

MICHAEL J. AHERN
(612) 340-2881
FAX (612) 340-2643
ahern.michael@dorsey.com

August 6, 2014

VIA ELECTRONIC FILING

Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 Seventh Place East, Suite 350
St. Paul, MN 55101

Re: Minnesota Energy Resources Corporation's (MERC's) 2013 Annual Service
Quality Report (Report)
Docket No. G011/M-14-365
Supplemental Reply Comments

Dear Dr. Haar:

On July 2, 2014, the Department of Commerce, Division of Energy Resources filed Comments recommending that the Minnesota Public Utilities Commission (Commission) accept MERC's Annual Service Quality Report pending the provision of additional information in MERC's Reply Comments. On July 22 and July 24, 2014, MERC submitted responses to the Department's requests for additional information based on information then available and indicated it was continuing to collect some of the information necessary to respond to the Department's remaining questions and would submit responses to those requests as soon as possible.

MERC submits these Supplemental Reply Comments to respond to the remaining additional requests from the Department. Specifically, MERC is submitting updated Rule 7820.0500 reports for 2012 and 2013 and a clarification regarding the number of complaints received in July 2013. MERC thanks the Department for its review and apologizes for the delay in providing the additional information requested.

Thank you for your attention to this matter.

Sincerely yours,

/s/ Michael J. Ahern

Michael J. Ahern

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
David C. Boyd
Nancy Lange
Dan Lipschultz
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

In the Matter of the Review of
Minnesota Energy Resources
Corporation's (MERC's) 2013
Annual Service Quality Report

Docket No. G011/M-14-365

**SUPPLEMENTAL REPLY COMMENTS OF MINNESOTA ENERGY RESOURCES
CORPORATION**

On July 2, 2014, the Minnesota Department of Commerce, Division of Energy Resources (Department) filed Comments in this docket recommending that MERC provide additional information in its Reply Comments, specifically:

- A. An updated Attachment 1 reflecting 2013 data;
- B. A full reconciliation and explanation of why the complaint totals reported for 2012 and 2013, in the 13-355 docket and current docket in Attachment F, are different from the complaint totals contained in the 2013 and 2014 filings submitted by MERC pursuant to Minnesota Rule 7820.0500;
- C. A clarification regarding the number of complaints received in July 2013;
- D. An updated Attachment 6 reflecting 2013 data;
- E. A clarification regarding whether the MnOPS reportable event in 2013 caused by a system issue resulted in gas line damage; and
- F. An explanation detailing why monthly O&M expense in March 2013 were noticeably different than the monthly average.

On July 22 and July 24, 2014, MERC submitted responses to the Department's requests for additional information based on information then available and indicated it was continuing to collect some of the information necessary to respond to the Department's remaining questions. Below, MERC responds to the Department's remaining requests.

A. A full reconciliation and explanation of why the complaint totals reported for 2012 and 2013, in the 13-355 docket and current docket in Attachment F, are different from the complaint totals contained in the 2013 and 2014 filings submitted by MERC pursuant to Minnesota Rule 7820.0500.

As explained in MERC's Reply Comments filed July 22, 2014, the complaint total for the 2013 filing submitted by MERC pursuant to Minnesota Rule 7820.0500 inadvertently double-counted the number of complaints received by MERC's commercial and industrial customers. The complaint total for the 2012 Rule 7820.0500 report omitted consumer complaints made directly to the Commission, the Office of the Attorney General, or the Better Business Bureau. MERC has reviewed the internal process used to compile and file these reports and has implemented steps to ensure the consistency and accuracy of the information provided in future filings. Attached to these Supplemental Reply Comments as Attachment A are corrected 2012 and 2013 Rule 7820.0500 reports to reflect the correct complaint totals. These corrected reports were filed in Docket No. 14-13 on July 29, 2014.

B. A clarification regarding the number of complaints received in July 2013.

In July 2013, 215 complaints were received and all of those have since been resolved. MERC has confirmed that the 99 complaints that appeared as unresolved in MERC's initial filing were in fact resolved, but the resolution time was not shown on the report due to a data error with the report. An updated version of Attachment 5 (Complaints) is attached to these Supplemental Reply Comments as Attachment 5-b.

DATED this 6th day of August, 2014.

Respectfully submitted,

DORSEY & WHITNEY LLP

/s/ Michael J. Ahern

Michael J. Ahern

50 South Sixth Street

Minneapolis, MN 55402

(612) 340-2881

Attorney for Minnesota Energy

Resources Corporation

Minnesota Public Utilities Commission

Consumer Affairs Office

121 7th Place East #350

St. Paul, MN 55101-2147



AMENDED on July 29, 2014

ANNUAL SUMMARY OF CUSTOMER COMPLAINTS

For Year End 2012

Due May 1st Docket 377

In accordance with MINN. Reg. PSC 284

Name of Utility: Minnesota Energy Resources

Address: 2665 145TH STREET WEST, ROSEMOUNT, MN

Prepared By: Nancy Lilienthal Phone: 651-322-8902

NUMBER OF DISCONNECTS
FOR NON-PAYMENT
(By Month)

*****										1	2	3
										JAN	73	17
										FEB	181	15
										MAR	383	44
										APR	632	78
										MAY	1688	70
										JUNE	1536	71
										JULY	1477	30
										AUG	594	18
										SEPT	270	7
										OCT	169	16
										NOV	13	3
										DEC	13	8
										TOTAL	7,029	377
											0	

I. Complaint Type

Residential			Commercial/Industrial			Interruptible		
Number Received	Number Resolved	Number Unresolved	Number Received	Number Resolved	Number Unresolved	Number Received	Number Resolved	Number Unresolved
A. Service	1047	1047		51	51			
B. Billing	218	218		20	20			
C. Rates	286	286		21	21			
D. Rules	232	232		29	29			
TOTAL COMPLAINTS	1783	1783	0	121	121	0	0	0

- II. A. Number of Disconnections for Nonpayment
B. Number of Escrow Forms Filed (per PSC Rule 302G)
- III. A. Total Number of Customers (year end)
B. Number of Customer's Added During Year

Residential	Commercial/ Industrial	Interruptible
7,029	377	0
0	0	0
191,448	21,331	461
965	-29	-47

1. Residential
2. Commercial/Industrial
3. Interruptible

Minnesota Public Utilities Commission

Consumer Affairs Office

121 7th Place East #350

St. Paul, MN 55101-2147



AMENDED on July 29, 2014

Name of Utility: Minnesota Energy Resources

Address: 2665 145TH STREET WEST, ROSEMOUNT, MN

Prepared By: Nancy Lilienthal Phone: 651-322-8902

ANNUAL SUMMARY OF CUSTOMER COMPLAINTS

For Year End 2013

Due May 1st Docket 377

In accordance with MINN. Reg. PSC 284

NUMBER OF DISCONNECTS

FOR NON-PAYMENT

(By Month)

Residential			Commercial/Industrial			Interruptible		
Number Received	Number Resolved	Number Unresolved	Number Received	Number Resolved	Number Unresolved	Number Received	Number Resolved	Number Unresolved
730	730		35	35				
250	250		36	36				
449	449		32	32				
209	209		12	12				
1638	1638	0	115	115	0	0	0	0

I. Complaint Type

A. Service

B. Billing

C. Rates

D. Rules

	1	2	3
JAN	92	6	
FEB	334	28	
MAR	388	35	
APR	1548	87	
MAY	3107	127	1
JUNE	2193	68	
JULY	1192	54	
AUG	315	16	
SEPT	177	10	1
OCT	72	2	
NOV	17	9	
DEC	14	2	
TOTAL	9,449	444	2

2013

OF COMPLAINTS

TYPE OF COMPLAINT

Employee Action/Behavior Issue
Billing/Meter Reading Issue
Collection/Disconnection Issue
Service Quality
Meter Adjustment
Outage
"My bill is too high"

TIME TO RESOLVE COMPLAINT

Initially
Within 10 days
> 10 days

COMPLAINT RESOLUTION

Taking action as customer requested

Agreeable compromise

Not within the control of the utility

Refuse to customer requested action

PUC COMPLAINTS

JANUARY		FEBRUARY		MARCH		APRIL		MAY		JUNE		JULY		AUGUST		SEPTEMBER		OCTOBER		NOVEMBER		DECEMBER	
175		128		125		221		238		248		215		139		71		85		53		55	
# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints	# of complaints which are 5% or > of total complaints	% of complaints which are 5% or > of total complaints
2	1%	0	0%	4	3%	4	1%	3	1%	1	0%	4	2%	1	1%	1	1%	3	4%	1	2%	1	2%
32	18%	17	13%	21	17%	20	6%	42	18%	31	13%	56	26%	32	23%	10	14%	5	6%	0	0%	7	13%
49	28%	39	30%	37	30%	78	24%	76	32%	88	35%	43	20%	30	22%	19	27%	10	12%	7	13%	7	13%
29	17%	14	11%	14	11%	34	10%	45	19%	52	21%	35	16%	28	20%	16	23%	42	49%	19	36%	11	20%
0	0%	0	0%	0	0%	0	0%	1	0%	1	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
21	12%	20	16%	18	14%	16	5%	28	12%	35	14%	38	18%	20	14%	4	6%	10	12%	7	13%	11	20%
Initially 9 28		102 23 3		107 17 1		217 3 1		228 7 3		237 9 0		149 55 11		101 37 1		69 2 0		65 16 4		50 1 2		51 3 1	
# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions	# resolved by taking the listed actions	% resolved by taking the listed actions
58	33%	45	35%	61	49%	78	35%	92	39%	84	34%	89	41%	54	39%	32	45%	37	44%	22	42%	23	42%
87	50%	64	50%	44	35%	119	54%	112	47%	128	52%	96	45%	58	42%	30	42%	44	52%	26	49%	27	49%
2	1%	0	0%	1	1%	2	1%	2	1%	1	0%	0	0%	2	1%	0	0%	0	0%	2	4%	1	2%
28	16%	19	15%	19	15%	22	10%	32	13%	35	14%	30	14%	25	18%	9	13%	9	11%	3	6%	4	7%
0		4		2		1		6		2		2		1		0		5		1		1	

AFFIDAVIT OF SERVICE

STATE OF MINNESOTA)
) ss
COUNTY OF HENNEPIN)

Kristin M. Stastny hereby certifies that on the 6th day of August, 2014, she filed the attached Supplemental Reply Comments on behalf of Minnesota Energy Resources Corporation with the E-Docket system and provided service as specified on the attached service list.

/s/ Kristin M. Stastny
Kristin M. Stastny

Subscribed and sworn to before me
this 6th Day of August, 2014.

/s/ Alice Jaworski
Notary Public, State of Minnesota

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	OFF_SL_14-365_M-14-365
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	Yes	OFF_SL_14-365_M-14-365
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	Suite 4800 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	OFF_SL_14-365_M-14-365
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_14-365_M-14-365
Daryll	Fuentes	N/A	USG	550 W. Adams Street Chicago, IL 60661	Paper Service	No	OFF_SL_14-365_M-14-365
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_14-365_M-14-365
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_14-365_M-14-365
Brian	Meloy	brian.meloy@stinsonleonard.com	Stinson,Leonard, Street LLP	150 S 5th St Ste 2300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-365_M-14-365
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-365_M-14-365
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	OFF_SL_14-365_M-14-365
Gregory	Walters	gjwalters@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	3460 Technology Dr. NW Rochester, MN 55901	Electronic Service	No	OFF_SL_14-365_M-14-365

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Michael	Ahern	ahern.michael@dorsey.com	Dorsey & Whitney, LLP	50 S 6th St Ste 1500 Minneapolis, MN 554021498	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
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	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	Suite 4800 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Daryll	Fuentes	N/A	USG	550 W. Adams Street Chicago, IL 60661	Paper Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Amber	Lee	ASLee@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	2665 145th Street West Rosemount, MN 55068	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Brian	Meloy	brian.meloy@stinsonleonard.com	Stinson,Leonard, Street LLP	150 S 5th St Ste 2300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Gregory	Walters	gjwalters@minnesotaenergyresources.com	Minnesota Energy Resources Corporation	3460 Technology Dr. NW Rochester, MN 55901	Electronic Service	No	GEN_SL_Minnesota Energy Resources Corporation_General Service List