

September 21, 2020

Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 280
St. Paul, Minnesota 55101-2147

RE: **Response Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. G-002/M-20-460

Dear Mr. Seuffert:

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

2019 Gas Service Quality Annual Report submitted by Northern States Power Company, a Minnesota Corporation.

The Department reviewed the additional information that Northern States Power Company (Xcel, the Company) provided in its Reply Comments. We appreciate the additional information and now recommend that the Commission **accept** the Company's 2019 gas service quality annual report and **require additional information in the Company's next report**.

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

Sincerely,

/s/ JOHN KUNDERT
Financial Analyst

JK/ar
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. G-002/M-20-460

I. INTRODUCTION

On May 1, 2020 Northern States Power Company *d/b/a* Xcel Energy (Xcel or the Company) filed its annual gas service quality report (Report) for 2019 with the Minnesota Public Utilities Commission (Commission). Annual service quality reports provide the Commission with an opportunity to review the utility's service quality data and determine whether the utility is meeting the relevant service quality standards.

After reviewing the Company's Report, the Minnesota Department of Commerce, Division of Energy Resources (Department) filed its initial comments in the current docket on July 14, 2020. The Department did not make a recommendation regarding the Report and asked that Xcel provide the following in its Reply Comments:

- the reason(s) for the longer average wait times in April, September and October 2019, compared to prior years for customers attempting to contact the Company;
- an explanation as to why there were increases in the number of meters that were not read for longer than 12 months in 2018 and 2019;
- an explanation for why the number of Commercial meters not read by utility personnel in 2019 for 6 to 12 months was at the highest level since 2010;
- a discussion of why it has taken the Company longer to resolve meter equipment malfunctions over time;
- an explanation as to why the number of Commercial meters not read by utility personnel for longer than 12 months was at an all-time high in 2019;
- the causes for longer response times for natural gas interruptions;
- the reasons for the significant revisions in the data for natural gas interruptions; and
- any changes that have been made to ensure that reporting regarding natural gas interruptions has better oversight.

Xcel filed its Reply Comments on September 3, 2020 and provided its responses to the Department's requests.

II. DEPARTMENT ANALYSIS

The Department appreciates the additional information Xcel provided. The following sections discuss the information the Company provided in its Reply Comments.

A. CALL CENTER RESPONSE TIMES – LONGER WAIT TIMES IN APRIL, SEPTEMBER AND OCTOBER 2019

The Company stated that the longer Call Center response times in April were directly related to the expiration of the cold weather rule (CWR) on April 15 of each year. Xcel noted that its credit agents received a record number of residential calls on Monday April 15 (10,377) and that calls levels remained high during that entire week. As to the longer Call Center response times in September and October, those were the result of a large unplanned customer resource system (CRS) outage that occurred over a four-day period from September 26th through September 30th. This CRS failure also affected customers' ability to conduct self-service transactions on the Company's website and interactive voice response (IVR) platforms.

The Department recognizes and appreciates the Company's efforts addressing the annual spike in credit-related calls prompted by the expiration of the CWR. The Company's CRS four-day unplanned outage is concerning, however. Xcel's Minnesota customers deserve a better level of service than the one provided in September and October 2019. The Department recommends that the Commission require Xcel to provide additional information in its 2020 Annual Service Quality Report that discusses the Company's efforts to improve the reliability of its Customer Resource System.

B. METER READING ISSUES¹

The Company provided additional context regarding its automated meter reading (AMR) system (Cellnet). Xcel also discussed the different situations its staff confronts in attempting to collect meter reads when the Cellnet system fails to provide a reading automatically. Essentially if Xcel cannot get a meter reading due to what the Company terms "customer-controlled" issues, the Company sends staff to attempt to get a meter reading during the first six months that it is not receiving a meter read. After six months without a meter read Xcel starts contacting the customer via email or telephone with the goal of resolving the issue. If the customer doesn't respond within 18 months the Company is allowed to disconnect the customer.

The Company also discussed the results of the internal review prompted by the Department's request for additional information. According to Xcel this review identified several errors in its reporting protocols, which the Company corrected. The effects of these corrections were that the number of meters not read for 6 to 12 months declined significantly for the 2017 through 2019 time period. For example, the total number of meters not read for six to twelve months in 2019 decreased by 38 percent.

¹ This discussion covers the three metering-reading related issues the Department identified in its Comments, 1) the increases in the number of meters that were not read for utility personnel between 6 and 12 months; 2) the increases in meters that have not been read for longer than 12 months; and 3) the number of commercial meters that have not been read for longer than 12 months being at the highest level recorded.

A second effect of this review was that the number of monthly meter readings not read for longer than twelve months increased slightly. Xcel performed some additional analysis and stated that it resolved 60 percent of the 606 failed meter readings in 2019 for the Commercial class. The Company now claims that only 234 instances involving 49 meters are still active as of August 1, 2020. The Company also stated that its system was generating a reporting error for Industrial class meters, which Xcel is now attempting to resolve.

While the Department appreciates Xcel's efforts to resolve this issue, we question the fact that a state agency's request for more information was the driver for Xcel resolving issues related to meters that are not being read for long periods of time. Instead, the Company should measure and manage these issues on an ongoing basis.

Although the Department has not verified the information supporting the Company's claims regarding the decreases in Commercial and Industrial meters not read for six to twelve months and twelve months and beyond, we conclude that Xcel's discussion is adequate support for the purposes of this proceeding.

C. NATURAL GAS SERVICE INTERRUPTIONS

The Company noted that it revised its reporting of the number of incidents and the average outage duration times in 2018 and 2019. These revisions increased both of those metrics and produced results that were more in line with Xcel's historical information. The Company claims that the errors were the result of staff turnover.

Although the Department has not verified the information supporting the Company's claims regarding the increases in average outage duration times and the number of incidents, we conclude that Xcel's discussion is adequate support for the purposes of this proceeding.

D. METER EQUIPMENT MALFUNCTIONS

Xcel explained in its Reply Comments that field work orders for its legacy AMR system (Cellnet) increased more than 20 percent in 2019 and that its contractor for this system experienced an increase of over 40 percent in work orders from the January through April time period in 2019 compared to the same period in 2018. The Company cited the cold weather and heavy snowfall during this period in 2019 as a likely cause of this increase.

The Department concludes that this discussion is adequate support for the purposes of this proceeding.

III. DEPARTMENT RECOMMENDATIONS

Based on its review, the Department concludes that the Company has met all the applicable reporting requirements and recommends that the Commission accept Xcel's 2019 Gas Service Quality Annual Report and require the Company to provide additional information regarding Xcel's efforts to improve the reliability of its customer resource system.

/ar

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
Response Comments**

Docket No. G002/M-20-460

Dated this **21st** day of **September 2020**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_20-460_M-20-460
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St. Louis, MO 63119-2044	Electronic Service	No	OFF_SL_20-460_M-20-460
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_20-460_M-20-460
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174 Lake Elmo, MN 55042	Electronic Service	No	OFF_SL_20-460_M-20-460
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_20-460_M-20-460
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St Saint Paul, MN 55102-2617	Electronic Service	No	OFF_SL_20-460_M-20-460
Todd J.	Guerrero	todd.guerrero@kutakrock.com	Kutak Rock LLP	Suite 1750 220 South Sixth Street Minneapolis, MN 554021425	Electronic Service	No	OFF_SL_20-460_M-20-460
Annete	Henkel	mui@mutilityinvestors.org	Minnesota Utility Investors	413 Wacouta Street #230 St.Paul, MN 55101	Electronic Service	No	OFF_SL_20-460_M-20-460
Michael	Hoppe	il23@mtn.org	Local Union 23, I.B.E.W.	932 Payne Avenue St. Paul, MN 55130	Electronic Service	No	OFF_SL_20-460_M-20-460
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-460_M-20-460

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-460_M-20-460
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	OFF_SL_20-460_M-20-460
Eric	Lipman	eric.lipman@state.mn.us	Office of Administrative Hearings	PO Box 64620 St. Paul, MN 551640620	Electronic Service	No	OFF_SL_20-460_M-20-460
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	OFF_SL_20-460_M-20-460
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_20-460_M-20-460
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-460_M-20-460
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	OFF_SL_20-460_M-20-460
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_20-460_M-20-460
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	OFF_SL_20-460_M-20-460
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-460_M-20-460

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	200 S 6th St Ste 470 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-460_M-20-460
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	Yes	OFF_SL_20-460_M-20-460