

July 1, 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. G001/M-15-409

Dear Mr. Wolf:

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

2014 *Annual Service Quality Report* (Report) submitted by Interstate Power and Light Company, an Alliant Energy Company (Interstate or Company).

The 2014 *Annual Service Quality Report* was filed on May 1, 2015 by:

Samantha C. Morris
Senior Attorney
Interstate Power and Light Company
200 First Street SE
Cedar Rapids, Iowa 52406-0351

Based on its review of Interstate's 2014 *Annual Service Quality Report*, the Department recommends that the Minnesota Public Utilities Commission (Commission) accept the Company's Report.

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

Sincerely,

/s/ ANGELA BYRNE
Financial Analyst
651-539-1820

AB/ja
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. G001/M-15-409

I. BACKGROUND

On April 16, 2009, the Minnesota Public Utilities Commission (Commission) opened an investigation into natural gas service quality standards in Docket No. G999/CI-09-409. In its August 26, 2010 *Order* (09-409 *Order*), the Commission established uniform reporting requirements for all regulated Minnesota gas utilities. As a result, the gas utilities file annual reports on various service quality standards.¹

Interstate Power and Light Company, an Alliant Company, (Interstate, IPL, or the Company) was allowed to report commingled gas and electric statistics for answer times from its utility call centers, meter reads, and mislocates.

In addition to the requirements in the 09-409 *Order*, the Commission's March 6, 2012 *Order* (11-361 *Order*) in Docket No. G001/M-11-361, *et al*, directed the regulated Minnesota gas utilities and IPL to provide additional and more detailed information.

On May 1, 2015, Interstate filed its calendar year 2014 *Annual Service Quality Report* (Report). The Department provides its summary and analysis of Interstate's Report below.

II. THE DEPARTMENT'S ANALYSIS

In the 09-409 *Order*, the Commission requested that each Minnesota regulated utility provide information on various service quality related reporting metrics. The Department notes that for some metrics, Interstate did not have full calendar year 2010 data. The 09-409 *Order* acknowledged that the Company would not have data for all months of 2010 for all metrics and directed that the Company report as much information as possible in these cases. In the 11-361 *Order*, the Commission requested additional information from all of

¹ Interstate filed its 2010 Report in Docket No. G001/M-11-361, its 2011 Report in Docket No. G001/M-12-411, its 2012 Report in Docket No. G001/M-13-366, and its 2013 Report in Docket No. G001/M-14-374.

the utilities to increase the clarity and usability of the previously ordered service quality metrics.

Each year, the Department analyzes the information provided in the Report in the context of past reports. Overall, the Department identified no major concerns regarding Interstate's Report. The Department provides further detail on each reporting metric by discussing each separately below.

A. CALL CENTER RESPONSE TIME

Minnesota Rules, part 7826.1200² requires Minnesota's electric utilities to answer 80 percent of calls made to the business office during regular business hours within 20 seconds. Consistent with this requirement, the Commission required the regulated gas utilities to provide in their annual service quality reports the call center response time in terms of the percentage of calls answered within 20 seconds. As the 09-409 *Order* permitted, Interstate reported this metric on a combined gas and electric basis.

Interstate's call center response time is summarized in Table 1 below. The monthly percentages ranged from a low of 77.9 percent in April to a high of 96.3 percent in December 2014.

Regarding the low percentage in April, the Company stated that the first four days of April saw a large seasonal storm pass through, producing an increase in call volume. Interstate also stated that staffing adjustments were implemented to allow the performance to rebound for the remainder of the month. Based on a review of call center response data since 2010, Interstate has consistently met the 80 percent requirement.

Table 1: Call Center Response Time

	12 Mo. Avg.	Avg. Speed (Seconds)	# of calls
2011	85.4%	19.5	67,399
2012	88.4%	12.3	63,939
2013	82.9%	17.0	65,133
2014	84.9%	15.5	67,626

² Titled *Reporting Call Center Response Time*.

B. METER READING PERFORMANCE

In its 09-409 *Order*, the Commission required Interstate to report meter reading performance data in the same manner as prescribed in Minnesota Rule 7826.1400.³ Interstate reported this metric on a combined gas and electric basis.

Interstate's meter reading performance is summarized in Table 2 below. According to IPL's monthly meter reading statistics, the Company did not meet the meter reading standards in the months of January through February and June through August 2014. IPL stated that it missed the 80 percent requirement in January and February due to severe weather and staff availability. The Company stated that it missed the 90 percent requirement in June through August due to significant staffing issues. Some full-time meter reading employees transferred to other IPL locations, and in light of the pending sale of Minnesota distribution assets,⁴ these positions were not filled with permanent employees. The Company instead hired contract workers who were ultimately unreliable, and several quit with no notice. In September 2014, IPL eliminated all contract employees and hired more reliable temporary workers.

Table 2: Meter Reading Performance

	Avg. # of Meters	Company Reads	Customer Reads	# not Read in over 6 months	Staff Level
2011	53,940	94.53%	0.03%	307	11.0
2012	53,753	92.67%	0.02%	10	11.0
2013	53,723	89.12%	0.02%	22	11.0
2014	53,499	89.99%	0.02%	358	11.4

C. INVOLUNTARY SERVICE DISCONNECTIONS

The Company referenced the involuntary disconnections data that it reported under Minn. Stat. §216B.091 and §216B.096 in Docket No. E,G999/PR-14-02. Interstate also included a summary of its monthly Cold Weather Rule reports on pages six through eight of Appendix A in its Report. Table 3 summarizes customer disconnection statistics reported by the Company in its Cold Weather Rule reports.⁵

³ Titled *Reporting Meter Reading Performance*.

⁴ See Section N. for further discussion.

⁵ Docket Nos. E.G999/PR-10-02; E,G999/PR-11-02; E,G999/PR-12-02; E,G999/PR-13-02, and E,G999/PR-14-02.

Table 3: Involuntary Disconnection Information

	Customers Receiving Disconnect Notice	Customers Seeking CWR Protection*	Customers Granted CWR Protection*	% Granted	Customers Disconnected Involuntarily	Customers Restored within 24 Hours	Customers Restored by Entering Payment Plan
2010	37,997	1,976	1,976	100%	509	96	11
2011	42,347	3,772	3,772	100%	490	63	19
2012	39,200	5,328	5,328	100%	511	91	0
2013	39,421	4,307	4,307	100%	273	51	2
2014	36,635	7,100	7,100	100%	549	16	0

* Residential customers only

D. SERVICE EXTENSION REQUESTS

In its 09-409 *Order*, the Commission required that each utility provide in its annual report information on service extension requests in the same manner as detailed in Minnesota Rule 7826.1600, items A and B, except for information already provided in Minnesota Statute sections 216B.091 and 216B.096, subd. 11.⁶ Two sets of data are presented in the report, one for new service extensions to properties previously not connected to the utility’s system, and the second regarding connections of those properties previously connected to the system.

Interstate’s service extension request information is summarized in Table 4 below. Interstate further explained that it received requests for gas service at new locations every month except January 2014.

Table 4: Service Extension Requests (New Customers)

	Residential		Commercial	
	# of Installations	Avg. # of Days to Complete	# of Installations	Avg. # of Days to Complete
2010	82	4.13	74	1.17
2011	79	4.11	59	2.00
2012	145	4.67	88	5.33
2013	62	2.80	7	1.60
2014	181	3.40	57	1.80

For locations previously served, Interstate stated that it excluded reconnects for credit/nonpayment issues. The Company also stated that it does not track response time by account; however requests are typically handled the next business day.

⁶ Titled *Reporting Service Extension Request Response Time*.

Table 4 (a): Service Extension Requests (Previous Customers)

	Number of Installations			
	Residential	Commercial	Industrial	Rural
2010	5,957	618	9	5
2011	6,010	674	12	7
2012	6,009	567	30	4
2013	6,227	525	26	8
2014	6,152	545	42	10

E. CUSTOMER DEPOSITS

Similar to Minnesota Rule 7826.1900,⁷ the Commission requires each natural gas utility in its annual service quality report to provide data on the number of customers required to make a deposit as a provision of receiving service. Interstate stated that its data included deposits for new and reconnecting Minnesota customers. The Company's customer deposit information is summarized in Table 5.

Table 5: Customer Deposits

	Deposits Required	Deposits Held	Value of Deposits Held
2011	405	934	\$207,524
2012	434	936	\$209,655
2013	402	889	\$203,130
2014	381	877	\$193,063

F. CUSTOMER COMPLAINTS

The Commission's 09-409 *Order* required utilities to report customer complaint data in the same manner as prescribed in Minnesota Rule 7826.2000.⁸ Interstate's customer complaint statistics are summarized in Table 6.

⁷ Titled *Reporting Customer Deposits*.

⁸ Titled *Reporting Customer Complaints*.

Table 6: Customer Complaints

	# of Complaints	Forwarded by CAO	% Resolved on Initial Inquiry	% Resolved by Taking Customer Action	Top Complaint Category
2010	576	4	34.5%	59.9%	Property Damage
2011	354	4	21.2%	59.3%	General Billing
2012	349	3	23.5%	56.2%	Property Damage
2013	280	2	23.6%	53.9%	Property Damage
2014	325	2	19.7%	52.9%	Meter Reading

G. EMERGENCY LINE RESPONSE TIME

Interstate reported its average speed of answering all emergency calls, for natural gas and electric, by month as required in the 09-409 *Order*. The Company also reported the same information for calls to its direct emergency phone line. Interstate's emergency line response time is summarized in Table 7.

IPL stated that the average response time for all emergency calls was greatly skewed by June's data when 72% of the month's 313 emergency calls were received in a four-day period. IPL explained that the high concentration of calls can be attributed to a series of severe storms that passed through the service territory during those four days.

Table 7: Gas Emergency Calls

	# of all Gas Emergency Calls	Average Response Time (seconds)	# of Direct Emergency Line Calls	Average Response Time (seconds)
2010	5,349	22.5	17	27.7
2011	2,546	30.9	3	143.7
2012	2,733	28.1	326	8.4
2013	1,594	17.9	386	12.5
2014	1,494	43.1	240	14.5

H. MISLOCATES

The 09-409 *Order* required Minnesota gas utilities 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. Interstate's mislocate data are summarized in Table 8.

Table 8: Mislocates

	# of Mislocates	# of Locate Tickets	Mislocates per 1,000 Tickets
2011	5	15,332	0.33
2012	2	14,421	0.14
2013	4	13,298	0.30
2014	4	14,529	0.28

I. DAMAGED GAS LINES

The 09-409 *Order* required Minnesota gas utilities to provide data on damaged gas lines, including the number of lines damaged by Company employees or contractors, the total number of other damage events, and the number of events that were unplanned in nature.

Interstate's gas line damage information is summarized in Table 9.⁹

Table 9: Damaged Gas Lines

	Damage by Utility	Damage by Others	Total	Miles of Main	Damage/100 Main Miles
2011	2	15	17	236	7.20
2012	-	15	15	237	6.33
2013	-	11	11	238	4.62
2014	-	11	11	237	4.64

J. SERVICE INTERRUPTIONS

The 09-409 *Order* required that Minnesota regulated gas utilities collect data regarding service interruptions, separating the data into categories based on whether the event was caused by Company employees or Company contractors, or some other unplanned caused. Interstate reported that there were no service interruptions during the reporting period that were the result of system integrity issues. Interstate further reported that of the eleven damage instances discussed in Sub-Section I above, ten resulted in gas outages to at least one customer, and two of the events met the MOPS reporting criteria. Any instances reported to the MOPS are discussed in greater detail in Sub-Section K of these *Comments*.

⁹ Interstate reported that, as of December 31, 2014, it operated 237 miles of main and 10,401 service lines.

K. MOPS SUMMARIES

The 09-409 *Order* required utilities to provide summaries of all major events that are immediately reportable to the MNOPS and provide contemporaneous reporting of these events to both the Commission and Department when they occur.

Interstate reported that two major events were reportable to the MOPS during 2014. The Company provided summaries for these incidents, which included all required information. The Department notes that according to Interstate, most customers affected by these interruptions were restored by the end of the same day.

Table 10: MNOPS Reportable Events

	Reportable Interruptions
2010	1
2011	2
2012	2
2013	-
2014	2

L. EMERGENCY RESPONSE TIME

The 09-409 *Order* required that Minnesota regulated gas utilities collect and provide data regarding gas emergency response times including a percentage breakdown of the number of calls responded to in less than an hour and the percent of calls responded to in more than an hour. In addition, the Commission required Interstate to report the average number of minutes it takes to respond to an emergency on a monthly basis. The Company provided this information in the body of its report.

The Company's emergency response time data are summarized in Table 11.

Table 11: Emergency Response Time

	# of Emergency Calls	Average Response Time (Minutes)	Responded in <1 hour	Monthly Avg High (Minutes)
2010	356	20.0	352	28.2
2011	245	18.8	245	24.3
2012	253	17.8	251	22.1
2013	264	19.4	264	25.8
2014	293	22.1	292	30.4

M. OPERATIONS AND MAINTENANCE (O&M) EXPENSES

In its 09-409 *Order*, the Commission required Minnesota gas utilities to report operation and maintenance (O&M) expenses related to customer service in the Federal Energy Regulatory Commission (FERC) 901 and 903 accounts, including payroll taxes and benefits.

In 2014, Interstate reported total service quality related O&M expenses of \$102,126, which translates into approximately \$8,511 of O&M expenses per month.

Table 12: Customer Service Related O&M Expenses

	O&M Total	O&M Average/Month
2010	\$130,739	\$10,895
2011	\$121,143	\$10,095
2012	\$113,869	\$9,489
2013	\$106,592	\$8,883
2014	\$102,126	\$8,511

N. SALE OF INTERSTATE ASSETS

The Department notes that on December 8, 2014, in Docket No. G001,G011/PA-14-107, the Commission approved the sale of Interstate's Minnesota gas distribution assets to Minnesota Energy Resources Corporation (MERC).

Additionally, in Interstate's previous service quality report, the Commission ordered that,

IPL shall file an informational report containing its 2015 service quality data as a compliance filing in [Docket No. G001/M-14-374] by the earlier on (i) 90 days after closing the transaction to sell its gas assets to Minnesota Energy Resources Corporation (MERC) or (ii) May 1, 2016. The informational report will include all information routinely reported as part of the annual gas service quality reports and shall cover the period of January 1, 2015 through the close of the transaction to sell the IPL gas assets.

In the Introduction to its Report, Interstate stated that the sale of IPL's assets to MERC closed on April 30, 2015, and that a partial year filing containing 2015 data will be filed within 90 days of the close of the sale.

III. THE DEPARTMENT'S RECOMMENDATIONS

Based on its review of Interstate's Report, the Department recommends that the Commission accept the Company's filing in fulfillment of the Commission's *Order Setting Reporting Requirements* issued August 26, 2010 in Docket No. G999/CI-09-409, and the Commission's *Order Accepting Reports and Setting Further Requirements* issued March 6, 2012 in Docket No. G001/M-11-361.

/ja

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. G001/M-15-409

Dated this 1st day of July 2015

/s/Sharon Ferguson

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