

## Staff Briefing Papers

Meeting Date December 19, 2024

Agenda Item **3\*\***

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Company Northern States Power Co. d/b/a Xcel Energy, CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas, Minnesota Energy Resources Corp., Great Plains Natural Gas Co., and Greater Minnesota Gas, Inc.

Docket No. **G-002/M-24-31**  
**G-008/M-24-33**  
**G-011/M-24-34**  
**G-004/M-24-32**  
**G-022/M-24-35**

**In the Matter of Xcel Energy’s, Center Point Energy’s, Greater Minnesota Gas’, Great Plains’, and Minnesota Energy Resources’ Service Quality Report**

Issues Should the Commission accept Xcel Energy’s, CenterPoint Energy’s, Minnesota Energy Resources’, Great Plains’, and Greater Minnesota Gas’2023 Service Quality Reports?

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**Relevant Documents**

**Date**

**Xcel Energy (Docket No. 24-31)**

Xcel Energy Letter	04/23/2024
Xcel Energy 2023 Natural Gas Service Quality Report	05/01/2024
Xcel Energy Errata	08/30/2024
Department of Commerce Comments	09/16/2024
Xcel Energy Reply Comments	10/04/2024

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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.



**Relevant Documents**

**Date**

Department of Commerce Letter

10/11/2024

**CenterPoint Energy (Docket No. 24-33)**

CenterPoint 2023 Natural Gas Service Quality Report

05/01/2024

Department of Commerce Comments

09/23/2024

CenterPoint Reply Comments

10/04/2024

CenterPoint Response to PUC IRs

11/25/2024

**Minnesota Energy Resources Co. (Docket No. 24-34)**

MERC 2023 Natural Gas Service Quality Report

05/01/2024

MERC Supplement to Gas Service Quality Report

05/08/2024

Department of Commerce Comments

09/20/2024

MERC Reply Comments

10/04/2024

**Great Plains Natural Gas (Docket No. 24-32)**

Great Plains 2023 Natural Gas Service Quality Report

05/01/2024

Department of Commerce Comments

09/16/2024

Great Plains Reply Comments

10/04/2024

**Greater Minnesota Gas (Docket No. 24-35)**

GMG 2023 Natural Gas Service Quality Report

05/01/2024

Department of Commerce Comments

09/18/2024

GMG Reply Comments

09/27/2024

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## STATEMENT OF ISSUES

Should the Commission accept the Gas Utilities' Natural Gas Service Quality Reports for 2023?

## BACKGROUND

The Commission requires CenterPoint Energy Resources Corp. d/b/a CenterPoint Energy Minnesota Gas ("CenterPoint" or "CPE"), Great Plains Natural Gas Co. ("Great Plains"), Greater Minnesota Gas, Inc. ("GMG"), Minnesota Energy Resources Corporation ("MERC"), and Northern States Power Company d/b/a Xcel Energy ("Xcel"), collectively "the Gas Utilities", to file annual service quality reports. Standards and reporting requirements have been established over time through Commission Orders, with the Commission's August 26, 2010 Order in Docket No. G999/CI-09-409 ("the 09-409 Order") serving as the foundation for gas service quality reporting requirements.

In response to the Gas Utilities' 2020 service quality reports and a joint utility filing discussing their attempts to identify appropriate methods to compare gas utility service quality performance nationally or regionally, the Commission delegated authority to the Executive Secretary<sup>1</sup> to implement a working group with the Gas Utilities, the Minnesota Department of Commerce ("Department"), the Minnesota Office of Pipeline Safety ("MNOPS"), and Commission Staff, collectively the natural gas working group ("NGWG"), to continue exploring comparative performance metrics for use in future gas service quality reports.

The NGWG met five times between April 2023 and October 2023 to discuss gas utility service quality reporting. Specifically, the NGWG explored the possibility of benchmarking utility service quality by examining Delaware's Natural Gas Service Reliability and System Planning Standards; discussed whether current service quality reporting requirements could be modified to produce more uniform reporting and facilitate accurate cross-utility comparisons; reviewed each gas service quality reporting requirement to identify where, or if, currently reported information is not being utilized when evaluating a utility's quality of service; explored the possibility of producing public-facing summaries similar to what is required of electric utilities; and resolved remaining questions surrounding utilities' proposed web-based metrics.

With its December 6, 2023, filing,<sup>2</sup> the NGWG reported back to the Commission on its discussions regarding gas service quality reporting and concluded that there were no existing or ready-made service quality comparisons that could be used to benchmark a utility's service quality against other similarly sized utilities across the nation. However, the NGWG did recommend several changes to gas service quality reporting which were adopted by the Commission. The NGWG advised caution about drawing conclusions about one utility's service quality performance by comparing it directly to another utility's performance due to the number of variables at play within each of these reporting requirements.

With the adoption of the NGWG's recommendations, the Commission also authorized the

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<sup>1</sup> Docket Nos. 21-301, 21-303, 21-304, 21-300, and 21-131

<sup>2</sup> Final Report in Docket No. G002, G022, G004, G011, G008/CI-22-548

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executive secretary to establish a comprehensive list of current gas service quality reporting requirements, which all Gas Utilities were required to work from in future reports. This comprehensive list was filed on February 2<sup>nd</sup>, 2024, in Docket No. G002, G022, G004, G011, G008/CI-22-548 (“Gas Service Quality Reporting Requirements List”) and included the following reporting categories:

- Pipeline and Hazardous Material Safety Administration (“PHMSA”) Gas Distribution Reports
- Call Center Response Times
- Meter Reading Performance
- Involuntary Service Disconnections
- Service Extension Requests
- Customer Deposits (only when deposit collection policies change)
- Customer Complaints
- Gas Emergency Phone Line Answer Times
- Gas Emergency Response Times
- Excavation Damages
- Service Interruptions
- Major Incident Reporting
- Integrity Management Plan Reporting
- EFV and Manual Shut-off Valves
- MNOPS Violations
- Web-Based Metrics (beginning next year)

As has been done for several years, Staff filed a single Briefing Paper to address all five 2023 gas service quality reports. This Briefing Paper focuses on the content of the reports and their sufficiency, building toward the ultimate question of whether the Commission should accept the Gas Utilities’ reports.

## SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

All five gas utilities filed annual service quality reports by May 1, 2024. The Department was the only party to comment on the filings. After review, the Department recommended the Commission accept each of the Gas Utilities’ annual service quality reports [**Decision Option 1**].

Both Commission Staff and the Department made several additional recommendations in response to the Gas Utilities’ 2023 service quality reports.

First, the Consumer Affairs Office (“CAO”) made Staff aware of an issue with utility meter readings, highlighting that CenterPoint knowingly delays repairing or replacing malfunctioning meters for months, as the company can bill customers retroactively for up to a year, resulting in unexpected charges for customers. CAO resolved a similar issue with Xcel by reaching an agreement with the Company to follow Minnesota Rules, part 7826.1000, which requires utilities to replace malfunctioning meters within ten days of identifying the issue. CAO emphasized that modern technology gives utilities better insight into meter performance,

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necessitating prompt action to protect customers. Staff concurred, asserting that enforcing these rules is essential to prevent undue financial burdens on gas customers and that any intentional delays are contrary to the public interest. Staff proposed **Decision Option 2** requiring the Gas Utilities to follow the agreement reached with Xcel and follow Minn. Rules, part 7826.1000.

Second, Staff identified a discrepancy in CenterPoint's reporting of excavation tickets and damages between its PHMSA annual report and its service quality report to the Commission. The difference arose from tickets where no excavation occurred but still required resources such as locates or mapping. CenterPoint committed to including all excavation tickets in future service quality reports, to ensure consistency across the two reports. Staff supported this commitment but recommends including details on tickets without excavation activity to provide clearer context for excavation damage data and improve overall transparency.

**[Decision Option 3]**

Third, Staff noted that in 2012 the Commission required<sup>3</sup> MERC to provide additional information about service interruptions, including the number of customers whose service was interrupted and the average duration of interruptions. Although this requirement did not extend to other utilities at that time, Xcel, CenterPoint, and Great Plains also provide this information. To ensure this reporting continues, and to improve clarity going forward, Staff recommended modifying utilities' service interruption reporting requirements so that all Gas Utilities except GMG must also report the number of customers whose service was interrupted, and the average duration of interruptions. **[Decision Option 4]**

Fourth, CenterPoint requested modifications to its integrity management plan reporting requirements. In a January 7, 2020, Order<sup>4</sup>, the Commission required CenterPoint to annually file DIMP/TIMP data addressing 29 metrics developed in affiliated interest Docket No. G-008/AI-18-517.<sup>5</sup> Because it was established in a separate docket, the NGWG did not take a position on CenterPoint's reporting requirements under this category. However, CenterPoint has asked the Commission to replace these reporting requirements and instead require the Company to report the same information required of the other four gas utilities **[Decision Option 5]**. Of note, CenterPoint explained that it provided its final compliance report in Docket No. G-008/AI-18-517 on January 24, 2024, and the Company no longer has MN Limited as an affiliated interest. The Department preferred keeping the majority of CenterPoint's current reporting requirements and instead asked that the Commission only remove the metrics related to gas system leaks and replace them with the information required of the other four

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<sup>3</sup> March 6, 2012, Order in Docket Nos. G002/M-11-360, G-001/M-11-361, G-004/M-11-363, G007,011/M-10-374, G-008/M-10-378, and G-022/M-11-356.

<sup>4</sup> Docket Nos. G-022/M-19-304, G-002/M-19-305, G-008/M-19-300, G-011/M-19-303, and G-004/M-19-280

<sup>5</sup> CenterPoint, along with the OAG and the Department, reached agreement in a separate affiliated interest agreement docket on reporting metrics for evaluating the cost-effectiveness of safety and reliability infrastructure investments. See *In the Matter of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (the Company), for Approval of an Affiliated Interest Agreement between CenterPoint Energy and Minnesota Gas and Minnesota Limited*, Docket No. G-008/AI-18-517, Commission Order (January 14, 2019).

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gas utilities [**Decision Option 6**]. The Department emphasized that CenterPoint's risk-related and budget reporting offers valuable insights into system risk reduction and the performance of integrity management programs, aiding the Commission and stakeholders in assessing the impact of investments.

Fifth, Xcel, CenterPoint, and Great Plains stated that they had completed their required EFV and manual shut-off valve outreach and asked the Commission to acknowledge their completion of this required outreach and allow them to cease related reporting [**Decision Options 7 – 9**]. The Department supported each of the utilities' requests. The NGWG found that many Gas Utilities had finished their required outreach and were re-reporting information from previous years due to the fact that this reporting requirement was given a termination date of 2025 instead of when the utilities had completed the required activities. Because of this, the NGWG recommended, and the Commission approved, allowing the Gas Utilities to confirm with the Commission that they have completed their EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2029, Order in Docket No. 18-41.

Finally, CenterPoint asked the Commission to remove its on-going requirement to report on Steel Service Lines and Meters at 630 Cubic Feet Per Hour or Greater [**Decision Option 10**]. CenterPoint noted that the Commission's request for information on Steel Service Lines and Meters at 630 Cubic Feet Per Hour or Greater came in 2009 and that that Steel Service line and 630 CFH meters are no longer identified separately in the Company's tariff. The Department supported this request.

Staff also notes that CenterPoint completed both phases of its paperless billing rollout and filed information on its impact. With both phases of this initiative now complete, Staff does not anticipate a significant amount of new information to be reported in future years. However, the Commission's order discusses both ongoing reporting in the Company's annual service quality reports and a "final report" with the conclusion of phase 2 of the project. To avoid a situation where the Company believes it is obligated to continuously re-report the results of this project each year, the Commission may consider an Order paragraph that clarifies that the Company successfully provided its final report on its auto-enrollment in paperless billing program with the conclusion of phase 2, and that no further reports are necessary in future gas service quality reports. Additional information is available in the section titled "Paperless Billing" under "CenterPoint-Specific Reporting Requirements."

Additionally, CenterPoint provided information on FTEs performing customer service, maintenance, and installations for the third year in a row, despite the Order requiring this information seemingly only requesting this information be filed once. The Commission may consider ordering CenterPoint to cease this reporting if the Company interpreted the initial Order as requiring ongoing reporting. Additional information is available in the section titled "Employees and FTEs" under "CenterPoint-Specific Reporting Requirements."

## SUMMARY OF STAFF ANALYSIS

### Meter Reading

- Xcel again saw supply chain issues impact their meter reading performance in 2023. However, the Company explained that these supply chain issues were resolved in Q1 of 2024. Staff will continue to monitor Xcel's meter reading performance in future service quality reports as the Company's AMI meter rollout continues.

### Involuntary Disconnections

- The number of customers disconnected involuntarily by Xcel skyrocketed in 2023. However, this topic has been addressed in Docket 24-27, Xcel's electric safety, reliability, and service quality docket. Docket 24-27 was heard on November 7, 2024, and there the Commission verbally required Xcel to institute a number of customer protections designed to decrease customers' arrears and decrease the number of customers being involuntarily disconnected. Of note, only 1.8% of Xcel's reported disconnections were attributable to natural gas customers. Staff will continue to examine the number of Xcel's involuntary disconnections closely in this and other dockets and whether the protections set in place by the Commission are effective.
- All five Gas Utilities continued report a relatively low number of disconnected customers who were reconnected within 24 hours. Staff will continue to monitor utilities' involuntary service disconnection data in 2024 to see if the percent of disconnections restored within 24 hours improves.

### Service Extensions

- Xcel improved its design automation tool to reduce manual inputs for new service extension to increase data accuracy by reducing human error. These improvements achieved their goal, but resulted in the entry of new work orders faster than crews were able to respond, thus increasing lead-times. Staff will continue to monitor the impact of Xcel's new design automation tool in future service quality reports.
- For the fourth year in a row, Great Plains recorded a record high for the average number of days needed to complete both new residential and commercial service extensions. At the same time, the number of residential extension requests has declined. Staff will continue to monitor Great Plains' service extension data in 2024.

### Complaints

- Xcel had received a large number of complaints in 2023, exceeding the standards set in the Company's Quality of Service Plan tariff, and subjecting them to a \$1 million penalty. 50% of the underperformance penalty is applied to customer bills, and the other 50% is added to the Company's distribution system budget. However, this issue was resolved by the Commission's October 9, 2024 Order in Docket 02-2034, which applied \$500,000 of the 2023 underperformance penalty that is devoted to the distribution system



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directly towards customers' past due bills.

### **Excavation Damages**

- Since 2019, Great Plains has seen a steady number of locate tickets, but an increasing number of excavation damages. Staff will continue to monitor the number of total damages.
- In 2023, GMG had a large increase in the number of damages per locate requests as compared to the previous year. Staff will continue monitoring this metric in the 2024 reports.

## **PHMSA GAS DISTRIBUTION REPORTS**

The Commission's Notice of Gas Service Quality Reporting Requirements<sup>6</sup> requires each gas utility to append their annual PHMSA Gas Distribution Reports to their service quality reports. Staff confirms that each utility complied with this requirement.

## **CALL CENTER RESPONSE**

Through its Notice of Gas Service Quality Reporting Requirements, the Commission requires all Gas Utilities, excluding GMG, to report the following information regarding their call center response times:

- The percentage of calls answered within 20 seconds.
- The average time required to answer an incoming call.

GMG is required to report:

- The average time required to answer an incoming call.

Additionally, CenterPoint must provide interactive voice response (IVR) system 'zero out'<sup>7</sup> data.

When able, Staff will highlight utilities call answer speed with and without calls answered by an IVR system. This decision was made due to the definition of an "answer" provided in Minn. Rules 7826.1200. Specifically, subpart 1 explains that an answer means "that an operator or representative is ready to render assistance or accept the information to handle the call." Answers from an IVR system are included in the definition of an "answer" under subpart 2, which details how utilities should respond to calls regarding service interruptions.

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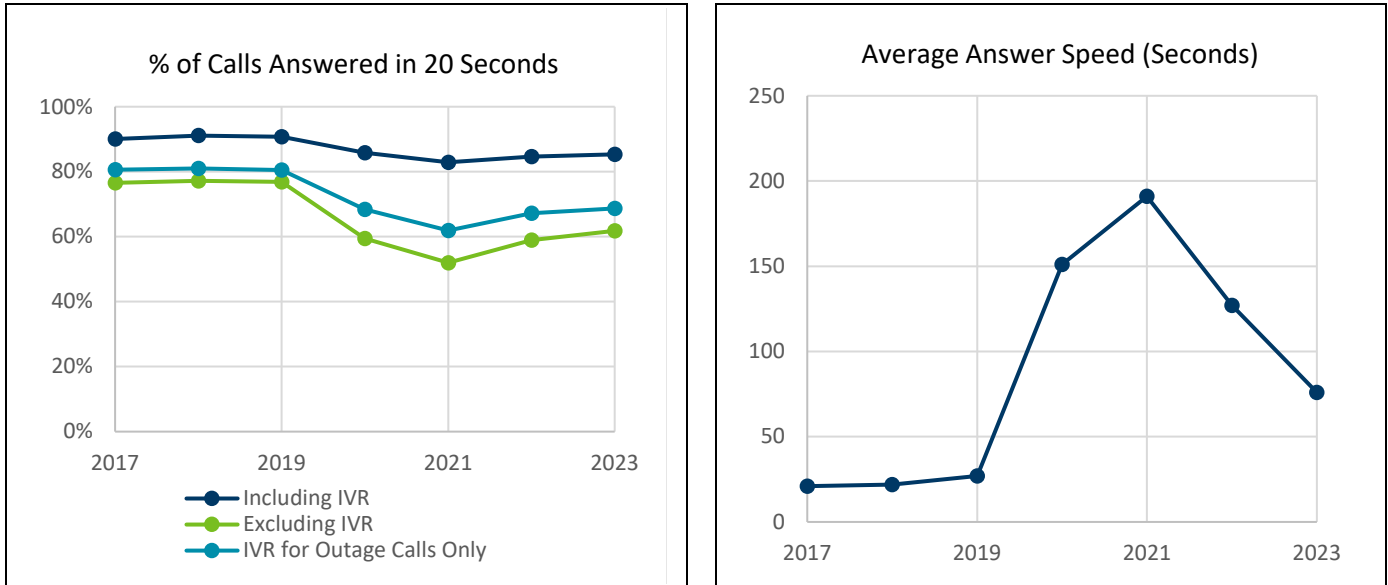
<sup>6</sup> Filed February 2, 2024 in Docket G002,G022,G004,G011,G008/CI-22-548.

<sup>7</sup> A customer zeroed-out of the IVR system if they ask to speak to a customer service representative or if they choose to terminate the call.

**I. Xcel Energy**

In Figure 1 below, Staff provides a summary of Xcel’s call center response performance.<sup>8</sup>

**Figure 1: Summary of Xcel 2023 Call Center Response Performance**



% of All Calls Answered Within 20 Seconds  
**85.3%**  
 ^ 0.7 pp\*

% of Calls to Agents and IVR Outage Calls Answered Within 20 Seconds<sup>9</sup>  
**68.7%**  
 ^ 1.5 pp

% of Calls to Agents Answered Within 20 Seconds  
**61.8%**  
 ^ 2.9 pp

Average Answer Speed (sec)  
**76**  
 v - 59.8 sec

\* pp = percentage point

**A. Department Comments**

In its analysis, the Department highlighted October as the lowest performance month for Xcel’s call center with only 47.6% of service level agent-only calls being answered within 20 seconds. The Department also highlighted March as the highest performance month for Xcel’s call center with a peak of 78.0% of agent-only calls answered within 20 seconds.

The Department stated that Xcel’s call volume is starting to improve since the pandemic levels. Its call center performance was at a low in 2021 but has improved in the last two years. The Department acknowledged that Xcel met the call center response time reporting requirements for 2023.<sup>10</sup>

<sup>8</sup> Docket No. 24-31, Xcel Service Quality Report, p.2.

<sup>9</sup> Minn. Rules, part 7826.1200. Subp.2. specifies that for outage related calls, “answer” may mean connecting the caller to a recording that provides information regarding the outage.

<sup>10</sup> Docket No. 24-31, Department Comments, pp.2-3.

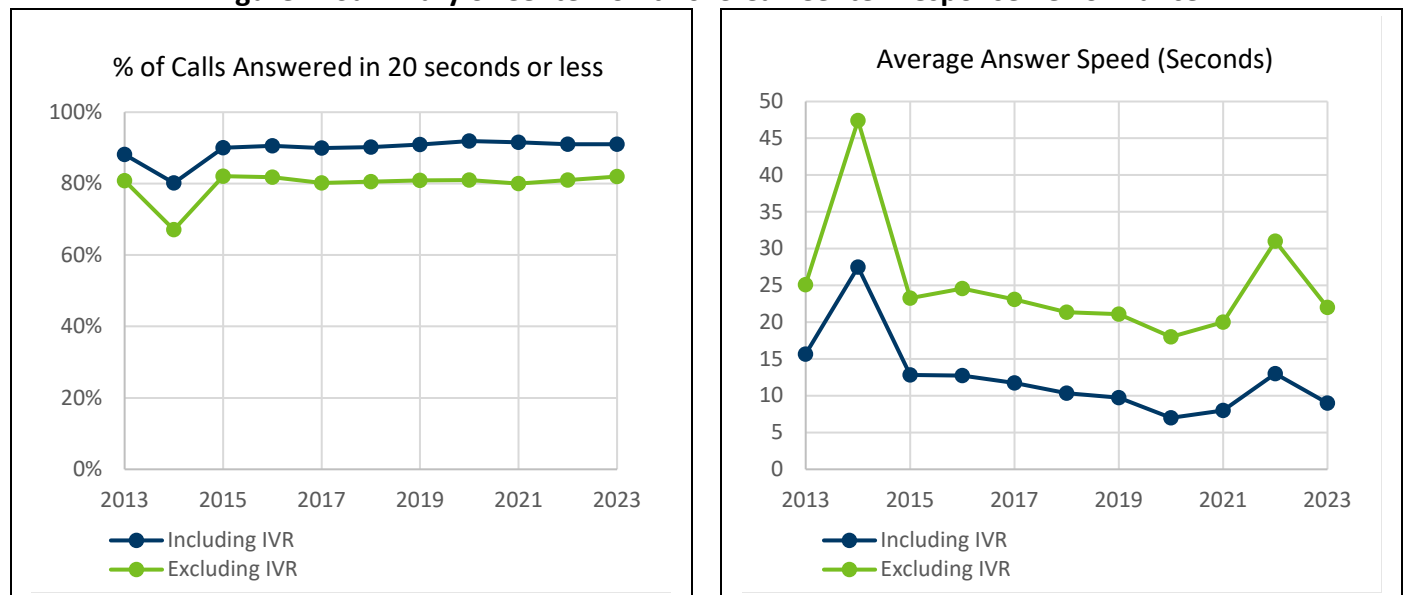
**B. Staff Analysis**

In response to Xcel’s 2021 service quality report, Staff recommended monitoring Xcel’s future call center performance. Specifically, Xcel reported engaging in aggressive hiring efforts and increasing wages. At the end of 2021, Xcel stated that its call centers were staffed at 99%. Likely due to these improvements, Xcel returned to pre-pandemic levels of service in 2023.

**II. CenterPoint**

In figure 2 below, Staff provides a summary of CenterPoint’s call center response performance.

**Figure 2: Summary of CenterPoint 2023 Call Center Response Performance**



% of all Calls Answered Within 20 Seconds Excluding IVR  
**82%**  
 ^ 1 pp\*

% of Calls Answered Within 20 Seconds Including IVR  
**91%**  
 No Change

Average Answer Speed Excluding IVR (sec)  
**22**  
 v -29%

Average Answer Speed Including IVR (sec)  
**9**  
 v -31%

\* pp = percentage point

CenterPoint stated that its goal is to achieve an 80/20<sup>11</sup> service level for a 12-month calendar basis. In 2023, the Company reported that 82% of calls (excluding IVR calls) were answered in 20 seconds or less, with an average answer speed of 22 seconds.<sup>12</sup> CenterPoint noted that its average answer speed decreased from 31 seconds in 2022 to 22 seconds in 2023. The number of calls answered (excluding IVR calls) also increased from 776,647 calls in 2022 to 797,826 calls in 2023 representing a 2.7% increase.

<sup>11</sup> 80% of calls answered in 20 seconds or less with an average answer speed of 20 seconds.

<sup>12</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.1.

When including IVR calls, CenterPoint reported that 91% of calls were answered in 20 seconds or less, with an average answer speed of 9 seconds. Call volume, including IVR calls, increased from 1,757,166 calls in 2022 to 1,829,154 calls in 2023. The Company stated that call volumes continue to increase to pre-pandemic levels with the resumption of pre-pandemic business processes.

CenterPoint reported a zero-out rate of 0% in 2023, which is equal to the zero out rate reported in 2020, 2021, and 2022.<sup>13</sup>

**A. Department Comments**

The Department noted that CenterPoint's 2023 call center response times were an improvement compared to both ten-year averages and the Company's 2022 results. The Department explained that CenterPoint is experiencing a return to pre-COVID call volumes for both its IVR and non-IVR calls. The total volume of calls received by the Company have hit a ten year high in 2023. However, the Department highlighted that when excluding IVR calls, the 2023 call volume remains below pre-pandemic levels.<sup>14</sup>

The Department concluded that CenterPoint has met the Call Center Response Time reporting requirements for 2023.

**B. Staff Analysis**

Staff had previously committed to monitoring CenterPoint's call center performance due to the 55% increase in average answer speeds between 2021 and 2022. However, despite an increasing number of calls, CenterPoint has seen its call response times drop to pre-pandemic speeds. Staff agrees with the Department that CenterPoint fulfilled the Commission's Call Center reporting requirements.

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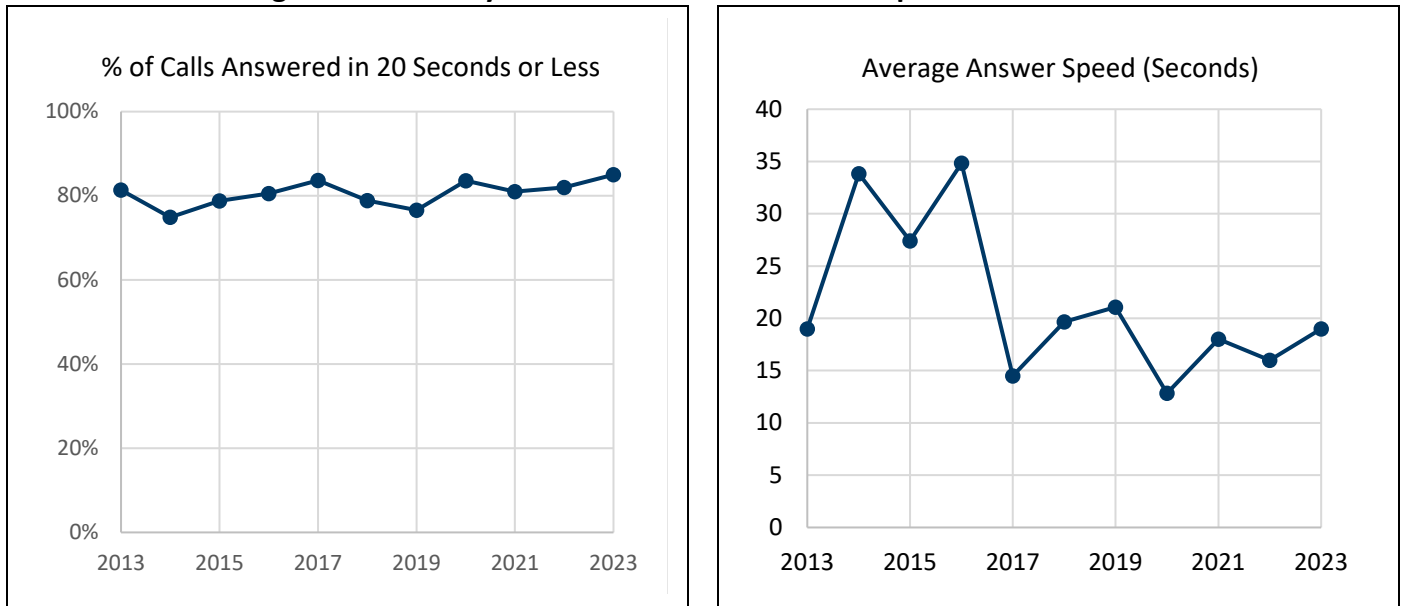
<sup>13</sup> Docket No. 24-33, CenterPoint Service Quality Report Schedule 1a.

<sup>14</sup> Docket No. 24-33, Department Comments, pp.7-8.

### III. MERC

In figure 3 below, Staff provides a summary of MERC’s call center response performance.

**Figure 3: Summary of MERC 2023 Call Center Response Performance**



% of all Calls Answered Within 20 Seconds  
**85%**  
^ 3 pp\*

Average Answer Speed  
**19**  
^ 3 Seconds

Total Calls  
**253,803**  
^ 26.3%

\* pp = percentage point

MERC reported that its average call center response time increased from 16 seconds in 2022 to 19 seconds in 2023.<sup>15</sup> Despite the increase in response time, and a 26.3% increase in call volume, MERC still managed to respond to a higher percentage of calls within 20 seconds than last year.

#### A. Department Comments

The Department reviewed MERC’s 2023 report and compared its values to a ten-year average. The Department found that MERC’s call response time for 2023 was 16% slower than the ten-year average. However, the percent of calls answered within 20 seconds for 2023 was the highest on record.<sup>16</sup> The Department concluded that MERC has met its 2023 call center response reporting requirements.

<sup>15</sup> Docket No. 24-34, MERC Service Quality Report, pp.2-3.

<sup>16</sup> Docket No. 24-34, Department Comments, pp.2-3.

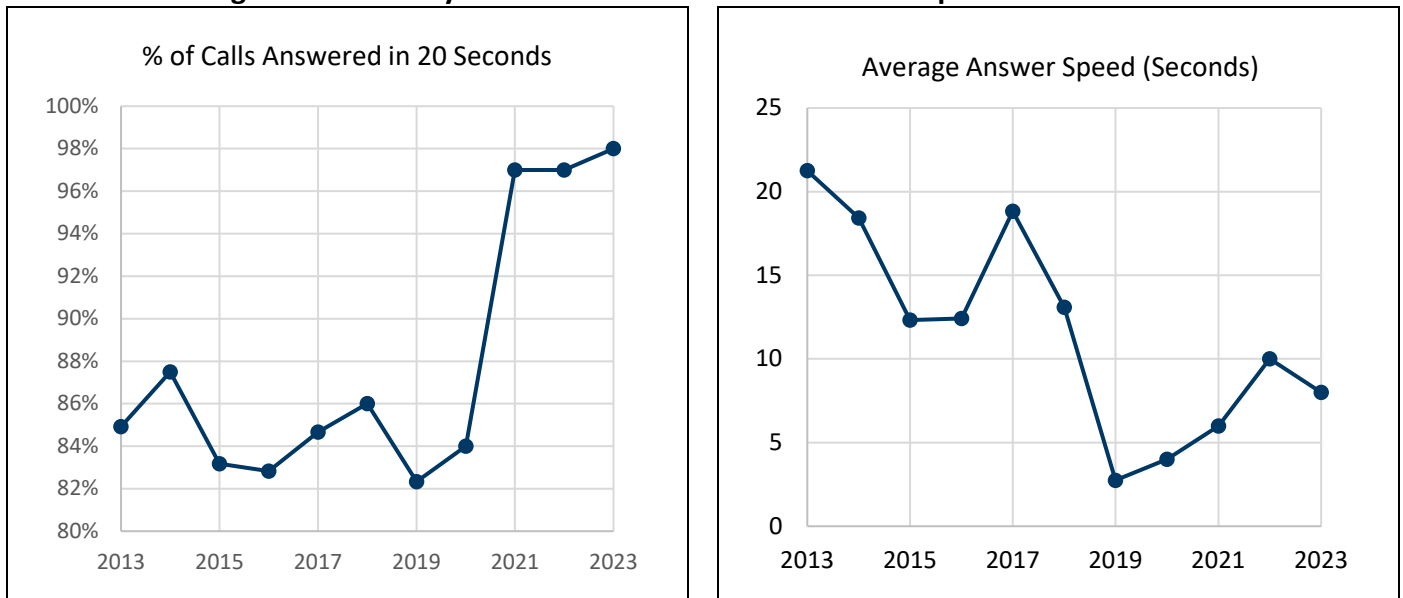
**B. Staff Analysis**

Staff supports the Department’s analysis and does not recommend additional action at this time.

**IV. Great Plains**

In figure 4 below, Staff provides a summary of Great Plains’ call center response performance.

**Figure 4: Summary of Great Plains 2023 Call Center Response Performance**



% of all Calls Answered Within 20 Seconds  
**98%**  
^ 1 pp

Average Answer Speed  
**8**  
v 2 Seconds

Total Calls  
**44,118**  
^ 0.3 pp

\* pp = percentage point

Great Plains reported receiving 44,118 calls in 2023 with 98% of calls answered in 20 seconds or less. This includes gas emergency calls.<sup>17</sup>

**A. Department Comments**

The Department stated that Great Plains’ 2023 call volume is comparable to its 2022 call volume. The Department filed an Information Request (IR) with Great Plains to receive additional information about IVR and agent-handled calls in 2022 and 2023. Through Great Plains’ response, the Department found that both 2022 and 2023, 47% of customer calls were handled by the IVR system. When excluding IVR calls, 96% of calls answered by agents were

<sup>17</sup> Docket No. 24-32, Great Plains Service Quality Report, p.1.

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answered within 20 seconds.

The Department concluded that Great Plains met its call center service quality reporting requirements for 2023.<sup>18</sup>

#### **B. Staff Analysis**

The speed of Great Plains' calls answered by its agents is higher than any other gas utility reported in 2023. Staff agrees with the Department that Great Plains met its call center response reporting requirements and does not recommend additional action at this time.

### **V. GMG**

In 2023, GMG reported receiving 13,679 incoming calls to its primary business line. This is comparable to previous years. According to the Company, all calls are answered live by GMG's customer service team within three rings, or approximately 15 seconds. If GMG's personnel are unable to answer within three rings, the call is automatically forwarded to a professional live telephone answering service. This answering service will typically answer the call within one additional ring after the call has been transferred, ensuring live contact with the customer within the 20 second goal.<sup>19</sup>

#### **A. Department Comments**

The Department stated the number of calls received in 2023 was 15.3% higher than the ten-year average and 5.25% higher than the number of calls received in 2022. Based on the data provided by GMG, the Company most likely answered calls promptly in 2023.<sup>20</sup>

#### **B. Staff Analysis**

Staff agrees with the Department and notes that GMG fulfilled its call center service quality reporting requirements. Staff does not recommend additional action at this time.

## **METER READING PERFORMANCE**

Through its Notice of Gas Service Quality Reporting Requirements, the Commission required all Gas Utilities to report the following metrics on meter reading performance as they are described in Minn. Rules, part 7826.1400:

- The number and percentage of customer meters read by utility personnel;
- The number and percentage of customer meters self-read by customers;
- The number and percentage of customer meters that have not been read by utility personnel for periods of six to 12 months and for periods of longer than 12 months, and

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<sup>18</sup> Docket No. 24-32, Department comments, pp.2-3.

<sup>19</sup> Docket No. 24-35, GMG Service Quality Report, pp.2-3.

<sup>20</sup> Docket No. 24-35, Department comments, pp.2-4.

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an explanation as to why they have not been read; and

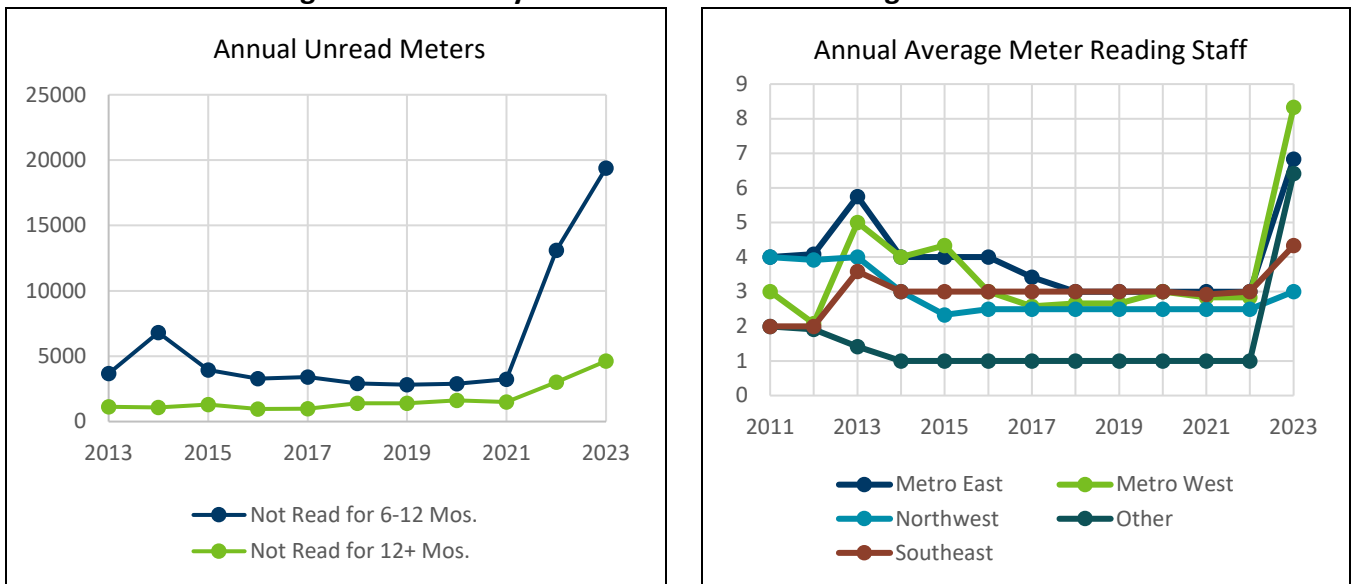
- Data on monthly meter reading staffing levels, by work center or geographical area.

Additionally, MERC must report its meter reading performance with and without farm tap account information.

### I. Xcel Energy

In figure 5 below, Staff provides a summary of Xcel’s meter reading performance.

**Figure 5: Summary of Xcel 2023 Meter Reading Performance**



% of Meters Read by Xcel  
**99.9%**  
^ 6 pp\*

Average Number of Meter Reading Staff  
**28.9**  
^ 16.6 staff

Meters Not Read for 6-12 Months\*\*  
**19,402**  
^ 48%

Meters Not Read for 12+ Months  
**4,620**  
^ 53.4%

\* pp = percentage point

\*\* Staff notes that when reporting total meters unread for 6-12 months, or 12+ months, meters may be double counted if they remained unread across multiple months.

In its 2023 service quality report, Xcel reported that its field personnel will submit a code that triggers a work order if they find that the meter is malfunctioning and the issue is within the Company’s control. If the problem is within the customer’s control, Xcel’s field personnel will input the “No Read Returned” code. This triggers a monthly letter to the customer asking them to contact the Company. After six months, Xcel will begin employing emails and phone calls, contacting numbers, and searching public records. After 18 months of being unable to get a meter read, the Company may disconnect the meter. The number of meters that go unread fluctuates annually.

Xcel said that supply chain issues continued being an issue in 2023. This resulted in a significant



decrease in automated read performance, decreased its ability to receive and exchange meters/modules that were not transmitting, and ultimately caused an increase in “No Read Return” estimates. Xcel reported that the majority of the supply chain issues were resolved by the end of Q1 2024.

Xcel’s meter reading staff are divided amongst its service territory by Metro East, Metro West, Northwest, Southeast, and Other (which covers Sioux Falls, Grand Forks, Fargo and western Minnesota). In 2023, Xcel combined its field representative staff into a larger “universal team,” which performs electric and gas manual meter reads, verification of vacant properties, field collections, field disconnection of gas and electric meters, and reconnection of electric meters. Xcel wrote that it believes a larger, cross-trained team is more efficient.

Xcel is currently replacing its current fixed network automated meter reading (“AMR”) network, because the Company’s agreement with its meter reading provider (“CellNet”) is expiring in December 31, 2025. The current technology will not be supported as of that date. Instead, Xcel is replacing the existing equipment with meters that allow for drive-by readings. Xcel will be taking over all meter reading activities internally.<sup>21</sup>

#### **A. Department Comments**

The Department reported that Xcel’s staff read an annual average of 99.79% of meters in 2023. Xcel’s customers read 0.0005%. This is a nearly 6% increase in staff meter reads from 2022, which was a 10-year low of 93.89%. Xcel’s AMR, or legacy meters, accounted for 99.79% of the Company’s meters in 2023. The most common reason for a failed meter read (80.6%) was “No Read Returned,” which is automatically generated if the actual meter read or skip code is not entered in the system. The Department said that the number of Xcel’s meters not read for 6-12 months and 12+ months in 2023 has had a significant increase over the last two years. Xcel had explained this increase by referencing the AMR supply chain issues it experienced in 2023. The Department acknowledged that Xcel fulfilled the Commission’s meter reading requirements.<sup>22</sup>

#### **B. Staff Analysis**

In 2022 and throughout 2023, Xcel was experiencing supply chain issues that affected its meter reading. Xcel said that this resolved in Q1 2024. Xcel seems to have re-vamped its meter reading strategy to accommodate its transition to Advanced Metering Infrastructure (AMI) meters. Staff supports the Department’s analysis and will continue to monitor Xcel’s meter reading performance in future service quality reports as its AMI rollout concludes.

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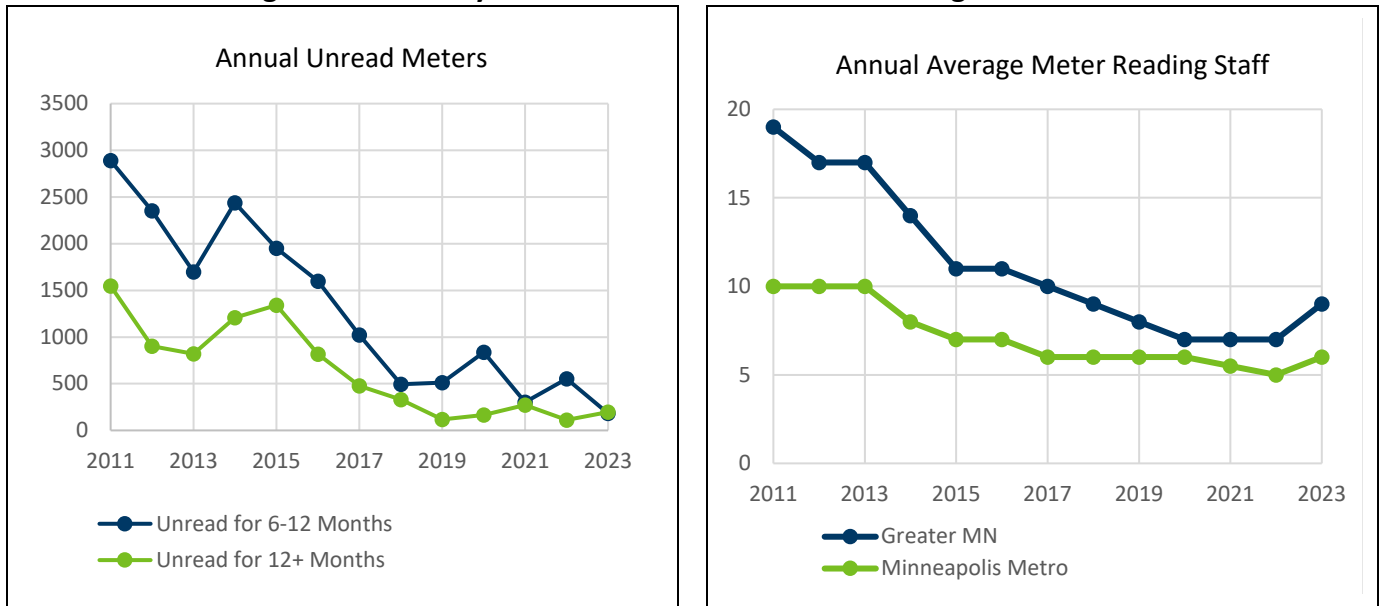
<sup>21</sup> Docket No. 24-31, Xcel Service Quality Report, pp.3-5.

<sup>22</sup> Docket No. 24-31, Department Comments, pp.3-5.

## II. CenterPoint

In figure 6 below, Staff provides a summary of CenterPoint’s meter reading performance.

**Figure 6: Summary of CenterPoint 2023 Meter Reading Performance**



% of Meters Read by CenterPoint  
**99.4%**  
^ 0.2pp\*

% of meters read by customers  
**0%**  
No Change

Meters Not Read for 6-12 Months\*\*  
**118**  
v -79%

Meters Not Read for 12+ Months  
**110**  
v -2%

\* pp = percentage point

\*\* Staff notes that when reporting total meters unread for 6-12 months, or 12+ months, meters may be double counted if they remained unread across multiple months.

CenterPoint reported that in 2023, 99.40% of meters were read by the Company. According to CenterPoint, 0.00% of all meters were not read in 6 to 12 months and 0.00% of all meters were not read in over 12 months, which the Company stated is consistent with 2022.<sup>23</sup>

Average staffing levels increased from 5.0 in 2022 to 6.0 in 2023 for the Minneapolis Metro area, and from 7.0 to 9.0 over the same time period for Greater Minnesota.

### A. Department Comments

The Department stated that CenterPoint’s meter reading results were “positive” in 2023 and highlighted the consistent decrease in customer-read meters across several years.<sup>24</sup> Regarding

<sup>23</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.2.

<sup>24</sup> Docket No. 24-33, Department Comments, pp.9-10.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

unread meters, the Department highlighted meters unread for 12 or more months and noted that CenterPoint remained well below the ten-year average (80% below the 10-year average) but saw a 5% increase since 2022. The Department stated that this value was low relative to the total meters on the Company's system and concluded that it was not an issue.

The Department concluded that CenterPoint met its meter reading reporting requirements for 2023.

## **B. Staff Analysis**

Staff agrees with the Department that CenterPoint has met its meter reading reporting requirements for 2023.

CAO contacted Commission Staff regarding an issue with utility meter reads. CAO reported that CenterPoint has admitted to being aware that meters were not registering properly, but will delay replacing or repairing the meter for months because the Company can bill up to one year for an undercharge. This leaves the customer with a potentially hefty and unexpected charge when the Company decides to replace or repair the meter.

CAO stated that they had a similar issue with Xcel, but was able to resolve it by agreeing to follow Minn. Rules, part 7826.1000:

*Utilities shall replace a malfunctioning meter within ten calendar days of receiving a report from a customer questioning its accuracy or within ten calendar days of learning in some other way that it may be inaccurate.*

CAO noted these rules were written before advanced metering technology, electronic billing, and auto-pay. Today, utilities have greater visibility into the performance of their meters, while customers interact with them less. If a utility is aware that its meter is malfunctioning, it should replace or repair that meter as soon as practicable.

Staff agrees with CAO that requiring the Gas Utilities to follow Minn. Rules, part 7826.1000 will protect gas customers from unexpected and unnecessary charges. Although Staff does not have information on how widespread this issue is, it would argue that any intentional delay of meter replacements is wrong and not in the public interest. Given this, Staff and CAO offer the following decision option for Commission consideration:

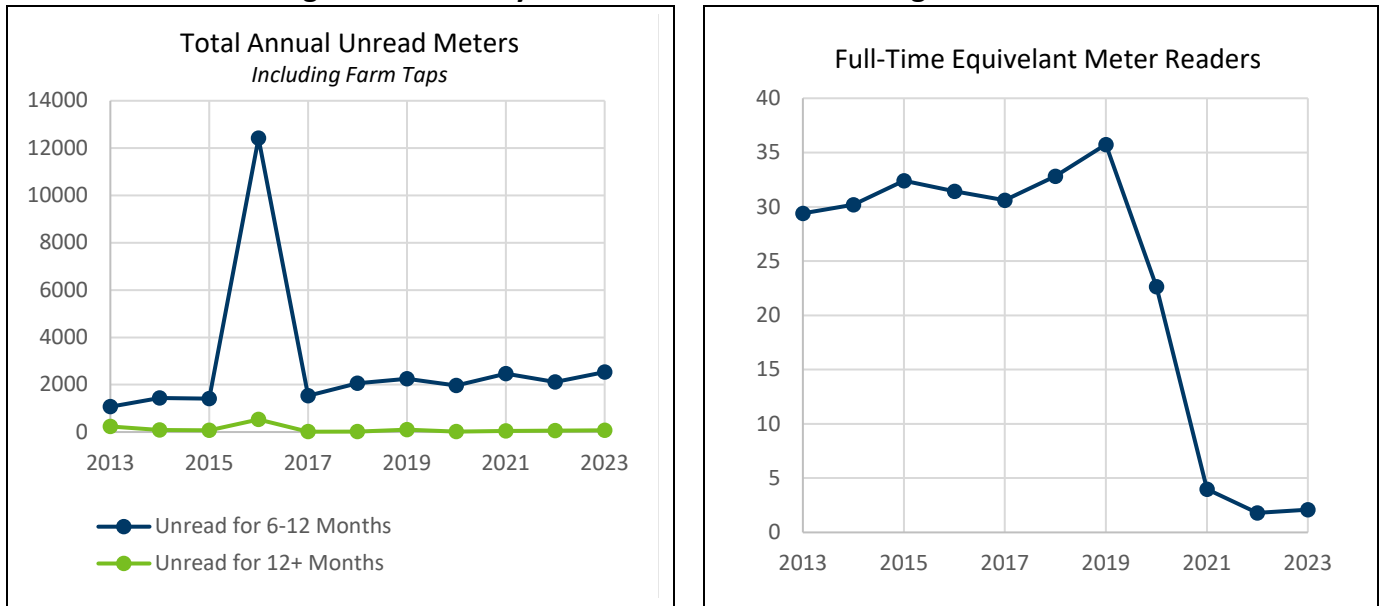
### **Decision Option 2:**

Require Gas Utilities to replace malfunctioning meters within ten calendar days of learning of their inaccuracies as described in Minn. Rules, part 7826.1000.

### III. MERC

In figure 7 below, Staff provides a summary of MERC’s meter reading performance.

**Figure 7: Summary of MERC 2023 Meter Reading Performance**



% of Non-Farm Tap Meters Read by MERC  
**96%**  
-1 pp\*

% of Non-Farm Tap meters read by customers  
**0%**  
No Change

Meters Not Read for 6-12 Months\*\*  
**2530**  
^ 19%

Meters Not Read for 12+ Months  
**73**  
^ 20%

\* pp = percentage point

\*\* Staff notes that when reporting total meters unread for 6-12 months, or 12+ months, meters may be double counted if they remained unread across multiple months.

MERC reported that in 2023, 95.5% of meters were read by either the utility or the customer, 4.5% of meters were not read by either the utility or customers, and 0.7% of meter reads were estimated.<sup>25</sup> The Company noted that in 2023 estimated meter reads were not the result of insufficient internal and contracted meter readers, but rather due to other circumstances. The Company explained that it does everything possible to avoid estimated meter reads. However, MERC continues to work through the transition process associated with advanced metering infrastructure (“AMI”) rollout, during which estimated meter reads occasionally occur.

Regarding unread meters MERC stated that, consistent with prior years, well below 1% of meters were not read for over six months.

<sup>25</sup> Docket No. 24-34, MERC’s Service Quality Report, p.4.

Figure 7 above, highlights a drop in full-time-equivalent (FTE) staffing for meter reading. MERC explained that the Company had adequate resources to conduct the necessary meter reads through 2023 as the transition to AMI continued. MERC stated that there was a continued need to conduct manual meter reads as its AMI transition continued.

#### **A. Department Comments**

The Department highlighted that the annual average meters read by customers, and the annual number of meter reading personnel were sharply lower in 2023 than the ten-year average, likely due to MERC's installation of AMI.<sup>26</sup> Regarding unread meters, the Department explained that MERC recorded more unread meters in 2023 than 2022, but these values remain below the ten-year average.<sup>27</sup>

The Department noted that MERC's performance reading farm-tap customer data was mixed. The number of farm-tap customer meters unread for 6 to 12 months increased by 8% and the number of farm tap meters unread for 12+ months increased by 19% since 2022. However, the number of customer-read farm tap meters decreased by 15%.

The Department concluded that MERC fulfilled its meter reading reporting requirements for 2023.

#### **B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

### **IV. Great Plains**

Since December of 2017, all the meters in Great Plains' service territory have been equipped with automated meter reading technology ("AMR"). In 2023, there were a total of 272,506 meter reads, of which 99.98% were read via AMR or utility personnel.<sup>28</sup> The remaining 0.02% of meter reads were estimated by the system. Great Plains reported that no meters went unread by the Company and no meters were self-read by customers. Great Plains' average meter reading staffing level for has been three people since 2016 – two in the north geographical area and one in the south.<sup>29</sup>

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<sup>26</sup> Docket No. 24-34, Department Comments, pp.4-7.

<sup>27</sup> In Staff's summary, it corrected an apparent typo where the Department explained that 2023 saw fewer unread meters in 2023 than 2022, representing an increase from the ten-year average. However, the Department's Table 2a displays the opposite. Staff wrote its summary based on what is displayed in the Department's Table 2a.

<sup>28</sup> Docket No. 24-32, Great Plains Service Quality Report, p.1.

<sup>29</sup> Docket No. 24-32, Great Plains Service Quality Report, p.1.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**A. Department Comments**

The Department explained that since implementing its AMR system in 2015, Great Plains has conducted all meter readings via the automated system or utility personnel. For all years from 2012 through 2023, Great Plains has reported that zero meters have gone unread for a period of six or more months.

The Department concluded that Great Plains met its meter reading reporting requirements for 2023.<sup>30</sup>

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

**V. GMG**

In 2023, GMG reported reading 100% of its 128,499 meters.<sup>31</sup> No meters were estimated in 2023, nor were any read by the customer. No meters went unread for 6-12 months or for more than 12 months.

**A. Department Comments**

The Department noted that GMG's meter reading performance in 2023 was the result of the deployment of AMR equipment, which has been successful at reducing estimated meter reads, customer-read meters, and unread meters. In a Department IR about its meter reading staff, GMG said that it uses one technician in all three of its regions (southern, central, and northern). It is able to only use one staff because of the capabilities of AMR, but the Company has the ability to provide back-up support if needed.<sup>32</sup>

**B. Staff Analysis**

Staff supports the Department's analysis and believes that GMG has fulfilled the Commission's meter reading reporting requirements. Staff does not recommend additional action at this time.

## **INVOLUNTARY SERVICE DISCONNECTIONS**

Through its Notice of Gas Service Quality Reporting Requirements, the Commission required Gas Utilities to append their December Residential Customer Status Reports, including data for January through December as filed in Docket No. E,G-999/PR-YR-02. Gas Utilities were also required to provide a narrative explanation of their involuntary service disconnection

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<sup>30</sup> Docket No. 24-32, Department comments, pp.3-4.

<sup>31</sup> Docket No. 24-35, GMG Service Quality Report, p.3.

<sup>32</sup> Docket No. 24-35, Department comments, pp.4-5.

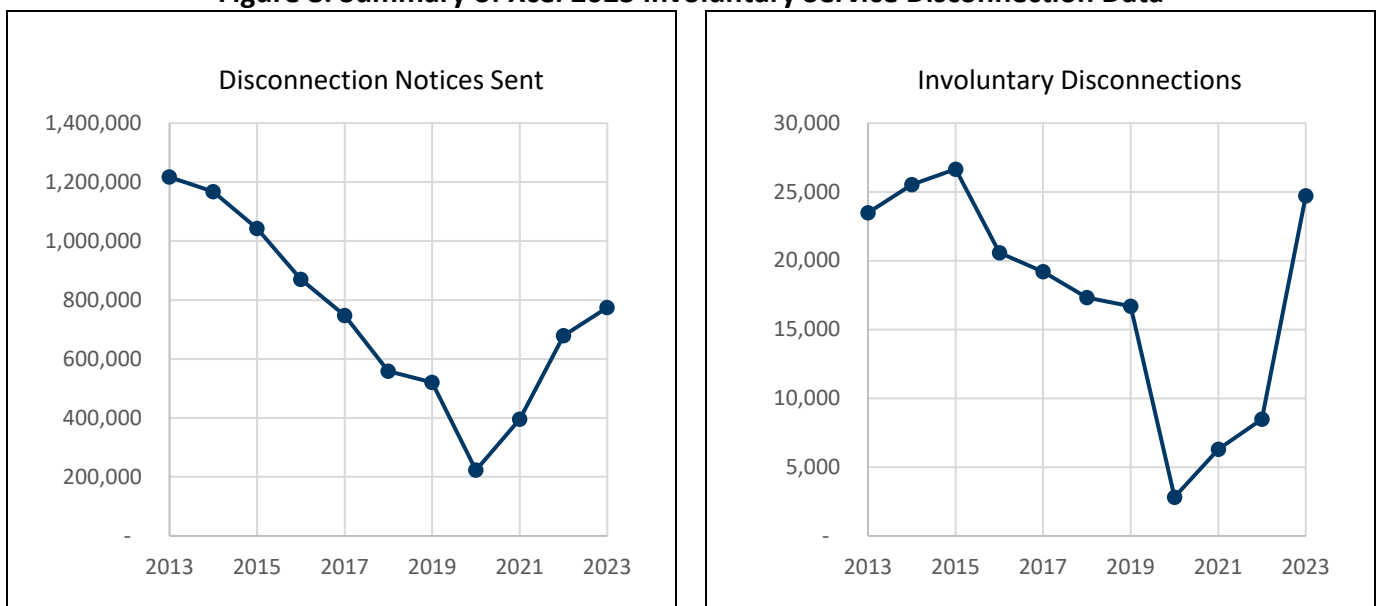
performance, as needed, including steps taken to improve performance in the future.

With the end of the disconnection moratorium in August 2021, utilities were able to resume disconnections consistent with pre-pandemic policies. Staff notes that 2022 represented the first full calendar year in which utilities were able to make disconnections since the pandemic began.

### I. Xcel Energy

In figure 8 below, Staff provides a summary of Xcel’s involuntary service disconnection data.

**Figure 8: Summary of Xcel 2023 Involuntary Service Disconnection Data**



Customers Receiving Disconnection Notices  
**774,507**  
 ^ 12.4%

% of CWR Requests Granted  
**100%**  
 No Change

Customers Disconnected Involuntarily  
**24,722**  
 ^ 191.3%

% of Disconnections Restored within 24 hours  
**45%**  
 ^ 8 pp\*

\* pp = percentage point

Xcel acknowledged that there was an increase in involuntary disconnections in 2023. The Company stated that this was because of the current economy and customers still struggling to pay bills after the pandemic. During the COVID-19 disconnection moratorium, Xcel did not send disconnection notices, disconnect service for non-payment, and decreased down payment requirements. Xcel said that low downpayment requirements and unlimited payment arrangement opportunities resulted in customers taking on higher past due balances, which become harder to pay down.

Xcel said that it combines its gas and electric reporting in some instances. In this docket, electric and gas involuntary disconnections are combined, and therefore, electric disconnections that

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

were performed using the AMI system. Xcel said that “the deployment of AMI technology allows more eligible customers to be disconnected and reconnected where previously, resources limited our ability to perform them.”<sup>33</sup> On the converse, AMI technology allows Xcel to perform reconnections within 15 minutes of the customer making a payment arrangement.<sup>34</sup>

#### **A. Department Comments**

In an IR, when dividing disconnections between electric and gas, 1.8% of them reported in this docket were gas customers in 2023. The Department wrote that the vast majority of disconnects were for electric customers. The Department said that the following disconnection metrics increased in 2023:

- Average number of past due customers over the last five years
- Average amount past due per past due customer over the last five years
- Number of customers with current payment arrangements over the last three years

The Department concluded that Xcel met the involuntary disconnection reporting requirements for 2023.<sup>35</sup>

#### **B. Staff Analysis**

If only 1.8% of Xcel’s reported disconnections were attributable to its natural gas customers, then 4,450 gas customers were disconnected in 2023. Staff finds this to be a less concerning statistic than initially reported.

Staff notes that the number of Xcel’s involuntary disconnections has skyrocketed in 2023 since the end of Cold Weather Rule (CWR) season on May 1. Per October 2024’s CWR report, Xcel has performed a record cumulative number of disconnections since the Commission began requiring reporting on the topic.<sup>36</sup> This has been addressed in Docket 24-27, Xcel’s electric safety, reliability, and service quality docket. Docket 24-27 was heard on November 7, 2024, and there the Commission verbally required Xcel to institute a number of customer protections designed to decrease customers’ arrears and decrease the number of customers being involuntarily disconnected. Xcel is also required to report back on other customer protection options in the next electric service quality filing in April 2025.<sup>37</sup>

Staff will continue to examine the number of Xcel’s involuntary disconnections closely in this and other dockets and whether the protections set in place by the Commission are effective.

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<sup>33</sup> 24-31 Xcel Service Quality Report, May 1, 2024, p.6.

<sup>34</sup> Docket No. 24-31, Xcel Service Quality Report, pp.6-7.

<sup>35</sup> Docket No. 24-31, Department Comments, pp.5-7.

<sup>36</sup> Docket No. 24-2, Xcel CWR Report October 2024, October 20, 2024.

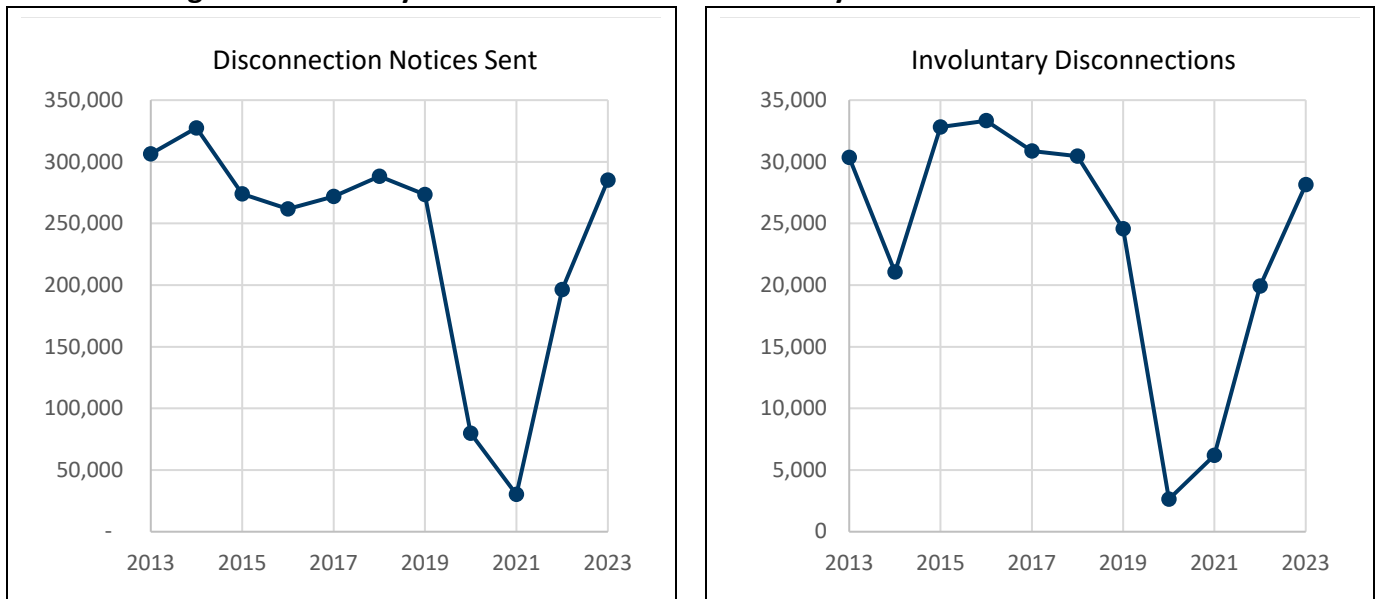
<sup>37</sup> Docket No. 24-27 Commission Order forthcoming as of the publishing of these briefing papers.



## II. CenterPoint

In figure 9 below, Staff provides a summary of CenterPoint’s involuntary service disconnection data.

**Figure 9: Summary of CenterPoint 2023 Involuntary Service Disconnection Data**



Customers Receiving Disconnection Notices  
**285,149**  
^ 45%

% of CWR Requests Granted  
**69%**  
v -23 pp\*

Customers Disconnected Involuntarily  
**28,136**  
^ 41%

% of Disconnections Restored within 24 hours  
**40%**  
^ 26pp

\* pp = percentage point

CenterPoint reported that there were 28,136 customers disconnected for nonpayment in 2023, compared to 19,913 in 2022.<sup>38</sup> The Company noted that 2020 and 2021 were below historical averages for customer disconnections as a direct result of halting the disconnection process in response to the COVID-19 pandemic. CenterPoint explained that it takes the energy burden of its customers seriously, and takes steps to prevent disconnections by promoting the Company’s Gas Affordability Program and Low Income Home Energy Assistance programs, and by making efforts to connect with customers over the phone or by visiting their home to work out payment arrangements.

### A. Department Comments

The Department stated that CenterPoint’s involuntary service disconnection metrics for 2023

<sup>38</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.2.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

were not good from a historical or annual perspective. However, the Department explained that one driver for this performance was the disconnection moratorium during the COVID-19 pandemic, during which many customers experienced financial hardships causing customer arrearages to increase. When the moratorium ended on August 2, 2021, utilities resumed normal billing and disconnection practices and CenterPoint saw significant increases to the number of disconnection notices sent and the number of involuntary disconnections made.

The Department warned that the data from 2020 through 2022, which was impacted by the COVID-19 pandemic, skews the 10-year average the Department uses for comparison. Because of this, the Department also compared CenterPoint's 2023 involuntary service disconnection data with the seven years prior to COVID. When comparing 2023 to this new 7-year pre-COVID average, the Department found that disconnection notices sent were equal, CWR requests were up by 51%, CWR requests granted were 17% lower, involuntary disconnections were 3% lower, and the percentage of involuntary disconnections restored within 24 hours was 52% lower.<sup>39</sup> The Department concluded that involuntary disconnections have returned to pre-COVID levels, but said it would continue to monitor the percentage of disconnections restored within 24 hours.

The Department inquired about changes in CenterPoint's 2023 involuntary service disconnection metrics, including increases in CWR requests, a decline in the percentage of granted requests, and a drop in disconnections restored within 24 hours. CenterPoint attributed these changes to reporting adjustments in 2021, pandemic-related disruptions to normal billing practices per Commission Orders, and pandemic-related disruptions to disconnections. Regarding why disconnections restored within 24 hours has not returned to pre-pandemic levels, CenterPoint explained that carryover data from unresolved disconnections was distorting the Department's metrics. The Department stated it intends to collaborate with CenterPoint to address these issues and provide a revised analysis in its 2024 service quality report review.<sup>40</sup>

The Department concluded that CenterPoint met the involuntary service disconnection reporting requirements for 2023.

## **B. Staff Analysis**

With disconnections and disconnection notices having returned to pre-pandemic levels, it is likely that CenterPoint's involuntary service disconnection metrics will level out over the next several years. Through the Department's questioning, it was found that discrepancies in CWR requests made and the percent of disconnections restored within 24 hours could be explained by a reporting change and a calculation error resulting from CenterPoint's prior use of older CWR reporting templates, respectively. The NGWG had requested that all the Gas Utilities provide their involuntary service disconnection data using their Residential Customer Status Reports going forward, which includes a column for utilities to provide the number of

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<sup>39</sup> Docket No. 24-33, Department Comments, p.11.

<sup>40</sup> Docket No. 24-33, Department Comments, p.12-14.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

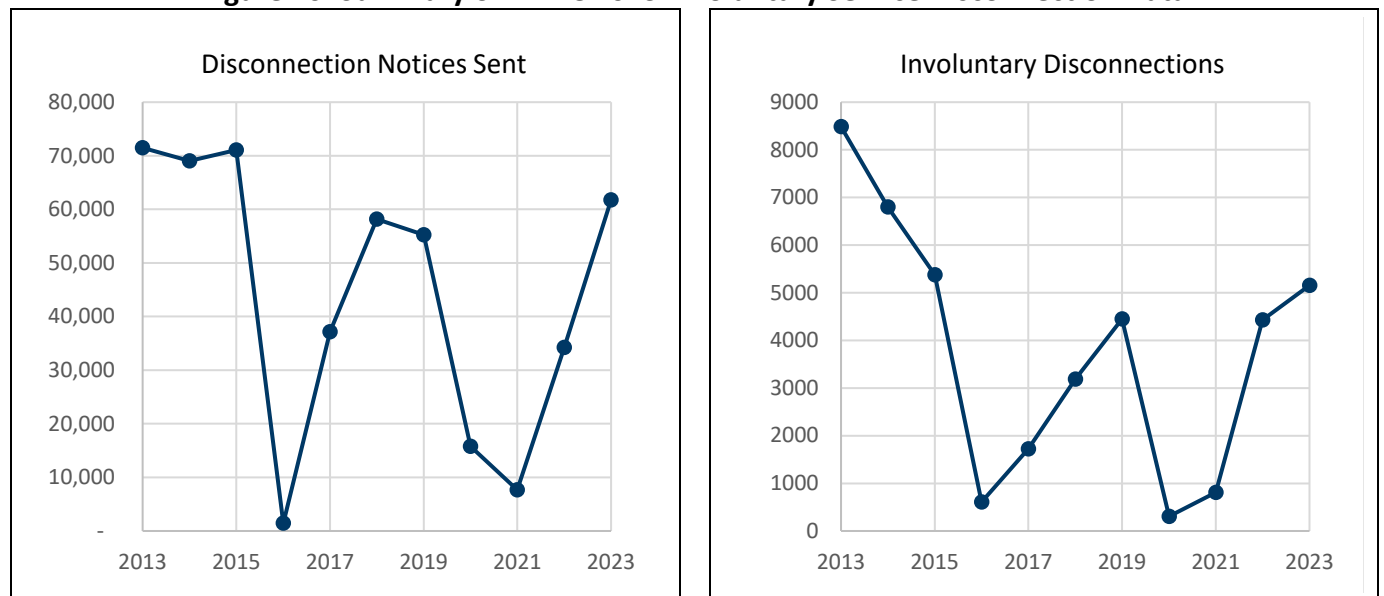
disconnections restored within 24 hours instead of requiring that value to be calculated by parties. Because of this, the calculation error described by the department is unlikely to occur again in the future.

Staff supports the Departments analysis and does not recommend additional action at this time.

### III. MERC

In figure 10 below, Staff provides a summary of MERC’s involuntary service disconnection data.

**Figure 10: Summary of MERC 2023 Involuntary Service Disconnection Data**



Customers Receiving Disconnection Notices  
**61,729**  
 ^ 80%

% of CWR Requests Granted  
**99.5%**  
 v -0.3pp\*

Customers Disconnected Involuntarily  
**5,155**  
 ^ 16%

% of Disconnections Restored within 24 hours  
**4.5%**  
 ^ 4.2pp

\* pp = percentage point

As a result of the COVID-19 moratorium on disconnections, MERC explained that disconnections were substantially lower in 2020 and 2021. After the moratorium ended, MERC continued to suspend disconnections through May 31, 2022, for customers who had a pending application or were deemed eligible for LIHEAP/EAP assistance. Prior to 2020 and the pandemic MERC had temporarily suspended disconnection activity in 2016 as the Company transitioned to its ICE system.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**A. Department Comments**

The Department noted several discrepancies between the disconnection data provided on Table 3 of its report, and in the petition's attachment 4. The Department requested that MERC explain these discrepancies in its reply comments and provide an updated table 3 and attachment 4 as needed to resolve the discrepancies.<sup>41</sup>

In reply, MERC explained: prior to 2020, different input data was used to compute the percent of CWR requests granted causing a discrepancy between Table 3 and attachment 4; the percentage of customers restored within 24 hours between 2015 and 2019 was reported previously as the percentage of customers resorted within 24 hours of entering a payment plan, and the use of this old data in table 3 resulted in the reported discrepancy; finally, the number of 2016 disconnections reported in table 3 accidentally included non-residential customers. MERC resolved these discrepancies and provided amended tables through its reply comments.<sup>42</sup>

The Department also asked several questions through IRs.<sup>43</sup> First, the Department asked why the number of customers receiving disconnection notices in 2023 was 40% higher than the ten-year average, to which MERC explained that the ten-year average includes three years of anomaly data which would need to be removed for the average to display disconnection activity during a "normal" year. With the anomaly data removed, MERC stated that 2023 would only be 4.2% higher than the re-computed average. Second, the Department asked MERC to explain why the number of customers seeking CWR protection was almost 42% lower than the ten-year average. MERC noted that there were unseasonably warmer winter months in 2023 which had a direct correlation to customers' reduced gas use and thus lower heating costs. With its third and final question, the Department asked for an explanation for why the number of customers disconnected involuntarily was roughly 62% higher than the ten-year average, to which MERC again noted that the averaged used by the Department includes three years of anomaly data. When this anomaly data is removed, 2023 is only 2.4% higher than the updated average.

The Department concluded that MERC fulfilled its 2023 reporting requirement for involuntary service disconnections.

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

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<sup>41</sup> Docket No. 24-34, Department Comments, p.8.

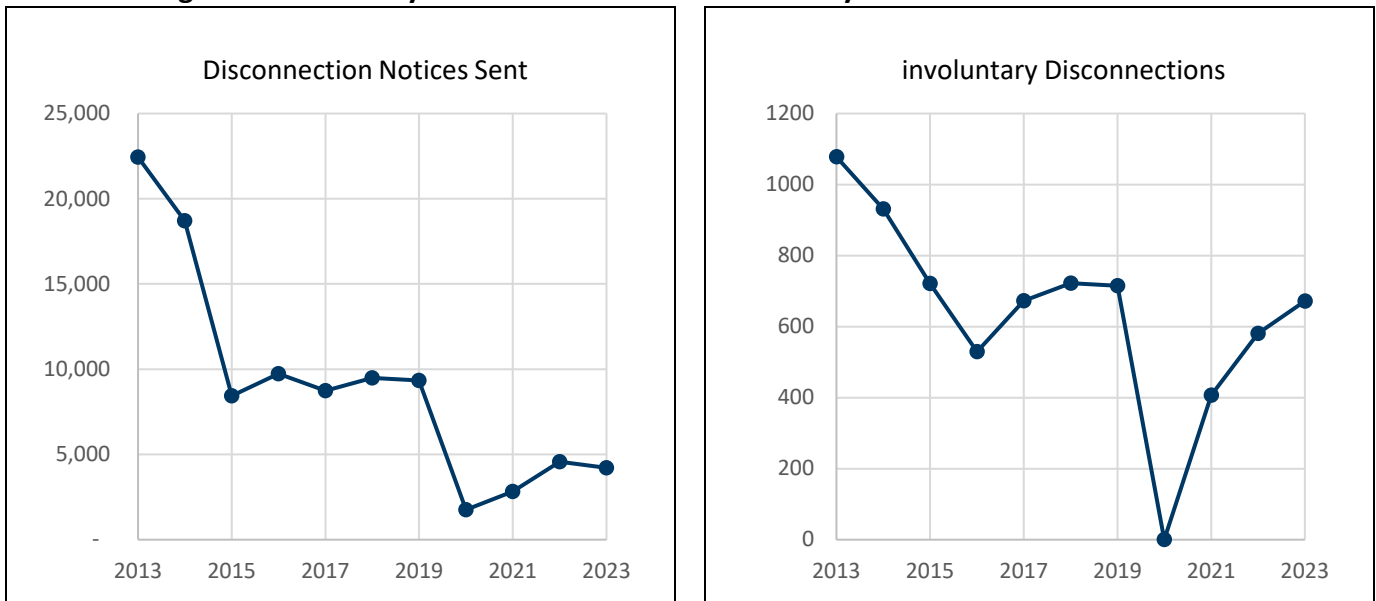
<sup>42</sup> Docket No. 24-34, MERC Reply Comments, pp.2-6.

<sup>43</sup> Docket No. 24-34, Department Comments, pp.8-9.

#### IV. Great Plains

In figure 11 below, Staff provides a summary of Great Plains’ involuntary service disconnection data.

**Figure 11: Summary of Great Plains 2023 Involuntary Service Disconnection Data**



Customers Receiving Disconnection Notices  
**4,215**  
 -8%

% of CWR Requests Granted  
**100%**  
 No Change

Customers Disconnected Involuntarily  
**672**  
 14%

% of Disconnections Restored within 24 hours  
**6.4%**  
 -1.9pp

\* pp = percentage point

Great Plains reported sending 4,215 disconnection notices and making 672 disconnections in 2023.<sup>44</sup>

##### A. Department Comments

The Department noted that Great Plains has consistently granted 100% of the CWR requests the Company receives. In a Department IR, Great Plains explained that 31% of involuntary disconnections were reconnected within 60 days: 6% within 24 hours; 15% in 2-30 days; 10% in 30-60 days. After the disconnection moratorium ended in 2021, the Department anticipated higher disconnections and will continue to monitor this figure in future reports.

The Department concludes that Great Plains has met the required involuntary disconnection

<sup>44</sup> Docket No. 24-32, Great Plains Service Quality Report, p.2

reporting.<sup>45</sup>

**B. Staff Analysis**

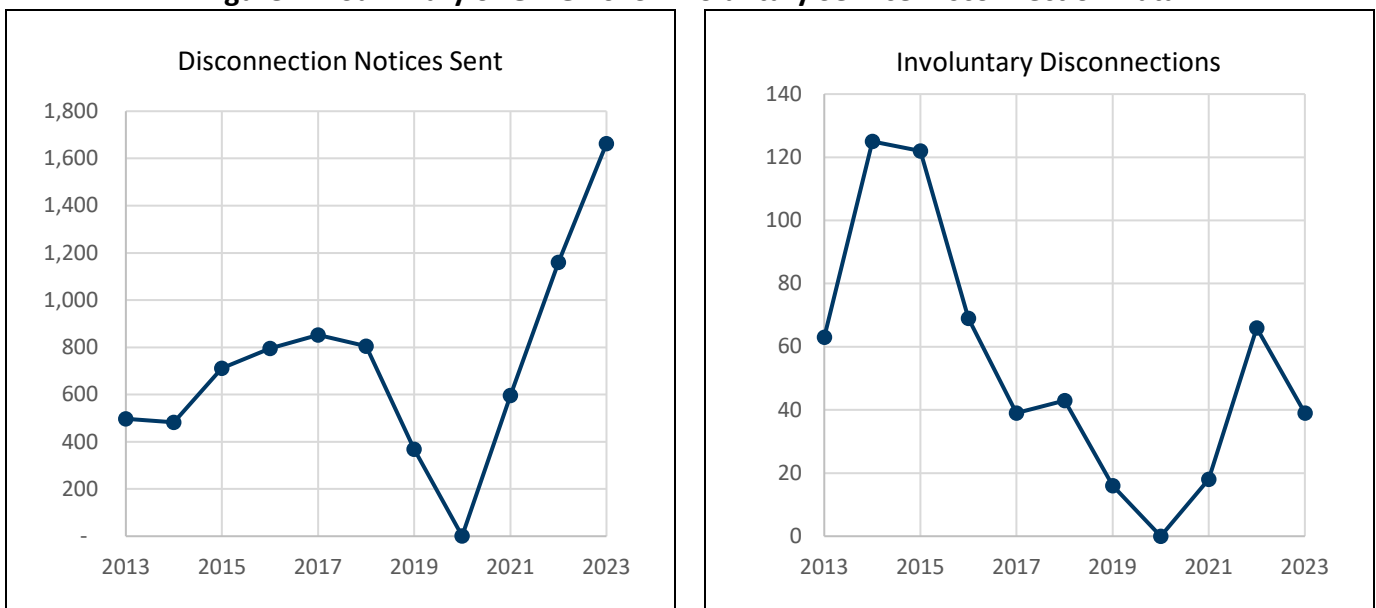
Staff notes that disconnections in 2023 have risen since 2021 (407) and 2022 (481). 2023’s disconnections are more in-line with disconnections before the pandemic.

In 2022’s reporting briefing papers, Staff stated that it would continue to monitor utilities’ involuntary service disconnection data in 2023 to see if the percent of disconnections restored within 24 hours improves as we move further away from the pandemic and the associated disconnection moratorium. In 2022, 8.26% of disconnected customers were restored within 24 hours. 2023’s reconnection times dropped again (6.39%). Great Plains had the second lowest reconnection time after MERC (4.5%). Due to another drop in restoration times, Staff will continue monitoring this metric. Staff concurs with the Department that Great Plains has met its disconnection reporting requirements.

**V. GMG**

In figure 12 below, Staff provides a summary of GMG’s involuntary service disconnection data.

**Figure 12: Summary of GMG 2023 Involuntary Service Disconnection Data**



Customers Receiving Disconnection Notices  
**1,663**  
^ 30%

% of CWR Requests Granted  
**1**  
100pp\*

Customers Disconnected Involuntarily  
**39**  
^ 41%

% of Disconnections Restored within 24 hours  
**10%**  
v -7 pp\*\*

\* GMG reported no customers sought CWR protection in 2023.

<sup>45</sup> Docket No. 24-32, Department comments, pp.4-5.

\*\* pp = percentage point

In its 2023 report, GMG said that its involuntary service disconnections remained low.<sup>46</sup>

#### **A. Department Comments**

The Department stated that GMG's involuntary disconnections were 30% lower than the ten-year average and 41% lower than 2022. The Department noted that the number of residential customers has increased since 2015, but disconnections have varied year-over-year without displaying a clear trend. The Department concluded that GMG's involuntary service disconnection data for 2023 is complete.<sup>47</sup>

#### **B. Staff Analysis**

Staff supports the Department's analysis. Staff will continue to monitor utilities' involuntary service disconnection data in 2024 to see if the percent of disconnections restored within 24 hours improves.

## **SERVICE EXTENSION REQUESTS**

Through its Gas Service Quality Reporting Requirements List, the Commission requires all Gas Utilities except GMG to report the following information as described by Minn. Rules, part 7826.1600, items A and B:

- The number of customers requesting a service extension by customer class.
  - The interval between the date service was installed and the latter of the customer-requested in-service date or the date the premises were ready for service.
- The number of customers requesting service at a location previously served by the utility.
  - The interval between the date service was installed and the latter of the customer-requested in-service date or the date the premises were ready for service.

Additionally, these same utilities must report:

- The types of extension requests, such as requests for reconnection after disconnection for nonpayment, for both locations previously served and not previously served.

GMG must provide:

- Information on extensions to new service areas;

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<sup>46</sup> Docket No. 24-35, GMG Service Quality Report, p.3.

<sup>47</sup> Docket No. 24-35, Department comments, pp.4-5.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

- The addition of new customers on existing mains;
- A discussion of requests for change in service to areas already served by the company;
- Copies of advertisements to potential new customers;
- The date deposits were first taken for a new service area; and
- An explanation of why customers along existing mains and services were denied service.

GMG was originally given alternative reporting requirements in an April 6<sup>th</sup> Order in Docket No. G022/M-15-1090 that reflect the Company's unique service extension model.<sup>48</sup> These reporting requirements were retained by the NGWG and utilized in the Commission's Gas Service Quality Reporting Requirements List.

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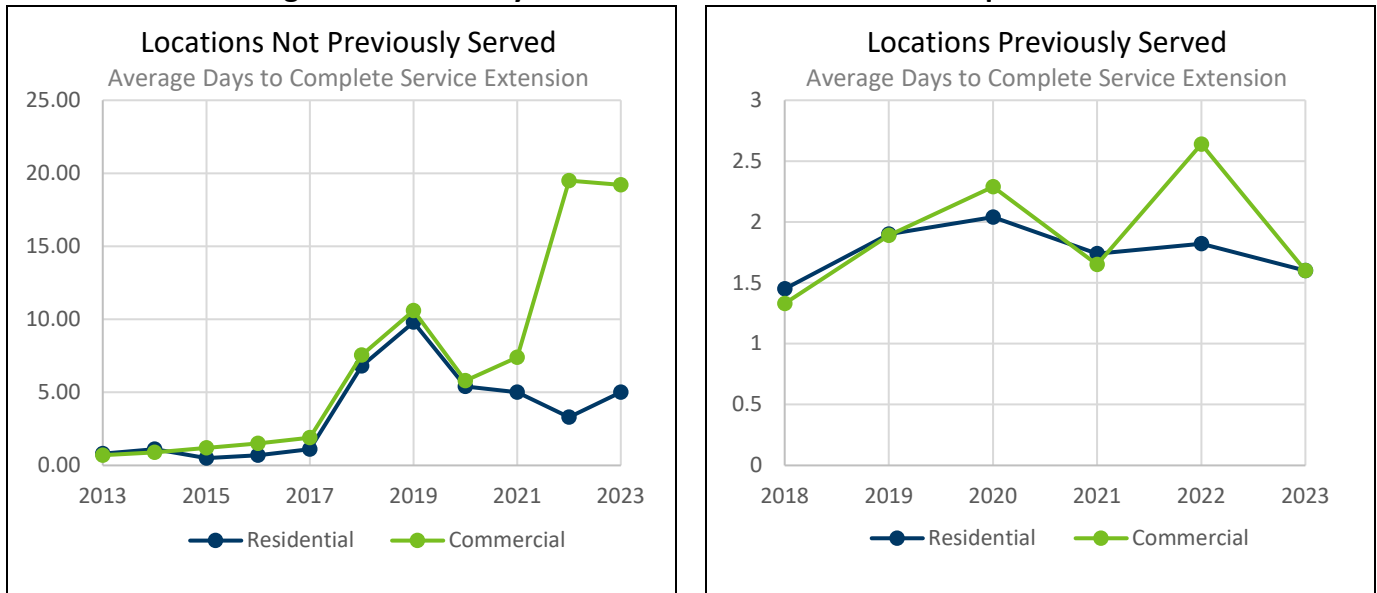
<sup>48</sup> GMG explained in its 2021 service quality report that when the Company extends service to a new area, it is generally extending service to an entire new rural area rather than to a new development on the edge of an existing service area. Therefore, GMG installs an entire new main to an area and then runs individual service off of it. When a new project is designed, which may be during the preceding fall or winter, GMG begins working with a community to engage its business and residential customers, essentially beginning to "sell" service and receive commitments many months in advance of the main installation. Customers are aware that the main will be installed several months later and that, after the main installation is complete, their individual services will be run. Because services are installed following main construction, a customer's installation is immediately ready for service upon completion of the service construction.



### I. Xcel Energy

In figure 13 below, Staff provides a summary of Xcel’s service extension performance.

**Figure 13: Summary of Xcel 2023 Service Extension Request Data**



# of Extensions to Residential Locations Not Previously Served  
**2,628**  
∨ -15%

# of Extensions to Commercial Locations Not Previously Served  
**171**  
∧ 16%

# of Extensions to Previously Served Residential Locations  
**361**  
∨ -29%

# of Extensions to Previously Served Commercial Locations  
**51**  
∨ -71%

\* pp = percentage point

Xcel noted that for its natural gas operations, the requests for service to locations that have previously been served but are not being served at the time of request are nearly all requests from customers who have had their meter locked due to credit.

Xcel said that its supply chain issues that affected service installations have been resolved. Installation times though can vary and are based on weather, significant storms, complexity of work, and job site readiness.

In mid-2023, Xcel improved its design automation tool to reduce manual inputs of new service information, thereby increasing data accuracy by reducing human error. While the improvements helped to reduce errors, it did not create savings in service lead-times. Instead, lead-times increased, because the automatic tool efficiencies allowed for work orders to be entered earlier than crews were available to install them.<sup>49</sup>

<sup>49</sup> Docket No. 24-27, Xcel Service Quality Report, pp.7-8.

**A. Department Comments**

The Department summarized that the number of Xcel's commercial requests for new locations was consistent with the five-year average, but the average time to complete those requests have risen significantly in 2023 to 19.23 days from 12.39 days in 2022.

Meanwhile, the Department stated that the number of service of extensions at locations previously served in 2023 is down from the five-year average, but the average days to complete reconnections is at a five-year low.

The Department concluded that Xcel met the service extension reporting requirements for 2023.<sup>50</sup>

**B. Staff Analysis**

Staff agrees with the Department that Xcel has fulfilled the Commission's service extension request reporting requirements. Staff will continue to monitor the effects of Xcel's new design automation tool on the average number of days to complete a new service extension.

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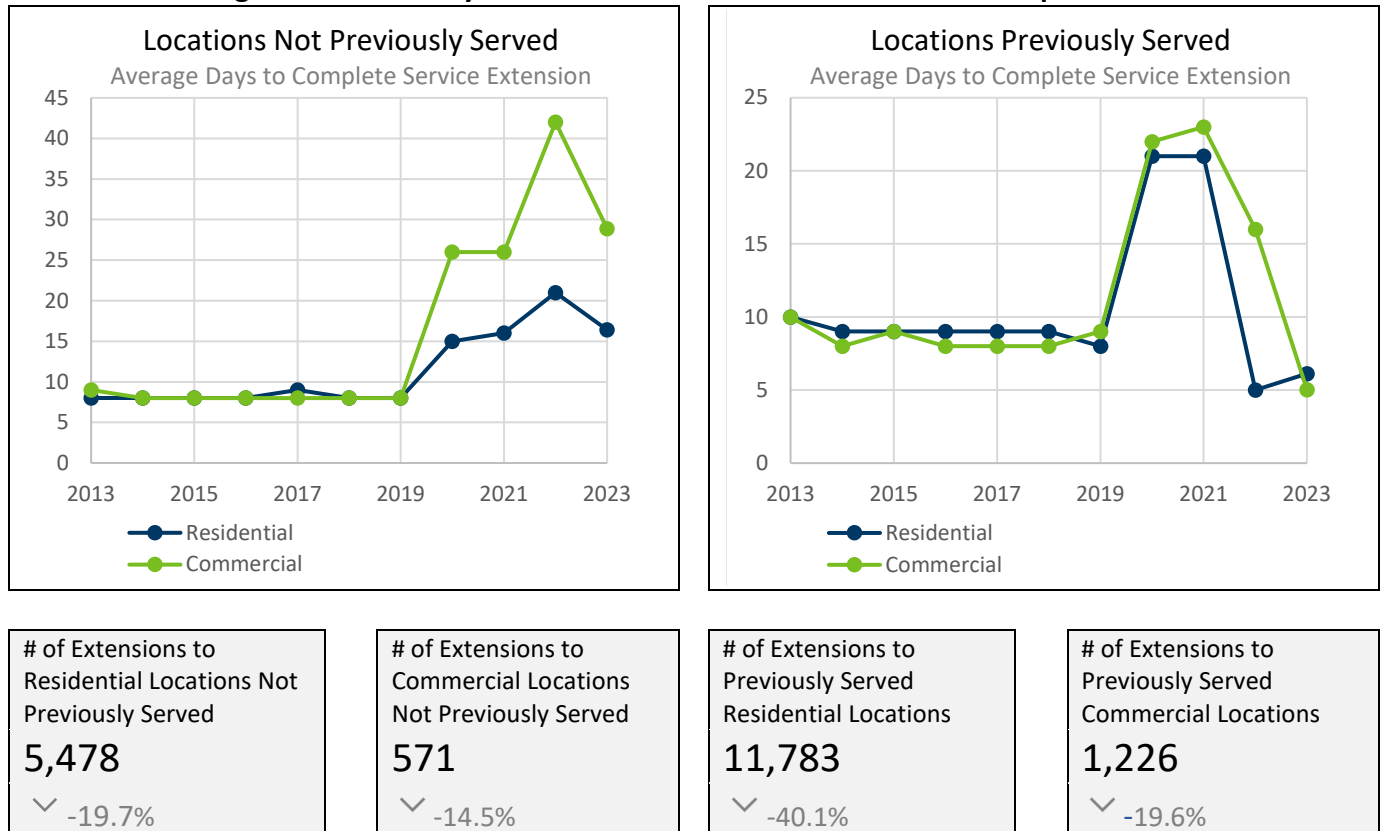
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<sup>50</sup> Docket No. 24-27, Department Comments, pp.7-9.

## II. CenterPoint

In figure 14 below, Staff provides a summary of CenterPoint’s service extension performance.

**Figure 14: Summary of CenterPoint 2023 Service Extension Request Data**



CenterPoint reported that new residential extensions took an average of 16 days to complete in 2023 compared to an average of 22 days in 2022.<sup>51</sup> Renewed residential extensions took an average of 6 days to complete in both 2022 and 2023.

Additionally, CenterPoint reported that new commercial extensions took an average of 29 days to complete in 2023 compared to an average of 42 days in 2022. Renewed commercial extensions took an average of 5 days to complete in 2022 compared to 16 days in 2022.

CenterPoint explained that the volume of renewed commercial service extensions was higher in 2022 and that 2023 was benefited from an increase in the capacity of its construction contractor resources and a lower number of commercial service extensions.

<sup>51</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.3.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**A. Department Comments**

The Department noted that CenterPoint's 2023 results indicate that CenterPoint's service extension metrics are returning to pre-pandemic levels. The Department highlighted that the number of new residential and commercial customers requesting service decreased by 3% and 12% compared to a 10-year average, respectively. However, the number of previously served residential and commercial customers seeking service was 244% and 299% above the 10-year average, respectively.<sup>52</sup>

The Department asked CenterPoint to provide an explanation for why installations at previously served locations increased significantly across 2021, 2022, and 2023. In response, CenterPoint stated that the increase was the result of a change in reporting in 2021. Prior to 2021, reporting on service installations was a manual process. Through the automation of this reporting process, CenterPoint identified additional installation codes that were not previously identified in the Company's manual reporting process.<sup>53</sup>

The Department concluded that CenterPoint has met the Commission's service extension reporting requirements for 2023.

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

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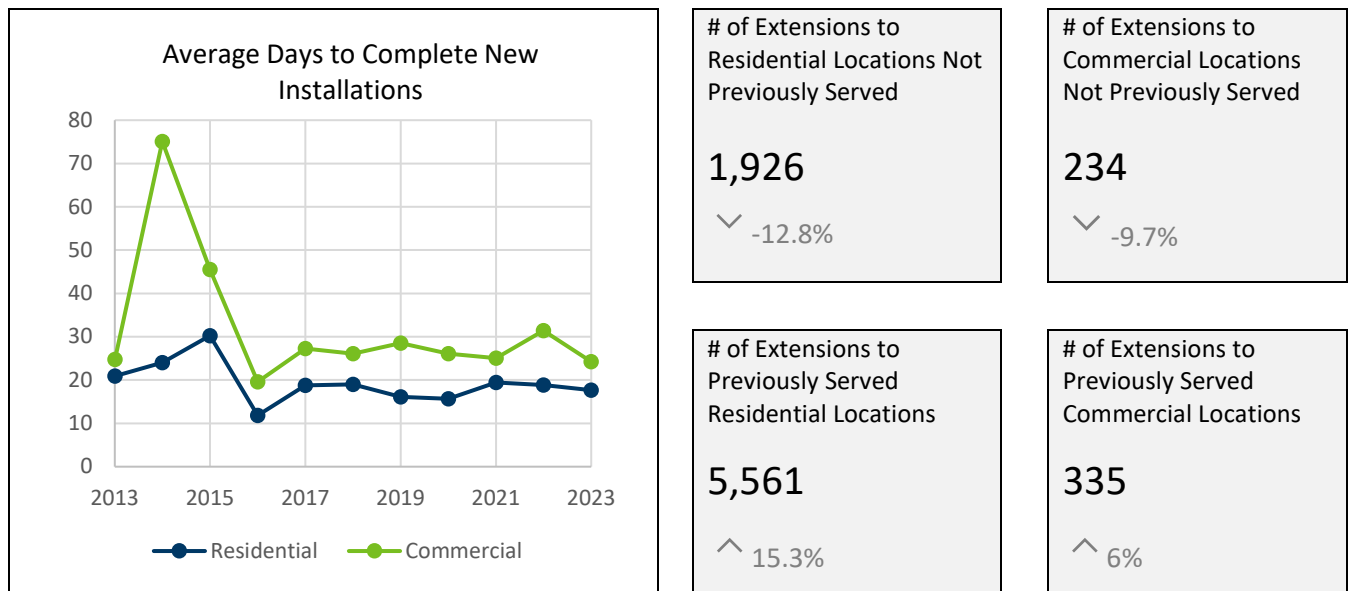
<sup>52</sup> Docket No. 24-33, Department Comments, pp.15-16.

<sup>53</sup> Id., p.17.

### III. MERC

In figure 15 below, Staff provides a summary of MERC’s service extension performance.

**Figure 15: Summary of MERC 2023 Service Extension Request Data**



Staff notes that MERC did not provide a narrative to explain its 2023 service extension request performance but does provide definitions for “new installs”<sup>54</sup> and “existing installs.”<sup>55</sup>

#### A. Department Comments

The Department requested an explanation as to why the average number of days to complete a new commercial customer installation in 2023 was 36% lower than the ten-year average. MERC explained that the company has been spending more time with contractors at the onset to provide the information needed to get jobs moving as quickly as possible, it was able to fill an open designer position in 2023, and when practical, the Company has had contracts physically delivered by field technicians to the contractor instead of mailing the contracts. Combined, these three factors contributed to the decrease in the average number of days to complete new commercial installations in 2023.<sup>56</sup>

The Department concluded that MERC has met the service extension reporting requirements for 2023.

<sup>54</sup> MERC stated that new installs represent new service requests at locations where no gas service exists, either because the location is a new construction or because an alternate fuel source has been used previously.

<sup>55</sup> MERC stated that an existing install represents any building that has previously had natural gas service, but that service has been disconnected.

<sup>56</sup> Docket No. 24-34, Department Comments, p.11.

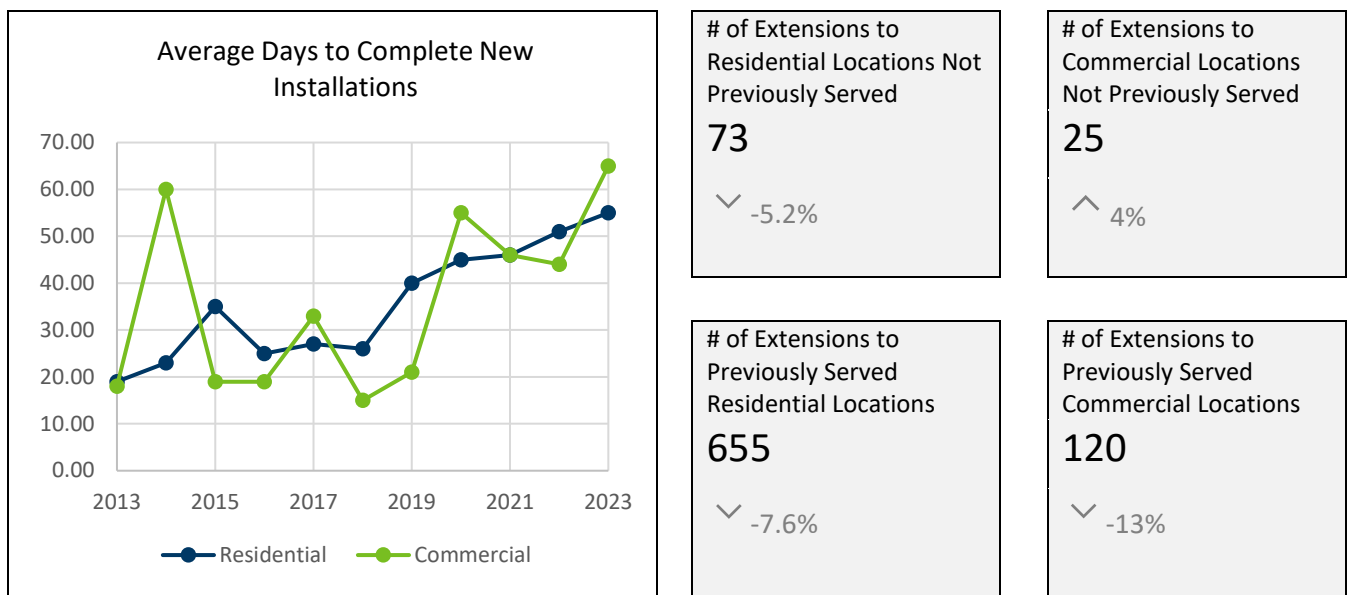
**B. Staff Analysis**

Staff agrees with the Department that MERC has fulfilled the Commission’s Extension request reporting requirements for 2023.

**IV. Great Plains**

In figure 16 below, Staff provides a summary of Great Plains’ service extension performance.

**Figure 16: Summary of Great Plains 2023 Service Extension Request Data**



Great Plains reported receiving 98 new service extension requests and 775 reconnection or renewed service extension requests in 2023.<sup>57</sup> Great Plains stated that for new service installations, the company tracks the service line application date but has not tracked the date the property is ready for service line installation, therefore their report reflects the time from completion of the service line installation to the date the meter was installed. For reinstallations, the company reported that, on average, meters were installed within a day or two of the customer requesting installation of a meter. 96 meters were installed on the same day of the customer request; one meter was installed the next day; and one meter was installed the same day but was not turned on until 15 days later at the customer’s request. On average, all renewal and reinstallations occurred on the same days of the customer’s request.

**A. Department Comments**

The Department stated that Great Plains has been taking an increasing number of days to

<sup>57</sup> Docket No. 24-32, Great Plains Service Quality Report, pp.2-3.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

complete new installs. The company has not been able to identify any specific cause for the increase, nor have there been changes to how it tracks new service extensions. The number of renewed service extensions to locations previously served have decreased over the last ten years. The Department concluded that Great Plains met the Commission's service extension reporting requirements for 2023.<sup>58</sup>

## **B. Staff Analysis**

For the fourth year in a row, Great Plains recorded a record high for the average number of days needed to complete both new residential and commercial service extensions. At the same time, the number of residential extension requests has declined. Staff will continue to monitor Great Plains' service extension data in 2024.

## **V. GMG**

In 2023, GMG continued to focus on extending service to customers within its existing territories, instead of expanding its territory with new main extension projects.<sup>59</sup> The Company did not undertake any new area main extension projects in 2023. It did not distribute any advertisements or solicitations to potential new customers and thus did not include any such advertisements as a part of its 2023 service quality report. No areas were promised service during the year that did not receive it.

GMG focused on on-main customers who do not currently use gas. The Company received a total of 292 residential service requests, 83 firm commercial service requests, and three interruptible commercial service requests, which took an average of 17 days, 14 days, and 4 days to complete, respectively.

Regarding customers requesting service to a location previously served by GMG, the Company does not believe that there were any delays in the premises being ready for service. GMG does not lock or stop service between transfers of property owners or occupants. Responsibility for the customer account is transferred on the date agreed by both parties to the transfer.

## **A. Department Comments**

The Department compared the number of service requests in 2023 to the seven-year average. The number of new on-main residential service requests declined 15%, while the number of firm commercial requests increased 133% and the number of interruptible commercial customer service requests increased 50%. Regarding the time to extend service in 2023 as compared to the seven-year average, each of the customer classes were lower than the seven-year average – residential (-29%), firm commercial (-11%), and interruptible commercial (-77%). The Department stated that the on-main extension data for 2023 appears acceptable and reflects improved install timelines for all all-main customer requests. The Department found

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<sup>58</sup> Docket No. 24-32, Department comments, pp.6-7.

<sup>59</sup> Docket No. 24-35, GMG Service Quality Report, p.4.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

that GMG met the reporting guidelines for service extensions.<sup>60</sup>

**B. Staff Analysis**

Staff supports the Department's analysis and agrees that GMG fulfilled its service extension reporting requirements. Staff does not recommend additional action at this time.

## **CUSTOMER DEPOSITS**

Each of the Gas Utilities are required to report on customer deposits in their annual service quality reports whenever their deposit collection policies change. These reports must include:

- A description of the previous deposit collection policy;
- A description of the new deposit collection policy;
- The reason for the policy change; and
- Data from the previous three years regarding the number of customers who were required to make a deposit as a condition of receiving service, including the total number of deposits held at the end of each year.

**I. Xcel Energy**

In 2023, Xcel requested 409 deposits as a condition of service for customers who had filed for bankruptcy, which is inclusive of both their natural gas and electric operations.<sup>61</sup> These deposits are requested upon notification from the bankruptcy court, and/or customers of their bankruptcy petitions. Xcel stated that once customers file for bankruptcy, their service begins anew, and the deposit amount is included in their first bills. Deposits are not requested of customers for reconnection of service.<sup>62</sup>

**A. Department Comments**

The Department noted Xcel did not change its customer deposit process in 2023. The Department acknowledged Xcel fulfilled its Customer Deposit Reporting Requirements.<sup>63</sup>

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

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<sup>60</sup> Docket 24-35, Department comments, pp.7-10.

<sup>61</sup> Docket No. 24-27, Xcel Electric Service Quality Report, p.13.

<sup>62</sup> Docket No. 24-27, Xcel Electric Service Quality Report, p.8.

<sup>63</sup> Docket No. 24-27, Department Comments, p.9.



Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

## II. CenterPoint

CenterPoint has made no changes to its deposit collection policy.

### A. Department Comments

The Department concluded that CenterPoint fulfilled its customer deposit reporting requirements for 2023.

### B. Staff Analysis

Staff agrees with the Department that CenterPoint has fulfilled the Commission's customer deposit reporting requirements and does not recommend any additional action at this time.

## III. MERC

MERC made no changes to its deposit collection policy in 2023.

### A. Department Comments

The Department concluded that MERC fulfilled its customer deposit reporting requirements for 2023.

### B. Staff Analysis

As reported by the Company, MERC has made no customer deposits since 2017. The number of deposits held by the Company has decreased steadily from 88 in 2017 to 12 in 2022. Staff notes that MERC has fulfilled its customer deposit reporting requirements for 2022.

## IV. Great Plains

Great Plains stated that it did not require a deposit as a condition of receiving new service in 2023. There was no change to Great Plains' deposit policy.<sup>64</sup>

### A. Department Comments

The Department concluded that Great Plains fulfilled its customer service deposit reporting requirements for 2023.<sup>65</sup>

### B. Staff Analysis

Staff supports the Department's analysis and does not recommend additional action at this

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<sup>64</sup> Docket No. 24-32, Great Plains Service Quality Report, p.3.

<sup>65</sup> Docket No. 24-32, Department comments, p.7.

time.

## V. GMG

In 2023, GMG required two customers to make a deposit as a condition of receiving service. Two commercial customers were required to make deposits due to their histories of demonstrating consistently poor payment records and poor credit, including multiple disconnections due to non-payment. Deposits held by GMG are returned after twelve months of timely payments. The Company reported holding 7 deposits in 2023.<sup>66</sup>

### A. Department Comments

The Department concluded that GMG complied with the customer deposit reporting requirements in 2023.<sup>67</sup>

### B. Staff Analysis

Staff notes that GMG has fulfilled its customer deposit reporting requirements and does not recommend additional action at this time.

## CUSTOMER COMPLAINTS

All Gas Utilities except GMG shall report the following information, as described by Minn. Rules part 7826.2000:

- The number of complaints received;
- The number and percentage of complaints alleging billing errors, inaccurate metering, wrongful disconnection, high bills, inadequate service, involving service extension intervals, service-restoration intervals, and any other identifiable subject matter involved in five percent or more of customer complaints;
- The number and percentage of complaints resolved upon initial inquiry, within ten days, and longer than ten days;
- The number and percentage of all complaints resolved by taking any of the following actions:
  - Taking the action the customer requested.
  - Taking an action the customer and the utility agree is an acceptable compromise.
  - Providing the customer with information that demonstrates that the situation complained of is not reasonably within control of the utility.
  - Refusing to take the action the customer requested; and
- The number of complaints forwarded to the utility by the commission's Consumer Affairs Office for further investigation and action.

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<sup>66</sup> Docket No. 24-35, GMG Service Quality Report, p.5.

<sup>67</sup> Docket No. 24-35, Department comments, p.10.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

GMG must report:

- Complaints received by CAO
- The total number of complaints resolved for each of the following categories:
  - Billing errors
  - Inaccurate metering
  - Wrongful disconnection
  - High bills
  - Inadequate service
  - Service extension intervals
  - Service restoration intervals

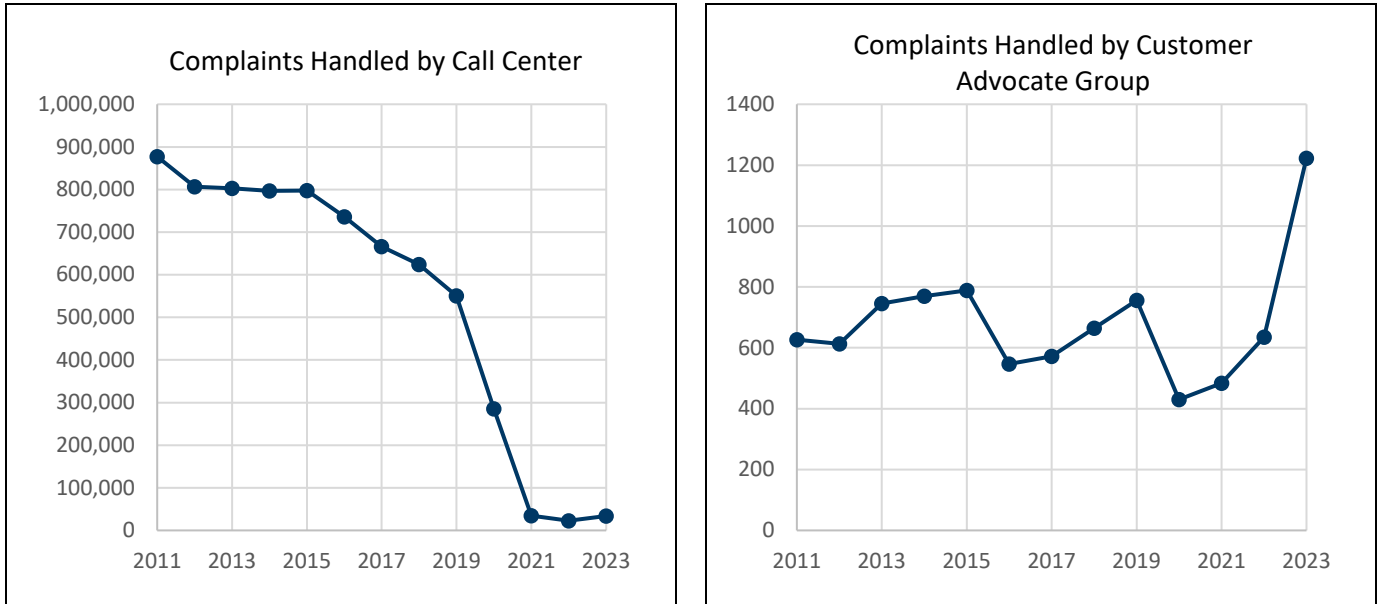
Additionally, all the Gas Utilities must include customer complaint data from Minn. Rules 7820.0500 in their annual service quality reports.

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### I. Xcel Energy

In figure 17 below, Staff provides a summary of Xcel’s customer complaint data.

**Figure 17: Summary of Xcel 2023 Customer Complaint Data**



Complaints handled by Call Center  
**33,726**  
^ 88%

% of Complaints Handled by Call Center Resolved by Agreeing with Customer  
**95%**  
^ 1 pp\*

Complaints handled by CAG  
**1,223**  
^ 32%

Complaints to CAG Resolved on Initial Inquiry  
**3%**  
v -6 pp

% of Complaints Handled by CAG Resolved by Taking Customer-Requested Action  
**12%**  
v -20 pp

Complaints forwarded by CAO  
**759**  
^ 130%

\* pp = percentage point

A work group consisting of Commission Staff, CAO, the Department of Commerce, Xcel, Minnesota Power, and Otter Tail Power met to discuss service quality complaint categories in 2021 – 2022. The work group ultimately agreed that additional detail should be provided for the “Inadequate Service” complaint category into the following sub-categories, starting with the 2023 service quality reports:

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

- Inadequate Service – Field/Operations;
- Inadequate Service – Customer Service;
- Inadequate Service – Programs and Services; and
- Inadequate Service – Cold Weather Rule Protection.<sup>68</sup>

#### **A. Department Comments**

The Department noted that the call count volume in 2023 is up significantly from 2022. The number of complaints taken by CAO and forwarded to Xcel in 2023 doubled and were largely from residential customers regarding disconnections and reconnection payment plans.

The Department acknowledged Xcel’s fulfillment of its complaint reporting requirements, but requested that Xcel begin including annual totals for call center data in future Gas Service Quality Reports.<sup>69</sup>

#### **B. Staff Analysis**

Xcel is required to file an annual Quality of Service Plan (QSP).<sup>70</sup> One of the standards that the Company must meet is keeping the number of customer complaints to CAO below  $\leq 0.0259$  complaints per 1,000 customers. The 2023 standard was 380 complaints. Xcel more than doubled its CAO complaint standard in 2023.

Per Xcel’s QSP tariff, addressed in Docket No. E,G-002/M-02-2034, if the Company exceeds any of the standards, it incurs a \$1 million under performance penalty. 50% of the underperformance penalty is applied to customer bills, and the other 50% is added to the Company’s distribution system budget. Xcel triggered the underperformance penalty in 2023.

The Commission’s October 9, 2024 Order applied \$500,000 of the 2023 underperformance penalty that is devoted to the distribution system directly towards customers’ past due bills.

Regarding the Department’s recommendation to require Xcel to provide annual totals for call center data in future reports, the Commission already required such information in response to last year’s service quality reports:

*3. Required all gas utilities that provide service quality data in monthly intervals, such as monthly totals or monthly averages, to also include an annual value, such as an annual total or an annual average.<sup>71</sup>*

Given this, the Commission does not need to require this information be included a second time. Going forward, Xcel should provide annual totals for its monthly call center complaint

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<sup>68</sup> Docket No. 24-27, Xcel Service Quality Report, pp.8-9.

<sup>69</sup> Docket No. 24-27, Department Comments, pp.9-11.

<sup>70</sup> Dockets 04-2034 and 12-383.

<sup>71</sup> December 22, 2023, Order in Docket Nos. G-002/M-23-77; G-008/M-23-79; G-011/M-23-80; G-004/M-23-78; and G-022/M-23-81.

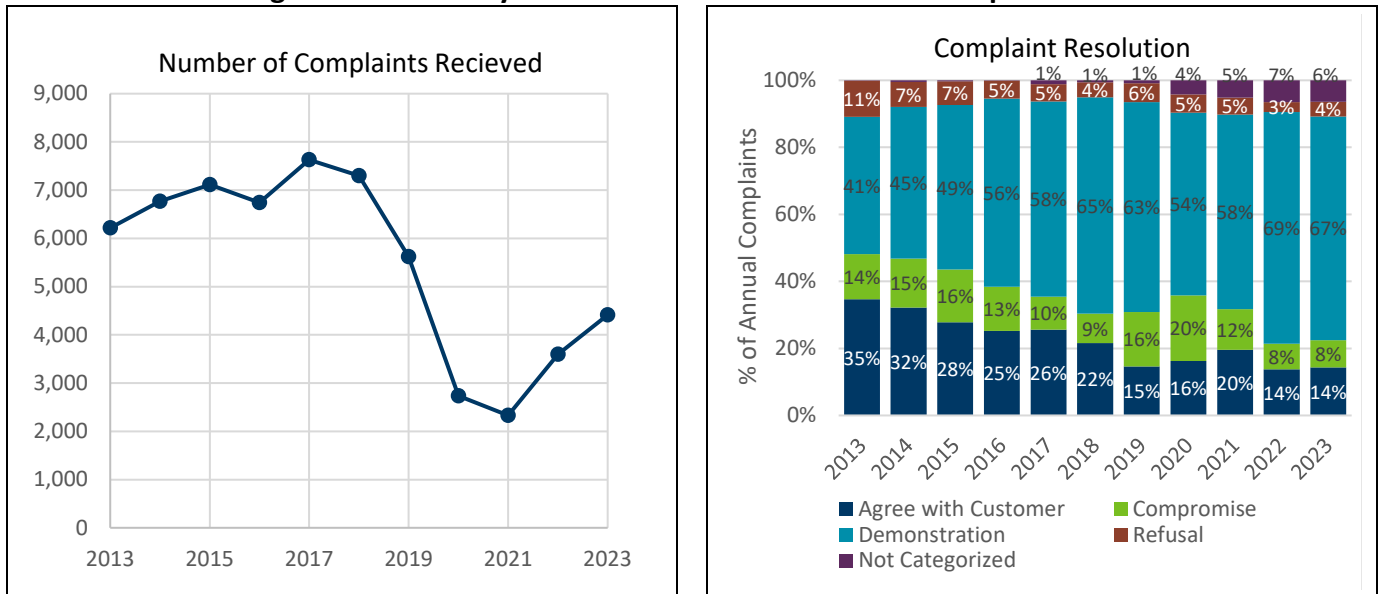
data per the Commission’s prior order.

Staff agrees with the Department that Xcel fulfilled its customer complaint reporting requirements but will monitor the number of complaints in 2024.

## II. CenterPoint

In figure 18 below, Staff provides a summary of CenterPoint’s customer complaint data.

**Figure 18: Summary of CenterPoint 2023 Customer Complaint Data**



Complaints Received  
**4,416**  
^ 22.8%

% of Complaints resolved on initial inquiry  
**80%**  
^ 6 pp\*

% of Complaints Resolved by refusal  
**4%**  
^ 1pp

Complaints forwarded by CAO  
**342**  
^ 106%

\* pp = percentage point

CenterPoint reported that in 2023 the three most frequent complaint types among residential customers were service issues, billing errors, and disconnection issues.<sup>72</sup> The most frequent complaint types in 2022 among residential customers were service issues, disputed charges, and billing errors. CenterPoint reported that 81% of residential complaints and 62% of commercial complaints were resolved immediately in 2023 compared to 75% and 56% in 2022, respectively.

In 2023, CenterPoint was forwarded 473 complaints, of which, 335 were forwarded from CAO. CenterPoint reported that it had resolved the way complaints were tracked internally to correspond with Commission totals. This process required the Company to include issues that

<sup>72</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.5.

they may not have previously considered a complaint.

#### **A. Department Comments**

The Department highlighted that CenterPoint frequently resolves its complaints through either agreement with the Customer, or by demonstrating to the customer that the circumstances of the complaint were beyond the Company's control. However, the Department voiced concern over the decrease in percentages for agreement with customers, and compromise with customers.<sup>73</sup> The percent of complaints resolved through agreement or compromise has dropped 38% compared to a ten-year average. The Department speculated that CenterPoint's efforts to manage arrearages may be causing the decrease, and stated that it will continue to monitor this issue in future gas service quality reports.

The Department concluded that CenterPoint has fulfilled the Commission's complaint reporting requirements for 2023.

#### **B. Staff Analysis**

Building on comments made by the Department, Staff notes that the reported decrease in the proportion of complaints resolved by agreement or compromise with the customer caused a corresponding increase in the proportion of complaints resolved through demonstration or "not categorized." Staff makes this observation to highlight that the decreases noted by the Department were not associated with a rise in complaints resolved through refusing to take the action requested of the customer.

Of note, CenterPoint provides an explanation of every category except the "not categorized" category. Staff reached out to CenterPoint for additional information about this category through an information request and received the following explanation:

"A 'not categorized' complaint is a complaint that was closed without selection of one of the four appropriate resolution codes. The programming around complaints in the system should not allow a complaint to be closed without a proper resolution code selection. The Regulatory Liaison who does the reporting and analysis of these complaints reviewed the IR request, researched the system, and submitted an Information Technology request to ensure this is part of the system programming. The Regulatory Liaison also had the 2023 complaints reviewed and, where possible, updated with the proper resolution code."<sup>74</sup>

CenterPoint noted that they intended to update the 2023 complaint resolution results, but a recent system enhancement caused the report used for the annual service quality reports to be removed from the system. CenterPoint committed to providing a rerun 2023 report when it is able.

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<sup>73</sup> Docket No. 24-33, Department Comments, pp.19-20.

<sup>74</sup> Docket No. 24-33, CenterPoint response to PUC Information Request #1.

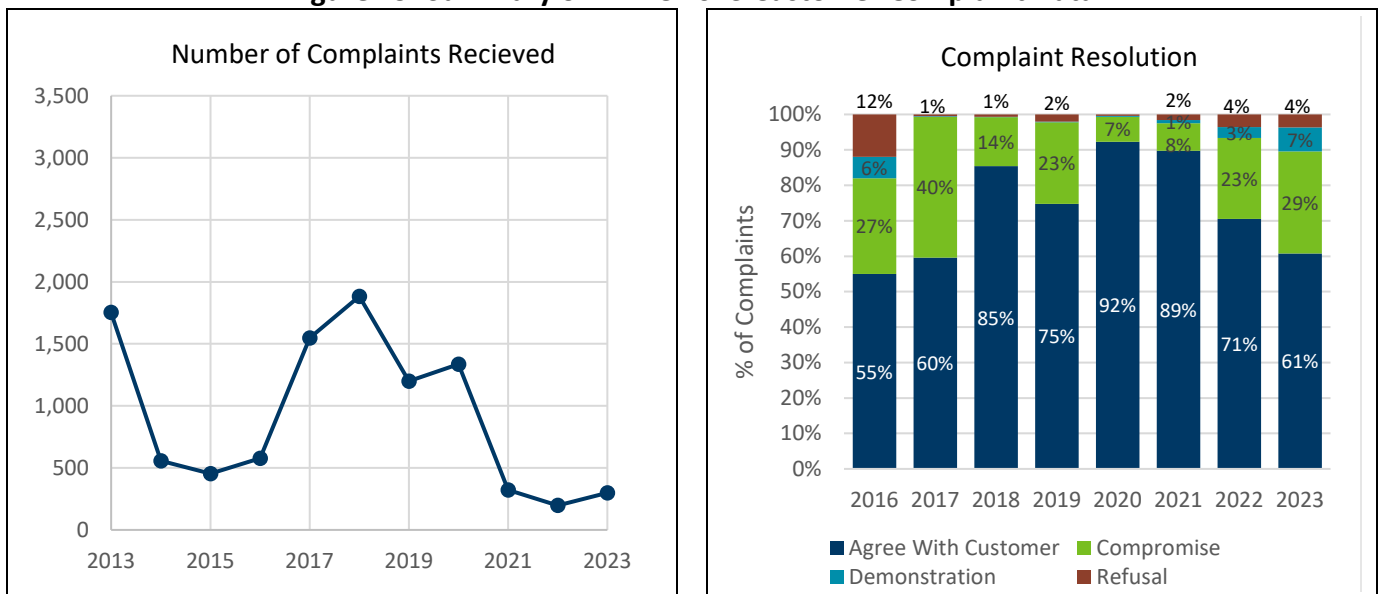
Staff notes that complaint types have remained relatively stable in recent years, with one exception: complaints about “wrongful disconnects” have increased. In 2022, these complaints accounted for 7% of all complaints received by CenterPoint, rising to 12% in 2023. This increase is likely linked to the COVID-19 pandemic and the associated disconnection moratorium. By comparison, the annual average for wrongful disconnect complaints was 11% in the decade prior to 2020.

Staff supports the Department’s analysis and agrees that CenterPoint has fulfilled the Commission’s complaint data reporting requirements.

### III. MERC

In figure 19 below, Staff provides a summary of MERC’s customer complaint data.

**Figure 19: Summary of MERC 2023 Customer Complaint Data**



Complaints Received  
**298**  
^ 51%

% of Complaints resolved on initial inquiry  
**37%**  
^ 31 pp\*

% of Complaints Resolved by refusal  
**4%**  
No Change

Complaints forwarded by CAO  
**46**  
^ 2%

\* pp = percentage point

MERC highlighted that the Company received “significantly fewer complaints” in 2022 and 2023 than previous years.<sup>75</sup> The Company stated that this decrease is likely due to the continued training of call center staff and the implementation of AMI, which has reduced the number of billing and meter reading complaints.

<sup>75</sup> Docket No. 24-34, MERC Service Quality Report, p.8.



Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

MERC explained that in 2017, it changed the methodology used to track complaints, and continued training on the updated methodology in 2018. According to MERC, its call center staff have been trained to identify when customers are not satisfied, and to recognize when customers call multiple times. In these instances, a MERC call center supervisor performs a call back and all call backs are tracked as a complaint.

#### **A. Department Comments**

The Department highlighted that the number of complaints received in 2023 was 70% below the ten-year average, but up 51% from 2022. The Department also noted that the number of complaints resolved upon initial inquiry was 34% lower than the ten-year average.

Last year, the Department had asked for information regarding a drop in the number of complaints resolved upon initial inquiry and learned that MERC had not been properly logging complaints as “first call resolutions.” This year, the Department requested an update on the status of this issue, to which MERC explained that the initial issue of improper logging of complaints was resolved in 2022. However, in May of 2023, MERC found that a new call center was also not properly logging complaints as “first call resolutions.” MERC provided additional training to this call center and is on pace for 2024 complaint resolution timeframes to be in-line with historical values.<sup>76</sup>

The Department concluded that MERC had fulfilled its complaint reporting requirements.

#### **B. Staff Analysis**

Staff notes that MERC was required by the Commission’s May 1, 2023, Order to begin reporting complaints due to “wrongful disconnects” beginning with its 2023 service quality report. Staff previously noted that although all utilities were required to report complaints consistent with the categories listed in Minn. R. 7826.2000, MERC had not been reporting complaints due to “wrongful disconnects.”

In 2023, MERC received 298 complaints, the majority of which were categorized as billing/meter reading issues (35%) and high bills (26%). The Company continued to resolve the majority of complaints (61%) by agreeing with the customer.

Staff supports the Department’s analysis and notes that MERC fulfilled its complaint reporting requirements for 2023.

### **IV. Great Plains**

Great Plains reports that there were 25 customer complaints in 2023 that were escalated to a supervisor for resolution, an increase from eight complaints in 2022. Two of those customer

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<sup>76</sup> Docket No. 24-34, pp.13-15.

complaints were forwarded by CAO.<sup>77</sup>

**A. Department Comments**

In 2023, Great Plains received a ten-year high of 44,118 calls. The Department noted that both the number of complaints and the number of complaints forwarded to CAO were higher than the ten-year average in 2023. The top category for escalated complaints was billing errors (32%). All escalated complaints were resolved the same day they were escalated. 16% were resolved by taking the customer-requested action. The most common resolution in 2023 by demonstrating the Company does not have control of the situation (44%). The Department concluded that Great Plains met the Commission's customer complaint reporting requirements for 2023.<sup>78</sup>

**B. Staff Analysis**

Staff supports the Department's analysis and agrees that Great Plains met its customer complaint reporting requirements for 2023.

**V. GMG**

GMG explained that it considers something a customer complaint if, after speaking with the customer service representative regarding their inquiry, the customer requests that GMG take some type of action to resolve a particular problem or situation. In such an instance, the Company explained that the matter is immediately escalated to a supervisor with the authority to respond to the customer's issue.

In 2023, GMG reported that no complaints were forwarded from the Commission's Consumer Affairs Office or the Office of the Attorney General. GMG stated that it did receive one call from a customer complaining about billing practices. A supervisor reviewed the customer's account history, confirmed that billing and payment amounts were correct, and left a voicemail. The Company considered the matter closed when there was no follow-up from the customer.<sup>79</sup>

**A. Department Comments**

The Department noted that GMG's complaint numbers are low in general. After reviewing GMG's explanations, the Department concluded that the company's complaint response was adequate.<sup>80</sup>

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<sup>77</sup> Docket No. 24-32, Great Plains Service Quality Report, pp.3-4.

<sup>78</sup> Docket No. 24-32, Department comments, pp. 7-9.

<sup>79</sup> Docket No. 24-35, GMG Service Quality Report, pp.5-6.

<sup>80</sup> Docket No. 24-35, Department comments, pp. 10-12.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**B. Staff Analysis**

Staff believes GMG has fulfilled its 2023 complaint reporting requirements and does not recommend additional action at this time.

**GAS EMERGENCY PHONE LINE ANSWER TIME**

The Commission requires all Gas Utilities except GMG to report:

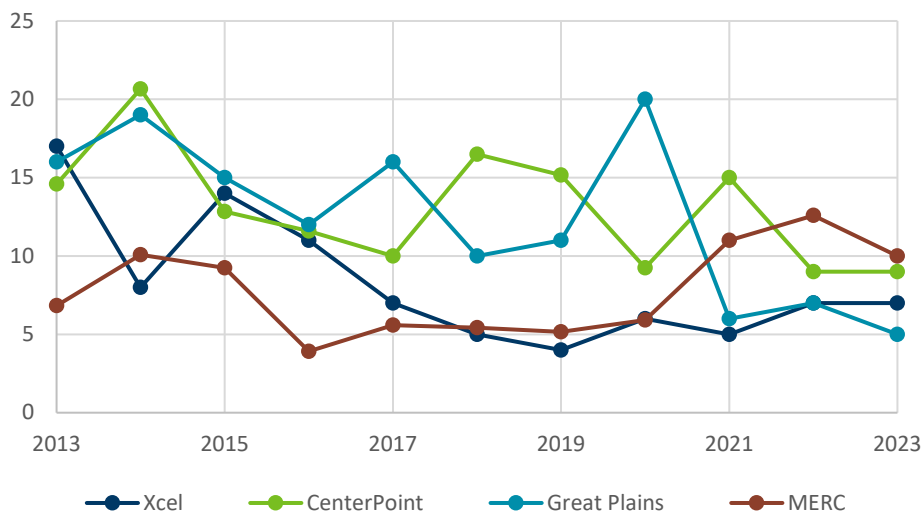
- Telephone answer times to the utility’s gas emergency phone line.

GMG must report:

- The total number of gas emergency calls received.

Staff notes that because GMG does not have a telephone line dedicated to gas emergency calls, the Commission required GMG<sup>81</sup> to report the total number of gas emergency calls received.

**Figure 20: Average Gas Emergency Call Answer Time (sec)**



**I. Xcel Energy**

The Company reported that in 2023, 80.1% of gas emergency calls were answered within 20 seconds.<sup>82</sup>

**A. Department Comments**

The Department said that January was the lowest performance month for average answer time in 2023 at 14 seconds. The average across all months in 7 seconds.

<sup>81</sup> Originally ordered in the Commission’s January 18, 2011 Order, Docket 09-409, Order Paragraph 1j.

<sup>82</sup> Docket No. 24-31, Xcel Service Quality Report, p.9.

The Department acknowledged Xcel's fulfillment of the Commission's emergency call reporting requirements in 2023.<sup>83</sup>

**B. Staff Analysis**

Staff agrees with the Department that Xcel fulfilled its gas emergency call reporting requirements and does not recommend additional action at this time.

**II. CenterPoint**

CenterPoint reported that of the 74,420 emergency calls received in 2023, 92% were answered in 20 seconds or less.<sup>84</sup> The Company reported an average answer speed of nine seconds in 2023. Both the percent of emergency calls answered within 20 seconds or less and the average answer speed were identical to what was reported in 2022.

**A. Department Comments**

The Department compared CenterPoint's 2023 results to a ten-year average and noted that the Company had answered 5% more calls within 20 seconds and had increased its answer speed by 36%. The total number of emergency calls made to CenterPoint in 2023 was 8% above the ten-year average.<sup>85</sup> The Department concluded that CenterPoint had fulfilled the Commission's gas emergency phone call reporting requirements for 2023.

**B. Staff Analysis**

Staff supports the Department's analysis and agrees that CenterPoint fulfilled its gas emergency call reporting requirements. Staff does not recommend any additional action at this time.

**III. MERC**

MERC reported an average emergency phone call answer speed of 10 seconds in 2023. The Company also reported that 89% of emergency calls were answered in 15 seconds or less. Staff notes that MERC does not provide a narrative to accompany this data.

**A. Department Comments**

The Department highlighted the number of emergency calls received by MERC, noting that the 23,730 emergency calls received in 2023 was the second highest total in the last ten years. In response to a Department inquiry on this topic, MERC explained that several factors contributed to the increase in emergency calls, including: MERC's transition to a new care

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<sup>83</sup> Docket No. 24-31, Department Comments, pp.11-12.

<sup>84</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.6.

<sup>85</sup> Docket No. 24-33, Department Comments, p.21.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

center in 2023 which were trained to transfer calls to a trained gas emergency representative whenever they were in doubt; customers selecting the “emergency” option on the interactive voice response system with the hopes of reaching a representative more quickly; and an increase of 3,000 residential customers over 2022.<sup>86</sup> The Department concluded that MERC’s explanation was reasonable and that the Company had met its gas emergency phone line reporting requirements for 2023.

#### **B. Staff Analysis**

Last year, Staff highlighted that MERC had recorded back-to-back record highs for their average emergency phone call answer speed. In 2023, MERC improved its average answer speed and the percent of emergency calls answered within 15 seconds despite receiving an increased number of emergency calls. Staff views this as a positive result for the Company.

Staff notes that MERC’s internal performance goal of answering emergency phone calls in 15 seconds or less is the most aggressive goal among the five Gas Utilities.<sup>87</sup> MERC’s average emergency call answer speed remains comparable with the average answer speeds reported by the other gas utilities.

Staff notes that MERC fulfilled its emergency call answer speed reporting requirements for 2023. Staff does not recommend additional action at this time.

### **IV. Great Plains**

Great Plains reported 581 emergency gas calls in 2023. 85% of emergency calls received in 2023 were answered within 20 seconds representing a roughly one percentage point increase from 2022.<sup>88</sup> The Company’s average answer speed was five seconds in 2023.

#### **A. Department Comments**

The Department reported that January was the lowest performing month for average answer time at 14 seconds. The number of emergency calls has declined over the last ten years, but the answer time has overall improved. The Department concluded that Great Plains met the Commission’s gas emergency phone call reporting requirements for 2023.<sup>89</sup>

#### **B. Staff Analysis**

Staff supports the Department’s analysis and does not recommend additional action at this time.

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<sup>86</sup> Docket No. 24-34, Department Comments, pp.16-17.

<sup>87</sup> Xcel, CenterPoint, and Great Plains attempt to answer emergency calls within 20 seconds.

<sup>88</sup> Docket No. 24-32, Great Plains Service Quality Report, p.4.

<sup>89</sup> Docket No. 24-32, Department comments, pp.9-10.

**V. GMG**

In 2023, GMG reported receiving 311 gas emergency calls.<sup>90</sup>

**A. Department Comments**

Staff notes that the Department combined their analysis of GMG’s emergency response call center data and its emergency response time data. Most of this analysis was focused on GMG’s emergency response time, due to the limited information the Company provided regarding emergency response calls. For this reason, Staff will describe the Department’s analysis in the next section of this briefing paper on Gas Emergency Response Times.

**B. Staff Analysis**

The 311 emergency calls received by GMG in 2023 was approximately 18% greater than the ten-year average. Staff notes that GMG fulfilled the Commission’s emergency response call answer speed reporting requirements and does not recommend additional action at this time.<sup>91</sup>

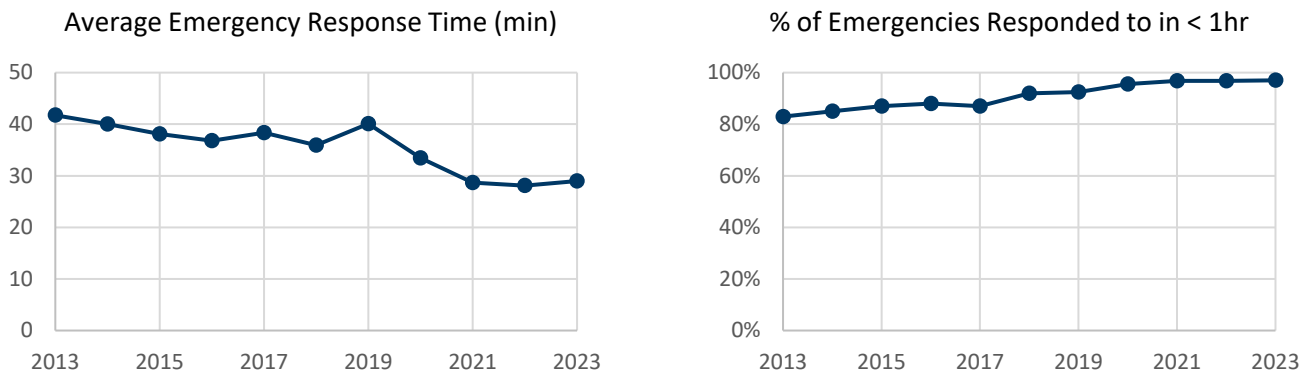
**GAS EMERGENCY RESPONSE TIMES**

The Gas Utilities are each required to report the percent of emergencies responded to within one hour and within more than one hour. Additionally, Xcel, CenterPoint, and MERC must report the average number of minutes it takes to respond to an emergency.

**I. Xcel Energy**

In figure 21 below, Staff provides a summary of Xcel’s gas emergency response performance.

**Figure 21: Summary of Xcel’s 2023 Gas Emergency Response Performance**



In 2023, Xcel reported an average emergency response time of 29.01 minutes. The Company

<sup>90</sup> Docket No. 24-35, GMG Service Quality Report, pp.6-7.

<sup>91</sup> Docket No. 24-35, Department Comments, p.12.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

responded to 97% of emergencies in less than one hour.<sup>92</sup>

**A. Department Comments**

The Department noted that Xcel has improved its average response time over the last ten years. The Department acknowledged that Xcel fulfilled its emergency response time reporting requirements.<sup>93</sup>

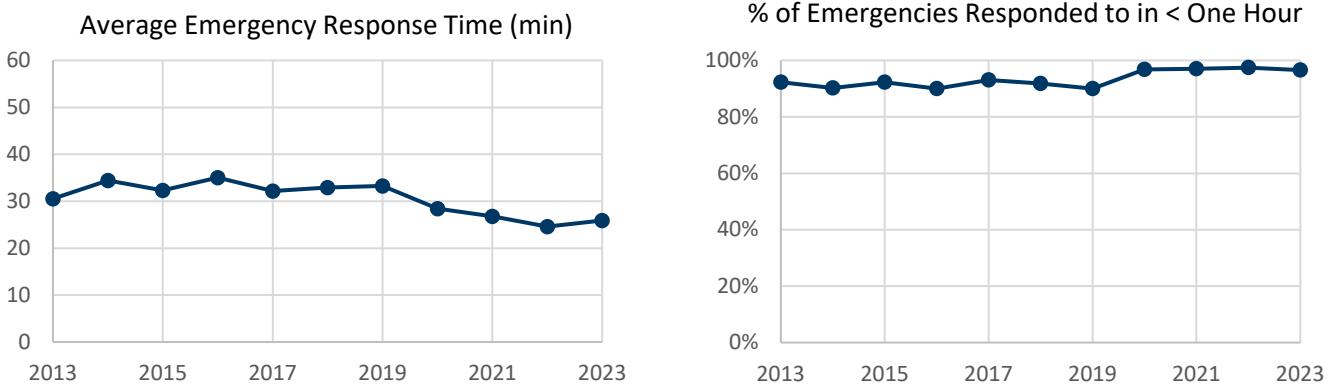
**B. Staff Analysis**

Staff agrees with the Department that Xcel has fulfilled its gas emergency response reporting requirement.

**II. CenterPoint**

In figure 22 below, Staff provides a summary of CenterPoint’s gas emergency response performance.

**Figure 22: Summary of CenterPoint’s 2023 Gas Emergency Response Performance**



CenterPoint reported all calls received from customers, contractors, passers-by, 911 dispatchers, or company personnel relating to gas odors, gas leaks, indications of high pressure, fires, explosions, and hit gas lines (either inside or outside). In 2023, CenterPoint received 41,668 emergency calls which required a response, compared to 37,332 in 2022.<sup>94</sup> The Company reported taking an average of 25.9 minutes to respond to emergencies in 2023 compared to 24.6 minutes in 2022.

**A. Department Comments**

The Department noted that despite an increase in the number of emergency calls received (8% above a ten-year average), the Company maintained the percentage of calls responded to in less than one hour. The Department explained that CenterPoint’s average response time of 26

<sup>92</sup> Docket No. 24-31, Xcel Service Quality Report, pp.9-10.

<sup>93</sup> Docket No. 24-31, Xcel Service Quality Report, p.12.

<sup>94</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.6.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

minutes was 15% below the ten-year average and 8% longer than the response time reported in 2022.<sup>95</sup> The Department concluded that CenterPoint has met its emergency response time reporting requirements for 2023.

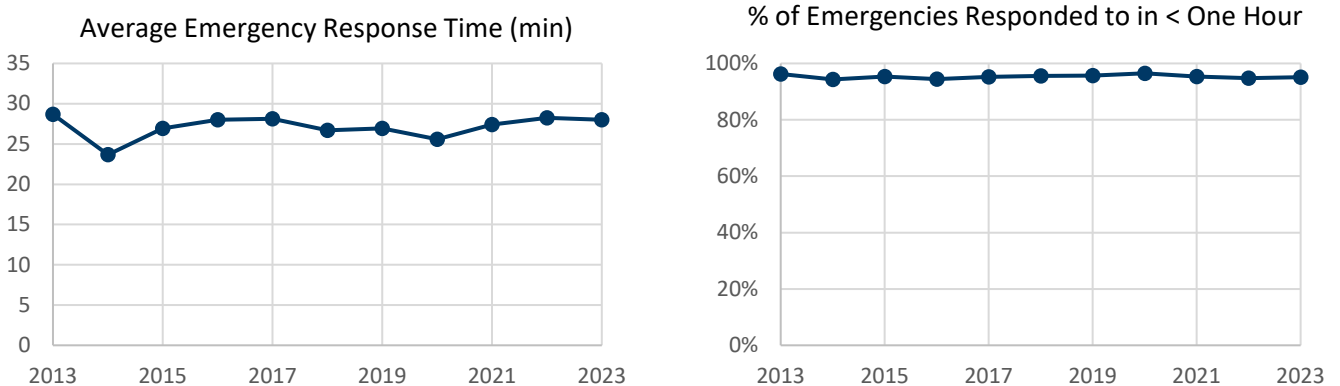
### B. Staff Analysis

Staff supports the Department's analysis and agrees that CenterPoint has met its gas emergency response time reporting requirements. Staff does not recommend additional action at this time.

## III. MERC

In figure 23 below, Staff provides a summary of MERC's gas emergency response performance.

**Figure 23: Summary of MERC's 2023 Gas Emergency Response Performance**



MERC stated that its reported emergency response times include all calls reporting a suspected gas leak, as well as all line hits. The Company's report showed that MERC responded to 5,704 emergency response calls in an average of 28 minutes.<sup>96</sup> Ninety-four percent of emergency calls were responded to in less than one hour.

### A. Department Comments

When comparing MERC's 2023 results with ten-year averages, the Department found that the number of emergency calls that required a response was down 8%, the percentage of calls responded to in less than one hour was down 1%, and the average response time was up 4%.<sup>97</sup> The Department concluded that MERC met the gas emergency response reporting requirements for 2023.

<sup>95</sup> Docket No. 24-33, Department Comments, p.22.

<sup>96</sup> Docket No. 24-34, MERC Service Quality Report, Attachment 7.

<sup>97</sup> Docket No. 24-34, Department Comments, pp.17-18.



Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

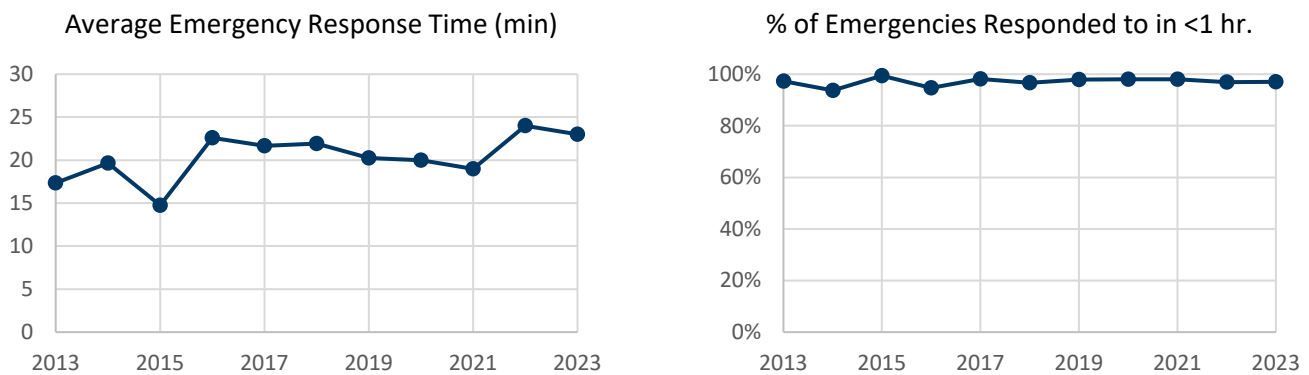
**B. Staff Analysis**

Staff supports the Department’s analysis and does not recommend additional action at this time.

**IV. Great Plains**

In figure 24 below, Staff provides a summary of Great Plains’ gas emergency response performance.

**Figure 24: Summary of Great Plains’ 2023 Gas Emergency Response Performance**



In 2023, Great Plains received 424 emergency calls and reported an average response time of 23 minutes. In 2022, 97% of Great Plains’ emergency calls were responded to in less than one hour.<sup>98</sup> The Company stated that there were 12 calls in 2023 in which the call response time exceeded one hour. Of the occasions in which response crews took more than one hour to respond to an emergency call, three was due to travel distance, and nine were after-hours calls.

**A. Department Comments**

The Department concluded that Great Plains fulfilled its gas emergency response reporting requirements for 2023.<sup>99</sup>

**B. Staff Analysis**

Staff supports the Department’s analysis and does not recommend additional action at this time.

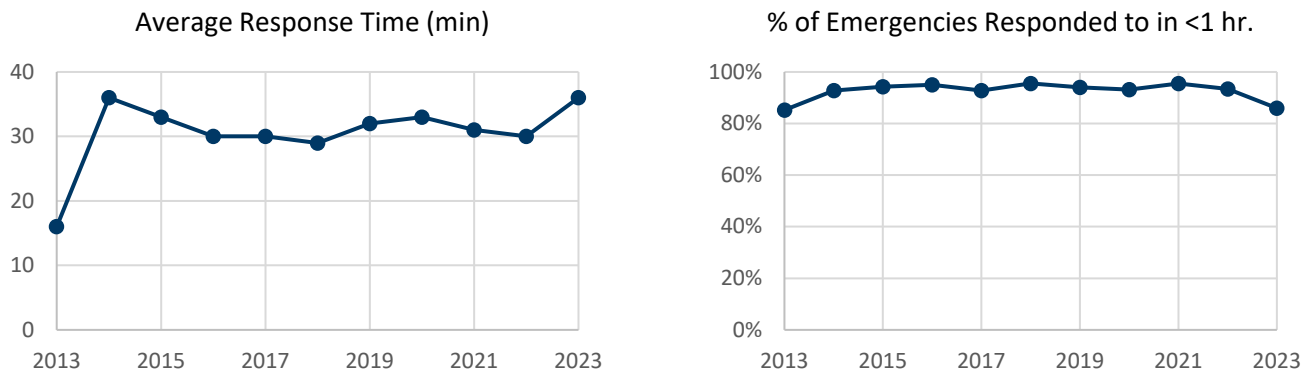
<sup>98</sup> Docket No. 24-32, Great Plains Service Quality Report, p.4.

<sup>99</sup> Docket No. 24-32, Department comments, pp.10-11.

## V. GMG

In figure 25 below, Staff provides a summary of GMG's gas emergency response performance.

**Figure 25: Summary of GMG's 2023 Gas Emergency Response Performance**



In 86% of 2023's gas emergencies, GMG had a technician on site within one hour of being dispatched. In 2023, GMG reported an average dispatch to arrival time of 36 minutes.<sup>100</sup>

Regarding the 44 site arrivals that exceeded 60 minutes, GMG explained that there are unanticipated delays outside its control, including road construction and the rural location of its service territories which are especially affected by poor winter driving conditions. Instead, GMG is improving its response times by:

- Analyzing staffing needs;
- Requiring technicians that live within certain areas of the service territory to handle nearby emergency calls;
- Using text message notification of emergency calls to technicians;
- Utilizing GPS and truck tracking technology;
- Improving in-house technology;
- Providing both regular and remedial emergency response training for customer service representatives and answering service employees;
- Conducting regular safety meetings; and
- Regularly reviewing emergency responses for best practices.

### A. Department Comments

The Department wrote that the 2023 gas emergency response time from GMG was a 20% increase from both the 2022 average and the ten-year historical average. The average 2023 response time tied with 2013's response time as the longest in a decade. GMG has multiple efforts underway to improve these response times. The Department concluded that GMG

<sup>100</sup> Docket No. 24-35, GMG Service Quality Report, p.6.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

fulfilled its gas emergency response reporting requirements.<sup>101</sup>

## **B. Staff Analysis**

Staff agrees with the Department that GMG's service territory, which includes a wide expanse of rural areas, may make some travel delays unavoidable. Staff supports the Department's analysis and notes that GMG fulfilled its emergency response reporting requirements.

## **EXCAVATION DAMAGES**

All Gas Utilities are required to report on excavation damages using the following metrics:

- The number of excavation tickets received;
- The number of excavation damages;
- The number of excavation damages per 1,000 excavation tickets; and
- The number of at fault damages.

The Commission's Gas Service Quality Reporting Requirements List defines an "at fault damage" as one where the root cause of the damage falls under the responsibility of the utility or its contractors including mislocates made by the company or its contract locating companies.

The NGWG found that utilizing the damage metrics reported to PHMSA in utilities' annual reports could provide a means to standardize reporting on gas line damages across utilities and provide a comparative measure. Of note, the Gas Utilities are required to provide their PHMSA annual reports when reporting on service quality. These PHMSA reports contain additional information on mislocates, including the number of times a utility mismarked or failed to mark a gas line in response to a locate request, should the Commission or the Department desire this additional information.

## **I. Xcel Energy**

In 2023, Xcel reported 198,447 excavation tickets and recorded 317 excavation damages for a total damage rate of 1.6 damages per 1,000 tickets. There were 63 cases of damage caused by Xcel for a damage rate of 0.32 per 1,000 tickets. There were 254 cases of damage outside of Xcel's control for a damage rate of 1.28 per 1,000 tickets.<sup>102</sup>

### **A. Department Comments:**

The Department noted that the number of mislocates reported by Xcel has not changed significantly in the last five years. The level of at-fault damages was 20% in 2023, which is consistent with the five-year average. The main cause (55%) of excavation damages were caused by insufficient excavation practices.

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<sup>101</sup> Docket No. 24-35, Department Comments, pp.12-13.

<sup>102</sup> Docket No. 24-31, Xcel Service Quality Report, p.10.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

The Department asked for Xcel to provide what efforts the Company is taking to improve locating practices for excavation tickets and reduce at-fault damages in its reply comments. Xcel replied that its improvement efforts are focused on vendor performance. All technicians are trained and qualified, and all excavation damages are investigated. If there are damages, the technician at-fault may not resume locating duties until they are re-trained and successfully re-qualified. The Company shares lessons learned with other technicians. Xcel reserves the right to remove technicians for recurring issues. Further, Xcel requires vendors to reimburse customers if a damage occurs.

The Department acknowledged Xcel's fulfillment of its excavation reporting requirements.<sup>103</sup>

### **B. Staff Analysis**

Staff agrees with the Department that Xcel fulfilled its excavation reporting requirements and does not recommend action at this time.

## **II. CenterPoint**

In 2023, CenterPoint reported receiving 339,668 excavation tickets and had recorded 896 excavation damages for a total damage rate of 2.64 excavation damages per 1,000 excavation tickets. CenterPoint explained that the Company-caused damage rate was 0.45 damages per 1,000 excavation tickets received, while the damage rate for incidents outside of the Company's control was 2.19 damages per 1,000 excavation tickets.<sup>104</sup>

### **A. Department Comments**

The Department noted that the data provided under excavation damages now differs from prior reporting on Gas System Damages and Mislocate rates, so data from prior years is not comparable. The Department concluded that CenterPoint had met the excavation damage reporting requirement for 2023.

### **B. Staff Analysis**

Upon reviewing CenterPoint's PHMSA annual report, Staff found that the Company had reported more excavation tickets but fewer excavation damages than what was reported to the Commission. Staff reached out to CenterPoint about this discrepancy and received the following response:

"The annual PHMSA report has 347,746 total excavation tickets, the service quality report has 339,668 total locate tickets reported. The difference in this number was removal of 8,078 tickets that excavators did not excavate; however, the company required locates,

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<sup>103</sup> Docket No. 24-31, Department Comments, pp.12-14.

<sup>104</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.7.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

mapping or other resources.”<sup>105</sup>

CenterPoint committed to reporting on all excavation tickets in future annual service quality reports. However, doing so would dilute their excavation damage rate per 1,000 excavation tickets.

Staff initially discovered this discrepancy while reviewing the Company’s PHMSA annual report for additional details on their excavation damages. Staff appreciates the Company’s offer to provide all excavation tickets in the future, but notes that it would be most beneficial if they also reported the number of excavation tickets that did not result in an excavation. With this information, Staff and the Department will be aware of the excavation tickets that had no chance of an excavation damage occurring due to the fact that no excavation took place.

Staff would recommend all Gas Utilities provide this information by adding the following requirement to the list of excavation damage reporting requirements:

**Decision Option 3:** Modify utilities’ excavation damage reporting requirements as follows:

*All Gas Utilities shall report on excavation damages using the following metrics:*

- a. *The number of excavation tickets received;*
- b. *The number of excavation tickets received in which no excavation took place;*
- c. *The number of excavation damages;*
- d. *The number of excavation damages per 1,000 excavation tickets; and*
- e. *The number of at fault damages.*

*An “at fault damage” shall be defined as a damage where the root cause of the damage falls under the responsibility of the utility or its contractors including mislocates made by the company or its contract locating companies.*

### III. MERC

MERC recorded 220 excavation damages in 2023 and an excavation damage rate of 2.09 damages per 1,000 excavation tickets. Of the 220 excavation damages reported, 13% were caused by the utility and 87% were caused by others.<sup>106</sup>

#### A. Department Comments

The Department noted that MERC reported 5,000 fewer excavation tickets in 2023 than the five-year average and that the number of excavation damages was also below the five-year average. The percent of damages caused by the company (13%) was found to be not far from the 14.31% five-year average.<sup>107</sup> The Department concluded that MERC fulfilled its excavation damage reporting requirement for 2023.

<sup>105</sup> Docket No. 24-33, CenterPoint Answer to PUC Information Request #2.

<sup>106</sup> Docket No. 24-34, MERC Service Quality Report, Attachment 8.

<sup>107</sup> Docket No. 24-34, Department Comments, p.18.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**B. Staff Analysis**

Last year, Staff stated an intent to monitor MERC's mislocate rate. Since then, the Commission has done away with system damage reporting and mislocate reporting in favor of the new excavation damages reporting category. The percent of at-fault excavation damage fell dramatically from 26.75% in 2022 to 13.18% in 2023. Staff views this as a positive result after having flagged an unusually high mislocate rate in 2022. Staff supports the Department's analysis and does not recommend taking any additional action at this time.

**IV. Great Plains**

Great Plains recorded 40 excavation damages in 2023. The excavation damage rate was 4.91 damages per 1,000 excavation tickets. Of the 40 excavation damages reported, 22.5% were caused by the utility and 77.5% were caused by others.<sup>108</sup>

**A. Department Comments**

The Department noted that the three most common root causes of excavation damage from 2020-2023 were: 1) Failed to maintain clearance; 2) Failed to determine precise location; and 3) Incorrect records or maps. The Department concluded that Great Plains fulfilled the Commission's excavation damages reporting requirements for 2023.<sup>109</sup>

**B. Staff Analysis**

Since 2019, Great Plains has seen a steady number of locate tickets, but an increasing number of excavation damages. Staff will continue to monitor the number of total damages. Staff agrees with the Department that Great Plains met its excavation damage reporting requirements and does not recommend additional action at this time.

**V. GMG**

GMG reported 18 excavation damage incidents in 2023. Since it received 9,316 excavation tickets in 2023, the damage rate was 1.9 damages per 1,000 locate tickets. GMG said that this is consistent with the state average. Two of the incidents were the fault of GMG's locating contractor using improper locating practices.<sup>110</sup>

**A. Department Comments**

The Department stated that the number of excavation damages in 2023 were lower than the five-year average. However, the damage rate per 1,000 tickets increased as compared to the five-year average and increased significantly between 2022 and 2023 (75%). The Department

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<sup>108</sup> Docket No. 24-32, Great Plains Service Quality Report, pp.4-5.

<sup>109</sup> Docket No. 24-32, Department comments, pp.12-13.

<sup>110</sup> Docket No. 24-35, GMG Service Quality Report, p.7.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

concludes that GMG met the excavation damages reporting requirement for 2023.<sup>111</sup>

## **B. Staff Analysis**

In 2023, GMG had a large increase in the number of damages per locate requests as compared to the previous year. Staff will continue monitoring this metric in the 2024 reports. Staff notes that GMG fulfilled its mislocate reporting requirements and does not recommend additional action at this time.

## **SERVICE INTERRUPTIONS**

All Gas Utilities except GMG must report:

- The number of service interruptions categorized by whether it was:
  - Caused by the utility's employees or contractors, or
  - Due to any unplanned cause.

Additionally, MERC must report:

- The number of customers whose service was interrupted.
- The average duration of interruptions.

GMG shall report:

- The number of unplanned service interruptions for outages due to:
  - Low system pressure
  - Third party damage
  - Other causes
- The number of customers affected by each outage.
- The number of outages caused by GMG's employees or contractors:
  - The Commission's 09-409 Order requires each utility to report the number of service interruptions recorded during the previous year, with each service interruption categorized according to whether it was caused by the utility's employees or contractors, or whether the service interruption was due to any unplanned cause.

Staff notes that in 2012 the Commission required<sup>112</sup> MERC to provide additional information about service interruptions, including the number of customers whose service was interrupted and the average duration of interruptions. Although this requirement did not extend to other utilities at that time, Xcel, CenterPoint, and Great Plains also provide this information. To ensure this reporting continues, and to improve clarity going forward, Staff would recommend modifying these reporting requirements so that all Gas Utilities except GMG must also report the number of customers whose service was interrupted, and the average duration of interruptions. **[Decision Option 4]**

<sup>111</sup> Docket No. 24-35, Department comments, pp.13-14.

<sup>112</sup> March 6, 2012, Order in Docket Nos. G002/M-11-360, G-001/M-11-361, G-004/M-11-363, G007,011/M-10-374, G-008/M-10-378, and G-022/M-11-356.

## I. Xcel Energy

In table 1 below, Staff provides a summary of Xcel's gas service interruption data.

**Table 1: Summary of Xcel 2023 Service Interruptions**

Year	Customers Affected	Incidents Caused by Xcel		Incidents Caused by Others	
		# of Incidents	Average Outage Time (min)	# of Incidents	Average Outage Time (min)
2011	2,130	31	339	249	230
2012	473	25	150	254	106
2013	621	26	103	238	120
2014	1,023	18	149	248	142
2015	715	32	115	263	117
2016	606	25	94	252	110
2017	401	19	58	161	99
2018	904	32	28	408	13
2019	4,181	23	92	148	132
2020	3,741	18	131	128	96
2021	489	22	125	59	122
2022	1,307	13	288	5	84
2023	453	2	390	4	255

Xcel stated that the number of outages can vary depending on the season, as outages are more likely to occur in the warmer months when there tends to be more construction activity.

Additionally, the Company noted that there can be a large range of variability in the number of homes impacted by one incident. According to Xcel, the drivers of this variability include public safety<sup>113</sup>, the type of incident, the size of the incident, and system operating pressure.<sup>114</sup>

### A. Department Comments

The Department said that the following metrics decreased: 1) the number of homes affected by interruptions (1,307 in 2022 and 453 in 2023); 2) the total number of incidents caused by Xcel (13 in 2022 and 2 in 2023). However, the duration of outages increased (4 hours, 48 minutes in 2022 to 6 hours and 30 minutes in 2023). The Department acknowledged Xcel's fulfillment of the Commission's service interruption reporting requirements.<sup>115</sup>

<sup>113</sup> Xcel stated that public safety is a key factor during emergency situations and decisions to interrupt the gas supply. The Company noted that it will always error on the side of safety when making decisions to interrupt gas in-lieu-of using an alternate method to maintain system pressure.

<sup>114</sup> Docket No. 24-31, Xcel Service Quality Report, p.11.

<sup>115</sup> Docket No. 24-31, Department Comments, pp.14-15.



**B. Staff Analysis**

Xcel continues to report a relatively consistent number of outages caused by its employees and contractors. However, in 2023, Xcel reported the fewest incidents caused by other sources since 2011. Despite this, the total number of homes affected, and the average outage time continue to vary greatly from year to year, seemingly independent of the number of incidents recorded each year.

Staff agrees with the Department that Xcel fulfilled its natural gas service interruption reporting requirements and does not recommend action at this time.

**II. CenterPoint**

In table 2 below, Staff provides a summary of CenterPoint's gas service interruption data.

**Table 2: Summary of CenterPoint 2023 Service Interruptions<sup>116</sup>**

Year	Customers Affected	Incidents Caused by CenterPoint		Incidents Caused by Others	
		# of Incidents	Average Outage Time (min)	# of Incidents	Average Outage Time (min)
2011	5,317	174	51	459	66
2012	1,554	119	29	570	66
2013	1,073	224	60	317	63
2014	1,181	100	50	538	76
2015	1,745	135	60	618	44
2016	1,430	115	84	646	66
2017	1,406	124	32	486	57
2018	1,545	144	43	468	56
2019	4,356	157	206	461	150
2020	1,895	114	187	541	131
2021	2,417	149	136	520	160
2022	1,437	108	144	453	173
2023	2,337	93	147	532	157

CenterPoint noted in its report that the total number of customers impacted by outages in 2023 increased from 2022. Staff notes that the Company did not provide a narrative to accompany its data.

**A. Department Comments**

The Department stated that in 2023, CenterPoint experienced a total of 625 gas service

<sup>116</sup> This table summarizes total damage-caused outages reported by CenterPoint.

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interruptions which affected 2,778 customers. The Department reported that the number of service interruptions in 2023 was only 1% higher than a three-year average, but the number of customers impacted in 2023 was 38% higher than the three-year average. The average interruption duration was 7% lower than a three-year average.<sup>117</sup> The Department concluded that CenterPoint fulfilled its service interruption reporting requirements.

### **B. Staff Analysis**

Staff agrees with the Department's analysis and does not recommend additional action at this time.

## **III. MERC**

In table 3 below, Staff provides a summary of MERC's gas service interruption data.

**Table 3: Summary of MERC 2022 Service Interruptions**

Year	Customers Affected	Incidents Caused by MERC		Incidents Caused by Others	
		# of Incidents	Average Outage Time (min)	# of Incidents	Average Outage Time (min)
2016	225	35	1869	162	156
2017	441	26	139	150	357
2018	1080	26	135	159	164
2019	577	41	114	172	212
2020	517	40	86	212	126
2021	749	40	128	174	106
2022	800	51	161	165	118
2023	465	9	237	174	147

MERC reported that the number of service interruptions decreased from 216 in 2022 to 183 in 2023. The Company highlighted the decrease in Company-caused outages compared to prior years.<sup>118</sup>

### **A. Department Comments**

The Department noted that the largest service interruption in 2023 impacted 94 ratepayers. However, many of MERC's 2023 service interruptions only affected one or fewer customers.<sup>119</sup>

The Department concluded that MERC had fulfilled its service interruption reporting requirements for 2023.

<sup>117</sup> Docket No. 24-33, Department Comments, p.24.

<sup>118</sup> Docket No. 24-34, MERC Service Quality Report, p.10.

<sup>119</sup> Docket No. 24-34, Department Comments, p.19.

**B. Staff Analysis**

Prior to 2023, the number of outages reported by MERC had increased due to more frequent construction activity and locate staffing issues. However, in prior service quality reports MERC had reported engaging with a second locating company to address locate staffing issues going forward. Based on the reduction of service interruptions in 2023, it would appear that these efforts have been beneficial. Staff notes that MERC has fulfilled the Commission's service interruption reporting requirements.

**IV. Great Plains**

In table 4 below, Staff provides a summary of Great Plains' gas service interruption data.<sup>120</sup>

**Table 4: Summary of Great Plains 2023 Service Interruptions**

Year	Customers Affected	Incidents Caused by Great Plains		Incidents Caused by Others	
		# of Incidents	Average Outage Time (min)	# of Incidents	Average Outage Time (min)
2011	113	22	55	3	166
2012	115	13	244	35	214
2013	221	7	250	22	326
2014	123	3	280	26	336
2015	250	9	276	25	649
2016	213	6	137	32	254
2017	146	10	90	24	188
2018	252	14	85	14	140
2019	355	6	210	12	175
2020	216	3	130	9	157
2021	236	8	188	20	156
2022	127	10	144	25	146
2023	163	9	170	30	136

**A. Department Comments**

The Department noted that Great Plains' 2023 service interruption figures are in line with the Company's historic performance. The Department concluded that Great Plains fulfilled its service interruption reporting requirements for 2023.<sup>121</sup>

<sup>120</sup> Docket No. 24-32, Great Plains Service Quality Report, p.5.

<sup>121</sup> Docket No. 24-32, Department comments, pp.13-14.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action.

**V. GMG**

During 2023, there were 18 unplanned service interruptions. All of them were the result of third-party contractors, but none of them were from low system pressure. 17 of those interruptions only affected one customer each; the remaining interruption affected four customers. Two of the damages were the fault of the locating contractor using improper practices.<sup>122</sup>

**A. Department Comments**

The Department said that 2023's damage events were 24% higher than the ten-year average and 64% higher than 2022. The Department concluded that GMG met the service interruption reporting requirement in 2023.<sup>123</sup>

**B. Staff Analysis**

Staff notes that GMG fulfilled its service interruption reporting requirements for 2023. Staff does not recommend additional action at this time.

## **MAJOR INCIDENT REPORTING**

All Gas Utilities must report summaries of major events that are immediately reportable to MNOPS according to the criteria used by MNOPS to identify reportable events. Each summary shall include:

- The location.
- When the incident occurred.
- How many customers were affected.
- How the company was made aware of the incident.
- The root cause of the incident.
- The actions taken to fix the problem.
- What actions were taken to contact customers.
- Any public relations or media issues.
- Whether the customer or the company relighted.
- The longest any customer was without gas service during the incident.

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<sup>122</sup> Docket No. 24-35, GMG Service Quality Report, p.7.

<sup>123</sup> Docket No. 24-35, Department Comments, pp.14-16.

## I. Xcel Energy

Xcel reported seven major incidents in 2023 compared to 18 in 2022. In six of the incidents, the area was secured, and the main or service were repaired. In the other incident, a valve was accidentally turned off by city maintenance works and gas was reintroduced. Violation letters are triggered by a MNOPS inspection, damage that occurred in the field, or a complaint from an excavator. Upon receipt of a MNOPS violation letter, Xcel has a set amount of time to provide a response outlining the remediation plan or other steps taken. Over the last five years, the Company reported an average of 20.8 incidents and 16.8 violation letters.

Xcel's customer advocate group receives an internal email notification of major reportable incidents from its Operations team and emails the completed forms to CAO and the Department within a reasonably prompt time. Once the incident has been resolved, its Operations team notifies their consumer advocate group who emails a summary to CAO and the Department to close the incident communication.<sup>124</sup>

### A. Department Comments

The Department acknowledged Xcel's fulfillment of its major incident reporting requirements.<sup>125</sup>

### B. Staff Analysis

2023's major incidents were reduced from 2022. Staff agrees with the Department that Xcel fulfilled its incident reporting requirement and does not recommend action at this time.

## II. CenterPoint

In 2023, CenterPoint reported 40 MNOPS reportable outages compared to 37 MNOPS reportable outages in 2022.<sup>126</sup> The Company noted that in some cases it may send a courtesy notification to MNOPS of outage events that do not meet the MNOPS criteria for mandatory reporting and that such events may be included in the 40 outages reported by CenterPoint.

### A. Department Comments

The Department stated that CenterPoint's 2023 MNOPS reportable outages shows continued long-term improvement despite experiencing a slight increase over 2022. The Department explained that the majority of 2023's reportable interruptions were caused by damaged gas mains (55%) with fires (30%) representing the second most frequent cause.<sup>127</sup>

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<sup>124</sup> Docket No. 24-31, Xcel Service Quality Report, pp.11-12.

<sup>125</sup> Docket No. 24-31, Department Comments, p. 15.

<sup>126</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.8.

<sup>127</sup> Docket No. 24-33, Department Comments, p.25.

**B. Staff Analysis**

Staff notes that CenterPoint fulfilled its incident reporting requirement and does not recommend action at this time.

**III. MERC**

MERC provided information on 21 MNOPS reportable outages in 2023. Staff notes that MERC did not provide a narrative to accompany this information.

**A. Department Comments**

The Department stated that the 21 reportable outages in 2023 remained comparable to MERC's prior reports. MERC was cited for 8 emergency response violations in 2023 but had received no citations in 2022.<sup>128</sup> The Department concluded that MERC had met its major incident reporting requirements for 2023.

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

**IV. Great Plains**

Great Plains stated three service interruption was reported to MNOPS in 2023.<sup>129</sup>

**A. Department Comments**

The Department noted that Great Plains' five-year average is one reportable incident and 0.6 violation letter per year. Two of the three reportable incidents in 2023 resulted in service interruptions. The Department concludes that the Company met the required major incident and MNOPS emergency response violations reporting requirements for 2023.<sup>130</sup>

**B. Staff Analysis**

Staff notes that Great Plains fulfilled the Commission's 2023 major incident reporting requirements.

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<sup>128</sup> Docket No. 24-34, Department Comments, pp. 20-21.

<sup>129</sup> Docket No. 24-32, Great Plains Service Quality Report, pp.7-8.

<sup>130</sup> Docket No. 24-32, Department comments, pp.14-15.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

## V. GMG

GMG reported that the Company did have any major reportable events in 2023.<sup>131</sup>

### A. Department Comment

The Department noted that the Company has an average of 0.4 major reportable events per year from 2014 to 2023. The Department said that GMG met its major incident reporting requirement for 2023.<sup>132</sup>

### B. Staff Analysis

Staff notes that GMG had no major reportable events from 2020 through 2023. GMG has fulfilled the Commission's major incident reporting requirements.

## INTEGRITY MANAGEMENT PLAN REPORTING

In its January 7, 2020 Order<sup>133</sup>, the Commission required CenterPoint to annually file DIMP/TIMP data addressing 29 metrics developed in affiliated interest Docket No. G-008/AI-18-517.<sup>134</sup> Because it was established in a separate docket, the NGWG did not take a position on CenterPoint's reporting requirements under this category. However, modifications were made to the other four gas utilities' reporting requirements.

Xcel, MERC, Great Plains, and GMG must report the following information from their Annual PHMSA Distribution Reports:

- Miles of Distribution Main
- Number of Main Leaks
- Number of Main Leaks by Cause
- Number of Hazardous Main Leaks by Cause
- Main Leaks per 1,000 Miles of Main
- Number of Services
- Number of Service Leaks
- Number of Service Leaks by Cause
- Number of Hazardous Service Leaks by Cause
- Service Leaks per 1,000 Services.

<sup>131</sup> Docket No. 24-35, GMG Service Quality Report, pp.7-8.

<sup>132</sup> Docket No. 24-35, Department comments, p.16.

<sup>133</sup> Docket Nos. G-022/M-19-304, G-002/M-19-305, G-008/M-19-300, G-011/M-19-303, and G-004/M-19-280

<sup>134</sup> CenterPoint, along with the OAG and the Department, reached agreement in a separate affiliated interest agreement docket on reporting metrics for evaluating the cost-effectiveness of safety and reliability infrastructure investments. See *In the Matter of CenterPoint Energy Resources Corp., d/b/a CenterPoint Energy Minnesota Gas (the Company), for Approval of an Affiliated Interest Agreement between CenterPoint Energy and Minnesota Gas and Minnesota Limited*, Docket No. G-008/AI-18-517, Commission Order (January 14, 2019).

## I. Xcel Energy

In 2023, Xcel had 9,777 miles of distribution main in its system. Xcel reported a total of 211 main leaks, or 21.6 main leaks per 1,000 miles of main. 46% of those were hazardous. Xcel had 1,645 total service leaks or 3.6 service leaks per 1,000 services. 35% of them were hazardous. The leading causes were equipment failure and excavation damage.<sup>135</sup>

### A. Department Comments

The Department noted that the leaks per 1,000 miles and per 1,000 services increased in 2023 as compared to the five-year average, but the percent of hazardous leaks was down in 2023. The Department also noted that the percentage of unaccounted for gas increased in 2023 (2.72%) from 2022 (1.99%). The Department concludes that the Company provided the required Integrity Management Plan Reporting.<sup>136</sup>

### B. Staff Analysis

Staff notes that Xcel fulfilled the Commission's integrity management plan reporting requirements and does not recommend additional action at this time.

## II. CenterPoint

CenterPoint reported integrity management plan data addressing the 29 metrics developed in its affiliated interest docket in Schedules 18a through 18m of its report.

CenterPoint also requested the Commission modify its reporting requirement to align with what is required of the other gas utilities. CenterPoint explained that it provided its final compliance report in Docket No. G-008/AI-18-517 on January 24, 2024, and the Company no longer has MN Limited as an affiliated interest. **[Decision Option 5]**<sup>137</sup>

### A. Department Comments

#### Response to CenterPoint's Request

In response to CenterPoint's request, the Department explained that CenterPoint desires to be held to the same integrity management program-related reporting requirements as the other gas utilities, which is significantly less detailed than what is currently required of the Company. Of note, the Department stated that the Office of the Attorney General Residential Utilities Division ("OAG") is not participating in this proceeding despite actively participating in the development of CenterPoint's integrity management plan reporting requirements. The Department stated that it would contact OAG and appraise them of the situation.

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<sup>135</sup> Docket No. 24-31, Xcel Service Quality Report, pp.12-13.

<sup>136</sup> Docket No. 24-31, Department comments, p.15-16.

<sup>137</sup> Docket No. 24-33, CenterPoint Service Quality Report, pp.8-9



Ultimately, the Department agreed that CenterPoint should be allowed replace its current leak-related reporting requirements with what is required of the rest of the gas utilities, but objected to removing the remaining risk- and budget- related reporting requirements [**Decision Option 6**]. The Department explained that the risk-related information provided by CenterPoint is not common and such information could provide the Commission and other interested parties with useful metrics to determine whether an investment in CenterPoint's distribution system is resulting in a lower overall system risk. Regarding the budget-related reporting requirements, the Department stated that this information provides the Department and other parties with a snapshot into how different integrity management programs are performing. Further, the Department highlighted that in the Company's current rate case, it only provided forward-looking budget information.<sup>138</sup>

#### Analysis of Integrity Management Plan Data

The Department stated that in 2023, the number of leaks reported by CenterPoint for mains and services were 34% and 8% lower than the reported three-year averages, respectively. The Department noted that the majority of main and service leaks in 2023 occurred on lines made of plastic-PE, which is consistent with the reported three-year averages. Excavation damages were the primary cause of both main and service leaks in 2023.

Regarding above ground leaks, CenterPoint reported 28% more leaks than the Company's three-year average. CenterPoint's above ground leaks were caused primarily by equipment failures.

The Department stated that the Company has improved its leak detection equipment which has allowed to identify smaller leaks more cost effectively.

The Department noted that in 2023:

- The per-unit costs of transmission pipe integrity, inside meters, and vintage plastic pipe projects increased compared to the reported three-year average;
- The per-unit project costs for bare steel main and copper service line projects decreased compared to the reported three-year average;
- The Transmission pipe replacement project did not have any associated cost; and
- Remote control valve and cast-iron main projects continued to have no costs incurred.

The Department requested an explanation for why remote-control valve and cast-iron main projects have had costs of \$0 since 2020 and why the transmission pipe replacement project total was \$0 in 2023. CenterPoint explained that it no longer considers remote control valves as a separate integrity management plan project, the Company's cast-iron mains were replaced as a part of a distribution integrity management program that concluded in 2017, and that the transmission pipeline replacement program concluded in 2022.<sup>139</sup>

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<sup>138</sup> Docket No. 24-33, Department Comments, pp.2-4.

<sup>139</sup> Docket No. 24-33, Department Comments, p.29.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

In analyzing CenterPoint's budget variance by project, the Department stated that the variance for 2023 was 17% over budget. According to the Department, the primary drivers behind CenterPoint's 2023 budget variance were the Transmission Pipeline Replacement project and the Inside Meters project.

When comparing the cost of leak repairs in 2023 to the three-year average, the Department found that the number and cost of main leak repairs declined by 17% and 18%, respectively; the number and cost of service leak repairs declined by 1% and 13%, respectively; and the number and cost of meter leak repairs increased by 30% and 21%, respectively. The Department highlighted the increase in the number of meter leak repairs, the decline in the number of service leak repairs, and the decrease in the average cost per repair for all projects except main repair projects as interesting trends that would be monitored in the future.

CenterPoint also provided information regarding risk levels corresponding to different causes of repairs. When analyzing CenterPoint's 2020 service quality report, the Department requested the Company provide context for this data in its reply comments. CenterPoint responded by stating:

For Schedules 18(f) through 18(j), CenterPoint Energy uses a System Threat Risk Model outlined in its DIMP. This model is based on the estimation of the risk associated with each individual leak repair record and summing the risk to account for the risk in the entire system by performing a facility-threat risk analysis. Using the consequence factors identified in the plan (leak class, volume, migration, etc.) and assuming the probability to be one for each leak repair, the risk is determined on each record for the various attributes/conditions. A lower risk factor equates to a safer system. This is a relative risk model so the results from each year can be compared to each other, however, these factors cannot be compared across utilities as this risk model was developed in house and not used across the industry. Additionally, if this calculation was adopted by other utilities it does take into account population of assets and therefore larger utilities would be seen as inherently riskier.<sup>140</sup>

Staff notes that the Department provided five tables<sup>141</sup> outlining CenterPoint's calculated relative risk for various facility types and materials. Staff has provided a summary of differences between the 2023 reported risk values and the three-year averages below, noting that a negative percent difference equates to a safer system in 2023 compared to the past three years:

Relative Risk for Above Ground Facilities:

- Corrosion: 847%
- Equipment: 201%
- Excavation: -170%

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<sup>140</sup> Docket No. 21-303, CenterPoint Reply Comments, pp.1-2.

<sup>141</sup> Docket No. 24-33, Department Comments, Tables 11-11D.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

- Incorrect Operation: -4%
- Natural Forces: -23%
- Other: -200%
- Other Outside Force Damage: -73%
- Pipe, Weld or Joint Failure: -5%
- **Total: 62%**

Relative Risk for Mains:

- Corrosion: -64%
- Incorrect Operation: -12%
- Natural Forces: -17%
- Other: -45%
- Pipe, Weld, or Joint Failure: -77%
- Other Outside Force Damage: -93%
- **Total: -31%**

Relative Risk for Services:

- Corrosion: -1.35%
- Equipment: 23.97%
- Excavation: 4.65%
- Incorrect Operation: -40.87%
- Natural Forces: 37.82%
- Other: -96.04%
- Other Outside Force Damage: -64.56%
- Pipe, Weld or Joint Failure: -4.38%
- **Total: 0.78%**

Relative Risk for Mains by Material:

- Bare Steel: -50.46%
- Coated Steel: -38.46%
- Not Assigned/Unknown: -36.40%
- Plastic – PE: -22.11%
- Plastic – PE Aldyl A: -25.32%
- **Total: -30.58%**

Relative Risk for Services by Material:

- Bare Steel: 28%
- Coated Steel: 13%
- Copper: 10%
- Not Assigned/Unknown: 73%
- Plastic – PE: -1%
- Plastic – PE Aldyl A: -12%
- PVC: -100%

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

- **Total: 1%**

The Department was concerned about the large change between 2023 and the three-year average for above ground facility leaks and asked CenterPoint for additional information about this change. In response, CenterPoint explained that several factors contributed to the increased risk score in 2023, including a 28% increase in above ground leaks and the use of a graded leak score that weights some leaks higher than others. Specifically, CenterPoint reported a 50% increase to the number of Grade 1 above ground facility leaks (the highest weighted leak) compared to the three-year average. CenterPoint also stated that they experienced an increased number of leaks within a business district, and that such leaks are given a higher weight when calculating the risk score. Of note, CenterPoint uses advanced leak detection which has an increased sensitivity causing the Company to find and repair more leaks than with traditional leak detection methods. The Department concluded that the increased risk for above ground facility leaks in 2023 could be due to the advanced leak detection technology.

The Department concluded that CenterPoint complied with the Commission's Integrity Management Plan and TIMP/DIMP reporting requirements.

#### **B. Staff Analysis**

Staff agrees that the TIMP and DIMP information provided by CenterPoint fulfills the Commission's TIMP/DIMP reporting requirements.

### **III. MERC**

In 2023, MERC reported 86 main leaks, 1267 service leaks. Excavation damages caused a majority (40%) of main leaks in 2023, while equipment failure caused a majority (48%) of service leaks.

Regarding hazardous leaks, MERC reported 5 hazardous main leaks and 24 hazardous service leaks in 2023. Each of the five hazardous main leaks had different causes, while excavation damages were the primary cause (33%) of hazardous service leaks.

#### **A. Department Comments**

The Department plans to develop a historical analysis to allow it to provide trend analysis of leak data as more PHMSA data is reported in future service quality reports. The Department concluded that MERC fulfilled its integrity management plan reporting requirements.

#### **B. Staff Analysis**

Staff notes that MERC has been providing PHMSA data for several years now, and believes that it would be unnecessary to wait multiple years to provide a historical analysis. The number of

main leaks reported by MERC in 2023 is in line with Staff's calculated three-year average of 84. Excavation damages has been the primary cause of main leaks since at least 2020. However, the percentage of main leaks caused by excavation damages has decreased from 51% in 2020 to 40% in 2023.

The number of hazardous main leaks have decreased from 17 in 2020 to 5 in 2023. The primary cause of hazardous main leaks has consistently been excavation damages. However, in 2023 no cause created more than one hazardous leak.

The number of service leaks reported by MERC in 2023 is in line with Staff's calculated three-year average of 1286. Equipment failure has been the primary cause of service leaks since 2020. The percentage of service leaks caused by equipment failure has ranged between 52% and 43% since 2020 but with no notable trend.

The number of hazardous service leaks reported by MERC has ranged between 24 and 13 between 2020 and 2024 with no notable upward or downward trend. The primary cause of hazardous service leaks has consistently been excavation damages. However, the percent of hazardous service leaks caused by excavation damages has decreased from 67% in 2020 to 33% in 2023.

#### **IV. Great Plains**

In 2023, Great Plains had 477.09 miles of distribution mains. There were 136 total leaks. There were 22 total main leaks and 120 total service leaks. Of those 136 total leaks, 52 were hazardous – 14 main leaks (87.5%) and 38 service leaks (31.67%). The leading cause of main leaks was excavation (81%); the leading cause of service leaks was equipment failure (41%).<sup>142</sup>

##### **A. Department Comments**

The Department stated Great Plains reported fewer main and service leaks than the five-year average in 2023. The leaks per 1,000 of main and 1,000 of service was down in 2023 compared to the five-year average. The Department noted that Great Plains reported an increased number of distribution main miles and services. The Department concluded that the Company provided the required integrity management plan reporting.<sup>143</sup>

##### **B. Staff Analysis**

Staff notes that Great Plains fulfilled the Commission's integrity management plan reporting requirements.

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<sup>142</sup> Docket No. 24-32, Great Plains Service Quality Report, p.11.

<sup>143</sup> Docket No. 24-32, Department comments, p.16.

## V. GMG

In 2023, GMG reported one main leak and 89 service leaks. The one main leak was hazardous, and 29 of the 89 service leaks were considered hazardous. The main leak was caused by an excavation damage. 72% of the total service leaks were caused by equipment failure; 19% of the total service leaks were caused by excavation damages. For the 29 hazardous service leaks, 59% were due to excavation damage, and 24% were due to equipment failure. The remaining causes were natural force, corrosion, and other outside force damage.

Of the leaks reported, 78 were above ground leaks, all of which were on service lines. The Company noted that all but one above ground leak was caused by equipment failure. GMG provided more context for the equipment failures:

With regard to the identified equipment failures, GMG respectfully notes that they were generally due to leaking or venting regulators or meters, many of which were regulators. Since regulators are continually exposed to the elements, their soft (rubber/plastic) components can degrade slightly over time. When those devices develop leaks as a result, it is more cost effective to replace them rather than repair them. When a component is replaced, it becomes reportable on the PHMSA report; hence, leading to a large number of equipment failure leaks reported.<sup>144</sup>

### A. Department Comments

The Department noted that the one main leak in 2023 was lower than the three main leaks reported in 2022, but the number of service leaks in 2023 was significantly higher than the five-year average (40.6). Additionally, the number of hazardous service leaks was well-above the five-year average (17.8). The leading leak causes (equipment and excavation damage) were consistent with past years' causes. The Department said that GMG provided the integrity management plan reporting.<sup>145</sup>

### B. Staff Analysis

Staff notes that GMG fulfilled its integrity management plan reporting requirements and does not recommend additional action at this time.

## EXCESS FLOW VALVES AND MANUAL SHUTOFF VALVE INSTALLATION

The Commission developed two reporting requirements related to EFVs and manual service line shutoff valves. First, in its Order Dated November 14, 2019,<sup>146</sup> the Commission required utilities obligated to report EFV metrics (which includes all Gas Utilities aside from GMG), to provide recommendations for uniform reporting of annual and overall EFV and manual shutoff valve

<sup>144</sup> Docket No. 24-35, GMG Service Quality Report, p.8.

<sup>145</sup> Docket No. 24-35, Department Comments, pp.16-18.

<sup>146</sup> Docket Nos. G-022/M-19-304, G-002/M-19-305, G-008/M-19-300, G-011/M-19-303, and G-004/M-19-280.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

installation on their distribution system, and to report these metrics in future gas service quality reports.

Second, in a February 23, 2021 Order in Docket No. G999/CI-18-41, the Commission authorized utilities to submit remaining reports required by a July 31, 2019 Commission Order in the same docket in their annual service quality reports starting in 2021. These reports detail utility progress toward holding face-to-face meetings with the decision makers of specified customers<sup>147</sup> regarding the installation of EFVs and manual service line shut off valves in eligible buildings within the utility's service territory. These reports were required through the 2025 reporting period.<sup>148</sup>

The NGWG found that many gas utilities had finished their required outreach and were re-reporting information from previous years due to the fact that this reporting requirement was given a termination date of 2025 instead of when the utilities had completed the required activities. Because of this, the NGWG recommended, and the Commission approved, allowing the Gas Utilities (except for GMG which had already stated on the record that its outreach had been completed) to confirm with the Commission that they have completed their EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019 Order in Docket No. 18-41. Upon receiving confirmation from the Commission, utilities that have completed their EFV and manual shut-off valve outreach may cease annual reporting on EFVs, manual shut-off valves and related outreach in their annual service quality reports, including the reporting of EFV and manual shut-off valve data pursuant to the Commission's November 14, 2019 Order in Docket Nos. G-004/M-19-280, G-004/M-19-300, G-011/M-19-303, and G-002/M-19-305.

Staff notes that utilities are required to continue appending their annual PHMSA reports to their service quality reports, which contain information on the number of EFVs and manual shut-off valves installed on their system.

## I. Xcel Energy

Xcel noted that in the Company's March 30, 2020, compliance filing, they fully complied with Order Paragraphs 7a-7c of the Commission's February 23, 2021 Order. The Commission accepted the company's compliance with these ordering points in its February 23, 2021, Order in Docket No. G999/CI-18-41.

Xcel requested that the Commission find that it has completed its EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019, Order in Docket No. G-999/CI-18-41 and approve Xcel's request to cease reporting on EFVs, manual shut-off valves and related outreach [**Decision Option 7**]. The Department is in support.

In 2023, Xcel reported that 14.96% of suitable customers had an EFV, and 0.83% of suitable

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<sup>147</sup> The specified customers include K-12 public districts with school buildings in the utility's service territory; K-12 non-public schools with school buildings in the utility's service territory; public and private universities and colleges; hospitals; and multi-unit residential and nursing facilities.

<sup>148</sup> See Order Point 4 of the Commission's July 31, 2019 Order in Docket No. G-999/CI-81-41

customers had a manual shut-off valve.

Xcel noted that it does not have any ongoing outreach efforts but stated that it continues to install EFVs or manual shut-off valves as new, eligible service lines are installed, existing service lines are repaired or replaced, or a customer requests installation.<sup>149</sup>

#### **A. Department Comments**

The Department stated that the percentage of suitable customers with EFVs has increased from 40.73% in 2022 to 41.96% in 2023. The percentage of suitable customers with manual shut-off valves increase from 0.62% in 2022 to 0.83% in 2023. The Department concluded that Xcel fulfilled its EFV and manual shut-off valve reporting requirements.<sup>150</sup>

#### **B. Staff Analysis**

Staff agrees with the Department that Xcel fulfilled its EFV and Manual shut-off valve reporting requirements and completed its required outreach.

## **II. CenterPoint**

CenterPoint described its outreach efforts to customers regarding EFVs in accordance with the Commission's February 23, 2021 Order, noting that most customers the Company was required to reach out to have an assigned key account manager (KAM) but daycares are not assigned KAMs. CenterPoint estimated that it could meet with customers that have a KAM over the course of four years, but for daycares, CenterPoint planned to hire a third-party contractor to meet with those customer and complete meetings over the course of two years.

The Company confirmed that it has completed its EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019, Order in Docket No. G-999/CI-18-41 and thus requested it be allowed to cease annual reporting on EFVs, manual shut off valves, and related outreach. [**Decision Option 8**]<sup>151</sup>

In 2023, CenterPoint reported that 45% of suitable customers had an EFV, and 11% of suitable customers had a manual shut-off valve. One customer was reported to have requested the installation of an EFV in 2023, and no customers were reported to have requested the installation of a manual shut-off valve.

#### **A. Department Comments**

Having reviewed the information in Docket No. G-999/CI-18-41 and heard from CenterPoint in response to two information requests, Department supported CenterPoint's request to cease

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<sup>149</sup> Docket No. 24-31, Xcel Service Quality Report, p.13.

<sup>150</sup> Docket No. 24-31, Department Comments, pp.17-19.

<sup>151</sup> Docket No. 24-33, CenterPoint Service Quality Report, pp.9-11.



annual reporting on EFVs.

### **B. Staff Analysis**

The percentage of suitable customers with manual shut-off valves increased from 5% in 2022 to 11% in 2023 despite no notable increase to the number of manual shut off valves installed. When asked about this, CenterPoint explained that there was a reclassification of meters between the two reporting years that reduced the number of meters suitable for manual shut-off valves.

Staff agrees with the Department that CenterPoint has met its EFV and manual shut-off valve reporting requirements for 2023 and has completed its required outreach.

## **III. MERC**

MERC reported that 31.9% of suitable customers have an EFV installed, and that 7.7% of suitable customers have a manual shut-off valve installed. According to MERC, no customers requested the installation of an EFV or a manual shut-off valve in 2023, which Staff notes is consistent with 2022.<sup>152</sup>

Regarding its EFV customer outreach, MERC provided a summary of its work so far. MERC previously reported completing its required outreach to public and non-public schools as well as hospitals, and ultimately identified 26 customers that had interest in having an EFV installed. Of those customers identified by the Company, 20 indicated receiving additional information, 5 were found to be ineligible based on a detailed review of their service line, and 1 will have an EFV installed in the near future as a result of planned maintenance on the gas distribution system.

MERC reported struggling to identify and reach remaining customers, including multi-family residential and nursing facilities, but is in the process of completing service line mapping that will aid them in confirming which service lines may be eligible for an EFV.<sup>153</sup>

### **A. Department Comments**

The Department concluded that MERC fulfilled its EFV and manual shut-off valve installation and outreach reporting requirements for 2023.

### **B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

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<sup>152</sup> Docket No. 24-34, MERC Service Quality Report, p.13.

<sup>153</sup> Id., pp.13-14.

#### IV. Great Plains

Great Plains reported that they had identified a total of 328 customers in the categories listed by the Commission's August 20, 2018, Order Paragraph 7a. Great Plains stated that it continues to post information regarding EFVs on their website and provides customers with additional information about EFVs through a bill insert. The bill insert will again be included in customers' bills in June 2024.

Great Plains stated that it will continue to review ongoing projects and how those projects match up with interest by identified customers. The Company explained that it will also continue to provide customers with information regarding its planning and replacement projects so that customers are aware of the cost saving options available to them.

According to Great Plains, the incremental cost related to face-to-face meetings with the identified categories have been minimal. At this time, Great Plains does not anticipate significant costs for the communication plan in the future.

Great Plains reported that 38% of EFV-eligible customers have an EFV installed, and 74% of customers eligible for manual shut-off valves have one installed.<sup>154</sup>

##### A. Department Comments

The Department noted that in 2023 Great Plains saw an increase in EFVs – from 7,093 installed in 2022 to 8,195 installed in 2023. The percentage of suitable EFV customers also increased from 37% in 2022 to 38.3% in 2023. The Department concluded that Great Plains met its excess flow valve reporting requirements for 2023.<sup>155</sup>

The Department recommended that the Commission find that Great Plains has completed its EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019, Order in Docket No. G-999/CI-18-41 and allow the Company cease reporting on EFVs, manual shut-off valves and related outreach [**Decision Option 9**].<sup>156</sup> Great Plains is in agreement with this recommendation.<sup>157</sup>

##### B. Staff Analysis

Staff agrees with the Department that Great Plains has fulfilled its EFV and manual shut-off valve reporting requirements and completed its required outreach.

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<sup>154</sup> Docket No. 24-32, Great Plains Service Quality Report, pp.6-7.

<sup>155</sup> Docket No. 24-32, Department comments, pp.16-19.

<sup>156</sup> Docket No. 24-32, Department comments, p.19.

<sup>157</sup> Docket No. 24-32, Great Plains reply comments, p.1.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

## V. GMG

GMG did not include an excess flow valve status update in its report.

### A. Department Comments

The Department stated that GMG has already satisfied this reporting requirement, so the Company didn't provide this information.<sup>158</sup>

## MNOPS VIOLATIONS

All Gas Utilities must provide a summary of any violations cited by MNOPS along with a description of the violation and remediation in each circumstance, and a count of violations by citation code.

### I. Xcel Energy

Xcel noted that it did not receive any emergency response violations cited by MNOPS in 2023. The Company received 11 violation letters in 2023 compared to 5 violation letters in 2022. Xcel stated that violation letters are typically triggered by a MNOPS inspection, damage that occurred in the field, or a complaint from an excavator. Upon receipt of a MNOPS violation letter, the Company is given a set amount of time (determined by MNOPS) to provide a response outlining the remediation plan or other steps taken to remediate the violation.<sup>159</sup>

#### A. Department Comments

Staff notes that the Department summarized Xcel's filing and provided no further comment on Xcel's MNOPS violation reporting requirements.<sup>160</sup>

#### B. Staff Analysis

Staff notes that Xcel fulfilled its MNOPS violation reporting requirements and does not recommend additional action at this time.

### II. CenterPoint

CenterPoint reported receiving 19 MNOPS violations or requests for information in 2023 compared to 26 received in 2022.<sup>161</sup>

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<sup>158</sup> Docket No. 24-35, Department Comments, p.19.

<sup>159</sup> Docket No. 24-31, Xcel Service Quality Report, pp.13-15.

<sup>160</sup> Docket No. 24-31, Department Comments, p.15.

<sup>161</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.11.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**A. Department Comments**

Staff notes that the Department discussed CenterPoint's violation letters in its review of the Company's major incident reports. During this discussion, the Department concluded that CenterPoint met its 2023 major incident reporting requirement, which Staff understands includes the requirement to report on MNOPS emergency response violations.

**B. Staff Analysis**

Staff concludes that CenterPoint has met the its violation reporting requirements. Staff does not recommend additional action at this time.

**III. MERC**

MERC reported that the Company received 8 MNOPS violations in 2023.<sup>162</sup>

**A. Department Comments**

The Department highlighted that MERC had previously received 18 MNOPS violation letters in 2022 and concluded that MERC had fulfilled its MNOPS related reporting requirements for 2023.<sup>163</sup>

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action at this time.

**IV. Great Plains**

In 2023, Great Plains received one violation letter due to failure to accurately locate a gas line for the event on November 9, 2023, in Marshall. MNOPS found that Great Plains did not follow its tariffs or Minn. Statute by not marking within two feet of the utility. The locator lost the signal and instead used maps and measurement to mark an approximate location of the main. Additional investigation of the impacted line was planned for spring 2024.<sup>164</sup>

**A. Department Comments**

The Department concluded that Great Plains met its MNOPS reporting requirements.<sup>165</sup>

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<sup>162</sup> Docket No. 24-34, MERC Service Quality Report, p.15.

<sup>163</sup> Docket No. 24-34, Department Comments, p.23.

<sup>164</sup> Docket No. 24-32, Great Plains Service Quality Report, pp.7-8.

<sup>165</sup> Docket No. 24-32, Department Comments, p.15.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

**B. Staff Analysis**

Great Plains fulfilled its MNOPS violation reporting requirements for 2023. Staff does not recommend additional action at this time.

**V. GMG**

GMG reported that it was not cited by MNOPS for any emergency response violations in 2023 and did not receive any violation letters.<sup>166</sup>

**A. Department Comments**

Staff notes that the Department did not provide any commentary on GMG's emergency response violations or the number of violation letters GMG, because there were none in 2023.<sup>167</sup>

**B. Staff Analysis**

GMG fulfilled its MNOPS violation reporting requirements. Staff does not recommend additional action.

## **XCEL-SPECIFIC REPORTING REQUIREMENTS**

**I. Meter Equipment Malfunctions**

Xcel is required by a November 30, 2010, Order in Docket No. G002/CI/08-871 to report meter equipment malfunction investigation and remediation information for its gas and electric operations. During its review of service quality reporting requirements, the NGWG did not take positions on additional utility-specific reporting requirements such as this. Instead, the workgroup concluded it would be more appropriate for individual utilities to petition the Commission for modifications to additional individual reporting requirements. Because of this, additional utility-specific reporting requirements such as this were retained in the Commission's List of Gas Service Quality Reporting Requirements.

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<sup>166</sup> Docket No. 24-35, GMG Service Quality Report, p.9.

<sup>167</sup> Docket No. 24-35, GMG Service Quality Report, p.19.

**Table 6: 2023 Xcel Meter Equipment Malfunction Data**

Year	# of Orders for Gas Meter Equipment Malfunctions	Average Days to Resolve	# of Exclusions for Meter Access Issues
2012	2,891	2.97	365
2013	3,286	3.07	608
2014	3,376	3.43	613
2015	2,956	2.94	533
2016	3,966	3.36	399
2017	3,638	3.67	466
2018	3,670	4.05	515
2019	3,626	5.03	619
2020	3,755	4.9	831
2021	3,900	5.44	286
2022	4,679	8.44	321
2023	4,433	7.89	523

Xcel explained that the Company performed within the field response parameters prescribed in its tariff. A remediate-upon-referral work order stems from the initial visit of a contract employee to remedy a situation, and where that contract employee finds that the situation requires a higher level of occupational qualification to complete the necessary work.

In January 2024, Xcel discovered a billing issue related to equipment replacements. A customer called about a gas odor. The technician found that there was misaligned equipment – the drive factor of the meter was one foot, but the installed index was double. Therefore, the metered gas consumption was double. Xcel found customers with similar issues in other areas. All impacted customers received credit holds. The Company credited 50% of the 643 impacted customers' bills for a total of \$336,294. Xcel added training for field staff to look out for this issue. The impacted customers were sent communication. Xcel reviewed its findings, credit and communication plan, and customer letter with CAO. CAO received two complaints from customers about this issue.<sup>168</sup>

#### **A. Department Comments**

The Department noted that in 2023, the number of gas orders were up from the five-year average but still below the average response targets in Xcel's tariffs.

The Department acknowledged Xcel's fulfillment of its meter equipment malfunction reporting requirements.<sup>169</sup>

<sup>168</sup> Docket No. 24-31, Xcel Service Quality Report, April 23, 2024.

<sup>169</sup> Docket No. 24-31, Department comments, p.19.

**B. Staff Analysis**

Staff agrees with the Department's assessment that Xcel has completed the meter equipment malfunction reporting requirements.

**CENTERPOINT-SPECIFIC REPORTING REQUIREMENTS****I. Steel Service Line and Meter Relocation Expenses**

In its March 15, 2010, Order in Docket No. G008/M-09-1190, the Commission required CenterPoint to submit information on the costs associated with steel service line relocation and the relocation of meters operating at 630 cubic feet per hour (CFH) or greater.

As noted above, NGWG did not take positions on additional utility-specific reporting requirements such as this. Instead, the workgroup maintained any additional utility-specific reporting requirements and concluded it would be more appropriate for individual utilities to petition the Commission for modifications to such requirements.

**Table 7: Steel Service Line Relocation Expenses**

Year	# of Jobs	High Cost	Low Cost	Average Cost
2019	28	\$ 30,312	\$ 1,069	\$ 4,714
2020	29	\$ 45,953	\$ 319	\$ 9,348
2021	25	\$ 44,731	\$ 1,004	\$ 10,366
2022	27	\$ 90,267	\$ 1,229	\$ 9,320
2023	9	\$6,162	\$1,218	\$3,627

**Table 8: Meters at 630 CFH or Greater Relocation Expenses**

Year	# of Jobs	High Cost	Low Cost	Average Cost
2019	22	\$ 40,090	\$ 596	\$ 6,983
2020	40	\$ 13,443	\$ 302	\$ 3,172
2021	25	\$ 28,880	\$ 1,205	\$ 9,246
2022	23	\$ 23,188	\$ 236	\$ 4,962
2023	19	\$ 25,128	\$ 1,452	\$ 8,282

The Company stated that for both steel service line relocations and the relocation of meters at 630 CFH or greater, the variability in costs is largely due to the unique circumstances of each job.<sup>170</sup>

CenterPoint noted that the Commission's request for information on Steel Service Lines and Meters at 630 Cubic Feet Per Hour or Greater came in 2009. The Company explained that Steel Service line and 630 CFH meter is no longer identified separately in the Company's tariff, and so

<sup>170</sup> CenterPoint Service Quality Report, p.12

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the Company is requesting to removing this on-going reporting requirement from future service quality reports. **[Decision Option 10]**

**A. Department Comments**

Consistent with comments made last year, the Department noted that CenterPoint's steel service line relocation expenses are highly variable. As an example, the Department noted that the average cost associated with steel service line relocation in 2022 was \$9,920 while in 2023 the average cost was \$3,627. However, the Department made note of the Company's explanation for this variability, and again ultimately concluded that CenterPoint had met the Commission's steel service line relocation expense reporting requirements.<sup>171</sup>

The Department supported the decision to remove these reporting requirements from future service quality reports.<sup>172</sup> The Department explained this information was originally recommended by the Department in the G-008/M-09-1190 docket because these types of projects were infrequently done and varied greatly in cost making it difficult to develop a tariff charge for these project types. However, through its IRs with CenterPoint, the Department confirmed that these project types are no longer identified separately in the Company's tariff, and no intervenor had reviewed or analyzed this information over the past ten years.

**B. Staff Analysis**

Staff supports the Department's analysis and does not recommend additional action.

**II. Additional Call Center Detail**

The Commission's June 8, 2005, Order in Docket No. G008/GR-04-901 requires CenterPoint to provide call center related information and complaints from other state agencies and the Better Business Bureau.

CenterPoint reported that call center volume increased from 1.76 million in 2022 to 1.83 million in 2022.<sup>173</sup> The Company noted that call center volumes for 2022 and 2023 continue to increase to pre-pandemic levels, with the resumption of pre-pandemic business practices.

CenterPoint received 473 complaints from other state agencies and the Better Business Bureau in 2023.

**A. Department Comments**

The Department assumed the COVID-19 pandemic and associated disconnection moratorium was at least partially responsible for the increase in billing calls and payment arrangements to

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<sup>171</sup> Docket No. 24-33, Department Comments, p.36.

<sup>172</sup> Id., p.2.

<sup>173</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.12.



Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

the Company. Staff notes that the Department did not comment on the complaints CenterPoint received from other state agencies and the Better Business Bureau.

## **B. Staff Analysis**

Staff notes that CenterPoint fulfilled its 2023 call center reporting requirements.

## **III. Paperless Billing**

In a December 5, 2022, Order in Docket No. G-008/M-22-237, the Commission approved CenterPoint's paperless Billing Customer Initiative and required the Company to file reports on its initiative through the Company's service quality reports. A final report was required to be filed 30 days after the implementation of phase 2 of the initiative. These reports were required to include:

- Complaints received.
- Number of opt outs.
- Number of customers who state they were enrolled without their knowledge.
- Other customer objections or comments regarding the initiative.
- The percent of auto-enrolled customers that fell in arrears within 90 days of enrollment and how that compares to the arrearage percentage for all customers.
- The amount of money the paperless billing initiative has saved.

CenterPoint stated that Phase 2 of the Company's auto-enrollment into paperless billing has been completed.<sup>174</sup>

### **Complaints Received**

Through a review of the de-enrollment survey for the program, CenterPoint identified a total of 317 complaints regarding the auto-enrollment in paperless customer billing. Of those complaints, 105 were associated with comments that included the following terms: "without consent," "without awareness," "without permission," "forced," "without knowledge," and "no choice." The remaining 212 complaints were associated with more generic comments such as "I did not enroll in paperless."

### **Number of Opt Outs**

CenterPoint noted that 89,727 customers were auto enrolled in paperless billing, and of those, 11,008 chose to de-enroll.

### **Number of Customers who stated they were enrolled without their knowledge**

As noted above, 105 complaints included language indicating that they were enrolled without their knowledge.

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<sup>174</sup> Id., pp.12-13

**Other Customer Objections**

As noted above, 212 complaints provided additional objections to the program while completing the de-enrollment survey for paperless billing.

**% of Auto-Enrolled Customers that Fall in Arrears Within 90 days of Enrollment**

CenterPoint reported that the average delinquent percentage in 2023 for the company as a whole and for customers auto-enrolled in paperless billing was 10%.

**The Amount of Money Saved by Paperless Billing**

CenterPoint reported that the 78,719 customers enrolled in paperless billing saved \$36,211 per month.

**A. Department Comments**

The Department stated that there was not much information to draw conclusions from. According to the Department, program participants did not seem to have a higher-than-average percentage of customers with arrears after 90 days. Further, the percent of program participants that complained (0.353%) was lower than the Department's estimate for percent of non-program participants who complained (0.487%). Finally, the Department highlighted that the cost savings per program participant was small.<sup>175</sup>

The Department concluded that CenterPoint had fulfilled its paperless billing reporting requirements.

**B. Staff Analysis**

Staff supports the Department's analysis and agrees that CenterPoint has fulfilled its paperless billing reporting requirement. However, after reviewing the record Staff questions the benefit of requiring CenterPoint to continue to report this information. CenterPoint's auto-enrollment in paperless billing was a two-phase process. Phase 1 involved enrolling 77,000 Minnesota customers that are enrolled in "My Account" and use the online auto draft feature to pay their utility bills. Phase 2 involved auto-enrolling all remaining customers enrolled in My Account. Both phases have been completed.

With both phases of this initiative now complete, Staff does not anticipate a significant amount of new information to be reported in future years. The information provided covers both phases of the program, and, as noted by the Department, the results showed that the program's impact was minimal. However, the Commission's order discusses both ongoing reporting in the Company's annual service quality reports and a "final report" with the conclusion of phase 2 of the project.

To avoid a situation where the Company believes it is obligated to continuously re-report the results of this project each year, the Commission may consider an Order paragraph that clarifies

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<sup>175</sup> Docket No. 24-33, Department Comments, pp.37-38.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

that the Company successfully provided its final report on its auto-enrollment in paperless billing program with the conclusion of phase 2, and that no further reports are necessary in future gas service quality reports. Staff confirmed with CAO, who assisted with Docket 22-237, that no further annual reporting is necessary.

#### IV. Employees and FTEs

Order Point 6 of the Commission's March 1<sup>st</sup>, 2021, Order in Docket No. G-008/GR-19-524 requires CenterPoint to provide a five-year historical look at the number of Company employees and designated FTEs performing direct customer service, maintenance, and installations in Minnesota along with their location by region in Minnesota. The Company was also ordered to provide a narrative explaining any historical trends and plans for these employees.

CenterPoint provided the required information in Schedule 19 of its service quality report and noted that the total number of direct personnel performing customer service decreased since 2022, and the number of full-time equivalent employees performing maintenance and installations decreased.<sup>176</sup>

**Table 9: CenterPoint FTEs Performing Customer Service, Maintenance, and Installations**

Year	FTEs Performing Direct Customer Service	FTEs Performing Maintenance and Installations
2017	89	662
2018	96	623
2019	92	631
2020	66	653
2021	71	669
2022	78	655
2023	73	653

##### A. Department Comments

The Department highlighted that the total FTEs involved in direct customer service has declined over time with 16 of the 19 departures since 2019 occurring in Minnesota.<sup>177</sup> The Department requested additional information about this decline, to which CenterPoint replied explaining that the reporting methodology changed with a transfer of work that occurred following a leadership change on the Workforce team in 2023 and that the full-time equivalent positions based in Minnesota using the current reporting methodology is 64 (instead of 59 as originally reported).<sup>178</sup>

<sup>176</sup> Docket No. 24-33, CenterPoint Service Quality Report, p.14.

<sup>177</sup> Docket No. 24-33, Department Comments, pp.38-40.

<sup>178</sup> Docket No. 24-33, CenterPoint Reply Comments, pp.1-2.

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

The Department recommended that the Commission find that CenterPoint has fulfilled its reporting requirement for 2023.

**B. Staff Analysis**

Staff notes that this is the third time CenterPoint has provided information on FTEs performing customer service, maintenance, and installations in response to the Commission's March 1, 2021, Order. Order Point 6 of the Commission's March 1, 2021, Order reads:

*In its next Service Quality Report*, CenterPoint Energy shall provide a five-year historical look at the number of Company employees and the designated full-time equivalents performing direct customer service, maintenance, and installations in Minnesota along with their location by region in Minnesota. CenterPoint Energy shall provide a narrative explaining any historical trends and plans for these Minnesota employees in light of recent Parent Company plans and recommendations. (Staff added emphasis)

Staff will repeat its analysis from prior years, noting that the Commission's March 1, 2021, Order does not require CenterPoint to provide information on FTEs performing customer service, maintenance, and installations on an ongoing basis. Therefore, should the Commission be satisfied with CenterPoint's response here and in its supplemental filing in Docket No. G-008/M-22-213, Staff would recommend clarifying that the Company no longer needs to provide this information in future service quality reports. Staff notes that CenterPoint fulfilled the reporting requirements outlined in Order Point 6 of the Commission's March 1<sup>st</sup>, 2021, Order.

## DECISION OPTIONS

### All Gas Utilities

1. Accept the Gas Utilities' 2023 gas service quality reports. [DOC]
2. Require Gas Utilities to replace malfunctioning meters within ten calendar days of learning of their inaccuracies as described in Minn. Rules, part 7826.1000. [Staff, CAO]
3. Modify utilities' excavation damage reporting requirements as follows:  
*All Gas Utilities shall report on excavation damages using the following metrics:*
  - a. *The number of excavation tickets received;*
  - b. *The number of excavation tickets received in which no excavation took place;*
  - c. *The number of excavation damages;*
  - d. *The number of excavation damages per 1,000 excavation tickets; and*
  - e. *The number of at fault damages.*

*An "at fault damage" shall be defined as a damage where the root cause of the damage falls under the responsibility of the utility or its contractors including mislocates made by the company or its contract locating companies.*

[Staff]

4. Require all Gas Utilities except GMG to report the number of customers whose service was interrupted, and the average duration of interruptions, as a part of their Service Interruption reporting requirements. [Staff]

### CenterPoint Integrity Management Plan Reporting

5. Approve CenterPoint's request to cease its current integrity management plan reporting, required by the Commission's January 14, 2019, Order in Docket No. G-008/CI-18-517, and require CenterPoint to instead provide the leak-related reporting requirements identified by the NGWG in the 22-548 docket. [CenterPoint]

### OR

6. Require CenterPoint to replace its current leak-related integrity management plan reporting requirements, required by the Commission's January 14, 2019, Order in Docket No. G-008/CI-18-517, with the leak-related reporting requirements identified by the NGWG in the 22-548 docket. CenterPoint shall continue providing all other currently reported integrity management plan information in future gas service quality reports. [DOC]

### EFV and Manual Shut-off Valve Reporting

Staff Briefing Papers for Docket Nos. G002/M-24-31, G-008/M-24-33, G-011/M-24-34, G-004/M-24-32, and G-022/M-24-35

7. Find that Xcel has completed its EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019, Order in Docket No. G-999/CI-18-41 and approve Xcel's request to cease reporting on EFVs, manual shut-off valves and related outreach. [Xcel and DOC]
8. Find that CenterPoint has completed its EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019, Order in Docket No. G-999/CI-18-41 and approve CenterPoint's request to cease reporting on EFVs, manual shut-off valves and related outreach. [CenterPoint and DOC]
9. Find that Great Plains has completed its EFV and manual shut-off valve outreach pursuant to the Commission's July 31, 2019, Order in Docket No. G-999/CI-18-41 and approve Great Plains' request to cease reporting on EFVs, manual shut-off valves and related outreach. [Great Plains and DOC]

**Additional CenterPoint-Specific Reporting Requirements**

10. Approve CenterPoint's request to cease reporting on Steel Service Linie and Meters at 630 Cubic Feet Per Hour or Greater. [CenterPoint and DOC]