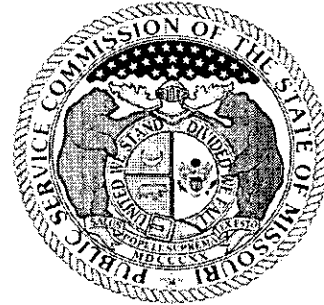


## Notice of *Ex Parte* Contact

TO: Data Center  
All Parties to Case Nos. GC-2006-0313  
GC-2006-0060  
GC-2006-0390

FROM: Nancy Dippell   
Deputy Chief Regulatory Law Judge

DATE: May 12, 2006



On or about May 5, 2006, each of the Commissioners and I received the attached letters from State Representatives Gina Walsh and Jeff Roorda, and State Senators Joan Bray and Rita Heard Days. The Commission is currently considering the issues discussed in these letters in Case Nos. GC-2006-0313, GC-2006-0060, and GC-2006-0390, which are contested cases. In contested cases, the Commission is bound by the same *ex parte* rule as a court of law; that is, to avoid off-the-record discussions going to the merits of the contested case.

Although communications from members of the public and members of the General Assembly are always welcome, those communications must be made known to all parties to a contested case so that those parties have an opportunity to respond. According to the Commission's rules (4 CSR 240-4.020(8)), when a communication (either oral or written) concerning a contested case occurs outside the hearing process, any member of the Commission or Law Judge who received the communication must prepare a written report concerning the communication and submit it to each member of the Commission and to the parties to the case. The report shall identify the person or persons who participated in the *ex parte* communication, the circumstances which resulted in the communication, the substance of the communication, and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, I submit this report on behalf of myself and the Commissioners pursuant to the rules cited above. This will ensure that any party to these cases will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

### Attachments

cc: Commissioners  
Executive Director  
Secretary/Chief Regulatory Law Judge  
General Counsel



**MISSOURI SENATE**

JEFFERSON CITY

**RITA HEARD DAYS**

SENATOR, 14TH DISTRICT

May 4, 2006

**CAPITOL OFFICE**

STATE CAPITOL, ROOM 427

201 WEST CAPITOL AVENUE

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**DISTRICT OFFICE**

3083 BELLERIVE DRIVE

ST. LOUIS, MO 63121

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Deputy Chief Regulatory Law Judge Nancy Dippell  
Governor Office Building  
200 Madison Street, P.O. Box 360  
Jefferson City, MO 65102-0360

Dear Judge Dippell:

Re: GC-2006-0313, GC-2006-0060 and GC-2006-0390

I am writing to stress the importance of the referenced cases currently pending before you concerning Laclede Gas Company ("Laclede"). Each of these relate, at least in part, to Laclede's cessation of or attempt to cease performing a service that it has traditionally performed for customers.

I am greatly concerned that the loss of services may place my constituency, and its property, at risk. Accordingly, I urge you to investigate these matters carefully and act very cautiously on these issues. I would further like to see Laclede prohibited from making changes until your investigation has been completed.

I will continue to monitor these matters. Thank you for your careful consideration of these issues.

Sincerely,

A handwritten signature in cursive script that reads "Rita Heard Days".

RITA HEARD DAYS

State Senator, District 14

RHD/brk

**COMMITTEES**

EDUCATION; GOVERNMENTAL ACCOUNTABILITY AND FISCAL OVERSIGHT;  
SMALL BUSINESS, INSURANCE AND INDUSTRIAL RELATIONS; TRANSPORTATION



## MISSOURI SENATE

MISSOURI STATE CAPITOL, ROOM 434  
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**JOAN BRAY**  
DISTRICT 24

8420 DELMAR BOULEVARD, SUITE 201  
SAINT LOUIS, MISSOURI 63124  
TELEPHONE: 314.340.6582  
JBRAY@SENATE.MO.GOV

May 1, 2006

Deputy Chief Regulatory Law Judge Nancy Dippell  
Governor Office Building  
200 Madison Street  
Post Office Box 360  
Jefferson City, Missouri 65102

Commissioner Robert Clayton  
Governor Office Building  
200 Madison Street  
Post Office Box 360  
Jefferson City, Missouri 65102

Commissioner Jeff Davis  
Governor Office Building  
200 Madison Street  
Post Office Box 360  
Jefferson City, Missouri 65102

Commissioner Steve Gaw  
Governor Office Building  
200 Madison Street  
Post Office Box 360  
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Commissioner Lyn Appling  
Governor Office Building  
200 Madison Street  
Post Office Box 360  
Jefferson City, Missouri 65102

Commissioner Connie Murray  
Governor Office Building  
200 Madison Street  
Post Office Box 360  
Jefferson City, Missouri 65102

Dear Judge Dippell and Public Service Commissioners,

I am writing to express my deep concern over proposed changes to services by Laclede Gas Company that have serious implications on the safety of my constituents. I have been made aware of three cases currently pending before the Commission relating to the discontinuation of these services.

Laclede has been challenged in one case (GC-2006-1313) for ceasing to perform meter and in-house gas appliance inspections at the time of meter changes. The company claims that because it now performs the change using a Grunsky Bag, which allows the meter to be changed without turning off the gas supply, safety inspections are no longer necessary. Although the new technique does reduce the dangers associated with interrupting supply, failing to perform inspections at the time of meter changes ignores other safety concerns. Without an inspection, irregularities in gas flow will go undetected, putting residents at risk.

In another case (GC-2006-0060), the company has been challenged for its request to cease "turn off/turn on" inspections. These inspections, where all meters, gas appliances, and gas lines in a residence are checked for leaks and irregularities, have been integral to Laclede's ability to provide safe, reliable service to customers. By ceasing to provide these inspections, blockages, leaks, and other problems will go unnoticed, placing residents at risk for carbon monoxide poisoning, fires, and explosions.

At issue in the same case is Laclede's request to end its practice of annual meter readings. Once again, a safety risk is posed by removing the opportunity for a visual inspection and early detection of gas leaks or future hazards.

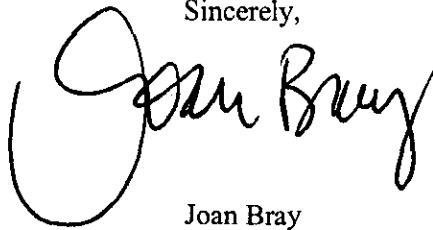
Finally, Laclede is being challenged for its new practice of allowing unskilled personnel, not trained gas professionals, to install meter reading devices in residences. Over the year that this practice has been in place, many service calls have been made – many on an emergency basis – to correct leaks and other problems stemming from improper installations.

Laclede has taken the position that ceasing these services will lower the cost to consumers, but I am not aware of any movement by the company to lower its rates. Additionally, the fact that the company claims the discontinuation of turn off/ turn on inspections will save residents \$35 is suspect. Until a few years ago when the company decided it wanted to stop the program, the service was provided free of charge.

My highest priority as an elected official is the safety and well-being of my constituents and I am seriously alarmed at the threat these new practices pose to my constituents' lives, health and property. I would encourage you to investigate these claims closely and carefully consider your decisions. I would further request that Laclede be prohibited from moving forward on any of these new policies until the PSC's investigation has been completed.

I will continue to monitor this issue, and I thank you for your consideration. Please contact my office if you have any questions or if I may be of help to you in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Joan Bray". The signature is fluid and cursive, with a large loop at the beginning.

Joan Bray

JB:vnc

**MISSOURI  
HOUSE OF REPRESENTATIVES**



**JEFF ROORDA**  
STATE REPRESENTATIVE  
DISTRICT 102

**CAPITOL OFFICE**  
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Crime Prevention &  
Public Safety  
Job Creation &  
Economic Development  
Joint Committee on  
Terrorism, Bio-Terrorism  
& Homeland Security

May 2, 2006

Deputy Chief Regulatory Law Judge Nancy Dippell  
Governor Office Building  
OP Box 360  
Jefferson City, MO 65102-0360

Dear Judge Dippell and Public Service Commissioners:

I am writing to stress the importance of the referenced cases currently pending before you concerning Laclede Gas Company ("Laclede"), each of which relates, at least in part, to Laclede's cessation of or attempt to cease performing a service that it has traditionally performed for customers. Specifically:

- **Case No. GC-2006-0313**, Laclede has been challenged for ceasing to perform meter inspections and in-house gas appliance inspections following the changing of gas meter, simply because they are performing the change through the use of a Grunsky Bag, which does not require Laclede to turn off the gas supply to the house. While the use of the Grunsky Bag may reduce the risk during meter changes of safety hazards associated with turning off the gas supply, there continue to be other safety reasons for thorough inspections at the time of changing a meter. For example, such inspections catch irregularities in gas flow that may cause a pilot light to extinguish, resulting in gas seepage.
- **Case No. GC-2006-0060**, Laclede's request to cease performing inspections known as "turn off/turn ons" has been challenged. Turn off/turn ons have historically been an important part of Laclede's safety program. These inspections consist of inspecting the meter and every gas appliance in the residence to be sure gas lines are connected and not leaking, valves are turned properly, flues are in proper working order and there is no blockage, carbon build-up or odor of gas that could foreshadow carbon monoxide poisoning or danger of fire or explosion.
- **Case No. GC-2006-0060** also challenges Laclede's request to end its long-standing practice of annual meter reads. This is another safety issue, because meter readers performing annual

- **Case No. GC-2006-0390**, Laclede has been challenged for its use of persons who are not trained gas professionals to install the automated meter reading device on residential customers' meters on-site. This practice has been ongoing for approximately one year, and has resulted in numerous service calls — some of them on an emergency basis — to correct leaks and other problems arising because an installer drilled entirely through a meter or otherwise ineptly installed the device. In addition, by sending someone other than a gas professional to the customer's residence, Laclede is missing an opportunity — always availed when a gas professional is on-site — for a quick and informal safety review that may locate gas leaks or future safety hazards.

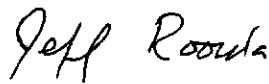
I am greatly concerned that the loss of these services may place my constituency, and its property, at risk. Accordingly, I urge you to investigate these matters carefully and act very cautiously on these issues. I would further like to see Laclede prohibited from making the referenced changes until your investigation has been completed.

I understand that Laclede takes the position that ceasing these services would lower its costs and, therefore, lower the cost to consumers. However, I have not been apprised of any movement by Laclede to reduce gas rates to consumers. Moreover, Laclede's claim that ceasing turn off/turn on inspections will save customers \$35.00 seems specious in light of the fact that customers were never charged for those inspections until a few years ago, at approximately the time that Laclede decided it wanted to stop performing them.

Finally, I always advocate for the best service to my constituents at the most efficient price. Safety is a major component of obtaining the best service. I would rather see Laclede and/or customers pay a little more money for safe gas service than obtain cheaper gas service at the cost of their health and property.

I will continue to monitor these matters. Thank you for your careful consideration of each of them.

Sincerely,



Jeff Roorda  
District 102

cc: Commissioner Jeff Davis  
Commissioner Lin Appling  
Commissioner Robert Clayton  
Commissioner Steve Gaw  
Commissioner Connie Murray

**Capitol Address**  
State Capitol – 201 West Capitol Ave.  
Jefferson City, MO 65101-6806  
(573) 751-6845  
Fax (573) 526-1571  
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**Home Address**  
1246 Bakewell  
St. Louis, MO 63137  
(314) 869-6146

**Gina Walsh**  
MISSOURI HOUSE OF REPRESENTATIVES  
DISTRICT 69

May 4, 2006

Deputy Chief Regulatory Law Judge Nancy Dippell  
Governor Office Building  
P.O. Box 360  
Jefferson City, MO 65102-00360

Re: GC-2006-0313, GC-2006-0060 and GC-2006-0390

Dear Judge Dippell:

I am writing to stress the importance of the referenced cases currently pending before you concerning Laclede Gas Company ("Laclede"), each of which relates, at least in part, to Laclede's cessation of or attempt to cease performing a service that it has traditionally performed for customers. Specifically:

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- In Case No. GC-2006-0060, Laclede's request to cease performing inspections known as "turn off/turn ons" has been challenged. Turn off/turn ons have historically been an important part of Laclede's safety program. These inspections consist of inspecting the meter and every gas appliance in the residence to be sure gas lines are connected and not leaking, valves are turned properly, flues are in proper working order and

there is no blockage, carbon build-up or odor of gas that could foreshadow carbon monoxide poisoning or danger of fire or explosion.

- Case No. GC-2006-0060 also challenges Laclede's request to end its long-standing practice of annual meter reads. This is another safety issue, because meter readers performing annual reads conduct visual inspections and are cognizant of gas odors that may cause them to detect leaks.
- In Case No. GC-2006-0390, Laclede has been challenged for its use of persons who are not trained gas professionals to install the automated meter reading device on residential customers' meters on-site. This practice has been ongoing for approximately one year, and has resulted in numerous service calls — some of them on an emergency basis — to correct leaks and other problems arising because an installer drilled entirely through a meter or otherwise ineptly installed the device. In addition, by sending someone other than a gas professional to the customer's residence, Laclede is missing an opportunity — always availed when a gas professional is on-site — for a quick and informal safety review that may locate gas leaks or future safety hazards.

I am greatly concerned that the loss of these services may place my constituency, and its property, at risk. Accordingly, I urge you to investigate these matters carefully and act very cautiously on these issues. I would further like to see Laclede prohibited from making the referenced changes until your investigation has been completed.

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Finally, I always advocate for the best service to my constituents at the most efficient price. Safety is a major component of obtaining the best service. I would rather see Laclede and/or customers pay a little more money for safe gas service than obtain cheaper gas service at the cost of their health and property.

I will continue to monitor these matters. Thank you for your careful consideration of each of them.

Sincerely,

Gina Walsh

State Representative, 69<sup>th</sup> District

