

**FILED**

APR 18 2007

Missouri Public  
Service Commission

April 12, 2007

Secretary of the Missouri Public Service Commission  
ATTN: Data center  
P.O. Box 360  
Jefferson City, MO 635102

**FILED**

APR 18 2007

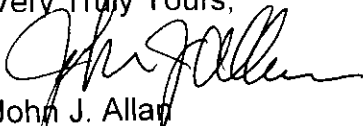
Missouri Public  
Service Commission

Re: Abb Rhodes

To Whom It May Concern:

I am enclosing a formal complaint on behalf of Abb Rhodes concerning his billing with Laclede Gas. Please lodge it and send me a filed stamped copy of the original in the self addressed enclosed envelope.

Very Truly Yours,



John J. Allan  
JJA:eak

Enc.

Cc: Abb Rhodes

FILED

APR 18 2007

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE  
STATE OF MISSOURI

Missouri Public  
Service Commission

Name: Abb D. Rhodes

vs.

Case No.

Company Name: Laclede Gas Co.

**COMPLAINT**

Complainant resides at 4201 N. 20<sup>th</sup> Street, St. Louis, MO 63107

1. respondent, Laclede Gas Company  
of 721 Olive Street, St. Louis, MO 63101, is a public utility under the  
jurisdiction of the Public Service Commission of the State of Missouri.

2. As the basis on this complaint, Complainant states the following facts:

- |  |
|--|
| 1) The complainant own the building at 4201 N. 20 <sup>th</sup> Street .   |
| 2) The building has been served by Laclede gas since January of <del>2000</del> 1996   |
| 3) Actual meter readings to November 6, 2004 and all bills have been paid.   |
| 4) Laclede Gas alleges that the account was undercharged for November 6, 2004 to October 18, 2006. The complainant denies this.  |
| 5) The complainant denies the account was undercharged that length of time, the length of time it was undercharged, why it was undercharged and stated that this was to the negligence of Laclede Gas and is an inaccurate statement, and that there was in fact no undercharge. |
| 6. The complainant denies that Laclede Gas has the authority to do this. To re-invoice billings that has been paid in full.  |
| 7. on February 2, 2007 Laclede gas reissued an bill for services during the November 6, 2004 to October 18, 2006 totaling \$6,257.93 which, after credits came to \$4,361.92.  |
| 8. The amount is arbitrary, capricious, in bad faith and the result of Laclede Gas's negligence, inaccuracy and faulty accounting.   |
| 9. On February 14, 2007, Laclede Gas billed \$3,038.87 for one month's service at the above location.  |
| 10. On March 16, 2007, Laclede Gas billed \$363.24 for one month's service at that location.   |
| 11. The billing in February is arbitrary, capricious, in bad faith and a result of negligence of Laclede Gas in installing and maintaining equipment and building and billing inaccuracies.  |

12. The complainant denies that it owes Laclede Gas any moneys and Laclede Gas is requested to issue an adjustment.

WHEREFORE, Complainant now requests the following relief:

Wherefore the Plaintiff seeks an accounting, an adjustment to reflect the correct billing, as well as costs expenses and attorney fees, a removal of the Laclede Gas equipment and install it with properly working equipment such as meters.

4-11-07

Date

  
Signature of Complainant



Attach additional pages, as necessary.  
Attach copies of any supporting documentation.

# Laclede Gas Company

ST. LOUIS, MO 63171

SERVICE AT: 4201 N 20TH ST 1FL

ACCT NO. 230894-004-8 DEPOSIT 0.00 RATE C1

AVERAGE GAS COST PER THERM: .91446 DEGREE DAYS 0

PRESENT READING	PREVIOUS READING	USAGE (CCF)	X BTU FACTOR	THERMS
1533	7113	4420	1.029	4550.0

ESTIMATED	AMOUNT
GAS CREDIT/LATE PAY	1896.01
CURRENT CHARGES	6257.93

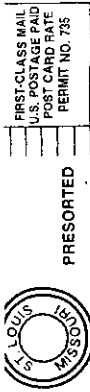
**AMOUNT DUE \$4361.92**  
 PAYMENT DUE BY 02-14-07 DELINQUENT AFTER 02-20-07

**AMOUNT DUE \$4361.92**  
 RETURN THIS STUB TO: LACLEDE GAS COMPANY, DRAWER 2, ST. LOUIS, MO 63171  
 PAYMENT DUE BY 02-14-07  
 DELINQUENT AFTER 02-20-07  
 Dollar Help - Check One!

\$1 \$2 \$5

23089400480004361923

22167



BILL DETAIL	AMOUNT
BILL ADJUSTMENT	1873.97
LATE PAYMENT CHRG GAS	22.04
CHARGE FOR GAS SVC 12-09-04 TO 01-11-07	5270.85
(INCLUDES A MONTHLY ISRS CHARGE OF \$.59)	
ST LOUIS CITY TAX	585.65
SALES TAX	401.43
ACCOUNT BALANCE	4361.92
CORRECTED BILL	

HELP SOMEONE IN NEED. GIVE TO DOLLAR HELP. CHECK A RED BOX TO ADD A DONATION TO EACH MONTH'S GAS BILL.

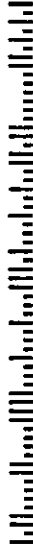


ABB RHODES  
 4201 N 20TH ST  
 1FL  
 ST LOUIS, MO 63107

# Laclede Gas Company

ST. LOUIS, MO 63171

SERVICE AT: 4201 N 20TH ST 1FL

ACCT NO. 230894-004-8 DEPOSIT 0.00 RATE C1

AVERAGE GAS COST PER THERM: .89311 DEGREE DAYS 744

PRESENT READING	PREVIOUS READING	USAGE (CCF)	X BTU FACTOR	THERMS
4052	3860	192	73	265

ACTUAL READING-METER CHANGE	AMOUNT
GAS ARREARS/LATE PAY	7511.80
CURRENT CHARGES	363.24

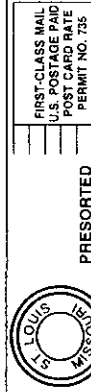
**AMOUNT DUE \$7875.04**  
 PAYMENT DUE BY 03-28-07 DELINQUENT AFTER 04-02-07

**AMOUNT DUE \$7875.04**  
 RETURN THIS STUB TO: LACLEDE GAS COMPANY, DRAWER 2, ST. LOUIS, MO 63171  
 PAYMENT DUE BY 03-28-07  
 DELINQUENT AFTER 04-02-07  
 Dollar Help - Check One!

\$1 \$2 \$5

23089400480007875047

14604



BILL DETAIL	AMOUNT
PRIOR GAS BALANCE	7400.79
LATE PAYMENT CHRG GAS	111.01
CHARGE FOR GAS SVC 02-12-07 TO 03-14-07	305.95
(INCLUDES A MONTHLY ISRS CHARGE OF \$.59)	
ST LOUIS CITY TAX	33.99
SALES TAX	23.30
ACCOUNT BALANCE	7875.04
REMINDER-PLEASE PAY AMOUNT DUE PROMPTLY	

HELP SOMEONE IN NEED. GIVE TO DOLLAR HELP. CHECK A RED BOX TO ADD A DONATION TO EACH MONTH'S GAS BILL.

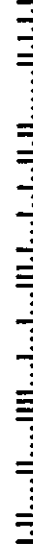


ABB RHODES  
 4201 N 20TH ST  
 1FL  
 ST LOUIS, MO 63107

# Laclede Gas Company

DRAWER 2  
ST. LOUIS, MO 63171



ABB RHODES  
4201 N 20TH ST  
1FL  
ST LOUIS, MO 63107

SERVICE AT: 4201 N 20TH ST 1FL					BILL DETAIL		AMOUNT
ACCT NO. 230894-004-8 DEPOSIT 0.00 RATE C1					PRIOR GAS BALANCE		4361.92
AVERAGE GAS COST PER THERM: 1.03395 DEGREE DAYS 1197					CHARGE FOR GAS SVC 01-11-07 TO 02-12-07		2559.54
					(INCLUDES A MONTHLY ISRS CHARGE OF \$.59)		
					ST LOUIS CITY TAX		284.40
					SALES TAX		194.93
					ACCOUNT BALANCE		7400.79
PRESENT READING	PREVIOUS READING	USAGE (CCF)	X	BTU FACTOR	THERMS		
3860	1533	2327		1.038	2415.4		

HELP SOMEONE IN NEED. GIVE TO DOLLAR HELP. CHECK A  
RED BOX TO ADD A DONATION TO EACH MONTH'S GAS BILL.

ACTUAL READING	AMOUNT
GAS ARREARS	4361.92
CURRENT CHARGES	3038.87
<b>AMOUNT DUE</b>	<b>\$7400.79</b>

PAYMENT DUE BY 02-27-07 DELINQUENT AFTER 03-01-07

YOUR GAS BILL HAS RECENTLY BEEN ESTIMATED BASED ON PAST USAGE. WE HAVE NOW OBTAINED A METER READING INDICATING THAT YOUR ACTUAL USAGE WAS GREATER THAN WE ESTIMATED AND THAT YOUR ACCOUNT HAS BEEN UNDERBILLED. YOUR CURRENT BILL HAS BEEN ADJUSTED TO CORRECT FOR THE UNDERBILLING. THE ENTIRE AMOUNT DOES NOT HAVE TO BE PAID IMMEDIATELY. YOU MAY MAKE ARRANGEMENTS TO PAY THE CORRECTED PORTION OF THE BILL ALONG WITH CURRENT AND PAST DUE GAS CHARGES, IN EVEN INSTALLMENTS OVER A TIME PERIOD EQUAL TO THE PERIOD OF THE UNDERBILLING. YOU HAVE NOT BEEN CHARGED FOR UNDERBILLING IN EXCESS OF 12 MONTHS FROM THE DATE WE OBTAINED THE METER READING. PLEASE CALL 314-621-6960 OR 1-800-887-4173 IF YOU WISH TO SET UP PAYMENT ARRANGEMENTS.

RETURN THIS STUB TO: LACLEDE GAS COMPANY, DRAWER 2, ST. LOUIS, MO 63171

**AMOUNT DUE \$7400.79**

**AMOUNT PAID** \_\_\_\_\_

PAYMENT DUE BY 02-27-07  
DELINQUENT AFTER 03-01-07  
Dollar Help - Check One!

☐ \$1 ☐ \$2 ☐ \$5

ABB RHODES  
4201 N 20TH ST  
1FL  
ST LOUIS, MO 63107

23089400480007400793

# Laclede Gas Company

DRAWER 2  
ST. LOUIS, MO 63171



ABB RHODES  
4201 N 20TH ST  
1FL  
ST LOUIS, MO 63107

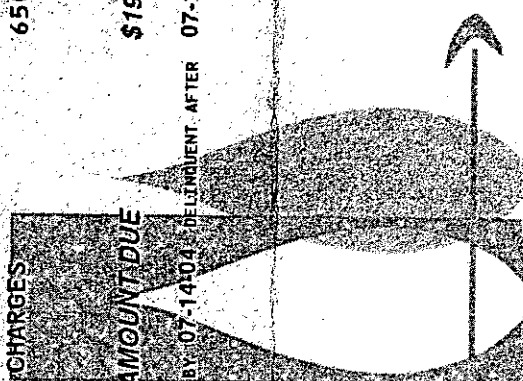
SERVICE AT: 4201 N 20TH ST 1FL		BILL DETAIL		AMOUNT
ACCT NO: 330894-004-8	DEPOSIT: 0.00	RATE: C1	PRIOR GAS BALANCE	42.04
AVERAGE GAS COST PER THERM: 51347		DEGREE DAYS: 3168	LATE PAYMENT CHRG GAS	.63
PRESENT READING: 6965	PREVIOUS READING: 6424	USAGE (OCF): 541	PAYMENT THANK YOU	42.04
		X BTU FACTOR: 1.042	BILL ADJUSTMENT	452.71
		TERMS: 563.5	LATE PAYMENT CHRG GAS	5.31
			CHARGE FOR GAS SVC. 12-11-03 TO 06-14-04	547.82
			(INCLUDES A MONTHLY ISRS CHARGE OF \$ .59)	
			ST. LOUIS CITY TAX	60.87
			SALES TAX	41.72
			ACCOUNT BALANCE	193.02
			CORRECTED BILL	

HELP SOMEONE IN NEED. GIVE TO DOLLAR-HELP. CHECK THE RED BOX BELOW TO ADD \$1 TO EACH MONTH'S GAS BILL.

EST'D BASED ON SPECIAL READ		AMOUNT
GAS CREDIT/LATE PAY	457.39	
CURRENT CHARGES	650.41	

AMOUNT DUE \$193.02

PAYMENT DUE BY 07-14-04 DELINQUENT AFTER 07-16-04





**Commissioners**

**JEFF DAVIS**  
Chairman

**CONNIE MURRAY**

**STEVE GAW**

**ROBERT M. CLAYTON III**

**LINWARD "LIN" APPLING**

***Missouri Public Service Commission***

POST OFFICE BOX 360  
JEFFERSON CITY MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.psc.mo.gov>

**WESS A. HENDERSON**  
Executive Director

**DANA K. JOYCE**  
Director, Administration

**ROBERT SCHALLENBERG**  
Director, Utility Services

**WARREN WOOD**  
Director, Utility Operations

**COLLEEN M. DALE**  
Secretary/Chief Regulatory Law Judge

**KEVIN A. THOMPSON**  
General Counsel

March 26, 2007

Mr. Abb Rhodes  
4201 N 20<sup>th</sup> Street  
1<sup>st</sup> Floor  
St. Louis, MO 63107

Dear Mr Rhodes:

This letter is in response to your indication that you wish to file a formal complaint.

If your complaint involves disputed charges, the nonpayment of which could subject your service to discontinuance, this letter also serves as notification of the Commission rules, which state that **if a formal complaint is not filed within thirty (30) days of the date of this letter**, your service may become subject to discontinuance by the Company. Additionally, failure to pay the amount of a bill, which is not in dispute, is grounds for an informal or formal complaint to be dismissed and your service may also be subject to discontinuance.

A formal complaint must be filed in written form **including an original or duplicate original and eight (8) copies** addressed to *Secretary of the Missouri Public Service Commission, ATTN: Data Center, P.O. Box 360, Jefferson City MO 65102-0360*. After filing, the Commission will give the company thirty (30) days to either satisfactorily resolve the complaint or respond in writing with the company position. If the complaint is not settled and the company responds denying the allegations, the Commission may order the Staff to conduct an investigation and may schedule a hearing.

The hearing is very similar to a trial in a court of law. At the time of the hearing, state law requires that you present evidence, which will substantiate your claim against the company. The company also will be given the opportunity to present evidence discounting your claims.

Page 2 of 2

All parties, including the Commission's Staff, will have the opportunity to cross-examine the other parties witnesses. Further, any person as defined in 4 CSR 240-2.010(11), other than an individual, must be represented by an attorney.

Please note further filing requirements in the enclosed Chapter 2 - Rules of Practice and Procedure.

Sincerely,

Consumer Services Department

Enclosure: Formal Complaint Form

Chapter 2 – Rules of Practice and Procedure and Formal Complaint Form





Commissioners

JEFF DAVIS  
Chairman

CONNIE MURRAY

STEVE GAW

ROBERT M. CLAYTON III

LINWARD "LIN" APPLING

**Missouri Public Service Commission**

POST OFFICE BOX 360  
JEFFERSON CITY MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.psc.mo.gov>

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Executive Director

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Director, Utility Services

WARREN WOOD  
Director, Utility Operations

COLLEEN M. DALE  
Secretary/Chief Regulatory Law Judge

KEVIN A. THOMPSON  
General Counsel

February 16, 2007

ABB Rhodes  
4201 N 20<sup>th</sup> St, 1<sup>st</sup> Floor  
Saint Louis, MO. 63107

Dear ABB Rhodes:

This letter is to acknowledge receipt of your informal complaint against **Laclede Gas**. We are in the process of investigating this matter. When the investigation is completed, we will be back in touch with you. Please be advised that our investigation may take up to 30 days.

In the meantime, if you have any questions or additional information to provide concerning this matter, please send it to the Missouri Public Service Commission, Consumer Services Department, P.O. Box 360, Jefferson City, MO 65102 or you may **contact our office at 1-800-392-4211**.

Sincerely,

Consumer Services Department  
Missouri Public Service Commission

*MICHELLE*

## Thousands Of Laclede Gas Customers May Have Been Overcharged

created: 7/5/2006 7:46:04 PM  
updated: 7/7/2006 4:16:31 PM

By Leisa Zigman  
I-Team Reporter

[Click here to watch Leisa Zigman's investigation.](#)

**(KSDK)** - An I-Team investigation into certain billing practices at Laclede Gas may affect thousands of local customer and ultimately get you some money back.

### Related Links

Missouri's Public Service Commission and the Office of the Public Counsel are investigating Laclede's practice of estimated billing.

Estimated billing is a state-approved practice that allows Laclede to estimate a customer's bill when meter readers can't get into your home. But the two investigations allege Laclede went beyond what is legally allowed.

Customer Tony Dedeo was stunned when his November gas bill arrived. He couldn't believe it was \$331. He said he took immediate steps to try to reduce his costs.

"I closed off all the vents and the doors to the rooms I wasn't using. I went to the basement and made sure all my duct work was secured right," said Dedeo.

Dedeo had automatic bill pay and didn't notice any more unusually high charges until spring when Laclede sent him an estimated three-month bill for \$770.

After the initial shock wore off, Dedeo complained. In fact, 600 Laclede Gas customers filed formal complaints with the Public Service Commission, the state agency that regulates utilities.

Gay Fred is the Customer Service Manager for the PSC.

"Of the 600 complaints, I'd say 20 percent probably overpaid," said Fred.

Lewis Mills heads the Missouri Office of the Public Counsel and is also investigating Laclede Gas.

"I can't recall a utility in the state, electric, gas (or) water that has had a problem anywhere approaching this magnitude with estimated bills, ever," said Mills.

George Csolak is the Director of Corporate Communications for Laclede Gas. He wouldn't talk about specifics of the two state investigations, but did say the company is cooperating fully.

"Estimated bills are just as much a problem for us as it is for the customer. We don't like giving estimated bills," said Csolak.

Between October and March Laclede confirmed it sent out more than 574,000 estimated bills.

"The big issue about not reading the meter is that people aren't home," said Csolak.

When asked why the company doesn't provide weekend or evening service, Csolak responded, "We have set hours when meter readers are out. We'll make calls to let them know we are there to schedule an appointment. People don't call us back."

Investigators at the Public Service Commission allege Laclede violated a number of commission rules by not informing customers by first-class mail or personal delivery that their bills are estimated and that the estimation may not reflect actual usage.

The Public Counsel's complaint asks the Commission to, "determine how many Laclede customers have been billed unlawfully...and to...order refunds..."

But the question remains: did Laclede Gas knowingly overbill its customers?

"If it were an estimated bill, we wouldn't know. We based it on prior usage. If we don't have access to the meter, that's all we can base our bills on," said Csolak.

Csolak said the installation of automatic meter readers, or AMRs, will end all estimated billing. The wireless technology allows the company to read your meter even if you're not home. Csolak said accuracy is well above 99 percent.

Csolak said when all the AMRs are deployed, the company will no longer have to estimate bills.

That was surprising news to Tony Dedeo. He said he had the brand new automatic meter reader when he received his estimated bill.

In addition to seeking penalties against Laclede, the PSC staffs complaint seeks an order requiring Laclede Gas to:

Provide customers whose bills are based on estimated usage more than twice in any 12 month period with a separate written notice that bills have been estimated;

Investigate and correct within 45 days problems resulting in the need to estimate the bill;

Immediately read meters and render bills for any customer it has not billed in 35 days;

Report to the PSC all bills rendered in 2005 that were based on actual reads where prior estimated readings have resulted in adjustments greater than five percent;

At the time of rebilling, and even without contact from the customer, automatically provide any customer whose catch-up amount exceeds \$60 with at least six months, or the same number of months involved in the catch-up, whichever is greater, to pay the catch-up bill;

Begin the catch-up period only when a letter to the customer clearly advises the customer that the bill has been estimated and will be followed by a recalculation.

Laclede Gas Company services approximately 631,000 natural gas customers in the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois, and Ste. Genevieve.

The next step is for the Public Service Commission to hold a hearing to determine whether to move forward and take Laclede Gas to court. A hearing date has not yet been set.

If you paid an estimated bill this winter and you think you were overcharged you can file a complaint with the Public Service Commission.

**Contact:**


Laclede Gas  
314-621-6960 or 1-800-887-4173

Missouri Public Service Commission  
1-800-392-4211

Missouri Office of the Public Counsel  
573-751-4857

*If you think you may have been overbilled, email the I-Team at [iteam@ksdk.com](mailto:iteam@ksdk.com).*

KSDK

 NEWSCHANNEL FIVE  
WHERE THE NEWS COMES FIRST

## Laclede Gas: Who's Installing Automated Meter Readers?

created: 8/2/2006 5:22:22 PM  
updated: 8/7/2006 5:26:43 PM

By Leisa Zigman  
i-Team Reporter

[Click to watch Leisa Zigman's report.](#)

(KSDK) - An i-Team investigation into estimated billing at Laclede Gas has turned up what some employees claim is a potential safety concern.

### Related Links

The concern involves the installation of Laclede's new high-tech meter reading system.

In early July, the i-Team detailed two state investigations alleging unlawful billing practices at Laclede. Those investigations are ongoing.

Since then, we have learned day workers from Manpower, a temporary placement agency, are being hired to install the new devices.

Ironically, on the day the i-Team first reported on the allegations of unlawful billing, Laclede sent a notice to my home that I needed a new automated meter reader installed.

So, I set up an appointment and a hidden camera.

While recording, I opened the door and asked, "Are you here to work on the gas meter? Are you with Laclede?"

The worker replied, "Yes."

I asked again, "You're with Laclede?"

The worker again said, "Yes."

The worker, who pulled up to my home in his personal car wasn't really with Laclede. He actually works for Honeywell and is part of a team now installing wireless automated meter readers, also called AMRs, in 650,000 local homes.

George Csolak is the Director of Corporate Communications for Laclede Gas.

He said automated meter reading is going to be a saving grace for the company.

Csolak called the new AMR device 99.7 percent accurate. He said the wireless technology would allow the company to read your meter even if you're not at home.

At my home, I learned even more about the people installing the new AMRs.

The worker said, "Honeywell doesn't have its own employees, so they have to ... get them through Manpower."

I asked, "Does everyone start at Manpower?"

The worker replied, "Yeah, every week there is a new class."

The installer said he had little training regarding gas safety but did say he learned safety and defensive driving lessons, first aid, and how to deal with the dogs.

He said he made ten dollars an hour and a dollar for each reader he installed. The faster he installed, the more he could make.

"People make up to \$200 a day," he said.

Kevin Patterson is the business manager for the gas workers union.

When all the AMRs are installed, about 100 meter readers will lose their jobs. The union claims Manpower and Honeywell workers aren't trained well and are making what could be serious safety mistakes.

"We've been getting a lot of reports that instruments are being installed incorrectly and they're leaking at the faceplate," said Patterson.

Union members sent us reports of what they claim are dozens of cases of leaking faceplates. Patterson explained, in a worse case scenario, the leak would result in an explosion.

Lori Campbell is the building manager and tenant at Pralle Meadows apartment complex in St. Charles.

Campbell said, "They (workers) came in and they changed the meters so they could get the automatic readings. On three of the buildings, we called them back because after they left there was a very strong odor of gas within this room. Twenty-two families could have been without a home, depending on what time of day, who was home. It could have been catastrophic."

Csolak responded: "There is no way you can pierce the box or the actual meter itself. We've installed 465,000 of these devices without incident."

Csolak was asked if the meters ever leaked.

He said the meters have, "never leaked because of improper installation. We never had one case of that."

Csolak said the union has its own agenda and is trying to discredit Laclede. He said he stands by the Manpower and Honeywell installers.

"We're very confident the work force they have in place is top notch."

Csolak also pointed out in rare cases a small amount of gas may have leaked due to a worn gasket but not due to improper installation.

"It's not something that is a hazardous leak," he said.

Csolak went on to say that of the 495,000 new installs, less than one-eight of one percent have malfunctioned.

The Missouri Public Service Commission is investigating the union's complaints. The PSC will have a hearing in October regarding allegations of unlawful billing.

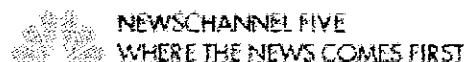
To contact the Public Service Commission, call 1-800-392-4211.

To contact the Office of Public Counsel, which represents the interests of utility customers in proceedings before and appeals from the Missouri Public Service Commission call 573-751-4857.

To contact Laclede Gas, call 314-621-6960 or toll-free 1-800-887-4173.

You can also click the links to the right of this story.

KSDK



## Are Missouri Regulators Too Cozy With Laclede Gas?

created: 11/20/2006 5:50:57 PM

updated: 11/21/2006 12:20:08 PM

By Leisa Zigman

I-Team Reporter

[Click to watch Leisa Zigman's report.](#)

**(KSDK)** - Some NewsChannel 5 viewers are questioning whether regulators with the Missouri Public Service Commission (PSC) are doing enough to help consumers resolve problems they may have with Laclede Gas.

This past summer, the I-Team exposed allegations of unlawful billing and how day laborers, with no previous gas experience, were installing the high tech automated meter readers. But after a record number of complaints to the PSC, viewers are starting to question the relationship between Laclede and the PSC.

At Liebe Athletic Lettering in Chesterfield, careful stitching and old fashioned customer service goes a long way. One year ago, Laclede installed a new automated meter reader (AMR) outside the business. The first bill was one for the record books.

"The bill was \$125,000," said business manager Rob Knoll.

Knoll showed us two years' worth of previous gas bills that averaged \$1,000 to \$2,000 a month. Knoll believes \$125,000 dollars was outrageous.

"Somebody needs to put a big finger on these people and get this fixed. Laclede Gas thinks they can do whatever it is they want to do," said Knoll.

Knoll complained loudly and Laclede agreed to correct any billing mistakes. But, the next month's bill was \$20,000 dollars higher.

"Now I have a \$146,000 bill instead of \$125,000. That is how they fixed it."

With the new AMR Laclede estimated Liebe used more gas than it takes to heat the America's Center. That estimated billing directly conflicts with what George Csolak, head of Laclede's corporate communications, told us this summer.

In July, Csolak explained the AMR wireless technology will allow Laclede to read your meter, even if you're not at home.

He went on to say, "No more estimated billing. It's all going to go away."

Since estimated bills aren't going away, we went back to Laclede to ask Csolak to explain why.

"Once everything is set up and deployed by the end of March, that is when estimated bills will go away. As I mentioned during our interview, glitches come up," said Csolak.

Steve White experienced one of those glitches after Laclede installed his AMR in July. He said his dials never moved. They appeared to be frozen. Still, his bills kept coming.

A Laclede supervisor told him a computer chip inside the AMR still sends a signal even if the dials on the face plate don't move.

"The AMR system is not working properly. Not all of them, but a lot of them," said White.

White should know. He's been a Laclede meter reader for 28 years. He explained, if the dials don't work, there is no way for you to verify your bill.

"What it means is, you're just going to have to take their word on it, period," said White.

Laclede has installed more than 590,000 AMRs. Officials say less than two percent have malfunctioned.

We were denied access to raw data and more specific information regarding failure rates.

"I'm not allowed to let paperwork go. That's all proprietary information. That is something that is Laclede property and I'm not allowed to disclose any of that," said Csolak.

When asked if the PSC had asked for documentation, Csolak said Laclede "keep(s) the PSC apprised of everything we're doing regarding this program. They've been very open and excited about us deploying this system as well."

Warren Wood, Director of Utility Operations for the PSC said Laclede has given him one and a half to two percent failure rate, but added he didn't have documents immediately available to verify that.

He also said he had not requested specific failure rate documentation.

Gay Fred, Consumer Services Manager with the PSC, is handling the record number of consumer complaints filed against Laclede.

She said out of 2,000 complaints, she hadn't sent anyone out into the field to verify a claim.

In fact, the I-Team has confirmed through court records, interviews and documents that the PSC has not done any field inspections of reported AMR problems. Regarding estimated bills, the PSC has never audited Laclede to see if the company's estimates are accurate.

Many at Liebe believe the PSC is too trusting and should do a better job holding Laclede accountable.

"We see what happens when you trust them, it leaves something to be desired," said Knoll.

Some major statewide changes are already in the works. PSC officials say the changes have nothing to do with I-Team reports.

The PSC has directed its staff to begin spot audits of all utilities in February. That includes water, gas and electric. The PSC says they will look at the accuracy of each utility's estimated billing.

Since we interviewed Wood in Jefferson City, the PSC has requested more information from Laclede about the AMR failure rate. Laclede insists the AMRs are extremely reliable and accurate.

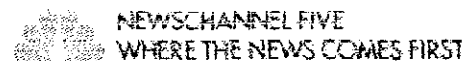
Csolak said once "initial glitches" are ironed out, the public will see "tremendous benefits."

To contact the Missouri Public Service Commission, call 1-800-392-4211 or visit [www.psc.mo.gov](http://www.psc.mo.gov).

To contact the Office of Public Counsel, which represents the interests of utility customers in proceedings before the Missouri Public Service Commission, call 573-751-4857 or visit [www.mo-opc.org](http://www.mo-opc.org).

To contact Laclede Gas, call 314-621-6960 or toll free 800-887-4173 or visit [www.lacledegas.com](http://www.lacledegas.com).

KSDK





**Commissioners**

**JEFF DAVIS**  
Chairman

**CONNIE MURRAY**

**STEVE GAW**

**ROBERT M. CLAYTON III**

**LINWARD "LIN" APPLING**

***Missouri Public Service Commission***

POST OFFICE BOX 360  
JEFFERSON CITY MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.psc.mo.gov>

**WESS A. HENDERSON**  
Executive Director

**DANA K. JOYCE**  
Director, Administration

**ROBERT SCHALLENBERG**  
Director, Utility Services

**WARREN WOOD**  
Director, Utility Operations

**COLLEEN M. DALE**  
Secretary/Chief Regulatory Law Judge

**KEVIN A. THOMPSON**  
General Counsel

March 30, 2007

Mr. Abb Rhodes  
4201 N 20<sup>th</sup> Street  
1<sup>st</sup> Floor  
St. Louis, MO 63107

Dear Mr. Rhodes:

This letter is a follow up to the informal complaint you filed February 16, 2007, relating to your concerns with Laclede Gas Company (Laclede) and the bill you received for unbilled gas. After my initial review of your complaint matter, I contacted the company to obtain additional information. Following is a summary of my review of the issues involved in your complaint.

According to Laclede's records, the last actual read obtained was x7045 on November 8, 2004. When Laclede obtained an actual meter reading of x1211 on October 18, 2006, Laclede found that the account was under-charged. Laclede also obtained actual meter readings on November 13, 2006 (x1455), February 7, 2007 (x3760) and February 9, 2007 (x3778). These meter readings verified that the reading obtained on October 18, 2006, appears to be correct.

On February 2, 2007, Laclede issued a rebill for service from December 9, 2004 through January 11, 2007, totaling \$6,257.93. After issuing credit for the prior billings and late fees of \$1,896.01, the account balance increased to \$4,361.92.

On February 14, 2007, a bill was mailed for service from January 11, 2007, meter reading x1533 through February 12, 2007, meter reading x3860, totaling \$3,038.87. This resulted in an account balance of \$7,400.79, since the prior balance was \$4,361.92.

On March 16, 2007, the bill mailed for service from February 12, 2007 through March 14, 2007, totaling \$363.24. This brought the total account balance to \$7,875.04.

The meter that was removed on February 22, 2007, was tested and found to be operating within the limits outlined in the rules and regulations. Therefore, Laclede is unwilling to issue an adjustment on the account.

This concludes our investigation of your informal complaint. Receipt of this letter serves as your notice of closure into this matter. If you are dissatisfied with the resolution, it is our responsibility to advise you that under Commission rule 4 CSR 240-13.070 (4), you may file a formal complaint.



Mr. Abb Rhodes  
March 30, 2007  
Page 2 of 2

For your convenience, please contact us within 31 days from the date of this letter to request a formal complaint packet. The formal complaint process is a quasi-judicial process similar to a civil court hearing, whereby all parties are responsible for presenting their facts to the Commission.

I hope that I have been able to address your concerns. Thank you for contacting our office regarding this matter. If I can assist you further in any way, please do not hesitate to contact me at 1-800-392-4211.

Sincerely,

*Michelle Bocklage*

Consumer Services Specialist II  
Missouri Public Service Commission

Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. R-1

Community, Town or City

RULES AND REGULATIONS

RECEIVED

10. Meter Tests and Billing Adjustments (Continued).

AUG 21 1992

Residential Customers:

MO. PUBLIC SERVICE COMMISSION

In the event of an overcharge: An adjustment shall be made for the entire period that the overcharge existed not to exceed sixty consecutive billing periods, calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first. In the event of an undercharge: An adjustment shall be made for the entire period that the undercharge existed not to exceed twelve consecutive billing periods, calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first.

Customers Other Than Residential:

In the event of an overcharge: An adjustment shall be made for the entire period that the overcharge existed not to exceed sixty consecutive billing periods, calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first.

In the event of an undercharge: An adjustment shall be made for the entire period that the undercharge existed not to exceed sixty consecutive billing periods, calculated from the date of discovery, inquiry or actual notification of the Company, whichever was first.

(B) No billing adjustment will be made where the full amount of the adjustment is less than \$1.00.

(C) Where, upon test, a meter error is found to be 2% or less, no billing adjustment will be made.

(D) When evidence of tampering is found, or misrepresentations of the use of service by the Customer, the Company will calculate the billing adjustment period in accordance with the applicable statute of limitations for the prosecution of such claim after determining the probable period during which such condition existed from all related and available information.

FILED

SEP 1 1992

92-165

Public Service Commission

DATE OF ISSUE August 21, 1992

DATE EFFECTIVE September 1, 1992

ISSUED BY K. F. Neises, Vice President, 720 Olive St., St. Louis, MO 63101

# CONTACT INFORMATION

HELPFUL BUSINESSES/AGENCIES	PHONE NO.	WEBSITE ADDRESSES
Better Business Bureau	800-955-5100	<a href="http://www.bbb.org/">www.bbb.org/</a>
Missouri Lawyer Referral Service	573-636-3635	<a href="http://www.mobar.org">www.mobar.org</a>
Bar Assn. Of Metro St. Louis Referral	314-621-6681	
Kansas City Metro Bar Assn. Referral	816-221-9472	
Springfield Metro Bar Assn. Referral	417-831-2783	
Federal Communications Commission	888-225-5322	<a href="http://www.fcc.gov/">www.fcc.gov/</a>
Federal Trade Commission		<a href="http://www.ftc.gov/">www.ftc.gov/</a>
Consumer protection	877-382-4357	<a href="http://www.ftc.gov/ftc/consumer.htm">www.ftc.gov/ftc/consumer.htm</a>
Identity theft	877-438-4338	<a href="http://www.consumer.gov/idtheft/">www.consumer.gov/idtheft/</a>
Copyrights/Consumer Product Safety	800-638-2772	<a href="http://www.cpsc.gov/">www.cpsc.gov/</a>
Assn. Of Missouri Electric Cooperatives	573-635-6857	<a href="http://www.amec.org/">www.amec.org/</a>
U.S. Dept. of Energy		<a href="http://www.energy.gov">www.energy.gov</a>
Consumer Sentinel		<a href="http://www.consumer.gov/sentinel/">www.consumer.gov/sentinel/</a>
Cable TV Complaints - Mo Cable Tele. Assn.	573-635-1915	<a href="http://www.missouricabletv.com/">www.missouricabletv.com/</a>
Missouri One Call / Dig-Rite	800-344-7483	<a href="http://www.mo1call.com/">www.mo1call.com/</a>
Missouri Dept. of Natural Resources (Info. Hotline)	800-361-4827	<a href="http://www.dnr.mo.gov/">www.dnr.mo.gov/</a>



Created in 1913, the Missouri Public Service Commission (PSC) regulates investor-owned telecommunications, water and sewer, natural gas, electric and steam utilities. The PSC works to ensure that Missouri citizens receive safe, reliable and reasonably priced utility services. If you have an inquiry, billing question or service-related problem that your utility provider cannot answer, please call the PSC at 1-800-392-4211 or visit our website at [www.psc.mo.gov](http://www.psc.mo.gov)