

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange
Dan Lipschultz
Matthew Schuenger
Katie J. Sieben
John A. Tuma

Chair
Commissioner
Commissioner
Commissioner
Commissioner

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
202 South Main Street, P.O. Box 68
Le Sueur, Minnesota 56058

SERVICE DATE: August 16, 2017

DOCKET NO. G-022/M-15-434

In the Matter of Greater Minnesota Gas's 2014 Annual Service Quality Report

The above-entitled matter was considered by the Commission on August 10, 2017 and the following disposition made:

Accepted Greater Minnesota Gas's 2014 service quality report.

The Commission agrees with and adopts the recommendations of the Department of Commerce, which are attached and hereby incorporated into the order. This order shall become effective immediately.

BY ORDER OF THE COMMISSION



Daniel P. Wolf
Executive Secretary

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June 22, 2017

Mr. Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: **Letter from the Minnesota Department of Commerce, Division of Energy Resources regarding Greater Minnesota Gas' 2014 Annual Service Quality Report**
Docket No. G022/M-15-434

Dear Mr. Wolf:

The Minnesota Department of Commerce, Division of Energy Resources (Department) provides the following *Letter* regarding Greater Minnesota Gas' (Greater Minnesota or the Company) *2014 Annual Service Quality Report* (Report) filed with the Minnesota Public Utilities Commission (Commission) on May 8, 2015. In its July 22, 2015 *Comments*, the Department observed significant inconsistencies between the Report and the data presented in the monthly Cold Weather Rule (CWR) reports. Further, many of the CWR reports were late filed. In addition, the Department noted that the CWR reports filed with the Report did not match the reports originally filed with the Commission. Given these concerns, the Department recommended that the Commission withhold decision on the annual service quality report and require the Company to commission an audit by an independent firm of Greater Minnesota's data collection, maintenance, and retrieval practices used to fulfill Greater Minnesota's regulatory filing and reporting requirements. The Department also recommended that the Company provide clarifying information in *Reply Comments*.

Greater Minnesota responded to the Department's concerns in *Reply Comments* filed on August 3, 2015. The Company strongly disagreed with the Department's audit recommendation and argued that the recommendation is unnecessary. Greater Minnesota also provided clarifying information requested by the Department.

In terms of the billing audit, the Company responded that Greater Minnesota is not comparable to other utilities, therefore a billing audit would not effectively solve the issues. Greater Minnesota invited the Department and Commission Staff to visit the Company's offices to get a better appreciation of Greater Minnesota's operations and business processes. In addition, Greater Minnesota explained that an annual audit process similar to what is used by the Minnesota Office of Pipeline Safety (MnOPS) may be an appropriate solution. The Company concluded its discussion by stating that working together would reach a more meaningful result compared to an outside audit.

Mr. Daniel P. Wolf

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The Department and Greater Minnesota had informal discussions subsequent to *Reply Comments* in August 2015, but were unable, at the time, to reach a solution to the issues noted by the Department. On May 1, 2016 and May 2, 2017 Greater Minnesota filed its 2015 and 2016 annual service quality reports, respectively. As part of its analysis in these dockets, the Department reviewed the monthly CWRs and focused on the data issues identified in the 2014 annual service quality report. Based on this analysis, the Department concludes that Greater Minnesota has adequately addressed the data issues identified in the 2014 annual service quality report.¹ Since the Department filed its July 22, 2015 *Comments* in this docket, Greater Minnesota has timely filed its monthly CWRs and the monthly CWR data reconciles with the annual service quality reports.

Given the improvement in data reporting observed in the 2015 and 2016 annual service quality reports, the Department concludes that an external, independent audit of Greater Minnesota's data collection, maintenance, and retrieval practices related to the Company's regulatory filing and reporting requirements is unnecessary at this time. The improved data accuracy and timeliness demonstrated in subsequent CWR reports and in the two most recent annual service quality reports indicates that the Company recognizes its regulatory obligations and has successfully improved its data collection and maintenance activities.

Based on the Department's analysis in the 2015 and 2016 annual service quality reports, the Department modifies its earlier recommendations in this docket. The Department now recommends that the Commission accept Greater Minnesota's 2014 annual service quality report.

The Department is available to answer any questions that the Commission may have.

Sincerely,

/s/ ADAM J. HEINEN

Rates Analyst

651-539-1825

AJH/ja

¹ This analysis can be found in the Department's *Comments* in Docket Nos. G022/M-16-383 and G022/M-17-336.

CERTIFICATE OF SERVICE

I, Jamie Eschbach, hereby certify that I have this day, served a true and correct copy of the following document to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States mail at St. Paul, Minnesota.

Minnesota Public Utilities Commission ORDER

Docket Numbers: **G-022/M-15-434**

Dated this **16th** day of **August, 2017**

/s/ Jamie R Eschbach

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Service List Member Information**Electronic Service Member(s)**

Last Name	First Name	Email	Company Name	Delivery Method	View Trade Secret
Anderson	Kristine	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.	Electronic Service	No
Anderson	Julia	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	Electronic Service	Yes
Dobson	Ian	Residential.Utilities@ag.state.mn.us	Office of the Attorney General-RUD	Electronic Service	Yes
Ferguson	Sharon	sharon.ferguson@state.mn.us	Department of Commerce	Electronic Service	No
Kupser	Nicolle	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	Electronic Service	No
Palmer	Greg	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	Electronic Service	No
Swanson	Eric	eswanson@winthrop.com	Winthrop & Weinstine	Electronic Service	No
Wolf	Daniel P	dan.wolf@state.mn.us	Public Utilities Commission	Electronic Service	Yes

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