

June 15, 2022

**VIA E-FILING**

Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul, MN 55101

**Re:** In the Matter of Minnesota Power Annual Safety, Reliability,  
and Service Quality Metrics for 2021  
**Docket No. E015/M-22-163**  
**Reply Comments**

Dear Mr. Seuffert:

Minnesota Power (or the “Company”) submits these Reply Comments in response to Initial Comments filed by the Department of Commerce, Division of Energy Resources (“Department”) on May 26, 2022, in the above-referenced Docket. On April 1, 2022, Minnesota Power submitted its Annual Safety, Reliability, and Service Quality Metrics Report for 2021 (“2021 SRSQ Report”) to the Minnesota Public Utilities Commission (“Commission”). The Department recommended to accept Minnesota Power’s 2021 SRSQ Report contingent upon the receipt of the additional information requested to be provided by the Company in its Reply Comments. In the following sections, the Company provides the requested information.

**RESPONSE TO THE DEPARTMENT’S INITIAL COMMENTS**

**1. Staffing Level Changes**

In the Department’s Comments, it is noted that the Company’s staffing levels appeared to be consistent between 2020 and 2021, with the exception of line operations support, engineering support, and vegetation management contractors. The Department asked that the Company provide discussion regarding these exceptions in Reply Comments. The Company discusses the staffing level changes between 2020 and 2021 for these job classification in the following paragraphs:

*a. Line Operations Support*

The Department identified in its Comments that the number of operations planning and scheduling employees decreased by over 80 percent in all three work centers in 2021. This was an oversight by the Company, as the undercounted employees (Service Dispatch) were moved under a different supervisor in 2021, causing a misrepresentation of the data in the Company's 2021 SRSQ Report. The number of operations planning and scheduling employees did remain the same from 2020 to 2021 at 9.5, and should not have shown a drastic reduction.

*b. Engineering Support*

In Initial Comments, the Department states that metering department staffing levels in the Central Work Center increased by 63 percent from 2020 to 2021. The Company respectfully disagrees with this statement, and believes that the Department may have inadvertently used an incorrect number in its calculation. From 2020 to 2021, the meters staffing level in the Central Work Center remained the same. The table below, from Appendix A of Minnesota Power's 2020 SRSQ Report,<sup>1</sup> shows an employee count of 13 for meter staff in the Central Work Area.

<b>2020 Support</b>	<b>Central</b>	<b>Northern</b>	<b>Western</b>
<b>Line Operations Field Workers</b>	Line – 45 Sub - 9	Line – 22 Sub - 8	Line – 26 Sub - 5
<b>Line Operations Support</b>	OPS – 9.5 Line – 9 SysOps – 18 Veg – 3 Fleet – 8 Sub - 1	OPS – 8 Line – 1 Fleet – 3 Sub - 1	OPS – 8 Line – 2 Fleet - 3
<b>Engineering Support</b>	Trans – 6 Dist – 17 Meter - 13 GIS – 8 Sub - 13	Dist – 6 Meter - 1 GIS - 1	Trans – 1 Dist – 7 Meter - 4 GIS - 1
<b>Contractors</b>	19.23 – Line 1 – Groundline Roughly 50 - Vegetation		

The following table, from Minnesota Power's 2021 SRSQ Report, shows that the meter staffing level remained the same with 13 employees in the Central Work Area:

<sup>1</sup> Docket No. E-015/M-21-230.

2021 Support	Central	Northern	Western
<b>Line Operations Field Workers</b>	Line – 46 Sub - 9	Line – 26 Sub - 7	Line – 30 Sub - 5
<b>Line Operations Support</b>	OPS – 1 Line – 9 Fleet – 7 Sub - 1	OPS – 1 Line – 1 Fleet – 3 Sub - 1	OPS – 1 Line – 2 Fleet - 3
	System Operations – 18 Vegetation Management – 3		
<b>Engineering Support</b>	Dist – 19 Meter - 13 GIS – 8	Dist – 7 Meter - 1 GIS - 1	Dist – 7 Meter - 4 GIS – 1
	Transmission – 6 Substation - 13		
<b>Contractors</b>	22 – Line 2 – Groundline Roughly 75 - Vegetation		

*c. Vegetation Management Contractors*

In its Initial Comments, the Department notes that the staffing level of vegetation management contractors increased by approximately 50 percent from 2020 to 2021.

The increase in Vegetation Management contractors by 50 percent was the result of several contributing factors. First, the Company allocated a larger budget for its Vegetation Management annual work plan for 2021 than in past years. Secondly, the scope of the 2021 annual work plan required additional resources in the form of full-time equivalent employees. Minnesota Power's vegetation management program requires vegetation clearing on the Company's transmission system every seven years and distribution system every six years. Clearing requirements fluctuate year to year based on feeder size, location and line miles that are due each year. The 2021 work plan included more urban work in backyards which is more labor intensive to clear than rural areas.

Additionally, due to a local workforce shortage in tree care, Minnesota Power had to employ traveling tree care crews from out of state to bring the 2021 annual work plan to completion. The Company utilized traveling crews from April to August to complete work that local contract companies did not bid on due to labor shortages. As discussed in

Minnesota Power's 2021 Retail Rate Case Initial Filing<sup>2</sup>, the Company "is experiencing the effects of a labor shortage in the tree care industry. Additionally, some contractors lack trained workers to operate specialized equipment, and there are not enough tree workers to respond to time sensitive projects. The competition between various industries (e.g., pipeline, utilities, and municipal) for the specialized type of tree care these contractors provide has led to higher costs. Because available labor is difficult to find at this time, it is also difficult to draw new employees into the field in a demanding, physical occupation like Vegetation Management. The Company anticipates continued increased spending will be needed in the future to address these costs, labor constraints, and management of off-cycle circuits. A recent indicator of additional expected increases to obtain skilled labor in Northern Minnesota was a wage increase back payment notification from a few of the Contractors after the ratification of their union contract in mid-2021."

## **2. Burnett 408 Feeder's Reliability**

In its Initial Comments, the Department reviewed Minnesota Power's historical data for worst-performing feeders and notes that none of the feeders identified in the report appear to present recurring reliability issues, except the Burnett 408 feeder, and asked that the Company discuss its efforts to improve reliability on the feeder in its Reply Comments.

A number of improvements occurred throughout 2021 to increase the reliability of Burnett 408 feeder. For example, Vegetation Management was completed on the circuit in 2021, ground line inspection and resolution was also completed on this circuit in 2021, and maintenance was conducted on the midpoint hydraulic recloser in addition to drop out reclosers being installed on the taps.

## **3. Decrease in Customer Service Requests**

In Initial Comments, the Department expressed concern with the decrease in the number of previously served customer service requests for 2021 and asked that the Company explain the drivers for this large decrease in its Reply Comments. Minnesota Power began using a new Customer Information System in April of 2020. At that time, internal processes were adjusted by means of what is counted as a customer service request. Prior to this system and process update, items in the customer service request count were duplicates, as the system would inadvertently double count previously served customer requests if the customer had more than one service agreement with the Company.

## **4. Call Center Response Results**

In its Comments, the Department requested an update on the Company's efforts to restore its call center capabilities. As of the date of these Reply Comments, the Company

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<sup>2</sup> Page 87 of the Direct Testimony of Daniel W. Gunderson, Docket No. E015/GR-21-335.

continues to be challenged in achieving its goal for call center response times. The Company is actively monitoring staffing levels, call volume, and response times. Call quality assurance and further training to help ensure calls are answered as quickly and accurately as possible remain important aspects of delivering improved response results. In terms of staffing, Minnesota Power has hired and onboarded four additional representatives in the Call Center since the beginning of 2022. While the Company was authorized to fill up to seven positions earlier this year, three of the individuals selected for hire did not complete the hiring and onboarding process. Two applicants chose other job opportunities and one did not complete the hiring process to satisfaction.

Onboarding Call Center employees takes a total of five to six weeks. As is typical during the hiring and onboarding process, other Call Center representatives are involved in mentoring new recruits. This mentoring is an important part of the training process and one of the most impactful aspects of onboarding. Unfortunately, it does put further strain on call response times, as more seasoned representatives have less time available to answer calls while mentoring others. The four new representatives were live on the phones with customers in May 2022.

Since then, the Company posted for additional openings, three full time and four part time, and is in the process of filling those positions. Training is anticipated to begin in late July/early August 2022. As referenced in the Department's comments, staff shortages are occurring throughout Minnesota's economy and Minnesota Power is no exception. The Company has experienced lower response rates to Call Center job postings than it has historically seen and is working closely with its Human Resources team to identify recruitment strategies to help with attracting and retaining talent in this important customer service function. Importantly, unplanned absences, including for purposes of quarantining based on CDC (Centers for Disease Control and Prevention) guidance, has continued to strain resources and further challenge response times.

With the transition plans related to COVID-19 protections now complete and more standard credit and collections processes resuming in June 2022, call volume impacts remain an ongoing concern, particularly when coupled with the cyclical challenges of summer storms. Minnesota Power is working diligently to achieve the response time objectives set out in Minnesota Rules, but, as the Department signaled in its Comments, the post-pandemic reality remains fluid and the Company anticipates continued adaptation throughout 2022.

## CONCLUSION

Minnesota Power appreciates the Department's thorough review of the Company's 2021 SRSQ Report, and the opportunity to provide the additional information requested by the Department. If you have any questions regarding this filing, please contact me at (218) 355-3082 or [cvatalaro@allete.com](mailto:cvatalaro@allete.com).

Yours truly,

*Claire Vatalaro*

Claire Rajala Vatalaro  
*Regulatory Compliance Specialist*

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STATE OF MINNESOTA     )  
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COUNTY OF ST. LOUIS    )

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AFFIDAVIT OF SERVICE VIA  
ELECTRONIC FILING

Tiana Heger of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 15<sup>th</sup> day of June, 2022, she served Minnesota Power's Reply Comments in **Docket No. E015/M-22-163** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on E-Docket's Official Service List for this Docket were served as requested.



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Tiana Heger