

October 9, 2020

Will Seuffert
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. G022/M-20-459

Dear Mr. Seuffert:

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

2019 Annual Gas Service Quality Report (Report) submitted by Greater Minnesota Gas, Inc. (Greater Minnesota or the Company).

The *2019 Annual Gas Service Quality Report* was filed on May 16, 2020 by:

Kristine A. Anderson
Corporate Attorney
Greater Minnesota Gas, Inc.
1900 Cardinal Lane, P.O. Box 798
Faribault, Minnesota 55021

The Department recommends that the Minnesota Public Utilities Commission (Commission) accept Greater Minnesota's *2019 Annual Gas Service Quality Report*.

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

Sincerely,

/s/ ADAM J. HEINEN
Public Utilities Rates Analyst

AJH/ja
Attachment



Before the Minnesota Public Utilities Commission
Comments of the Minnesota Department of Commerce
Division of Energy Resources

Docket No. G022/M-20-459

I. BACKGROUND

On April 16, 2009, the Minnesota Public Utilities Commission (Commission) opened an investigation into natural gas service quality standards and requested comments from the Minnesota Department of Commerce, Division of Energy Resources (Department) and all Minnesota regulated gas utilities in Docket No. G999/CI-09-409 (09-409 Docket). Various rounds of comments and discussion occurred in the 09-409 Docket and the issues came before the Commission on August 5, 2010. During the August 5, 2010 Commission Agenda Meeting, Greater Minnesota Gas, Inc. (Greater Minnesota, GMG, or the Company) argued that, due to its size relative to Minnesota's larger regulated gas utilities, certain reporting requirements should be modified. In its January 18, 2011 *Order—Setting Reporting Requirements* (09-409 Order), the Commission determined that Greater Minnesota must provide service quality information in generally the same manner as other Minnesota gas utilities, except as modified by the Commission's 09-409 Order.

On April 25, 2011, Greater Minnesota filed its calendar year 2010 *Annual Service Quality Report*. In its March 6, 2012 *Order—Accepting Reports and Setting Reporting Requirements* (March 6 Order) in Docket No. G022/M-11-356 *et al.*, the Commission supplemented the reporting requirements set out in its 09-409 Order and directed the Minnesota natural gas utilities to convene a workgroup to improve reporting consistency and address other issues. The workgroup met on June 22, 2012 and developed more uniform reporting requirements; GMG did not attend the workgroup meeting.

Subsequently, the Company has filed the following annual service quality reports:

2012	May 1, 2013
2013	November 13, 2014
2014	May 7, 2015
2015	May 2, 2016 ¹
2016	May 1, 2017
2017	May 1, 2018
2018	May 1, 2019
2019	May 15, 2020 ²

¹The Commission's 09-409 Order requires the gas utilities to file its annual report by May 1, however May 1, 2016 was a Sunday and the Company filed its 2015 annual service quality report on May 2, 2016; as such, Greater Minnesota complied with the 09-409 Order.

² The Department notes that Greater Minnesota requested an extension on May 1, 2020 to file its 2019 annual service quality report on May 15, 2020. The Department concludes that the Company filed its 2019 annual service quality report in a timely manner.

The Department reviewed the Company's 2019 Annual Service Quality Report (Report) for compliance with Commission Orders and to identify potential issues. The Department provides its analysis below.

II. THE DEPARTMENT'S ANALYSIS

Per the Commission's 09-409 Order, Greater Minnesota was not required to track information for certain reporting requirements until January 1, 2011, which means that this report marks the ninth time that Greater Minnesota has provided information for the following reporting requirements:

Telephone Response Time, Meter Reading Performance, Service Extension Request Time,³ Customer Deposits, Customer Complaints, Gas Emergency Information, Minnesota Office of Pipeline Safety (MnOPS) damage reports, Service Interruptions, Gas Emergency Response Time, and Customer Service Expenditures related to FERC Accounts 901 and 903. The 2019 Report contains the tenth year of data for the remaining metrics: Service Disconnections and System Damage.

The Department discusses, separately, each reporting requirement below.

A. CALL CENTER RESPONSE TIME

The Commission required each utility to provide, in its annual service quality report, call center response time in terms of the percentage of calls answered within 20 seconds. The Department notes that Minnesota Rules, part 7826.1200 requires Minnesota's electric utilities to answer, on an annual average, 80 percent of calls made to the business office during regular business hours within 20 seconds.

For Greater Minnesota, the Commission's 09-409 Order requires the following regarding telephone response time:

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.

The Company explained in its filing that all calls are answered live within three rings; however, if the Company does not answer within three rings, the call is automatically forwarded to an after-hours answering service. The Company's historical call volumes are summarized in Table 1 below.

³ In its April 8, 2016 Order in Docket No. G022/M-15-1090, the Commission approved revised Service Extension Request Time reporting requirements beginning with the 2016 annual service quality report.

Table 1: Call Volume Data (2011-2019)

Year	Number of Calls Received	Percentage Change in Calls
2011	5,887	n/a
2012	9,107	54.70%
2013	12,876	41.39%
2014	13,399	4.06%
2015	11,308	(15.61)%
2016	10,812	(4.39)%
2017	10,705	(0.99)%
2018	10,981	2.58%
2019	10,927	(0.49)%

In its Report, Greater Minnesota noted that the incoming call rate is comparable to the number of calls received over the last several years. Greater Minnesota explained that the calls are associated with its primary business line and calls received refer to both customer and non-customer related matters. In addition to customer related issues such as payment or service questions, this phone line also takes calls from potential customers, developer or builder questions, or other general business inquiries that may not be related to Greater Minnesota's natural gas operations.

Based on the Company's information, the Department concludes that Greater Minnesota likely answered calls promptly.

B. METER READING PERFORMANCE

In its 09-409 Order, the Commission required GMG to report meter reading performance data in the same manner as prescribed in Minnesota Rule 7826.1400. The Company provided, in its Report, the meter reading performance data per Minnesota Rules.

The Company's meter reading data over the nine years that it has collected these data are summarized in Table 2 below.

Table 2: Meter Reading Data (2011-2019)

Year	Total Meters Billed	Company Read	% Company Read	Self-Read	% Self-Read	Estimated	% Estimated
2011	48,174	47,403	98.40%	145	0.30%	626	1.3%
2012	54,169	42,733	79.00%	60	0.10%	11,376	21.0%
2013	62,868	56,623	90.00%	336	0.50%	5,909	9.5%
2014	66,284	64,357	97.00%	372	0.50%	1,555	2.5%
2015	80,580	79,570	98.75%	135	0.17%	1,010	1.25%
2016	84,371	83,784	99.30%	133	0.16%	458	0.54%
2017	92,456	92,297	99.83%	23	0.03%	136	0.15%
2018	99,567	99,561	99.99%	0	0.00%	6	<0.001%
2019	106,350	106,350	100.00%	0	0.00%	0	0.00%

As noted in Table 2, the Company had no self-read or estimated meters during 2019. Greater Minnesota also reported no unread meters for more than six months in calendar year 2019. It appears that Greater Minnesota's meter reading performance in 2019 is driven by its deployment of Advanced Meter Reading (AMR) equipment, which began in late 2014. Based on the data in Table 2 above, it is clear that deployment of AMR has been a success in terms of reduced estimated meter reads, customer-read meters, and unread meters.

C. INVOLUNTARY SERVICE DISCONNECTION

The Commission's 09-409 Order requires Greater Minnesota to provide involuntary service disconnection data in the same manner that it reports these data under Minnesota Statutes §§ 216B.091 and 216B.096 in Docket No. E,G999/PR-14-02, which relate to the Cold Weather Rule (CWR). Table 3 shows GMG's number of disconnections over the past nine years as reported in its service quality dockets.

Table 3: Involuntary Disconnections (2010-2019)⁴

2010	35
2011	17
2012	54
2013	63
2014	125
2015	122
2016	69
2017	39
2018	43
2019	16

Involuntary disconnections decreased by 27 instances between 2018 and 2019 and resulted in the lowest overall number since Greater Minnesota began reporting these data in 2010.

As noted above, the involuntary disconnection data are taken from the monthly CWR filings. The Department observed significant inconsistencies and issues (*e.g.*, data issues, late filings) with Greater Minnesota's CWR data in the 2014 annual service quality report; as such, the Department requested that the Company improve its reporting of this metric going forward. In light of these previous concerns, the Department reviewed the Company's monthly and weekly CWR filings.⁵ The Department reviewed the CWR data filed in calendar year 2019 and compared it to the information provided by Greater Minnesota in the annual service quality reports.⁶ The Department was able to reconcile the information contained in the service quality reports and the monthly CWR reports.

The Department reviewed the monthly CWR reports for 2019 to determine whether they were filed in a timely manner. The Department observed that Greater Minnesota late filed its July through October monthly reports on December 17, 2019. The Department issued discovery requesting that Greater Minnesota explain why these reports were filed late and whether this had any impact on its CWR data. In its response to Department Information Request No. 1, the Company explained that Greater Minnesota moved its corporate headquarters from Faribault to Le Sueur in late July 2019 and that the Company's staff and office operations transitioned during August 2020. The new offices were approximately 45 minutes from the previous office location and the Company explained that it experienced administrative staff turnover in the months following the move, including those staff who contributed to the CWR reports. In addition, the Company noted that it also launched a new billing system that, after launch, experienced significant issues which required Greater Minnesota to revert to

⁴ As the Department noted in its July 22, 2015 *Comments* in the 2014 service quality report, older data may not be comparable to more recent data given the data concerns identified in that docket. These comparability issues still exist, so caution should be used when comparing older involuntary disconnection information with the post-2014 data.

⁵ 2019 Cold Weather Rule filings can be found in Docket No. E,G999/PR-19-2.

⁶ Report, Attachment A.

its legacy billing system. Given the staff turnover and issues with the billing system, the Company decided that it would not disconnect customers for non-payment during this timeframe. Greater Minnesota also delayed filing its CWR reports to ensure that newly trained staff could be properly trained, and the integrity of the data verified. The Company concluded that these delays did not impact the CWR reports,⁷ therefore, it remains unclear why the Company did not file its July through October monthly CWR reports until December.

The Department appreciates Greater Minnesota's response on this issue, and the Department believes that the Company's decision to not disconnect customers for non-payment during this time period was reasonable. The Department does not have additional comment on this issue.

The Department also reviewed the monthly reports and notes that past due accounts remained relatively constant throughout the calendar year. The number of accounts disconnected were also small and decreased throughout the calendar year.

Based on its review, the Department concludes that Greater Minnesota's involuntary disconnection data for 2019 appear acceptable subject to the Company's explanation of why its July through October monthly reports were late filed.

D. SERVICE EXTENSION REQUEST RESPONSE TIME

The reporting method for service extension request response time has been a topic of great discussion in past Greater Minnesota annual service quality reports. Based on the 09-409 Order, Greater Minnesota is required to report service extension request response time data contained in Minn. Rules, part 7826.1600, items A and B, except for service connections related to Minn. Stat. §§ 216B.091 and 216B.096, subd. 11 (involuntary service disconnections). Minnesota Rules, part 7826.1600, items A and B requires the following:

- A. the number of customers requesting service to a location not previously served by the utility and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service; and
- B. the number of customers requesting service to a location previously served by the utility, but not served at the time of the request, and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service.

⁷ Department Attachment 1.

In the 2013 annual service quality report, the Department raised concerns regarding the Company's service extension data. Specifically, the Department noted that Greater Minnesota did not provide a breakdown of service extension times between existing and new areas as prescribed by Minnesota Rules and Commission Order, and the Department requested that the Company provide these data.⁸

The Company subsequently provided information regarding customer additions along new main installations and additions for customers on existing main that did not previously have natural gas service. In its 2014 annual service quality report, Greater Minnesota stated that it added approximately 550 new meters in 2014, but did not provide a breakdown by new main installations and extensions off existing mains as it had in the 2013 annual service quality proceeding, nor did the Company provide an exact number of total meter additions.

In both the 2013 and 2014 service quality report proceedings, Greater Minnesota expressed concern that the service extension reporting requirement may not be the best means of determining whether service is being extended to customers in a timely manner. In its August 31, 2015 Order in Docket No. G022/M-14-964, the Commission allowed Greater Minnesota to propose a new metric for service extension response time and required that the Company file a proposal within 120 days of the date of the Order. On December 31, 2015, Greater Minnesota filed its proposal in Docket No. G022/M-15-1090. Greater Minnesota and the Department exchanged written comments regarding the Company's proposal and the Commission ultimately approved a new service extension reporting requirement in its April 6 Order. The April 6 Order required the Company to begin reporting its new service extension data beginning with the 2016 annual service quality report. As such, this Report marks the fourth time that the Company has provided data per the revised service extension reporting requirement.

Per the April 6 Order in Docket No. G022/M-15-1090, Greater Minnesota is required to provide information on extensions to new service areas, the addition of new customers on existing mains, and a discussion on requests for changes in service to areas already served by the Company (*e.g.*, transfer of ownership of property). In addition to the service extension data, the Commission also required that Greater Minnesota provide copies of advertisements to potential new customers, the date that deposits were first taken for a new service area, and an explanation of why customers along existing mains were denied service. The Department reviewed the service extension data provided by Greater Minnesota and it appears to conform to the requirements ordered by the Commission.

The Company explained that it did not extend main to new service areas in 2019 but, rather, focused on in-fill in its existing service territory and did not undertake major new area projects. This marks the first year since Greater Minnesota began reporting these data that it did not extend service to a new area.

⁸ See Greater Minnesota 2014 Annual Service Quality Report, Docket No. G022/M-15-434, page 5.

Table 4: New Main Extension Projects (2016-2019)

Year	Estimated Number of Residential Customers Added	Actual Number of Residential Customers Added	Estimated Number of Firm Commercial Customers Added	Actual Number of Firm Commercial Customers Added	Estimated Number of Interruptible Commercial Customers Added	Actual Number of Interruptible Commercial Customers Added
2016	404	374	27	28	3	3
2017	281	278	1	1	0	0
2018	243	314	22	22	4	4
2019	0	0	0	0	0	0

Greater Minnesota also provided monthly data for on-main customer additions, which are areas where the Company already extended service. Simply put, these customers had access to Greater Minnesota service but had not previously requested service. The Department provides a summary of annual service extensions for these customers below.

Table 5: On-Main Customers Added (2016-2019)

Year	Residential Service Requests	Average Number of Days to Install	Firm Commercial Service Requests	Average Number of Days to Install	Interruptible Commercial Service Requests	Average Number of Days to Install	Denied Service Requests
2016	276	27	7	23	2	26	0
2017	178	30	24	13	1	8	0
2018	327	27	0	0	1	35	0
2019	448	25	29	12	5	4	0

In 2019, the Company added 482 on-main customers and extended service to all customers who requested service. This is an increase of 154 on-main customers added relative to 2018. In general, across customer classes, the average length of time required to extend service was similar to extension times in previous years. On a monthly basis, the service extension times for the Residential rate class remained relatively consistent throughout the year with only a few months (*i.e.*, April, May, July, August) where average waits were greater than 30 days.

The length of time required for these extensions appear long but may be related to the requests being made during the non-construction season or prior to construction starting. Greater Minnesota explained that customers often request service well before construction season begins and routinely service is extended to a customer as part of larger project development during the construction season.

Overall, the on-main service extension data for 2019 appear acceptable; however, this is the fourth year that data were provided in this format, so it is premature to provide any substantive conclusions at this time. The Department looks forward to reviewing these data in future reports.

Greater Minnesota also represented that there were no issues or delays related to the transfer of service between customers (e.g., new ownership of a house). The Company stated that it does not lock or stop service for an ownership transfer unless there is a foreclosure at a previously served location. Given the lack of customer complaints, as discussed in Section II.F below, the Department concludes that the Company has reasonably dealt with service requests in 2019.

As noted above, the Commission's Order in Docket No. G022/M-15-1090 also required Greater Minnesota to provide copies of all advertisements and solicitations provided to potential new customers in a new geographical area, the date at which deposits were first accepted for a new geographic area, and an explanation of the reasons why customers were denied service when requested. Attachment B to the Company's 2019 Report includes GMG's advertisements and solicitations for new customers. As shown on page 5 of its Report, Greater Minnesota did not deny service to any customer requesting service during 2019. The Department concludes that the Company complied with the Commission's Order in Docket No. G022/M-15-1090 concerning service extension reporting requirements.

E. CUSTOMER DEPOSITS

The 2019 Report marks the ninth time that the Company has provided data regarding customer deposits.

Table 6: Customer Deposits (2010-2019)⁹

Year	Number of New Deposits	Average Residential Customer Count*
2011	0	3,622
2012	3	4,075
2013	6	4,432
2014	13	4,918
2015	10	5,396
2016	4	6,289
2017	5	6,893
2018	2	7,434
2019	2	7,942

*Source: Annual Gas Jurisdictional Reports filed each May 1.

⁹ The Department notes that in past service quality reports it observed minor inconsistencies between the Annual Jurisdictional Report and Regional Energy Information System (REIS) data. The Department reviewed the REIS data for 2019 and it is consistent with the information in the jurisdictional report.

The number of new customer deposits increased steadily over the first four years but has decreased in recent years and remains well below the highest number (13) in 2014. The Company noted in its Report that it currently holds 21 total customer deposits because Greater Minnesota has not received 12 consecutive months of payment from these customers. This is a decrease of one from the 22 total customer deposits reported in last year's report.

F. CUSTOMER COMPLAINTS

The Commission's 09-409 Order specified GMG's customer complaint reporting requirements, as follows:

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.

In its Report, GMG stated that when a customer calls, it is not necessarily a complaint, and the Company's customer service representatives attempt to identify and answer the caller's question or concern immediately. The Company classifies a call as a complaint only if the customer service representative escalates the matter to a supervisor either because the customer service representative is unable to satisfy the customer's concern or the customer is requesting that GMG take some type of action.

Greater Minnesota's reported total number of complaints, on an annual basis, is summarized in Table 7 below.

Table 7: Annual Total Complaints (2011-2019)

Year	Complaints
2011	10
2012	6
2013	3
2014	4
2015	4
2016	1
2017	4
2018	1
2019	1

The Company noted in its Report that the only complaint it received in 2019 requested resolution through the Office of the Attorney General (OAG). The Commission's Consumer Affairs Office (CAO) did not forward any complaints in 2019. Greater Minnesota explained that the complaint stemmed from a customer's concern between the size of their bill relative to an acquaintance served by a different utility provider. The Company explained that the differences in the bills, appeared driven by the billing styles between utilities and the application of pressure factors on the bills. Greater Minnesota explained that it exchanged explanations with the customer and the customer was ultimately satisfied with the response and explanation.

After reviewing the Company's explanations, the Department concludes that Greater Minnesota's complaint response was adequate.

G. GAS EMERGENCY CALLS AND RESPONSE TIME

In its 09-409 Order, the Commission required Greater Minnesota to track and report the total number of gas emergency calls received during each annual reporting period. The 2019 Report marks the ninth time these data were collected and reported. Greater Minnesota stated that, since the Company does not have a dedicated emergency line, emergency calls are manually tallied and the amount of time it takes to answer each call cannot be tracked. Greater Minnesota's emergency call and response time metrics are reported in Table 8 below.

Table 8: Gas Emergency Calls and Response Time (2011-2019)

Year	Number of Emergency Calls	Call to Dispatch (0-10 minutes)	Call to Dispatch (more than 10 minutes)	Average Dispatch Time (minutes)	Dispatch to Arrival (less than 60 minutes)	Dispatch to Arrival (greater than 60 minutes)	Average Dispatch to Arrival (minutes)
2011	126	122	4	n/a	113	13	n/a
2012	100	95	5	3	81	19	44
2013	88	75	13	6	75	13	16
2014	110	107	3	3	102	8	36
2015	123	120	3	7	116	7	33
2016	219	214	5	5	208	11	30
2017	220	220	0	3	204	16	30
2018	248	246	2	3	237	11	29
2019	269	269	0	2	253	16	32

The Company also provided additional information regarding the instances in which the call response time interval between dispatch and arrival were greater than 60 minutes.¹⁰ The Department reviewed these explanations and concludes that the response times were generally reasonable. Of the 11 dispatches that took greater than 60 minutes for response, nine were the result of travel delays for traffic, road conditions, or road construction. The Company analyzed these incidences in greater detail and noted that delays ranged from 2 to 36 minutes and the average overall delay was just under 11 minutes. After its analysis, the Company concluded in each instance that the delays were outside the control of the technician.

Greater Minnesota also analyzed the other seven delayed responses. One incident involved a dispatch change after a technician already began responding to an original call. Greater Minnesota explained that its on-call technician was initially dispatched to a carbon monoxide alarm but, while in route, a more serious call for the smell of gas indoors was received. This technician was re-deployed to the more urgent call of gas indoors, so the original call was delayed appropriately 90 minutes while another technician was dispatched.

The Company explained that the six other instances of delayed response involved an on-call technician and were the result of the geographic distance between the technician and the emergency calls. Greater Minnesota further explained that the delays ranged from 8 to 27 minutes with an average overall delay of just under 18 minutes. The Company concluded its analysis by noting that Greater Minnesota underwent staffing changes during this time and, in the time since the delays occurred, the technician in question has relocated to be closer to Greater Minnesota's service area.

Based on the information provided by Greater Minnesota, the Department concludes that the Company responded to emergencies in a timely manner. Although the Company had several incidences with lengthy response times, it appears that Greater Minnesota responded adequately and, in a manner, consistent with information provided in earlier annual service quality reports. The Department expects the Company to maintain its emergency response goals and continually work to improve its emergency response where possible going forward.

H. MISLOCATES

The Commission's 09-409 Order requires Greater Minnesota to provide data on mislocates, including the number of times a line is damaged due to a mismarked line or failure to mark a line. Greater Minnesota's mislocate data are summarized in Table 9 below.

¹⁰ In previous annual service quality reports, the Company also provided information regarding calls that took longer than 10 minutes between call to dispatch.

Table 9: Mislocates (2011-2019)

Year	Mislocates	Number of Locate Requests
2011	5	n/a
2012	6	5,807
2013	0	6,853
2014	0	7,445
2015	1	8,033
2016	4	9,632
2017	4	8,895
2018	5	9,312
2019	4	10,310

As noted above, the number of mislocates decreased by one in 2019 relative to 2018, and the number of locate requests increased by 998. In previous annual service quality reports, Greater Minnesota noted continued issues with its locating contractor and during 2017 this contractor was responsible for the majority of its mislocates. In response to these actions, Greater Minnesota ended its relationship with the locating contractor and has moved all locating in-house. As such, all mislocates in 2019 were the result of Greater Minnesota employees. Greater Minnesota explained that two mislocates were the result of mismarked lines and the other two were from failure to mark a line. The number of mislocates in 2019 is comparable to previous years, and the Department does not believe additional action is necessary at this time. The Department will continue to monitor this metric in future annual service quality reports.

I. GAS SYSTEM DAMAGE (DAMAGED GAS LINES) AND GAS SERVICE INTERRUPTIONS

The Commission's 09-409 Order requires Greater Minnesota to provide data on damaged gas lines by providing copies of the Company's reports submitted to MnOPS. Table 10 summarizes GMG's gas system damage events.

Table 10: Gas System Damage (2010-2019)

Year	Damage caused by GMG	Damage caused by Others	Total Damage Events
2010 ¹¹	N/A	N/A	5
2011	2	6	8
2012	3	4	7
2013	0	9	9
2014	0	9	9
2015	0	7	7
2016	0	9	9 ¹²
2017	4	8	12
2018	5	18	23
2019	4	15	19

All 19 events in 2019 were the result of unplanned outages not related to utility operations. Of the 19 events, four involved the Company's mislocates discussed in Section II.H above. Greater Minnesota clarified that each of these four events resulted in line hits during excavation of one form or another. Of the other 15 incidents, 10 resulted from contractors or owners digging without submitting locate requests, one resulted from a contractor failing to properly work around a correctly marked line, two resulted from contractors working from an expired or not completed tickets, and two resulted from homeowners damaging lines while doing work that did not require a ticket. The Company further stated that all excavation events that caused leaks were appropriately reported to MnOPS.

Greater Minnesota also stated that there were 19 gas service interruptions in 2019, which is nine less than as reported in 2018. The Company noted that each of these service interruptions were associated with the gas system damage incidences.

The Department is somewhat troubled by two groups of incidences in 2019 (contractors/homeowners and Company mislocates). While the Department acknowledges that GMG's system continues to grow, based on the information provided by Greater Minnesota, it appears that most incidences in 2019 were the result of contractors or homeowners not marking their lines before excavating. This fact suggests that Greater Minnesota may need to increase outreach to its customers and area contractors regarding the importance and availability of Minnesota's Gopher State One Call system.

The Department also notes that this is the first report where Greater Minnesota stated that certain damage events occurred while doing work that did not require a ticket.

¹¹ Greater Minnesota did not provide a breakdown of damage by responsible party. The Department recommended in its September 27, 2011 Comments in Docket No. G022/M-11-356 that the Company provide a detailed breakdown in future reports.

¹² The Company noted in its 2016 Report that only eight of the nine events resulted in a natural gas leak. The one event that did not cause a leak involved a kinked service line which was repaired in the interest of safety.

Given these concerns, the Department issued discovery regarding these homeowner damage events and how these events may be avoided in the future. In its response to Department Information Request No. 3, Greater Minnesota stated that in both homeowner damage events they were digging with hand tools and a ticket was not required. The Company explained that the Gopher State One Call statute, Minn. Stat. 216D.01, Subd. 5, defines excavation as activities that require power or assisted equipment. Greater Minnesota concluded that no level of engagement or public outreach would prevent a damage incident when locating services are not required by law.¹³

The Department appreciates the Company's response in this matter but respectfully submits that just because hand-digging does not require a Gopher State One Call ticket, does not mean that utilities should ignore these incidences. The Department notes that advertisements for the Gopher State One Call system do not make a distinction between excavation by hand or power equipment; as such, it is reasonable to assume that most people believe that if they are excavating, regardless of by what means, that utility services should be located if any question exists as to their location.

Since the Company experienced its first such events, that the Department is aware of, related to hand-digging by homeowners, the Department does not believe a targeted communication to customers is needed. However, although not required by statute, Greater Minnesota may wish to consider language in a future Gopher State One Call announcements to homeowners that contacting Gopher State One Call is a prudent decision, regardless of how excavation occurs, if impacts to utility service may occur.

The Department analyzed additional information to determine whether damage events, on a per capita basis, have changed as a result of the Company's growth in recent years.

Table 11: Damage per 100 Miles of Main (2010-2019)

Year	Miles of Main	Total Damage Events	Damage per 100 Miles of Main
2010 ¹⁴	N/A	5	N/A
2011	506	8	1.58
2012	551	7	1.27
2013	700	9	1.29
2014	706	9	1.27
2015	763	7	0.92
2016	810	9	1.11
2017	836	12	1.44
2018	871	23	2.64
2019	918	19	2.07

¹³ Department Attachment 2.

¹⁴ Greater Minnesota was not required to provide its miles of pipe until its 2011 annual service quality report per the Commission's March 6, 2012 Order in Docket No. G022/M-11-356.

Based on the information in Table 11 above, the damage rate per 100 miles of main decreased relative to 2018 but the past two years have shown a fairly significant increase over previous years. The Department acknowledges that certain events are outside the control of Greater Minnesota, but the Department requests that the Company take steps going forward to decrease damage events on its system. To the extent possible, the Department also requests that Greater Minnesota work with contractors and homeowners to educate them on the importance of knowing gas infrastructure location and the proper way to excavate near marked utility service.

J. MAJOR EVENT REPORTING AND NOTIFICATION OF REPORTABLE EVENTS

The 09-409 Order also required Greater Minnesota to provide summaries of all major events that are immediately reportable to MnOPS and provide contemporaneous reporting of these events to both the Commission and the Department when they occur. The Company had two MnOPS reportable events during 2019. Greater Minnesota stated that both events were contemporaneously reported to the Commission and the Department. The Company explained that one event was the result of a lightning strike away from a customer's residence, which then traveled over a tracer wire and resulted in a house fire. Greater Minnesota stated that emergency responders first called two other utilities, despite the clear presence of the Company's information on a line marker, but the Company immediately responded with multiple personnel once it received the call. The only customer impacted was the house involved and there were no injuries.

The second event involved Greater Minnesota's contractor NPL while it was installing a new service line at a customer's location. The Company explained that while back filling near Greater Minnesota's main, the tap tee snapped or blew off. NPL responded immediately to make the area safe and contacted the local fire department, which resulted in a road closure. MnOPS was also promptly notified of the incident. Since no meter was installed at the time, there was no customer impacted by the event. Greater Minnesota explained that after an investigation, the gas leak was determined to be caused by a material failure rather than a hit during the back-filling process.

Based on Greater Minnesota discussion of these events, the Department concludes that the Company's response to these events appears reasonable. The Department will continue to monitor this metric in future reports.

K. CUSTOMER-SERVICE-RELATED OPERATIONS AND MAINTENANCE EXPENSES

The Commission requires each gas utility to provide data regarding customer-service-related operations and maintenance expenses recorded in FERC Accounts 901 and 903. The Company's annual costs are summarized in Table 12.

Table 12: Customer Service Expenses

Year	Expenses (\$)
2011	\$87,646
2012	\$84,349
2013	\$85,034
2014	\$105,579
2015	\$99,101
2016	\$116,380
2017	\$106,407
2018	\$117,847
2019	\$116,730

The amount of customer service expenses for 2019 appears reasonable given current growth in operations. The Department will continue to monitor this metric in future service quality reports.

L. DISTRIBUTION SYSTEM PERFORMANCE

Pursuant to the Commission's Order in its 2018 annual service quality report, Docket No. G022/M-19-304, the Company is required to provide an update based on its filing under 49 CFR 192.1007(e) with the United States Pipeline and Hazardous Materials Safety Administration (PHMSA). In particular, the Commission requested that the Company identify its leak count by material type, the leak count on main, and the leak count on service by material. In addition, pursuant to the Commission's Order in its 2017 annual service quality report, Docket No. G022/18-314, Greater Minnesota is required to provide a summary of any emergency response violations and the number of violation letters received from MnOPS during the calendar year.

This Report marks the first time that Greater Minnesota has provided these data. Greater Minnesota provided the leak information, by type, in Attachment C to its filing. The Company explained that all service and main leaks identified occurred on plastic pipe and all known system leaks scheduled for repair were on meter sets. The number of system leaks is summarized in Table 13 below.

Table 13: System Leaks

Year	Leaks
2019	48

In terms of emergency response violations cited by MnOPS, Greater Minnesota stated that it received two letters in 2019. The first letter was a presumed violation related to the lightning strike detailed in Section II.J above. The Company stated that this letter was ultimately rescinded by MnOPS because

the incident in question did not constitute a violation by the Company. The second letter was sent to Greater Minnesota in error because it related to a line hit on a Greater Minnesota Transmission line and not equipment owned by Greater Minnesota Gas.

The Department will continue to monitor these metrics in future annual service quality reports and will provide any additional discussion and conclusions, if necessary, once sufficient data are available.

III. CONCLUSIONS

Based on its review, the Department recommends that the Commission accept Greater Minnesota's 2019 Annual Service Quality Report.

The Department requests that the Company explain in reply comments why it did not file its July through October monthly CWR reports until December.

The Department also requests, on a going forward basis, that the Company take steps to decrease damage events on its system. To the extent possible, the Department also requests that Greater Minnesota work with contractors and homeowners to educate them on the importance of knowing gas infrastructure location and the proper way to excavate near marked utility service.

/ja



Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-20-459
Requested From: Greater Minnesota Gas

☐ Nonpublic ☒ Public
Date of Request: 9/15/20
Response Due: 9/25/20

Type of Inquiry: General

SEND RESPONSE VIA EMAIL TO: Utility.Discovery@state.mn.us as well as the assigned analyst(s).

Assigned Analyst(s): Adam Heinen
Email Address(es): adam.heinen@state.mn.us
Phone Number(s): 651-539-1825

ADDITIONAL INSTRUCTIONS:

Each response must be submitted as a text searchable PDF, unless otherwise directed. Please include the docket number, request number, and respondent name and title on the answers. If your response contains Trade Secret data, please include a public copy.

Request Number: 1
Topic: Cold Weather Rule Monthly Reports
Reference(s): Docket No. E,G999/PR-19-2

Request:

Please fully explain why the Company's July through October 2019 monthly Cold Weather Rule reports were filed in December 2019. As part of this explanation, please discuss whether the delay in filing had any impact on the data in its annual service quality report.

If this information has already been provided in initial petition or in response to an earlier Department-DER information request, please identify the specific cite(s) or Department-DER information request number(s).

GMG RESPONSE:

GMG moved its corporate headquarters from Le Sueur, Minnesota to Faribault, Minnesota in late July, 2019. GMG's staff and office operations transitioned during August, 2020. The new office is approximately 45 miles from the former office and the impact on a number of GMG's staff members resulted in an increased commute time of approximately an hour. As a result, GMG had substantial administrative staff turnover in the first few months following the move, including individuals who contributed to the cold weather reporting needs. Additionally, GMG launched a new billing system during the fall of 2019; and, GMG's billing system feeds data that is necessary for the cold weather rule reporting. Unfortunately, GMG's intended new billing system proved to be unsuitable; ergo, GMG reverted to its former billing system. The entire billing system situation created substantial work to cross-

To be completed by responder

Response Date: September 20, 2020
Response by: Kristine Anderson
Email Address: kanderson@greatermngas.com
Phone Number: 507-209-2110



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check data and ensure its integrity. Additionally, due to the billing system situation, GMG made the decision that it was not going to disconnect customers for non-payment during that time frame so as to prevent any adverse impacts to customers in the event of billing and payment data issues. As a result of the staffing changes and billing system situation, GMG filed the cold weather rule reports later than usual so that it could ensure that newly trained staff properly populated the reports and so that it could verify the integrity of the data. GMG's delay did not have any impact on the data contained in the reports.

To be completed by responder

Response Date: September 20, 2020
Response by: Kristine Anderson
Email Address: kanderson@greatermngas.com
Phone Number: 507-209-2110



Minnesota Department of Commerce
85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

Docket Number: G022/M-20-459
Requested From: Greater Minnesota Gas

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Date of Request: 9/15/20
Response Due: 9/25/20

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Phone Number(s): 651-539-1825

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Request Number:	3
Topic:	Damage Incidents
Reference(s):	Initial Filing, Page 9

Request:

Please provide additional information regarding the damage events associated with digging activities by homeowners that did not require a one call ticket and an explanation of how these damages can be avoided in the future.

If this information has already been provided in initial petition or in response to an earlier Department-DER information request, please identify the specific cite(s) or Department-DER information request number(s).

GMG RESPONSE:

In both of the situations where homeowners were engaged in digging activities that did not require a one call ticket, the homeowners were digging with hand tools and, thus, no tickets were required. GMG is not aware of any changes in its own procedures that would result in similar situations being avoided in the future. GMG actively promotes "Call Before You Dig" and using one call procedures – on its website, on its print materials, on its vehicle, on its email signatures, in public meetings, etc. Similarly, the "Call Before You Dig" principles are regularly advertised by various Minnesota agencies and local jurisdictions, Gopher State One Call, and other utilities. In all such cases, the promoted philosophy is to call before you dig at any time – even for small things. From a public education perspective, the exception for hand-digging is generally not discussed in order to encourage one call compliance for any

To be completed by responder

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Response by: Kristine Anderson
Email Address: kanderson@greatermngas.com
Phone Number: 507-209-2110



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85 7th Place East | Suite 280 | St. Paul, MN 55101
Information Request

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type of digging activity. Nonetheless, Minn. Stat. § 216D.01, Subd. 5 (2020) specifically defines excavation as activities that disturb the soil “by use of a motor, engine, hydraulic or pneumatically powered too, or machine-powered equipment of any kind, or by explosives.” GMG respectfully submits that, no matter how much public education it and other utilities and institutions do to educate the public, accidents will sometimes happen, particularly in situations that do not constitute “excavation” within the meaning of the statute and are, therefore, not subject to one call procedures.

To be completed by responder

Response Date: September 20, 2020
Response by: Kristine Anderson
Email Address: kanderson@greatermngas.com
Phone Number: 507-209-2110

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, 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 No. G022/M-20-459

Dated this 9th day of **October 2020**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kristine	Anderson	kanderson@greatermngas.com	Greater Minnesota Gas, Inc. & Greater MN Transmission, LLC	1900 Cardinal Lane PO Box 798 Faribault, MN 55021	Electronic Service	Yes	OFF_SL_20-459_M-20-459
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-459_M-20-459
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_20-459_M-20-459
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_20-459_M-20-459
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-459_M-20-459