



Minnesota Energy Resources Corporation  
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December 6, 2019

**VIA ELECTRONIC FILING**

Daniel P. Wolf  
Executive Secretary  
Minnesota Public Utilities Commission  
121 Seventh Place East, Suite 350  
St. Paul, MN 55101

Re: In the Matter of the Annual Service Quality Report for Minnesota Energy Resources Corporation for 2018, Docket No. G011/M-19-303

**Compliance Filing of Minnesota Energy Resources Corporation**

Dear Mr. Wolf:

Minnesota Energy Resources Corporation ("MERC" or the "Company") submits this Compliance Filing in accordance with the Minnesota Public Utilities Commission's (the "Commission's") decision during its October 24, 2019, agenda meeting in the above-referenced docket,<sup>1</sup> requiring that by December 6, 2019, after consultation with the other gas utilities obligated to report excess flow valve ("EFV") metrics, MERC shall provide recommendations for a uniform reporting of annual and overall EFV and manual shutoff valve installation on their distribution system. Such recommendation could include:

1. A uniform definition of the number of customers suitable for EFV;
2. A uniform definition of the number of customers suitable for manual shut-off valves;
3. A uniform metric to be reported as a percentage of customers with installations of both;
4. Metrics for the number of customers receiving installations upon request prior to a system upgrade that would require installation of EFVs.

In compliance with the Commission's decision, MERC, Xcel Energy, CenterPoint Energy, and Great Plains Natural Gas Company consulted regarding uniform definitions for future reporting on EFV and manual shut-off valve eligibility and installations. Together, the above referenced natural gas companies have agreed as follows:

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<sup>1</sup> A written order in that docket was pending as of the date of this Compliance Filing.

*Uniform Definition of Number of Customers Suitable for EFV*

First, with respect to a uniform definition for the number of customers suitable for installation of EFVs, the natural gas utilities agreed that a customer is suitable for an EFV if they fall under the installation requirements of 49 CFR § 192.383, which requires the service line to be operated at least 10 pounds per square inch gauge and to serve a customer load not greater than 1,000 standard cubic feet per hour (“SCFH”). However, we note that the actual number of services eligible for installation of an EFV may vary since an engineering analysis is required, on a case-by-case basis, to determine actual technical feasibility.

*Uniform Definition of Number of Customers Suitable for Manual Shut-off Valve*

Second, the utilities agreed that a customer is suitable for a manual shut-off valve if they do not meet the requirements of 49 CFR § 192.383.

*Metrics for the number of customers receiving installations upon request prior to a system upgrade that would require the installation of EFVs.*

The above-referenced natural gas companies recommend the following uniform metrics to report the percentage of installations of EFVs and manual shut-off valves and the number of customers receiving installations upon request prior to a system upgrade:

**EFV Installation**

<b>Number of Customers Suitable for EFV Installation<sup>2</sup></b> <b>(a)</b>	<b>Total Number of Installed EFVs</b> <b>(b)</b>	<b>Number of Customers Who Requested Installation<sup>3</sup></b> <b>(c)</b>	<b>Percentage of Suitable Customers with EFVs</b> <b>(d)</b>	<b>Number of Customers Unsuitable for EFVs<sup>4</sup></b> <b>(e)</b>
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<sup>2</sup> A customer is suitable for an EFV if they fall under the installation requirements of 49 CFR § 192.383, which is having a service operated at least 10 pounds per square inch gauge and serve a customer load not greater than 1,000 standard cubic feet per hour. However, the actual number of services with technical feasibility for an EFV installation may vary since an engineering analysis is required, on a case-by-case basis, to determine technical feasibility.

<sup>3</sup> Since August 20, 2018, which is the date of the Commission’s Order Finding that Excess Flow Valves Comply with Federal Regulations and Taking Other Actions in Docket No. G-999/CI-18-41.

<sup>4</sup> A customer unsuitable for an EFV may be suitable for a manual shut-off valve.

		(subset of (b))	(b)/(a)	
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### Manual Shut-Off Installation

<b>Number of Customers Suitable for Manual Shut-Off Valves<sup>5</sup></b> <b>(a)</b>	<b>Total Number of Installed Manual Shut-Off Valves</b> <b>(b)</b>	<b>Number of Customers Who Requested Installation<sup>6</sup></b> <b>(c)</b>	<b>Percentage of Suitable Customers with Manual Shut-Off Valves</b> <b>(d)</b>
		(subset of (b))	(b)/(a)

In agreeing to these metrics, the above-referenced natural gas utilities noted that because of differences in how records are maintained and can be pulled from electronic systems, each utility will have to define for the Commission how they count “number of customers” for the purposes of these reporting metrics.

Currently, MERC only has data available regarding service line installations and eligibility. The meters associated with a service line are not readily available to track installation by customer class. MERC proposes to continue reporting based on the number of service lines meeting federal eligibility for installation of an EFV or manual shut-off valve and the number of service lines with current installations. This is consistent with federal Pipeline and Hazardous Materials Safety Administration (“PHMSA”) regulations, which establish both the criteria for installation of EFVs and manual shut-off valves and annual utility reporting on the number of installed EFVs and shut-off valves.<sup>7</sup> Those federal standards focus on installation requirements and reporting for each EFV or shut-off valve and do not require reporting on EFVs or manual service line shut-off valves by customer class. For purposes of reporting on eligibility, MERC will assume that for existing service lines, any service line that is 1” or smaller

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<sup>5</sup> A customer is suitable for a manual shut-off valve if they do not meet the requirements of 49 CFR § 192.383.

<sup>6</sup> Since August 20, 2018, which is the date of the Commission’s Order Finding that Excess Flow Valves Comply with Federal Regulations and Taking Other Actions in Docket No. G-999/CI-18-41.

<sup>7</sup> Pursuant to 49 C.F.R. § 192.383 (g), operators of natural gas systems are required to report annually on their EFV and manual service line shut-off measures. In particular, MERC is required to report on the number of EFVs and manual service line shut-off valves installed during the calendar year and on the estimated total number of EFVs and manual service line shut-off valves on the system at the end of the calendar reporting year.

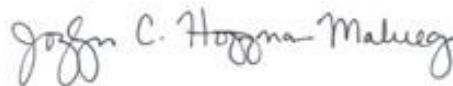
would be eligible for an EFV. Larger service lines would be categorized as eligible for a manual shut-off valve.

Additionally, while MERC has been required to report on EFV installation since 2011 and to report on manual service line shut-off valve installation since 2017, installations prior to the adoption of the PHMSA reporting requirements were not separately tracked or reported. As a result, with MERC's first reporting in 2011, the Company estimated the number of EFVs installed based on new and replaced service lines 1" or smaller.

As discussed previously, only service lines with a total installed meter capacity of 1,000 SCFH or less qualify for an EFV. On MERC's system, a single service line often will serve multiple meters in commercial and multifamily applications and in such cases, the total installed meter capacity served by the service line must be evaluated (i.e., whether the total installed meter capacity of all meters falls below the EFV threshold specified within the federal regulations). Each service line is evaluated when it is newly installed or replaced as to whether or not the service line should include a manual shut off valve or EFV.<sup>8</sup> MERC does not reevaluate eligibility based on subsequent customer changes outside of service line replacement.

Please contact me at (414) 221-4208 if you have any questions regarding the information in this filing. Thank you for your attention to this matter.

Sincerely yours,



Joylyn Hoffman Malueg  
Project Specialist  
Minnesota Energy Resources Corporation

cc: Service List

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<sup>8</sup> Subsequent customer or meter changes could result in a service line that was previously unsuitable for an EFV becoming suitable or a line that was previously suitable for an EFV becoming unsuitable.

In the Matter of the Annual Service  
Quality Report for Minnesota Energy  
Resources Corporation for 2018

Docket No. G011/M-19-303

CERTIFICATE OF SERVICE

I, Kristin M. Stastny, hereby certify that on the 6th day of December, 2019, on behalf of Minnesota Energy Resources Corporation (MERC), I electronically filed a true and correct copy of the enclosed Compliance Filing on [www.edockets.state.mn.us](http://www.edockets.state.mn.us). Said documents were also served via U.S. mail and electronic service as designated on the attached service list.

Dated this 6th day of December, 2019.

/s/ Kristin M. Stastny  
Kristin M. Stastny

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_19-303_M-19-303
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800  St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_19-303_M-19-303
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_19-303_M-19-303
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Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_19-303_M-19-303
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Mary	Wolter	mary.wolter@wecenergygroup.com	Minnesota Energy Resources Corporation (HOLDING)	231 West Michigan St  Milwaukee, WI 53203	Electronic Service	No	OFF_SL_19-303_M-19-303