

1 Department of Public Service

2

3 Adopted Permanent Rules Relating to Conservation Improvement
4 Program

5

6 Rules as Adopted

7 7690.0100 DEFINITIONS.

8 Subpart 1. Scope. The terms used in this chapter have the
9 meanings given them in this part.

10 Subp. 2. Department. "Department" means the Department of
11 Public Service.

12 Subp. 3. Low income. "Low income" has the meaning given
13 it in Minnesota Statutes, section 216B.241, subdivision 2.

14 7690.0200 PURPOSE.

15 The purpose of this chapter is to specify procedures to be
16 followed by public utilities in submitting, and by the
17 department in analyzing and selecting, proposals for
18 conservation improvement programs and renewable resource pilot
19 programs and to provide for the participation of other
20 interested persons in developing conservation improvement and
21 renewable resource pilot programs.

22 7690.0300 SCOPE.

23 This chapter applies to proposals by public utilities and
24 other interested persons for utility investments in conservation
25 improvement and renewable resource pilot programs.

26 7690.0400 PROJECTS IN EFFECT.

27 Projects approved by the Public Utilities Commission that
28 are in effect on the effective date of these amendments to
29 chapter 7690, continue in effect until their expiration
30 date unless the expiration date is changed by the department.

31 7690.0500 CONSERVATION IMPROVEMENT PROGRAM FILING.

32 Subpart 1. Time limits. No later than ~~April~~ May 1 of each
33 even-numbered year beginning in 1990, a public natural gas

1 utility required by Minnesota Statutes, section 216B.241 to
2 invest in a conservation improvement program shall file with the
3 department a conservation improvement program. No later than
4 September 1, 1990, and every odd-numbered year afterward, a
5 public electric utility required by Minnesota Statutes, section
6 216B.241 to invest in a conservation improvement program shall
7 file with the department a conservation improvement program.

8 Subp. 2. **Contents.** The filing must include:

9 A. a comprehensive description of the proposed
10 program, including a description of each project making up the
11 program;

12 B. a statement quantifying each project's objectives
13 including an estimate of the expected cost effectiveness of the
14 project to the utility, to the project's participants, and to
15 the utility's customers;

16 C. for each project targeted at residential
17 consumers, a statement of the anticipated percentage of use of
18 each project among low-income families and individuals, and
19 renters;

20 D. a detailed budget for each project for the next
21 two years, and:

22 (1) a projected four-year budget for the overall
23 program; or

24 (2) if a shorter time period is more appropriate
25 for the four-year budget, the reasons for that shorter time
26 period and the projected budget for that shorter period;

27 E. a detailed description of the proposed ratemaking
28 treatment and the proposed cost-recovery method;

29 F. a description of the marketing plans for each
30 proposed project, including target participation rates;

31 G. a description of the expected effect of each
32 project on peak and average consumption with supporting
33 assumptions, including a computation of the costs that will be
34 avoided or reduced by the implementation of the proposed project
35 and an estimate of the expected revenue effects;

36 H. an explanation with supporting budget information

1 of how the proposed plan ensures that at least half the money
2 spent on residential projects is devoted to projects that
3 directly address the needs of renters and low-income customers,
4 or a statement with supporting documentation that an
5 insufficient number of these projects are available;

6 I. an explanation of how the proposed projects
7 provide for the involvement of community energy organizations
8 when appropriate;

9 J. an outline of the proposed plan for evaluating the
10 effectiveness of the proposed project;

11 K. a status report on each project from the currently
12 approved program that must:

13 (1) state the total number of customers served;

14 (2) state the number of low-income customers and
15 the number of renters served, if applicable;

16 (3) state the total amount spent on the project
17 to date;

18 (4) state the average amount spent on each
19 customer participating in the project, if applicable;

20 (5) provide other information required by the
21 department in the document approving the program;

22 (6) for public natural gas utilities, be filed no
23 later than ~~April~~ May 1 of each odd-numbered year; and

24 (7) for public electric utilities, be filed no
25 later than September 1 of each even-numbered year; and

26 L. additional information that the department
27 determines is necessary as a result of its review or evaluation
28 of previous projects of the particular utility.

29 Subp. 3. **Completeness review.** Upon receipt of a utility's
30 plan, the department shall conduct a completeness review based
31 on the filing requirements listed in subpart 2. The
32 department's findings after this review must set forth the
33 information necessary to make the plan complete and the date by
34 which the information must be filed. When the department
35 determines that the necessary information has been filed to make
36 the plan complete, it shall serve a written notice of completion

1 on the utility and persons on the utility's service list
2 established under part 7690.0800, subpart 1.

3 7690.0600 RENEWABLE RESOURCE PILOT PROGRAM FILING.

4 A public utility required by Minnesota Statutes, section
5 216B.241 to have a conservation improvement program shall file a
6 proposal for a utility renewable resource pilot program upon the
7 determination of the department that additional utility
8 renewable resource pilot programs are needed to expand
9 Minnesota's options for energy from renewable resources. For at
10 least one year after authorizing a utility's renewable resource
11 pilot program, the department shall not require a new proposal
12 for a renewable resource pilot program from that utility. The
13 filing must include:

14 [For text of items A to D, see M.R. 1989]

15 E. a description of the proposed ratemaking treatment
16 and the proposed cost-recovery method; and

17 [For text of item F, see M.R. 1989]

18 7690.0700 EXISTING PROGRAMS; FILING.

19 The filing requirements for renewing existing conservation
20 improvement program or utility renewable resource pilot program
21 projects are the same as for newly proposed projects. However,
22 if the department has material already on file, the utility or
23 interested person submitting an alternative project may
24 incorporate it by reference in its current filing.

25 7690.0800 SERVICE LISTS AND NOTICE.

26 Subpart 1. Service lists. The department shall establish
27 service lists for specific utilities for use in providing public
28 notice of conservation improvement programs and utility
29 renewable resource pilot programs. The list must include the
30 Public Utilities Commission, the Residential and Small Business
31 Utilities Division of the Office of the Attorney General,
32 persons involved in the public utility's previous conservation
33 improvement program, persons who participated in the public
34 utility's last general rate case with respect to conservation

1 programs, and other persons the department believes are
2 interested in the public utility's next conservation improvement
3 program. The department shall update the service list at least
4 30 days before the date a public utility is required to file a
5 program.

6 Subp. 2. Notice of filing. At the time it files its
7 conservation improvement or utility renewable resource pilot
8 program with the department, the public utility must provide
9 written notice of its filing to persons on the utility's service
10 list established under subpart 1. The notice must state that a
11 copy of the utility's proposed program is available for public
12 inspection at the enumerated business office locations of the
13 utility and at the department's office. The notice must also
14 state that the utility will make a copy of the proposed program
15 available to interested persons upon request.

16 7690.0900 COMMENT; ALTERNATIVE PROPOSALS.

17 The department shall allow 45 days for written comments on
18 the public utility's program and the submission of alternative
19 projects by interested persons, including political subdivisions
20 and nonprofit and community organizations. The time period
21 allowed for written comments and alternative project filings
22 begins on the date that the department's finding of completeness
23 under part 7690.0500, subpart 2, is mailed. Proposals for
24 alternative projects must follow the requirements of part
25 7690.0500 or 7690.0600, except for part 7690.0500, items E, G,
26 H, and K. The department shall allow 30 days from the filing of
27 the comments and alternative projects for written responses.
28 These comments, alternative projects, and responses must be
29 filed with the Public Utilities Commission, the department, and
30 the utility to which they are addressed. The persons submitting
31 the comments, alternative projects, or responses must provide
32 them to any person, upon request.

33 7690.1000 PROPOSED DECISION.

34 Subpart 1. Prepared by staff. After reviewing the
35 comments submitted under part 7690.0900, the department staff

1 shall prepare a proposed decision approving, disapproving, or
2 modifying a program, project, evaluation plan, or alternative
3 project proposal.

4 Subp. 2. Copies sent. The department staff shall serve a
5 copy of its proposed decision on the utility, on any person who
6 submitted a comment under part 7690.0900, and on all known
7 interested other persons the department believes are interested
8 in the public utility's conservation improvement program.

9 Subp. 3. Comment period. The department shall allow ten
10 days from the date of service of the proposed decision for
11 written comments on the proposed decision.

12 7690.1100 RESPONSES; WRITTEN RECORD.

13 The department may ~~order~~ require written responses to
14 comments, oral argument, negotiations, settlement conferences,
15 formal hearing, or other procedures it considers necessary or
16 helpful to enable it to review, analyze, and select appropriate
17 programs under Minnesota Statutes, section 216B.241. Written
18 papers or summaries of oral meetings for each proceeding filed
19 with the department must also be served upon participants and
20 become part of the record upon which the department will decide
21 the case.

22 7690.1200 APPROVAL, DISAPPROVAL, OR MODIFICATION.

23 Subpart 1. Determination of significant investment. The
24 department shall determine whether a proposed program or
25 modified program will result in significant investments in and
26 expenditures for energy conservation improvements. In making
27 this determination, the department shall consider the following
28 information, which must be included in a public utility's filing:

29 [For text of items A to I, see M.R. 1989]

30 Subp. 2. Approval. On determining that the proposed
31 program or modified program will result in significant
32 investments in and expenditures for energy conservation
33 improvements, the department shall approve the proposed or
34 modified program.

35 Subp. 3. Disapproval and modification. On determining

1 that the proposed program or modified program will not result in
2 significant investments in and expenditures for energy
3 conservation improvements, the department shall disapprove the
4 proposed program or modified program and require a program that
5 will result in significant investments in and expenditures for
6 energy conservation improvements.

7 7690.1300 DECISION.

8 When the department approves, disapproves, or modifies a
9 program, project, or evaluation plan, it shall set forth its
10 reasons in a written decision within 30 days from the date
11 comments are due on the department's proposed decision specified
12 under part 7690.1000. If the department's decision will not be
13 issued within this 30-day period, the department shall notify
14 the parties on the service list specified in part 7690.0800 of
15 the date by which a decision will be issued.

16 7690.1400 PROPOSED PROGRAM CHANGES.

17 Upon its own motion or upon the motion of a utility or
18 other person, the department may add a new project or modify,
19 expand, or terminate an existing conservation improvement
20 program or utility renewable resource pilot program before the
21 program's expiration date. The moving party must give notice of
22 the motion to the participants in the affected utility's
23 conservation improvement program case or utility renewable
24 resource pilot program case of the motion. Interested persons
25 must be allowed 15 days to submit comments on the proposed
26 program changes. A change may be ordered required to make a
27 project more effective, to reach more participants, to reduce
28 unnecessary or ineffective expenditures, to expand, change, or
29 reduce the geographic area or target group that the project
30 covers, or to change the time period during which the project
31 would be in effect.

32 7690.1450 TIME EXTENSIONS.

33 The commissioner of the department shall grant extensions
34 of filing dates and other time periods in this chapter if the

1 commissioner finds that the person requesting the extension has
2 shown good cause for the extension.

3 7690.1500 PETITION TO COMMISSION.

4 Petitions to the Public Utilities Commission to modify or
5 revoke a department decision to require a program are governed
6 by Minnesota Statutes, section 216B.241, subdivision 2.

7

8 REPEALER. Minnesota Rules, parts 7840.1000 and 7840.1400
9 are repealed.