

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
Nancy Lange
Dan Lipschultz
John Tuma
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

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

SERVICE DATE: August 31, 2015

DOCKET NO. G-022/M-14-964

In the Matter of Greater Minnesota Gas Inc.'s (GMG) 2013 Annual Gas Service Quality Report

The above entitled matter has been considered by the Commission and the following disposition made:

Accepted GMG's 2013 Gas Service Quality Report.

Allowed GMG to propose a new metric for service extension response time. GMG may consult with the Department and/or research other states' metrics as part of its proposal. GMG shall file a proposal within 120 days of the date of this Order. The proposal shall be filed in a new docket number.

The Commission agrees with and adopts the recommendations of the Department of Commerce, which are attached and hereby incorporated into the Order, with the exception that in light of GMG's 2014 Annual Gas Service Quality Report filing and the Department's responsive comments in that docket,¹ the Commission concludes that concerns regarding GMG's service extension request data are best addressed at this time by requiring GMG to propose a new metric for service extension request response time.

This Order shall become effective immediately.

BY ORDER OF THE COMMISSION



Daniel P. Wolf
Executive Secretary

This document can be made available in alternative formats (e.g., large print or audio) by calling 651.296.0406 (voice). Persons with hearing loss or speech disabilities may call us through their preferred Telecommunications Relay Service.

¹ In the Matter of Greater Minnesota Gas Inc.'s 2014 Annual Gas Service Quality Report, Docket No. G-022/M-15-434.

March 16, 2015

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th 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-14-964

Dear Mr. Wolf:

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

2013 Annual Gas Service Quality Report (Report) submitted by Greater Minnesota Gas, Inc. (Greater Minnesota or the Company).

The *2013 Annual Gas Service Quality Report* was filed on November 1, 2014 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 *2013 Annual Gas Service Quality Report*, the Department recommends that the Minnesota Public Utilities Commission (Commission) accept the Company's Report pending the provision of additional information in *Reply Comments*.

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-14-964

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 Resources¹ (Department) and all Minnesota regulated gas utilities in Docket No. G999/CI-09-409. Various rounds of comments and discussion occurred in this 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.

On November 13, 2014, Greater Minnesota filed its calendar year 2013 *Annual Gas Service Quality Report (Report)*. The Department notes that the Commission's 09-409 *Order* explicitly stated that Greater Minnesota shall file annual service quality reports on May 1 of each year. In its cover letter, the Company stated that its records indicated that it had

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

originally filed the Report several months earlier; however, technical difficulties arose. Greater Minnesota included its original cover letter, which is dated July 4, 2014.

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 third 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 fourth 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.

Greater Minnesota reported data indicating the number of calls received by the Company in 2013. The Company explained 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. As such, Greater Minnesota concluded that all 12,876 incoming calls to its primary phone line were answered within 20 seconds. Based on this discussion, the Department concludes that it is likely that calls to the Company are answered promptly.

The Department does note that there were approximately 7,000 more calls in 2013 than the 5,887 reported in 2012; as such, the Department recommends that Greater Minnesota provide a full discussion in its *Reply Comments* explaining why there was a significant increase in the number of calls to its business line.

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 three years that it has collected these data is summarized in Table 1 below.

Table 1: Meter Reading Data (2011-2013)

Year	Total Meters Billed	Company Read	Self-Read	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%)
2013	62,868	56,623 (90%)	336 (0.5%)	5,909 (9.5%)

As noted in Table 1, of the 10 percent of meters not read by the Company, almost all (5,909 out of 6,245) were estimated meters; Greater Minnesota explained that these estimated meters were for residential customers during low-usage months and that customers were notified if their bill was estimated.

As shown in Table 1 above, Greater Minnesota also had a relatively high number of estimated meters during 2012 as compared to 2011. In its *Reply Comments* in its 2012 Annual Service Quality Report, the Company stated that the relatively high number of estimated meters was the result of opting to focus field employees on restoration work, marking pipes for snowmobile trails, responding to locate requests, and undergoing emergency response training. While an improvement over 2012, GMG's number of estimated meter reads in 2013 was still high. Greater Minnesota did not provide an explanation of why it had a relatively high number of estimated bills during 2013; therefore, the Department recommends that the Company fully explain, in *Reply Comments*, the reasons for the relatively high number of estimated bills in 2013, including whether the Company intends to increase the proportion of actual reads going-forward.

Greater Minnesota reported no meters unread for more than six months in calendar year 2013. Meter reading staffing levels increased by two between 2012 and 2013 as a result of the installation of distribution facilities in the Swanville area.

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, which relate to the Cold Weather Rule. Table 1 shows GMG's number of disconnections over the past four years.

Table 2: Involuntary Disconnections (2010-2013)

2010	35
2011	17
2012	54
2013	63

The Department notes that the number of involuntary disconnections increased by nine, or 16.7 percent, between 2012 and 2013. This marks the highest number of involuntary disconnections since the Company began reporting these data; however, the total number in 2013 only represents 1.3 percent of total Residential meters on the GMG system. As such, the Department does not believe the number of involuntary disconnections is a serious concern at this time. The Department will continue to monitor this metric in future filings.

The Department also notes that the number of past due residential accounts averaged between approximately five and nine percent throughout 2013. This range is generally the same range of percentages of past due accounts reported in 2011 and 2012. The Department will continue to monitor this metric in future filings.

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. 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.

For calendar year 2013, the Company stated that it extended service to two general locations that were not previously served by GMG. Greater Minnesota also stated that customers requesting service to a location previously served by the Company were entered into service without delay because GMG does not lock or stop service between transfers of property owners or occupants.

The Department notes that the Company discussion does not comply with the reporting requirement, nor is it as detailed as the information GMG has provided in previous Annual Service Quality Reports. In previous Annual Service Quality Reports, Greater Minnesota noted the number of customers it extended service to in new areas, the number of customers it extended service to in existing areas, and the amount of time between the request for service and hookup, as required. Therefore, the Department recommends that Greater Minnesota provide service extension information for calendar year 2013 in the same manner and format that it had in previous Annual Service Quality Reports in its *Reply Comments*.

E. CUSTOMER DEPOSITS

This Report marks the third time that the Company has provided data regarding this reporting requirement. Greater Minnesota stated that it collected six customer deposits as condition of receiving service during calendar year 2013. This represents three more customer deposits than collected during 2012. Greater Minnesota further explained that customer deposits are returned following a period of satisfactory payment history. Because the numbers are small and difficult to assess in terms of possible trends, the Department requests that the Company provide, in its *Reply Comments*, context for its customer deposit data, such as how it defines a “period of satisfactory payment history,” whether deposits are required for all new customers, and what triggers a request for a deposit for existing customers. This information would be helpful to the Commission in ensuring reasonable and consistent application of GMG’s customer deposit policies.

F. CUSTOMER COMPLAINTS

The Commission’s 09-409 *Order* requires Minnesota gas utilities to provide customer complaint data in the same manner as prescribed in Minnesota Rule 7826.2000. In its July 5, 2013 *Reply Comments* in its 2012 Annual Service Quality Report, and in its initial filing in this Report, the Company explained that all calls are answered directly, either by GMG staff, or an after-hours call service. GMG considers the vast majority of customer calls as inquiries rather than complaints. 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.

The Department notes that Greater Minnesota is unique among Minnesota gas utilities subject to the annual service quality report requirement in that the Company only reports complaints that are elevated to a supervisor. For other utilities, if a customer calls and, for example, is concerned about the size of their bill, and the customer service representative

adequately explains the concern without escalation to a supervisor, the call is typically classified as a complaint. As such, Greater Minnesota's complaint data is not fully comparable to other utilities. As noted above, GMG did not participate in the workgroup that met to standardize reporting metrics. Therefore, the Department recommends that the Company fully explain in *Reply Comments* how much money and time it would take to bring its complaint reporting standards in line with other Minnesota gas utilities. Greater Minnesota's total number of complaints, on an annual basis, since this reporting requirement was enacted is summarized in Table 3 below.

Table 3: Annual Total Complaints (2010-2013)

2011	10
2012	6
2013	3

The Company also provided data on whether complaints were forwarded from another party, such as the Commission's Consumer Affairs Office (CAO). GMG reported that one complaint was received from the CAO in 2013, which was the same number as 2012.

The Company provided a breakdown of customer complaints by type. In 2013, Greater Minnesota received two complaints for high bills and one complaint regarding post-construction property restoration. Greater Minnesota also provided additional information regarding how these complaints were resolved during 2013. The Company explained that it resolved one high bill complaint by clarifying customer confusion and refunding a late fee; the other high bill complaint was resolved by referring the customer to energy assistance programs. Greater Minnesota resolved the post-construction restoration complaint by providing the customer with several different remediation options and the property was eventually restored to the customer's satisfaction.

G. GAS EMERGENCY CALLS AND RESPONSE TIME

In its March 6 *Order*, the Commission required Greater Minnesota to track and report the total number of gas emergency calls received during each annual reporting period. The 2013 Report marks the third 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. The Company reported a total of 88 emergency calls received in 2013, which is a decrease of 12 calls over 2012.

In terms of emergency response times and intervals, the Company provides two metrics, (1) the amount of time between the emergency call and the point at which the technician was dispatched; and (2) the elapsed time between the point of dispatch and the time that a qualified emergency response person arrived at the incident location. Greater Minnesota reported that 75 of the 88 (85 percent) total calls received in 2013 were responded to in less than an hour. The Company noted that the average response time in 2013 was 16 minutes from dispatch to arrival at the site.

In regards to the 13 incidents that took greater than an hour to respond to, the Company provided information explaining why GMG did not consider these events to be emergencies. Of the 13 incidents responded to in over an hour in 2013, three were for faint intermittent odors, four were for faint outdoor odors, one was for a road washout without the presence of gas odor, two were unfounded incidences with no gas odor present, two were for furnaces not working and no gas odor present, and one was for gas not working because of a locked meter from a riser change.

In general, the reasons for the longer response time were acceptable; however, in terms of the meter riser event, the response from the Company was not particularly clear. For example, the Company did not provide an explanation for why, if the customer was not home, this work was completed if it were to result in the meter being locked and causing a service issue for the customer. As such, the Department requests that Greater Minnesota provide a more detailed explanation of this riser event and what steps were taken to correct the situation in its *Reply Comment*.

H. MISLOCATES

The Commission's March 6 *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. The Company did not identify any mislocates in 2013, which compares to six mislocates in 2012 and five mislocates in 2011. Greater Minnesota also reported that it received 6,853 locate requests from Gopher One call, which compares to 5,807 in 2012. The Department is encouraged by the lack of mislocates during 2013 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 the MnOPS. This Report marks the fourth year that Greater Minnesota has provided data regarding this reporting requirement, and these data are summarized in Table 4 below.

Table 4: Gas System Damage (2010-2013)

2010	5
2011	8
2012	7
2013	9

All nine events in 2013 were the result of unplanned outages not related to utility operations. Of the nine events, two incidents did not involve a locate ticket, one involved digging before the locate ticket was due, one involved digging too close to a correctly located line, and one involved a tractor hitting a meter set.

The number of incidents increased between 2012 and 2013; however, as shown in Table 4 above, the number of events was relatively similar between these two years and the number

of damage events have been similar over the course of the four years that data have been collected for this reporting requirement.

The Department will continue to monitor this metric in future service quality reports.

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 2013; the Department will continue to monitor this reporting requirement in future reports.

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. This Report is the third time that the Company has provided data regarding this reporting requirement. The Company provided annual costs. Greater Minnesota reported total customer service expenses in 2013 of \$85,034. In 2012, Greater Minnesota reported O&M expenses of \$84,349, which means that expenses increased by approximately 0.8 percent. These figures are comparable and are also similar to the \$87,646 in expenses reported in 2011. As such, the Department concludes that these expense levels appear to be acceptable, and the Department will continue to monitor this metric in future reports.

III. SUMMARY AND CONCLUSIONS

Based on its review of Greater Minnesota's 2013 Annual Service Quality Report, the Department recommends that the Commission accept the Company's Report pending the provision of additional information in *Reply Comments*. In particular, the Department requests that the Company provide the following in *Reply Comments*:

- I. A full discussion explaining why there was a significant increase in the number of calls to its business line in 2013 compared to 2012;
- II. A full explanation of the reasons for the relatively high number of estimated bills in 2013 and whether the Company intends to improve the proportion of actual reads going-forward;
- III. Specific extension information for calendar year 2013 in the same manner and format that the Company provided in previous Annual Service Quality Reports;
- IV. A clarification of the Company policies regarding customer deposits, namely, how it defines a "period of satisfactory payment history," whether deposits are required for all new customers, and what triggers a request for a deposit for existing customers;
- V. A clarification of the make-up of customer deposits during 2013, namely whether the deposits were for new or existing customers;

- VI. A detailed discussion of the cost and time involved with bringing its complaint reporting standards in line with those of other Minnesota gas utilities; and
- VII. A more detailed explanation of the meter riser installation that resulted in a long response time and what steps were taken to correct the issue.

/lt

April 22, 2015

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 7th Place East
St. Paul, Minnesota 55101-2147

RE: **Response Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G022/M-14-964

Dear Mr. Wolf:

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

2013 *Annual Gas Service Quality Report* (Report) submitted by Greater Minnesota Gas, Inc. (Greater Minnesota or the Company).

The initial filing was submitted on November 13, 2014 by:

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

In an effort to better complete the record in this proceeding, the Department recommends that the Commission accept these *Response Comments*. Based on the Greater Minnesota's provision of clarifying information in its *Reply Comments*, the Department now recommends that the Commission accept the Company's Report in fulfillment of the requirements of the Commission's 09-409 *Order*, with the exception of the section on service extension requests. The Department recommends that the Commission require Greater Minnesota to comply with the 09-409 *Order* going forward by providing the required information, similar to what the Company provided in Docket No. G022/M-12-1130.

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

Sincerely,

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

AJH/lt
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

RESPONSE COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. G022/M-14-964

I. BACKGROUND

On November 13, 2014, Greater Minnesota Gas, Inc. (Greater Minnesota or the Company) filed its 2013 Annual Gas Service Quality Report (Report). The Minnesota Department of Commerce, Division of Energy Resources (Department) filed *Comments* on March 16, 2015 responding to this Report. The Department recommended that the Minnesota Public Utilities Commission (Commission) accept Greater Minnesota's Report pending the provision of additional information. Specifically, the Department requested the following additional information:

- A full discussion explaining why there was a significant increase in the number of calls to its business line in 2013 compared to 2012;
- A full explanation of the reasons for the relatively high number of estimated bills in 2013 and whether the Company intends to improve the proportion of actual reads going-forward;
- Specific extension information for calendar year 2013 in the same manner and format that the Company provided in previous Annual Service Quality Reports;
- A clarification of the Company policies regarding customer deposits, namely, how it defines a "period of satisfactory payment history," whether deposits are required for all new customers, and what triggers a request for a deposit for existing customers;
- A clarification of the make-up of customer deposits during 2013, namely whether the deposits were for new or existing customers;
- A detailed discussion of the cost and time involved with bringing its complaint reporting standards in line with those of other Minnesota gas utilities; and
- A more detailed explanation of the meter riser installation that resulted in a long response time and what steps were taken to correct the issue.

Greater Minnesota responded to these requests in its March 26, 2015 *Reply Comments*. The Department responds to the Company's *Reply Comments* below.

II. RESPONSE TO GREATER MINNESOTA'S *REPLY COMMENTS*

The Department responds separately to each issue raised in its *Comments* below.

A. *NUMBER OF PHONE CALLS TO GREATER MINNESOTA BUSINESS LINE*

The Company provided a lengthy discussion in its *Reply Comments* regarding the significant increase in the number of calls to its business line in 2013 compared to 2012. Greater Minnesota responded that all calls to the Company go through its main phone line, whether the calls come from new or existing customers or from prospective customers inquiring about service from Greater Minnesota. The Company's discussion suggests that significant customer growth between 2012 and 2013 was a primary cause for the increase in call activity. Greater Minnesota also noted that in 2013 its website did not accommodate an electronic "Contact Us" option and electronic payment options were handled via phone. Assuming changes have been made to the website, this should have a downward influence on the number of phone calls going forward. After reviewing the Company's response, the Department concludes that Greater Minnesota's explanation is reasonable and the Department does not have further comment on this topic.

B. *ESTIMATED METER READS*

In terms of estimated meters, Greater Minnesota explained there were two primary reasons for estimated meter reads during 2013. First, during the summer months, the Company assigned its personnel to perform other necessary tasks during the construction season. Greater Minnesota further clarified that during the summer months the Company did not estimate bills in consecutive months. Second, the Company explained that during November and December 2013 there were a few days where weather conditions were deemed dangerous for its employees, which resulted in an increase in estimated meter reads. The Company also explained that it intends to increase the proportion of actual meter reads on a going-forward basis, and Greater Minnesota has begun the process of deploying an automatic meter reading (AMR) system as part of its 2015 capital budget. The AMR system and plans to increase the number of actual meter reads should decrease the number of estimated meter reads in the future. Based on the Company's explanation, the Department does not have additional discussion on this topic.

C. *SERVICE EXTENSIONS*

In its Report, the Company provided a brief discussion of its service extension requests during calendar year 2013. Greater Minnesota stated that it extended service to two new locations but did not provide an estimate of the number of customers connected at locations previously served. The Department noted that the Company's discussion did not comply with the reporting requirements, nor is it as detailed as the information in previous service quality reports. Specifically, the Company did not provide a breakdown of the number of customers extended service in both new and existing areas; as such, the Department recommended that Greater Minnesota provide service extension information for

2013 in the same manner and format that the Company reported in previous service quality reports in its *Reply Comments*.

Greater Minnesota provided extensive discussion on this topic in its *Reply Comments*. The Company began its discussion by noting that the unique nature of its service extensions makes it difficult to fit its statistics into a reporting metric that allows meaningful comparison. Specifically, Greater Minnesota represented that when it extends service to a new area, it generally extends service into a new rural area rather than a new area, or development, on the fringe of existing service territory. The Company stated that the reporting requirement does not readily translate to its construction model because prospective customers are aware of an expansion several months in advance and may have signed up for service weeks or months prior to service beginning. Greater Minnesota also suggested that, in an effort to find an appropriate metric, the Company work with the Department and/or Commission Staff to identify what is trying to be measured by the reporting metric. The Company concluded its discussion by providing metrics on service extensions and noting that the service extension data it provided in this report was similar to what was provided in the 2012 Annual Service Quality Report. Greater Minnesota surmised that the Department's request for data in a manner similar to previous reports referred to data provided in the 2011 Annual Service Quality Report. The Company stated that it extended service to 229 customers that were the result of new main installations, and it extended service to 176 customers that were on-main customers that did not previously have natural gas service.

The Department appreciates the Company's extensive discussion and clarification on this topic. Although the Company's construction and growth policies may be different than other regulated gas utilities, Minnesota Rule 7826.1600, items A and B is clear regarding the information that the Commission requires. Further, GMG indicated the following in its September 29, 2010 *Comments* in Docket No. G999/CI-09-409:

GMG does not currently track service extension response time information. GMG has determined it can provide information for this performance standard. GMG requests additional time to develop and implement processes to track and report service extension response time data. GMG proposed to begin tracking the required information effective on January 1, 2011 for the next reporting period.

Ordering paragraph 1(e) of the Commission's January 18, 2011 *Order* in that docket (09-409 *Order*) stated the following:

Both Great Plains and GMG shall report the service extension request response time data contained in Minn. Rules, part 7826.1600, items A and B, except that data reported under Minn. Stat. §§ 216B.091 and 216B.096, subd. 11. This requirement becomes effective for each utility for the calendar

year beginning on January 1, 2010. Each utility shall begin including data for this requirement in its first annual report.

The data breakdown provided by the Company in its *Reply Comments* consisted of a count of customers added as a result of new main installations and the number of new customers connected to existing mains; Greater Minnesota did not provide extension response time data. While the new customer count data is informative and indicative of the significant growth on Greater Minnesota's system in recent years, the reporting metric requires that the Company provide extension data similar to what the Company provided in its 2011 Annual Service Quality Report. This information is particularly important given GMG's current high level of growth. For illustrative purposes, this is the chart that the Company included in its 2011 Annual Service Quality Report regarding extensions to areas not previous served by the Company (Docket No. G022/M-12-1130):

A.					
Residential/Small CO	Sold	Installed	# Cust	Days to Complete	
Limestone Lane	4/5/2011	5/16/2011	1	41	
R & R Farms	5/24/2011	9/30/2011	2	128	customer requested fall installation
Sisters Lane	9/2/2011	11/11/2011	4	70	state permit / hwy. 13
Caribou Trl	9/21/2011	11/28/2011	1	68	new build - waiting on site readiness
State Hwy. 83	6/25/2011	9/21/2011	9	88	state permit / hwy. 83
Caribou Trl (2)	10/14/2011	10/24/2011	1	10	
Shieldsville	8/15/2011	10/1/2011	85	46	
			103	64	avg.
Agriculture	Sold				
R & R Grain Dryer	5/24/2011	9/30/2011	1	128	customer requested fall installation
Vetter 354th	8/5/2011	9/16/2011	1	41	
Vetter Shanaska Crk.	9/6/2011	9/26/2011	3	20	
Shieldsville	8/15/2011	10/1/2011	3	46	
			8	59	avg.

The above chart provided a breakdown of individual extension projects, along with the number of customers, number of days before service was active, and reasons why it took a longer period of time to extend service. The Department concludes that tracking data in this manner is sufficient to satisfy the requirements of Minnesota Rule 7826.1600 and provides the Commission with additional information about Greater Minnesota's service extension activities.¹

Therefore, the Department recommends that the Commission direct Greater Minnesota to comply with the Commission's 09-409 *Order* by providing service extension data in the same manner that it did in the 2011 Annual Service Quality Report.

¹ For example, this information can show whether the Company is undertaking several small projects or a few large projects, and Greater Minnesota's success in managing and fulfilling customer requests and expectations.

D. CUSTOMER DEPOSITS

In its *Comments*, the Department requested that the Company provide clarifying information regarding its customer deposits and customer deposit policies. Specifically, the Department requested that Greater Minnesota clarify the context for its data, how it defines a satisfactory payment history, whether deposits are required of all customers, and what triggers a request for a deposit from an existing customer. Greater Minnesota responded to these requests in its *Reply Comments*. The Company clarified that it does not require deposits from new customers, and it only requires deposits from existing customers who had service disconnected due to non-payment. If timely payments are made over a 12-month period, pursuant to terms of the tariff, the deposit is returned to the customer. Greater Minnesota also noted that it did not change its customer deposit policies during calendar year 2013. Based on the Company's response, the Department does not have additional comment on this topic.

E. CUSTOMER COMPLAINTS

In its *Comments*, the Department reviewed the Company's customer complaint data for calendar year 2013 and noted that Greater Minnesota's complaint classification criteria are unique among Minnesota regulated gas utilities; namely, that it only classifies a call as a complaint if it is escalated to a supervisor. As such, the Department recommended that Greater Minnesota fully explain how much money and time it would take to bring the Company's complaint reporting standards in line with other Minnesota gas utilities.

Greater Minnesota provided extensive responsive comments on this topic in its *Reply Comments*. Greater Minnesota began its discussion by reiterating that all calls, complaint or otherwise, to the Company are answered by a live person and that complaints referenced in this docket are only those calls that are elevated to a supervisor. In regards to the reporting methods of other utilities, the Company indicated that it analyzed Minnesota Rules and the results of the natural gas service quality reporting workgroup (as shown in Attachment 1 to the Department's June 27, 2013 *Comments* in Docket No. G022/M-13-362) and concluded that other utilities may report complaint data that goes beyond what is required in Minnesota Rules. Further, Greater Minnesota reviewed the workgroup information and concluded that it identifies complaints using the same categories as other utilities. The Company did not provide a specific breakdown of the costs and time needed to upgrade its phone system but concluded that the options of adding sufficient personnel to manually track the nature of each call, or of purchasing a new telephone system were cost-prohibitive and unnecessary; therefore, Greater Minnesota respectfully requested that it be permitted to continue reporting actual complaints.

The Department appreciates Greater Minnesota's lengthy discussion on this topic; however, the Department's request for discussion on this topic should be not construed as a Department effort to change the Company's complaint reporting requirements. The Department acknowledges Greater Minnesota's unique circumstances among other utilities and was simply looking for an estimate of the costs associated with conforming the Company's complaint reporting criteria to those of the other gas utilities to ensure that the

Commission has sufficient information to make a decision in this matter should it choose to do so. The Department believes the Company's current reporting standards are appropriate and does not recommend that the Commission require amendments to Greater Minnesota's criteria at this time; however, if a cost and time estimate is available, that information would be helpful from an illustrative standpoint to highlight the potential costs to the Company and its ratepayers.

F. *METER RISER INCIDENT*

In its Report, the Company provided information regarding emergency response incidents that took greater than one hour for response. In general, the Department concluded that the reasons for the longer response times were acceptable; however, the circumstances surrounding an incident involving a meter riser installation were not particularly clear. As such, the Department requested that the Company provide additional information explaining this event and the steps taken to correct the situation in its *Reply Comments*.

In its *Reply Comments*, the Company explained that the event happened on October 20, 2013 after a Greater Minnesota contractor had replaced a meter riser at the customer's residence. The customer was contacted prior to the work commencing and was advised that if no one was home when the work was completed that the meter would be locked and the customer would have to contact Greater Minnesota to have appliances re-lit. There were no customers home when the work was completed and a tag was left on the door notifying the customer they would need to contact Greater Minnesota. The Company was notified by the customer on the afternoon of October 20, 2013, 3:34 p.m., and stated that there was no gas odor present. Greater Minnesota personnel re-lit appliances and unlocked the meter within 2 hours and 14 minutes after the call. Based on the Company's additional discussion, the Department concludes that the circumstances surrounding this event and the extended response time are not unreasonable.

III. CONCLUSIONS AND RECOMMENDATIONS

Based on the Greater Minnesota's provision of clarifying information in its *Reply Comments*, the Department now recommends that the Commission accept the Company's Report in fulfillment of the requirements of the Commission's 09-409 *Order*, with the exception of the section on service extension requests. The Department recommends that the Commission require Greater Minnesota to comply with the 09-409 *Order* going forward by providing the required information, similar to what the Company provided in Docket No. G022/M-12-1130.

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