

**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 Staff with information (statistics) on several customer service performance measures 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 to Staff and Office of Public Counsel on or about February 11, 2008, summarizing its Service Quality performance for calendar year 2007. Staff has reviewed MGE’s report. As has been the established pattern in this case, MGE is expected to respond to Staff’s Report with a filing submitted in early May.

6. The information provided by the Company in this report illustrates an average ACR of 6.98% for the year 2007. The Stipulation specified the maximum allowable level for the annual ACR indicator is 8.5%. Staff’s analysis of the information provided for the year 2007, as well as the prior year, show that the Company’s performance declined slightly in 2007. The Company’s performance in 2006 was 6.67% and in 2007 declined to 6.98%. While both of these figures are within the Stipulation’s prescribed objective, MGE fell below the objective for the first and second quarter of 2007, with performance of 8.89% and 8.85% respectively.

7. In the second quarter, for the month of April, the Company did record a high for the year of 11.94% ACR. The averages for the third and fourth quarter of 2007 were within the objectives.

8. The average ASA for the year 2007 was 67 seconds. The ASA has increased slightly from the prior year, 2006, when it was 62 seconds, however, the rate of answer of 67 seconds is within the prescribed annual objective of 75 seconds for this service quality indicator.

The Company's average performance of 77 and 82 seconds respectively for the first two quarters of 2007 did not meet this objective. In April, the ASA was 104 seconds, the high for the year. The averages for the third and fourth quarters of the year are within the objectives.

9. The total number of calls coming into the MGE Call Center increased to 1,410,185 calls in 2007 from 1,371,964 calls in 2006.

10. The Company's customer services staffing level has fluctuated throughout the year. Total staffing has ranged from a low of 105 in September to 117 in January of 2007. The lowest level of staffing occurred over the late summer months in 2007. The Company was able to increase its staffing in October to have trained employees available in the fall, when the volume of calls normally increases.

11. The Company also tracked and reported the Average Response Time to Commission Forwarded Complaints. The Company attempts to answer complaints within two business days. The Company reported a response rate of 90.95% for the year 2007, which is an improvement over its performance of 89.74% in year 2006. While there is no specific benchmark for response to Commission complaints, the Staff encourages the Company to set an internal objective of 90%.

12. The Staff encourages the Company to continue its efforts to examine various alternatives to improve Call Center performance, to monitor and evaluate the results of its actions, and to implement cost-effective alternatives that improve customer service.

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

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 11th day of March, 2008.

/s/ Lera L. Shemwell