

March 10, 2026

Members of the House Energy Finance and Policy Committee
Minnesota House of Representatives

Re: HF 3778 — Utility Revenue Reporting Requirement

Dear Co-Chair Acomb, Co-Chair Swedzinski, and Members of the House Energy Committee,

The undersigned regulated utilities respectfully submit this letter in opposition to HF 3778, which would amend Minnesota Statutes section 216B.05 to require annual reporting of authorized and collected revenues to the Public Utilities Commission. While we share the Committee's interest in transparency and accountability in utility ratemaking, we believe this bill creates a duplicative reporting obligation that increases compliance costs without providing regulators, legislators, or ratepayers with any information not already available through existing regulatory processes and required reporting.

This Information Is Already Provided to the PUC

Minnesota's existing utility regulatory framework already requires the precise information HF 3778 seeks to mandate. When a utility files a rate case before the Public Utilities Commission, it provides a comprehensive record of authorized revenue requirements, actual revenues collected, and performance under each tariff schedule and rider. This information is submitted under oath, subject to rigorous scrutiny by PUC staff, the Office of the Attorney General's Residential Utilities Division, and other intervenors, and is made part of the public record.

HF 3778 does not require this information to be provided in a new context or to a new audience, it simply requires that it be filed annually on a calendar-year basis outside of any rate proceeding. The result is a reporting obligation untethered from the evidentiary process in which this data is most meaningfully used.

Asynchronous Reporting Creates Confusion, Not Clarity

A key flaw in this bill is the mismatch between the reporting cycle it would create and the rate case cycle in which revenue authorizations are actually set. Authorized revenue levels are established in PUC orders that follow contested evidentiary proceedings, they do not reset on January 1 of each calendar year.

Rather than producing a clear, apples-to-apples comparison, this reporting structure is likely to generate numbers that are difficult to interpret without the full context of each rate proceeding. The risk of misinterpretation by the media, the public, or policymakers unfamiliar with utility ratemaking is significant. Revenue data decontextualized from the rate cases that produced it can create misleading impressions of over- or under-collection that do not reflect the actual regulatory record.

The Bill Imposes Real Compliance Costs on Ratepayers

Compliance with HF 3778 will impose additional costs on ratepayers. Preparing accurate annual reports of the kind required under this proposed legislation, disaggregated by base rates and each individual bill rider, requires significant staff time, legal and accounting resources, and systems capable of producing the requested data in the required format and timeframe. These

compliance costs, like all utility operating expenses, are ultimately borne by ratepayers. Creating a new annual reporting mandate that duplicates information already available through the rate case process imposes real costs without delivering commensurate public benefit.

A Better Path Forward

We understand and respect the goal of ensuring that revenue transparency information is accessible and that legislators have the tools they need to conduct oversight. If the Committee's concern is that rate case filings are difficult to navigate or that PUC dockets are not easily accessible to non-specialists, we would welcome a conversation about how to improve the accessibility and usability of information already in the public record — without layering on a separate, stand-alone reporting mandate.

We would also note that the PUC retains broad authority under existing law, including the catch-all provision in proposed subdivision 4(a)(3), to require additional reporting by rule or order as part of an active proceeding. That authority already exists and is regularly exercised. This bill would, in effect, codify a mandatory annual reporting cycle that bypasses the commission's existing discretion to calibrate reporting requirements to the facts of each case.

For these reasons, we respectfully urge the Committee to oppose HF 3778. We appreciate the opportunity to provide this testimony and welcome further discussion with the bill's author and committee members on any specific transparency goals that this legislation is intended to address.

Respectfully submitted,

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