

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In the Matter of the Application of	)	
Southern Union Company for Authority to	)	
Acquire and Merge with Pennsylvania	)	Case No. GM-2000-43 and Case Nos.
Enterprises, Inc., and, in Connection	)	GM-2000-500, GM-2000-502, GM-
therewith, Certain Other Related	)	2000-503 & GM-2003-0238
Transactions.	)	

**STAFF RESPONSE TO REPORT FROM MISSOURI GAS ENERGY IN  
CONNECTION WITH CUSTOMER SERVICE MEASURES**

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through Counsel, and for its Response to a Report from Missouri Gas Energy (MGE) in connection with certain customer service measures, states the following:

1. On October 6, 1999, a Unanimous Stipulation and Agreement (Stipulation or Agreement) was filed in this case regarding a merger between Southern Union Company (SUC) and Pennsylvania Enterprises, Inc., wherein SUC emerged as the surviving corporate entity.
2. The Commission approved the Stipulation on October 21, 1999, subject to the conditions contained within the Agreement.
3. The Stipulation (at page two) provided, in part, that SUC would "...ensure that the merger will have no adverse effect on MGE's efforts to provide high quality service to its customers." (MGE is an operating division of SUC.)
4. Pursuant to the pledged effort to continue quality customer service, SUC, through its MGE operating division, agreed to provide information (statistics) on several customer service performance measures that were outlined in the Stipulation. (The furnishing of these informational statistics was also incorporated in Orders of the Commission issued in Case Nos. GM-2000-500, GM-2000-502, GM-2000-503, and most recently, GM-2003-0238.) These

performance measures were specifically identified as the “*abandoned call rate*” and the “*average speed of answer*.” SUC agreed that the abandoned call rate (ACR) would not exceed a maximum allowable level of 8.5% as of January 1, 2000, and continuing thereafter. The agreement on average speed of answer was that (ASA) would not exceed 81 seconds for the calendar year 2000, and beginning on January 1, 2001 and thereafter, the measurement for ASA would change to a maximum of 75 seconds.

5. The Company mailed a draft report on or about February 15, 2007 summarizing its performance for calendar year 2006.

6. The information provided by the Company in this report illustrates an average ACR of 6.67% for the year 2006. The maximum allowable level in the aforementioned Stipulation specified for the annual ACR indicator was 8.5%. Staff’s analysis of the information provided for the year 2006 as well as the prior year show that the Company improved its performance over year 2005 starting in March 2006. There were peaks in the January (10.10%), February (20.04%), and March (11.79%) time frame in which the Company was unable to meet its objectives for ACR. However, the Company was able to meet and exceed its service objective for ACR for the majority of the year and reduced its average ACR from 8.06% in 2005 to 6.76% in 2006.

7. The average ASA for the year 2006 was 57.92 seconds. This is also within the annual objective specified in the Stipulation of 75 seconds for this indicator. There were four months (January 98 seconds, February 162 seconds, March 106 seconds and April 79 seconds) in which the objective was not attained. However, the Company was able to meet and exceed its objective for the majority of the year and reduced its average ASA from 67 seconds in 2005 to 57 seconds in 2006.

8. The total number of calls coming into the MGE Call Center decreased from 1,411,600 calls in year 2005 to 1,371,964 calls in year 2006.

9. The Company's staffing levels in the customer services area fluctuated slightly through the year. Total staffing has varied from 107 to 120 employees over this time period. During the majority of the year, the Company was staffed with 115 or more employees. The Company attempted to increase its staffing over the summer months in order to have experienced trained employees available in the fall and winter when its volume of calls normally increases.

10. The Company also tracked and reported the Average Response Time to Commission Forwarded Complaints. The Company attempted to answer these within two business days. The Company has reported a response rate of 89.74% for year 2006, which is an improvement over their performance of 84.45% in year 2005. While there is no specific benchmark upon which the Company's performance is measured against, the Staff encourages the Company to set an internal objective of 90%.

11. The Staff encourages the Company to continue its efforts to examine various alternatives aimed at improving Call Center performance and to monitor and evaluate the results associated with its actions.

**WHEREFORE**, Staff submits Staff's Response to Report From Missouri Gas Energy in Connection with Customer Service Measures.

Respectfully submitted,

**/s/ Robert V. Franson**

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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 14th day of March, 2007.

**/s/ Robert V. Franson**