**LARGE POWER INTERVENORS**

Utility Information Request

Docket Number: E015/CN-12-1163 Date of Request: August 26, 2014

Requested From: Large Power Intervenors Response Requested: September 4, 2014

By:Large Power Intervenors (Andrew Moratzka, Chad T. Marriott , Lane Kollen and Phil Hayet)

Request

No.

026 Please indicate if the Company plans to recover the carrying cost and/or any other costs of the project from MN customers during the construction period through the proposed Transmission Cost Recovery Rider or some other ratemaking mechanism.

a. If so, please describe the specific form of retail ratemaking the Company plans to seek and the costs that it will seek to recover through each such form of recovery.

b. If so, please indicate if the Company will seek to recover the carrying costs on 46% of the project costs during construction or only 28.3% of the project cost given that the must take fee will not be paid by MH during the construction period.

c. If not, please indicate if the Company will accrue AFUDC on 46% of the project costs during construction or only 28.3% of the project cost given that the must take fee will not be paid by MH during the construction period.

**Response:**

 Consistent with the authority provided under Minn. Stat. § 216B.16, subd. 7b(b)(5) Minnesota Power may seek for the Minnesota Power capital investment in the Great Northern Transmission Line a “current return on construction work in progress, provided that recovery from Minnesota retail customers for the allowance for funds used during construction is not sought through any other mechanism.”

 Minnesota Power has not yet determined the specific cost recovery methodology it will seek for this Project, but Minnesota Power has not to date sought carrying charges for its Commission approved Transmission Cost Recovery Rider.

Response by: Herbert Minke III List Sources of Information:

Title: Director, Regulatory Affairs \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Department: State Governmental Affairs \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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