



202 South Main Street | Post Office Box 68  
Le Sueur, Minnesota 56058  
Main: 888.931.3411  
Fax: 507.665.2588  
www.greatermngas.com

November 21, 2017

**VIA ELECTRONIC FILING**

Mr. Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
Saint Paul, MN 55101-2147

Re: **Reply to Response Comments**  
**Annual Gas Service Quality Reports for 2015 and 2016**  
**Docket Nos. G022/M-16-383 and G022/M-17-336**

Dear Mr. Wolf:

Attached hereto, please find a copy of Greater Minnesota Gas, Inc.'s combined Reply to Response Comments for filing in the above-referenced dockets.

All individuals identified on the attached service lists have been electronically served with the same.

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

Sincerely,

GREATER MINNESOTA GAS, INC.

/s/

Kristine A. Anderson

Enclosure

cc: Service List

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**CERTIFICATE OF SERVICE**

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

**Greater Minnesota Gas, Inc.'s Reply Comments  
Docket Nos. G022/M-16-383 and G022/M-17-336**

filed this 21<sup>st</sup> day of November, 2017.

/s/ Kristine A. Anderson  
Kristine A. Anderson, Esq.  
Corporate Attorney  
Greater Minnesota Gas, Inc.

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc.	202 S. Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_16-383_16-383
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	No	OFF_SL_16-383_16-383
Ian	Dobson	Residential.Utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	OFF_SL_16-383_16-383
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_16-383_16-383
Nicolle	Kupser	nkupser@greatermngas.com	Greater Minnesota Gas, Inc.	202 South Main Street P.O. Box 68 Le Sueur, MN 56058	Electronic Service	No	OFF_SL_16-383_16-383
Greg	Palmer	gpalmer@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68 202 South Main Street Le Sueur, MN 56058	Electronic Service	No	OFF_SL_16-383_16-383
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_16-383_16-383
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	OFF_SL_16-383_16-383

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Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_17-336_M-17-336
Brian	Gardow	bgardow@greatermngas.com	Greater Minnesota Gas, Inc.	PO Box 68  Le Sueur, MN 56058	Electronic Service	No	OFF_SL_17-336_M-17-336
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Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_17-336_M-17-336

**STATE OF MINNESOTA**

**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

Nancy Lange  
Dan Lipschultz  
Matt Schuerger  
Katie Sieben  
John Tuma

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

MPUC Docket Nos. G022/M-16-383  
and G022/M-17-336

In the Matter of Greater Minnesota  
Gas, Inc.'s Annual Gas Service  
Quality Report for the  
Calendar Years of 2015 and 2016

**REPLY TO  
RESPONSE COMMENTS**

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**OVERVIEW**

Greater Minnesota Gas, Inc. (“GMG”) respectfully requests that its Annual Gas Service Quality Reports for the Calendar Years of 2015 and 2016 be approved. GMG filed its reports on May 2, 2016 and May 1, 2017, respectively. The Minnesota Department of Commerce, Division of Energy Resources (“Department”) filed its Comments in Response to GMG’s Reports on June 22, 2017. GMG filed its Reply Comments on July 5, 2017. The Department filed Response Comments on November 14, 2017. This submission constitutes GMG’s Reply to the Department’s Response Comments.

**ISSUE SUMMARY**

In its Response Comments, the Department acknowledged that GMG’s Reply Comments were responsive and sufficient. Nonetheless, in the interest of developing the record further and exploring two isolated situations, the Department requested additional information. GMG appreciates the opportunity to respond to the Department’s Response Comments and discusses them herein. GMG’s Reply to Response Comments addresses the following two areas:

- Two credits issued to customers in 2015
- One situation with an extended emergency response time

**DISCUSSION IN REPLY**

GMG appreciates the Department’s discussion in its Response Comments. GMG provides the following additional information which demonstrates that GMG provides exceptional customer service, even when anomalous situations occur.

**1. GMG Will Not Seek Cost Recovery For, and Ratepayers Will Not Be Asked to Absorb, Two Customer Credits Totaling \$785.98.**

GMG's Reply Comments addressed the issuance of two credits extended to customers in 2015 about which the Department raised questions in its Comments. The two credits totaled \$785.98. While the Department's Response Comments confirm that GMG did not provide preferential treatment to the two customers in question, because the credits provided to the customers in good faith for customer satisfaction purposes were the direct result of quotation errors made by GMG employees, the Department stated that GMG did not address the issue of cost recovery and suggested that GMG "be required to provide a detailed discussion of cost recovery for these credits in its next initial general rate case filing."

Although GMG appreciates the opportunity to wait until its next rate case filing to provide the detailed discussion that the Department requested, GMG believes that it is more prudent to dispense with the issue in this forum, particularly given the de minimis amount of the credits when considered overall. As GMG explained in its Reply Comments, "the total amount of the credits was negligible and will not impact any future rate case."

Nonetheless, since, as GMG previously noted, the occasional need to extend customer credits is a normal cost of doing business and one that might occur again, GMG will discuss the issue. GMG always tries to do the right thing by its customers, and to stand by its employees, and it will continue to do so. GMG does not unfairly apply its tariff; but, once in a great while, a customer credit of some kind is appropriate based on the totality of the circumstances. Since it appears that there is virtually no flexibility that will be afforded the Company in exercising its business judgment despite its historic record of fairness and exceptional service, GMG will essentially expense the cost of the credits in this instance. With regard to the two credits issued in 2015 that are at issue, GMG will decrease the book value of the assets that were installed for customers giving rise to the credits by the amount of each credit, respectively. Hence, there will not be a resultant request for recovery in any future rate case. GMG respectfully notes that, while it does so for the two credits at issue here, GMG's determination should not be considered to be precedent-setting. Further, GMG respectfully maintains that a nominal amount of discretion is necessary and appropriate such that it will allow the Company to make business decisions that do not run afoul of its tariff and that do not result in unfair treatment of its ratepayers.

**2. GMG's 94-Minute Emergency Response Was Reasonable Under the Circumstances; and GMG Consistently Provides Excellent Emergency Response.**

The Department withheld a recommendation on whether to approve two years' worth of GMG's service quality report information based on its request for additional information regarding one emergency response incident in which the GMG technician responded within 94 minutes of a call regarding gas odor. In addition to the information that GMG detailed in its initial Annual Service Quality Report for 2016 and in its Reply Comments, GMG provides the following information.

By way of background, GMG received a call reporting the smell of gas after hours. At the time that the call was received, the on-call technician was responding to another emergency. Multiple calls were received on the same date, ultimately as the result of over-odorization, and the call in question was in the same general geographic area. GMG had multiple technicians responding to multiple calls that day. The situation presented an unforeseen circumstance that is not representative of GMG's emergency response times, as history demonstrates.

The Department requested additional information about both that emergency response and information of a broader nature regarding GMG's emergency response. GMG believes its response to the incident was the most appropriate way to ensure customer safety in the fastest possible manner given the circumstances existing at the time.

GMG and Centerpoint have facilities in close proximity in the Mankato area, as discussed in GMG's Reply Comments. GMG has six trained emergency technicians available to serve the Mankato area. GMG also has five trained emergency employees in other areas of the state; and, in the event of a large scale emergency, those technicians could also be brought in. When an anomaly occurs, such as multiple calls from the same area, GMG realigns the locations of its technicians to be close to the area so that they are available for faster callout, as it did in on that day. That said, it is impossible for any utility to regularly staff for anomalous situations; and, GMG's response times are consistently good.

GMG has a process for emergency response that is utilized every time, and history shows that it works. First, the problem causing the emergency call is identified; and, callers are always advised to go to a safe area. Second, GMG determines whether evacuation or isolation is necessary and undertakes appropriate steps if one is. Third, GMG determines whether it is necessary to cut off the energy supply. GMG subsequently takes appropriate steps that are dependent on the specific facts of each emergency call. MNOPS, the agency charged with ensuring safe industry practices, periodically reviews GMG's policies, procedures, training and qualification records, field investigations, and accident investigations if appropriate. GMG regularly passes MNOPS inspections and audits; thus, the Commission can be assured that GMG's practices are safe and appropriate.

The Department's Response Comments intimate that it thinks GMG should regularly rely on mutual aid agreements for emergency response. While GMG agrees that mutual aid can, and should, be used in controlled situations, it is neither appropriate nor faster in many situations. GMG does, indeed, have direct mutual aid agreements with several other utilities and it has coordinated agreements with others by virtue of involvement in certain associations. Even with mutual aid agreements, emergency responders need to have the right training, be appropriately operator qualified, be equipped with the right tools, have access to the correct communication protocols, etc. Mutual aid is used by utilities in controlled situations where bringing in contractors who are not familiar with the utility's system will not compromise safety, such as when GMG sent technicians to assist Xcel with relights in the Montrose area. However, relying on a mutual aid agreement to send another utility into an uncontrolled situation does not often make sense and could result in longer delays, because the mutual aid responders will not likely have immediate access to maps, communication protocols, are not always qualified or equipped

for the specific incident or system, etc. Hence, it could actually be more detrimental to safe resolution of an emergency call to rely on mutual aid. While GMG may disagree with the Department as to the best method of protecting the health and safety of the public, GMG believes all members of the gas industry share a common goal in public safety and would willingly assist another utility, as well as request assistance, if able to do so in a safe manner. Where there have been opportunities to collaborate with Centerpoint regarding public safety, the companies have worked together.

GMG is constantly engaged in self-assessment following emergency response incidents. It conducts regular safety meetings and, when there is an anomaly such as a lengthy response, GMG's personnel conducts table top drills to discuss risk paradigms and how to improve responses. GMG conducts training with local fire departments regarding its facilities focused on protection and safety in the event of a gas emergency. GMG consistently works to ensure safety and adopt best practices.

### **CONCLUSION**

GMG consistently delivers exceptional customer service and it always endeavors to do even better. As explained in its Reply Comments, while no utility or other business can ever provide absolutely perfect service, GMG continues to try. GMG's excellent customer service record should not be impugned by explainable, appropriate responses to isolated, unique circumstances. Therefore, GMG respectfully requests that the Commission approve its 2015 and 2016 Annual Service Quality Reports.

Dated: November 21, 2017

Respectfully submitted,

/s/

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