

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

David C. Boyd	Chair
J. Dennis O'Brien	Commissioner
Thomas Pugh	Commissioner
Phyllis A. Reha	Commissioner
Betsy Wergin	Commissioner

In the Matter of a Commission Investigation
into Gas Utility Standards

ISSUE DATE: January 18, 2011

DOCKET NO. G-999/CI-09-409

ORDER SETTING REPORTING
REQUIREMENTS

PROCEDURAL HISTORY

On August 26, 2010, the Commission set service quality reporting requirements for Minnesota's gas utilities,¹ excluding Great Plains Natural Gas Co. (Great Plains) and Greater Minnesota Gas, Inc. (GMG). The Commission directed Great Plains and GMG to submit separate service quality reporting proposals by August 31, 2010, that address factors, such as cost, affecting their ability to comply with the reporting requirements.

Both Great Plains and GMG subsequently submitted proposals that were evaluated by the Office of Energy Security of the Minnesota Department of Commerce (OES). Following the OES' evaluation, an additional exchange of comments followed.

On December 21, 2010, the matter came before the Commission.

FINDINGS AND CONCLUSIONS

I. Background

On August 26, 2010 in this docket, the Commission established service quality reporting requirements for CenterPoint Energy (CenterPoint); Northern States Power Company d/b/a Xcel Energy; Minnesota Energy Resources Corporation (MERC); and Interstate Power and Light Company (IPL). The requirements are modeled after the electric utility standards contained in Minn. Rules, Chapter 7826.

¹ The gas utilities for which reporting requirements have been established are: CenterPoint Energy; Interstate Power and Light Company; Minnesota Energy Resources Corporation; and Northern States Power Company d/b/a Xcel Energy.

The requirements were established to provide the Commission with the advantage of receiving and evaluating baseline data and conducting simultaneous review of information germane to the quality of service provided by Minnesota's gas utilities in their respective service areas.

The reporting requirements address the following categories: call center response times; meter reading performance; involuntary service disconnections; service extension request response times; customer deposits; customer complaints; telephone answer times to gas emergency line calls; mislocates; damaged gas lines; service interruptions; notification of reportable incidents; gas emergency response times; and customer-service related operations and maintenance expenses.

II. Great Plains

A. The Proposal

Great Plains' proposal addressed whether it could meet the same reporting requirements as those recently established for the other gas utilities. As part of its proposal, Great Plains requested alternative reporting requirements for two areas on which there remains dispute: call center response times and customer complaint reporting.

Under the call center response times reporting requirement, the other gas utilities are required to report on the percentage of calls answered within 20 seconds.² Great Plains stated that it aims to answer 80 percent of its calls within 60 seconds, and that, as a small utility, it would need to increase staffing to answer 80 percent of its calls within 20 seconds, resulting in higher costs to ratepayers that would produce little ratepayer benefit. Great Plains therefore requested approval to report on the percentage of calls answered within 60 seconds.

Under the customer complaint reporting requirement, the other gas utilities report on complaints consistent with the requirements of Minn. Rules, part 7826.2000, which requires utilities to report on the number of complaints received, along with specific information about each complaint and its resolution, as well as on the number of complaints forwarded to the utility by the Commission's Consumer Affairs Office (CAO).

Great Plains stated that the only complaints it logs are those it receives from the CAO and that the requirement to report on all complaints received would be onerous and would result in longer call response times. Great Plains therefore requested approval to report only on those complaints escalated to a customer service supervisor.

B. The OES

The OES evaluated Great Plains' proposal and recommended that it be largely approved, with the exception of the request to establish alternative reporting requirements for call center response times and customer complaint reporting. The OES concluded that Great Plains had not demonstrated that it lacked the resources to meet these two reporting requirements.

² Minn. Rules 7826.2000 requires electric utilities to answer 80 percent of calls within 20 seconds, and the reporting requirement established for the gas utilities is modeled after this standard.

The OES argued that Great Plains' customer base of 20,475 Minnesota customers and its Minnesota jurisdictional operating revenues of \$33,218,256 contradict the claim that Great Plains is a small utility. Great Plains has a larger customer base than both Interstate Power and Light (IPL), which has approximately 11,000 Minnesota gas customers and has not claimed that it is a small gas utility, and Greater Minnesota Gas, which has fewer than 4,000 Minnesota customers.

Furthermore, the OES stated that Great Plains - as a division of MDU Resources Group, Inc. (MDU), which, under its natural gas distribution operations, serves over 829,000 customers in eight states, including Minnesota - is not a stand-alone company without sufficient resources to meet the reporting requirements.

The OES therefore concluded that Great Plains should be required to report the percentage of calls answered within 20 seconds. The OES also recommended that Great Plains be directed to consult with other large Minnesota gas utilities on how to implement the complaint reporting requirement without extending call center response times and to submit a proposal on this issue within 60 days of the Commission's decision in this matter.

C. Commission Action

The Commission concurs with the OES that Great Plains' size is not a barrier to compliance.

On the contrary, Great Plains has substantially more customers than the state's smallest company, GMG, which agreed to track call center response times in a manner to meet the 20-second answer time requirement, and which agreed to provide more information on complaint reporting than Great Plains agreed to provide. Additionally, the need for consistency and the benefits to ratepayers from establishing service quality reporting requirements outweigh the burden that Great Plains faces in implementing the requirements.

The Commission will therefore require Great Plains to report the percentage of calls answered within 20 seconds and to consult with other gas utilities on how to implement the complaint reporting requirement to avoid extending call center response times. The Commission will require Great Plains to submit a proposal on the complaint reporting requirement within 60 days of this Order. The Commission will establish additional reporting requirements for Great Plains as set forth in the ordering paragraphs below.

III. Greater Minnesota Gas

A. The Proposal

In its proposal, GMG described itself as a small gas utility, with fewer than 4,000 customers, with 11 full time employees, and with no call center. As a result, GMG stated that its ability to track the percentage of calls answered within 20 seconds is limited; however, calls are answered by live agents and according to GMG, calls answered before the sixth ring would be within the 20-second limit. GMG proposed to keep track of all calls answered during an annual reporting period and to track calls answered on or before the sixth ring.

GMG also stated that it currently tracks and reports only those customer complaints received from the Commission's CAO. GMG proposed that in addition, it begin tracking and reporting the total number of customer complaints received and the number of complaints resolved for the categories listed in Minn. Rules, part 7826.2000, item B.³

B. The OES

The OES agreed that GMG is a small utility for purposes of service quality reporting. The OES substantially supported GMG's proposal and requested clarifications regarding data on call answer times, responses to emergencies, and notification of reportable events, all clarified by GMG in reply comments.

C. Commission Action

The Commission concurs with the OES that GMG's proposal, as clarified, is reasonable. The Commission also concurs with the OES that GMG's size warrants the adjustments to the reporting requirements as agreed upon by the OES and GMG. The Commission will therefore establish reporting requirements for GMG, as set forth in the ordering paragraphs below.

IV. Future Filings

The Commission will require Great Plains and GMG to submit gas service quality reports on an annual basis, beginning May 1, 2011. In each future filing, the reports should be treated as miscellaneous tariff filings; each filing made each year should receive a new docket number.

ORDER

1. Great Plains and Greater Minnesota Gas shall file annual service quality reports on May 1 of each year. Each report must contain data from the previous calendar year. The first annual report is due May 1, 2011. Each annual report shall be filed according to the following requirements:
 - a. Great Plains shall report call center response times in terms of the percentage of calls answered within 20 seconds. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2011. Great Plains shall begin including data for this requirement in its second annual report.
 - b. GMG shall track and report the total number of phone calls received during each annual reporting period and report on the number of times the phone rings before calls are answered. GMG shall begin tracking this data on January 1, 2011 and begin including data for this requirement in its second annual report.

³ These include: complaints alleging billing errors, inaccurate metering, wrongful disconnection, high bills, inadequate service, as well as complaints involving service-extension intervals and service-restoration intervals.

- c. Both Great Plains and GMG shall report the meter reading performance data contained in Minn. Rules, part 7826.1400. This requirement becomes effective for each utility for the calendar year beginning on January 1, 2011. Each utility shall begin including data for this requirement in its second annual report.
- d. In lieu of reporting data on involuntary service disconnections as contained in Minn. Rules, part 7826.1500, both Great Plains and GMG shall reference the data each submits under Minn. Stat. §§ 216B.091 and 216B.096, subd. 11. This requirement becomes effective for each utility for the calendar year beginning on January 1, 2010. Each utility shall begin including data for this requirement in its first annual report.
- e. Both Great Plains and GMG shall report the service extension request response time data contained in Minn. Rules, part 7826.1600, items A and B, except that data reported under Minn. Stat. §§ 216B.091 and 216B.096, subd. 11, is not required. This requirement becomes effective for each utility for the calendar year beginning on January 1, 2011. Each utility shall begin including data for this requirement in its second annual report.
- f. Both Great Plains and GMG shall report the customer deposit data contained in Minn. Rules, part 7826.1900. This requirement becomes effective for each utility for the calendar year beginning on January 1, 2011. Each utility shall begin including data for this requirement in its second annual report.
- g. Great Plains shall consult with other large Minnesota gas utilities on how to implement the customer complaint reporting requirements contained in Minn. Rules, part 7826.2000 without extending call center response times. Great Plains shall submit a proposal on this issue within 60 days of this Order.
- h. In addition to tracking and reporting on customer complaints received from the Commission's CAO, GMG shall begin tracking and reporting on the total number of customer complaints received and the number of complaints resolved for each of the following categories: billing errors; inaccurate metering; wrongful disconnection; high bills; inadequate service; service extension intervals and service restoration intervals. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement in its second annual report.
- i. Great Plains shall report data on telephone answer times to its gas emergency phone line calls. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2010. Great Plains shall begin including data for this requirement in its first annual report. Great Plains shall also provide an explanation detailing its expectations for answer times to gas emergency calls and the procedures employees follow for handling gas emergency calls.
- j. GMG shall track and report the total number of gas emergency calls received during each annual reporting period. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement in its second annual report.

- k. Great Plains and GMG shall report on mislocates, including the number of times a line is damaged due to a mismarked line or failure to mark a line. This information must be reported in the same format that the information is reported to the Minnesota Office of Pipeline Safety (MOPS). Great Plains and GMG shall also provide summary information based on the reports submitted to the MOPS, and which is similar to the summary information provided to the Commission by the other natural gas utilities. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2010. Great Plains shall begin including data for this requirement in its first annual report. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement in its second annual report.
- l. Great Plains shall report gas system damage by providing, in its annual reports, the same information provided to MOPS. Great Plains shall also provide summary gas system damage information similar to the information provided by the other natural gas utilities. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2010. Great Plains shall begin including data for this requirement in its first annual report.
- m. GMG shall report on gas system damage by providing copies of its annual utility damage report form, which it annually submits to MOPS. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2010. GMG shall begin including data for this requirement in its first annual report.
- n. Great Plains shall report data on gas service interruptions annually by providing copies of the reports it submits to MOPS. Great Plains shall provide summaries of all service interruptions caused by system integrity pressure issues and summary information about major incidents based on the incident reports it submits to MOPS. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2010. Great Plains shall begin including data for this requirement in its first annual report. Great Plains shall provide contemporaneous (meaning by the close of the following business day) notification of immediately reportable incidents to the CAO and the OES consistent with the Commission's August 26, 2010 Order.
- o. GMG shall begin reporting data on gas service interruptions and major incidents, as requested in its service quality reporting proposal. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement its second annual report. GMG shall provide contemporaneous notification of immediately reportable incidents to the CAO and the OES consistent with the Commission's August 26, 2010 Order.
- p. Great Plains shall report data on gas emergency response times by submitting summaries of the information reported to MOPS and similar to the summary gas emergency response time information required of CenterPoint and MERC. Great Plains shall also include copies of its MOPS emergency response reports in its annual reports. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2010. Great Plains shall begin including data for this requirement in its first annual report.

- q. Great Plains shall report every 60 days on its progress in installing a new mobile reporting system.
 - r. GMG shall develop a manual process for recording gas emergency response data and to begin tracking and reporting gas emergency response times. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement in its second annual report.
 - s. Both Great Plains and GMG shall report customer-service related operations and maintenance expenses. The reports shall include only Minnesota-regulated, customer-service expenses and shall be based on the costs each utility records in its FERC accounts 901 and 903, plus payroll taxes and benefits. This requirement becomes effective for Great Plains for the calendar year beginning on January 1, 2010. Great Plains shall begin including data for this requirement in its first annual report. This requirement becomes effective for GMG for the calendar year beginning on January 1, 2011. GMG shall begin including data for this requirement in its second annual report.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar
Executive Secretary



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