COMMERCE DEPARTMENT

September 1, 2017

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G002/M-16-382; Docket No. G002/M-17-341

Dear Mr. Wolf:

Attached are the *Comments* of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

> 2015/2016 *Annual Natural Gas Service Quality Reports* submitted by Northern States Power Company, a Minnesota Corporation (Xcel or the Company).

The 2015 *Annual Natural Gas Service Quality Report* (2015 Report) was filed on May 2, 2016 by:

> Bria Shea
> Regulatory Manager
> 414 Nicollet Mall – 7th Floor
> Minneapolis, Minnesota 55401

The 2016 *Annual Natural Gas Service Quality Report* (2016 Report) was filed on May 1, 2017 by:

> Gail Baranko
> Regulatory Manager
> 414 Nicollet Mall – 7th Floor
> Minneapolis, Minnesota 55401

Based on its review of Xcel's 2015 and 2016 Reports, the Department recommends that the Minnesota Public Utilities Commission (Commission) accept the Company's Reports.

The Department is available to answer any questions that the Commission may have.

Sincerely,

/s/ ANGELA BYRNE
Public Utilities Financial Analyst

AB/ja
Attachment

COMMERCE DEPARTMENT

Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce
Division of Energy Resources

Docket Nos. G002/M-16-382 & G002/M-17-341

I. BACKGROUND

On April 16, 2009, the Minnesota Public Utilities Commission (Commission) opened an investigation into natural gas service-quality standards in Docket No. G999/CI-09-409. In its August 26, 2010 Order (09-409 *Order*), the Commission established uniform reporting requirements for all regulated Minnesota gas utilities. The 09-409 *Order* prescribed a list of indicators for which data for each calendar year are to be provided by each utility in a miscellaneous tariff filing to be made by the following May 1.

Northern States Power Company, a Minnesota corporation (Xcel or the Company) was allowed to report commingled gas and electric statistics for mislocates and for answer times from its utility call centers. The Company was allowed to report a partial year of data covering October 1, 2010 and thereafter for mislocates, gas lines damaged, summaries of major events reportable to the Minnesota Office of Pipeline Safety (MnOPS), and customer-service-related operations and maintenance expenses. For events reportable to MnOPS, all utilities were ordered to notify the Commission and the Minnesota Department of Commerce (Department) simultaneously with their notice to MnOPS.

In addition to the requirements in the 09-409 *Order*, the Commission's March 6, 2012 Order (11-360 *Order*) in Docket No. G002/M-11-360 *et. al,* directed all regulated Minnesota gas utilities to, in future annual reports:

- Include data on average speed-of-answering calls, in addition to reporting on the percentage of calls answered within 20 seconds or less;

- Explain, in their 2011 annual reports, whether the difference between the total percentage of meters (100%) and the percentage of meters read (by both the utility and customers) is equal to the percentage of estimated meter reads;

- Explain, beginning with their 2011 annual reports, the types of extension requests (such as requests for reconnection after disconnection for non-payment) they are including in their data on service extension request response times for both locations not previously served, as well as for locations that were previously served;

- Explain, beginning with their 2011 annual reports, the types of deposits (such as new deposits from new and reconnecting customers and the total number of deposits currently held) included in the reported number of "required customer deposits;" and

- Describe, beginning with their 2011 annual reports, the types of gas emergency calls included in their gas emergency response times, as well as the types of emergency calls included in their reports to the Minnesota Office of Pipeline Safety (MOPS). Provide an explanation of any difference between the reports provided to the Commission and to MOPS.

In the 11-360 *Order*, the Commission also specifically required Xcel to, beginning in its 2011 report, explain how its gas-related call center complaints correspond with the complaint categories contained in Minn. Rules, part 7826.2000.

Further, the Commission's November 30, 2010 *Order* in Docket No. E,G002/M-09-224 and G002/CI-08-871 included the following order point:

> Direct Xcel to file the following information with its annual electric service quality reports filed pursuant to Minn. Rules, Part 7826.0500 and its annual gas service quality reports established in Docket No. G999/CI-09-409 starting in 2013:
>
> - Volume of Investigate and Remediate field orders;
> - Volume of Investigate and Refer field orders;
> - Volume of Remediate upon Referral field orders;
> - Average Response Time for each of the above categories by month and year;
> - Minimum days, maximum days, and standard deviations for each category; and
> - Volume of excluded field orders.

The Commission's April 7, 2014 *Order* in Docket No. E,G002/M-13-371 required Xcel to provide complete and accurate meter reading data with multiple reads excluded in future reports.

On May 2, 2016, Xcel filed its 2015 *Natural Gas Service Quality Performance Report* (2015 Report). On May 1, 2017, Xcel filed its 2016 *Natural Gas Service Quality Performance* Report (2016 Report). The Department provides its analysis of the 2015 and 2016 Reports below.

II. DEPARTMENT ANALYSIS

Each year, the Department analyzes the information provided in the Report in the context of past reports. Overall, the Department identified no major concerns regarding Xcel's 2015 or 2016 Reports.

The Department provides further detail on each reporting metric by discussing each separately below.

A. CALL CENTER RESPONSE TIME

Xcel reported the percentage of calls to call centers answered within 20 seconds in Attachment A of its Report, as required by the 09-409 *Order*. As the 09-409 *Order* permitted, the information reflects both natural gas and electric customer calls placed to the call centers.

As shown in Table 1 below, Xcel was able to answer 80 percent, or more, of calls within 20 seconds, with an average of 90.9 percent of calls being answered within 20 seconds in 2015 and 89.9 percent in 2016. [1]

Table 1: Call Center Response Time

Year	12 Mo. Avg.	Avg. Speed (Seconds)	# of calls
2010	83.0%	n/a	3,833,374
2011	86.2%	20	3,783,176
2012	89.4%	19	3,682,314
2013	89.0%	26	4,009,067
2014	90.0%	20	3,758,280
2015	90.9%	18	3,743,635
2016	89.9%	21	3,579,038

The Department acknowledges that Xcel has fulfilled the requirements of the 09-409 and 11-360 *Orders*.

B. METER-READING PERFORMANCE

Xcel reported the following metrics for meter-reading performance in Attachment B of its Report, and included complete and accurate meter reading data as required by the Commission's April 7, 2014 *Order* in Docket No. E,G002/M-13-371:[2]

[1] Source: Attachment A of the 2015 and 2016 Reports, lines 26, 31 and 22.
[2] Xcel's meter reading performance reporting includes both electric and natural gas meters.

A. the number and percentage of customer meters read by Company personnel;
B. the number and percentage of customer meters self-read by customers;
C. the number and percentage of customer meters that have not been read by Company personnel for periods of six to 12 months and for periods of longer than 12 months, and an explanation as to why they have not been read; and
D. data on Company monthly meter-reading staffing levels, by work center or geographical area.

Xcel reported that an annual average of 98.07 percent of customer meters were read by utility personnel and 0.0008 percent were read by the customer in 2015. An annual average of 96.59 percent of customer meters were read by utility personnel and .0008 percent were read by the customer in 2016.[3]

Xcel provided the number of meters unread in 2015 and 2016 for 6 to 12 months and for more than 12 months for its Residential, Commercial, Industrial, and Other customer classes.[4] "No Reading Returned" or "No Answer" were the most common reasons across all customer classes for failure of meters to be read.

Table 2 summarizes the number of meters not read by utility personnel for more than 12 months according to Xcel's current and past annual reports.

Table 2: Meters Not Read for Longer than 12 Months

Year	Residential	Commercial	Industrial	Other	Total
2010	1,149	366	263	71	1,849
2011	637	403	181	94	1,315
2012	661	450	112	89	1,312
2013	602	335	131	64	1,132
2014	620	304	92	68	1,084
2015	764	310	134	90	1,298
2016	551	240	109	63	963

The Department appreciates Xcel's continued efforts in reducing the number of meters not read for longer than 12 months.

[3] The Department's calculations are based on data provided in Tables A and B, Attachment B, page 1 of 7 of the 2015 and 2016 Reports.
[4] Source: Table C-2, Attachment B, pp. 5-7 of the 2015 and 2016 Reports.

Table 3 summarizes the number of meters not read by utility personnel for periods of six to 12 months according to Xcel's current[5] and past annual reports.

Table 3: Meters Not Read for Periods of 6 to 12 Months

Year	Residential	Commercial	Industrial	Other	Total
2010	3,506	1,076	338	100	5,020
2011	2,346	967	244	183	3,740
2012	3,967	1,232	248	106	5,553
2013	2,600	822	177	79	3,678
2014	5,237	1,178	260	123	6,798
2015	2,508	942	387	113	3,950
2016	2,268	772	167	75	3,282

Xcel provided its monthly staffing levels for its four work centers and for meter readers working in western Minnesota, North Dakota and South Dakota.[6] The Company averaged a total of 14.7 meter reading staff in 2015 and 13.5 in 2016, compared to 15.0 in 2014.

The Department acknowledges that Xcel has fulfilled the requirements of the 09-409, 11-360, and 13-371 *Orders* regarding meter-reading performance reporting.

C. INVOLUNTARY DISCONNECTIONS

The 09-409 *Order* required the Company to provide the involuntary disconnections data that it reports under Minn. Stat. § 216B.091 and § 216B.096 (Cold Weather Rule reports).[7]
Table 4 summarizes residential customer disconnection statistics reported by Xcel:

[5] Source: Table C-1, Attachment B, pp. 2-4 of the 2015 and 2016 Reports.
[6] Source: page 3 of Xcel's 2015 and 2016 Reports.
[6] Source: page 3 of Xcel's 2015 and 2016 Reports.
[7] Docket Nos. E,G999/PR-10-02, E,G999/PR-11-02, E,G999/PR-12-02, E,G999/PR-13-02, E,G999/PR-14-02, E,G999/PR-15-2, and E,G999/PR-16-2.

Table 4: Residential Customer Involuntary Disconnect Information

Year	Customers Receiving Disconnect Notice	Customers Seeking CWR Protection	Customers Granted CWR Protection	% Granted	Customers Disconnected Involuntarily	Customers Restored within 24 Hours
2010	1,218,073	173,440	173,440	100%	29,592	12,121
2011	1,282,576	188,091	188,271	100%	27,120	11,273
2012	1,207,842	121,393	121,393	100%	27,132	21,780
2013	1,217,049	126,477	126,477	100%	23,493	20,142
2014	1,168,975	105,561	105,561	100%	25,532	21,860
2015[8]	1,042,775	151,956	151,956	100%	26,657	22,452
2016	870,665	130,052	130,052	100%	20,584	17,352

The Department acknowledges that Xcel has fulfilled the involuntary disconnection information requirements of the 09-409 *Order*.

D. SERVICE EXTENSION REQUEST RESPONSE TIMES

Xcel stated in its May 18, 2009 *Comments* in Docket No. G999/CI-09-409 that nearly all requests to connect natural gas service at a location previously served are from customers who have had their meter locked due to nonpayment issues, as it is otherwise uncommon to disconnect service between tenants. Therefore, the Company included all reconnection statistics, including service upgrades involving disconnection and reconnections to a formerly vacant address, in its reporting of requests for new service.

As shown in Table 5, Xcel reported that the Company extended service to 1,406 new residential locations in 2015 and 1,760 in 2016, compared to 2,158 in 2014, with average completion times of 0.61 and 1.06 days, respectively.[9] The total number of extensions to commercial locations was 149 in 2015 and 120 in 2016, compared to 223 in 2014, with average completion times of 1.2 and 1.5 days, respectively.[10] Xcel's 2015 and 2016 residential service extension performance improved over 2014. And while the Company's 2015 and 2016 commercial service extension performance declined since 2014, the performance is still better than that achieved in the years 2010 through 2012.

[8] The Department's calculations for 2015 and 2016 are based on monthly data provided in Attachment C of the 2015 and 2016 Reports.
Attachment D of Xcel's 2015 and 2016 Reports.
[9] Attachment D of Xcel's 2015 and 2016 Reports.
[9] Attachment D of Xcel's 2015 and 2016 Reports.
[10] Source: *Id.*

Table 5: Service Extension Requests

	Residential		Commercial	
Year	# of Installations	Avg. # of Days to Complete	# of Installations	Avg. # of Days to Complete
2010	2,210	6.00	16	9.00
2011	1,625	3.92	140	2.83
2012	1,388	3.00	154	3.20
2013	1,582	0.80	130	0.70
2014	2,158	1.10	223	0.90
2015	1,406	0.50	149	1.20
2016	1,760	0.70	120	1.50

The Department acknowledges that Xcel has fulfilled the requirements of the 09-49 and 11-360 *Orders* regarding service extension reporting.

E. CUSTOMER DEPOSITS

The reporting metric for customer deposits is the number of customers required to make a deposit as a condition of receiving service. Xcel reported a total of 561 such accounts for both its natural gas and electric operations in 2015 and 365 in 2016.[11]

Table 6: Customer Deposits

Year	Deposits	% Change
2010	657	n/a
2011	665	1.22%
2012	622	-6.47%
2013	652	4.82%
2014	606	-7.06%
2015	561	-7.43%
2016	365	-50.98%

Per the 11-360 *Order*, the utilities were required to explain the types of deposits included in the reported number of "required customer deposits." Xcel stated that it requires deposits from residential customers that have filed for bankruptcy. The Company noted that it requests these deposits upon notification of the bankruptcy and not as a condition for reconnection of service. Xcel further stated that once customers file for bankruptcy, their service is begun anew and the deposit amount is included in their first bills.

[11] Source: page 4 of Xcel's 2015 and 2016 Reports.

The Department acknowledges that Xcel has fulfilled the customer deposit information requirements of the 09-409 and 11-360 *Orders*.

F. DETAILED INFORMATION ABOUT CUSTOMER COMPLAINTS

The metrics addressing customer complaints include:

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

As shown in Table 7, Xcel reported that 789 electric and natural gas complaints were handled by the Company's Customer Advocate Group (CAG) in 2015, 129 of which were forwarded by the Consumer Affairs Office (CAO). In 2016, 547 complaints were handled by the CAG, 102 of which were forwarded by the CAO.[12] Data provided by the Company showed that 20.7 percent of complaints in 2015 and 11.3 percent in 2016 handled by Xcel's Customer Advocate Group were resolved upon inquiry. The most frequent complaint category was "inadequate service." Data provided by Xcel showed that 42.6 percent of complaints in 2015, and 22.7 percent in 2016, were resolved by taking the action the customer requested, compared to 51.3 percent in 2014.

[12] Source: Attachment E of Xcel's 2015 and 2016 Reports.

Table 7: Customer Complaints Handled by CAG

Year	# Handled by CAG	# Forwarded by CAO	% Resolved on Initial Inquiry	% Resolved by Taking Customer Action	Top Complaint Category
2010	693	124	17%	29.1%	Inadequate Service
2011	627	127	13.2%	28.2%	Inadequate Service
2012	613	101	18.6%	27.2%	Inadequate Service
2013	745	94	18.9%	38.3%	Inadequate Service
2014	770	115	16.8%	51.3%	Inadequate Service
2015	789	129	20.7%	42.6%	Inadequate Service
2016	547	102	11.3%	22.7%	Inadequate Service

As shown in Table 8, Xcel also received 797,237 complaints in 2015 and 736,308 complaints in 2016 that were handled by the Company's call centers.[13] Approximately 96 percent of these complaints in 2015, and 97 percent in 2016, were resolved by taking the action the customer requested. The complaint category with the largest volume of complaints for all customers was "billing errors" with "wrongful disconnect" and "inadequate service" additionally of significant concern to residential customers.

Table 8: Customer Complaints Handled by Xcel's Call Centers

Year	# Handled by Xcel's Call Centers	% Resolved by Taking Customer Action	Top Complaint Category
2011	877,097	95	Billing Errors
2012	806,506	96	Billing Errors
2013	802,754	96	Billing Errors
2014	796,982	96	Billing Errors
2015	797,237	96	Billing Errors
2016	736,308	97	Billing Errors

Per the 11-360 *Order*, Xcel provided a chart that aligned its customer complaint categories with the ones contained in Minn. Rules, part 7826.2000.[14] The majority of Xcel's complaint categories fell within the "Billing Error" and "Inadequate Service" categories in the Rules.

The Department acknowledges that Xcel has fulfilled the customer complaint reporting requirements of the 09-409 and 11-360 *Orders*.

[13] The complaint totals are sums of the monthly data provided in Attachment E of the 2015 and 2016 Reports.
[14] Attachment E1 of Xcel's 2015 and 2016 Reports.

G. EMERGENCY CALLS SPEED OF ANSWER

The Company reported its average speed of answering emergency line calls for natural gas emergencies by month and year for all its possible sources, including the general customer service line, Business Line, Electric Outage line, and Gas Emergency Line. Xcel also reported the same information for calls directed exclusively to the dedicated Gas Emergency Line. This information is summarized in Table 9.

Table 9: Gas Emergency Calls

Year	# of Gas Emergency Calls	Average Response Time (seconds)	# of Gas Emergency Line Calls	Average Response Time (seconds)
2011	31,232	7	16,795	8
2012	26,046	8	15,013	8
2013	27,669	17	14,431	10
2014	25,426	8	15,754	8
2015	29,064	14	18,567	14
2016	35,921	11	7,146	14

The 2015 annual average answer time for all gas emergency calls was 14 seconds for 29,064 calls; the average for the dedicated gas emergency line only was 14 seconds for 18,567 calls. For 2016, the annual average answer time for all gas emergency calls declined to 11 seconds for 35,921 calls, while the average for the dedicated gas emergency line was still 14 seconds for only 7,146 calls.[15]

In its 2015 Report, Xcel stated that the decline in its 2015 average response time was due to "a major electric outage on July 18, 2015 during which a significant number of customers called the gas emergency number to report their electric outage." Xcel further stated,[16]

> To reduce the occurrence of non-gas-related calls to our gas emergency dispatchers in the future, the Company took a number of corrective actions. First, we discovered the gas emergency number was posted on our Company intranet as an electric outage number, so Company personnel may have misdirected customers to the gas emergency line. This error was corrected upon its discovery in July 2015. In an effort to route only legitimate gas calls to the gas emergency dispatchers, a new call menu structure was implemented for the … gas hotline number….

[15] Source: Attachment G of Xcel's 2015 and 2016 Reports.
[16] Xcel's 2015 Report, pages 5-6.

In its 2016 Report regarding its performance, Xcel stated,[17]

> While we showed improvement over last year's gas call response results, we came in just under our internal performance goal for 2016. There were two contributing events that decreased our overall results by almost one percentage point due to higher than normal gas volume calls. The first event occurred in early July when 250,000 customers were impacted by electrical outages with a large number of callers hitting the recently modified gas emergency menu prompt in error, which is discussed below in greater detail. The second event was an interruption of gas service to thousands of customers in early December, which is discussed in greater detail below in Section J.2.
>
> Other factors that have impacted our gas emergency call speed of answer, as noted in Attachment G, was a change to our telephone menu options on the Company general toll-free line. To better fit with the reasons why customers contact Xcel Energy for gas-related issues, in May 2016 we modified the main menu on our general toll-free lines. Although not one of our highest volume call types, given the critical nature of gas emergency calls, we moved the gas option up a level to the first prompt position. In doing so, we have observed an increase in the number of customers selecting the gas option in error with our new menu structure. This change has also contributed to an increased call volume for gas options on the general toll-free line.
>
> Our speed of answer metrics is calculated on all toll-free lines using all calls received where the customer chooses a gas option, even if the selection was made in error. The reason for the decrease in volume for the gas only toll-free line was because prior to the July 2015 menu change, as we reported in last year's filing, calls received on the gas only toll-free line, whether they were emergency gas-related or non-gas related were treated as gas emergency calls. The current system now routes all non-gas related calls to our main customer care toll-free number resulting in a reduction to our gas only toll-free line.

[17] Xcel's 2016 Report, pages 5-6.

The Department appreciates the additional information provided by the Company in its 2015 and 2016 Reports and acknowledges that Xcel has fulfilled the gas emergency calls reporting requirements of the 09-409 *Order*.

H. EMERGENCY GAS RESPONSE TIMES

The Company also reports the response time associated with emergencies requiring a physical presence at the site of the emergency. This metric is the length of time from the initial notification of an emergency to the point that qualified emergency response personnel arrived at the location of the incident. Xcel reported emergency response times by job code and total calls, by calls responded to within one hour or less, and calls responded to in more than one hour. Xcel also provided the average number of minutes necessary for response to an emergency. The Company's emergency gas response time data are summarized in Table 10.

Table 10: Gas Emergency Response Times

Year	# of Gas Emergency Calls	Average Response Time (minutes)	% of Calls Answered in an Hour or Less
2010	18,557	51.77	76%
2011	16,417	44.88	80%
2012	11,028	40.30	84%
2013	13,801	41.73	83%
2014	14,548	40	85%
2015	13,587	38.13	87%
2016	12,811	36.82	88%

In 2015, there were 13,587 emergency calls to which a response was required, with an average response time of 38.13 minutes, and 87 percent of calls were responded to within one hour. For 2016, there were 12,811 emergency calls, with an average response time of 36.82 minutes and 88 percent responded to within one hour.[18]

In the 11-360 *Order*, all gas utilities were required to describe the types of gas emergency calls included in their gas emergency response times, as well as the types of emergency calls included in their reports to MnOPS. The utilities were also required to provide an explanation of any difference between the reports provided to the Commission and those provided to MnOPS. Xcel has included the MnOPS Emergency Response Reporting Forms for 2015 and

[18] Source: page 1 of Attachment I of Xcel's 2015 and 2016 Reports.

2016 in its Reports.[19] In 2015, there were 10,732 calls that were reportable to MnOPS, and 9,892 in 2016, of the total calls that required a response.[20]

Xcel is showing steady improvement in both reducing the average response time over all, as well as the percentage of calls answered in less than one hour. The Department acknowledges that Xcel has fulfilled the gas emergency response time reporting requirements of the 09-409 and the 11-360 *Orders*.

I. MISLOCATE RATE

The mislocate rate refers to the number of times that a gas line is damaged due to a line being mismarked or unmarked. The required reporting metric is the total number of mislocates. The Company also provided the number of locate tickets and the number of mislocates per 1,000 locate tickets. Xcel's mislocate data are summarized in Table 11.

Table 11: Mislocates

Year	# of Mislocates	# of Locate Tickets	Mislocates per 1,000 Tickets
2012	54	160,832	0.34
2013	57	155,531	0.37
2014	43	167,578	0.26
2015	46	179,362	0.26
2016	41	171,455	0.24

For 2015, Xcel reported 46 mislocates out of a total of 179,362 locate tickets, a rate of 0.26 mislocates per 1,000 tickets. For 2016, Xcel reported 41 mislocates out of a total of 171,455 locate tickets, a rate of 0.24 mislocates per 1,000 tickets.[21] The data reflect a decline in mislocates after 2013.

The Department acknowledges that Xcel has fulfilled the mislocate reporting requirements of the 09-409 *Order*.

J. GAS SYSTEM DAMAGES

The metric concerning gas system damage indicates the number of incidents caused by Company employees and contractors, or other sources. Xcel's gas system damage data are summarized in Table 12.

[19] Attachment H of Xcel's 2015 and 2016 Report.
[20] Source: page 1 of Attachment H of Xcel's 2015 and 2016 Reports.
[21] Attachment J of Xcel's 2015 and 2016 Reports.

Table 12: Damaged Gas Lines

Year	Damage by Xcel	Damage by Others	Total	Miles of Main	Damage/100 Main Miles
2011	27	308	335	8,785	3.81
2012	81	254	335	8,924	3.75
2013	87	253	340	8,942	3.80
2014	77	238	315	8,942	3.52
2015	91	229	320	9,238	3.46
2016	71	271	342	9,292	3.68

In 2015, Xcel reported 320 total gas system damages, of which 91 were due to Xcel employees or its contractors, and 229 were due to other causes. In 2016, Xcel reported 342 total gas system damages, of which 71 were due to Xcel employees or its contractors, and 271 were due to other causes.[22]

The Company reported a rate of 0.99 damage incidents caused by Xcel or contractors per 100 miles of main and 2.48 damage incidents from other causes per 100 miles of main in 2015. In 2016, Xcel reported a rate of 0.76 damage incidents caused by Xcel or contractors per 100 miles of main and 2.92 damage incidents from other causes per 100 miles of main. The total rate for 2015 was 3.46 incidents per 100 miles and 3.68 incidents per 100 miles for 2016. While the incident rate increased in 2016 over 2015, it is still lower than the number of incidents reported in 2011-2013.

The Department acknowledges that Xcel has fulfilled the gas system damage information requirements of the 09-409 *Order*.

K. NATURAL GAS SERVICE INTERRUPTIONS

The reporting metrics for natural gas service interruptions are the number of firm customers that experience an unplanned service interruption and the average duration of the unplanned service disruptions. Unplanned service interruptions are those due to Xcel employees and contractors, or other unplanned causes. Xcel's gas service interruptions data are summarized in Table 13.

[22] Attachment K of Xcel's 2015 and 2016 Reports.

Table 13: Gas Service Interruption

Year	Number of Homes Affected	Number of Incidents Caused by Xcel	Average Duration of Outages Caused by Xcel (hours:minutes)	Number of Incidents Caused by Others	Average Duration of Outages Caused by Others (hours:minutes)
2011	2,130	31	5:39	249	3:50
2012	473	25	2:30	254	1:46
2013	621	26	1:43	238	2:00
2014	1,023	18	2:29	248	2:22
2015	715	32	1:55	263	1:57
2016	606	25	1:34	252	1:50

A total of 715 customers were affected by 295 gas service interruptions in 2015. In 2016, 606 customers were affected by 277 gas service interruptions.[23] Thirty-two outages were caused by Xcel employees and contractors, affecting 71 homes, while 263 outages affecting 644 homes occurred due to other causes in 2015. In 2016, 25 outages were caused by Xcel employees and contractors, affecting 50 homes, while 252 outages affecting 556 homes occurred due to other causes.

The average duration of gas-service interruptions in 2015 was 1 hour 55 minutes for outages associated with Xcel employees and contractors, and 1 hour 57 minutes for the outages due to other causes. In 2016, the average duration of gas-service interruptions was 1 hour 34 minutes for outages associated with Xcel employees and contractors, and 1 hour 50 minutes for the outages due to other causes.

While the number of incidents were higher in 2015 and 2016 than in 2014, the average outage time declined in both years. The number of incidents in 2015 was the highest it has been since reporting began for full calendar years in 2011, but the number of incidents in 2016 was closer to the totals reported in 2011-2014. The increase in 2015 does not indicate a trend of an increasing number of incidents, however the Department will address concerns as necessary, should any trends emerge in future reporting.

The Department acknowledges that Xcel has fulfilled the natural gas service interruption data requirements of the 09-409 *Order*.

[23] Attachment L of Xcel's 2015 and 2016 Reports.

L. MnOPS SUMMARIES

The Company is required to summarize major events that require a report being made to the MnOPS. These summaries include the ten items that the MnOPS requires in its incident reports. They are:

- 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; and
- the longest any customer was without gas service during the incident.

Xcel reported 46 such major events during 2015 and 21 major events in 2016.[24] Thirty-two such events occurred in 2014. The Company provided a table of data concerning major incidents, which includes all ten items required by MOPS.

The Department acknowledges that Xcel has fulfilled the requirements of the 09-409 *Order* regarding major events reported to MnOPS.

M. CUSTOMER-SERVICE-RELATED EXPENSES

The customer-service-related expenses reporting metric is the total operation and maintenance (O&M) expenses incurred related to customer service. The report included expenses for operations in Xcel's Minnesota jurisdiction, as well as the total for Northern States Power Company (which includes North Dakota expenses). Table 14 below summarizes Xcel's reported customer-service expenses for its Minnesota jurisdiction.[25]

[24] Source: Attachment M of Xcel's 2015 and 2016 Reports.
[25] Source: Attachment N of Xcel's 2015 and 2016 Reports.

Table 14: Customer-Service Expenses: Minnesota Jurisdiction

Year	FERC 901 and 903	Associated Payroll & Tax Benefits	Total
2010	$5,612,215	$396,149	$6,008,364
2011	$5,927,900	$391,843	$6,319,743
2012	$5,896,206	$436,123	$6,332,329
2013	$5,799,728	$431,478	$6,231,206
2014	$5,617,750	$374,554	$5,992,304
2015	$5,424,808	$388,260	$5,813,068
2016	$5,317,939	$381,388	$5,699,327

The Department acknowledges that Xcel has fulfilled the O&M expense reporting requirements of the 09-409 *Order*.

N. COMMISSION ORDER IN THE MATTER OF AN INVESTIGATION INTO XCEL'S INACCURATE GAS METERS, RECALCULATION OF BILLS, AND RELATED ISSUES (DOCKET G002/CI-08-871)

As indicated above, Xcel is required to provide certain data regarding meter repair field orders, which has traditionally been provided for both electric and gas service in the annual Electric Service Quality Dockets. Xcel's meter equipment malfunction data are summarized in Table 15.

Table 15: Meter Equipment Malfunction

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

In 2015, there were 2,956 orders taking an average of 2.94 days to resolve, with 533 meter access exclusions. In 2016, there were 3,966 orders taking an average of 3.36 days to resolve, with 399 meter access exclusions.[26]

The Department acknowledges that Xcel has fulfilled the requirements of the 08-871 *Order*.

[26] Source: Attachment O of Xcel's 2015 and 2016 Reports.

III. DEPARTMENT RECOMMENDATIONS

Based on its review of Xcel's 2015 and 2016 *Annual Natural Gas Service Quality Reports*, the Department recommends that the Commission accept the 2015 and 2016 Reports.

/ja

CERTIFICATE OF SERVICE

I, Linda Chavez, hereby certify that I have this day served copies of the following document on the attached list of persons by electronic filing, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

MINNESOTA DEPARTMENT OF COMMERCE – COMMENTS

Docket Nos. **G002/M-16-382**
G002/M-17-341

Dated this **1st** day of **September, 2017**.

/s/Linda Chavez
_____

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