

September 28, 2023

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Minnesota Department of Commerce, Division of Energy Resources – Letter Recommending Approval of Minnesota Power’s 2022 Annual Service Quality and Reliability Reports
Docket No. E015/M-23-75

Dear Mr. Seuffert:

The Minnesota Department of Commerce, Division of Energy Resources (Department) filed comments in the instant docket on June 16, 2023, requesting further information from Minnesota Power Company (MP or the Company) regarding the following topics in its reply comments:

- Further information explaining the Days of Job Transfer or Restriction for 2022 being approximately 15 percent above the ten-year average.
- Information regarding what safety awareness campaigns and/or trainings it has or intends to implement to mitigate incidents of vehicle damage.
- Monthly data on its call center response time goals through the first half of 2023 supporting its claim of continuing improvement.
- Its plan to drive more traffic to Facebook and Instagram, or the threshold of participation at which it will no longer pursue these platforms.

Additionally, the Department stated its intent to make final recommendations regarding the Company’s Annual Service Quality and Annual Service Reliability Reports after reviewing MP’s reply comments and its supplemental filing providing the Institute of Electrical and Electronics Engineers benchmarking data for 2022, filed by the Company on August 24, 2023.¹

¹ Minnesota Power. Compliance Filing. *In the Matter of Minnesota Power’s 2022 Safety, Reliability and Service Quality Standards Report*. Docket No. E015/M-23-75. August 24, 2023. Accessed at: <https://efiling.web.commerce.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId={F0BC288A-0000-CA17-8269-71AC8BCCC888}&documentTitle=20238-198476-01>

Minnesota Power submitted its reply comments on June 30, 2023, addressing each of the topics prompted by the Department in turn.

Regarding the Department's request for further information explaining the coincident decrease in Days Away from Work and increase in Days of Job Transfer or Restriction in 2022, the Company explained that 83 percent of the recorded 369 days of Transferred/Restricted time were attributed to strain- or sprain-related injuries, with one outlier case resulting in 25 percent of the restricted time from strains/sprains. The Department understands that these types of injuries typically take longer to recover from, causing extended durations of limited duties or transfer for affected employees. MP explained that it has coordinated with Vimocity, the vendor partner in ALLETE MOVES, to enhance its training program content on ergonomics, body positioning, and warm-up routines for the specific tasks faced by its employees in the field.²

In initial comments the Department highlighted that MP had paid property damage claims (\$120,097 in FY22) above the 10-year average (\$55,654), with \$35,874.48 in damages attributed to incidents involving vehicle damage. MP responded that the reporting category of 'vehicle damage' is inclusive of a variety of causes, from transformer failures, employee driving failures, and forklift operator error. The Company stated that its Line Operations group participates in annual trainings on forklift operations and training, and it partnered with the Minnesota State Patrol in 2022 to conduct general training on vehicle safety and operations for all field operations departments.³ The Department commends MP on taking additional steps to mitigate these risks, and will continue to closely monitor the annual claims paid attributed to vehicle damage to gauge the effectiveness of these initiatives over time.

Noting that MP's Service Quality Report indicated that customer engagement through the Facebook and Instagram platforms in 2022 had significantly decreased from 2021 levels (by 48 and 96 percent, respectively) the Department requested that MP provide further information in reply comments regarding whether it had a plan to increase traffic to these sites. The Company responded that on June 22, 2021 Meta changed their main reporting metrics to "Reach" and "Page/Profile Views" from the previously used metric called "Daily Engaged Users," removing this metric from its analytics dashboard which resulted in understated engagement numbers for these platforms.⁴ MP provided an updated report with consistent metrics comparing 2021 and 2022 which showed an increase in web traffic to the Company's Facebook and Instagram pages in 2022. The Department appreciates the clarification and has no further concerns regarding this matter.

Lastly, the Department requested in its initial comments that MP substantiate its assertion that the Company's Call Center response times were improving throughout 2023 in response to recent

² Minnesota Power. Reply Comments. *In the Matter of Minnesota Power's 2022 Safety, Reliability and Service Quality Standards Report*. Docket No. E015/M-23-75. June 30, 2023, at 1. Accessed at: <https://efiling.web.commerce.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId={C0450D89-0000-C518-8AEE-29C99013C407}&documentTitle=20236-197121-01>

³ *Id.*, at 2.

⁴ *Id.*, Attachment B.

Company initiatives to improve performance to meet response time goals. The Company provided monthly metrics as requested in its June 30, 2023 reply comments and also filed supplemental reply comments with minor corrections and updated metrics through June 2023.⁵ The updated data suggests that MP has seen continual and significant improvement in its call center response times through early 2023 relative to its performance in 2021 and 2022, however the Company did not meet the goal of answering 80 percent of calls made to the business office during regular business hours within 20 seconds⁶ in five of the six months reported in 2023. The Department notes that the Company's annual average call center response time performance in 2023 has increased in the recovery period after the COVID-19 pandemic, up from 50 percent of calls answered within 20 seconds during business hours in 2020 to 77 percent in the first half of 2023. The Department appreciates that the mitigation measures employed by the Company to address this performance deficiency will take time to fully materialize as new employees are onboarded and existing employees become more familiar with new processes put in place to increase the effectiveness of the call center, and while the Department expects performance to continually improve over the coming years and will closely track associated metrics to verify this it does not have any recommendations to further modify business practices of the utilities to improve call center response at this time.

After review of the record and reply comments from the Company, the Department recommends that the Commission approve Minnesota Power's 2022 Service Quality Report.

On August 24, 2023, Minnesota Power filed a Compliance Filing providing the Institute of Electrical and Electronics Engineers (IEEE) reliability standard 2022 benchmarking results for comparison against MP's actual performance. Table 1 below summarizes the Company's reported SAIDI, SAIFI, and CAIDI metrics alongside their corresponding IEEE benchmark values.

Table 1. IEEE 2022 Reliability Standards

	SAIDI	SAIFI	CAIDI
IEEE Benchmark (2022 data)	143	1.11	134
Minnesota Power Actual	112.70	1.12	100.89

As shown above the Company exceeded the target goals for SAIDI and CAIDI in 2022, an only missed the target goal for SAIFI by 0.01. Minnesota Power explained in the filing that the main drivers contributing to the frequency of outages on its system in 2022 continued to be weather, vegetation, and overhead equipment failures. The Company also noted that it is three years into an initiative to strategically underground distribution lines where they are most vulnerable to natural hazards or is otherwise observed to be experiencing degradation of reliability performance. MP has also stood up a Distribution Grid Modernization team in 2022 to oversee the implementation of grid modernization programs as proposed in the Company's Integrated Distribution Plan (IDP) reports, and the

⁵ Minnesota Power. Supplemental Reply Comments. *In the Matter of Minnesota Power's 2022 Safety, Reliability and Service Quality Standards Report*. Docket No. E015/M-23-75. August 4, 2023, at 1. Accessed at:

<https://www.edockets.state.mn.us/edockets/searchDocuments.do?method=showPoup&documentId={4007C289-0000-C019-9F6A-49AB513BDC59}&documentTitle=20238-198022-01>

⁶ Minnesota Rules 7826.1200

Department agrees with MP that the projects and initiatives implemented by this team should have a positive impact on system-wide reliability metrics as automated sensing and control devices are integrated into the distribution system moving forward. For these reasons the Department has no concerns with MP's 2022 reliability performance and recommends that the Commission approve MP's Reliability Standards Report and continue to set Minnesota Power's 2023 Minnesota service territory-wide Reliability Standard at the IEEE benchmarking second quartile for medium utilities.

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

Sincerely,

/s/ CHRIS WATKINS
Public Utilities Rates Analyst

CW/ar

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. E015/M-23-75

Dated this 28th day of September 2023

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Matthew	Brodin	mbrodin@allete.com	Minnesota Power Company	30 West Superior St Duluth, MN 55802	Electronic Service	No	OFF_SL_23-75_M-23-75
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_23-75_M-23-75
MP Regulatory	Compliance	MPRegulatoryCompliance@mnpower.com	Minnesota Power	30 W Superior St. Duluth, MN 55802	Electronic Service	No	OFF_SL_23-75_M-23-75
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_23-75_M-23-75
Discovery	Manager	discoverymanager@mnpower.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	OFF_SL_23-75_M-23-75
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_23-75_M-23-75
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_23-75_M-23-75
Claire	Vatalaro	cvatalaro@allete.com	Allete	30 W Superior St Duluth, MN 55802	Electronic Service	No	OFF_SL_23-75_M-23-75