



Via E-filing

May 11, 2015

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

RE: **Reply Comments** Docket G008/AI-15-50

Affiliated Interest Agreement between CenterPoint Energy Minnesota Gas and CenterPoint Energy Service Company

Dear Mr. Wolf:

CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas ("CenterPoint Energy" or "the Company") filed its Petition for approval of the inclusion of additional customer related services in the Master Services Agreement (MSA) between the Company and CenterPoint Energy Service Company on January 14, 2015 and filed the revised MSA on April 2, 2015. On April 16, 2015 the Department of Commerce ("Department") filed comments ("Comments") which recommended approval of the petition with additional reporting requirements. Specifically, the Department recommended that the Company file direct testimony in the next general rate case "demonstrating the monthly savings in dollar amounts to CenterPoint Energy related to the corporate allocations in the proposed MSA from the time of its implementation on December 15, 2014" (page 9 of Department April 16, 2015 Comments). The Company provides the following information in reply to the initial comments.

As the Department noted on page 5 of its Comments, the original petition stated that a unified call center and related support functions in Service Co will allow for synergies over time. These synergies include: reduction of seasonal and peak impacts, disaster/weather risk mitigation, and a larger pool of CSRs to respond to priority calls.

At this time, we are still implementing the unified call center and the potential synergies are expected to be realized in the future after full implementation has occurred. Additionally and as discussed in our 2014 Service Quality Report¹, the Company implemented a number of technological changes in 2014 that are designed to improve interactions with customers and to address the changing ways in which customer

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¹ Docket No. G008/M-15-414

conduct business with the Company. The technological changes are integrated and some of the technological changes were necessary to implement the unified call center. As such, it may be difficult to parse out and/or quantify the benefits of specific components and specific benefits may not be immediately recognized. However, in our 2015 rate case the Company commits to provide additional discussion on the status of the implementations of the technological changes and the unified call center along with information about any potential synergies that may be achieved in the future.

Please contact me at 612.321.4625 with any questions.

Sincerely,

/s/

Peggy Sorum Manager, Regulatory Financial Activities

Enclosures

Cc: Service List

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)	
)	SS
COUNTY OF HENNEPIN)	

Pamela Thomas, being first duly sworn on oath, deposes and says she served the attached reply comments by CenterPoint Energy or a summary thereof to all persons at the respective addresses indicated on the attached service list by having the document delivered by electronic filing or by placing in the

U. S. Mail at the City of Minneapolis, Minnesota:

/s/
Pamela Thomas
Sr. Regulatory Analyst
CenterPoint Energy

Subscribed and sworn to before me this 11th day of May, 2015

/s/

Kathleen Simonson Notary Public My Commission Expires on January 31, 2017.

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
David	Aafedt	daafedt@winthrop.com	Winthrop & Weinstine, P.A.	Suite 3500, 225 South Sixth Street Minneapolis,	Electronic Service	No	OFF_SL_15-50_AI-15-50
				MN 554024629			
Julia	Anderson	Julia.Anderson@ag.state.m n.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_15-50_AI-15-50
James J.	Bertrand	james.bertrand@leonard.c om	Leonard Street & Deinard	150 South Fifth Street, Suite 2300 Minneapolis,	Electronic Service	No	OFF_SL_15-50_Al-15-50
				MN 55402			
Brenda A.	Bjorklund	brenda.bjorklund@centerp ointenergy.com	CenterPoint Energy	800 LaSalle Ave FL 14 Minneapolis, MN	Electronic Service	No	OFF_SL_15-50_AI-15-50
				55402			
Jerry	Dasinger	jerry.dasinger@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	OFF_SL_15-50_AI-15-50
Jeffrey A.	Daugherty	jeffrey.daugherty@centerp ointenergy.com	CenterPoint Energy	800 LaSalle Ave Minneapolis, MN 55402	Electronic Service	No	OFF_SL_15-50_Al-15-50
lan	Dobson	ian.dobson@ag.state.mn.u s	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	No	OFF_SL_15-50_AI-15-50
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_15-50_AI-15-50
Edward	Garvey	garveyed@aol.com	Residence	32 Lawton St Saint Paul, MN 55102	Electronic Service	No	OFF_SL_15-50_AI-15-50
Michael	Greiveldinger	michaelgreiveldinger@allia ntenergy.com	Interstate Power and Light Company	4902 N. Biltmore Lane Madison, WI 53718	Electronic Service	No	OFF_SL_15-50_AI-15-50

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Robert	Harding	robert.harding@state.mn.u s	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 55101	Electronic Service	No	OFF_SL_15-50_AI-15-50
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_15-50_AI-15-50
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_15-50_AI-15-50
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_15-50_AI-15-50
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_15-50_AI-15-50
Janet	Shaddix Elling	jshaddix@janetshaddix.co m	Shaddix And Associates	Ste 122 9100 W Bloomington Bloomington, MN 55431	Electronic Service Frwy	No	OFF_SL_15-50_AI-15-50
Peggy	Sorum	peggy.sorum@centerpointe nergy.com	CenterPoint Energy	800 LaSalle Avenue PO Box 59038 Minneapolis, MN 554590038	Electronic Service	No	OFF_SL_15-50_AI-15-50
James M.	Strommen	jstrommen@kennedy- graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Stree Minneapolis, MN 55402	Electronic Service	No	OFF_SL_15-50_AI-15-50
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_15-50_AI-15-50
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_15-50_AI-15-50