


## Staff Briefing Papers

Meeting Date	October 24, 2019	Agenda Item *13
Company	Northern States Power d/b/a Xcel Energy	
Docket No.	<b>G-002/M-19-305</b>	
	<b>In the Matter of Xcel Energy's Natural Gas Service Quality Report for 2018</b>	
Issues	Should the Commission accept Xcel Energy's Natural Gas Service Quality Report?	
Staff	Kevin O'Grady	651-201-2218

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 <b>Relevant Documents</b>	<b>Date</b>
<i>Order Accepting Report and Setting Additional Reporting Requirements (Docket 18-316)</i>	April 12, 2019
Xcel: Service Quality Performance Report for 2018	May 1, 2019
Xcel: Supplement to Report	May 31, 2019
OAG: Comments	June 17, 2019
DOC: Comments	July 17, 2019
Xcel: Reply Comments	July 29, 2019

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The attached materials are work papers of the Commission Staff. They are intended for use by the Public Utilities Commission and are based upon information already in the record unless noted otherwise.

## I. Statement of the Issues

Should the Commission accept Xcel Energy's Natural Gas Service Quality Report?

## II. Background

**On May 1, 2019**, Xcel submitted its 2018 Natural Gas Service Quality Report (*Report*) pursuant to several previous Commission orders, and including information that is responsive to the most recent Commission order.<sup>1</sup>

**On May 31, 2019**, Xcel filed a supplement to its initial *Report*.

**On June 17, 2019**, the Office of the Attorney General – Residential Utilities and Antitrust Division (OAG) filed comments.

**On July 17, 2019**, the Department of Commerce (DOC) submitted comments.

**On July 29, 2019**, Xcel filed reply comments.

## III. Introduction

The Commission requires five Minnesota natural gas utilities<sup>2</sup> to file annual service quality reports, and Staff has prepared a separate Briefing Paper to address each of the five 2018 submissions, individually. Those Briefing Papers focus on the content of the reports and their sufficiency, going toward the ultimate question as to whether the Commission should accept the reports.

Staff has also prepared a sixth Briefing Paper addressing an issue raised by OAG regarding future reporting. OAG submitted a single set of comments in all five individual dockets, those comments recommending that, in the future, the utilities file substantially more information regarding transmission and distribution system integrity.<sup>3</sup> OAG also recommends that the reporting format be standardized across the utilities. OAG did not make any recommendation as to whether the five individual reports should be accepted or not.

This Briefing Paper focuses on Xcel's *Report*. Xcel's *Report* comprises approximately ten pages of discussion supported by approximately 70 pages of numerical tables. In its comments DOC has summarized much of Xcel's *Report* in a tabular form that includes historical information for most metrics. Staff has not duplicated those tables in this Briefing Paper.

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<sup>1</sup> Most recently, the Order in Docket 18-316, April 12, 2019.

<sup>2</sup> Xcel Energy, CenterPoint Energy, MERC, Greater Minnesota Gas, and Great Plains Natural Gas.

<sup>3</sup> OAG believes CenterPoint Energy's reporting of system integrity information is a good model for the other utilities.

Note that the Commission has recently opened an investigation to explore the possibility of improving the reporting of involuntary disconnection data by utilities.<sup>4</sup> The results of that investigation may affect future service quality report filing requirements.

#### IV. Parties' Comments

##### A. Xcel's Report

Xcel reported on a number of quality metrics, most of which it has reported on in previous annual reports:

Quality Metrics	Location of Discussion in Record	
	Xcel	DOC
<b>Call Center Response Time</b>	pp. 2-3 and Attachment A	pp. 3-4
<b>Meter Reading Performance</b>	pp. 3-4 and Attachment B	pp. 4-6
<b>Involuntary Service Disconnections</b>	p. 4 and Attachment C	p. 6
<b>Service Extension Requests</b>	pp. 4-4 and Attachment D	p. 7
<b>Customer Deposits</b>	p. 5	pp. 7-8
<b>Customer Complaints</b>	pp. 5-6 and Attachment E, E1 and F	pp. 8-10
<b>Gas Emergency Telephone Calls</b>	p. 6 and Attachment G	pp. 10-11
<b>Gas Emergency Response Times</b>	pp. 6-7 and Attachments H and H1	pp. 11-12
<b>Mislocates</b>	p. 7 and Attachment J	p. 12
<b>Damaged Gas Lines</b>	p. 8 and Attachment K	p. 13
<b>Service Interruptions</b>	pp. 8-9 and Attachments L and M	p. 13-14
<b>MNOPS Reportable Events</b>	pp. 8-9 and Attachment M	p. 16
<b>Customer-Related O&amp;M Expenses</b>	p. 9 and Attachment N	pp. 14-15
<b>Gas Meter Accuracy</b>	p. 9 and Attachment O (and Reply, pp. 3-4)	p. 15
<b>Additional Requirements: Performance Measures</b>	pp. 9-10 and Attachment P (and Supplement Table 1)	p. 16
<b>Additional Requirements: MNOPS Violation Remediation</b>	p. 10	p. 16
<b>Additional Requirements: MNOPS Violation Letters</b>	p. 10	p. 16
<b>Additional Requirements: Excess Flow Valves (EFVs)</b>	pp. 11-12	pp. 16-18

<sup>4</sup> Docket No. E,G-999/CI-19-563. *In the Matter of a Commission Investigation to Explore Possible Improvements for Reporting Involuntary Customer Service Disconnection Data.*

Xcel also provided information on four additional areas as required by the Commission in its order issued upon review of Xcel's 2017 service quality report. The Commission stated that Xcel must file:

- a. the utility's filing under 49 CFR 192.1007 (e): integrity management plan performance measures; monitoring results; and evaluation of effectiveness in a manner to establish a baseline for ongoing reporting.
- b. a summary of any 2018 emergency response violations cited by MnOPS [Minnesota Office of Pipeline Safety] along with a description of the violation and remediation in each circumstance.
- c. the number of violation letters received by the utility from MNOPS during the year in question.
- d. a discussion of how to provide ongoing monitoring and metrics towards the deployment of Excess Flow Valves and manual service line shutoff valves pursuant to the Commission's order in Docket No. G-999/CI-18-41.<sup>5</sup>

With respect to "a" Xcel attached the filing it made to the U.S Department of Transportation pursuant to 49 CFR 192.1007 (pp. 9-10, replacement Table 1 in Xcel's Supplemental filing of May 31<sup>st</sup>, and Attachment P).

With respect to "b" Xcel noted that it did not receive any response violations cited by MNOPS in 2018 (p. 10).

With respect to "c" Xcel reported that it received ten violation letters from MNOPS related to Minn. Stat. 216D (p. 10)

With respect to "d" Xcel reported, in tabular form, its Excess Flow Valve (EFV) installations and its manual shut-off valve (SOV) installations (pp. 11-12, Tables 2 and 3). Xcel stated that it has installed over 140,000 EFVs which represents over 37 percent of its customers that are suitable for installation. Xcel reported that over 81,000 of its customers are suitable for SOV installation and that it has installed 251 SOVs.

## B. DOC Comments

DOC recommends that the Commission accept Xcel's *Report*. DOC further recommends that the Commission continue to require Xcel to report in 2019 the information provided in response to "a" through "c" above. DOC commented that requirement "d," regarding EFVs, may be unnecessary going forward as the Commission, in its EFV investigation, required the utilities to report annually on EFV and manual shut-off installation.<sup>6</sup> DOC recommended the following language as a modification to the initial order requiring the reporting:<sup>7</sup>

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<sup>5</sup> Order in Docket 18-316, April 12, 2019.

<sup>6</sup> Orders in Docket 18-41 dated August 20, 2018 and July 31, 2019.

<sup>7</sup> Order in Docket 18-316, April 12, 2019.

- a. based on the utility's filing under 49 CFR 192.1007 (e) and the baseline information provided on May 1, 2019, an update of: integrity management plan performance measures; monitoring results; and evaluation of effectiveness in a manner to establish a baseline for ongoing reporting.
- b. a summary of any [2019] emergency response violations cited by MnOPS along with a description of the violation and remediation in each circumstance.
- c. the number of violation letters received by the utility from MNOPS during the year in question.
- d. ~~a discussion of how to provide ongoing monitoring and metrics towards the deployment of Excess Flow Valves and manual service line shutoff valves pursuant to the Commission's order in Docket No. G-999/CI-18-41.~~

DOC noted an uptick, from 2017 to 2018, of “meters not read for longer than 12 months” for the commercial and industrial sectors. DOC asked Xcel to provide additional information as to the cause of those increases.<sup>8</sup>

### C. OAG Comments

OAG made no recommendations regarding the 2018 *Report*.

### D. Xcel's Response

Xcel agrees with DOC's view that EFV reporting in the context of the annual service quality reports may be unnecessary given the reporting requirements of the EFV orders.

Regarding its meter-reading data Xcel reported that:

The May 1, 2019 Gas Service Quality filing reported 764 records for the Commercial and Industrial classes. In examining those 764 records, we identified 112 unique meters as having no reads for more than 12 months. Of the 112 meters, 72 are commercial and 40 are industrial. We also note that of the 112 meters, 108 are electric and four are natural gas.<sup>9</sup>

With respect to Industrial meter reads, Xcel stated that 36 of the 40 were, in fact, read appropriately and the customer so billed. Xcel stated that those 36 meters were inadvertently included in the total and that it is working to correct the issue.

With respect to Commercial meters, Xcel states that it “performed a review on a random sampling of Commercial meters with codes of “No Read Returned” or “Meter Off,” and determined that the “No Read Returned” is typically due to customer-related reasons.”<sup>10</sup>

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<sup>8</sup> DOC Comments, p. 5.

<sup>9</sup> Xcel Reply Comments, p. 3.

<sup>10</sup> Xcel Reply Comments, p. 3.

Xcel explained that customer-related reasons can include situations (1) where there is faulty wiring on the customer's side of the meter, (2) where the customer has turned off the breaker because of lack of need of service, and (3) where the premises is vacant. In these instances, Xcel stated, it reaches out to the customers to let them know their action is required before service can be turned back on.

## V. Staff Analysis

Staff believes that Xcel has met the reporting requirements established by the Commission and recommends the Commission accept the *Report*.

Xcel addressed the Commission's four additional reporting requirements for 2018 (regarding system integrity planning, MNOPS violations, EFVs and SOVs). However, the Commission was silent as to whether Xcel must report that information in subsequent years (although it did make reference to "ongoing reporting" and "ongoing monitoring").<sup>11</sup> DOC recommends that the Commission require Xcel, in 2019, (1) to report the 49 CFR 192.1007(e) information and (2) to drop the requirement for EFV reporting in this docket given that the five utilities are required to submit reports regarding EFVs and SOVs in the EFV docket (18-41).

## VI. Decision Options

1. Accept Xcel's *Report*.
2. Accept Xcel's *Report* and modify the future reporting requirements as recommended by DOC to require Xcel to file ...
  - a. based on the utility's filing under 49 CFR 192.1007 (e) and the baseline information provided on May 1, 2019, an update of: integrity management plan performance measures; monitoring results; and evaluation of effectiveness in a manner to establish a baseline for ongoing reporting.
  - b. a summary of any [2019] emergency response violations cited by MnOPS along with a description of the violation and remediation in each circumstance.
  - c. the number of violation letters received by the utility from MNOPS during the year in question.
  - d. ~~a discussion of how to provide ongoing monitoring and metrics towards the deployment of Excess Flow Valves and manual service line shutoff valves pursuant to the Commission's order in Docket No. G-999/CI-18-41.~~
3. Accept Xcel's *Report* and maintain the reporting requirements established in the 2017 service quality report:

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<sup>11</sup> Order in Docket 18-316, April 12, 2019.

- a. the utility's filing under 49 CFR 192.1007 (e): integrity management plan performance measures; monitoring results; and evaluation of effectiveness in a manner to establish a baseline for ongoing reporting.
  - b. a summary of any [2019] emergency response violations cited by MNOPS along with a description of the violation and remediation in each circumstance.
  - c. the number of violation letters received by the utility from MNOPS during the year in question.
  - d. a discussion of how to provide ongoing monitoring and metrics towards the deployment of Excess Flow Valves and manual service line shutoff valves pursuant to the Commission's order in Docket No. G-999/CI-18-41.
4. Take other action.