

July 22, 2015

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

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**  
Docket No. G022/M-15-434

Dear Mr. Wolf:

Attached are the *Comments* of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

*2014 Annual Gas Service Quality Report* (Report) submitted by Greater Minnesota Gas, Inc. (Greater Minnesota or the Company).

The *2014 Annual Gas Service Quality Report* was filed on May 7, 2015 by:

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

Based on its review of Greater Minnesota's *2014 Annual Gas Service Quality Report*, the Department recommends that the Minnesota Public Utilities Commission (Commission) **withhold** decision on the Company's Report pending possible revisions needed to Greater Minnesota's historical Cold Weather Rule reports and Greater Minnesota's provision of additional information in *Reply Comments*.

The Department also recommends that the Commission require Greater Minnesota to obtain an independent audit of its data collection practices and procedures in place for regulatory compliance and provide the audit results to the Commission. The firm should be independent of Greater Minnesota, have expertise in data collection, reporting, and regulated utility practices, and the audit should identify whether the Company's data collection and regulatory practices are reasonable, prudent, and consistent with standard utility practices.

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

Sincerely,

/s/ ADAM J. HEINEN  
Rates Analyst  
651-539-1825

AJH/lt  
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE  
MINNESOTA DEPARTMENT OF COMMERCE  
DIVISION OF ENERGY RESOURCES

DOCKET NO. G022/M-15-434

I. 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<sup>1</sup> (Department) and all Minnesota regulated gas utilities in Docket No. G999/CI-09-409 (09-409 Docket). Various rounds of comments and discussion occurred in the 09-409 Docket and the issues came before the Commission on August 5, 2010. During the August 5, 2010 *Commission Meeting*, Greater Minnesota (Greater Minnesota, GMG, or the Company) argued that, due to its size relative to Minnesota's larger regulated gas utilities, certain reporting requirements should be modified. In its January 18, 2011 *Order—Setting Reporting Requirements* (09-409 Order), the Commission determined that Greater Minnesota must provide service quality information in generally the same manner as other Minnesota gas utilities, except as modified by the Commission's 09-409 Order.

On April 25, 2011, Greater Minnesota filed its calendar year 2010 *Annual Service Quality Report*. In its March 6, 2012 *Order—Accepting Reports and Setting Reporting Requirements* (March 6 Order) in Docket No. G022/M-11-356 *et al.*, the Commission supplemented the reporting requirements set out in its 09-409 Order and directed the Minnesota natural gas utilities to convene a workgroup to improve reporting consistency and address other issues. The workgroup met on June 22, 2012 and developed more uniform reporting; GMG did not attend the workgroup meeting. The Company filed calendar year 2011 and 2012 service quality reports on October 11, 2012 and May 1, 2013, respectively. Greater Minnesota filed its calendar year 2013 service quality report on November 13, 2014.

On May 7, 2015, Greater Minnesota filed its calendar year 2014 *Annual Gas Service Quality Report* (Report). The Department notes that the Commission's 09-409 Order explicitly

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<sup>1</sup> At the time when the Commission opened this investigation, the Department was referred to as the Minnesota Office of Energy Security, or OES.

stated that Greater Minnesota shall file annual service quality reports on May 1 of each year. Minnesota Statutes, section 216B.57 states:

Any person who knowingly and intentionally violates any provision of Laws 1974, chapter 429, or who knowingly and intentionally fails, omits, or neglects to obey, observe, or comply with any lawful order, or any part or provision thereof, of the commission is subject to a penalty of not less than \$100 nor more than \$1,000 for each violation.

It is unclear whether Greater Minnesota “knowingly and intentionally” failed to comply with the Commission’s *Order*. The Department requests that Greater Minnesota provide its annual reports by May 1 as ordered. If unable to meet a filing deadline, the Company must notify the Commission prior to May 1.

The Department reviewed the Company’s Report for compliance with Commission Orders and to identify potential issues. The Department provides its analysis below.

## II. THE DEPARTMENT’S ANALYSIS

Per the Commission’s 09-409 *Order*, Greater Minnesota was not required to track information for certain reporting requirements until January 1, 2011, which means that this Report marks the fourth time that Greater Minnesota has provided information for the following reporting requirements: Telephone Response Time, Meter Reading Performance, Service Extension Request Time, Customer Deposits, Customer Complaints, Gas Emergency Information, Minnesota Office of Pipeline Safety (MnOPS) damage reports, Service Interruptions, Gas Emergency Response Time, and Customer Service Expenditures related to FERC Accounts 901 and 903. The Report contains the fifth year of data for the remaining metrics: Service Disconnections and System Damage.

The Department discusses, separately, each reporting requirement below.

### A. CALL CENTER RESPONSE TIME

The Commission required each utility to provide in its annual service quality report call center response time in terms of the percentage of calls answered within 20 seconds. The Department notes that Minnesota Rules, part 7826.1200 requires Minnesota’s electric utilities to answer, on an annual average, 80 percent of calls made to the business office during regular business hours within 20 seconds.

For Greater Minnesota, the Commission’s 09-409 *Order* requires the following regarding telephone response time:

GMG shall track and report the total number of phone calls received during each annual reporting period and report on the

number of times the phone rings before calls are answered. GMG shall begin tracking this data on January 1, 2011 and begin including data for this requirement in its second annual report.

The Company explained in its filing that all calls are answered live within three rings; however, if the Company does not answer within three rings, the call is automatically forwarded to an after-hours answering service. The Company's call response information is summarized in Table 1 below.

**Table 1: Call Response Data (2011-2014)**

Year	Number of Calls Received	Percentage Change in Calls
2011	5,887	n/a
2012	9,107	54.70%
2013	12,876	41.39%
2014	13,399	4.06%

The Company further clarified in its filing that these call numbers relate to all calls made to the general business line, which may include calls regarding Greater Minnesota Transmission (a pipeline affiliate), Greater Minnesota Synergy (utility holding company), or other general business inquiries that may not be related to Greater Minnesota operations.

Based on the Company's information, the Department concludes that it is likely that calls to the Company are answered promptly.

**B. METER READING PERFORMANCE**

In its 09-409 *Order*, the Commission required GMG to report meter reading performance data in the same manner as prescribed in Minnesota Rule 7826.1400. The Company provided, in its Report, the meter reading performance data per Minnesota Rules.

The Company's meter reading data over the four years that it has collected these data is summarized in Table 2 below.<sup>2</sup>

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<sup>2</sup> In its initial filing, the Company reported a total number of meters billed that was less than the number of meters read by Greater Minnesota personnel. In response to an email inquiry, Greater Minnesota noted that there was a typographical error in the initial filing and the total number meters billed in 2014 was actually 66,284.

**Table 2: Meter Reading Data (2011-2014)**

Year	Total Meters Billed	Company Read	% Company Read	Self-Read	% Self-Read	Estimated	% Estimated
2011	48,174	47,403	98.4%	145	0.3%	626	1.3%
2012	54,169	42,733	79%	60	0.1%	11,376	21.0%
2013	62,868	56,623	90%	336	0.5%	5,909	9.5%
2014	66,284	64,357	97%	372	0.5%	1,555	2.5%

As noted in Table 2, of the 3 percent of meters not read by the Company, the vast majority (1,555 out of 1,927) were estimated meters. Greater Minnesota explained that these estimated meters were for residential customers during low-usage months, and for some customers during the winter months because of severe weather. The Company indicated that customers were notified if their bill was estimated. The Department is encouraged by the Company's significant decrease in the number of estimated bills since 2012, and the Department hopes that Greater Minnesota is able to continue its progress in reducing estimated bills.

Greater Minnesota reported no meters unread for more than six months in calendar year 2014. Meter reading staffing levels increased by two between 2013 and 2014 as a result of expansion projects in Otter Tail and Becker Counties that are expected to be constructed in 2015.

**C. INVOLUNTARY SERVICE DISCONNECTION**

The Commission's 09-409 Order requires Greater Minnesota to provide involuntary service disconnection data in the same manner that it reports these data under Minnesota Statutes §§ 216B.091 and 216B.096 in Docket No. E,G999/PR-14-02, which relate to the Cold Weather Rule (CWR). Table 3 shows GMG's number of disconnections over the past five years as reported in its service quality dockets.

**Table 3: Involuntary Disconnections (2010-2014)**

2010	35
2011	17
2012	54
2013	63
2014	125

Greater Minnesota acknowledged the significant (nearly 100 percent) increase in involuntary disconnections in its initial filing. The Company explained that it added an administrative employee in 2014 who was focused on reducing Greater Minnesota's accounts receivable and delinquent account balances. This focus resulted in the increase in involuntary disconnections, but the Company clarified that these efforts were targeted to non-heating season months and that all efforts complied with the CWR requirements.

The Department reviewed Greater Minnesota's monthly CWR reports and confirms that disconnections appear to have happened during the non-heating season months. However,

while reviewing these reports, the Department observed inconsistencies between the data provided in the CWR reports and what was reported by the Company in its initial filing in this docket. Further, the Department observed potential areas of concerns in the data reported in the CWR reports. In an effort to reconcile the CWR reports with the Report, the Department requested clarification from the Company. In its response to informal discovery,<sup>3</sup> Greater Minnesota stated that it reviewed the Report and CWR reports and conferred with the staff members who handled the CWR reports during 2014. The Company stated that the employee who prepared the CWR reports left GMG during the Fall of 2014 and, while training a new employee on preparation of the CWR reports, Greater Minnesota observed that some reports were incorrect in certain respects and other reports were incomplete. The Company also represented that it spent a great deal of time reconstructing the reports to the best of its ability and that the Company is confident that its reports are correct going forward.

After reviewing the CWR information provided by the Company in this docket, Greater Minnesota's submissions in Docket No. E,G999/PR-14-02, and the Company's brief explanation of the reporting deficiencies, the Department is troubled. First, although the Company is working to correct the issues with CWR data, these issues have not been adequately addressed. For example, the CWR information provided in this Report, which presumably was the revised information compiled by the Company after discovering past reporting errors, the Department notes that Greater Minnesota reported that it granted approximately 112 CWR requests in 2014, but only received 44 CWR requests. The Department observed other such inconsistencies and oddities in these data. Second, the Department observed that the majority of the Company's CWR reports in 2014 were late filed. Minnesota Statute § 216B.091, subd. C, states the following:

The data reported under paragraphs (a) and (b) is presumed to be accurate upon submission and must be made available through the commission's electronic filing system. A monthly report must be filed with the commission no later than 45 days after the last day of the month for which data is reported.

A review of eDockets shows that the CWR reports for the months of February, May, June, July, August, September, October, November, and December of 2014 were filed more than 45 days after the last day of the month. It appears that not only did Greater Minnesota fail to ensure the accuracy of the reported data, the Company was not aware of untimely filings and/or did not have a system in place for ensuring timely regulatory filings.

In its initial filing, and in response to informal discovery, the Company stated that its CWR policies, in particular as they relate to disconnections, fully complied with the CWR during 2014. Unfortunately, the data provided by the Company is not sufficient to corroborate this conclusion; as such, Greater Minnesota is unable to support its conclusion. Without consistent or complete data, the Department cannot confirm that Greater Minnesota complied with the CWR statute. Given the issues identified by the Company, it may be

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<sup>3</sup> A copy of the email is included in DOC Attachment 1.

difficult to correct reports prior to 2014. However, given the fact that data for 2014 still appears inconsistent even after corrections by Greater Minnesota, the Department recommends that the Company fully explain, in *Reply Comments*, the measures it took to correct its 2014 CWR reports and to also fully analyze these reports prior to filing *Reply Comments* to ensure that the Company has accounted for any, and all, CWR data.

Furthermore, it is important that Greater Minnesota is able to collect and maintain data in a manner that ensures its accuracy and completeness. Based on the chain of events described by the Company in informal discovery, it is clear that quality control and oversight were lacking within Greater Minnesota (DOC Attachment 1). As such, the Department recommends that Greater Minnesota provide, in *Reply Comments*, an explanation and flow chart detailing the data collection, maintenance, and retrieval processes, particularly those needed for regulatory reporting purposes relating to the CWR.

In addition, in an effort to determine whether the Company's data collection, maintenance, and retrieval processes are appropriate and sufficient to result in accurate and timely reports and regulatory filings, the Department recommends that the Commission require Greater Minnesota to commission an independent audit of its data collection, maintenance, and retrieval processes and practices related to regulatory reporting to ensure that the Company's records are sufficient and are not likely to materially compromise the integrity or timing of the Company's regulatory filings. The firm should have expertise in data collection, maintenance, and retrieval processes, and in regulated natural gas utility best practices. The audit should assess whether the Company's data collection and regulatory practices are reasonable and prudent compared to standard regulated utility practices, and identify suggested improvements if improvements appear to be necessary.

#### *D. SERVICE EXTENSION REQUEST RESPONSE TIME*

Greater Minnesota is required to report service extension request response time data contained in Minn. Rules, part 7826.1600, items A and B, except for service connections related to Minn. Stat. §§ 216B.091 and 216B.096, subd. 11 (involuntary service disconnections). Minn. Rules, part 7826.1600, items A and B requires the following:

- A. the number of customers requesting service to a location not previously served by the utility and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service; and
- B. the number of customers requesting service to a location previously served by the utility, but not served at the time of the request, and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service.

In last year's annual report, the Department raised concerns regarding the Company's service extension data. Specifically, the Department noted that Greater Minnesota did not provide a breakdown of service extension times between existing and new areas as prescribed by Minnesota Rules and Commission Order, and the Department requested that the Company provide these data.<sup>4</sup> The Company subsequently noted that it added 229 customers as a result of new main installations and it installed service to 176 customers that were on-main customers that did not previously have natural gas service in 2013. While technically beyond the scope of this reporting metric, this new main vs existing main breakdown was helpful and relevant given Greater Minnesota's high rate of growth. In its initial filing in this docket, Greater Minnesota stated that it added approximately 550 new meters in 2014, but it did not provide a breakdown by new main installations and extensions off of existing mains as it had in its *Reply Comments* in the 2013 annual service quality report, nor did the Company provide an exact number of total meter additions.

The Department further notes that Greater Minnesota did not provide exact information regarding the amount of time between the request for service and the commencement of service for extensions that occurred in 2014. The only specific data that the Company provided was a list of various projects that were considered or constructed during 2014. In the interest of consistency with the 2013 annual service quality report, and due to the relevance of the information given the Company's rate of growth, the Department requests that Greater Minnesota provide, in *Reply Comments*, a breakdown of the exact number of meter additions by new main areas and existing areas in the same manner as provided in the 2013 annual service quality report and the amount of time between the request for an extension and when the extension entered service.

In Docket No. G022/M-14-964 (2013 Annual Service Quality Report) and in this Report, Greater Minnesota expressed concern that this reporting requirement may not be the best means of determining whether service is being extended to customers in a timely manner. The Company also noted that it has not received complaints regarding the length of time needed to extend service to a new customer. The Department acknowledges that there may be a better measure of service extension activity and timeliness, and encourages Greater Minnesota to propose alternate reporting standards that would satisfy the Commission's requirements while better fitting the Company's operational characteristics.

#### E. CUSTOMER DEPOSITS

This Report marks the fourth time that the Company has provided data regarding this reporting requirement.

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<sup>4</sup> In the 2011 Annual Service Quality Report docket, the Department noted in its March 11, 2013 *Comments* that provision of extension data by existing and new main did not fit the Commission's requirements, but if the Company felt this was a more appropriate dataset, the Department did not object to the provision of these data in future reports. The Commission ultimately accepted the Company's 2011 Annual Service Quality Reports in its April 7, 2014 *Order*.



**Table 4: Customer Deposits (2010-2014)**

Year	Deposits	Average Residential Customer Count
2011	0	3,692
2012	3	4,073
2013	6	4,432
2014	13	4,980

The number of customer deposits has increased steadily over the past four years; however, this has also corresponded with significant growth in the number of customers on the Greater Minnesota system. As such, the Department does not believe the increase in customer deposits is unreasonable.

**F. CUSTOMER COMPLAINTS**

The Commission's 09-409 *Order* specified GMG's customer complaint reporting requirements, as follows:

In addition to tracking and reporting on customer complaints received from the Commission's CAO, GMG shall begin tracking and reporting on the total number of customer complaints received and the number of complaints resolved for each of the following categories: billing errors; inaccurate metering; wrongful disconnection; high bills; inadequate service; service extension intervals and service restoration intervals. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement in its second annual report.

In its July 5, 2013 *Reply Comments* in its 2012 Annual Service Quality Report, and in its initial filing in this Report, GMG stated that when a customer calls, it is not necessarily a complaint and the Company's customer service representatives attempt to identify and answer the caller's question or concern immediately. The Company only classifies a call as a complaint if the customer service representative escalates the matter to a supervisor either because the customer service representative is unable to satisfy the customer's concerns or the customer is requesting that GMG take some type of action.

Greater Minnesota's reported total number of complaints, on an annual basis, is summarized in Table 5 below.

**Table 5: Annual Total Complaints (2011-2014)**

Year	Complaints
2011	10
2012	6
2013	3
2014	4

The Company did not provide data in this Report on whether complaints were forwarded by the Commission’s Consumer Affairs Office (CAO). GMG did, however, provide a discussion of one of its complaints which references discussions with the Office of the Attorney General (OAG). The Department recommends that the Company provide, in *Reply Comments*, the number of complaints forwarded by the Commission’s Consumer Affairs Office during calendar year 2014.

The Company provided a breakdown of customer complaints by type. In 2014, Greater Minnesota received two complaints for billing errors, one complaint for high bills, and one complaint regarding post-construction property restoration. Greater Minnesota also provided additional information regarding how these complaints were resolved during 2014 and, after reviewing the Company’s explanations and information obtained through informal discovery, the Department concludes that Greater Minnesota’s response to these complaints appears adequate.

**G. GAS EMERGENCY CALLS AND RESPONSE TIME**

In its 09-409 *Order*, the Commission required Greater Minnesota to track and report the total number of gas emergency calls received during each annual reporting period. The 2014 Report marks the fourth time these data were collected and reported. Greater Minnesota stated that, since the Company does not have a dedicated emergency line, emergency calls are manually tallied and the amount of time it takes to answer each call cannot be tracked. Greater Minnesota’s emergency call and response time metrics are reported in Table 6 below.

**Table 6: Gas Emergency Calls and Response Time (2011-2014)**

Year	Number of Emergency Calls	Call to Dispatch (0-10 minutes)	Call to Dispatch (more than 10 minutes)	Average Dispatch Time (minutes)	Dispatch to Arrival (less than 60 minutes)	Dispatch to Arrival (greater than 60 minutes)	Average Dispatch to Arrival (minutes)
2011	126	122	4	n/a	113	13	n/a
2012	100	95	5	3	81	19	44
2013	88	75	13	6	75	13	16
2014	110	107	3	3	102	8	36

The Company also provided additional information regarding the calls where dispatch was longer than 10 minutes and dispatch to arrival was greater than 60 minutes. The Department reviewed these explanations and concludes that they are generally reasonable,

save for one incident. Greater Minnesota stated that one incident with a response time of 77 minutes was the result of the homeowner cutting through the gas line on the outlet side of the meter. Based on the explanation provided by the Company, it appears that this event resulted in gas being actively blown into the air, which is a dangerous occurrence. The amount of time needed to respond to this incidence was somewhat long; thus, given the circumstances, the Department recommends that Greater Minnesota provide additional information regarding this event (e.g., location, time of day, efforts taken to reduce future response time) in its *Reply Comments*.

**H. MISLOCATES**

The Commission's 09-409 *Order* requires Greater Minnesota to provide data on mislocates, including the number of times a line is damaged due to a mismarked line or failure to mark a line. Greater Minnesota's mislocate data are summarized in Table 7 below.

**Table 7: Mislocates (2011-2014)**

Year	Mislocates	Number of Locate Requests
2011	5	n/a
2012	6	5,807
2013	0	6,853
2014	0	7,445

The Department is encouraged by the lack of mislocates during 2014 and will continue to monitor this metric in future annual service quality reports.

**I. GAS SYSTEM DAMAGE (DAMAGED GAS LINES) AND GAS SERVICE INTERRUPTIONS**

The Commission's 09-409 *Order* requires Greater Minnesota to provide data on damaged gas lines by providing copies of the Company's reports submitted to MnOPS. Table 8 summarizes GMG's gas system damage events.

**Table 8: Gas System Damage (2010-2014)**

Year	Damage Events
2010	5
2011	8
2012	7
2013	9
2014	9

All nine events in 2014 were the result of unplanned outages not related to utility operations. Of the nine events, five incidents did not involve a locate ticket, one involved a landowner hitting a correctly marked line, one involved digging too close to a correctly located line, one involved an excavator hitting an abandoned line, and one incident involved a landowner hitting a meter pipe with a skid loader.

*J. MAJOR EVENT REPORTING AND NOTIFICATION OF REPORTABLE EVENTS*

The 09-409 *Order* also required Greater Minnesota to provide summaries of all major events that are immediately reportable to MnOPS and provide contemporaneous reporting of these events to both the Commission and the Department when they occur. The Company had zero MnOPS reportable events during 2014.

*K. CUSTOMER-SERVICE-RELATED OPERATIONS AND MAINTENANCE EXPENSES*

The Commission requires each gas utility to provide data regarding customer-service-related operations and maintenance expenses recorded in FERC Accounts 901 and 903. The Company's annual costs are summarized in Table 8.

**Table 8: Customer Service Expenses**

Year	Expenses (\$)
2011	\$87,646
2012	\$84,349
2013	\$85,034
2014	\$105,579

The Company noted in its initial filing that customer service expenses increased in 2014 given the fact that it added several employees during the calendar year. Given customer and system growth in recent years, the Department believes the increase in customer service expenses, and the Company's explanation, appears reasonable, and the Department will continue to monitor this metric in future service quality reports.

**III. SUMMARY AND CONCLUSIONS**

Based on its review of Greater Minnesota's 2014 Annual Service Quality Report, the Department recommends that the Commission **withhold** decision on the Company's Report pending possible revision of its 2014 Cold Weather Rule reports and the provision of additional information in *Reply Comments*. In particular, the Department requests that the Company provide the following in *Reply Comments*:

- a breakdown of meter additions by new main areas and existing areas in the same manner as provided in the 2013 annual service quality report;
- full explanation of the measures it took to correct its 2014 Cold Weather Rule reports and also fully analyze these reports to ensure that the Company has accounted for any, and all, Cold Weather Rule data;
- An explanation and flow chart detailing the data collection, maintenance, and retrieval process and regulatory review structure for the Company's Cold Weather Rule reports;
- the number of customer complaints forwarded by the Commission's CAO during calendar year 2014; and

- additional information regarding the gas emergency event involving a homeowner who cut through the gas line on the outlet side of their meter.

The Department also recommends that the Commission require Greater Minnesota to commission an audit of its data collection, maintenance, and retrieval practices related to Greater Minnesota's regulatory filing and reporting requirements by an independent firm. The firm should be independent of Greater Minnesota, have expertise in data collection, maintenance, and retrieval processes, and in regulated natural gas utility industry best practices. The audit should assess whether the Company's data collection and regulatory practices are reasonable and prudent compared to standard regulated utility practices and identify suggested improvements if improvements appear to be necessary. The audit should be filed with the Commission within 6 months after the Commission's Order in this matter.

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## Heinen, Adam (COMM)

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**From:** Kristine Anderson <kanderson@greatermngas.com>  
**Sent:** Tuesday, July 21, 2015 9:12 AM  
**To:** Heinen, Adam (COMM)  
**Subject:** RE: 2014 Service Quality Report

Docket No. G022/M-15-434  
DOC Attachment 1  
Page 1 of 2

Adam,

With regard to your question about the cold weather rule reports, I hope that I am able to provide you with a little bit of clarity regarding what transpired. I went back and looked at our Service Quality Report, along with the Cold Weather Rule reports. I also spoke with the people in our office who handled submitting CWR reports for the bulk of 2014. The administrative employee that prepared the CWR reports on a weekly and monthly basis left GMG last fall. After she left, as GMG was preparing to teach a successor employee how to prepare the reports, it became apparent that she had been completing the reports incorrectly in some respects and had not completed many of them. GMG's billing supervisor and office manager spent a great deal of time reconstructing information for the reports to best of their ability. Additionally, they spoke with someone at Brian Swanson's office (sorry—they can't remember his name) to walk through the report to insure that it was being completed correctly. They explained the situation and advised that GMG would try to retroactively reconstruct reports to the best its ability by looking back, which is what was done. GMG is confident that its reports are correct going forward. Unfortunately, I think that some of the issues that you are seeing with the numbers are a result of the problem with the reporting.

For your information, GMG enters into payment arrangements during the cold weather rule period with anyone who requests them. In addition, GMG does everything it can to provide personal service to work with customers and prevent disconnection during cold weather rule months. A number of GMG's customers that were disconnected have remained disconnected for an extended period of time and were not necessarily newly disconnected during any given month. In addition, as explained in the Service Quality Report, GMG made a concerted effort to minimize its past due accounts and was more diligent about enforcing its right to disconnect customers for non-payment during 2014; however, that effort was concentrated during non-cold weather rule months. Hence, there were more disconnections in total during 2014; but, the vast majority of them were of short duration and occurred during warmer months.

Please let me know if I can provide further assistance. Thanks!

Kristine

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From: Heinen, Adam (COMM) [Adam.Heinen@state.mn.us]  
Sent: Tuesday, July 14, 2015 11:40 AM  
To: Kristine Anderson  
Subject: RE: 2014 Service Quality Report

Thanks for the update, I asked for a two week extension, so my comments are due a week from today or tomorrow. If there is any delay in your response, please let me know.

Adam Heinen, MSAE  
Rates Analyst  
Minnesota Department of Commerce, Division of Energy Resources  
(651)-539-1825  
adam.heinen@state.mn.us

-----Original Message-----

From: Kristine Anderson [mailto:kanderson@greatermngas.com]

Sent: Monday, July 13, 2015 3:20 PM  
To: Heinen, Adam (COMM)  
Subject: RE: 2014 Service Quality Report

Docket No. G022/M-15-434  
DOC Attachment 1  
Page 2 of 2

Hi, Adam,

I need to talk with our gal that did the CWR reports, as I know that there was some sort of question about them. I was out of the office last week when you sent this, and she's out of the office now. We bounce around a lot. We should be in the same place at the same time later this week, so I'll respond as soon as I can. She's traveling in our northern district right now, so she's not able to access her notes from the filings. Thanks!

Kristine

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From: Heinen, Adam (COMM) [Adam.Heinen@state.mn.us]  
Sent: Wednesday, July 08, 2015 2:35 PM  
To: Kristine Anderson  
Subject: 2014 Service Quality Report

Kristine,

I have been working on the service quality reports and I noticed, what appears to be, an inconsistency between the Cold Weather Rule reports and the data reported by the Company in the body of its filing. Specifically, I noticed that if I add up the involuntary disconnections in the annual CWR reports, they do not equal the involuntary disconnections reported by the Company. I also noticed that the aggregate CWR requests made are significantly less than the CWR requests granted which, at first blush, doesn't make much sense. I also noticed that there didn't appear to be many payment plans discussed or entered into during 2014. If you guys could take a look at the CWR reports and compare them to numbers reported in the service quality report, that would be greatly appreciated. If you have any questions, please let me know. Thanks!

Adam Heinen, MSAE  
Rates Analyst  
Minnesota Department of Commerce, Division of Energy Resources  
(651)-539-1825  
adam.heinen@state.mn.us

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## **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  
Comments**

**Docket No. G022/M-15-434**

**Dated this 22<sup>nd</sup> day of July 2015**

**/s/Sharon Ferguson**



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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_15-434_M-15-434
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.	202 S. Main Street  Le Sueur, MN 56058	Electronic Service	No	OFF_SL_15-434_M-15-434
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_15-434_M-15-434
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	202 South Main Street P.O. Box 68 Le Sueur, MN 56058	Electronic Service	No	OFF_SL_15-434_M-15-434
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_15-434_M-15-434
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_15-434_M-15-434
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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_15-434_M-15-434