

September 10, 2012

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, Minnesota 55101-2147

RE: **Letter of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G004/M-12-442

Dear Dr. Haar:

On June 29, 2012, the Minnesota Department of Commerce, Division of Energy Resources filed its *Comments* in response to Great Plains Natural Gas Company's, a Division of MDU Resources Group, Inc. (Great Plains or Company), 2011 *Annual Service Quality Report* (Report). After reviewing the Company's Report, the Department recommended that the Minnesota Public Utilities Commission (Commission) accept Great Plains' Report pending response to various inquiries in *Reply Comments*.

On July 17, 2012, Great Plains filed its *Reply Comments*. The Company's responses to the concerns of the Department were generally reasonable; however, Great Plains' comments regarding customer complaints require a response by the Department. In its *Comments*, the Department observed that Great Plains' number of customer complaints in 2011 were significantly lower than the number of complaints reported by other regulated gas utilities. The Company explained in its initial filing that it only classifies communications as a complaint when it is forwarded to a supervisor for response. In its *Reply Comments*, Great Plains stated that its practice of only reporting calls escalated to a supervisor is designed to filter out general customer questions and inquiries that can be resolved in short order to the customer's satisfaction. The Company further stated that it is willing to expand its definition of a complaint to include broader topics that are not escalated to a supervisor, if directed by the Commission, but Great Plains does not believe that this information would be meaningful or contribute to the Commission's evaluation of service quality. The Company also offered to explore the feasibility of adding an electronic tracking system to be able to capture all complaints.

The Department understands the Company's decision to only report escalated calls and its concerns regarding expanding its complaint criteria. However, Great Plains' current method does not capture the information necessary to fully assess the level of customer confusion or dissatisfaction. Presumably, there are many minor complaints that are handled without

forwarding a caller to a supervisor. The Company's current method, although different than other utilities, does provide a measure of year-to-year comparability for Great Plains. However, the Department concludes that complaint reporting in a manner similar to other utilities is more appropriate, because it will provide the Department and the Commission with a better idea of how many calls are being received by Great Plains' customer service system, and what type of complaints prompt the bulk of the calls.

Based on its review of Great Plains' *Reply Comments*, the Department removes its conditional recommendation regarding the Company's Report and now recommends that the Commission accept Great Plains' Report. In addition, the Department recommends that the Commission require Great Plains to begin reporting complaints in a manner that accounts for all applicable calls to its customer service line.

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

Sincerely,

/s/ ADAM JOHN HEINEN
Rates Analyst
651-296-6329

AJH/jl

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Letter**

Docket No. G004/M-12-442

Dated this **10th** of **September, 2012**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Tamie A.	Aberle	tamie.aberle@mdu.com	Great Plains Natural Gas Co.	400 North Fourth Street Bismarck, ND 585014092	Paper Service	No	OFF_SL_12-442_12-442
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_12-442_12-442
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_12-442_12-442
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_12-442_12-442
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_12-442_12-442