

Minnesota Attorney General: Administrative Rules Proceedings

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STATE OF MINNESOTA
OFFICE OF HEARING EXAMINERS
FOR THE PUBLIC SERVICE COMMISSION

In the Matter of the Proposed Adoption of Amendments of Certain Existing Rules, and the Proposed Adoption of new Rules Relating to Weights and Measures, Electric and Gas Utilities, Telephone Utilities, and Motor Vehicle Transportation.

REPORT OF HEARING EXAMINER

The above-entitled matter came on for hearing before Bernard Singer, duly appointed Hearing Examiner from the State Office of Hearing Examiners, on February 8, 9, 10, and 11, 1977, in the large hearing room, American Center Building, St. Paul, Minnesota.

This was a rules hearing held pursuant to Minn. Stat. Ch. 15 to determine whether the proposed amendments to certain existing rules and the proposed new rules should be adopted as follows:

I. WEIGHTS AND MEASURES DIVISION - Proposed amendments to Rules PSC 120 and 122, the proposed deletion of Rules PSC 106, 123 and 124; and proposed Rule PSC 128.

II. MOTOR VEHICLE TRANSPORTATION - Proposed amendments to Rules PSC 2 and 5.

III. TELEPHONE UTILITIES DIVISION - Proposed amendments to and new rules to Rules PSC 179 to 185; proposed rules PSC 215 to 219.

IV. ELECTRIC AND GAS UTILITIES - Proposed amendments to and new rules to Rules PSC 279 to 336; proposed rules PSC 410 to 418; proposed rules PSC 420 to 423.

The report of the Hearing Examiner herein is divided into four sections corresponding to the four divisions stated above. Each section will list the names of persons who appeared on behalf of the Public Service Commission and the witnesses who presented testimony relevant to the subject matter of that particular section of rules.

Pursuant to Minn. Stat. § 15.0412, subd. 4 (1976), this Report shall be available for review to all affected individuals

upon request for at least ten days.

The Commission shall, if it proposes to adopt the rules as originally proposed or amended, submit the complete hearing record, including its Findings and Order, to the Chief Hearing Examiner no earlier than ten days subsequent to the receipt of this Report. This submission shall also clearly indicate any changes made to the rules as originally proposed, preferably in the format that will be submitted to the State Register for publication. The Chief Hearing Examiner shall complete his review and submit his report to the Commission on the issues of substantial changes in the rule and compliance with Minn. Stat. § 15.0412 within ten calendar days. Thereafter, the Commission shall be responsible for filing the rules with the Attorney General.

Based upon all the records and proceedings herein, the Examiner makes the following:

FINDINGS OF FACT

PROCEDURAL REQUIREMENTS

1. On October 15, 1976, the Commission filed the following documents with the Chief Hearing Examiner:

(a) A copy of the proposed rules;
(b) A proposed Order for Hearing;
(c) A proposed Notice of Hearing; and
(d) A Statement of the estimated length and number of people attending the hearing.

2. On January 5, 1977, a Notice of Hearing and a copy of the proposed rules were published at 1 State Register 968.

3. On December 30, 1976, the Commission mailed the Notice of Hearing to all persons and associations who had registered their names with the Secretary of State for the purpose of receiving such notice.

4. On January 14, 1977, the Commission filed the following documents:

(a) The Order for Hearing;
(b) The Notice of Hearing as mailed;
(c) The Affidavit of Receipt of the Secretary of State's list;
(d) The Affidavit of Mailing;
(e) The Secretary of State's Certificate and list;
(f) The Statements of Need; and
(g) The Statements of Evidence;
(h) The names of Public Service Commission personnel who will represent the agency.

The documents were available for inspection at the Office of Hearing Examiners from the date of filing to the dates of the hearings.

5. At the hearing, the Commission presented a number of suggested revisions to the telephone, gas and electric rules as originally proposed. These revisions were read into the record at the hearing, but were not published in the State Register, nor were they mailed to the Secretary of State's list. On motion of counsel representing various parties, the Hearing Examiner agreed to continue the hearing until the date the transcripts of the record were made available to parties requesting same, and the 20-day period for submitting written statements commenced on that date. The telephone, gas and electric hearings terminated February 17, 1977, and the record remained open through March 9, 1977 for the receipt of written comments and statements. The Weights and Measures hearing record remained open through March 2, 1977. The Motor Vehicle Transportation hearing record remained open through March 3, 1977.

IV. GAS AND ELECTRIC UTILITIES DIVISION

Hearing held February 8, 1977.

Jerome Getz, Assistant Attorney General, appeared on behalf of the Public Service Commission. Rolland Eck, Financial Analyst; John Schneider; and William F. Deppe, Chief of the Financial Evaluation Section, appeared and testified on behalf of the Commission. Thirty-eight persons attending the hearing signed the register. The following persons presented testimony at the hearing: Gene Sommers, Attorney, Northern States Power Company; Richard Kirkham, Minnesota Municipal Utilities Association; Jeremy Lane, Attorney, Legal Aid Society of Hennepin County; Barbara Stromer, Director of Assistance Payments, Minnesota Department of Public Welfare; Ann Darby, Minneapolis Urban League; Vusumuz Zulu, Pilot City Regional Center, Minneapolis; Richard Auld, Minnesota Office of Consumer Services; Donald Jannette, Interstate Power Company; Joel Fischer, Ramsey County Legal Assistant; William D. Carstedt, General Counsel, Interstate Power Company, and John Moore, Attorney, Northern States Power Company.

FINDINGS OF FACT (Cont.)

Proposed PSC 410 - 418

GENERAL REMARKS

6. Statutory authority to promulgate these rules is found in Minn. Stat. § 216B.10, subd. 4 (1976). The proposed rules set forth procedures and filing requirements which allow the Commission to monitor the service and financial activities of the utilities. The reports required by these proposed rules are necessary to provide a basis for the refinement of Commission policy guidelines for ongoing monitoring of utility performance; to accumulate historical and projected financial and statistical information for rate proceedings; to accumulate annual financial, rate and quality of service information on key indicators, such as fuel costs; to accumulate statistical information for various external reports and inquiries; to accumulate intrastate gross operating revenue data for the Commission's assessment of the regulatory fees to utilities; and to accumulate financial and statistical information for internal Commission reports. These rules

must necessarily apply to all Minnesota public utilities, including cooperatives, investor-owned and municipals whose accounting practices are subject to the jurisdiction of the Commission under Minn. Stat. §§ 216B.02 and 216B.10, subd. 6 (1976). The Public Service Commission has documented its statutory authority to promulgate these rules.

Proposed PSC 410

7. This rule lists five definitions which are definitions of words which are utilized throughout the annual report rules. The definitions are clear and concise and are necessary for the interpretation of the following rules.

Proposed PSC 411

8. This rule specifically states that any public utility regulated under Minn. Stat. Ch. 216B is subject to the provisions of proposed PSC Rules 410 - 418. It further requires each public utility to file with the Commission a completed annual report on or before May 1st of each year covering its operations for the preceding calendar year. It also provides for the Commission to require special reports concerning any matter within its jurisdiction. The rule is necessary and reasonable.

Proposed PSC 412

9. This rule relates to electric public utilities which are federally regulated and requires this type of utility to file with the Commission one certified copy of the prescribed federal agency or authority annual report form. The Commission proposed at the hearing, a revision of PSC 412(B). This subsection requires electric public utilities which have multi-state operations to provide information concerning their Minnesota operations. The originally proposed rule provided that such information shall be provided on schedules which shall be prepared using the same format used in reporting total company data and shall be clearly labeled "Minnesota Operations" at the top of each schedule. The proposed deletion removes this reporting requirement on this type of form. Subsection "B" in the proposed rule lists nine types of schedules for reporting the required information. At the hearing, the Commission proposed a change in PSC 413B(9)

which requires, under the proposed amendment, a report of taxes accrued, prepaid, and charged during the year. The proposed change included a requirement for reporting of accrued and prepaid taxes. The amendment is reasonable and the changes do not materially change the meaning of the rule.

Proposed PSC 413

10. This rule provides for the filing of annual reports by electric public utilities - federally-regulated. This rule contains the same type of reporting requirements as specified in proposed PSC 411 for gas utilities. At the hearing, the Commission proposed amending PSC 412B in the same manner and with the same deletions as in PSC 411B. They also proposed amending PSC 412B(9) with the insertion of the same words as in PSC 411B(9). The rule is reasonable, and the proposed amendments do not materially change the meaning of the rule.

Proposed PSC 414

11. This rule provides for each electric cooperative-REA corporation or association, to file with the Commission one certified copy of the prescribed REA annual report form. If the cooperative has multi-state operations, the report requirements shall include information only concerning its Minnesota jurisdictional operations. This rule was amended by the Commission at the hearing by deleting the wording in PSC 413B. that was deleted in the aforementioned PSC 413 and 412. The Commission also amended PSC 414B(8) by adding "report requirement" for "taxes accrued and prepaid" in addition to taxes actually charged during the year. The rule as proposed is reasonable.

Proposed PSC 415

12. This rule provides for annual reports by electric cooperatives-non-REA corporation or association. This rule requires reports by each electric cooperative not subject to REA regulation on prescribed Minnesota annual report forms. The rule was amended at the hearing in the same manner as the aforementioned PSC 414, 413 and 412. The rule as amended is reasonable.

Proposed PSC 416

13. This rule provides for annual reports by electric and

gas public utilities that are non-federally regulated and requires the utility to file a certified copy of the prescribed federal agency or authority annual report or prescribed Minnesota annual report form. This proposed rule was also amended by deleting the same words as in PSC 415, 414, 413 and 412. The Commission also proposed the addition of PSC 416B(10) providing for a report on operating revenues-firm and interruptible gas sales. The amendments do not materially change the rule, and the rule is reasonable.

Proposed PSC 417

14. The Minnesota Municipal Utilities Association requested exclusion, for annual reporting purposes, of all municipal gas and electric utilities. They also requested exclusion from annual reporting purposes of all municipal gas and electric utilities with $25,000 in total utility revenues or less. This second request would include seven of the smallest municipal utilities operating in the state of Minnesota. The Municipal Association also requested that the proposed rules be modified so as to exclude municipal utilities not required to report to the FPC from the proposed reporting requirements. The Public Service Commission contends that the FPC does not require any municipal utility having gas operating revenues to file annual report forms. They further argue that the FPC currently requires municipal utilities having annual electric operating revenues of $250,000, and more, to file FPC form 1-M. Minnesota Municipal Utilities Association contends that Minn. Stat. § 216B.10 is permissive rather than mandatory and that the proposed rules go beyond the permissive authority of the statute as it refers to municipal utilities. They further argue that the Public Service Commission, through the rule-making provisions herein, appears to be involved in an effort to bring municipal electric and gas utilities under its control, and that is clearly contrary to the intent of the Legislature. They stated that the Commission has no need for or use for the detail requested on the report forms as they do not control rates of municipal utilities. They further stated that the requirement that municipal utilities make reports

requested in these rules would place a considerable burden upon them. The Public Service Commission proposes to design forms for the use of municipal utilities so that the necessary municipal regulatory data can be collected and evaluated for Commission usage in the areas in which they have regulatory authority. The proposed rule PSC 417 requires each municipally-owned utility to file one copy of a prescribed Minnesota municipal annual report. The requirement of an annual report form from municipally-owned utilities is not an unreasonable or burdensome one, and the rule, as proposed, is reasonable and necessary.

Proposed PSC 418

15. This rule requires public utilities, in addition to the reports required in PSC Rules 412 through 417, to file with its annual report, copies of any financial, statistical or operational reviews or reports which they will prepare for distribution to stockholders, bondholders, patrons or the appropriate governing authority. The rule is necessary in order for the Commission to evaluate the entire financial structure of the public utilities and the reasonableness of the rule has been documented.

16. Northern States Power Company proposed amending language to PSC 412B(1) and 416B(1) by striking the period at the end of the subsection and adding these words: Or functional classifications necessary for allocation. The company argues, as a basis for this amendment, that much of their plant, especially in the transmission and distribution category, is booked under either transmission or distribution, but the function of the facilities which are booked in those classes are other than transmission, etc. They have the functionalization of their plant computerized in such a way that they can determine from their plant records and report on the annual report essentially the same way that they report in a rate case, that is by the function of the plant rather than by a book classification. For that reason, and to report clearly the financial information being requested in the rules, Northern States Power Company feels that the additional words in their proposed amendment would allow for their particular type of classifications.

The proposed amendment by Northern States Power Company is reasonable and does not materially change the meaning of the rule as proposed. The rule should be rewritten to include this additional language.

17. Subsection A of proposed PSC 412, 413, 414, 415, 416 requires the utilities to file with the Commission one certified copy of the prescribed report form. Northern States Power Company contends that an ambiguity lies in the rule as proposed. Is the determination of certification to be by the federal agency or an officer of the utility company? They propose to amend subsection (a) of each of the aforementioned rules by inserting the words: "one copy of the annual report form certified by a company officer." It is proposed that this wording would be clear and would remove any ambiguity in the proposed subsections. NSP's contention is reasonable; it is recommended that subsection (A) of each of the aforementioned rules be rewritten to include those clarifying words.

Proposed PSC 420 - 423

18. These proposed rules relate to the reporting of lobbying expenditures of gas and electric utilities. The Commission asserts its authority to promulgate these rules under Minn. Stat. §§ 216B.08 (1976), and 216B.10, subds. 3(3) and (4). In adopting the FPC Uniform System of Accounts for Gas and Electric Utilities, the Commission adopted the entire system of accounts. This allows for subdivision of any accounts, provided the integrity of the prescribed account is not changed. The Commission further asserts that the Common Cause report, wherein 31 states failed the accountability test, including Minnesota, focussed on the need for account changes and reporting requirements of lobbying expenses to the Commission. These proposed rules are being promulgated by the Commission in order to meet the need for accountability of lobbying expenditures incurred by public utilities. In addition, the Commission has stated that there is a need to have an annual report to the Commission as to the cost of lobbying in order for the Commission to determine the reasonableness and the propriety of the expense in relation to the revenue requirements of a public utility. The subdivision of accounts to record the

costs of lobbying is necessary to expedite the reporting process. They further state that without separate and identified accounts, the reporting of lobbying expenditures would be a lengthy and economically undesirable task.

19. The Commission argues that it is not attempting to assert jurisdiction or duplicate what is already required by other agencies, nor is it intending to replace any reporting already performed by utilities. The Commission contends that the Minnesota State Ethical Practices Board regulates lobbyists, not utilities, and the information filed with the Board is not an adequate substitute for the information which would be elicited under the proposed rules. They state that only lobbyists are responsible for filing information with the Board; that there is no assurance that all information relevant to a given utility's lobbying efforts can be derived from the lobbyist's report; that there is no sanction which can be imposed on the utility if its lobbyists fail to report; and there is no requirement that lobbyists' salaries be reported to the Board. Salary information may not be relevant for the purposes of the Board, but is relevant to rate-making.

20. The Commission, in proposing these rules, has attempted to adopt the requirements as set forth by the Board as closely as possible. They state that the utilities should be able to report to the Public Service Commission by using the information included in the report to the Board, and by adding the required salary and expense costs without providing an undue burden to the reporting utilities.

21. The State Ethical Practices Board filed written comments to the proposed rules stating that in 1974, the Board was charged under the Ethics in Government Act, Minn. Stat. § 10A, to provide and administer the first permanent lobbyist registration and reporting program in the history of Minnesota. The Act provides for registration and reporting of individuals who are paid or authorized to spend money by another individual or association, and who spend over five hours in any month, or more than $250 in a calendar year attempting to influence legislative or administrative

action by communicating with or urging others to communicate with public officials. The statute further defines what is an "administrative action" and who are "public officials". The law does not require the reporting of associations or individuals retaining or employing the lobbyists. Salaries of lobbyists are not reportable disbursements, although fees of paid expert witnesses and expenses incurred in securing such testimony are reportable.

22. The Board contends that the rules, as proposed by the Public Service Commission, requiring reporting of lobbyists and utilities by the Public Service Commission, duplicates responsibilities and duties already being performed by the Board; poses problems with the absence of definition; and mingles reporting of lobbying disbursements with campaign contributions and expenditures. The Board has spent two years promulgating rules, issuing advisory opinions, providing forms and monitoring the reports of lobbyists' disbursements. The Board further contends that if the Public Service Commission requires a report from a utility of the total amount of lobbying expenditures made by all of its lobbyists in a calendar year, that that amount might be better based upon the disbursements presently being filed by registered lobbyists of that utility with the Board rather than have the Commission attempt to duplicate the effort of the Board by setting up a parallel system for lobbyists' registration and reporting. The total amount spent lobbying by each utility might well be provided to the Commission by the Board.

23. Northern States Power Company opposes the adoption of the proposed rules for four reasons: (1) neither the Common Cause report nor the record in this rules proceeding supports the need for the proposed rules as expressed by the Commission; (2) the proposed rules duplicate the requirements of the State Ethical Practices Board; (3) the proposed rules are not sufficiently clear to enable a utility to comply with them; and (4) the proposed rules conflict with the Uniform System of Accounts. NSP argues that the "lobbying expenditures" referred to in the Common Cause report uses the term "lobbying" in the most commonly understood sense; that is, the attempt to exercise influence by personal, informal communications and constant access. This meaning

sharply contrasts with the meaning of "lobbying" in the proposed rules. The PSC has included all forms of communications and contacts, formal as well as informal within their term "lobbying". NSP maintains that the PSC has misunderstood the Common Cause Report's criticism of the PSC and that this misunderstanding is reflected in the proposed rules. NSP further argues that the proposed rules do essentially duplicate the requirements of the Minnesota Ethics in Government Law, with two minor differences between the statutory requirements and the requirements of the proposed rules. To the extent that the proposed rules apply to all other administrative proceedings in addition to rule-making and plant siting cases, they exceed the requirements of the Ethics in Government statute. Secondly, the proposed rules require the recording of salaries of representatives who attempt to influence legislative or administrative action.

24. NSP further raises several questions regarding the interpretation of meaning of the proposed rules and contend that if the rules are adopted as proposed, the Commission will be forced into an administrative quagmire. NSP further contends that the proposed rules conflict with the requirement of the Uniform System of Accounts. The expenses recorded in a sub-account of Account No. 930 will create a two-fold conflict in that these expenses will be classified as "lobbying expenditures" which directly contravenes the current USA definition of such expenditures; and secondly, recording these expenses under Account No. 930 will mean that they will not be recorded under accounts Nos. 920 and 923, the accounts in which the USA currently direct public utilities to record these expenditures. NSP proposes that the PSC issue a new set of rules which would incorporate a limited definition of the term "lobbying expenditure" and "lobbyists" and establishing one new sub-account under Account No. 426.4 in which public utilities would be required to record all "lobbying expenditures" as that term is defined in (a).

25. Otter Tail Power Company filed written arguments opposing the proposed rules, contending that they are unreasonable and a duplication of efforts by the State Ethical Practices Board. They

strenuously objected to the public service Commission entering into an area which has been adequately provided for by the legislature and assigned to an official agency of state government. They claim that the information required by the Commission rules may readily be obtained from the Board. There is no reason to duplicate the effort proposed in the proposed rules. They further argue that the definition of lobbying expenditures in the proposed rules appears to exceed the definition currently utilized in the Board's rules. They also contend that the definition of lobbyist again exceeds the Board's definition.

26. Minnesota Power & Light Company believes that lobbying-related expenses are comprehensively reported to the Board and any additional reporting represents a duplication of effort. They would not object to a rule which would require verifiable copies of reports filed by a regulated public utility with the Board being periodically filed with the Commission. MP&L contends that any other matters relating to the proper classification or treatment of lobbying-related expenses would more properly be addressed during a rate case audit and the subsequent proceedings.

27. Interstate Power Company also argued that the proposed rules do not adequately define the scope of activities and expenses to be embraced by the proposed reporting requirements. The proposed definitions are so broad and unlimited as to require disclosure which would be both meaningless in terms of identifying lobbying expenses and in direct conflict with the legislature's statutory definitions of lobbying and lobbying expenditures. Interstate argues that the Commission did intend for the rules to encompass activities and expenditures greatly beyond the scope of the existing ethics in government laws, which themselves are so encompassing as to apply to activities beyond any common understanding of the term "lobbying". The Commission proposed the rules in response to the Common Cause report, but Interstate contends that Common Cause is using the term "lobbying" in its most abused form to include "meals and gifts to Commissioners", etc. They argue that the reporting requirements of Minn. Stat. Ch. 10A

apply to a far broader scope of activity than seems to be encompassed in the Common Cause definition of "lobbying". For that reason, Common Cause is in error, and as a result, are being unjustifiably harsh and critical of the Commission. They state that the Common Cause report fails to constitute any support for the need for the proposed rules relating to lobbying and expenditures, both because of its error in including Minnesota among the states which fail to comply with its standards and because it fails to refer to or suggest any need for any disclosures not already required by Minn. Stat. § 10A. The fact that the Minnesota Legislature has already specifically legislated on the matter of disclosure of lobbying expenditures constitutes a basic foundation of Interstate's objections to the proposed rules. They further argue that the specific authority given the Board with respect to lobbyists' expenditure disclosures supersedes and preempts the general power and authority given the Commission. They have no objection to a rule requiring utilities to furnish the Commission with copies of reports submitted to the Board. Interstate asserts that the information required by the Commission for rate-making purposes is already appropriately categorized on its records maintained in accordance with the Uniform System of Accounts, which system is maintained by companies such as Interstate with multi-state operations on a uniform basis.

28. In summary, the proposed PSC 420 to 423 does not appear to be adequately based on statutory authority, needed or reasonable. The rules appear to have been precipitated as a result of the Common Cause report on accountability of state public utility commissions dated August, 1976. Even though Minnesota was among 15 out of 39 states that had no rule or statute requiring lobbying expenditures to be separately identified in the utilities' accounts, the Ethics in Government Act, Minn. Stat. § 10A, provides and administers an adequate lobbyists registration and reporting program in Minnesota. As pointed out by Minnesota Power & Light Company, any matters relating to the proper classification or treatment of lobbying-related expenses would more properly be addressed during a rate case audit and subsequent proceedings.

The Commission Staff has adequate opportunity to audit utility books and also to have access to reporting forms of lobbyists filed with the Ethical Practices Board. These two sources of information should provide adequate information to determine expenditures by a utility for lobbying purposes. The requirements of the proposed rules would duplicate the reporting procedures now in effect with the State Ethical Practices Board and would cause an undue burden upon gas and electric utilities in Minnesota. For that reason, the Public Service Commission has exceeded its statutory authority and has not demonstrated the need for and the reasonableness of PSC 420 - 423.

Proposed PSC 279 - 336 (Customer service standards, new rules and amendments to existing rules.)

GENERAL COMMENTS

29. The existing regulations governing customer service standards for public electric and gas utilities under the jurisdiction of the Public Service Commission became effective on February 11, 1976. The Commission assumed state-wide jurisdiction over public gas and electric utilities on January 1, 1975. Every public utility operating in Minnesota has been operating under the existing gas and electric customer service rules since the February 11, 1976 effective date. The Commission alleges that its experience since that date has shown that the existing rules are deficient in a number of areas. Certain rules are unenforceable, others are ambiguous. In addition, some of the rules are grammatically incorrect. The Commission felt that a complete review of the existing customer service rules was necessary in order to fulfill its statutory obligation. The rule that drew the most criticism and comment from the public, legislators and governmental agencies is PSC 299, commonly referred to as the "Cold Weather Rule". The Public Service Commission recommends that this entire rule should be deleted for reasons which will be discussed in detail later in this Report. Twelve detailed written memoranda were filed by various utility companies, legislators, and representatives of governmental agencies after the hearing.

Proposed PSC 280

30. That PSC 280, regarding complaint procedures, be deleted in its entirety since the requirements set forth in that rule are duplicated in proposed PSC 282, which, as amended, outlines the procedure under which a utility will handle a customer complaint or inquiry. Said deletion is reasonable and necessary.

Proposed PSC 281

31. That because of the length and controversy of some sections of this proposal, each section of the original proposal will be treated separately below.

PSC 281A

32. PSC 281A, as amended, states clearly and concisely that the customer information sign must state where, when and to whom a complaint must be directed along with the address of the Public Service Commission and its availability for mediation upon written request. Every gas and electric utility operating under the existing rules is required to have signs in its office with this information. The amendment is being offered for the limited purpose of clarification, does not involve a substantive change in the existing rule and is reasonable.

PSC 281B

33. This rule, as amended, requires every utility to publish customer information booklets. Subsection (1) of this rule sets out the requirement for utilities' customer policies in six different areas to be included in this information. The Commission asserts that the amendments to PSC 281B are being offered for the limited purpose of clarification and do not involve a substantive change in the existing rules. The Commission alleges that the current rule is deficient in that it doesn't specify what is to be included in the customer information rules. PSC 281B requires that a utility shall publish its customer information "at its expense". Peoples Natural Gas Company contends that (a) the initial preparation and subsequent periodic updating of such material could easily generate costs which would outweigh the benefits of such information, and (b) that if the phrase "at its expense" is intended to mean that the utilities are to make

such information available to their customers "as part of the utility's service covered by the utility's rates", that the foregoing language be substituted for the words "at its expense". They assert that this recommended change is intended to avoid a possible interpretation as to the effect that the expense of preparing such information is to be a "below the line" cost to be excluded from the utility's cost of service.

The ambiguity which is claimed by Peoples does not actually exist in the reading of the rule, and the words "at its expense" are easily interpreted as an expense of the public utility in doing business. For that reason, the rule, as proposed by the Commission, should be adopted.

PSC 281B.3.

34. This rule requires the title, address and telephone number of the department of the utility to which complaints should be directed, including a telephone number for customers to call in emergency situations and adds the additional wording "or a concise statement as to where such information can be obtained". Northern States Power Company claims that the proposed amendment is reasonable and will not constitute a hardship for utility customers. On the other hand, the Legal Aid Society of Minneapolis argues that said rule should not be amended as the present rule attempts to put all necessary information in the customer's hands at one time, and the amendment would weaken that policy. The Commission claims that some of the larger utilities are unable to print all of the information of the different telephone numbers that they have for their different departments on the information form; in that case, the practice is to put a concise statement advising customers to consult the telephone directory to find this information. The Commission has accepted this in the past as compliance with the rule. The rule, as proposed, is reasonable and is not weakened by the proposed amendment.

PSC 281B.4.

35. This rule requires that the customer information include the rules and regulations of the Public Service Commission concerning complaints and customer relations. It specifically

identifies PSC 282B and 303 for inclusion. The Legal Aid Society of Minneapolis contends that the rule should be expanded to require inclusion of the information contained in PSC 298 (disconnection of service rules); PSC 299 (cold weather rule); PSC 300 (notice: Other time requirements); PSC 301 (manner of disconnection); and PSC 302 (reconnection of service). They state that unless the customer knows his rights, he will be severely hampered in enforcing those rights and that the present information booklets are totally inadequate to inform the customer of his rights.

The requirements of PSC 281B.1 include the necessity for a utility to set out its policies governing, among other areas, notice of disconnection, disconnection of service, and reconnection of service. In the customer information booklet, the customer will have an opportunity to learn the utility's own customer policies governing these areas without the additional inclusion of PSC's 298, 299, 300, 301 and 302 as a specific requirement of subsection (4). The rule, as proposed by the Commission, is reasonable.

PSC 281B.5.

36. This subsection deletes the requirement that the deposit and guarantee standards of the utility be included in the "customer information". The reason for the deletion is that this requirement is now included in proposed PSC 281B.1. The rule adds the requirement of a statement that the Minnesota Public Service Commission regulates this utility and is available for mediation upon written request and the address of the Minnesota Public Service Commission. The rule, as proposed, including the aforementioned deletion, is reasonable.

PSC 281C

37. This rule relates to information which utilities must include in their billing statements and includes the wording "or a concise statement as to where such information can be obtained". The Commission claims that larger utilities find it difficult to list all phone numbers of various departments on billing statements, and the proposed amendment will allow them to comply with

the rule. NSP, one of the largest utilities in Minnesota, conducts its operations through numerous geographic divisions and subdivisions. They have numerous district or area offices located within these geographical subdivisions, and each of these offices has separate telephone listings and addresses in the local telephone directory. If each telephone number and address were to be set forth on bill statements, it would be necessary for NSP to have printed 44 separate bill statements and to code all customer accounts in these 44 areas so that each customer in each area was provided with appropriate telephone number and address. They argue that a customer is more likely to dispose of or lose his bill stub than his telephone directory. They further argue that no evidence was introduced at the hearing that any one of their 976,000 customers was unable to reach the company by telephone or mail. They submit that the proposed amendment to PSC 281C.1. is reasonable and will not constitute a hardship for their customers.

38. The Legal Aid Society of Minneapolis takes issue with the alleged lack of space on the bill to print this information and argues that there is a sound policy for giving customers this information on the bill. They further state that the proposed change will make it more difficult for customers to register complaints and there is no need for the proposed amendment.

39. That the proposed PSC 281C, as amended by the Commission, is reasonable and should be adopted.

Proposed PSC 282

40. PSC 282, as amended, constitutes a consolidation of several existing PSC rules. The rule contains the requirements currently set out in PSC 280, 282, 286, and 287. Subsection C provides that when the Commission forwards a customer complaint to the utility, the utility shall notify the Commission within five (5) business days regarding the status or disposition of the complaint. Peoples Natural Gas Company urges that this rule be changed to enlarge the period to ten days, claiming that five days is inadequate considering mail service, and the frequent need for the recipient office to check with another office for

additional information. The proposed amendment to subsection C by Peoples Natural Gas is based on sound reasoning and should be adopted by the Commission. The rule, as amended, is reasonable and necessary.

Proposed PSC 284, 285, 286, 287, 295

41. That the proposed rules drew no criticism or public comment, either during or after the hearing, and are reasonable and necessary.

Proposed PSC 296

42. The Commission proposes changes in the existing PSC 296 by the deletion of subsections (b) and (c). The rule relates to extension of service, and the Commission states the need for the deletion arises from the fact that the rule presently is ambiguous in that it does not indicate whether it applies to a gas or electric utility or both, and if it applies to gas utilities, it is ambiguous because gas utilities do not have service areas as defined in Minn. Stat. § 216B.10, subd. 6. Secondly, the Commission states that the rule fails to define what is meant by the terms extensions and service areas and that the rule is merely a liberal re-wording of Minn. Stat. § 216B.04. The present rule makes mandatory a requirement that all extensions be completed within 90 days, and with the Commission's approval, an additional 90 days. The statute, on the other hand, is construed by the Commission as merely establishing a guideline for furnishing adequate service and not as a mandatory time period for making extensions of service. The Legal Aid Society of Minneapolis opposes the deletion of subdivisions B and C for two reasons. First, that the requirements of Minn. Stat. § 216B.04 can be construed as mandatory, and if the utilities find compliance with the statute impossible, they should seek an amendment to the statute. Secondly, any ambiguity in the term "service area" can be resolved by clarifying the definition rather than deleting the regulation.

43. The Commission disagrees with this statutory construction. In the event the statute is construed as setting forth a mandatory service extension requirement, the Commission still

supports the deletion of the rule, contending that there is no need for a rule when the legislature has clearly spoken on the matter. The Commission's position is that the situation governed by the rule is covered by Minn. Stat. § 216B.04, and there is no justifiable need to duplicate the provisions of the statute by the promulgation of the rule. Also, the reason for the deletion of subsection C is that this rule was proposed as a modifier of subsection B. Since subsection B is proposed to be deleted in its entirety, it then follows that subsection C is unnecessary. Minnesota Gas Company supports the proposed amendment to PSC 296.

The rule, as proposed, including the deletions of subsections B and C from the existing rule, is reasonable and should be adopted.

Proposed PSC 298

44. PSC 298 outlines the permissible and non-permissible reasons for disconnecting service to a customer. The rule also specifies when notice is required prior to the disconnection of service. The present rule, according to the Commission, is not readily understandable, and proposed PSC 298 is a total revision of the existing rule into four subdivisions:

A. Disconnection of service with notice - permissible reasons;

B. Disconnection of service without notice - permissible reasons;

C. The temporary disconnection of service;

D. Non-permissible reasons to disconnect service.

PSC 298A

45. PSC 298A eliminates the provision in existing PSC 298 (a) which requires that the utility must apply a customer's deposit and accrued interest to any liability of the customer and return any remaining balance to the customer within ten days of disconnection. PSC 298A.1. eliminates the provision of the existing PSC 298(a)(1) which provides that utility service can be disconnected for non-payment only when the amount of the deposit, plus accrued interest, has been used to satisfy the incurred obligations. The purpose of obtaining a security deposit is to protect paying customers against losses incurred because of non-

paying customers. If the non-paying customer's deposit is first applied to his unpaid account, and his service thereafter is terminated, in order to accomplish the purpose of securing the deposit under the conditions established by the existing rule, service would not be re-established until the customer had paid all remaining liability and had made an additional deposit. The Commission asserts that it would be easier for the defaulting customer to re-establish service by being obligated to pay outstanding liabilities only as opposed to additionally being obligated to make another deposit. To waive the requirement for an additional deposit under these conditions would defeat the purpose for taking the deposit in the first instance. They maintain that the present PSC 298(a)(1) is totally inconsistent with the concept of security deposits. Applying security deposits to arrears prior to disconnection would be the equivalent of converting security deposits into prepayments. Under the proposed rule, service would be disconnected when the amount of the deposit equalled or exceeded the outstanding bill. At this point, the customer has the option to either make another deposit or allow his service to be disconnected. This procedure would protect paying customers from non-paying customers and fulfill the purpose of security deposits. The intent of the amendment, as stated by the Commission, is that a utility may disconnect service for non-payment of bill only when the amount of the billing equals or exceeds the amount on deposit with the utility. In its written comments submitted within the 20-day period after the hearing, Commission recommends that PSC 298A.1. be amended to read as follows:

> For failure of the customer to pay a bill for utility service, but only when the amount of the customer's outstanding bill equals or exceeds the amount of the customer's deposit.

The proposed amendment omits the words "when due" after the word "service" as originally proposed by the Commission.

46. Northern States Power Company submitted a rather lengthy memorandum with respect to the present inadequacies and ambiguities in the existing PSC 298 and asserted that the proposed amendments addressed these defects and should be adopted. Otter

Tail Power Company stated that the proposed rule should be modified to allow disconnection for non-payment of a bill when the amount of the billing exceeds the amount on deposit with the company as set forth in the new Commission-proposed rule. They strongly object to a requirement for the application of the deposit prior to disconnection.

47. State Senator Tim Penny, in written comments submitted after the hearing, suggested that the real reason for the proposed amendment is a desire to help the utility and not the consumer. He asserts that the proposed amendment would allow the utility to disconnect service much sooner because the deposit would not have to be used first to satisfy the incurred obligation. Therefore, action under the proposed amendment would actually cost the customer more because he would have to pay to have service reconnected. . . Service that had been disconnected, even though he may have had enough money on deposit with the utility to satisfy the incurred obligation. He therefore argued that the proposed amendment would prohibit a customer from using his own money for the purpose for which it was given to the utility. He contends that the existing language in PSC 298(a) and 298(a)(1) should be retained because deleting it would deprive consumers of the protection that the deposit requirement was designed to provide. He also disagrees with the proposed amendments to PSC 298(c)(1) and (2) (Landlord-tenant rule) as it would allow the utility to disconnect a tenant's service for the landlord's non-payment even without offering that tenant the opportunity to subscribe for service in his or her own name. He stated that the proposed amendments would require the utility to only make a good faith attempt to advise tenants of their intent to discontinue service. He stated that the existing language provides tenants at least some protection against having their service disconnected when a landlord fails to meet his obligation.

48. The Legal Aid Society of Minneapolis argued that the present language in PSC 298(a)and (a)(1) should be retained with the exception that PSC 298A.1. should specify that nonpayment of a bill means "nonpayment of the customer's bill for utility service"; PSC 298A.2. should be amended to include the words "for

failure of the customer to meet the deposit and credit requirements contained herein." This rule is subject to the requirements of PSC 298A.1.; PSC 298A.3. should be amended to spell out that it relates to customerswho fraudulently deceive the utility by attempting to apply for service under a false name or in the name of a person who does not want service in his name; PSC 298A.9. should be amended to limited compliance with "the lawful order of any governmental authority"; and PSC 298(b)(4) should not be deleted but should be added to proposed 298B.

49. The rule, PSC 298, as proposed by the Commission, corrects the defects and ambiguities in the present existing PSC 298, and there is no necessity for the adoption of the recommendations of the Legal Aid Society of Minneapolis with respect to this rule. Even though there is commendable merit in the proposals and arguments of the Legal Aid Society, the rules, as proposed, are not so ambiguous as to have a need for the additional proposed language of the Legal Aid Society.

That PSC 298, as proposed by the Commission, is necessary and reasonable.

Proposed PSC 299

50. On February 11, 1976, PSC 299, commonly called the "Cold Weather Rule", became effective. The Public Service Commission now proposes the deletion of said rule in its entirety. They state as reasons for its deletion, that the rule makes disconnection and consequently collections difficult, if not impossible during the winter months. The rule prohibits a utility from disconnecting service on a day when the low temperature within the previous day, as reported by the National Weather Service at its first order station nearest the residence, fell below zero degrees Fahrenheit. The Commission contends that the present rule offers little, if any, protection against disconnection during extremely cold weather. The rule also prohibits a utility from disconnecting service on a Friday or a day before a legal holiday if the low temperature during the previous day fell below 32° Fahrenheit, as reported by the National Weather Service at its first order station nearest the residence. The

Commission submits that it is meaningless to determine whether or not service can be disconnected on a given day based on the temperature of a previous day. Subsection (b) of rule PSC 299 provides that if a residential service has been disconnected and not restored to service by the close of business on the disconnect date when the low temperature during the previous day fell below 32° Fahrenheit, the utility must inform the local law enforcement department and the appropriate county welfare department by the close of business on the same date. The information provided shall include the billing name and service address at which service was disconnected and information that a threat to health and life might exist to persons occupying the premises.

The Commission contends that they have received numerous requests from both local law enforcement agencies and county welfare agencies asking that the Commission define what responsibility those agencies have under the rule. The Commission cannot order these agencies to act on behalf of the utility customer whose service has been disconnected as described above. They claim that although the rule does not specifically state that local law enforcement and county welfare agencies must act in this event, an inference can be drawn that those agencies are required to make some affirmative response when receiving such information from the utilities. For that reason, they suggest PSC 299 be deleted in its entirety. They further argue that the necessity of securing weather information and co-ordinating this information with disconnect notice requirements make disconnection very cumbersome. Without the threat of disconnection, the utility's bad debt expense increases. This additional expense must then be assumed by the utility's paying customers. They further argue that the present requirement to notify both local law enforcement and county welfare officials is very difficult, especially in rural communities, and in some cases, such notice could be construed as an invasion of privacy. The Commission further contends that limitation on termination of service during cold weather was not eliminated in its entirety. The review of existing rules and the proposed rules demonstrates an elaborate

system of billing and notice requirements such as the provisions of proposed PSC 301B. They insist that any suggested amendments to the existing cold weather rule do not adequately address the problem. If a customer is unable to pay his bill during cold weather, it follows that he will be unable to pay his bill during warm weather. They further add that the customer who needs financial assistance will still have time to seek public assistance under existing rules PSC 300 and proposed PSC 301B. The Commission contends that the current cold weather rule encourages the nonpayment of bills during extremely cold weather.

51. Numerous oral and written comments were made during the course of the hearing and after the hearing with reference to the proposed deletion of this rule by the Commission. The consensus of the individuals and social welfare agencies who appeared in opposition to the proposed deletion was that if the rule does not provide adequate protection, it should be revised, not deleted. Deletion of the rule would jeopardize the health and safety of every consumer. The consensus of the comments indicated that the cold weather rule could be strengthened to provide adequate protection to consumers by adopting revised language.

52. The Minnesota Department of Public Welfare recommends the following revision to PSC 299(b), rather than deletion of the entire rule:

> PSC 299(b) If a residential service has been disconnected and not restored to service by the close of business on the disconnect date when the low temperature during the previous day as reported by the National Weather Service at its first order station nearest the residence fell below 32° Fahrenheit, the utility shall inform the customer that the appropriate local welfare department has emergency services and may provide financial assistance.

The Welfare Department stated that it is apparent that the prohibition against termination of residential utilities during subzero weather minimizes human risk and for that reason should be maintained. A survey of local welfare agencies indicated that approximately 50% of the utility disconnections referred to them by the utility companies were not welfare recipients. The existing notification rule implies that the welfare departments

must contact utility customers and offer services. Some individuals whose utilities have been disconnected may consider contact by the welfare department as an invasion of their privacy. The welfare agencies have a multitude of public responsibilities that must be met through tax funds, and the public cost of administering the provisions of PSC 299 may be inordinately high in relation to the possible social benefits derived. Deleting the safeguards, as set forth in the rule, would present an unnecessary risk to an inestimable number of people.

53. The Ramsey County Welfare Department suggested that PSC 299(b) should be changed to read as follows:

> If a residential service has been disconnected and not restored to service by the close of business on the disconnect date when the low temperature during the previous day as reported by the National Weather Service at its first order station nearest the residence fell below 32° Fahrenheit, the utility shall inform the local law enforcement department and the appropriate county welfare department only when there is information available that a threat to health and life might exist to persons occupying the premises. In these instances, the utility shall provide the name, address, and telephone number at which the service was disconnected.

The Ramsey County Welfare Department goes on to state that its experience with this section of the rule is such that very few of the many notices received are, in fact, life-threatening situations. In that sense, present procedures are wasteful of time and resources.

54. The State Office of Consumer Services agrees with the Commission that to base the operation of a shut-off prohibition on the weather of the day previous to disconnection, as is done in in the existing rule PSC 299(a)(1), offers the consumer inadequate protection. However, they do not agree that the solution is to offer no protection in exchange for what currently exists. They propose a re-draft of that portion of the rule to base its operation on the weather of the proposed day of disconnection and on the temperature of freezing, 32° Fahrenheit, rather than zero degrees Fahrenheit. Their proposed wording for that portion of the rule is as follows:

> (a) Notwithstanding the provisions of PSC 298, no utility shall disconnect residential service on the day when the temperature is 32° Fahrenheit

or lower, or may reasonably be expected to be 32° Fahrenheit or lower, by forecast of the National Weather Service station nearest the residence.

They find it reasonble to eliminate PSC 299(a)(2) in its entirety in light of the provision suggested by the Commission in proposed PSC 301B. They assert that if their suggested language were adopted, the notification of law enforcement and welfare agencies would perhaps be unnecessary.

55. Additional revisions of the language of PSC 299 were suggested by State Senator Tim Penny and the Legal Aid Society of Minneapolis.

56. Otter Tail Power Company, Benco Electric Company and Northern States Power Company all agree that the present PSC 299 should be deleted. Northern States Power Company asserts that, in lieu of PSC 299, proposed PSC 301B was added. That rule provides that utility service cannot be terminated on any Friday, Saturday, Sunday or legal holiday or at any time when the utility's business offices are not open to the public. Northern States Power Company adopted and implemented winter disconnection procedures well before the existence of the Public Service Comission. These procedures are still used in conjunction with PSC 299. Their procedures, in addition to those presented by PSC 299, are that when the 24-hour predicted low temperature is to be 20° or colder, and if the disconnection in any way affects the primary heat source of the premises, a personal contact must be made with an adult at the premises subject to disconnection 24 hours in advance of disconnection. They further state that if proposed PSC 301B does not adequately address the cold weather situations, then they recommend that any adopted cold weather rule incorporate the following provisions:

> "If disconnection affects the primary heat source of the premises:
>
> (1) utility service cannot be disconnected if the predicted 24-hour (12:00 a.m. to 12:00 p.m.) temperature as reported by the National Weather Service at its first order station nearest the residence is to be zero degrees Fahrenheit or lower.
>
> (2) If the predicted 24-hour (12:00 a.m. to 12:00 p.m.) temperature as reported by the National Weather Service at its first order sta-

tion nearest the residence is to be 20° Fahrenheit or lower, a representative of the utility must make personal contact with an adult at the premises to be disconnected at least 24 hours in advance of disconnection."

NSP opposes the suggestion of the Department of Public Welfare that utilities be obligated to notify customers subject to disconnection that public assistance might be available. They argue that electric and gas consumers should not be obligated to subsidize the operations of the Public Welfare Department.

57. A thorough review of all of the statements and testimony presented with regard to this rule indicates that deletion of the existing rule is not a solution to whatever problems may have arisen as to enforcement under the existing rule and would result in unpredictable dangers to public utility consumers in the state of Minnesota. A thorough review of the filed and oral comments indicates that a more proper re-write of the language of of the existing rule would be as follows:

PSC 299

(a) Notwithstanding the provisions of PSC 298(a), no utility shall disconnect residential service, if said disconnection affects the primary heat source of the premises:

(1) On a day when the low temperature within the previous day as reported by the National Weather Service at its first order station nearest the residence fell below zero degrees Fahrenheit; nor

(2) On a Friday or day before a legal holiday if the low temperature during the previous day as reported by the National Weather Service at its first order station nearest the residence fell below 32° Fahrenheit.

(b) If a residential service has been disconnected and not restored to service by the close of business on the disconnect date when the low temperature during the previous day as reported by the National Weather Service at its first order station nearest the residence fell below 32° Fahrenheit, the utility shall inform the customer that the appropriate local welfare department has emergency services and may provide financial assistance; in addition, the utility shall notify the local law enforcement department and the appropriate county welfare department, only when there is information available that a threat to health and life might exist to persons occupying the premises. In these instances, the utility shall provide the name, address and telephone number at which the service was disconnected.

That the deletion of PSC 299, as proposed by the Commission, is unreasonable, and that the amended rule as stated above, is

reasonable and necessary and should be adopted by the Commission.

Proposed PSC 300

58. This rule defines what constitutes adequate notice as that term is used in the rules. The Commission is proposing a new PSC 300A and the deletion of the existing PSC 300(a). They also propose amendments to PSC 300(b) to be known as PSC 300B; PSC 300(c) to be known as PSC 300C; PSC 300(d) to be known as PSC 300D, and PSC 300(e) to be known as PSC 300E. In addition, they propose a new PSC 300F and the deletion of the existing PSC 300(f).

PSC 300A

59. The existing PSC 300(a) requires that all notices of disconnection must be by certified mail. Certified mail requires a receipt signed by the addressee. If the addressee is not home, or refuses to answer the knock of the postman, a note is left in the addressee's mailbox stating that the letter awaits him at the local postal station. The notice of disconnection must be sent to the address where service is rendered and to the address where the bill is sent, if different from the address where service is rendered. The Commission notes that it has been the experience of the utilities operating under this rule that a person intent on avoiding payment of his utility bill will not sign a receipt for a certified letter or travel to the local post station to receive notice that his utility service is about to be disconnected. The requirement of certified mail will not enhance the prospects of receiving notice and will only be used as a tool by those who do not intend to pay. Another factor is the high cost of mailing a certified letter ($.73) vs. first class mail ($.13). A large saving can be insured by eliminating the certified mail requirement and still insure that the customer is receiving adequate notice prior to disconnection. In light of the above-stated reasons, the Commission proposes an amendment to PSC 300(a) to provide that notice of disconnection will be by first class mail only. Notice will be sent to the address where the service is rendered or to the address where the bill is sent if different from the address where service is rendered. A representative of

the utility will make an affidavit under oath that he deposited in the mail the notice properly addressed to the customer.

60. Minnesota Power & Light Company has maintained a record of returns of letters sent out by each method. They have determined that approximately 18% of those notices sent out by certified mail have been returned while less than one percent of those sent out by first class mail are returned as undelivered to the customer. Otter Tail Power Company contends that the existing rule has increased mailing and labor costs which are assumed by all customers of the utility. The value of the rule as it presently exists appears to be in question simply because of the utility's customers refusing to accept certified mail. It is submitted that a greater number of customers would actually receive the notice and would read the notice if it was sent by first class mail. Benco Electric Company also agrees to the deletion of the requirement for certified mail.

61. State Senator Tim Penny contests the arguments of the Commission for the proposed amendments. He states that most customers would rather bear the added expense of certified mail than face disconnection because they did not receive notice by first class mail and that said amendment is particularly dangerous in light of the proposed deletion of the cold weather rule. Cost of certified mail is not an adequate argument for making a change that could have disastrous results.

62. NSP strongly urges that the proposed PSC 300A be adopted. All bills, including those containing "reminder notices" and "important notices" are presently mailed by NSP by first class mail. During the period June 1, 1976 to December 31, 1976, NSP mailed, by certified mail, 149,046 Notices of Disconnection. Twenty-four percent of these notices of disconnection were returned by the post office as undeliverable. During the same period of time, all notices which were mailed by first class mail to the same people at the same addresses, less than one percent were returned by the post office department as undeliverable. That includes 313,286 "important notices" mailed in the metropolitan area alone. They strongly argue that the additional expense is

not warranted by the results achieved.

63. That PSC 300, as proposed by the Commission, is necessary and reasonable.

PSC 300B, 300C, 300D, 300E

These rules drew little criticism or comment and are reasonable as amended.

PSC 300F

The present PSC 298(c) is an attempt to protect tenants from the difficulties of termination of service because of a defaulting landlord, particularly an absentee landlord. That rule provides that service to the landlord cannot be terminated unless where "feasible", the occupant is offered an opportunity to subscribe for service in his own name. The proposed PSC 300F is a new provision that addresses itself to notice of disconnection of service. The existing rule is deficient for several reasons: First, the task of contacting each individual tenant to determine whether he or she is desirous of being responsible for utility service for the entire building is unreasonable. Secondly, because of the current deposit rules, it would be difficult, if not impossible, for a utility to obtain a deposit from an individual tenant to secure payment of bills which could amount to hundreds of dollars per month. Third, the rule of legality is questionable as it allows the utility and the tenant, neither having any ownership interest in the property, to establish a contractual relationship for utility services thereto without a hearing or order from the Commission or the courts. The proposed rule requires the utility to make a good faith attempt to notify tenants prior to disconnection. Such notice required by this provision must precede the action to be taken by at least five days, excluding Sundays and legal holidays.

64. NSP fully agrees with the Commission that the existing rule is defective; however, they question that the proposed rule is a reasonable alternative. They are strongly of the opinion that the posting of notices as provided in the Minneapolis and St. Paul ordinances is an excellent way for notifying tenants in multiple dwelling units of pending termination of utility

service and recommend that proposed 300F be amended to so provide.

65. That the proposed PSC 300F is reasonable and necessary and a good faith attempt could include the posting of notices to inform the tenants without any additional language in the rule.

Proposed PSC 301

66. This rule deals with the manner of disconnection of service and the Commission proposes the elimination of the existing PSC 301(a) which contains the requirement for the utility to attempt, on at least three separate occasions, in good faith to obtain personal contact with the consumer in the event personal contact or contact is not made by certified mail. The Commission contends that by adopting disconnection notice by first class mail, it will be presumed that the mail is delivered and the customer received notice. The proposed subsection B is a new subsection which provides that service shall not be disconnected for nonpayment of bills on any Friday, Saturday, Sunday or legal holiday, or at any time when the utility's business offices are not open to the public. The Commission amended the proposed subsection at the hearing to include the wording "for nonpayment of bills".

67. People's Natural Gas Company takes issue with PSC 301A which provides in part that a representative of the utility shall, at all times, be capable of receiving payment. They allege that such a procedure will encourage chronically slow paying customers to ignore collection notices and wait until the utility representative appears in person to shut off service.

68. NSP agrees that the existing PSC 301(a) be totally deleted, stating that first class mail is a far better vehicle for providing notice than certified mail. They further state that mailing notices of disconnection by first class mail and a personal visit to the premises at the time of disconnection provides a wholly adequate and much more satisfactory method of communication than existing PSC 301(a).

69. The Legal Aid Society of Minneapolis argues that the existing PSC 301(a) should not be deleted because the rule puts no intolerable burden on the utilities and ordinary mail is, in

many instances, not adequate to insure notice. They further contend that the present rule could be misinterpreted, as applied to a multiple dwelling, to mean that the utility representative need not go to the door of a customer's apartment unit inside the building. Since the purpose of the personal visit requirement is to give the customer one last chance to remedy the cause of the proposed disconnection, they suggest that the rule should be clarified to eliminate any misunderstanding by amending the first sentence of PSC 301A by adding the following language following the word "rendered":

> "and an attempt to make personal contact with the customer at the address. If the address is a building containing two or more dwelling units, the representative shall make a personal visit to the door of the customer's dwelling unit within the building. If security provisions in the building preclude free access on the part of the representative, the representative shall attempt to gain access to the building from the caretaker, for the purpose of attempting to make personal contact with the customer."

70. The above wording, as proposed by the Legal Aid Society of Minneapolis, is reasonable and necessary to avoid any misinterpretation of the rule and should be incorporated into the rule as adopted. That PSC 301A and B, as amended, are reasonable and necessary.

Proposed PSC 302

71. This rule is being amended to clarify ambiguous language. There is no substantial change in the body of the rule and there were no public comments or criticism with reference to the proposed change. That the amendment to the existing rule is reasonable and necessary.

Proposed PSC 303

72. This rule outlines the dispute procedures to be followed by the utility and establishes the escrow payment plan for disputing bills. The Commission asserts that this is not a collection device solely for the benefit of the utility. The rule places an affirmative duty on the part of the utility to resolve all disputes regarding billing prior to the disconnection of service. The amendments to this rule are found in subdivision G.6. and G.7.

73. PSC 303G.6. is being amended to clarify the fact that by submitting the escrow payment form to the Commission, the customer has filed an informal complaint against the utility, pursuant to the Commission's Rules of Practice. In light of the above amendment, the existing PSC 303(g)(7) is no longer necessary. If a customer desires to dispute his estimated bill, the proper procedure for him is the filing of an escrow payment form with the Commission. The rule as proposed is reasonable and necessary and should be adopted.

PSC 303G.7.

74. This rule provides that upon settlement of the dispute, any sums found to be entitled to be refunded to the customer shall be supplemented by a 6% per annum interest charge from the date of payment to the date of return by the utility. The Legal Aid Society of Minneapolis proposes that this rule should be deleted and the present PSC 303(g)(8) should be retained. They state that the penalty rule is simply an incentive to the utilities to keep accurate records and not to overcharge; if the only penalty was a requirement that interest be paid at the legal rate, there would be no penalty at all, and thus no incentive. They contend that the existing PSC 303(g)(8), which is proposed to be deleted, includes a penalty of ten percent of the amount found in error and the ten percent rule is a reasonable regulation in furtherance of the statutory goals.

75. The opposite view was expressed by Pickens, Mather & Company in their written comments filed after the hearing in which they submit that, given current interest rates, and the likelihood that future interest rates will continue to be in excess of six percent, the proposed revision in effect offers the utility a very expensive form of borrowing. They assert that a more equitable approach would be a rate equal to the rate of return permitted the utility by the Commission with respect to the class of customers in which the customer receiving a refund fits. Also, they argue that a penalty should be imposed in addition to the interest charged in the event that the refund is payable by virtue of the failure of the utility to comply with the regulations and/or orders of the Commission.

76. Proposed PSC 303I is a completely new rule and is necessary to clarify the fact that the utility is not obligated to suspend discontinuance of service upon the filing for review with the Commission, unless the customer pays, when due, all current bills rendered during the pendency. It also provides that all designated disputed payments of portions made after the first filing for review shall be considered to be made in escrow.

77. That the proposed PSC 303 is supported by the Commission's Statement of Need and is reasonable and should be adopted.

Proposed PSC 311

78. The Commission proposes deletion of subsection (b) of the existing rule which provides that a self-read utility must read its meters at least once every 12 months upon a change in customers, and upon a customer's request. A number of electrical cooperatives are experiencing great difficulty in complying with this annual meter reading requirement. When a utility is operating in many counties, it is difficult to get a reader to every customer once 12 months. In addition, the rule does not take into consideration the situation in Minnesota where the reading of meters may be impossible because of inclement weather. The original intent of this subsection was to insure that billing errors, due to inaccurate meter readings, or other meter malfunctions, would be discovered at reasonably short intervals. The intent of the subsection to protect the customers from extraordinarily large bills has been transferred to PSC 314 and 315. Accordingly, the Commission proposes deletion of subsection (b) from the existing rules. That the proposed deletion is necessary and reasonable and should be adopted.

Proposed PSC 313

79. The Commission proposes that the existing rule be amended completely in that it adopts an outlined procedure. The rule governs the content and information required to be stated in the utility bills and should enable the customer to understand the factors upon which his bill is based. The rule is amended by outlining the information required on the billing statement. The information required under subsections A.1., .2, .3, .4, .6, .7,

.8, .9, .10, .11 and .12 is currently required under the existing rule, and the utilities already have this information readily available on their billing statements. The proposed subsection A.5. is a new provision requiring that a customer's billing statement contain a complete itemization of all charges incurred at all levels of customer usage. At the present time, a customer can only calculate his average rate which is never equal to the price of additional energy consumed or conserved. The price information required under the proposed rule is essential so that retail customers will be able to make rational decisions regarding their usage. The provision contemplates that the customer's total consumption will be broken down according to separate rate blocks, and the charge for consumption in each block set forth. With the aid of a copy of the applicable rate schedule, a customer could readily compute and check his bill. This information is necessary so that a customer can make an intelligent decision regarding how to conserve energy.

80. Minnesota Gas Company opposes the proposed PSC 313A.5. because the rule assumes that a customer must have a current rate schedule in his possession to make a check calculation. Customer doubts as to bill accuracy will not be removed by making a number of calculations for each portion of the customer's bill as would be required by this rule. Minnesota Gas Company claims that they have qualified customer accounting representatives who assist all customers who wish to check the accuracy of the amount of the bill. They also provide current rate schedules upon request to anyone who wants a copy. They argue that they have just completed a complete re-design of their bill, changed the form of the bill and re-programmed the computer to accommodate the requirements of the existing PSC rule. The new bill form has been in use only a few months, and the customers are just starting to become familiar with it. Another change would simply further confuse all the customers for the benefit of the few who may want to see an arithmetic computation of each segment of the bill. They would have to completely change their bill form and lease an additional expensive computer to achieve

these ends. The cost of re-designing the bill and owning or leasing the additional expensive computer equipment cannot be justified when compared with the small benefit to the few customers who may question the computation of their bill. They further argue that it is doubtful that the tracing of the calculation of each step or block of energy consumption in the bill will generate any stronger or meaningful economic signals to the customers and his recognition of the total amount of his bill.

81. Northern States Power Company opposes the proposed section A.5. alleging that under the existing rule, a customer can make such calculations. The proposed subsection will increase the bill size from its present 8 1/2" to as much as 16 1/2". Under the proposed subsection, if consumption from more than one electric or gas meter is to be shown, the bill becomes correspondingly longer or two bills must be sent thus increasing mailing costs. NSP claims that if the proposed subsection is adopted, its anticipated expenses will be in an initial estimated programming cost of $50,000, and an increased annual expense for bill stock and printing of $127,000. They argue that no evidence was introduced that customers are presently having difficulty in understanding their bills or that the proposed change will be used by customers to reduce consumption or to make selective appliance purchases.

82. That the proposed rule section, PSC 313A.5. should not be adopted in light of the evidence presented by the utility companies. Based upon the arguments, testimony and exhibits introduced by the companies, the adoption of this subsection would create an undue hardship upon the companies, would create excessive costs and would not simplify explanations of the billing charges to the utility's customers.

83. Proposed PSC 313B is a new rule which allows any utility which is unable to comply with any of the provisions of PSC 313A within 12 months of the effective date of this rule to petition the Commission for either a temporary exemption or a permanent exemption. The Commission contends this rule is necessary to insure an equitable transition period for the implementation of

PSC 313A. The Commission's reasoning is that if 313A.5. is adopted, many utilities will have to re-program their billing procedures and dispose of whatever billing forms they have in stock on hand. It is for that reason that they stress that PSC 313B be adopted. However, if the Commission deletes proposed subsection A.5. from PSC 313, as recommended above, there will be no necessity for the inclusion of subsection B as there will be no transition period necessary for the conversion to bills containing complete itemizations of all charges incurred at all levels of customer usage. For that reason, subsection B should be deleted from the proposed rule.

Proposed PSC 314 and 315

84. PSC 314 and 315 are companion regulations which relate to the adjustment of bills and billing errors for electric and gas utilities, respectively. Since these proposed rules involve a highly technical area, the Commission relied upon regulations now in existence in other states. The proposed amendments are based upon the current regulations in South Dakota. The existing rules are primarily being amended to clarify ambiguous language and to make the rules equitable for all concerned parties. Proposed PSC 314 deals with the adjustment of bills by electric utilities because of inaccurate meters or billing errors. Proposed PSC 315 deals with adjustment of bills for gas utilities because of inaccurate meters or billing errors. The existing rule was drafted in part from the Wisconsin Public Service Commission rule and in part from the North Dakota Public Service Commission rule. What the draftsman did was to apply the Wisconsin rule to "fast meters" and the North Dakota rule to "slow meters". Hence, if a meter operates fast, requiring a customer refund, the rule affording the customer the largest refund was applied. If the meter operated slowly, resulting in an undercharge, the rule allowing the least payment has been used. The Commission found no justification for this unusual and discriminatory treatment and feels that the standard to be applied should be the same in each case. As proposed, the new rules correct the deficiencies as stated.

85. Northern States Power Company agrees with the Commission that these two sections are probably the most confusing, inadequate and arbitrary sections of the customer service rules. The purpose of the sections is to establish procedures for collecting undercharges and the refund of overcharges arising as a result of inaccurate meters and billing errors. They also agree that the new proposed rules are far superior to the existing rules. NSP asserts that the proposed rules deal with all parties fairly by establishing uniform applications. Customers who have used more utility service than that for which they have paid should, within uniform limitations, be obligated to make payment so that their utility usage is not subsidized by other customers. Conversely, customers who have been overcharged for utility service should, within uniform limitations, be entitled to refund for the same period that would have been subject to a charge. The new proposed rules will accomplish this end. Also, the new proposed rules establish for all categories a maximum time limit of liability. They establish statutes of limitation for the purpose of establishing limits on rights and liabilities.

86. State Senator Tim Penny takes issue with the proposed PSC 314 and 315, asserting that since the accuracy of meters and bills are matters under the control of the utility, the rules should provide the utility with some incentive to keep their meters and bills as accurate as possible. He maintains that the existing rules were designed to be self-enforcing by providing the utilities with such incentive; the proposed rules provide no such incentive. He takes issue with the reasoning to amend the existing rules PSC 314 and 315. He argues that the proposed amendments would give an unfair advantage to a utility company that fails to keep meters and bills as accurate as possible.

87. The Legal Aid Society of Minneapolis also contends that PSC 314(b) and PSC 315 should not be amended to the extent proposed. They argue that where an error results from equipment failure, the customer should be given the benefit of the doubt so that every effort will be made to avoid a customer being overcharged for utility equipment failure.

88. That the Public Service Commission, in its statement of need, has presented ample testimony and justification for the proposed amendments to PSC 314 and 315 and has thoroughly documented the reasonableness and necessity for the proposed changes in these two rules.

Proposed PSC 325

89. The existing PSC 325 states that a utility shall not require a cash deposit or other guarantee of any customer who has established good credit. It further states that deposits can be secured only if the customer has an unsatisfactory credit rating. The Commission contends that these references are inconsistent and involve too much editorializing rather than practical application. No criteria is stated in the existing rules as to the definition of good credit. The Commission contends that the determination of whether the applicant has good credit with a particular utility company should be made solely by that company. If the company determines that the applicant has good credit, with that utility, it would grant service without a depositor guarantee requirement. Conversely, if the utility determines lack of established good credit, it could require a deposit or guarantee. The Commission has determined that the utility should have the right to judge whether or not the applicant satisfies the requirement of established good credit and for this reason, recommends deletion of the existing PSC 325 in its entirety and replaced with the proposed PSC 325. The rule, as proposed, is reasonable and necessary and should be adopted.

Proposed PSC 326

90. This rule outlines the permissible means of guaranteeing payment. The Commission contends that the existing rule appears to be in conflict with Minn. Stat. § 325.637 (1974) which was enacted by the 1974 legislature. This statute regulates utilities as to customer deposits. Subsection A.3. requires utilities to pay interest on deposits in excess of $20 at the rate of six percent per year. The Commission included this provision in the rule to reconcile the conflict between the existing PSC 326(a)(3) and Minn. Stat. § 325.637 (1974). The Legal

Aid Society of Minneapolis suggests that the phrase "compounded annually" should be inserted after the rate of interest of six percent per year, and that the phrase "in excess of $20" be deleted. They argue that deposit requirements should not be permitted to become a money-making proposition for the utilities and under the rule as proposed, they could. While the loss to a customer in an individual case might be small, the potential gain to the utility, when thousands of deposits may be pooled, is not. They argue that the proposed rule, including their proposed changes, would not place the rule in conflict with the statute because the statute does not prohibit paying interest on deposits under $20, nor does it prohibit compounding interest.

91. John H. Kraft, an attorney in Olivia, Minnesota, submitted a written comment to proposed PSC 326A.2. suggesting that an ambiguity must be corrected. The rule requires a deposit in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the utility. He points out that utility companies can and have attempted to require an individual who has filed bankruptcy to not only pay a deposit but also to pay the unpaid balance of an existing bill which has been extinguished in bankruptcy proceedings and is no longer a valid legal debt. He proposes that the rule be amended, and it is agreed that the rule should be amended to read:

> PSC 326 A.2. All deposits shall be in addition to payment of an outstanding bill or a part of such bill as has been resolved to the satisfaction of the utility, except where such bill has been discharged in bankruptcy.

That the rule, as amended, is necessary and should be adopted.

92. That the proposed PSC 326A.3. should be amended to include the aforementioned recommendations of the Legal Aid Society of Minneapolis. That the proposed rule, including these recommendations, is reasonable.

93. The proposed PSC 326A.7. provides that a utility shall not require a deposit of any customer without explaining in writing why that deposit or guarantee is being required and under what conditions, if any, the deposit will be diminished upon

return. Peoples Natural Gas Company states that a utility should always be willing to give a customer an explanation as to why a deposit is requested, but that this is not necessary for all customers, many of whom understand the reasons for the deposit request. This places an unnecessary burden on the utility for a practice which has been in general use by utilities for many years. They suggest that the first sentence of section 7 be revised to include the phrase "if requested by a customer", a utility will explain in writing why a deposit is being required.

This subsection, as proposed by the Commission, is not unreasonable and does not place an undue burden upon the utilities. If a customer is required to make a deposit, he is entitled to know, in writing, why that deposit is being required, and under what conditions, if any, the deposit will be diminished upon return. The rule, as proposed by the Commission, is necessary and reasonable.

That the proposed PSC 326, as amended above, is reasonable and should be adopted.

Proposed PSC 327

93. This rule relates to good credit and impermissible reasons for guaranteeing payment. The Commission states that the present deposit rules are deficient in that they fail to determine what constitutes good credit, and in order to correct this defect, proposed PSC 327 has been amended. The amendment provides that a utility may determine whether a customer has established good credit. The amendment allows the utility to collect a deposit from any person who has not established good credit with that utility. It further states that "marital status" cannot be used as a reason for determining whether or not a deposit should be required of a utility customer. This is in keeping with the current state law on discriminatory practices and procedures. The amendment does not require the utility to undertake an extensive and costly credit check of every applicant for new service.

94. The Legal Aid Society of Minneapolis suggests that the title of proposed PSC 327 should read: "Good Credit and Impermissible Reasons for Requiring a Guarantee of Payment." That

suggestion is reasonable and should be adopted by the Commission as the rule title.

The Legal Aid Society of Minneapolis also proposes that the title to proposed 327B should be amended to read: "Impermissible Reasons for Requiring a Deposit or a Guarantee of Payment." That recommended title change is reasonable and should be adopted by the Commission.

Peoples Natural Gas Company questions the criteria set forth in subsection A for good credit. They recommend a better criteria would be "those customers who have not paid after the discount date on more than one occasion during the past 12-month period." They assert that this information is readily available from existing records and would provide a reliable measure of a customer's credit.

95. That the proposed PSC 327 sets forth adequate criteria for determination of good credit and the rule as proposed by the Commission, is reasonable and should be adopted.

Proposed PSC 328

96. This rule is being deleted in its entirety. It is a definition rule that states that the terms "dispute" and "disconnect" are defined in PSC 303 and 295. However, an examination of those two rules will reveal that there is no definition of these words included in those rules. The Commission contends that it is not necessary to include definitions of these two words within the rules. That the proposed deletion is necessary and reasonable and should be adopted.

Proposed PSC 335

97. The Commission proposes to delete subsection (a) of the existing rule because it duplicates the requirement of PSC 281B, as proposed, and, in addition, the rule is being deleted because it is costly and impossible for the utility to keep current customer information booklets at every establishment where a customer may pay his bill. Many utility bills are paid at locations which do not operate under the control of the utility, such as drug stores, supermarkets, etc. The Commission contends that the customer has been adequately informed of his rights

and liabilities without the added expenses to companies pursuant to PSC 335(a). They also propose the deletion of subsection (b) in its entirety because it duplicates the requirement of PSC 281. In addition, the Commission contends that it is costly and next to impossible for a utility to keep signs at every establishment where a customer must pay his bill. The Commission also proposes that subsections (e) and (f) be deleted from the existing rule because they duplicate the requirements currently found in PSC 310B.

98. That PSC 335, as proposed, is reasonable and necessary and should be adopted.

CONCLUSIONS

1. That the Commission gave due, timely and proper notice of the hearing herein. All other substantive and procedural requirements of the statute and applicable rules have been fulfilled.

2. The Public Service Commission has statutory authority to adopt the proposed rules.

3. With the exceptions noted in the Findings, the Commission has demonstrated the need for and the reasonableness of the proposed rules.

Based upon the foregoing Conclusions, the Hearing Examiner makes the following:

RECOMMENDATION

That the proposed rules be modified as suggested in the Findings, and that as modified, they be adopted.

Dated this 16th day of May, 1977.

BERNARD SINGER
Hearing Examiner

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

Bernard Singer, being first duly sworn, hereby deposes and says:

That at the City of St. Paul, county and state aforementioned, on the 16th day of May, 1977, he did serve the Report of Hearing Examiner, PSC-77-011-BS A-8117-16

upon the individuals listed in the attached paper by personally handing to and leaving with Sharon Schmidt, an employee of the Public Service Commission, said Report of Hearing Examiner.

Bernard Singer

Subscribed and sworn to before me this 16th day of May, 1977.

Eileen A. Gaiovnik

EILEEN A. GAIOVNIK
Notary Public, Ramsey Co. Mn.
MY COMMISION EXPIRES
December 14, 1980

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MINNESOTA RULES AND REGULATIONS
RELATIVE TO LOBBYING EXPENDITURES
FOR GAS AND ELECTRIC REGULATION

CHAPTER ELEVEN - PSC 420-423

MINNESOTA PUBLIC SERVICE COMMISSION

DEPARTMENT OF PUBLIC SERVICE

PSC 420 Definitions Applicable to Lobbying Expenditures

For the purpose of PSC Rules 420-422, the following definitions shall apply:

A. "Commission" means the Public Service Commission.

B. "Lobbying Expenditure" means a purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing legislation or administrative action or supporting the election of any candidate to office. Lobbying expenditures also include the pro rata portion of salaries of lobbyists which represents the portion of their duties related to lobbying. Lobbying expenditures do not include any expense properly allowable under FPC Account 928, Regulatory commission expenses.

C. "Lobbyist" means any individual or association engaged for pay or other consideration or authorized by a public utility to spend money who spends more than five hours in any month or more than $250, not including travel expenses and membership dues, in any year, for the purpose of attempting to influence legislative or administrative action by communicating or urging others to communicate with public officials. Lobbyist does not include any person engaged in formal rate cases before a regulatory body.

D. "Public Utility" is defined in Minn. Stat. § 216B.02, Subd. 4 and shall also include municipally-owned utilities.

E. "Utility Non-operating Expense" means expenditures associated with activities other than those resulting from the regular activity of supplying energy and service to the consumer.

F. "Utility Operating Expense" means expenditures associated with the direct or regular activity of supplying energy and service to the consumer.

PSC 421 General Application

A. PSC Rules 420-422 apply to each public utility regulated under Minn. Stat. Chapter 216B including each municipally-owned utility.

B. Each public utility shall maintain accounts and records relating to lobbying expenditures and make them available for inspection by the Commission upon request.

PSC 422 Accounting Treatment-Lobbying Expenditures

A. Each public utility shall cause sub-accounts to be established for the sole purpose of recording lobbying expenditures.

1. Lobbying expenditures for utility operating expense shall be charged to a sub-account of Miscellaneous General Expenses.

2. Lobbying expenditures for utility non-operating expense shall be charged to a sub-account of Other Income Deductions.

B. The above accounts shall be effective the first day of January of the year following the year in which this regulation becomes effective for any expenditures subsequent to that date.

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Richard J. Parish	Chairman
Arlen I. Erdahl	Commissioner
Katherine E. Sasseville	Commissioner
Juanita R. Satterlee	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Electric and Gas Utilities. (Lobbying Rules)

DOCKET NO. A-8117-16
MINN. REG. PSC 420-423

REPORT AND ORDER

The matter of the proposed Minnesota Public Service Commission rules concerning lobbying expenditures for gas and electric utilities was heard before Bernard Singer, Hearing Examiner, on February 8, 1977, at 9:30 a.m. in the Large Hearing Room, American Center Building, St. Paul, Minnesota, after proper notice as required by Minnesota Statutes § 15.0412 (1976) had been served upon all persons registered with the Secretary of State for that purpose. All interested persons have been afforded an opportunity to present written and oral statements and arguments regarding these rules. Having considered all the evidence offered upon the records, files, and proceedings in this matter and in view of the applicable statutory standards, the Commission makes the following findings of fact.

FINDINGS OF FACT

1. Proposed Minn. Reg. PSC 420-423 relate to the reporting of lobbying expenditures of gas and electric utilities. They are similar to proposed Minn. Reg PSC 212G which applies to telephone utilities. The authority of the Commission to promulgate these rules is found under Minn. Stat. § 216B.08, and § 216B.10, subd. 3(3) and (4) (1976). The Commission has adopted the system of accounts found in the FPC Uniform System of Accounts for gas and electric utilities. This permits the subdivision of any account provided the integrity of the prescribed account is maintained. The purpose of any accounting system is that the financial condition of the utility, as well as the components of financial reporting, can be readily available and expressed in a consistent and meaningful manner. Under the proposed rules, the suggested subdivision of the accounts does not impair or alter the integrity of the accounts; and will assist the Commission in performing its functions.

2. The subdivision of accounts to record the utility's lobbying cost is necessary to expedite the reporting process. Without separate and identified accounts, the reporting of lobbying expenditures would be a lengthy and economically undesirable task. Separate, identified accounts are necessary to facilitate the investigation of lobbying expenditures for rate making purposes. Proposed Rule 420 sets out the definition of Commission, lobbying expenditure, lobbyist, public utility, utility non-operating expense, and utility operating expense. Proposed

Rule 421 provides for the general application of the rule. Subsection A provides the rule applies to each public utility regulated under Minn. Stat. Ch. 216B, including municipally owned utilities, and subsection B provides that each public utility shall maintain accounts and records relating to lobbying expenditures and shall make them available for inspection by the Commission upon request. Subsection C provides that each public utility shall report lobbying expenditures in accordance with proposed PSC Rule 423. Proposed Rule 422 provides that each public utility shall cause sub-accounts to be established for the sole purpose of reporting lobbying expenditures. Proposed Rule 423 provides for reporting requirements by the public utilities to the Public Service Commission. At hearing, Commission Staff proposed changes in the definition of lobbying expenditures and lobbyist.

3. The initiative for these proposed rules is, in part, a result of the 1976 Common Cause Report on the accountability of state public utilities commissions. The Common Cause Report identified Minnesota as one of 31 states who fail its accountability test. It identified a need for accounting changes and reporting requirements of lobbying expenditures to the Commission. Minnesota was one of 15 of 39 states that had no rule or statute requiring lobbying expenditures to be separately identified in the utility's accounts. The proposed rules are promulgated by the Commission in order to meet the need for accountability of lobbying expenditures incurred by public utilities.

4. The proposed rules are not an attempt to assert jurisdiction or to duplicate what is already required by other agencies. Nor are they intended to replace any reporting already performed by utilities. The Minnesota State Ethical Practices Board regulates lobbyists, not utilities, and the information filed with the Board is not an adequate substitute for the accounting treatment which would be explicitly required under the proposed rules. Only lobbyists are responsible for filing information with the Board; and thus there is no assurance that all information relevant to a utility's lobbying efforts can be derived from the lobbyists' reports. There is no requirement that lobbyists' salaries be reported to the Board. Salary information may not be relevant for the purposes of the Board, but it is relevant to rate making.

5. The Commission has attempted to follow the requirements and definitions set forth by the Board as closely possible. This should allow the utilities to meet the requirements of the Ethical Practices Board as well as the Public Service Commission without undue burden.

6. The State Ethical Practices Board filed written comments to the proposed rules stating that in 1974, the Board was charged under the Ethics in Government Act, Minn. Stat. Ch. 10(A), to provide and administer the first permanent lobbyist registration and reporting program in the history of Minnesota. The Act provides for registration and reporting by

individuals who are paid or authorized to spend money by another individual or association and who spend over five (5) hours in each month, or more than $250 in a calendar year, attempting to influence legislative or administrative action by communicating with or urging others to communicate with public officials. The statute further defines what is "administrative action" and who are "public officials". The law does not require associations or individuals retaining or employing the lobbyists to report. Salaries of lobbyists are not reportable disbursements, although the fees of paid expert witnesses and expenses incurred in securing such testimony are reportable.

7. The Board argues that the rules requiring reporting of utilities' lobbying activity by the Public Service Commission duplicates responsibilities and duties already being performed by the Board. The Board has spent two year promulgating rules, issuing advisory opinions, providing forms, and monitoring the reports of lobbyists' disbursements. The Board suggests that if the Commission requires a report from a utility of the total amount of lobbying expenditures in a calendar year, that the amount might be better based upon the disbursements presently being reported by that utility's registered lobbyists to the State Ethical Practices Board, rather than have the Commission attempt to duplicate the effort of the Board by setting up a parallel system of lobbyist registration and reporting. The Ethical Practices Board claims that it can provide the Commission with the total amounts spent lobbying by each utility.

8. Northern States Power Company opposes the adoption of the proposed rules for four reasons: (1) neither the Common Cause report nor the record in this rules' proceeding support the need for the proposed rules as expressed by the Commission; (2) the proposed rules duplicate the reporting requirements of the State Ethical Practices Board; (3) the proposed rules are not sufficiently clear to enable a utility to comply with them; and (4) the proposed rules conflict with the Uniform System of Accounts. NSP argues that the "lobbying expenditures" referred to in the Common Cause Report used the term "lobbying" in the most commonly understood sense; that is, the attempt to exercise influence by personal, informal communications and constant access. This meaning sharply contrasts with the meaning of "lobbying" in the proposed rules. The PSC has included all forms of communication and contacts, formal as well as informal, within the term "lobbying". NSP maintains that the PSC has misunderstood the Common Cause Report's criticism of the PSC and that this misunderstanding is reflected in the proposed rules. NSP further argues that the proposed rules do essentially duplicate the requirements of the Minnesota Ethics in Government Law with two minor differences between the statutory requirements and the requirements of the proposed rules. To the extent that the proposed rules apply to all other administrative proceedings in addition to rule making and plant siting cases, they exceed the requirements of the Ethics in Government

statute. Secondly, the proposed rules require the recording of salaries of representatives who attempt to influence legislative or administrative action.

9. NSP further raises questions regarding the interpretation of the proposed rules and contends that if the rules are adopted as proposed, the Commission will be forced into an administrative quagmire. NSP charges that the proposed rules conflict with the requirements of the Uniform System of Accounts. The expenses recorded in a sub-account of account No. 930 will create a two-fold conflict: 1) these expenses will be classified as "lobbying expenditures" which directly contravenes the current U.S.A. definition of such expenditures; and 2) recording these expenses under account no. 930 will mean they will not be recorded under accounts no. 920 and 923, the accounts in which the U.S.A. currently directs public utilities to record these expenditures. NSP proposes that the PSC issue a new set of rules which would incorporate a limited definition of the term "lobbying expenditures" and "lobbyists" and establish one new sub-account under account no. 426.4 in which public utilities would be required to record all lobbying expenditures as the term is defined in (a).

10. Otter Tail Power Company filed arguments opposing the proposed rules contending that they are unreasonable and a duplication of efforts by the State Ethical Practices Board. Otter Tail strenuously objected to the Public Service Commission entering into an area which has already been provided for by the legislature and assigned to an official agency of state government. They claim the information recorded by the Commission rules may be readily obtained from the Board. They further argue the definitions of lobbying expenditures and lobbyist in the proposed rules appears to exceed the definitions currently utilized by the Board's rules.

11. Minnesota Power & Light Company believes that the lobbying expenses are comprehensively reported to the State Ethical Practices Board and that any additional reporting represents a duplication of effort. They would not object to a rule which would require verifiable copies of reports filed by a regulated public utility with the Board being periodically filed with the Commission. MP&L contends that any other matters relating to the proper classification or treatment of lobbying related expenses should be more properly addressed during a rate case audit and the subsequent proceeding.

12. Interstate Power Company also argued the proposed rules do not adequately define the scope of activities and expenses to be embraced by the proposed reporting requirements. The proposed definitions are so broad and unlimited as to require disclosure which would be both meaningless in terms of identifying lobbying expenses and in direct conflict with the legislature's statutory definitions of lobbying and lobbying expenditures. Interstate argues that the Commission did intend for the rules to encompass activities and expenditures greatly beyond the scope of the existing ethics in government laws, which themselves are so

encompassing as to apply to activities beyond any common understanding of the term "lobbying". The Commission proposed the rules in response to the Common Cause Report, but Interstate contends that Common Cause is using the term "lobbying" in its most abused form to include "meals and gifts to Commissioners". They argue that the reporting requirements of Minn. Stat. Ch. 10(A) apply to a far broader scope of activities then seems to be encompassed in the Common Cause definition of "lobbying". For that reason, Common Cause is in error and is unreasonably harsh and critical of the Commission. Interstate questions a need for disclosure beyond that already required by Minn. Stat. Ch. 10(A). The fact that the Minnesota legislature has already specifically legislated on the matter of disclosure of lobbying expenditures constitutes a basic foundation of Interstate's objections to the proposed rules. It further argues that the specific authority given the Board with respect to lobbyist expenditure disclosures supercedes and pre-empts the general power and authority given the Commission. Interstate asserts that the information required by the Commission for rate making purposes is already adequately categorized on its records maintained in accordance with the Uniform System of Accounts, which system is maintained on a uniform basis by companies with multi-state operations such as Interstate.

13. The Hearing Examiner rejected proposed rules 420-423 because he found there did not appear to be adequate statutory authority for the rules and the rules were not needed or reasonable. He recognized that Minnesota was among the minority of states that had no rule or statute requiring lobbying expenditures to be separately identified in the utility's accounts but accepted the Ethics in Government Act, Minn. Stat. Ch. 10(A) as an adequate lobbyist registration and reporting program for Minnesota. Matters relating to the proper classification or treatment of lobbying related expenses could be addressed during a rate case audit and the subsequent proceeding. The Examiner found such sources of information should provide adequate information to determine expenditures by a utility for lobbying purposes.

14. The lobbying expenditure rules proposed for gas and electric utilities in Minnesota are similar to those proposed for telephone utilities. The Commission believes it necessary that gas and electric utilities should be subject to the same accounting treatment for lobbyists' expenditures as are telephone utilities. Thus, the Commission has amended the proposed rules 420-423 to conform with the amendments proposed for telephone utilities. The reporting requirements of rule 423 have been deleted and the remaining rules provide for the creation of sub-accounts in which lobbying expenditures shall be recorded. With these amendments it is the Commission's belief that much of the opposition, particularily to the duplication of the reporting requirements of the State Ethical Practices Board, has been answered. Recording the lobbying expenditures in separate sub-accounts will facilitate

monitoring the public utility's expenditures, particularily during rate case audits, and thus is a reasonable and necessary rule. The audit staff should not be required to look into many accounts to determine lobbying expenditures when its investigation can be better served by having these expenditures recorded in a specific sub-account.

15. In prescribing the accounting procedures for lobbying expenditures under the Uniform System of Accounts, the Commission has attempted to remain consistent with the laws and rules and regulations of the State Ethical Practices Act. However, its principal purpose in prescribing rules for accounting for lobbying expenditures is to provide information needed in reviewing rate cases and other financial filings made by the utilities. The scope of these rules is intended to cover those areas specifically set forth in the definition "lobbying expenditure" and "lobbyist". The Commission believes it necessary to reach those contacts, formal as well as informal, with public officials which attempt to bring private influence to bear upon a public decision. In reaching an inclusive definition of lobbying activities, the Commission wishes to make it clear that participation in pending rate cases is not to be considered lobbying activity. Contacts outside of rate cases or unrelated to rate case proceedings should be carefully scrutinized to determine whether the activity is lobbying.

16. In view of the above comments, and with the amendment to eliminate the objectionable reporting requirements, the Commission finds the proposed rules 420-422, as amended, are necessary and reasonable and shall be adopted.

CONCLUSIONS

1. The Commsision gave due, timely, and proper notice of the hearing held in this proceeding. All other substantive and procedural requirements of the statute and applicable rules have been fulfilled.

2. The Public Service Commission has statutory authority to adopt the proposed rules.

3. The Commission has demonstrated the reasonableness of and the need for the rules as finally adopted.

WHEREFORE, IT HEREBY ORDERED

ORDER

That the proposed rules 420-422, as amended, be, and are hereby, adopted.

BY ORDER OF THE COMMISSION

/s/ LEO J. AMBROSE
Secretary

SERVICE DATE: JAN 23 1978

(SEAL)

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Richard J. Parish	Chairman
Ruth R. Cain	Commissioner
Arlen I. Erdahl	Commissioner
Katherine E. Sasseville	Commissioner
Juanita R. Satterlee	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Electric and Gas Utilities. (Lobbying Rules).

DOCKET NO. A-8117-16
MINN. REG. PSC 420-422 */

AMENDED REPORT AND ORDER

The Minnesota Public Service Commission's proposed rules concerning lobbying expenditures for gas and electric utilities were adopted, as amended, by report and order of January 23, 1978. Paragraph 2 of the Findings of Facts of that Report and Order is hereby amended to add the following language at the end of the existing paragraph.

> "Lobbying expenditures" were amended to not include "any expense properly allowable under FPC account 928 regulatory commission expenses". Account 928 includes all expenses properly includible in utility operating expenses incurred by the utility in connection with formal cases before regulatory commissions. It also includes expenses of the Commission assessed against the utility. Thus, the Commission has adequate information of the utility's expenditures in formal cases. The exclusion of these expenses from lobbying expenditures was implicit when the Commission proposed these rules and the amendment now makes the Commission's intention clear.

THEREFORE, IT IS HEREBY ORDERED:

ORDER

The Report and Order of January 23, 1978, including the Amendment to Paragraph 2 of the Findings of Fact, and the proposed rules 420-422, as amended, be, and are hereby, adopted.

BY ORDER OF THE COMMISSION

/s/ LEO J. AMBROSE
Secretary

DATE: MAY 22 1978

(SEAL)

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*/ By amendment to the proposed rules, proposed rule 423 was deleted.

RULES RESOLUTIONS

A-8117-16 It was voted to adopt, pursuant to the authority vested in the Commission by Minn. Stat. Section 15.0412 (1976), Minn. Reg. PSC 420-422, otherwise identified as Gas and Electric Utilities Lobbying Rules. The Commission Secretary was directed to transmit the aforesaid rules to the Attorney General for approval.

A-8117-16 It was voted to amend the Report and Order adopted January 23, 1978 relating to gas and electric utilities lobbying rules by adding clarifying language to the end of paragraph 2. The Commission Secretary was directed to resubmit Minn. Rules PSC 420-422 to the Attorney General for approval.

CERTIFICATE OF COMMISSION'S

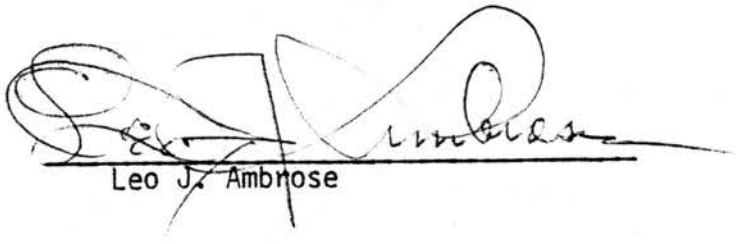
ADOPTION OF RULES RESOLUTIONS

I, Leo J. Ambrose, do hereby certify that I am Secretary of the Public Service Commission, a Commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of the resolutions adopted at a meeting of the Public Service Commission duly and properly called and held on the 23rd day of January 1978 and the 22nd day of May, 1978; that a quorum was present at said meetings; that a majority of those present voted for the resolution; that said resolutions are set forth in the minutes of said meetings and has not been rescinded or modified.

A-8117-16 It was voted to adopt, pursuant to the authority vested in the Commission by Minn. Stat. Section 15.0412 (1976), Minn. Reg. PSC 420-422, otherwise identified as Gas and Electric Utilities Lobbying Rules. The Commission Secretary was directed to transmit the aforesaid rules to the Attorney General for approval.

A-8117-16 It was voted to amend the Report and Order adopted January 23, 1978 relating to gas and electric utilities lobbying rules by adding clarifying language to the end of paragraph 2. The Commission Secretary was directed to resubmit Minn. Rules PSC 420-422 to the Attorney General for approval.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 24th day of May, 1978.



Leo J. Ambrose

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Richard J. Parish	Chairman
Arlen I. Erdahl	Commissioner
Ruth R. Cain	Commissioner
Katherine E. Sasseville	Commissioner
Juanita R. Satterlee	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities and Motor Vehicle Transportation.	DOCKET NO. A-8117-16 MINN. RULES PSC 420-423 (GAS & ELECTRIC LOBBYING RULES)

ORDER ADOPTING RULES

The above entitled matter came on for hearing before Hearing Examiner Bernard Singer on the 8th day of February, 1977, in the Large Hearing Room, American Center Building, 160 East Kellogg Boulevard, St. Paul, Minnesota 55101, after proper notice required by Minn. Stat. § 15.0412 (1976) was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and applicable statutory standards and having confirmed the need for the above captioned rules and the reasonableness thereof.

NOW, THEREFORE, IT IS ORDERED that these rules identified as Gas and Electric Lobbying Rules, Minn. Rules PSC 420-423, are adopted this 23rd day of January, 1978, pursuant to authority vested in me by Minn. Stat. § 15.0412 (1976).

BY ORDER OF THE COMMISSION

LEO J. AMBROSE
Secretary

(S E A L)

STATE OF MINNESOTA
OFFICE OF HEARING EXAMINERS

FOR THE MINNESOTA PUBLIC SERVICE COMMISSION

IN THE MATTER OF THE PROPOSED ADOPTION OF NEW RULES RELATING TO ELECTRIC AND GAS UTILITIES (LOBBYING RULES)	REPORT OF THE CHIEF HEARING EXAMINER

WHEREAS, a hearing was held on February 8, 1977, before Bernard Singer, a Hearing Examiner of the State Office of Hearing Examiners, on the above-entitled matter, in compliance with Minn. Stat. § 15.0412, Subd. 4; and

WHEREAS, the Report of Hearing Examiner made pursuant to Minn. Stat. § 15.052, Subd. 3, was issued to the Minnesota Public Service Commission on May 16, 1977; and

WHEREAS, the Minnesota Public Service Commission has now determined to adopt rules pursuant to Minn. Stat. § 15.0412, Subd. 4; and

WHEREAS, the Minnesota Public Service Commission submitted said rules to the Chief Hearing Examiner for review pursuant to Minn. Stat. § 15.052, Subd. 4, and Rule HE 107, on February 3, 1978; and

WHEREAS, the Chief Hearing Examiner, having reviewed the rules as proposed to be adopted, has found as follows:

1. Rule PSC 420 B. The Public Service Commission seeks to adopt the definition of "lobbying expenditure" identical to the rule as originally proposed with one exception. The last sentence in the rule: "Lobbying expenditures do not include any expense properly allowable under FPC Account 928, Regulatory commission expenses", is new language. In reviewing the Report and Order of the Commission submitted to the Chief Hearing Examiner, it is found that the Order fails to make an Findings or Conclusions with respect to this newly added language. As there are no Findings on this additional language, and as the Chief Hearing Examiner is without specific knowledge of what FPC Account 928 is, the Chief Hearing Examiner is unable to determine whether or not the addition of this language would be a substantial change under the criteria in Minn. Rule HE 108.

2. Rule PSC 420 C. The Commission seeks to adopt the rule as originally proposed with one exception. The Commission proposes to add the following: "Lobbyist does not include any person engaged in formal rate cases before a regulatory body." This sentence was not proposed in the Notice of Hearing and goes to a new subject matter of significant substantive effect, makes a major substantive change that was not raised by the original Notice of Hearing in such a way as to invite reaction at the hearing and results in a rule fundamentally different from that contained in the Notice of Hearing. Therefore, that sentence in the rule should either be withdrawn, or the Commission should not adopt the rule. The Commission should proceed to a new Notice of Hearing and hearing for purposes of receiving comment on this proposed amendment to the rule.

NOW, THEREFORE, upon receipt of this Report, the Minnesota Public Service Commission shall either withdraw the aforementioned sentences of the rules, reconvene the rule hearing pursuant to Minn. Rule HE 108, or resubmit Findings with respect to PSC 420 B (the added sentence). The Commission has the responsibility of submitting the complete hearing record and the rules as proposed to be adopted to the Attorney General and to publish in the State Register, all pursuant to Minn. Stat. § 15.0412, Subd. 4.

Dated this 6th day
of February, 1978.

DUANE R. HARVES
Chief Hearing Examiner

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Karl F. Rolvaag	Chairman
Ronald L. Anderson	Commissioner
Arlen I. Erdahl	Commissioner
Richard J. Parish	Commissioner
Katherine E. Sasseville	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities, and Motor Vehicle Transportation.

DOCKET NO. A-8117-16

NOTICE OF HEARING

NOTICE IS HEREBY GIVEN that a public hearing in the above-captioned matter will be held in the Large Hearing Room, Seventh Floor, American Center Building, 160 East Kellogg Boulevard, St. Paul, Minnesota 55101, on Tuesday, February 8 through Friday, February 11, 1977, commencing at 9:30 a.m. (CST) each day and continuing until all representatives of associations or other interested groups or persons have been given an opportunity to be heard.

The proposed rules will be heard as follows: Gas and Electric proposed rules on February 8; Telephone proposed rules on February 9; Weights and Measures proposed rules on February 10; and Motor Vehicle Transportation rules on February 11.

Any interested person, representative of an interested group or other parties affected may participate in the hearing. Statements, either oral or in writing, may be submitted at the hearing. Statements or briefs may be submitted by parties who do not appear at the hearing. The original of such material must be filed with Examiner Bernard Singer, Office of Hearing Examiners, 1745 University Avenue, St. Paul, Minnesota 55104 (phone: 612/296-8117). In addition, the record of the hearing will remain open for twenty (20) days following adjournment for the filing of such written statements or briefs.

The proposals, if adopted, would:

I.

Revise Minn. Reg. PSC 279-336 (Gas and Electric Utilities Customer Service Rules and Standards) to clarify ambiguous provisions, specify customer complaint procedures, eliminate cold weather disconnection prohibition, substantially change disconnect procedures and penalties, eliminate utility penalty in customer disputes, revise escrow procedures, expand required billing content, revise inaccurate meter and back billing provisions, limit responsibility for over and under-charges, revise deposit requirements.

NEW GENERAL CODE

G-A.2.
G-S.1.
G-S.2.
G-S.3.
G-S.5.2.2.
G-S.5.2.3.
G-S.5.3.1.
G-S.5.5.
G-S.5.6.
G-S.6.
G-S.7.
G-N.2.
G-UR.1.1.
G-UR.1.2.
G-UR.3.2.
G-UR.3.3.
G-UR.3.4.
G-UR.4.1.
G-UR.4.2.
G-UR.4.3.
G-UR.4.4.
G-UR.4.5.

NEW SCALE CODE

A.1.
S.1.1.
S.1.4.
S.1.4.1.
S.1.5.
S.1.6.
S.1.6.1.
S.1.6.2.
S.1.6.3.
S.1.6.4.
S.1.7.
S.1.7.1.
S.1.7.2.
S.2.
S.2.1.2.
S.2.1.3.
S.2.1.4.
S.2.1.5.
S.2.3.
S.2.4.
S.2.4.1.
S.2.5.
S.2.5.1.
S.2.6.
S.2.6.1.
S.2.10.
S.4.2.
S.4.3.
S.6.3.
S.6.4.
N.1.3.4.
N.1.3.5.
N.1.3.6.
N.3.
SR.3.
SR.4.
SR.4.1.
SR.4.2.
SR.5.
SR.6.
SR.7.
SR.7.1.
SR.7.2.
SR.8.
T.1.
T.1.1.
T.1.2.
T.1.3.
T.1.4.
T.1.5.
T.1.6.
T.1.7.
T.2.1.
T.2.2.
T.2.3.
T.2.3.1.
T.2.3.2.
T.2.5.
T.2.6.
T.2.7.
T.2.8.
T.2.9.
T.3.1.
T.3.2.
T.3.3.
T.3.4.
T.3.5.
T.3.6.
T.3.6.1.
T.3.6.2.
T.3.6.3.
T.3.8.
T.3.8.1.
T.3.8.2.
UR.1.1.
UR.1.1.4.
UR.1.1.5.
UR.1.1.6.
UR.1.1.7.
UR.1.1.8.
UR.2.3.
UR.2.4.
UR.2.5.
UR.2.6.
UR.2.6.1.
UR.2.6.2.
UR.3.1.
UR.3.2.1.
UR.3.5.1.
UR.3.5.2.
UR.4.1.
UR.4.3.
UR.4.4.

Entire Code on BELT-CONVEYOR SCALES.

NEW CODE ON WEIGHTS

A.1.
A.2.
A.3.

NEW CODE for LIQUID MEASURING DEVICES

A.1.
A.2.
A.3.
S.1.4.2.
S.1.4.4.
S.1.4.5.
S.1.4.6.
S.1.5.2.
S.2.1.
S.2.5.1.
S.2.6.
S.2.6.1.
S.2.6.2.
S.2.6.3.
S.2.6.4.
S.2.7.
S.2.7.1.
S.4.3.2.
N.1.
N.4.1.
N.4.2.2.
N.5.
T.1.1.
Table #1
UR.1.1.
UR.1.1.1.
UR.2.4.
UR.2.5.
UR.3.2.
UR.3.3.
UR.3.4.
UR.3.5.
UR.3.5.1.
UR.3.5.2.
UR.3.5.3.

NEW CODE for VEHICLE TANK METERS

A.1.
A.2.
A.3.
S.2.2.1.
S.3.
S.4.
S.4.1.
S.4.2.
S.5.
S.5.1.
S.5.2.
S.5.3.
S.5.4.
N.1.
N.4.1.1.
N.4.2.
N.4.3.
N.4.4.
Table #2
UR.1.3.
UR.2.2.
UR.2.3.

NEW CODE for LIQUEFIED PETROLEUM GAS/LIQUID MEASURING DEVICES

A.1.
A.2.
A.3.
S.1.1.5.
S.1.4.4.
(delete S.1.4.4. from old book)
S.2.6.1.
S.2.7.
S.3.1.
N.4.2.2.
UR.2.4.
UR.2.4.1.
UR.2.4.2.
UR.2.5.
UR.2.6.

FABRIC MEASURING DEVICES

A.1.
A.2.
A.3.
S.2.1.3.

NEW CODE for WIRE & CORDAGE MEASURING DEVICES

A.2.
S.1.
S.2.3.
S.3.3.
N.1.
N.2.
UR.1.1.
UR.2. (table #1 changed)
UR.2.2.
UR.2.3.
UR.2.4.

TAXIMETERS

A.3.
N.1.3.1.
UR.2.

NEW CODE for DRY MEASURES

A.1.
A.2.
A.3.
A.4.

NEW CODE for BERRY BASKETS and BOXES

A.2.

VII.

To eliminate in their entirety, Minn. Reg. PSC 106 pertaining to Coupled-in-Motion Weighing Systems of railroad freight cars, Minn. Reg. PSC 123 relating to Vehicle Tanks, and Minn. Reg. PSC 124 relating to provisions for sealing Liquid-Measuring Devices.

VIII.

Amend Minn. Reg. PSC 122 to provide a requirement that straight approaches to motor truck scales be hard surfaced in both ends of the scale.

IX.

Adopt a new rule to be designated Minn. Reg. PSC 128 providing for a voluntary registration of persons authorized to service commercial weighing and measuring devices. Such registrants would be authorized, after making necessary repairs, to remove official rejection tags or marks placed on a weighing or measuring device and allow such device to be placed in service until such time as an official inspection or test can be made. This proposed rule would further provide for reciprocity agreements with any other state or states having similar registration requirements; for the payment of a registration fee; the issuance of a registration certificate; certification of standards and testing equipment used by registrants; and publication of an official list of registered service persons.

the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

Pursuant to Minn. Stat. (1974) Section 10A.03, any individual who engages for pay or other consideration in representing persons or associations attempting to influence administrative action such as the promulgation of these rules, must register with the State Ethics Commission as a lobbyist within five days of the commencement by such individual of the activity.

BY ORDER OF THE COMMISSION

/s/ LAWRENCE J. ANDERSON
Secretary

DATED: December 30, 1976

(S E A L)

STATE OF MINNESOTA

COUNTY OF RAMSEY

MINNESOTA PUBLIC

SERVICE COMMISSION

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, and Motor Vehicle Transportation

DOCKET NO. A-8117-16

BRIEF OF NORTHERN STATES POWER COMPANY ON PROPOSED MINNESOTA RULES AND REGULATIONS RELATIVE TO LOBBYING EXPENDITURES FOR GAS AND ELECTRIC REGULATION CHAPTER 11, PSC 420 - 423

Northern States Power Company (hereinafter called "NSP" or the "Company") opposes the adoption of the proposed rules relative to lobbying expenditures for two reasons. First, neither the Common Cause Report on the Accountability (or lack thereof) of State Public Utility Commissions nor the record in this case support the need for the proposed rules expressed by the PSC. Second, the proposed rules create a conflict within the Uniform Systems of Accounts. The following discussion is submitted in support of the Company's opposition to the proposed rules.

A. Neither the Common Cause Report nor the record in this case support the need for the proposed rules expressed by the PSC.

In the Statement of Need accompanying proposed PSC Rules 420 - 423, the Minnesota Public Service Commission

(hereinafter called "PSC") stated that the proposed rules were being "promulgated in order to meet the need for accountability of lobbying expenditures incurred by public utilities," and to enable the Commission "to determine the reasonableness and the propriety of the expense in relation to the revenue requirements of a public utility." This need is apparently based upon the finding of the Common Cause Report that the PSC, along with 30 other public utility commissions, had failed the Common Cause Accountability Test. The PSC did not offer any other facts or documents to support this need either in the Statement of Need or at the hearing on February 8, 1977.

At the outset, it is critically important to understand the difference between the meaning which the Common Cause Report attributes to the term "lobbying" and the meaning which the PSC's proposed rules give to that term.

In referring to "lobbying expenditures," the Common Cause Report used the term "lobbying" in the most commonly understood sense; that is, the attempt to exercise influence by personal, informal communications and constant access. Indeed, all of the "lobbying" examples (i.e., duck hunting and fishing trips) which the Common Cause Report discussed involved informal contacts and extravagant attempts to purchase the goodwill of state public utility commissions or state executives who appoint

commissioners. A statement made by the Indiana Public Interest Research Group and cited by the Common Cause Report clearly reflects the meaning which Common Cause attributes to "lobbying":

> "What can develop from such informal contacts is a 'community of interests' and an increasing sympathy for the plight of the utilities. In such informal settings, the PSCI [Public Service Commission of Indiana] personnel are continually exposed to the plight of the utilities."

It is clear from this quotation that the Common Cause Report does not consider formal communications with a public utility commission to be "lobbying." This meaning contrasts sharply with the meaning of "lobbying" in the proposed rules. The PSC has included all forms of communications and contacts, formal as well as informal, within the term "lobbying." The fact that the Statement of Need and the proposed rules have not used the term "lobbying" in the same sense as it is used in the Common Cause Report is critical because the term "lobbying" modifies the word "expenditure" and, therefore, plays a very meaningful part in the scheme of the proposed rules. The Common Cause Report considered a "lobbying" expenditure to be money spent in the course of "informal" communications and contacts -- the classic behind-the-scenes form of spending money to influence public utility commission officials in order to obtain favorable

decisions. This is the meaning which should have been given to "lobbying" in the proposed rules if those rules were to reflect the meaning of the term as it was used in the Common Cause Report.

NSP maintains that the PSC has misunderstood the Common Cause Report's criticism of the PSC and that this misunderstanding is reflected in the proposed rules.

The Common Cause Report did not criticize the PSC for its failure to require a public utility to report and keep account of all expenditures made in the course of all agency proceedings in which it becomes involved. On the contrary, in its Summary, the Report states that the accountability test was designed in order to judge:

> "... whether the decision-making processes of state PUC's are open and accessible to the citizens and whether adequate precautions are taken to guard against conflicts of interest and lobbying pressures. . ." [Emphasis added]

The focus of the Common Cause Report's concern was specifically upon those expenditures made by a public utility in the course of an informal contact to influence a public utility commission. The Common Cause Report did not concern itself with public utility expenditures made during formal proceedings before public utility commissions.

NSP maintains that the Common Cause Report and the testimony in the record in support of the proposed rules do not support the broad scope of the proposed PSC rules. At best, the Report and the record only establish a need to control and disclose expenditures made by Minnesota public utilities in the course of informally communicating with or contacting members or staff of the PSC.

B. The proposed rules create a conflict within the Uniform System of Accounts.

In the Statement of Need which the PSC filed in support of the proposed PSC Rules 420 - 423, the PSC correctly stated that the General Instructions of the Uniform System of Accounts ("U.S.A") permit the addition of subdivisions to the prescribed accounts if "the integrity of the prescribed accounts is not impaired." (See 18 CFR Part 101, General Instructions, Section 2, Subsection D) The PSC also stated, in NSP's view incorrectly, that the PSC's proposed subdivisions of certain prescribed accounts do not impair or alter the integrity of the accounts in any manner. In NSP's opinion, the proposed subdivision of Account No. 930.2 does impair the integrity of Account 930.2 as well as two other accounts. The basis of NSP's opinion is that the definition of "lobbying expenditure" in proposed PSC 420 and the definition of

"lobbying expenditure" in the U.S.A. are wholly inconsistent.

Proposed PSC Rule 420 B defines "Lobbying Expenditure" as follows:

> "'Lobbying Expenditure' means a purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made for the purpose of influencing legislation or administrative action or supporting the election of any candidate to office. Lobbying expenditures also include the pro rata portion of salaries of lobbyists which represents the portion of their duties related to lobbying. Lobbying expenditures do not include any expense properly allowable under FPC Account 928, Regulatory commission expenses."

U.S.A. Account No. 426.4, entitled "Expenditures for Certain Civic, Political and Related Activities," states the U.S.A. definition of "lobbying expenditures" and reads as follows:

> "This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances (either with respect to the possible adoption of new referenda, legislation or ordinances or repeal or modification of existing referenda, legislation or ordinances) or approval, modification, or revocation of franchise; or for the purpose of influencing the decisions of public officials, <u>but shall not include such expenditures which are directly related to appearances before regulatory or other governmental bodies in connection with the reporting utility's existing or proposed operations</u>." (Emphasis added)

It is patently evident from a reading of the two foregoing definitions that the U.S.A. does <u>not</u> include within its

definition of "lobbying expenditure" expenditures which are made in the course of formal proceedings before a regulatory* or any other administrative body. The foregoing underscored language clearly indicates that under the U.S.A., expenditures made by a public utility in the course of a proceeding before a regulatory* body or any other governmental body (i.e., any other administrative agency) in connection with existing or proposed operations are not "lobbying expenditures."

In stark contrast, utility expenditures made in the course of formal proceedings regarding existing or proposed operations as well as those made in the course of informal communications are included within the proposed PSC definition of "lobbying expenditure." Obviously, the two definitions conflict, and this conflict in definitions is very significant because the way that expenditures are defined determines the accounts in which they are recorded.

Under the U.S.A. definitions, public utility expenditures incurred in the course of regulatory* or administrative proceedings are recorded in certain accounts located within the general classification "Administrative and General Expenses." Account

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* Public Utility Commission

No. 920, entitled "Administrative and General Salaries, and Account No. 923, entitled "Outside Services Employed" are the accounts in which expenses for non-regulatory administrative proceedings are recorded. Account No. 928, entitled "Regulatory Commission Expenses" is the account in which expenses for regulatory* proceedings are recorded. None of these expenses is considered a "lobbying expenditure" under the U.S.A.

Under the PSC proposed rules, however, the foregoing expenditures which are now recorded in Account Nos. 920 and 923 will have to be recorded in a separate sub-account under U.S.A. Acount No. 930.2, Miscellaneous General Expenses. This approach clearly contravenes the U.S.A. General Instructions and definitions.

The foregoing discussion firmly establishes that adoption of the PSC definition of "lobbying expenditure" and the requirement of recording "lobbying expenditures" in a sub-account of Account No. 930.2 will create a twofold conflict. First, the expenses recorded in that sub-account will be classified as "lobbying expenditures" in direct contravention of the current U.S.A. definition of such expenses. Secondly, recording these expenses under a sub-account of Account No. 930.2 will mean that they will not be recorded under Account Nos. 920 and 923, the

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* Public Utility Commission

accounts in which the U.S.A. currently directs public utilities to record these expenditures.

CONCLUSION

The foregoing discussion demonstrates that PSC 420 - 423 cannot be adopted in their present form. Clearly, they have been drafted and proposed without adequate consideration being given to either the underlying need they are intended to address or to their inconsistency with the currently existing definitions and classifications of the U.S.A. Accordingly, NSP vigorously opposes adoption of PSC 420 - 423.

RECOMMENDATION

NSP believes that the PSC should focus its attention upon the substantive evil addressed by the Common Cause Report -- extravagant informal attempts by public utilities to obtain the goodwill of public utility commissions. Therefore, NSP recommends that the Attorney General reject proposed PSC 420 - 423 and recommend that the PSC issue a new set of proposed rules which would, among other things, incorporate the following:

(a) A definition of the term "lobbying expenditure" which would include only those expenses made in the course of attempts to obtain the favor of the members and staff of the PSC (and no other state agency) through informal contacts and communications. Such a definition should specifically exclude expenditures made on those occasions when either a utility or the

PSC requests an informal opportunity to obtain necessary information or to discuss or exchange viewpoints on subjects relevant to the utility business.

(b) A definition of the term "lobbyist" which includes only those individuals who attempt to obtain PSC goodwill as described in (a).

(c) Establishment of a new sub-account under Account No. 426.4 in which public utilities would be required to record all "lobbying expenditures" as that term is defined in (a).

Respectfully submitted,

NORTHERN STATES POWER COMPANY

By _____
John P. Moore, Jr.
Its Attorney

Dated: March 31, 1978.

PSC Exhibit No. 5
File No. PSC-77-011
Date 2/8/77

RECEIVED
JAN 14 1977
OFFICE OF HEARING EXAMINERS

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

CERTIFICATION

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities, and Motor Vehicle Transportation.

Docket No. A-8117-16

H.E. No. PSC-77-011

I hereby certify that the attached 503 labels & one sheet constitute the complete list of persons, associations, and other interested groups who as of 7:45 o'clock, a.m. this 28th day of December, 1976, have requested pursuant to M.S. 1971, Section 15.0412, that their names be placed on file with the Secretary of State for the purpose of receiving notice of public hearing on proposed rules on the subject captioned above.

Joan Anderson Growe
JOAN A. GROWE
SECRETARY OF STATE

By: Cecil Dion

PUBLIC SERVICE

Anderson Trucking Service, Inc., 203 Cooper Ave.No., St. Cloud 56301

Barrett, Colin,Gen.Services Adm.,Transp.& Communications Serv.,Washington,DC 20405

Bowar, C. L., Minnesota AAA, Burnsville 55378

Cassidy, Adrian, C.,N.W. Bell Tel.Co.224 S. 5th St.,Mpls. 55402
Crist, L. J., 805 Jeffries, Cherokee, Ia. 51012

Dickinson, A. James 1200 NW Natl Bk Bldg., 55 E. 5th St.,St. Paul 55101

Greater Mpls Chamber of Comm. (Traffic Dept) 15 S. 5th St.,Mpls. 55402

Great Northern Railway Company,Law Dept.,Rm.1120,175 E. 4th St.,St.Paul 55101

Higgins, J.C., Brotherhood Rwy. Clks.,2317 W. 7th St., Duluth 55802

Johnson, Gene P., 514 First Natl Bk Bldg., Fargo, N.D. 58102

Logman, F. F. Swift & Co. So. St. Paul 55075

Nieman, Charles E., 1160 Northwestern Bk Bldg., Mpls. 55402
Pooler, Albert L., Minn. Gas Co., 733 Marq. Ave.,Mpls.,MN 55402
Port Authority of City of St. Paul, 60 E. 4th St., St.Paul 55101

Rahr, Frederick, 8301 W. 108th St., Bloomington 55438

Sommers, Gene R., 414 Nicollet Mall, Mpls.,Mn. 55422

John Allers, 1501 W. 80th St., Suite 210, Bloomington, MN 55431

Western Oil & Fuel Company, Att: J.W.Powers, 227 Colfax Av.No.,Mpls.55405

TRUCK & BUS DIVISION

Amalgamated Transit Union,Div.1150,AttnO.V.Clausen,517 Produce BKBLDG,Mpls.5540

Lehman Transport, 1482 Como, St.Paul 55113

Suburban Transports, Inc., 721 Plymouth Av,,Mpls. 55411

Wilson Transport Service, 1634, Quentin, Mpls. 55416

ALLENDORF MARSHALL
220 GRAIN EX 400 S 4TH
MPLS MN
55415

AMER CAMPING ASSN
3639-21/2 ST N
MPLS MN
55418

ANDERSON GRAHAM
951 E HENN
MPLS MN
55414

ANDERSON HERBERT
418 8TH ST. SO.
VIRGINIA MN
55792

ANDERSON MARY
4425 RUTLEDGE AVE
EDINA. MN
55436

ANDERSON STANFORD P
14600 MINNETONKA BLVD
MINNETONKA MN
55343

ANTI-TRUST DIV.ATTY GEN.
160 STATE OFF BLDG
ST PAUL MN
55155

ARNOLD ROBERT MESPA
41 SHERBURNE
ST PAUL MN
55103

ARVER JOHN A
2467 COHANCY
ST PAUL MN
55113

ASMUSSEN,DENNIS,MPIRG
3036 UNIV AVE SE
MPLS MN
55414

ASSN RESIDENCES FOR RETARDED
459 RICE SUITE 301
ST PAUL MN
55103

AUTOMOBILE MFRS ASSN INC
55 SHERBURNE AVE
ST PAUL MN
55103

BADALICH JOHN P
2025 THOMPSON AVE
SO ST PAUL MN
55075

BARRETT FRED
ST LOUIS CO COURT HOUSE
DULUTH MN

BECK PAT
953 HYACINTH AVE
ST PAUL MN
55106

BEECHER EVERETT
10 10 1ST ST SO
HOPKINS MN

BENSONI PETER USW OF AM.
609 PROVIDENCE BLDG.
DULUTH MN

BERGERUD ALF
300 ROANOKE BLDG
MPLS MN
55402

BEST FLANAGAN ET AL
4040 IDS CENTER
MPLS MN
55402

BEUTEL ROBERT
2200 SILVER LAKE RD
NEW BRIGHTON MN
55112

BLOOMINGTON CITY CLERK
2215 W OLD SHAKOPEE RD
BLOOMINGTON MN

BOLTON MALCOLM
422 ALDRICH AVE NO
MPLS MN

BRICK PHILIP D
807 SELLWOOD BLDG
DULUTH MN
55802

BRIGGS & MORGAN - B F FRI
2200 W 1ST NATL BK BLDG
ST PAUL MN
55101

BROOKS WILLIAM F JR
854 MIDLAND BK BLDG
MPLS MN
55401

BROWN D M GOODRIDGE PUB S
IND DIST #561
GOODRIDGE MN
56725

BRUNING C.R.DEPT.CLINIC.EXP.
BURTON HALL
MPLS. MN
55455

BUSCH NOEL
SUITE 705 510 MARQUETTE
MPLS MN
55402

BUR.ENGR.IND.DIV. MR.KIBIGER
219 N. 2ND ST.
MPLS. MN

BUR NATL AFFAIRS INC
1231 25TH ST NW
WASHINGTON DC
20037

CAIN RUTH
730 E 38TH ST
MPLS MN
55407

CAIRNS JOHN A
47TH FLR IDS CENTER
MPLS MN
55402

CARRISON DALE K
MANKATO STATE COLLEGE
MANKATO MN
56001

CARTER LOCEY & ASSOC
2353 N RIDE ST
ST PAUL MN
55113

CHAMBER OF COMMERCE
30 SO 1ST AVE EAST
ELY MN
55731

CHAMBERLAIN JOHN L
PO BOX 241
MPLS MN
55440

CHRISTIANSEN FREDRIK
RM 505 CAPITOL SQ BLDG
ST PAUL MN
55155

CHRYSALIS CENTER FOR WOME
2104 STEVENS AVE S
MPLS MN
55404

CITY OF ROBBINSDALE
C LARSON 4221 LAKE RD
ROBBINSDALE MN
55422

CLARKSON J.B.
2350 I.D.S. CENTER
MINNEAPOLIS MN
55402

COLEMAN NICHOLAS
208 STATE CAPITOL
ST PAUL MN
55155

COLLIN LAURENCE
RT 2
ISANTI MN
55040

CONSUMER SERVICES DEPT COMM
5TH FLR METRO SQ BLDG
ST PAUL MN

COUNTY ATTYS COUNCIL
95 SHERBURNE AVE S203
ST PAUL MN

27

CUSHMAN J S DAYTON HUDSON
700 NICOLLET MALL
MPLS MN
55402

DANKERS, KENNETH
1200 WEST FOURTH STREET
RED WING MN
55066

DANIELSON RODNEY L
418 AUDITORIUM
ST PAUL MN
55102

DICKINSON MRS JOANNE
BOX 1065
MARSHALL MN
56258

DIEHL JOHN
26 KENWOOD PKWY
ST PAUL MN
55105

DOUGLAS BELL ET AL
2212 AM.NATL BK BLDG
ST PAUL MN
55102

DOW CHEMICAL
47 BLDG
MIDLAND MI
48640

DZUGAN KEN ST PAUL PLANNING
421 WABASHA ST
ST PAUL MN
55102

EICHTEN DANIEL
3794 HAZEL
WHITE BEAR LK MN
55110

ELDER DR JAMES B
11140 WASHBURN AVE SO
BLOOMINGTON MN
55431

EMERICK RICHARD A
1908 IDS CENTER
MPLS MN
55402

ENGELBRECHT DOUGLAS
809 RANGE ST
NO MANKATO MN
56001

ERDMAN ROGER TENNANT CO
701 N LILAC DR
MPLS MN
55441

ERNEST K LEHMANN & ASSOC.
1409 WILLOW ST.
MPLS MN
55403

EVANS CHAS.L. PRENTICE-HALL
ENGELWOOD CLIFFS
NEW JERSEY

EWALD DOUGLAS MINN HOSP A
2333 UNIV AVE SE
MPLS MN
55414

FAEGRE & BENSON ATTN LIBR
1300 NW BANK BLDG
MPLS MN
55402

FARMERS ELEVATOR ASSN
852 GRAIN EXCH BLDG
MPLS MN
55415

FILTER LOREN
BOX 36
BRITT MN

FINLEY JAMES F
920 MINN BLDG
ST PAUL MN

FLEMING FREDERICK A
1860 HIGHLAND PARKWAY
ST PAUL MN
55116

FLADLAND CLINT MN L&P BUR
795 RAYMOND AVE
ST PAUL MN
55114

FOX W.E. LINDQUIST & VENNUM
4200 IDSCTR 80 S.8TH ST
MINNEAPOLIS MN
55402

FRANKLIN ROBERT B MPLS TR
426 PORTLAND
MPLS MN
55415

FREDRIKSON BYRON ET AL
47TH FLR IDS CENTER M
PLS MN
55402

FRISON FRANK NECA
RM 305 200 SO ROBERT
ST PAUL MN
55107

GARDNER HDW - R A JOHNSON
515 WASHINGTON AVE N
MPLS MN
55401

GEBERT K L
220 GRAIN EXCH
MPLS MN
55415

GLEESON MICHAEL
909 SOC SC BLDG U OF M
MPLS MN
55455

GLEN. HILLS HOSP.R.VAN HA
3901 GOLDEN VALLEY RD.
MPLS. MN
55422

GRAHAM THOS H
854 MIDLAND BK BLDG
MPLS MN
55401

GRANATH MARVIN -HONEYWELL
2701 4TH AVE SO
MPLS MN
55408

GREEN GARY J
41 SHERBURNE AVE
ST PAUL MN
55102

GREEN JANET
9773 N SHORE DR
DULUTH MN
55804

GUSTAFSON WALLACE
BOX 567
WILLMAR MN
56201

HANFT PHILIP M
1200 ALWORTH BLDG
DULUTH MN
55802

HANSON ETHEL
2813 85TH AVE N
MPLS MN
55444

HAUN DR J W GEN MILLS
PO BOX 1113
MPLS MN
55440

HAYES, THOMAS W
700 SELLWOOD BLG
DULUTH MN
55812

HARTFELDT WILL
434 HAMM BLDG
ST PAUL MN

HAVEN ROBT TWIN TN TREATM
1706 UNIV AVE
ST PAUL MN

HEANEY BILL
30 W SUPERIOR ST
DULUTH MN
55802

HEARING EX.OFF. M GREENBE
1745 UNIV AVE
ST PAUL MN
55104

HEISENFELT WM
BOX 516
BEMIDJI MN
56601

HELTZER JAMES DAYTON HUDS
777 NICOLLET MALL
MPLS MN
55402

HILL JIM ASSOC.MILK PROD.
7850 METRO PARKWAY
MINNEAPOLIS MN
55420

HINRICHSEN PATRICK
MANKATO FREE PRESS
MANKATO MN
56001

HOLMES EUSTIS ET AL
4610 IDS CENTER
MPLS MN
55402

HOPKINS WM.B. DIR.MISCCA
3915 GOLDEN VALLEY ROAD
GOLDEN VALLEY MN
55422

HOUSE APPROPRIATIONS COMM
RM 109 STATE CAPITOL
ST PAUL MN
55101

HULSTRAND ANDERSON & LARS
PO BOX 130
WILLMAR MN
56201

HUSEBYE, CRAIG J.
5036 FRANCE S.
EDINA MN
55410

HUTCHISON R.M. ANOKA CO.C
COURT HOUSE
ANOKA MN
55303

ILLINGWORTH ROBERT C
6750 FRANCE AVE S RM290
MPLS MN

INS FED OF MINN
902 SOO LINE BLDG
MPLS MN
55402

INTERSTATE POWER RW STEEL
1000 MAIN ST
DUBUQUE IA
52001

IZAAK WALTON MN DIV
111 E FRANKLIN RM-210
MPLS MN
55404

JENOS INC
525 LAKE AVE SO
DULUTH MN
55801

JENSEN ARTHUR,CITY CLK
2215 W OLD SHAKOPEE RD
BLOOMINGTON MN
55431

JOHANSEN BUS SERV INC
19 DAYTON RD
CHAMPLIN MN

JOHNSON & SANDERSON
ST MARYS HOSPITAL
ROCHESTER MN

JOHNSON LEROY
9939 BLUEBIRD ST NW
COON RAPIDS MN
55433

JOHNSON M.D. FRUNDT & FRU

BLUE EARTH MN
56013

KABLE RICHARD W

BETHEL MN
55006

KAVANEY RICHARD
1220 NORTHERN FED BLDG
ST PAUL MN
55102

KEILY DANILE
3549 V2 PLEASANT AVE
MPLS MN
55408

KIMBALL ROBERT
647 CAPITOL SQ BLDG
ST PAUL MN
55101

KLUZ STEVEN J
1910 1ST NATL BK BLDG
MPLS MN
55402

KNAPP J A
RM 3 CAPITOL
ST PAUL MN
55155

KNUTSON R N GRANNIS ETAL
F J SCHULT BLDG
ST ST PAUL MN
55075

KNVDSON ROBT
4375 BROWNDALE AVE
MPLS MN
55424

KRAMER ERNEST W
717 DELAWARE ST SE
MPLS MN
55440

KROEGER CHARLES
122 NW 7TH STREET
FARIBAULT MN
55021

KUHL CARL
4421 4TH ST NE
COL HEIGHTS MN
55421

KVB ENGINEERING INC
600 S CO RD 18
MPLS MN
55426

LAKE SUPERIOR INDUSTRIAL BUR
828 FIRST AM. BK. BLDG.
DULUTH MN
55802

LANAHAN E F - SIBLEY CO
184 E 6TH ST
ST PAUL MN
55101

LAPP LAZAR LAURIE ET AL
1200 BUILDERS EXCHANGE
MINNEAPOLIS MN
55402

LARSON C L
3800 MINNEHAHA AVE SO
MPLS MN
55406

LEAGUE WOMEN VOTERS OF MINN
555 WABASHA
ST PAUL MN
55102

LEG.REF.LIB-Z. DEWITT
RM 111 STATE CAPITOL
ST PAUL MN
55155

LINDALL & JONATHAN DEVELOP.
VILLAGE ONE CENTER
CHASKA MN

LOCKNER GARY
R R 1 BOX 23
BAUDETTE MN

LUTH SOC SERVICE OF MN
2414 PARK AVE
MPLS MN
55404

LYNCH DONALD SIBLEY CO
184 E 6TH ST
ST PAUL MN
55102

MALONE E I COMM LABOR & INDU
444 LAFAYETTE RD 5TH FL
ST PAUL MN
55101

MANKATO STAT STUDENT SENA
CENTENNIAL STUDENT UN
MANKATO MN
56001

MANTHEY T J PICKANDS MATHER
1100 SUPERIOR AVE
CLEVELAND OH
44114

MARRINAN MARGARET M
1117 COMMERCE BLDG
ST PAUL MN
55101

MAYO FOUNDATION G ORWOLL
200 FIRST AVE NW
ROCHESTER MN
55901

MCDONALD PHILIP M
2077 SELBY AVE
ST PAUL MN
55104

MCLELLAN LARKIN
215 ADM BLDG ST CAPITOL
ST PAUL MN
55101

MECCA
867 GRAND AVE
ST PAUL MN
55105

MET TFR MEN ASSN A ROSENTHAL
1821 UNIV AVE
ST PAUL MN
55104

METROPOLITAN COUNCIL LIBR
300 METRO SQUARE
ST PAUL MN
55155

MIDLAND GLASS-HD SPURLING
PO BOX 69
SHAKOPEE MN
55379

MILLER PAUL J PHARMACY SE
ST MARYS HOSP
ROCHESTER MN
55901

MINN APT ASSN
GRIGGS-MIDWAY BLDG
ST PAUL MN
55104

MINN ASPHALT PAVEMENT ASS
555 WABASHA RM 209
ST PAUL MN
55102

MINN. ASSN. PET RETAILERS
1115 2ND AVE. SO.
MINNEAPOLIS MN
55403

MINN ASSN VOL SOC SERVICE
1821 UNIV SUITE 389
ST PAUL MN
55114

MINN CHAP ASSOC BLDRS-CONTRS
7204 W 27TH ST
MPLS MN
55426

MINN COMM FOR HANDICAPPED
METRO SQ 492 7TH & ROBT
ST PAUL MN
55101

MINN DEPT HEALTH J C MCKASY
717 DELAWARE S E
MPLS MN

MINN FARMERS UNION PRES O
1275 UNIV AVE
ST PAUL MN

MINN HEREFORD-LJ SCHAFER

BUFFALO LAKE MN
55314

MINN LAND USE COMMITTEE
4344 IDS CENTER
MPLS MN
55402

MINN PETROLEUM COUNCIL
1020 NORTHERN FED BLDG
ST PAUL MN
55102

MINN RESTAURANT ASSN
2001 UNIVERSITY AVE.
ST PAUL MN
55104

MINN SOC CERTIFIED PUB ACCTS
1102 WESLEY TEMPLE BLDG
MPLS MN
55403

MINN STATE RETIREMENT SYSTEM
529 JACKSON ST
ST PAUL MN
55101

MINN VETERANS MED ASSN
2175 W HWY 36
ROSEVILLE MN
55113

MN AFL-CIO L.O. LASHOMB
175 AURORA
ST PAUL MN
55103

MN SOC SERV ASS J HOOD
614 PORTLAND
ST PAUL MN
55102

MORTON BUILDINGS INC
R #1
FOLEY MN
56329

MPLS STAR PRESS ROOM
STATE CAPITOL
ST PAUL MN

MINN. HOTEL & MTR. ASSN
2001 UNIVERSITY AVE
ST PAUL MN

MINN LP GAS ASSN
7515 WAYZATA BLVD 106
MPLS MN
55426

MINN POLLUTION CONTROL AG
1935 W CO RD B2
ROSEVILLE MN
55113

MINN RETAIL FED INS
131 METRO SP
ST PAUL MN
55101

MINN STATE BAR ASSN
100 MINN FED BLDG
MPLS MN
55402

MINN TEAMSTERS CREDIT UNI
2021 HENN AVE E
MPLS MN
55413

MINN WATER RESOURCES BD
RM 206 555 WABASHA ST
ST PAUL MN
55102

MN.BD OF NURSING
717 DELAWARE ST SE
MPLS MN
55414

MN STATE SER BLIND-K NATA
1745 UNIVERSITY AVE
ST PAUL MN
55104

MPIRG
BOX 45 ST MARYS COLLEGE
WINONA MN
55987

MPLS TRIBUNE CITY DESK
425 PORTLAND AVE
MPLS MN

NASS GEO V HENN CO GEN HO
5TH AND PORTLAND AVE
MPLS MN
55415

NATL FAMILY INS CO
2147 UNIV AVE
ST PAUL MN
55114

NAT'L SOLID WASTES-R. GRA
1730 RHODE ISLAND AV.NW
WASHINGTON DC
20036

NEREN MADONNA
376 NEAL AVE S
AFTON MN
55001

NEUMAN RALPH W
RT 2 BOX 125
EMBARRASS MN
55732

NORTH CENTRAL ELEC ASSN
PO BOX 202
BATTLE LAKE MN
56515

NUGENT, CYNTHIA L.
3581 OWASSO ST #209
ST PAUL MN
55112

NURSING HOME RES ADV CO.
111 E FRANKLIN S210
MPLS MN
55404

NUTTER JULIA
743 W MONTANA
ST PAUL MN
55117

NYQUIST DEAN A
3707 53RD PL N
BROOKLYN CTR MN
55429

OLD COLONY GAS & OIL COMPANY
17TH AVE N AT 2ND ST
MPLS MN
55411

OLOFSON ARTHUR MBO & MAI
927 SOO LINE BLDG
MPLS MN
55402

OTTER TAIL POWER CO.
215 S. CASCADE ST.
FERGUS FALLS MN
56537

PAYNE WM B
2400 FIRST NATL BK BLDG
MPLS MN
55402

PETERSON GARY
854 MIDLAND BK BLDG
MPLS MN
55401

PHILLIPS LEGISLATIVE SERVICE
459 RICE ST
ST PAUL MN
55103

PINNETTI NICK M HALEY & A
40 CENTRAL PARK S
NEW YORK NY
10019

PORTER LYLE O

PORT AUTH CITY OF ST PAUL
330 MINNESOTA BLDG

PRAUSE JOS.C.
2220 105TH AVE.N.W.
COON RAPIDS MN
55433

PROCTOR&GAMBLE L THEOHAR
IVORYDALE TECH CENTER
CINCINNATI H
45217

RADMAN RICHARD-LABOR TEMP
418 AUDITORIUM
ST PAUL MN
55102

RAMSEY CO MEDICAL SOC
908 AM NATL BK BLDG
ST PAUL MN
55101

RAUENHORST CORP-C ANDERSO
7900 XERXES S. S-2200
MPLS MN
55431

REID DAVID H
6469 N GRAHAM RD
INDIANAPOLIS IN
46220

RED OWL STORES INC
215 E EXCELSIOR AVE
HOPKINS MN
55343

REIERSON G
1335 WHITE BEAR AVE
ST PAUL MN
55106

REINO O LAINE 3M COMPANY
3M CENTER
ST PAUL MN
55101

RICHARDSON THOS
7851 METRO PKWY S 103
MPLS MN
55420

RICHARDS MONTGOMERY ET AL
1430 RAND TOWER
MPLS MN
55402

ROE DAVID
175 AURORA
ST PAUL MN
55103

ROBBIE JOSEPH
904 CARGILL BLDG NO CTR
MPLS MN
55402

ROSS ALFRED
6356 WARE RD
LINO LAKES MN
55014

ROSS ROY J
CLK TREAS
LITCHFIELD MN
55355

SAN SIMEON DEVELOP CORP
OLD 1ST STATE BK BLDG
PAYNESVILLE MN

SANFORD S M
7000 PORTLAND AVE
RICHFIELD MN
55423

SE MN REG DEV COMM
301 MARQ BK BLDG
ROCHESTER MN
55901

ST PAUL BUR HLTH DR P COX
555 CEDAR ST
ST PAUL MN
55101

SCARBOROUGH WILLIAM
DIV.ED. U.M.
MORRIS MN

SCHLICHT REV ROBT
611 W MAIN ST
BELLE PLAINE MN

SCHMIDT LARRY WCCO-TV NEWS
50 S 9TH ST
MPLS MN
55402

SCHMIDT WARREN WELLCOME M
GARDEN CITY MN
56034

SCHWARTAU NEAL METH HOSP
201 W CENTER ST
ROCHESTER MN
55901

SCHWERMAN EARL JR
1535 8TH AVE SE
ROCHESTER MN
55901

SCHROEDER ALFRED H
2172 CARROLL AVE
ST PAUL MN
55104

SELECTVISION INC FR VALEN
245 PARK AVE
NEW YORK NY
10017

SENATE FINANCE COMMITTEE
113 STATE CAPITOL
ST PAUL MN
55101

SENATE GOV OP COMM
RM 303 STATE CAPITOL
ST PAUL MN
55155

SHAW ROBERT M
616 MOBIL OIL BLDG
MPLS MN
55402

SILVERMAN JUDITH
8545 W 28TH ST
ST LOUIS PARK MN
55426

SIX W REG. DEV. COMM
128 W SORENSON
APPLETON MN
56208

SMERIKA WM.
BOISE CASCADE PAPERS
INTL FALLS MN
56649

SODERBERG HAROLD J
1500 MIDWEST PLAZA BLDG
MPLS MN
55402

SODERMAN ANTHONY
1414 FOSHAY TOWER
MPLS MN
55402

STATE&FED ASSOC
1101 15TH ST NW_S.309
WASHINGTON DC
20005

STATE & FED ASSOCIATES
1101 15TH ST NW S 309
WASHINGTON DC
20005

STEELWORKERS CREDIT UNION
BOX 250
BABBITT MN
55706

STOLPESTAD BROWN & SMITH
1550 NW BK BLDG
ST PAUL MN
55101

SULLIVAN JEANETTE
CDIC SW STATE UNIV
MARSHALL MN
56258

SUMMIT NATL BANK D L MORR
205 AURORA AVE
ST PAUL MN
55103

SWANSON DALE
P O BOX 339
FOREST LAKE MN

SWANSON GERALD H
212 CITY HALL
ROCHESTER MN

28

TATE VERN 3M CO
3M CENTER 220/6W
ST PAUL MN
55101

THOMPSON CONRAD
1107 23RD ST NW
ROCHESTER MN
55901

TOUCHE ROSS & CO K H STOCKE
780 NORTHSTAR CNTR
MPLS MN
55402

TWIN CITIES PIPING IND AS
5304 UNIV AVE SE
MPLS MN
55414

UNION STOCK YARDS
ATTN PRES
SO ST PAUL MN
55075

VAN EVERA MUNDT ET AL
700 TORREY BLDG
DULUTH MN
55802

VERRILL JOHN E
DEPT SECONDARY ED UOF M
DULUTH MN
55812

VOLDNESS PERRY
IDS 8TH & MARQUETTE
MPLS MN
55402

VOSS REV GORDON O
11120 NE 7TH ST
BLAINE MN
55434

WALD JEAN
5746 SANDER DR
MPLS MN
55417

WALTERS THOS H
4510 W 77TH ST STE 235
MPLS MN
55435

WELK G V NORTHERN STATES
414 NICOLLET MALL
MPLS MN
55401

WELLINGTON R R SKELLY OIL
PO BOX 1650
TULSA OK
75102

WHITING RALPH
555 WABASHA SUITE 204
ST PAUL MN
55102

WHITLOCK A G
ECON LAB OSBORN BLDG
ST PAUL MN
55102

WILEY ENTERPRISES
101 5TH AVE SE
OSSEO MN
55369

WILLIAMS THOS W
4915 W 35TH ST
MPLS MN
55416

WOLKERSTORTER THEODORE
676 17TH AVE NW
NEW BRIGHTON MN
55112

WOZNIAK D D
401 FIRST FED BLDG
ST PAUL MN
55101

McClurg, Eunice
1061 100th Avenue N.E.
Blaine, Minnesota 55434

ALBERT,AA CALDER CORP
366 JACKSON ST
ST PAUL MN
55101

AM INST PROF GEOLOGISTS
2201 PRINCETON AVE
ST PAUL MN
55105

ANCHOR BLOCK COMPANY
PO BOX 3360
ST PAUL MN
55165

ANDERSON HAROLD
BOX 3047
MANKATO MN
56001

ANDERSON JAMES
7703 NORMANDALE RD
MPLS MN
55435

ANDREW MARK STATE SENATE
235 STATE CAPITOL
ST PAUL MN
55155

ANTHONY DICK WDSM RADIO
230 E SUPR ST
DULUTH MN
55102

ARROWHEAD REG. DEV COMM.
211 W 2ND ST
DULUTH MN
55802

ARROWHEAD REGIONAL DEV COMM
200 ARROWHEAD PLACE
DULUTH MN
55802

ASSOCIATED GEN CONTROF MN
48 E 8TH STREET
ST PAUL MN
55101

ASSN OF MINN COUNTIES
55 SHERBURNE AVE #203
ST PAUL MN
55103

BABCOCK LOCHER NELSON ET AL
118 E MAIN ST
ANOKA MN
55303

BARTHOLOW HAROLD E FIRE CHF
2600 109 AVE N W
COON RAPIDS MN
55433

BATES DENNIS
446 STATE OFF BLDG
ST PAUL MN
55155

BEGALKA D REV
212 N ELK ST
BELLE PLAINE MN
56011

BEMIDJI STATE COLLEGE
PLACEMENT BUR.J.C.BRADY
BEMIDJI MN
56601

BERGSETH THOMAS
1011 NICOLLET MALL
MPLS MN
55403

BERGUSON & LOFGREN
MN GAS 700 LINDEN W
MPLS MN
55403

BLADIN PAPER CO W J LICKE
115 1ST ST SW
GRAND RAPIDS MN
55744

BLOMQUIST BARRY L
NORTH BRANCH MN
55056

BOWMAN & BRUNS ATTN P MASON
1616 PIONEER BLDG
ST PAUL MN
55101

BREHL JAMES W
332 HAMM BLDG
ST PAUL MN
55102

BRIGHAM E M III
~~RR4~~ PO BOX 237
RED WING MN
55066

BROEKER JOHN
2850METRO DR. SUITE 504
BLOOMINGTON MN
55420

BROWN H D
4961 KINGSBERRY LANE
MINNETONKA MN
55343

BRUBACHER RICHARD COMM ADM
208 ADM BLDG
ST PAUL MN
55101

BUCHHOLTZ CHARLES
5044 BRENT AVE E
INV GRV HTS MN
55075

BURGER ALBERT
600 DEGREE OF HONOR BLD
ST PAUL MN
55101

CABLE COMM SYST-H SARRAZIN
BOX 777
HECTOR MN
55342

CARLSON CARL L
7516 80TH ST S
COTTAGE GROVE MN
55016

CARLSON VERNE E
BOX 755 CITY HALL
WILLMAR MN
56201

CENTRAL MN REG DEV COMM
1139 FRANKLIN AVE
SAUK RAPIDS MN
56379

CHERCHES CHRIS CITY MGR
5005 MTKA BLVD
ST LOUIS PARK MN
55416

CHRISTIAN SCI COMM ON PUB
1821 UNIV AVE SUITE 271
ST PAUL MN
55104

CITY CLERK
386 CITY HALL
ST PAUL MN
55102

CITIZENS LEAGUE
530 SYNDICATE BLDG
MPLS MN
55402

CLAUSEN PHILLIP
2307 STANDISH ST
ST PAUL MN

CLAWSON CONNIE
HELP CT 317-17TH AV SE
MPLS MN

COMMUNITY DESIGN CENTER
118 E 26TH ST
MPLS M
55404

CONCORDIA COLLEGE
DEAN
MOORHEAD MN
56560

CRAVEN NORMAN
10637 THOMAS AVE S
BLCOMINGTON MN
55431

CROW WING CO PLANNING & ADV
COURT HOUSE
BRAINERD MN
56401

DAHLKE LOIS M
118 S EAGLE ST
BELLE PLAINE MN
56011

DAILEY THOMAS ECONOMICS LAB
370 WABASHA ST
ST PAUL MN
55102

DAYTON CHAS SIERRA CLUB
800 MIDLAND BANK BLDG
MPLS MN
55401

DEVELOP DISABILITIES PROGRAM
STATE PLAN 101 CAP SQ
ST PAUL MN
55155

DISPATCH PIONEER PRESS
PRESS RM STATE CAPITOL
ST PAUL MN
55101

DORSEY MARQUART
2400 1ST NATL BANK BLDG
MPLS MN
55402

DUDLEY E H
RT 7 BOX 122
EXCELSIOR MN
55331

DUNN OLIVER PLUMBERS LOC 15
708 SO 10TH ST
MPLS MN
55404

E CENTRAL REG. DEV. COMM
COURTHOUSE 18 N VINE ST
MORA MN
55051

EBELING EDWARD H.
161 W. MAIN
PERHAM MN
56573

ELDRED R W ARMOUR & CO
UNION STOCK YARDS
SO ST PAUL MN
55075

ELMER EDWIN W
2901 PLEASANT AVE
MPLS MN
55408

ENNIS A F BOISE CASCADE
PO BOX 713
INTL FALLS MN
56649

ENV SERV-GEN RESOURCE CORP
6340 INDUSTRIAL DR
HOPKINS MN
55343

ESSE KENNETH
4801 W 50TH ST
EDINA MN
55424

ETHICS COMM
RM 410 STATE OFF BLDG
ST PAUL MN
55155

EWING MRS WM
42 ASTAR RD
BABBITT MN

FARRELL FRANK BUR NOR
RM 1180 176 E 5TH ST
ST PAUL MN
55101

FELHABER R S
W 1ST NAT BANK BLDG
ST PAUL MN
55101

FINNEGAN J.R.
55 E. 4TH
ST.PAUL MN
55101

FITZGERALD DR BOB
3007 LYNDALE AVE SO
MPLS MN
55408

FORBES GORDON MINN RRS ASSN
203 HANOVER 480 CEDAR
ST PAUL MN
55101

FORSBERG AGR SERV
518 SUMMIT AVE
NEW ULM MN
56073

FREDIN CONRAD M
811 FIRST NATL BK BLDG
DULUTH MN
55802

FREDLUND MRS PHYLLIS
RR 4 BOX 37
CANBY MN
56220

GALVIN M J JR
W2162 1ST NATL BK BLDG
ST PAUL MN
55101

GEO A HORMEL & CO LAW DEPT
PO BOX 800
AUSTIN MN
55912

GIEL DAVID
RM B-28 STATE CAPITOL
ST PAUL MN
55155

GODIN RALPH J
3824 47TH AVE SO
MPLS MN
55406

GOODMAN DF TEL CABLE TV
302 E SUPERIOR
DULUTH MN
55802

GREATER MET AREA HOSPITALITY
5152 CEDAR AVE S
MPLS MN
55417

GREEN DEL CITY MGR
BLOOMINGTON CITY HALL
BLOOMINGTON MN
55431

GRUMMERT REV DONALD
1435 ADAMS ST
MPLS MN
55413

GUSTAFSON DAN-LABOR TEMPLE
312 CENTRAL
MPLS MN
55414

H B FULLER CO
2400 KASOTA AVE
ST PAUL MN
55108

HAFNER DR A J
BOX393 MAYO U OF M
MPLS MN
55455

HAROLD J WESTIN CONSTRUCTORS
45 E 8TH ST

HALLBERG LEE & MCCABE
4927 34TH AVE S

HEALTH MANPOWER C LARSON
717 DELAWARE ST SE
MPLS MN
55440

HART PATRICK V
112 E LIBERTY BOX 3271
MANKATO MN
56001

HEAD & TRUHN
1007 SOO LINE BLDG
MPLS MN
55402

HEADWATERS REG DEV. COMM
BOX 584 MENTAL HEALTH
BEMIDJI MN
56601

HEIM PAUL M
3944 IDS CENTER 80 S 8
MPLS MN
55402

HEINTZ MARY ELLEN
PO BOX 599
CINCINNATI OH
45201

HENDRICKSON A WM
100 FREEMAN DRIVE
ST PETER MN
56082

HENDRICKSON MRS VIRGINIA
3324 COUNTRY WOOD DR
BURNSVILLE MN
55337

HOLDAHL SCOTT
380 N BLDG GRAIN EXCH
MPLS MN
55415

HOLEY GEO AERONAUTICS
DOWNTOWN AIRPORT
ST PAUL MN
55107

HORNER WALDORF - KAZIUKEWICZ
PO BOX 3260
ST PAUL MN
55165

HOULE MELVIN
881 W HWY 96
SHOREVIEW MN
55112

HUMAN RIGHTS
200 CAPITOL SQ BLDG
ST PAUL MN
55101

HUMAN SERVICES
414 LAFFAYETTE RD 5THFL
ST PAUL MN
55101

HYDROLOGIST
CHIPPEWA NATL FOREST
CASS LAKE MN
56633

HYLAND DEAN
1501 W 50TH ST
MPLS MN
55419

INGEBRIGTSEN DR K H
23 SE 4TH ST
MPLS MN
55414

INGVALSON VERN MN.FARM BUR.
3110 WOODDALE DR PO 337
OST PAUL MN
55165

IUOE LOC 49 CHAS SWENSON
2580 UNIV AVE
ST PAUL MN
55101

IVERSON DR JOS DEPT ED
ST OLAF COLLEGE
NORTHFIELD MN
55057

JACKMAN DONALD G
4023 E LAKE ST
MPLS MN

JAIN NIRMAL ENIV PROCESS
1220 GLENWOOD AVE
MPLS MN

JENSEN CARL A
127 E MAIN ST
SLEEPY EYE M
56085

JENSEN MRS GAYNOLD
111 WEST 107TH ST
MPLS MN
55420

JOHNSON CLARENCE IBEW LU 292
3615 37TH AVE S
MPLS MN
55406

JOHNSON G ROBERT
4344 IDS CENTER
MPLS MN
55402

JOHNSON LANCE J
265 S LAFAYETTE RD
ST PAUL MN
55107

KEABLE MIKE
909 6TH AVE N
ST CLOUD MN
56301

KEENAN RICHARD J
4444 IDS BLDG
MPLS MN
55402

KJERVIK DIANE
4302 POWEL HALL U OF M
MPLS MN

KLOSTER MARION PEAVEY CO
730 2ND AVE S
MPLS MN
55402

KNOPP TIMOTHY
COLLEGE FORESTRY U OF M
ST PAUL MN
55108

KNUTSON DR KEITH,BIOLOGY DPT
ST CLOUD STATE
ST CLOUD MN
56301

KOLLER MR & MRS ERWIN A
1568 DULUTH ST
ST PAUL MN
55108

KOPP MRS VERNON
2050 65TH ST E
INVER GR HGHT MN
55075

KRONLOKKEN J E
10048 NORD RD
BLOOMINGTON MN
55437

KROON H CLIFTON
210 E WALNUT
MANKATO MN
56001

LABELLE JUANITA MRS
5816 AQUILA AVE NO
NEW HOPE MN
55428

LANGVIN DAVID
7500 80TH ST S
COTTAGE GROVE MN
55016

LANSING & OAKES
400 SIBLEY ST
ST PAUL MN
55101

LARSON HANS P DIV HOSP SERV
717 DELAWARE ST SE
MPLS MN

LEAGUE MN MUNIC
300 HANOVER 480 CEDAR
ST PAUL MN

LEWIS DR.G.M JR.
ABBOTT 110 E 18TH ST
MPLS MN
55403

LIBBEY LEONARD
BOX 17011 NOKOMIS STA
MPLS MN
55417

LOOS CALVIN J
6809 LYNDALE AVE SO
MPLS MN
55423

LOWE DOUG
2701 N LEXINGTON AVE
ROSEVILLE MN
55113

MANKATO STATE STUDENT ASSN
BOX 58 MANKATO COLLEGE
MANKATO MN
56001

MANSFIELD LARRY HCARC
1800 CHICAGO AVE S
MPLS MN
55404

MASTOR & MATTSON LTD
315 PEAVEY BLDG
MPLS MN
55402

MAUL WARREN E
320 S 4TH ST
MPLS MN
55415

MCFADDEN G H DISPATCH-PRESS
55 E 4TH ST
ST PAUL MN
55101

MCKIBBON MRS SHIRLEY
11 EVERGREEN LN
BABBITT MN
55706

MET. WASTE CONTOL COMM.
350 METRO SQ BLG
ST PAUL MN
55101

MEIEROTTO, JOAN
1794 SO LEXINGTON
ST PAUL MN
55118

MEYER HERBERT
10824 ZENITH AVE S
BLOOMINGTON MN
55431

MEYERLE KATHLEEN
1528 GRAND AVE APT 4
ST PAUL MN
55105

MILLER RICHARD A
1020 PLYMOUTH BLDG
MPLS MN
55402

MILLER TOM
2311 PILLSBURY AVE S
MPLS MN
55404

MINN ASSN COOPERATIVES
55 SHERBURNE AVE
ST PAUL MN
55103

MINN ASSN ELEC COOPERATIVES
4901 W 77TH ST
MPLS MN
55435

MINN ASSN WATERSHED DIST'S

ADA MN

MINN AUTOMOBILE DEALERS ASSN
CRIGGS MIDWAY BLDG
ST PAUL MN

MINN COMMUNITY DEVELOP SERV
512 ROSSMOR BLDG
ST PAUL MN
55101

MINN COUNCIL STATE EMP NO 6
475 RICE
ST PAUL MN
55103

MINN FOOD RETAILERS ASSN
555 WABASHA
ST PAUL MN
55101

MINN GOV ENG COUNCIL
2400 SHERWOOD HILL RD
MINNETONKA MN
55343

MINN HOUSING INST N T CARTER
7801 METRO PKWY
.MPLS MN
55420

MINN HWYS MANAGEMENT SERVICE
407 HWY BLDG
ST PAUL MN
55101

MINNE MINE CREDIT UNION
3000 HUDSON PK S 100
ST PAUL MN
55119

MINN.MTR.TRANSP. .J.N.DENN
1821 UNIV.
ST.PAUL MN
55104

MINN POULTRY & HATCHERY ASSN
BOX 158
MADELIA MN
56062

MN REP STATE CENTRAL COMM
555 WABASHA AVE
ST PAUL MN
55102

MINN RETAIL HARDWARE ASSN
3033 EXCELSIOR BLVD 313
MPLS MN
55416

MINN SOCIETY ARCHITECTS AIA
NW NATL BK BLDG
ST PAUL MN
55101

MINN STATE BD PHARMACY
717 DELAWARE ST SE #351
MPLS MN
55414

MINN STATE MED ASSN
375 JACKSON ST
ST PAUL MN
55101

MINN TBR PRODUCERS ASSN
200 CHRISTIE BLDG
DULUTH MN
55802

MINN.TURKEY GROWERS ASSN
2383 UNIV AVE
ST PAUL MN
55114

MINN-WISC BOUNDARY AREA COMM
600 2ND ST
HUDSON WI
54016

MN. ASN.C&IND H.D.PETERSON
480 CEDAR ST.
ST.PAUL MN
55101

MN ELECTRICAL ASSN
3100 HUMBOLT SO
MPLS MN
55408

MN PUB.INT RESEARCH GROUP
3036 UNIV AVE SE
MPLS MN
55414

MOFFITT R C
RM 301 M MPLS CITYHALL
MPLS MN

MOOD R BLOCMINGTON HLTH DEPT
10200 PENN SO
BLOOMINGTON MN

MPLS ASSN RETARDED CITIZENS
3100 W LAKE ST
MPLS MN
55416

MPLS CITY ATTORNEY
325M CITY HALL
MPLS MN
55415

MT OLIVET ROLLING ACRES
R 1 BOX 576
EXCELSIOR MN
55331

MURPHY DIANA E
4200 IDS-LINDQUIST VENN
MPLS MN
55402

NATL CAR RENTAL ATT D MITZEL
5501 GREEN VALLEY DR
MPLS MN
55437

NATL COUNCIL JEWISH WOMEN
4330 CEDAR LK RD
MPLS MN
55416

NCEC INC C/O DR DAHLBERG
CONCORDIA COLLEGE
MOORHEAD MN
56560

NEDELL HAROLD - MEINEKE
6300 W LOOP S SUITE 200
BELLAIRE TX
77401

NIELSEN STOCK & BLACKBURN
415 730 BLDG
MPLS MN

NO SUB MONTESSORI-S SADDLER
2487 HELEN COURT
NO ST PAUL MN
55109

NW COUNTRY ELEVATOR ASSN
802 GRAIN EXCH BLDG
MPLS MN
55415

NURSING HOME ADMRS BD EXAMRS
RM 340 717 DELAWARE SE
MPLS MN
55414

NW BELL TEL CO LEGAL DEPT
224 S 5TH ST RM 2000
MPLS MN
55402

NW REG. DEV. COMM
425 WOODLAND AVE
CROOKSTON MN
56716

O'BRIEN J.DENNIS
1100 1ST NATL.BANK BLDG
MINNEAPOLIS MN
55402

OFFICE OF THE GOVERNOR
130 STATE CAPITOL
ST PAUL MN
55101

OLSON KATHLEEN
192 SEYMOUR AVE SE
MPLS MN
55414

OSTRUM DONALD E
PO BOX 33163
COON RAPIDS MN
55433

PATTISON ORVIS
BOX 645
WILLMAR MN
56201

PAYNE COL ALVIN

DEGRAFF MN
56233

PFEIFER AND SHULTZ, INC
1433 UTICA AVE S
MPLS MN

PHAR MFGRS ASSN WM D PATTON
1155 15TH ST NW
WASHINGTON DC DC

POPOVICH PETER S
314 MINN BLDG
ST PAUL MN
55101

PORTER DAVID
5217 27TH AVE S
MPLS MN
55417

POSS DONALD G
6301 SHINGLE CREEK PKWY
BROOKLYN CTR MN
55430

POYZER ROBT
BOX 675
FERGUS FALLS MN
56357

PULSCHER RBT SPRINGSTED INC
813 OSBORN BLDG
ST PAUL MN
55102

RALPH BURKE ASSOCIATES
7710 COMPUTER #S101
MPLS MN
55435

RANALLO CLARENCE
800 CENTRAL AVE N E
MPLS MN
55413

REAGAN MICHAEL
% MINN LEARNING CTR
BRAINERD MN
56401

REARDON MRS HELEN
1125 S E 6TH ST
WILLMAR MN
56201

REGION FIVE REG. DEV. COMM.
102 6TH ST N
STAPLES MN
56479

REGION NINE DEV. COMM.
709 N FRONT ST
MANKATO MN
56001

RENNER R.H. ST PAUL AREA CC
300 OSBORN BLDG.
ST PAUL MN
55102

RENQUIST ARTHUR NSP CO
414 NICOLLET MALL
MPLS MN
55401

RIEKE DAVID R
P O BX 509
THIEF RIV FLS MN
56701

RIERSON G
1335 WHITE BEAR AVE
ST PAUL MN
55106

ROBERTS DR ALAN
BOX 297 MAYO U OF M
MPLS MN
55455

ROBERTS DAVID E
1260 NW NATL BK BLDG
ST PAUL MN
55101

RUDY FLOYD
118 AVE C
CLOQUET MN
55720

SATHRE, HARVEY
375 MARION STREET
ST PAUL MN

SAX DOVE & STENSON
310 ENDICOTT BLDG
ST PAUL MN

ST PAUL FOOD RETAILERS ASSN
1220 ARCADE
ST PAUL MN
55106

SCHMIDT D R MN ASSN REALTORS
6101 WAYZATA BLVD
MPLS MN
55416

SCHNEIDER MAHLON
GREEN GIANT
LESUEUR MN
56058

SCHWINN ROBT.P.
1400 SOO LINE BLDG.
MPLS. MN
55402

SEMHSA R C MELIN
1903 S BDWY
ROCHESTER MN
55901

SHABATURA EUGENE H
2833 LAKE AVE SO
DULUTH MN
55811

SITE ENGINEERS INC
900 REDWELL LANE
APPLE VALLEY MN
55124

SNELL LYN
BOX 314
EDEN VALLEY MN
55329

STANSFIELD ARLENE LAND OLKS
PO BOX 116
MPLS MN
55440

STATE REGISTER
95 SHERBURNE, RM 208
ST PAUL MN
55103

STUPKA & MOREM
MIDTOWN BLDG
AUSTIN MN

SW REGIONAL DEV COMM
2811 BDWY
SLAYTON MN
56172

SCHMIDT H W TCHRS RETIREMENT
302 CAPITOL SQ BLDG
ST PAUL MN
55101

SCHUTZ LINDA
RM 328 CAPITOL BLDG
ST PAUL MN
55155

SCHNEIDER & NEESER
706 1ST ST SO PO BX 876
WILLMAR MN
56201

SENATE COUN OFF ROOM 24
STATE CAPITOL
ST PAUL MN
55101

SHARP BOB
4125 HIGHWOOD RD
ST LOUIS PK MN
55416

SIX EAST REG. DEV. COMM.
311 W 6TH ST
WILLMAR MN
56201

SNYDER, R.W. U OF M
RM 248C CLASS OFF BLDG.
ST PAUL MN
55108

STATE BD VETERINARY EXAMINER
C/O DR A C SPANNAUS DVM
WACONIA MN

STD AM LIFE & ANNUITY CO
3801 W 50TH ST
MPLS MN
55410

SULLIVAN J KIRK
PO BOX 200
BOISE ID

SUSSEL CO.ATTN:TED SCHWENKER
1850 COMO AVE.
ST PAUL MN
55108

SWANSON BURT E
W-2162 1ST NATL BK BLDG
ST P[redacted] MN
55101

SWANSON MORTIMER C
5824 FRANCE AVE S
EDINA MN
55410

THOMPSON HESSIAN ET AL
1500 MIDWEST PLAZA BLDG
MPLS MN
55402

TIMESAVERS INC ATT R S VOLD
5270 HANSON COURT
MPLS MN
55422

TWIN CITY RETAIL DRUGGIST AS
2388 UNIV AVE
ST PAUL MN
55104

VANDERVOORT T J MET WASTE
350 METRO SQUARE BLDG
ST PAUL MN
55101

VAN DRAKE STEPHEN R
BOX 353
PELICAN RAPID MN
56572

VIITALA, W.C. HONEYWELL
HONEYWELL PLAZA
MPLS MN
55408

VILLAGE OF WOODBURY
2100 RADIO DRIVE
WOODBURY MN
55042

VOS LEROY
2137 BURNS AVE
ST PAUL MN
55119

WANQUIST ALLEN
RM 252 FEDERAL BLDG
ST PAUL MN
55101

WATERS, DONNA M.
110506 WINDMILL COURT
CHASKA MN
55318

WEST CENTRAL REG. DEV.
ADM BLDG,COMMUNITY COLL
FERGUS FALLS MN
56537

WESTIN CHAS W
220 MEDICAL ARTS BLDG
DULUTH MN
55802

WILCOX J PATRICK
1220 NORTHERN FED BLDG
ST PAUL MN
55102

WM.MITCHEL COLLEGE LAW LIB.
2100 SUMMIT AVE.
ST.PAUL MN
55105

WILSON R GARY PPG INDUSTR
1 GATEWAY CENTER
PITTSBURGH PA
15222

WIS FEEDER PIG MARKET CO-OP

FRANCIS CREEK WI

WYANT CLINTON W ATTY

ATKIN MN
56431

ZIMMERMAN & OFFERMAN
CAMBRIDGE STATE HOSP
CAMBRIDGE MN
55008

File No.

ORIGINAL DOCUMENT IS EXHIBIT 4 and will be filed with rules on Gas & Electric

RECEIVED
JAN 14 1977
OFFICE OF HEARING EXAMINERS

STATE OF MINNESOTA)
) ss
COUNTY OF RAMSEY)

AFFIDAVIT OF MAILING

RULES HEARING

Audrey Gustafson, being first duly sworn, deposes and says;

That on the 30th day of December, 1976, at the City of St. Paul, County of Ramsey, State of Minnesota, s(he) served the attached Notice of hearing

Docket No. A-8117-16 by depositing in the United States Mail at said City of St. Paul, a true and correct copy thereof, properly enveloped, with postage prepaid, to all persons at the addresses shown on the attached mailing list.

Audrey Gustafson
Audrey Gustafson

Subscribed and sworn to before me
this 30th day of December,
1976.

Muriel J. Volpe
Notary Public

MURIEL J. VOLPE
Notary Public, Ramsey County, Minn.
My Commission Expires, Jan. 25, 1978

STATEMENT OF COMPLIANCE WITH
MANUAL OF RULE MAKING PROCEDURES

MINN. RULES PSC 420-423

I, Karl Sonneman, do hereby declare that I have examined the proposed rules relating to gas and electric lobbying expenses, Minn. Rules PSC 420-423, and all related documents and that, based on them and my personal familiarity with the applicable procedures, the Manual of Rule Making Procedures has been followed.

KARL SONNEMAN
Special Assistant
Attorney General

MINNESOTA PUBLIC SERVICE COMMISSION

Dated: March 10, 1978

RULES RESOLUTION

A-8117-16 It was voted to adopt, pursuant to the authority vested in the Commission by Minn. Stat. Section 15.0412 (1976), Minn. Reg. PSC 420-423, otherwise identified as Gas and Electric Utilities Lobbying Rules. The Commission Secretary was directed to transmit the aforesaid rules to the Attorney General for approval.

CERTIFICATE OF COMMISSION'S

ADOPTION OF RULES RESOLUTION

I, Leo J. Ambrose, do hereby certify that I am Secretary of the Public Service Commission, a Commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete, and correct copy of the resolution adopted at a meeting of the Public Service Commission duly and properly called and held on the 23rd day of January 1978; that a quorum was present at said meeting; that a majority of those present voted for the resolution; that said resolution is set forth in the minutes of said meeting and has not been rescinded or modified.

A-8117-16 It was voted to adopt, pursuant to the authority vested in the Commission by Minn. Stat. Section 15.0412 (1976), Minn. Reg. PSC 420-423, otherwise identified as Gas and Electric Utilities Lobbying Rules. The Commission Secretary was directed to transmit the aforesaid rules to the Attorney General for approval.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 23rd day of January, 1978.

Leo J. Ambrose

CERTIFICATE OF COMMISSION'S AUTHORIZING RESOLUTION

I, Leo J. Ambrose, do hereby certify that I am secretary of the Public Service Commission, a Commission duly authorized under the laws of the State of Minnesota, and that the following is a true, complete and correct copy of the resolutions adopted at a meeting of the Public Service Commission duly and properly called and held on the 8th day of December, 1976 and amended at a meeting of the Public Service Commission duly and properly called and held on the 13th day of December, 1976; that a quorum was present at both meetings; that a majority of those present voted for the resolutions and the amendment thereto; that the resolutions as amended have not been rescinded or modified:

1600. A-8117-16 It was voted to authorize and direct Commission Secretary Lawrence J. Anderson to sign the documents required for the convening of a Rules Hearing on February 8, 1977.

1601. A-8117-16 It was voted to approve an Order for Hearing in the matter of the proposed amendment of certain existing rules and the proposed adoption of new rules relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities and Motor Bus and Truck Transportation. A division was called on proposed Rule 504. The vote was AYE: Anderson, Parish; NAY: Erdahl

1602. A-8117-16 It was voted to approve a Notice of Hearing setting the dates of February 8, 1977 through February 11, 1977 as the time for a hearing on the proposed amendment of rules to which reference was made in Items 1600 and 1601.

1604. A-8117-16 It was voted to amend the minutes of December 8, Item 1601, to delete reference to Rule 504.

Leo J. Ambrose

COMMISSION
ORIGINAL

RECEIVED
JAN 14 1977
OFFICE OF HEARING
EXAMINERS

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Approved of record
12/8/1976
Secretary

Karl F. Rolvaag	Chairman
Ronald L. Anderson	Commissioner
Arlen I. Erdahl	Commissioner
Richard J. Parish	Commissioner
Katherine E. Sasseville	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities, Motor Vehicle Transportation.

DOCKET NO. A-8117-16

DOCUMENT OF AUTHORITY

WHEREAS, the Minnesota Public Service Commission has pursuant to Minn. Stat. (1974) Section 15.0411, Subd. 3, directed that a rules hearing be held; and

WHEREAS, Minnesota Reg. H.E. 102(b) (3) requires that a person signing such an order must have authorization from the agency ordering the hearing; and

WHEREAS, this Document of Authority must accompany the papers submitted to the Chief Hearings Examiner.

IT IS THEREFORE ORDERED:

ORDER

That, by unanimous vote, the Minnesota Public Service Commission hereby authorizes and directs its Secretary, Lawrence J. Anderson, to sign, on behalf of the Commission, the Order for Hearing and Notice of Hearing required by the above-cited rule.

BY ORDER OF THE COMMISSION

/s/ LAWRENCE J. ANDERSON
Secretary

Dated: DEC 8 1976

(S E A L)

BY _____
DEPUTY SECRETARY

ORIGINAL DOCUMENT IS EXHIBIT 3 and will be filed with rules on Gas & Electric

STATE OF MINNESOTA)
) SS
COUNTY OF RAMSEY)

AFFIDAVIT

Sharon A. Schmidt, being first duly sworn, upon oath deposes and says:

1) That she is an employee of the Minnesota Public Service Commission of the State of Minnesota.

2) That on the 28th day of December, 1976, she went to the Secretary of State's office for the State of Minnesota and requested a current list of all representatives of associations or other interested groups or persons who have registered their names with the Secretary of State for the purpose of obtaining notices of public hearings relating to the promulgation of rules pursuant to Minn. Stat. 1971, Section 15.0412.

3) That on the 28th day of December, 1976, in response to the above request, the Secretary of State provided her with such a list, a copy of which is attached to the Certificate of the Secretary of State and incorporated herein by reference.

4) That on the 5th day of January, 1977, the State Register published a copy of the notice of hearing and proposed rules in Volume 1 pursuant to Minn. Stat. 1971, Section 15.0412.

Further affiant sayeth not.

Sharon A. Schmidt

Subscribed and sworn to before me
a notary public this 14th day of
January, 1977.

Mary E. Swanson

MARY E. SWANSON
NOTARY PUBLIC—MINNESOTA
RAMSEY COUNTY
MY COMMISSION EXPIRES FEB. 7, 1983

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Richard J. Parish	Chairman
Arlen I. Erdahl	Commissioner
Ruth R. Cain	Commissioner
Katherine E. Sasseville	Commissioner
Juanita R. Satterlee	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities and Motor Vehicle Transportation.	DOCKET NO. A-8117-16 MINN. RULES PSC 420-423 (GAS & ELECTRIC LOBBYING RULES)

ORDER ADOPTING RULES

The above entitled matter came on for hearing before Hearing Examiner Bernard Singer on the 8th day of February, 1977, in the Large Hearing Room, American Center Building, 160 East Kellogg Boulevard, St. Paul, Minnesota 55101, after proper notice required by Minn. Stat. § 15.0412 (1976) was served upon all persons, associations and other interested groups registered with the Secretary of State for that purpose.

After affording interested persons an opportunity to present written and oral data, statements and arguments, having heard all of the testimony, having considered all of the evidence adduced and applicable statutory standards and having confirmed the need for the above captioned rules and the reasonableness thereof.

NOW, THEREFORE, IT IS ORDERED that these rules identified as Gas and Electric Lobbying Rules, Minn. Rules PSC 420-423, are adopted this 23rd day of January, 1978, pursuant to authority vested in me by Minn. Stat. § 15.0412 (1976).

BY ORDER OF THE COMMISSION

LEO J. AMBROSE
Secretary

(S E A L)

BEFORE THE MINNESOTA PUBLIC SERVICE COMMISSION

Karl F. Rolvaag	Chairman
Ronald L. Anderson	Commissioner
Arlen I. Erdahl	Commissioner
Richard J. Parish	Commissioner
Katherine E. Sasseville	Commissioner

In the Matter of the Proposed Amendment of Certain Existing Rules and the Proposed Adoption of New Rules Relating to Weights and Measures, Electric Utilities, Gas Utilities, Telephone Utilities and Vehicle Transportation.	DOCKET NO. A-8117-16 STATEMENT OF NEED FOR PROPOSED PSC RULES 420-423 (LOBBYING EXPENDITURES) (NEW)

The above-captioned matter as it relates to the promulgation of new accounting rules governing the electric and gas utilities under the jurisdiction of the Minnesota Public Service Commission (hereafter the "Commission") involves the establishment of sub-accounts for the sole purpose of recording lobbying expenditures.

The authority of the Commission to promulgate these rules is found under Minn. Stat. §216B.08 (1974) and Minn. Stat. §216B.10 Subds. (3) and (4) (1974). Minn. Stat. §216B.08 (1974) provides:

> The Commission is hereby vested with the powers, rights, functions, and jurisdiction to regulate in accordance with the provisions of Laws 1974, Chapter 429 every public utility as defined herein. The exercise of such powers, rights, functions and jurisdictions is prescribed as a duty of the Commission. The Commission is authorized to make rules and regulations in furtherance of the purposes of Laws 1974, Chapter 429.

Minn. Stat. §216B.10 Subds. (3) and (4) (1974) provide:

> Subd. 3. Every public utility is required to keep and render its books, accounts, papers and records accurately and faithfully in the manner and form prescribed by the commission, and to comply with all directions of the commission relating to these books, accounts, papers and records.
>
> Subd. 4. The commission may require any public utility to file annual reports in the form and content, having regard for the provisions of this section, as the commission may require, and special reports concerning any matter about which the commission is authorized to inquire or to keep itself informed. The commission may require the reports to be verified. The basic financial statements in the annual reporttof a public utility may, at the direction of the public service commission, be examined by an independent certified public accountant and his opinion thereof included in the annual report filed with the commission.

Pursuant to Minn. Reg. PSC 351 (1976), the Commission adopted the Federal Power Commission (FPC) Uniform System of Accounts as the system of accounts to be used by all public utilities operating within the State of Minnesota. The Commission's authority to adopt a uniform system of accounts stems from Minn. Stat. §216B.10 (1974).

In adopting the FPC Uniform System of Accounts for gas and electric utilities, the Commission adopted the entire system of accounts. The entire system of accounts includes the numbering system for the accounts along with the rules and regulations of the system. Part of the rules and regulations of the system of accounts pertains to records (18 CFR Part 101, General Instructions §2. (1974). Subdivision D under Section 2 allows the expansion of the system of accounts by subdivisions as long as the integrity of the accounts is not changed. Subdivision D provides:

> In addition to prescribed accounts, clearing accounts, temporary or experimental accounts, and subdivisions of any accounts, may be kept, provided the integrity of the prescribed accounts is not impaired.

Under the proposed rules, the suggested subdivisions of the accounts do not impair or alter the integrity of the accounts in any manner.

Many inquiries by federal and state agencies, consumer groups and individuals have shown that specific functional cost and expense data is not readily available by the Commission and its staff as well as the utility. The Common Cause Report on the Accountability (or lack thereof) of State Public Utility Commissions criticized the Commission for its lack of a rule requiring public utilities to report lobbying expenditures and for its lack of a rule requiring public utilities to separate and identify these lobbying expenditures in the accounts.

These proposed rules are being promulgated in order to meet the need for accountability of lobbying expenditures incurred by public utilities. In addition, there is a need to have an annual report to the Commission as to the cost of lobbying in order for the Commission to determine the reasonableness and the propriety of the expense in relation to the revenue requirements of a public utility. By reporting annually, supplemented by rate case audits, the Commission can obtain this goal.

The subdivision of accounts to record the costs of lobbying is necessary to expedite the reporting process. Without separate and identified accounts, the reporting of lobbying expenditures would be a lengthy and economically undesirable task. Separate and identified accounts are necessary so that the public utilities operating in the State of Minnesota will be able to report annually or upon the Commission's request their lobbying expenditures.

In promulgating these proposed rules the Commission is not attempting to assert jurisdiction which is already held by any other state agency. For example, there is nothing in Minn. Stat. Chapter 10A (1974), Ethics in Government, which conflicts with or pre-empts the power of the Commission to promulgate these rules. The Ethics Commission regulates lobbyists, not utilities.

Furthermore, the information filed with the Ethics Commission is not an adequate substitute for the information which would be elicited under the proposed rules. Only lobbyists are responsible for filing information with the Ethics Commission. There is no assurance that all information relevant to a given utility's lobbying efforts can be derived from the lobbyists' reports.

There is no sanction which can be imposed on the utility if its lobbyists fail to report. There is no requirement that lobbyists' salaries be reported to the Ethics Commission. While salary information may not be relevant for the purposes of the Ethics Commission, it is relevant to ratemaking.

The Commission has attempted to adopt the definitions contained in Chapter 10A to the extent possible in order to minimize the reporting burden on utilities. It should be possible for utilities to comply with the proposed PSC 423 by filing with the Commission copies of their lobbyists' reports together with the minimal additional information specified therein.

Dated: January 14, 1977