

**NORTH AMERICAN WATER OFFICE &
INSTITUTE FOR LOCAL SELF RELIANCE**

UTILITY INFORMATION REQUEST

Docket Number: ET-2, E-002/CN-06-1115

Date of Request: 3/11/2008

Requested From: CAPX Utilities

Response Due: 3/21/2008

Analyst Requesting Information: Michaud

REQUEST NUMBER: 11

If you feel that your responses are trade secret or privileged, please indicate this in your responses.

Appendix D5 of the Application contains a discussion of ratepayer impacts from the proposed projects. On page 2 of D5 the following statement is made:

“For the portions of these CAPX 2020 projects that are part of the Midwest ISO Transmission system, the Midwest ISO will collect the projects’ annual revenue requirements through schedule 26 to the TEMT and distribute the revenue to owners.”

- A. Based on the distribution of ownership percentages identified in Table 1 of Appendix D5, provide a listing of the annual dollar amount of revenue “distributed to each owner” as stated in the above statement. Explain any differences between this and Table 2 of D5.
- B. Table 5 of D5 seems to provide a listing of expected charges to be levied to CAPX utility load from use of the new proposed facilities as part of MISO policy under schedule 26 to collect the revenues necessary to pay the owners of the facilities. Please explain the differences between the dollar amounts charged to CAPX project owners as stated in Table 5 and those distributed to the CAPX owners as provided in Table 2. It appears that the owners in most cases will collect more money for owning the lines than they will be charged for using them. Explain what happens to this money. Would the revenues collected in Table 2 be used to offset the charges identified in Table 5?
- C. Assuming historical methods of state regulators’ allocation of utility costs between state jurisdictions provide a Table that breaks out the costs listed in Table 5 of D5 state by state.
- D. On page 9 of D5 it states that Dairyland and Rochester Public Utilities (RPU) will recover the costs of these facilities primarily from their bundled native load. Both Dairyland and RPU appear to have charges levied in Table 5 greater than the revenues collected as identified in Table 2. Provide an analysis of the net annual ratepayer revenue

requirements for these two utilities. For Dairyland provide this analysis on a state by state basis.

- E. Provide a summary Table indicating the net annual revenue requirements to Minnesota ratepayers for CAPX related revenues and charges per Table 2 and Table 5, include a column that expresses the revenue requirement as a dollar cost/ratepayer, assuming equal cost allocation between rate classes, and any other allocation deemed reasonable.

Response by: _____	List Sources of Information:
Title: _____	_____
Department: _____	_____
Telephone: _____	_____