

Staff Briefing Papers

Meeting Date **February 28, 2019** Agenda Item *3

Company CenterPoint Energy (CenterPoint)

Docket No. **G008/M-18-312**

In the Matter of CenterPoint Energy's 2017 Annual Gas Service Quality Report

Issue

1. Should the Commission Accept CenterPoint's 2017 Annual Gas Service Quality Report?
2. Should CenterPoint be Required to make a Compliance Filing Documenting Communications to the Company's Customer Service Representatives Regarding the Company's Eight Hour Customer Service Window for Customer Premise Visits (when the customer's presence is required)?

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Relevant Documents

Date

Commission Order Accepting CenterPoints's 2015/2016 Gas Service Quality Report, Docket No. G008/M-16-377 and G008/M-17-342

February 15, 2018

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 **Relevant Documents**

Date

CenterPoint's Initial Filing 2017 Natural Gas Service Quality Performance Report. G008/M-18-312	May 1, 2018
Comments of the Minnesota Department of Commerce Division of Energy Resources	June 15, 2018
Reply Comments CenterPoint Energy	June 25, 2018
Supplemental Reply Comments CenterPoint Energy	July 23, 2018
Commission Information Requests 1-6	October 11, 2018
CenterPoint's Response to Commission Information Requests 1-6	November 19, 2018
Public Comments Commission	November 20, 2018
Response to Reply Comments Minnesota Department of Commerce Division of Energy Resources	December 7, 2018
Response to Reply Comments-Response to Department of Commerce Reply Comments	December 13, 2018

I. Statement of the Issues

Should the Commission Accept CenterPoint's 2017 Annual Gas Service Quality Report?

II. Background

On April 16, 2009, the Minnesota Public Utilities Commission (Commission) opened an investigation into natural gas service quality standards and requested comments from the Minnesota Department of Commerce, Division of Energy Resources (Department) and all Minnesota regulated natural gas utilities in Docket No. G999/CI-09-409 (09-409 Docket). As a result, the gas utilities file annual reports on various service quality standards. In its August 26, 2010 Order (09-409 Order) in the 09-409 Docket, and in various subsequent Orders, the Commission established uniform reporting requirements that Minnesota regulated natural gas utilities are to follow and a list of information that should be provided by each utility in a miscellaneous tariff filing to be made each May 1 reflecting service quality performance during the prior calendar year.

On May 1, 2018, CenterPoint filed its calendar year 2017 Annual Service Quality Report (2017 Report).

On June 15, 2018, the Minnesota Department Commerce submitted its initial comments on CenterPoint's 2017 Service Quality Report.

On June 25 and July 23, 2018, CenterPoint filed reply comments and supplemental reply comments.

On October 11, 2018, the Commission information requests 1-6 which request information related to additional gas service quality reports and a company's customer service window for customer premise (when the customer's presence is required). CenterPoint provided its responses on November 19, 2018.

On November 20, 2018, the Commission received public comments regarding the length of CenterPoint's customer service window.

On December 7, 2018, the Minnesota Department of Commerce filed response to reply comments.

On December 13, 2018, CenterPoint filed response to reply comments.

III. Parties' Comments

DOC: The Department recommends that the Commission accept CenterPoint's 2017 Annual Service Quality Report as subsequently supplemented and revised.

CenterPoint: CenterPoint Energy respectfully requests the Commission accept its Annual 2017 Service Quality Report.

CenterPoint's Responses to Information Requests 1-6:

PUC # 1 Please provide an analysis of whether any of the following reports or data would enhance the Commission's evaluation of the company's level of service quality:

- a. The data required under Title 49 Code of Federal Regulations §192.1007 (e):
Performance measures developed from an established baseline to evaluate the effectiveness of a company's Integrity Management (IM) program. These performance measures include the following:
 - (i) Number of hazardous leaks either eliminated or repaired as required by § 192.703(c) of this subchapter (or total number of leaks if all leaks are repaired when found), categorized by cause;
 - (ii) Number of excavation damages;
 - (iii) Number of excavation tickets (receipt of information by the underground facility operator from the notification center);
 - (iv) Total number of leaks either eliminated or repaired, categorized by cause;
 - (v) Number of hazardous leaks either eliminated or repaired as required by § 192.703(c) (or total number of leaks if all leaks are repaired when found), categorized by material; and
 - (vi) Any additional measures the operator determines are needed to evaluate the effectiveness of the operator's IM program in controlling each identified threat.
- b. A summary of any 2017 emergency response violations cited by MNOPS along with a description of the violation and remediation in each circumstance; and
- c. The number of violation letters your company has received from MnOPS during the year in question.

Response:

Company Response to 1(a): The Company does not believe the Commission's evaluation of the level of customer service would be enhanced by a review of the information provided under §192.1007(e). Items (ii) and (iii) are related to excavation tickets and damages, and similar information is already provided in the Service Quality reports in Schedules 8 and 9. Items (i), (iv), and (v) relate to leak management practices, which are regulated under PHMSA Part 192 regulations, and are subject to review by MNOPS. The Company does not believe an additional

review by the Commission would provide meaningful information about the quality of service provided to customers.

Company Response to 1(b) & 1(c): The Company does not believe the Commission's evaluation of the level of customer service would be enhanced by either a review of a summary of emergency response violations cited by MNOPS and corresponding remediation, or the reporting of the number of violation letters received by the Company from MNOPS. Information on the Company's emergency response performance is already provided in the Service Quality reports in Schedules 7 and 12. MNOPS has an established process to audit the Company's performance and issue various audit exceptions. That process includes a way for the Company to respond to the audit findings and show the findings are unwarranted, should be modified, or provide improvements to its operations to address the audit findings. The Company does not believe an additional review by the Commission would provide meaningful information about the quality of service provided to customers.

PUC # 2 Please identify any other PHMSA and MnOPS reporting requirements not presently collected by the Commission that gas utilities might suggest as being useful in order to give the Commission a fuller picture of a gas utility's service quality performance. This may include reporting required by 49 CFR Part 191 such as the Incident Report required by §191.9 and the Annual Report required by §191.11

Response: The Company has not identified additional information provided to PHMSA and/or MNOPS that it believes would give the Commission a fuller picture of CenterPoint Energy's service quality performance. The Company points out that it already provides information on incidents reportable to MNOPS on Schedule 11 of the Service Quality reports. In addition, the Company's DOT Annual Report is publicly available.

PUC # 3 Please provide your company's standard customer service window for customer premise visits (when the customer's presence is required).

Response: The Company's standard customer service window for customer premise visits (when the customer's presence is required) is eight hours, with the exception of work orders for atmospheric corrosion inspections and service restoration when service was interrupted by the Company for maintenance activities. For atmospheric corrosion inspections, the Company uses a two-hour service window; for service restoration after maintenance interruptions, the Company uses a four hour window.

PUC # 4 Please provide the rationale for the length of your customer service window for customer premise visits (when the customer's presence is required).

Response: CenterPoint Energy has established these scheduling guidelines to balance our workload and staffing. These guidelines prioritize urgent needs (such as emergency orders), while striving to sustain customer satisfaction in the following ways:

1. Prioritizing emergency and safety related calls over non-emergency customer service issues;
2. Allowing us to serve the maximum number of customers each day; and

3. Maintaining reasonable rates by reducing staffing and overtime expenditures

PUC # 5 If your company's customer service window for customer premise visits (when the customer's presence is required) is greater than four hours, are there other utilities or businesses that give customers a service window greater than four hours?

Response: CenterPoint Energy provided its customer service windows for customer premise visits in PUC Information Request #3. The customer service windows of other utilities and businesses may be greater than or less than four hours, and the Company does not have access to a database of the customer service windows of other entities. Additionally, comparability of customer service practices between utilities and businesses may vary for many reasons, including: the area where service is provided, dispatching response time procedures, type of services provided (natural gas, electric, or telecommunications), etc.

PUC # 6 If your company has a customer service window for customer premise visits (when the customer's presence is required) greater than four hours, is it possible or practical for the company to narrow the window to two or four hours?

Response: The Company believes it could be possible to reduce the customer service window by increasing labor resources, but the Company has not performed any studies to identify the cost of such a change or whether labor resources are available.

Public Comment on Customer Service Window when customer's presence is required: Our gas meter has recently started to make this loud squeaky noise, which seems to have been getting louder over time. I'm scheduled to have a technician come and inspect the meter sometime within the next 2-3 days, between 8am to 8pm (ridiculous broad window of time).

IV. Staff Analysis

Staff agrees with the recommendation of the DOC at page 7 of its December 7, 2018 response to reply comments and accept CenterPoint's 2017 Annual Natural Gas Service Quality Report. However, the Commission may wish to ask further questions of CenterPoint regarding the Company's responses to information requests 1-6.

With respect to customer service window for customer premise visits (when the customer's presence is required) (customer service window), none of the parties commented on this item. However, a member of the public, a CenterPoint customer indicated that customer service window provided was a full 12 hour window not the eight hour window as CenterPoint provided in PUC information request #3. Given this discrepancy, there may be some miscommunications to and from CenterPoint's customer service representatives (CSRs). Staff believes that CenterPoint should reinforce to its customer service that the customer service window is eight hours rather than 12 hours. As such, Staff recommends that the Commission require CenterPoint to make a compliance within 30 days of the Commission's order documenting that CenterPoint has communicated to the Company's CSRs reinforcing that the Company's customer service window is eight hours rather than 12 hours as reported by the Company's customers.

V. Decision Options

1. Should the Commission Accept CenterPoint's 2017 Annual Gas Service Quality Report?
 - A. Accept CenterPoint's 2017 Annual Gas Service Quality Report.
 - B. Do not accept CenterPoint's 2017 Annual Gas Service Quality Report.

2. Should CenterPoint be Required to make a Compliance Filing Documenting Communications to the Company's Customer Service Representatives Regarding the Company's Eight Hour Customer Service Window for Customer Premise Visits (when the customer's presence is required)?
 - A. Require CenterPoint to make a compliance filing within 30 days of the Commission's order documenting that the Company communicated to its customers service representatives that the Company's Customer Service Window for Customer Premise Visits (when the customer's presence is required) is eight hours.
 - B. Do not require a compliance filing.

VI. Staff Recommendation

Staff recommends that the Commission adopt alternatives 1A and 2A.