



202 S. Main Street
Le Sueur, MN 56058
Toll Free: (888) 931-3411
Fax (507) 665-2588
www.greatermngas.com

August 3, 2015

VIA ELECTRONIC FILING

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

RE: 2014 Annual Service Quality Report Reply Comments
Docket No. G022/M-15-434

Dear Mr. Wolf:

Attached hereto, please find Greater Minnesota Gas, Inc.'s Reply Comments for filing in the above-referenced docket. All individuals on the attached service list have been electronically served as appropriate.

Thank you for your assistance. Please do not hesitate to contact me should you have any questions or concerns or if you require additional information. My direct dial number is (507) 665-8657 and my email address is kanderson@greatermngas.com

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/

Kristine A. Anderson
Corporate Attorney

Enclosure
cc: Service List

CERTIFICATE OF SERVICE

I, Kristine Anderson, hereby certify that I have this day served a true and correct copy of the following document to all persons at the addresses indicated on the attached list by electronic filing, electronic mail, or by depositing the same enveloped with postage paid in the United States Mail at Le Sueur, Minnesota:

Greater Minnesota Gas, Inc.'s Reply Comments
Docket No. G022/M-15-434

filed this 3rd day of August, 2015.

/s/ Kristine A. Anderson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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
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
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
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_15-434_M-15-434
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

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger	Chair
Nancy Lange	Commissioner
Dan Lipschultz	Commissioner
John Tuma	Commissioner
Betsy Wergin	Commissioner

MPUC Docket No. G022/M-15-434

In the Matter of Greater Minnesota
Gas, Inc.'s Annual Gas Service
Quality Report for the
Calendar Year of 2014

REPLY COMMENTS

OVERVIEW

Greater Minnesota Gas, Inc. (“GMG”) respectfully requests that its Annual Gas Service Quality Report for the Calendar Year of 2014 be approved. GMG filed its report on May 7, 2015, slightly delaying its submission to provide additional information and detail based on comments filed by the Minnesota Department of Commerce, Division of Energy Resources (“Department”) late April, 2015 in a different docket but that related to similar information. The Department filed its Comments in Response to GMG’s Report on July 22, 2015. This submission constitutes GMG’s Reply to the Department’s Comments.

ISSUE SUMMARY

In its Comments, the Department acknowledged that GMG promptly answers its telephone calls, that GMG has significantly decreased the number of estimated bills over time, that it does not request customer deposits at unreasonable levels, that it adequately responds to customer complaints, that its response to emergencies is generally reasonable, that it did not have any mislocates during 2014, that none of the unplanned outages during 2014 were related to utility operations, that it has zero MnOPS reportable events, and that its customer service expenses were reasonable. Nonetheless, the Department recommended that the Commission withhold its approval of the report; and, rather than cooperatively approaching data and reporting discrepancies to understand why they occurred and GMG’s approach to curing them, the Department recommended an external audit that, quite frankly, will consume both time and money and will not result in improved customer service. GMG respectfully notes that, despite the discrepancies noted by the Department and being taken to task regarding reporting issues, absolutely nothing in the Department’s Comments state, suggest, or otherwise imply that GMG is not providing very good customer service. GMG appreciates the opportunity to respond to the Department’s Comments and concerns, discuss the Department’s recommendations, and invites

the Department to visit GMG for a cooperative audit similar to the MnOPS model. GMG's Reply Comments address the following areas:

- Involuntary disconnections and cold weather rule reporting.
- Main extension service request intervals.
- Lack of complaints.
- Details regarding response time for an incident in question.

DISCUSSION IN REPLY

The Commission and the Department have historically recognized that GMG is not only unique in its service model, but its small staff handles all of the responsibility for servicing its customer base, and it is not owned by a multi-state company. While some of GMG's reporting requirements have been modified, there seems to be a constant struggle to compare GMG's data to that of the larger, different companies which results in complaints about GMG's reporting methods. However, GMG is highly regarded by its customers for what they deem exceptional customer service; and, GMG has been told that it was selected over competing companies in the few markets where there is competition specifically because of its high quality, personal service. GMG has never tried to evade examination and oversight of its service quality standards; nor is it doing so now. However, GMG respectfully submits that the way to solve the conundrum presented by its unique situation is to work cooperatively and consider meaningful information.

In its Comments, the Department recommends that GMG be required to retain an independent firm to audit its data collection and compliance methods. However, doing that does not solve the root issue—the fact that GMG is simply not comparable to the other reporting utilities. Rather, GMG invites Department and Commission staff to visit its offices and see it in operation. Each year, MnOPS sends a representative to GMG to perform its annual audit. The MnOPS auditor and the GMG staff work together to understand the needs of MnOPS and GMG's operation. Each year, valuable suggestions are made and incorporated into GMG's operating principles. By working cooperatively, everyone achieves better understanding and the result is better reporting, better compliance, and better procedures. GMG welcomes Department and Commission staff to follow a similar audit model by visiting and learning how its staff of 22 (consisting of four customer service representatives; a business manager; a CFO and two financial staff people; an operations manager; an engineer; a mapping coordinator; nine technicians; its president; and a half-time attorney) strives to provide excellent service to its customers and strives to continue improving the organization. By seeing how GMG actually operates, what software it has, what methods it follows, and how it prioritizes service, perhaps Department and Commission staff will gain a better understanding of why GMG cannot realistically be compared to other utilities. Additionally, working cooperatively to develop realistic and meaningful reporting requirements will help ensure that the Commission and the Department obtain information that allows for appropriate oversight but also makes good reporting sense. GMG submits that working together will result in a much better and more meaningful result than simply bringing in an outside company to audit GMG's practices.

1. GMG Did Not Have Any Improper Involuntary Service Disconnections.

The purpose of reviewing data regarding involuntary service disconnections is to ensure that customers are not being inappropriately or illegally disconnected from natural gas service—particularly during the cold weather rule period. Despite the problem with GMG’s cold weather reports—which GMG actually brought to the attention of the Consumer Affairs Office well before the Department raised the issue—there is no allegation that GMG disconnected any customer when it should not have; that GMG received any complaints regarding service disconnections; or, that any of GMG’s service disconnection practices themselves are improper. Rather, the Department noted inconsistencies between GMG’s cold weather rule reporting and its service quality report. GMG provided an explanation for that and explained its prior communication with the CAO regarding cold weather rule reporting. Nonetheless, despite the fact that there is no evidence that GMG treated any customer inappropriately, the Department disregarded the explanation provided by GMG and insists that GMG engage in unduly burdensome re-creation of reports from well over a year ago that will not yield any information that is actually meaningful and helpful and that will not have a direct bearing on customer service, as a practical matter.

As explained to the Department, GMG realized that it had a problem with its cold weather rule reports. Rather than simply continue to file incorrect reports, GMG reached out to the Commission’s Consumer Affairs Office to discuss the situation. In addition to explaining GMG’s internal reporting errors, GMG also asked for assistance with the unwieldy CWR form, as the form’s components do not match the statutory reporting requirements. Moreover, the form does not have any instructions or defined terms. In order to ensure that its reports were correct on a go-forward basis, GMG worked with a CAO staff person to ensure complete understanding of the report and explain its plan. GMG and the staff person agreed that GMG would retroactively try to provide correct information for the periods that it could do so, and would make sure that the correct information was reported going forward. That is exactly what GMG did; and, the CAO did not have any issues with GMG’s reporting thereafter. To have the Department take issue now and use it as the basis to malign GMG creates a chilling effect. If companies are penalized for acknowledging and correcting erroneous reporting, that simply encourages companies to essentially sweep problems under the rug. In its attempt to be transparent and correct past regulatory compliance issues, GMG has affirmatively reached out to both the Commission staff and the Department staff. GMG is hopeful that it can work cooperatively and proactively with staff, as it has done in numerous areas over the past two years, to continue improvements.

GMG respectfully requests that the Commission look at the actual empirical information regarding its involuntary service disconnection information. Even the Department acknowledged that the bulk of GMG’s involuntary service disconnections occurred during the non-heating season. No customers complained to anyone about being improperly disconnected; and, had a customer been improperly disconnected (especially during heating season), a complaint would likely have been registered. Since GMG’s cold weather rule reporting has been corrected by

working cooperatively with the CAO and discrepancies will not continue, there is no practical purpose for requiring GMG to attempt to recreate old reports that it has already said it will likely be unable to accurately recreate. Therefore, GMG respectfully requests that the Commission accept GMG's service quality report as filed.

2. GMG's Service Extension Request Response Time Reporting Adequately Demonstrates that GMG's Customers are Promptly Served.

While GMG appreciates that the Commission is interested in ensuring that requests for service extensions are promptly addressed, GMG has repeatedly explained that its main extension model is different from that of larger companies that extend main in areas already served by the utility. Ergo, the Department's repeated attempts to insist that GMG comply with reporting metrics utilized by other utilities is rather like insisting that a square peg be hammered into a round hole. It simply doesn't make sense; and, no amount of requesting the information is going to change the fact that GMG is simply of a different character than the other utilities. As GMG has explained year after year, GMG generally extends service to a new, unserved rural area. Marketing in the new service areas often begins a year or two in advance. When GMG receives a sufficient level of commitment from a community, the project is developed and placed in GMG's system growth plans. Upon final approval, the main is installed; and, that is followed by installation of the services. There simply is not a means to measure the service request to completion interval in a way that allows for meaningful comparison with other utilities. Continued insistence that GMG adhere to form over substance is unduly burdensome and essentially results in statistically insignificant data that is not comparable to other data.

GMG has repeatedly invited the Department to engage in a cooperative effort to develop meaningful reporting requirements that legitimately consider GMG's unique position. That invitation has been met with the Department suggesting that GMG propose alternatives. GMG has, in fact, already done that and believed that they were agreed upon, as is more fully explained in its Report in this docket. Nonetheless, the Department seems troubled by the fact that GMG does not report in the same manner as the other utilities. Thus, GMG again respectfully requests that the Department work with GMG to develop reporting recommendations that actually suit the situation and provide meaningful information.

3. GMG Did Not Receive Any Customer Complaints From the CAO.

GMG is required to report customer complaints received from the Commission's Consumer Affairs Office as well as complaints in each of several categories. In its Report, GMG reported that it had a total of four complaints and indicated that it was not aware of any complaints made to the Commission. Given the detail provided for each complaint discussion, GMG believed that it had sufficiently explained the origin of each complaint. However, in light of the Department's request that GMG provide the number of customer complaints forwarded by the Commission's Consumer Affairs Office during 2014, GMG provides the following: 0. Additionally, during the preparation of these Reply Comments, in order to ensure that its data collection procedures regarding complaints weren't compromised, GMG contacted Brian Swanson of the

Commission's CAO to confirm that, in fact, the CAO did not receive any complaints about GMG during 2014.

4. GMG's extended response time for a particular service call was reasonable in light of the circumstances.

The Department requested more information regarding one emergency call response that resulted in a longer than normal response time, namely: 77 minutes from receipt of the call to arrival on site. The incident in question occurred on Sunday, August 31, 2014. GMG's live answering service took the call and dispatched GMG's weekend on-call personnel at 9:58 a.m.; and, the on-call technician left his home right away headed to the customer's location in a distant part of GMG's southern service territory which, according to a Google Maps estimate, is approximately a 70 minute trip. The technician was onsite within 77 minutes from dispatch; and, he had the gas shut off within 82 minutes of dispatch. There was no delay in dispatch of emergency personnel to respond to customer's situation.

CONCLUSION

GMG is dedicated to the principle of providing excellent customer service and it is always striving for improvement. GMG's customers in each of its service areas are extremely appreciative of GMG's efforts to bring natural gas to their communities and they believe that GMG provides excellent service. GMG's efforts to continue customer-focused improvements are reflected in its installation of automatic meter reading equipment, deployment of capital to secure underground storage to reduce customers' gas costs, and continuing to bring gas to unserved areas. In fact, GMG's service record is extremely high and GMG prides itself on providing personal customer service to every individual that contacts it—whether customer or not. GMG recognized and proactively corrected a reporting problem with its cold weather rule reporting; but, the reporting issue does not undermine the service that GMG provides. GMG respectfully requests that the Commission not elevate form over function and that, in light of its high level of service quality, the Commission approve GMG's 2014 Annual Service Quality Report.

Dated: August 3, 2015

Respectfully submitted,

/s/
Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
P.O. Box 68
202 S. Main Street
Le Sueur, MN 56068