

AUC Rule 002 2014 Gas Service Standards Meeting Summary

Meeting date	October 16, 2014	Time	10 a.m. to 12 p.m.
Location	<u>AUC Calgary and Edmonton office</u> Fourth floor, 425 First Street S.W. Calgary Twelfth floor, 10055 - 106 Street Edmonton	Facilitator	AUC staff

1 Introductions

Name	Company
Nancy McKenzie	AltaGas Utilities Inc. (AltaGas Utilities)
Ralph Trovato	ATCO Gas
Lisa Brennand	ATCO Gas
Andrea Laroia	AUC
Anne Glass	AUC
Rose Ferrer	AUC
Doug Evanchuk	City of Calgary
Mark Rowe	City of Calgary
Greg Matwichuk	SJCA - Calgary
Russ Bell	Consultant to the UCA

2 Review and discuss AUC staff’s proposed changes

- AUC staff proposed the addition of the following subsection to Section 2.1: “(2) All numbers reported are as of the end of the quarter.” AUC staff had discovered cases where some metrics were being reported as of the date the reports were submitted instead of as of the quarter end or year end.
 - No parties objected to the addition.
- AUC staff proposed the following change: “(1) Owners shall report on the monthly percentage of emergencies responded to within in the time frame specific in Appendix F.”
 - No parties objected to this change.
- AUC staff had proposed changes to Appendix D – the Alberta gas distributors’ monthly meter reading service standards. AUC staff reminded the group that the reason for changing any of the service standards is not to compel improved service quality but to address deficiencies in the data that were there when the service standards were set back in 2012. Included in one of the principles of PBR, service quality was to be maintained (see [Decision 2012-237](#)). To ensure that service quality would be maintained, service standards were set based on historical data where available. However, for some of the metrics, pre-PBR data was not available or circumstances were changing, making the available data no longer representative. The Commission and the stakeholders had all recognized back in 2012 (see [AUC responses to stakeholder comments to Rule 002](#)

[proposed changes for 2013](#)) that some service standards would need to be re-examined because of lack of historical data.

- AUC staff explained that it no longer seemed reasonable to keep the monthly reading service standards at 75 per cent because these service standards were much lower than how companies were actually operating. By moving these service standards to 90 per cent, not only would it align these service standards for the two energy sides (electricity and gas), but it also seemed more representative based on the data being reported.
- In the case of ATCO Gas, it was transitioning to AMR at the time PBR was implemented, and there was recognition in 2012 when the original service standard was set, that its statistics would change. As the AUC noted in its 2013 proposed changes table: “As more data becomes available that is indicative of the results that can be expected from ATCO Gas with AMR in place, the AUC will re-evaluate the target.” Now that ATCO Gas had fully implemented AMR and now that there was more post-AMR data available, AUC staff was proposing to change ATCO Gas’s service standard to the following: annual average of percentage of meters read each month from 75 per cent or greater to 90 per cent or greater.
 - ATCO Gas was not opposed to this change in its service standard. In addition, no parties objected to the change in ATCO Gas’ service standard from 75 per cent or greater to 90 per cent or greater.
- In the case of AltaGas Utilities, which does not have AMR, in 2012 when the original service standard was set, AltaGas Utilities had recently moved to monthly meter reads and therefore did not have any available data. Now that data is available, AUC staff was proposing to change AltaGas Utilities’ service standard to the following: annual average of percentage of meters read each month from 75 per cent or greater to 90 per cent or greater.
- AltaGas Utilities indicated that it was moving towards AMR in 2015 and hopes to be fully operational by the end of 2015. As a result of this implementation, AltaGas Utilities is expecting transitional issues to occur, and believed that an increase to a 90 per cent service standard at this time would be premature. AltaGas Utilities noted that although in 2013, its annual average for this metric was 96.2 per cent, there was one month where it fell below 90 per cent. AltaGas Utilities explained that such a fluctuation occurred because one meter reader was sick for just one week in one of its fourteen districts. Therefore, AltaGas Utilities was concerned about potential problems with an immediate increase to 90 per cent.
- The UCA expressed concern with the appearance of the 75 per cent service standard. AUC staff, along with the UCA, noted that with the timing of AMR implementation not scheduled until the end of 2015, it would be too long a time frame to leave the service standard at 75 per cent. AltaGas Utilities mentioned that it was not trying to lower its service standard, it was just concerned about its transition to AMR and did not believe that one and a half years of data was enough to base a new service standard on.
- AUC staff acknowledged that AltaGas Utilities does not have a lot of historical data and therefore suggested to increase AltaGas Utilities’ service standard to 85 per cent and to revisit the service standard again in a year.
- AltaGas Utilities suggested that if a change was to be made, that 80 per cent would be better in order to accommodate for any transitional issues it may encounter. AUC staff asked ATCO Gas whether or not it had experienced transitional issues when moving to AMR, to which ATCO Gas confirmed that it did.

- City of Calgary noted that, while there is a process in place to discuss variances from the service standard, there is another aspect relating to customer perception which makes this a difficult situation.
- The UCA reiterated that there are multiple processes in place to review a missed service standard and suggested that 85 per cent may be a more reasonable service standard.
- Based on the discussion, AUC staff conveyed to the group that they will present the arguments discussed (regarding the monthly meter reading service standard for AltaGas Utilities) to the Commission for its review and determination. All parties present were advised to communicate any further comments about this issue to regulatorypolicy@auc.ab.ca.

ACTION: AUC staff to review AltaGas Utilities' monthly meter reading service standard with the Commission for its determination.

3 Other issues

- AUC staff reminded the group about the requirement for a written document to be submitted along with the annual review data that explains trends, corrective action plans and reasons for variances from standards.
- For Section 5.1.2 – Cumulative meters not read within three months and not read within one year, AUC staff identified for the group that some distributors were including de-energized sites in their count of meters not read for three months and some were not. AUC staff pointed out that the template instructions allowed for the exclusion of de-energized sites from the site count.
- ATCO Gas and AltaGas Utilities was asked whether they include de-energized sites in their three-month and one-year statistic respectively. They were also asked whether sites that were not read for one year were included in the not read within three-month statistic.
- Both parties agreed to check and report back to regulatorypolicy@auc.ab.ca.

ACTION: ATCO Gas and AltaGas Utilities to confirm to regulatorypolicy@auc.ab.ca whether they include sites that have not been read within one year in their not read within three month cumulative meter statistic. Also, ATCO Gas and AltaGas Utilities to confirm whether they include de-energized sites in their cumulative meters not read within three months, and not read within one-year statistic.

- AUC staff asked the distributors to indicate in their annual report whether they include or exclude de-energized sites in their site count for the three-month and one-year statistic.

ACTION: Distributors to indicate in their annual report whether they include or exclude de-energized sites in their site count for the three-month statistic.

- AUC staff reminded the group that changes in methodology of the collection or reporting of data need to be identified in the annual report cover letter.

ACTION: If there is a change in methodology of the collection or reporting of data, distributors must identify these changes in the annual report cover letter.