

**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 report on or about February 13, 2006, summarizing its performance for calendar year 2005.

6. The information provided by the Company in this report illustrates an average ACR of 8.06% for the year 2005. The maximum allowable level in the aforementioned Stipulation specified for the ACR indicator was 8.5%. Staff’s analysis of the information provided for the year 2005 as well as the prior two years show that the Company’s performance was more consistent this year than it was in the previous two years. There were peaks in the February (11.25%), March (15.37%) and October (8.80%) time frame in which the Company was unable to meet its objectives for ACR. However, these peaks were at a lower level than the abandoned call level peaks were in the prior two years.

7. The average ASA for the year 2005 was 71 seconds. This is also within the objectives specified in the Stipulation of 75 seconds for this indicator. While there were individual months (February-94 seconds, March-145 seconds & April-84 seconds) in which the objective was not attained, the Company’s performance for this indicator was more consistent over the course of the year and the peak times were significantly lower than in the prior two years.

8. The total number of calls coming into the MGE Call Center has continued to increase over the last three years. In year 2003, the total number of calls was 1,237,938, in year 2004 there were 1,359,070 total calls, and in year 2005 total calls were 1,411,600.

9. The Company's staffing levels have remained fairly consistent over the course of the year 2005. Total staffing has varied from 108 to 115 employees. As of March 1, 2006, the Company had 111 positions filled. Part time positions are utilized within the Call Center to assist in covering peak volume periods. Currently, there are 66 authorized positions at the Call Center with representatives filling 39 of these on a full time basis and 21 of these on a part time basis. Nine employees are in a training class at the present time.

10. In conclusion, the Staff believes that the Company has taken a number of steps to improve its performance at the Call Center. 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.

Respectfully submitted,

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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 9th day of March, 2006.

/s/ Robert V. Franson