GAS 9th Revised Sheet No. 6.40

1. Availability: Service under this rate schedule is available to Northwest Natural Gas and other "Transportation for Resale" customers with similar cost characteristics, i.e., customers for whom the cost of providing service is approximately equal to that of Northwest Natural Gas.

2. Applicability and Character of Service: This rate schedule shall apply to transportation service provided for resale to end use customers. The end-use customers for this service are firm customers. Customers under this rate schedule are required to secure Daily Firm Nominations at the MDQ level. If customers do not secure Daily Firm Nominations and demonstrate firm capacity on the pipeline, they may be interrupted.

3. Rate:
   A. Fixed Charge: The customer charge shall be $185.00 per month plus a charge of $150.00 per month for administrative costs related to transportation.
   B. Tariff Margin Charge: All volumes received by the customer hereunder shall be charged a rate equal to the tariff margin of $0.07428 per therm. Additional costs will be assigned as they are authorized by the FERC or state Commissions to be charged for transportation services, including but not limited to take-or-pay costs, TCR costs, and GRI costs.
   C. Firm/Interruptible Daily Firm Nominations: Firm/Interruptible service is available contingent upon adequate distribution system capacity and customer having arranged for firm transportation of gas supply. Terms and Conditions for Transportation Services shall apply. The customer is responsible for purchasing interstate pipeline capacity from a third party non-regulated supplier (as demonstrated by providing Company with a Certification signed by the customer and the third party supplier). The customer is also responsible for overrun penalties, balancing charges and any out of balance penalties incurred from its transportation of gas by its pipeline suppliers. The following rates shall apply:

Distribution Charge Per Therm for Firm Nominations	Distribution Charge Per Therm for Interruptible Volumes
$0.10614	$0.07614

Interim Rate Adjustment: Effective January 1, 2023, customers' bills will be increased on an interim basis by 32.82% on the monthly customer charge, monthly administrative fee, and the distribution charge per therm. If the total amount of the rate increase approved at the end of the rate case (Docket No. G011/GR-22-504) is lower than the total amount of the interim rates collected, the Company will refund the difference with interest, and if the total amount of the final rates are higher than the total amount of interim rates, the Company will not charge the customer for the difference.

4. Payment: The bill is due seventeen days after issuance. There shall be a late payment charge of one and one-half percent (1.5%) per month on the unpaid balance.

5. Volume Adjustment:
   Rates are based on gas with the equivalent heating value of 1000 Btu's. Volumes may be subject to a Btu variance adjustment pursuant to designation 2.A. of MERC's General Rules, Regulations, Terms and Conditions. Btu's will be calculated on an arithmetic average.

6. General Terms and Conditions: The General Terms and Conditions contained in this tariff shall apply to this rate schedule.

1. Availability: A customer qualifies for service under this schedule if (1) the customer is directly connected to the interstate pipeline with no Company-owned underground distribution facilities and (2) no non-Direct Connect customers are served off of the same point of interconnection. Farm Tap customers are not eligible for this service.

2. Applicability and Character of Service: This rate schedule shall apply to transportation service provided for customers who are directly connected to an interstate natural gas pipeline. Service is available to qualifying direct connect customers on a firm or interruptible basis, contingent on adequate interstate pipeline and distribution capacity.

3. Rates, Terms, and Conditions of Service. Applicable rates, terms, and conditions of service are set forth in Tariff Sheet Nos. 6.00-6.07 except with respect to the following:

   A. Nomination, Balancing, and Scheduling Charges. Direct connect transportation customers shall not be subject to daily balancing or scheduling charges except that such customers must pay for any balancing or scheduling penalties from pipelines that they cause Company to incur.

1. Rates Subject to the Purchased Gas Adjustment (PGA) Clause: All gas utility rate schedules shall be subject to a gas cost adjustment as defined in 2. and 3. below. Since the Company purchases gas from different supply sources, the Company will determine the delivered cost of gas purchased by Supplier and implement any change in the billing rate which exceeds .3 cents per therm. The Company will also update its PGA every three months since the last change, which exceeded .3 cents per therm.

2. Determination of Purchased Gas Adjustment Amount: For purpose of computing the Purchased Gas Adjustment, the following formula will be used:

$$\frac{PD}{V} + WACOG + \frac{A}{V^{1}} - B = \text{Gas Cost Adjustment}$$

Where:

PD = Demand Cost: (1) The cost of purchased gas to be sold calculated by multiplying the current cost of purchased gas from each supplier times the last authorized demand volumes approved by the Commission and (2) The costs of firm transportation are calculated by multiplying the current cost from each supplier times the last demand volumes approved by the Commission.

WACOG = Projected weighted average cost of gas: The cost of purchased gas to be sold calculated by multiplying the estimated cost per dekatherm, therm or Btu by supplier (including transportation commodity costs) times the estimated purchase volumes by supplier for the upcoming month.

A = The current balance of unrecovered or over-recovered purchased gas costs. This is calculated once a year and filed each September 1 as explained in 5. on Sheet No. 7.01.

V = The sales volume for the forthcoming twelve month period ending August 31. The annual volumes shall:

A. Be adjusted to reflect normal temperatures.
B. Be for the most recent twelve months of the fourteen months immediately preceding the effective date of any demand increase or decrease.
C. Once normalized, be further adjusted by an average percentage change in normalized sales computed over the preceding three year period.
D. Also change in accordance with Minnesota Rules 7825.2390 - 7825.3000.

V^{1} = Projected 12 months sales volumes.

B = Actual purchased gas cost embedded in the gas utility filed rate schedules based on purchase and sales volumes established during the base period including all adjustments approved by the Commission.

3. Application of Calculation

The formula $\frac{PD}{V} + WACOG + \frac{A}{V^{1}} - B$ identified previously will be calculated separately for each supplier and/or supply zone (where separate rate schedules are maintained), if appropriate by class of service for interruptible, firm and general service sales. Demand charges will be assigned on a unit basis to applicable customers.

4. Cost Included in the Purchased Gas Adjustment: The cost of gas included in the computation shall consist of all costs properly included in FERC Accounts 800 through 812, transportation charges and all other charges incurred to obtain gas supplies.

5. Frequency of Change: The underrecovery/overrecovery balance adjustments under this provision shall be computed and filed by September 1 of each year.

Accounting Requirement: Subsequent to the effective date of this clause, the Company shall maintain a continuing monthly comparison of the actual cost of gas as shown on the books and records of the Company, exclusive of refunds, and the cost recovery for the same month calculated by multiplying the volumes sold during said month by the currently effective rate for purchased gas. The difference in the actual cost of gas and the cost recovery represents the over/under recovery for the month. The total differences for the twelve-month period ending August 31 represent the balance of underrecovered or overrecovered purchased gas cost for the period. The balance for the period, plus the balance at the beginning of the period, and any adjustments represent the current balance in the Account (“A” in the formula above).

As approved by the MPUC, extraordinary gas costs incurred by the Company from February 13-17, 2021 will be excluded from the annual gas cost reconciliation for the period ending June 30, 2021. These costs will be recovered via the Severe Weather Cost Recovery Surcharge, Sheet Nos. 7.25 and 7.26.

Costs included in the Purchased Gas Adjustment will be offset by the revenues collected from Company’s Small Volume Balancing Service on a yearly basis in the annual Reconciliation Adjustment.

The Company shall maintain an over/under account for each supply zone for the under-recovered or over-recovered purchased gas costs on a monthly basis.

6. Treatment of Refund: Refunds and interest thereon received from the suppliers of purchased gas that are attributable to the cost of gas previously sold will be refunded by credits to bills or by checks within a period not to exceed 90 days from the date the refund is received from a supplier, provided the refund amount per customer is equal to or greater than five dollars. The utility shall include the unrefunded balance as an adjustment to the balance of under recovered or over recovered purchased gas cost for the period as explained in the Accounting Requirements above.

7. Information to be Filed with the Commission: Each Purchased Gas Adjustment will be accomplished by filing an application and will be accompanied by such supporting data and information as the Commission may require.

CONSERVATION COST RECOVERY CHARGE AND ADJUSTMENT 8th Revised Sheet No. 7.02

1. Applicability of Conservation Cost Recovery Charge and Adjustment:

"Large Energy Facility", as defined in Minn. Stat. 216B.2421 customers shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the "Large Energy Facility" customers can no longer participate in any utility's Energy Conservation Improvement Program.

"Large Customer Facility" customers that have been exempted from the Company's Conservation Improvement Program charges pursuant to Minn. Stat. 216B.241, Subd. 1a (b) shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat. 216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from conservation program charges, the "Large Customer Facility" customers can no longer participate in the Company's Energy Conservation Improvement Program.

"Commercial Gas Customers" that have been exempted from the Company's Conservation Improvement Program charges pursuant to Minn. Stat. 216B.241, Subd.1a (c) shall receive a monthly exemption from conservation improvement program charges pursuant to Minn. Stat.216B.16, subd. 6b Energy Conservation Improvement. Such monthly exemption will be effective beginning January 1 of the year following the grant of exemption. Upon exemption from conservation program charges, the "Commercial Gas Customers" can no longer participate in the Company's Energy Conservation Improvement Program. The Company has fewer than 600,000 natural gas customers in Minnesota, thus making the Company subject to this Minnesota Statute.

2. Determination of Conservation Cost Recovery Charge (CCRC): The CCRC is the amount included in base rates dedicated to the recovery of CIP costs as approved by the MPUC in the Company's rate case. The CCRC factor is approved and applied on a per therm basis by .dividing the test-year CIP expenses by the test-year sales volumes (net of CIP-exempt volumes) The CCRC for each rate schedule is:

All Classes MERC	$0.02929/therm*

3. Adjustment: There shall be included on each customer's monthly bill a CCRA factor multiplied by the customer's monthly billing therms for gas service before any applicable adjustments, city surcharge, or sales tax.

4. Determination of Conservation Cost Recovery Adjustment Factor (CCRA): The CCRA is calculated for each customer class by dividing the recoverable CIP costs by the projected sales volumes for a designated recovery period, excluding the sales volumes of CIP-exempt customers. The factor may be adjusted annually with approval of the Minnesota Public Utilities Commission. The CCRA for each rate schedule is:

* Effective January 1, 2023 in Docket No. G011/GR-22-504.

All Classes MERC	$0.00116*

*Approved effective January 1, 2023 in Docket No. G011/M-22-209

5. Exemption: For those customer accounts granted an exemption by the Commissioner of the Minnesota Department of Commerce (or successor agency) from Conservation Improvement Program (CIP) costs pursuant to Minnesota Statutes section 216B.241, the CCRC and CCRA shall not apply. Those customer accounts determined by the Commission to qualify as a Large Energy Facility Customers, shall receive a monthly exemption from conservation program charges pursuant to Minn. Stat.§ 216B.16, subd. 6b Energy Conservation Improvement. Upon exemption from conservation program charges, the Large Energy Facility customers can no longer participate in any utility's energy Conservation Improvement Program.

   Under Minn. Stat. 216B.241, any customer account determined by the Commission of the Minnesota Department of Commerce to qualify as a large customer facility shall be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the large customer facility. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from the conservation program charges, no exempt customer facility may participate in a utility conservation improvement program unless the owner of the facility submits a filing with the Commissioner to withdraw its exemption.

   Under Minn. Stat. 216B.241, any customer account that is not a large customer facility and that purchases or acquires natural gas from a public utility having fewer than 600,000 natural gas customers in Minnesota shall, upon a determination by the Commissioner of the Department of Commerce as qualifying for an opt out of the Conservation Improvement Program, be exempt from CIP investment and expenditure requirements with respect to retail revenues attributable to the commercial gas customers. Customer accounts granted exemption by a decision of the Commissioner after the beginning of the calendar year shall be credited for any CIP collections billed after January first of the year following the Commissioner's decision. Upon exemption from conservation program charges, the customers can no longer participate in any utility's energy Conservation Improvement Program unless the customer submits a filing with the Commissioner to withdraw its exemption.

6. Accounting Requirements: The Company is required to record all costs associated with the conservation program in a CIP Tracker Account. All revenues recovered through the CCRA are booked to the Tracker as an offset to expenses.

As approved in Docket No. G011/MR-22-505
Per Therm
Rates Subject to Fuel Adjustment Clause

		(A)	(B)	(C)	(D)	(A+B+C) (E)	(D+E) (F)	(G)	(D-G+D) (H)	(E+G) (I)	(E+H) (J)
		Base Gas Cost**	PGA Adjustment	Annual ACA Adjustment	Tariff Margin	Total Tariff Rate w/o Margin	Total Tariff Rate	Minimum Flex Margin	Maximum Flex Margin	Minimum Total Flex Tariff	Maximum Total Flex Tariff
NNG- Interruptible											
Class 1 Interruptible	$	0.80777	$0.00000	$0.00720	$0.21048	$0.81497	$1.02545	$0.00450	$0.41646	$0.81947	$1.23143
Class 2 Interruptible	$	0.80777	$0.00000	$0.00720	$0.13884	$0.81497	$0.95381	$0.00450	$0.27318	$0.81947	$1.08815
Class 3 Interruptible	$	0.80777	$0.00000	$0.00720	$0.12555	$0.81497	$0.94052	$0.00450	$0.24660	$0.81947	$1.06157
Class 4 Interruptible	$	0.80777	$0.00000	$0.00720	$0.06406	$0.81497	$0.87903	$0.00450	$0.12362	$0.81947	$0.93859
Class 5 Interruptible	$	0.80777	$0.00000	$0.00720	$0.04517	$0.81497	$0.86014	$0.00450	$0.08584	$0.81947	$0.90081
Consolidated- Interruptible											
Class 1 Interruptible	$	0.62380	$0.00000	($0.02347)	$0.21048	$0.60033	$0.81081	$0.00450	$0.41646	$0.60483	$1.01679
Class 2 Interruptible	$	0.62380	$0.00000	($0.02347)	$0.13884	$0.60033	$0.73917	$0.00450	$0.27318	$0.60483	$0.87351
Class 3 Interruptible	$	0.62380	$0.00000	($0.02347)	$0.12555	$0.60033	$0.72588	$0.00450	$0.24660	$0.60483	$0.84693
Class 4 Interruptible	$	0.62380	$0.00000	($0.02347)	$0.06406	$0.60033	$0.66439	$0.00450	$0.12362	$0.60483	$0.72395
Class 5 Interruptible	$	0.62380	$0.00000	($0.02347)	$0.04517	$0.60033	$0.64550	$0.00450	$0.08584	$0.60483	$0.68617
NNG-Daily Firm Capacity (Monthly Rate)											
Class 1 Firm/Interruptible	$	3.18120	$0.00000	$0.00000	$2.55150	$3.18120	$5.73270	$0.00000	$5.10300	$3.18120	$8.28420
Class 2 Firm/Interruptible	$	3.18120	$0.00000	$0.00000	$2.55150	$3.18120	$5.73270	$0.00000	$5.10300	$3.18120	$8.28420
Class 3 Firm/Interruptible	$	3.18120	$0.00000	$0.00000	$1.19550	$3.18120	$4.37670	$0.00000	$2.39100	$3.18120	$5.57220
Class 4 Firm/Interruptible	$	3.18120	$0.00000	$0.00000	$0.07680	$3.18120	$3.25800	$0.00000	$0.15360	$3.18120	$3.33480
Class 5 Firm/Interruptible	$	3.18120	$0.00000	$0.00000	$0.03390	$3.18120	$3.21510	$0.00000	$0.06780	$3.18120	$3.24900
Consolidated-Daily Firm Capacity (Monthly Rate)											
Class 1 Firm/Interruptible	$	2.24100	$0.00000	$0.00000	$2.55150	$2.24100	$4.79250	$0.00000	$5.10300	$2.24100	$7.34400
Class 2 Firm/Interruptible	$	2.24100	$0.00000	$0.00000	$2.55150	$2.24100	$4.79250	$0.00000	$5.10300	$2.24100	$7.34400
Class 3 Firm/Interruptible	$	2.24100	$0.00000	$0.00000	$1.19550	$2.24100	$3.43650	$0.00000	$2.39100	$2.24100	$4.63200
Class 4 Firm/Interruptible	$	2.24100	$0.00000	$0.00000	$0.07680	$2.24100	$2.31780	$0.00000	$0.15360	$2.24100	$2.39460
Class 5 Firm/Interruptible	$	2.24100	$0.00000	$0.00000	$0.03390	$2.24100	$2.27490	$0.00000	$0.06780	$2.24100	$2.30880

*If customer prefers to be a Transportation only customer, the Base Gas Cost Component of Firm Transportation is the NNG TF12 Base
**Base Gas Cost as approved in Docket No. G011/MR-22-505 for NNG & Consolidated PGA systems.

1. Availability:

GAP is available to residential customers in the MERC Minnesota service area who have been qualified and receive assistance from the Low Income Home Energy Assistance Program ("LIHEAP") during the federal fiscal year ("Program Year").

2. Program Description and Rate Impact for Qualifying Customers:

This Program shall meet the conditions of Minnesota Statutes, Chapter 216B.16, Subd. 15 on low income programs. The Program has two components: 1) Affordability, and 2) Arrearage Forgiveness. MERC or an agent of MERC, will review current billing and consumption information, approved LIHEAP benefits and household income information as submitted to MERC to determine a Qualified Customer's affordability bill credit and arrearage forgiveness. A Qualified Customer's payment each month shall include both payment of the customer's current month's bill after inclusion of the affordability bill credit, and payment of a portion of the Qualified Customer's pre-program arrears.

2.1. *Affordability Component:*

The Affordability component consists of a bill credit determined as one-twelfth of the difference between the Qualified Customer's actual annual gas bills from the prior year and 3% of the Qualified Customer's actual annual household income as provided by the Qualified Customer in their most recent LIHEAP application. This bill credit is a Program cost that will be included in the Tracker. Any energy assistance sums not applied to arrears will be applied to a Qualified Customer's current bill.

2.2. *Arrearage Forgiveness Component:*

The Arrearage Forgiveness component consists of a monthly credit that will be applied each month after receipt of the Qualified Customer's payment. The credit will be designed to retire pre-program arrears over a period of up to 24 months, with the Company matching the Qualifying Customer's contribution to retiring pre-program arrears. The credit is determined by taking the pre-program arrears divided by the number of months to retire the arrears divided by two and then subtracting any energy assistance sums received by the Company on behalf of the customer divided by the number of months remaining to retire the arrears divided by two. This arrearage forgiveness credit is a Program cost that will be included in the Tracker.

3. Conditions of Service:

   3.1. Enrollment participation is limited to a first come first served basis until the estimated Program dollar cap is reached. This limitation is suspended until reinstated by the MPUC.

   3.2. Before the start of an enrollment period, MERC will mail information on the Program and an application to participate in the Program to targeted current LIHEAP customers in arrears. The application for participation must be completed in full and returned to MERC before the close of the enrollment period.

   3.3. Regardless of arrears balances, MERC agrees to maintain service and suspend collection activities to Qualified Customers if they maintain their payment schedule.

   3.4. Qualified Customers must maintain an active MERC account in said customer's name at their permanent primary residence only to be eligible for this Program.

   3.5. Qualified Customers agree to notify MERC of any changes in address, income level, or household size. Such changes may result in removal from the Program. Additionally, Qualified Customers who do not continue to qualify under the provisions of Section 1 above can be removed from the Program.

   3.6 If a Qualified Customer fails to pay two consecutive monthly payments in full under the Program, they will be terminated from the Program and will be subject to MERC's regular collection practices including the possibility of disconnection.

4. Funding:

   4.1. Total Program costs, which include start-up costs, Affordability component, Arrearage Forgiveness component and incremental administration costs incurred collectively by MERC shall not exceed $750,000 per year plus the estimated tracker balance as of December 31, 2011. This annual spending cap is suspended until reinstated by the MPUC. MERC shall limit administrative costs included in the Tracker (except start-up related costs) to 5% of total Program costs. Administrative costs will include, but are not limited to, the costs to inform customers of the Program and costs to process and implement enrollments.

   4.2. MERC shall recover Program costs in the Delivery Charge applicable to all firm service customers receiving service under Rate Schedules GS-NNG General Service and GS-Consolidated General Service.

   4.3. A tracking mechanism ("Tracker") will be established to provide for recovery of actual Program costs as compared to the recovery of Program costs through rates. MERC will track and defer Program costs with regulatory approval. The prudency of the Program costs are subject to regulatory review.

4.4. Program costs shall be recovered in the GAP Surcharge for all firm service customers receiving service under Rate Schedules GS-NNG General Service and GS-Consolidated General Service. Effective August 1, 2022, the surcharge shall be $0.00000 per therm. MERC may petition the Commission to adjust this rate in order to true-up the Program balance in the Tracker either in a general rate case, in an annual GAP report filing, or in a future GAP evaluation filing. .

5. Evaluation:

5.1. The Program shall be evaluated once every three years and may be modified based on annual reports and on a financial evaluation.

5.2. The annual reports will include the effect of the Program on customer payment frequency, payment amount, arrearage level and number of customers in arrears, service disconnections, retention rates, customer complaints and utility customer collection activity. The annual reports may also include information about customer satisfaction with the Program.

5.3. The financial evaluation will include a discounted cash flow of the Program's cost-effectiveness analysis from a ratepayer perspective comparing the 1) total Program costs, which includes the Affordability component, Arrearage Forgiveness component and total company incurred administration costs, to 2) the total net savings including cost reductions on utility functions such as the impact of the Program on write-offs, service disconnections and reconnections and collections activities. The discounted cash flow difference between total Program costs and total net savings will result in either a net benefit or a net cost to ratepayers for the Program.

6. Program Revocation:

The Program is effective unless the Commission, after notice and hearing, rescinds or amends its order approving the Program.

7. Term:

The Program is approved on a permanent basis, with annual reports to be filed by March 31 each year and a program evaluation to be filed every three years, beginning May 31, 2022 covering Program years 2019-2021.

8. Applicability:

Unless otherwise specified in this tariff, Qualified Customers in the Program shall receive service in accordance with all terms and conditions of the standard gas service tariffs applicable to residential customers.

CANCELED

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REVENUE DECOUPLING MECHANISM ("RDM") 3rd Revised Sheet No. 7.17

1. Purpose

The purpose of the Revenue Decoupling Mechanism (RDM) is to: (a) reduce the financial disincentive for the Minnesota Energy Resources Corporation (Company) to promote energy efficiency and conservation and (b) promote distribution revenue symmetry by breaking the link between sales volumes and distribution revenues.

2. Applicability

Effective January 1, 2019, the RDM shall apply to all customers served under the Residential and Residential-Farm Tap rate schedules.

3. Definitions

As used in the RDM, the terms below are defined to mean:

Actual Margin (AM) shall mean that dollar amount of distribution revenues, excluding revenues arising from the CCRC and adjustments under the RDM, which were billed for each applicable Rate Schedule Group in the Calendar Year.

Actual Customers (AC) shall mean the number of customers in each applicable Rate Schedule Group in the Calendar Year.

Billing Period shall mean the 12-month period, or any other period deemed reasonable by the Commission, beginning the date the Company submits its RDM adjustment under Section 7 succeeding the Calendar Year for which the RDM is billed.

Conservation Cost Recovery Charge (CCRC) shall mean the Conservation Cost Recovery Charge imbedded in base volumetric distribution rates.

Factor V (V) shall mean the sales volumes, in therms, projected to be delivered by the Company to customers in each applicable Rate Schedule Group for the Billing Period.

Calendar Year shall mean the Calendar Year that ended as of the most recent December 31.

Rate Case Customers (RCC) shall mean the number of customers that underlie the distribution rates approved by the Commission in the Company's most recent rate proceeding for each applicable Rate Schedule Group.

Rate Case Margin (RCM) shall mean the dollar amount of distribution revenues arising from the test year sales volumes and distribution charges approved by the Commission in the Company's most recent rate proceeding for each applicable Rate Schedule Group, less any revenues arising from the CCRC.

Rate Schedule Group shall mean the rate schedule group approved by the Commission in Docket No. G011/GR-17-563 for the purposes of determining a RDM adjustment.

Reconciliation Adjustment (RA) shall mean dollar amounts due the Company (+RA) or the customers (-RA) arising from RDM adjustments that were under-billed or over-billed to each Rate Schedule Group in the Billing Period.

4. Determination of Adjustment

There shall be a separate per therm adjustment amount determined under the RDM for each applicable Rate Schedule Group and such amount shall be determined as follows:

$$\frac{[(RCM / RCC) - (AM / AC)] \times RCC}{V} + \frac{RA}{V}$$

Where:

RCM = Rate Case Margin for the Calendar Year.

RCC = Rate Case Customers for the Calendar Year.

AM = Actual Margin for the Calendar Year.

AC = Number of Actual Customers for the Calendar Year.

V = Factor V for the Billing Period.

RA = Reconciliation Adjustment as defined in Section 3.

5. Symmetrical Cap

A symmetrical cap of ten percent of non-gas margin rates, excluding CCRC rates, will be imposed on the calculation of the RDM. The cap limits the amount the Company can collect or credit via the RDM to ten percent of distribution revenues.

6. Minnesota Public Utilities Commission (Commission) Authority

If warranted by unforeseen circumstances, the Commission has the authority to modify or suspend the rates set via the RDM calculation during the pilot program.

7. Reports

Through 2021, no later than March 1 of each year, the Company shall file annually with the Commission a calculation of the RDM adjustments, as well as any applicable reconciliation adjustment calculations, to be effective for each Rate Schedule Group for the Billing Period. Adjustments shall be effective with bills rendered on or after March 1 of the Billing Period and shall continue for 12 months, or any other period deemed reasonable by the Commission.

Beginning in 2022 and until the RDM terminates, no later than June 1 of each year, the Company shall file annually with the Commission a calculation of the RDM adjustments, as well as any applicable reconciliation adjustment calculations, to be effective for each Rate Schedule Group for the Billing Period. Adjustments shall be effective with bills rendered on or after June 1 of the Billing Period and shall continue for 12 months, or any other period deemed reasonable by the Commission.

No later than June 1 each year, the Company shall file annually with the Commission a Decoupling Evaluation Report for the preceding Calendar Year, with information required by the Commission in Docket Nos. G011/GR-15-736, G011/GR-17-563, and G011/M-20-332.

In the event any portions of the proposed RDM adjustments are modified by the Commission, the adjustments shall be adjusted in accordance with the Commission's Order.

The Company shall record its best estimate of the amounts to be recognized under the RDM so as to reflect in its books and records a fair representation of the impact of the RDM in actual earnings. Such estimates shall be adjusted if necessary, upon filing RDM calculations with the Commission and again upon final Commission approval.

8. Pilot Period

Pursuant to the Commission's Order in Docket No. G011/GR-17-563, the pilot revenue decoupling program is extended through 2022, with RDM adjustments effective through February 2024. The Company may request approval from the Commission to extend the RDM beyond the pilot period.

9. RDM Rates

The RDM rates effective June 1, 2022 shall be as follows:

Rate Class	**Surcharge/(Refund) Rate/Therm**
Residential, including Farm Tap	$0.01766
Small C&I, Class 1 Firm sales, including Farm Tap	$ 0.00000

GAS UTILITY INFRASTRUCTURE COST RIDER 1st Revised Sheet No. 7.20

1. APPLICABILITY

Applicable to bills for natural gas service provided under all utility rate schedules, as approved by the Minnesota Public Utilities Commission (MPUC). Effective August 26, 2019, the GUIC Rider rate is suspended for Direct Connect Customers, who are subject to service under Tariff Sheet No. 6.50.

2. RIDER

The Gas Utility Infrastructure Cost (GUIC) rider statute (Minn. Stat. § 216B.1635) permits a public utility to petition the MPUC outside of a general rate case for a rider to recover the revenue deficiency from projects not already included in utility rates that have been incurred for:

A. replacement of natural gas facilities located in the public right-of-way required by the construction or improvement of a highway, road, street, public building, or other public work by or on behalf of the United States, the state of Minnesota, or a political subdivision; and
B. replacement or modification of existing natural gas facilities, including surveys, assessments, reassessment, and other work necessary to determine the need for replacement or modification of existing infrastructure that is required by a federal or state agency.

3. RATE

The GUIC Rider rate for any customer class will be the MPUC-approved rate for that customer class. Such GUIC Rider rates may be volumetric, a flat fee, or some other form of approved recovery.

4. TERM

The GUIC Rider rate will be established for each customer group and be based on the annual revenue requirements for costs associated with forecasted natural gas infrastructure projects eligible for recovery under Minnesota Statute Sections 216B.1635 that are determined by the Commission to be eligible for recovery under this GUIC Rider.

The Company will file a GUIC Annual Report each April 1, which will include a reconciliation of the previous full calendar year's GUIC Tracker Account balance, if applicable, as well as support for any request to change the GUIC Rider Rate for a subsequent calendar year. (For example, the year-end 2019 GUIC Rider Tracker Account balance will be applied as a true-up adjustment to the 2021 GUIC Rider rate.) The GUIC Rider rate will be adjusted to reflect new Recoverable GUIC Costs as well as the amortization of the prior year's GUIC Tracker balance as approved by the Commission.

5. DEFINITIONS

A. GUIC Tracker: An accounting process used to accumulate any difference between the actual revenue requirement impact of Recoverable GUIC Costs and the actual revenues recovered through the GUIC Rider.

B. GUIC Rider Reconciliation: The GUIC Factor for each customer group may be adjusted annually with approval of the MPUC. The Company will file a GUIC Annual Report on or before April 1, which will include a reconciliation of the previous full calendar year's GUIC Tracker Account balance, if applicable, as well as support for any request to change the GUIC Factor for the subsequent calendar year.

C. Qualifying Projects: Projects eligible for recovery via the GUIC Rider under Minn. Stat. § 216B.1635 include:

i. replacement of natural gas facilities located in the public right-of-way required by the construction or improvement of a highway, road, street, public building, or other public work by or on behalf of the United States, the state of Minnesota, or a political subdivision; and

ii. replacement or modification of existing natural gas facilities, including surveys, assessments, reassessment, and other work necessary to determine the need for replacement or modification of existing infrastructure that is required by a federal or state agency.

D. Recoverable GUIC Costs: The revenue requirement related to Qualifying Projects not already reflected in rates. The annual revenue requirement for costs associated with the Qualifying Projects includes the currently authorized rate of return on capital investment, incremental income taxes, incremental property taxes, incremental depreciation expense, and any incremental operation and maintenance costs relative to the Qualifying Project(s). A standard model will be used to calculate the revenue requirement related to Qualifying Project(s) for the filing period.

6. GUIC RIDER RATES

A. Currently Authorized GUIC Rider Rate

A separate GUIC Rate may be calculated for each customer class or the same rate may be applied across all or a portion of customer classes, as approved by the MPUC. The GUIC rate shall be calculated to recover the Recoverable GUIC Costs over the period approved by the MPUC.

GAS UTILITY INFRASTRUCTURE COST RIDER
(Continued)

2nd Revised Sheet No. 7.21a

6. GUIC RIDER RATES (Continued)

A. Currently Authorized GUIC Rider Rate (Continued)

The GUIC surcharge rates effective January 1, 2023 shall be as follows:

Rate Class	Rate/Therm
Residential, including Farm Tap	$0.00000
Class 1-2 Firm (Sales and Transport), including Farm Tap	$0.00000
Class 1-2 Interruptible (Sales and Transport), Class 1-2 Ag Grain Dryer, and Class 1 Electric Generation	$0.00000
Class 3-4 Firm (Sales and Transport), including Farm Tap	$0.00000
Class 3-4 Interruptible (Sales and Transport) and Class 3 Ag Grain Dryer	$0.00000
Class 5 (including Farm Tap), FLEX, Transport for Resale, and Class 2 Electric Generation	$0.00000
Direct Connect	$0.00000

Effective August 26, 2019, the GUIC Rider rate is suspended for Direct Connect Customers.

B. Adjustment to GUIC Tracker Account with Changes in Base Rates

Whenever the Company implements changes in base rates as the result of a final Commission order in a general rate case, the Company shall simultaneously adjust the GUIC Tracker Account to remove all costs that have been included in the approved base rates.

NATURAL GAS EXTENSION PROJECT (NGEP) RIDER

1. APPLICABILITY

Applicable to bills for natural gas service provided under the Company's retail and transportation rate schedules as approved by the MPUC.

2. RIDER

The Natural Gas Extension Project (NGEP) rider statute (Minn. Stat. § 216B.1638) permits a public utility to petition the Minnesota Public Utilities Commission (MPUC) outside of a general rate case for a rider to be billed to all of the utility's customers, including transport customers, to recover the revenue deficiency from a qualifying natural gas extension project. Qualifying Projects are natural gas service extensions to unserved or inadequately served areas where the cost would otherwise have been prohibitive under the Company's present rate and service extension policy.

Nothing in this rate schedule shall obligate the Company to extend natural gas service to any area. Rather, the NGEP Rider will be used and implemented at the Company's discretion upon receipt of MPUC approval.

3. RATE

The NGEP Rider rate for any customer class will be the MPUC-approved rate for that customer class. Such NGEP Rider rates may be volumetric, a flat fee, or some other form of approved recovery.

The MPUC may not approve an NGEP Rider that allows a utility to recover more than 33 percent of the costs of a Qualifying Project.

NATURAL GAS EXTENSION PROJECT (NGEP) RIDER (Continued)

4. DEFINITIONS

A. Revenue Deficiency: The deficiency in funds that results when projected revenues from customers receiving natural gas service as the result of a natural gas extension project, plus any contribution in aid of construction paid by those customers, fall short of the total revenue requirement of the natural gas extension project.

   A standard model will be used to calculate the Revenue Deficiency related to Qualifying Project(s) for the filing period. The Revenue Deficiency will be adjusted for retail revenues (actual and/or expected) generated from incremental customers served by the Qualifying Project(s) in the one-year NGEP Rider period.

B. NGEP Tracker: An accounting process used to accumulate any difference between the actual revenue requirement impact of Qualifying Projects and the actual revenues received through the NGEP Rider.

C. NGEP Rider Reconciliation: The balance at the end of each calendar year in the NGEP Rider Tracker, either positive or negative, is subject to review and approval by the MPUC in an annual NGEP Rider Reconciliation filing. The approved balance is to be applied as an adjustment to the ongoing NGEP Rider rate.

D. Qualifying Project: A project eligible for recovery via the NGEP Rider under Minn. Stat. § 216B.1638 is one used to extend or expand service to an unserved or inadequately served area, further defined as an area in Minnesota lacking adequate natural gas pipeline infrastructure to meet the demand of existing or potential end use customers.

E. Recoverable NGEP Expenses: The annual revenue requirement for costs associated with the Qualifying Project(s) includes the currently authorized rate of return on capital investment, incremental income taxes, incremental property taxes, incremental depreciation expenses, and any incremental operation and maintenance costs relative to the Qualifying Project(s).

NATURAL GAS EXTENSION PROJECT (NGEP) RIDER (Continued)

5. NGEP RATES

A. Currently Authorized NGEP Rate

A separate NGEP Rate may be calculated for each customer class or the same rate may be applied across all or a portion of customer classes, as approved by the MPUC. The NGEP rate shall be calculated to recover the NGEP Revenue Deficiency over the period approved by the MPUC.

The NGEP Rates effective January 1, 2023 shall be:

Customer Class	NGEP Surcharge Rate Per Therm
Residential, including Farm Tap	$0.00000
Class 1 & 2 Firm (Sales and Transport), including Farm Tap	$0.00000
Class 1 & 2 Interruptible (Sales and Transport), Class 1 & 2 Ag Grain Dryer, and Class 1 Electric Generation	$0.00000
Class 3 & 4 Firm (Sales and Transport), including Farm Tap	$0.00000
Class 3 &4 Interruptible (Sales and Transport) and Class 3 Ag Grain Dryer	$0.00000
Class 5 (including Farm Tap), FLEX, Transport for Resale, and Class 2 Electric Generation	$0.00000
Direct Connect	$0.00000

B. Adjustment to NGEP Tracker with Changes in Base Rates

Whenever the Company implements changes in base rates as the result of a final Commission order in a general rate case, the Company shall simultaneously adjust the NGEP Tracker to remove all costs that have been included in the approved base rates.

SEVERE WEATHER COST RECOVERY (SWCR) SURCHARGE

1. APPLICABILITY

Applicable to bills for natural gas service provided under the Company's Northern Natural Gas (NNG) retail sales rate schedules as approved by the MPUC.

2. DEFINITIONS

A. February 2021 Severe Weather Event: The Company has received approval from the MPUC to begin recovering extraordinary natural gas costs from February 2021 through a temporary bill surcharge in Docket No. G999/CI-21-135 effective September 1, 2021.

B. SWCR Tracker: An accounting process used to accumulate any difference between the extraordinary purchased gas costs attributable to the February 2021 Severe Weather Event, including all adjustments approved by the Commission and any recovery offsets, and the actual revenues received through the SWCR surcharge.

C. SWCR Reconciliation:

a. The balance at the end of Period 1in the SWCR Tracker, either positive or negative, is subject to review and approval by the MPUC in an SWCR Prudence Review filing. The approved balance is to be applied as an adjustment in Period 2 to the ongoing SWCR surcharge rate.
   i. The MPUC is allowing the Company to begin recovery of the February 2021 Severe Weather Event costs from customers over a 27-month period from September 2021 – November 2023. The MPUC is still reviewing the extraordinary costs, and amounts collected from customers will be refunded to the extent they exceed costs ultimately approved by the MPUC.

b. The balance at the end of Period 2 in the SWCR Tracker, either positive or negative, is subject to review and approval by the MPUC in the standard annual September 1 filing, as explained in 5. on Sheet No. 7.01

3. SWCR RATE

   A. Currently Authorized SWCR Surcharge Rate

   The SWCR surcharge rate shown below shall be effective for the time periods as follows:

Season	Time Period	SWCR Surcharge Rate Per Therm
Summer (Period 1)	September 1, 2021 – October 31, 2021	$0.14030
Winter (Period 1)	November 1, 2021 – April 30, 2022	$0.05612
Summer (Period 1)	May 1, 2022 – October 31, 2022	$0.14030
Winter (Period 1)	November 1, 2022 – November 30, 2022	$0.05612
Winter (Period 2)	December 1, 2022 – April 30, 2023	$0.11224
Summer (Period 2)	May 1, 2023 – October 31, 2023	$0.28059
Winter (Period 2)	November 1, 2023 – November 30, 2023	$0.11224

4. EXEMPTION

   A. Customers under the Company's NNG retail sales rate schedules that qualify for an exemption from the SWCR Surcharge are defined as:
      a. Low-income residential customers who receive or previously received LIHEAP assistance during 2019-2020, 2020-2021, 2021-2022 or 2022-2023.
      b. Residential customers who are 60 to 120 days in arrears on their natural gas bill.
      c. Initial exemption qualification is to be set based on customer qualifying status as of June 30, 2021.

   B. The Company has been authorized by the MPUC to recalibrate the customers covered by this exemption once every six months—exempting any new customers who have received LIHEAP or who fall within the category of being greater than 60 days and less than 120 days in arrears on a going-forward basis and removing customers who are no longer greater than 60 days and less than 120 days in arrears. These exemptions are to be adjusted:
      a. effective March 1, 2022 based on arrears and new LIHEAP enrollments as of January 31, 2022;
      b. effective September 1, 2022 based on arrears and new LIHEAP enrollments as of July 31, 2022;
      c. effective March 1, 2023 based on arrears and new LIHEAP enrollments as of January 31, 2023.