

EX 9

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

FILED

JAN 05 2016

Missouri Public Service Commission

Candace Taylor, )
Complainant, )
v. )
Laclede Gas Company, )
Respondent. )

Case No. GC-2015-0143

STAFF REPORT AND RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its Report and Recommendation in this matter hereby states:

1. On December 5, 2014, Candace Taylor ("Complainant") filed her formal complaint, stating that charges on her bill should not have been incurred, because she claims that the property was vacant when the usage occurred, and so Laclede Gas Company ("Laclede" or "Company") should revise her bill to \$0.00.

2. Section 386.390.1, RSMo, authorizes the Commission to hear and determine complaints in writing, brought by any corporation or person, "setting forth any act or thing done or omitted to be done by any corporation, person or public utility, including any rule, regulation or charge heretofore established or fixed by or for any corporation, person or public utility, in violation, or claimed to be in violation, of any provision of law, or of any rule or order or decision of the commission [.]"<sup>1</sup> Pursuant to its rulemaking authority at § 386.410.1, RSMo, the Commission has duly promulgated

<sup>1</sup> Excluding complaints as to the reasonableness of utility rates unless brought on the Commission's own motion or by the Public Counsel, the mayor or the president or chairman of the board of aldermen or a majority of the council, commission or other legislative body of any city, town, village or county, or by not less than twenty-five consumers or purchasers, or prospective consumers or purchasers, of the utility service in question. § 386.390.1, RSMo.

Exhibit No. 9
Date 12-1-15 Reporter JB
File No. GC-2015-0143



its Rule 4 CSR 240-2.070, concerning complaints. That rule distinguishes formal complaints and small formal complaints, and sets out less cumbersome procedures for the latter. In the case of small formal complaints, the rule requires that, simultaneously with service of the complaint upon the respondent, "the regulatory law judge shall notify all parties that the complaint will proceed under the small formal complaint process." Rule 4 CSR 240-2.070(15)(A). In the absence of the required notice, this matter necessarily is a formal complaint rather than a small formal complaint.<sup>2</sup>

3. On December 17, 2014, the Commission ordered Staff to file a report no later than January 31, 2015. Rule 4 CSR 240-2.070(11).

4. Staff's report of its investigation ("*Report*") is attached here as *Appendix A*. As explained in Staff's *Report*, which is incorporated herein by reference, Staff investigated the complaint and has concluded that Laclede did not violate its tariff or any law or rule or order of the Commission in this matter. Staff recommends that the Commission determine the *Complaint* in favor of Laclede.

5. Staff's *Report* explains that this matter concerns gas charges incurred at a rental property owned by Complainant. Part of the amount in dispute in this case concerns gas charges incurred by Complainant's mother when she lived at the premises. When her mother died, Complainant asked Laclede to transfer the unpaid balance from her deceased mother's account to her own. The rest of the amount in dispute relates to charges for gas consumed at the property while the account was in Complainant's name, which Complainant disputes. Laclede disconnected gas service at the rental property, and transferred the total amount in dispute, \$1,074.71, from the

---

<sup>2</sup> Because the amount in controversy is less than \$3,000.00, this matter *could* have been designated as a small formal complaint.

rental property to Complainant's home account in August 2014. At Complainant's request, Laclede tested the meter that recorded the usage at the rental property. Staff confirmed that Laclede's test of the meter showed that the meter met the accuracy standards set forth in Commission Rule 4 CSR 240-10.030(18). In this case, Laclede properly transferred the unpaid balance from Complainant's mother to Complainant, as Complainant requested. Laclede's transfer of the balance from the rental property to Complainant's home account complies with Commission Rule 4 CSR 240-13.050(2)(B), which permits a utility to transfer unpaid balances to any other residential service account of the customer and to discontinue service for failure to pay the combined bill.

6. Therefore, Staff recommends the Commission determine the *Complaint* in favor of Laclede, because Staff's investigation did not find that Laclede violated any provision of its Commission-approved tariff, or any rule or statute or order of the Commission.

**WHEREFORE**, Staff recommends that the Commission set this matter for an evidentiary hearing; and grant such other and further relief as the Commission considers just in the circumstances.

Respectfully submitted,

**/s/ Marcella L. Mueth**

Marcella L. Mueth

Assistant Staff Counsel

Missouri Bar No. 66098

Attorney for Staff of the

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

573-751-4140 (Voice)

573-526-6969 (Fax)

[Marcella.mueth@psc.mo.gov](mailto:Marcella.mueth@psc.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that true and correct copies of the foregoing were served electronically to all counsel of record this 30<sup>th</sup> day of January, 2015.

**/s/ Marcella L. Mueth**

## REPORT OF THE STAFF

**TO:** Missouri Public Service Commission Official Case File  
Case No. GC-2015-0143, Candace Taylor vs. Laclede Gas Company

**FROM:** Justin Edwards

**DATE:** January 30, 2015

/s/ Justin Edwards / 01/30/2015  
Consumer Service Department/Date

/s/ Marcella Mueth / 01/30/2015  
Staff Counsel's Office/Date

### INTRODUCTION AND BACKGROUND

This complaint concerns Complainant Candace Taylor disputing a bill that Laclede Gas Company ("Laclede Gas" or "Company") transferred from her rental property at 4656 Lee Avenue, St. Louis, Missouri, to her current residential account at 3824 Salida Court, Florissant, Missouri, in the amount of \$1,074.71. Ms. Taylor claims the bills are too high for the property located at 4656 Lee Avenue. She claims the property was vacant during the period in which those charges were incurred, and she claims that there is no way the billed usage is accurate. Ms. Taylor also claims that the meter might have been switched with the property next door, 4658 Lee Avenue, which is an additional rental property Ms. Taylor states she also owns.

The previous account holder at 4656 Lee Avenue was Ms. Taylor's mother. On August 14, 2012, Ms. Taylor contacted Laclede Gas to advise them that her mother had passed away and that she would be paying the remaining balance owed on the account. Ms. Taylor requested gas service to be placed in her name at the property located at 4656 Lee Avenue on October 9, 2012. Laclede's records indicate the final balance owed on the account while service was in Ms. Taylor's mother's name was \$365.19, of which \$265.19 remains unpaid to date. The \$265.19 balance is part of the \$1,074.71 transferred bill, which leaves the remaining amount of \$809.52 owed for usage when service was in Ms. Taylor's name. Laclede Gas transferred the final bill from 4656 Lee Avenue in the amount of \$1,074.71 to Ms. Taylor's current account at 3824 Salida Court on August 6, 2014.

For the reasons explained in this report, Staff concludes Laclede Gas was in compliance with Chapter 13 rules on service and billing practices for residential customers in transferring the unpaid balances to Ms. Taylor's account. Staff also concludes that Laclede Gas was in compliance with Chapter 13 rules regarding the accuracy of the meter and billing and payment standards. Staff also concludes the meter located at 4656 Lee Avenue was not switched with the meter at 4658 Lee Avenue, and Ms. Taylor was

FACT

15  
The \$265.19 shall be  
taken off b/c not legally obligated

Appendix A HC

correctly billed for the usage at 4656 Lee Avenue. Staff also concludes that Laclede Gas is in compliance with Commission Rules regarding the transfer of the unpaid debt.

## **THE INFORMAL COMPLAINT**

### **Informal Complaint C201500522**

This matter originated on September 24, 2014, when Ms. Taylor filed an informal complaint (C201500522) against Laclede Gas. Ms. Taylor filed the informal complaint under the name of Candace Woodard. Ms. Taylor requested Staff investigate Laclede Gas transferring an unpaid prior account balance from 4656 Lee Avenue to her current address located at 3824 Salida Court, Florissant, Missouri.

On September 30, 2014, Staff received an EFIS response from Laclede Gas. Laclede Gas advised Staff that an order was entered into their system to have the meter number verified and to make sure the usage had not been switched with the property next door at 4658 Lee Avenue.

On October 14, 2014, Staff received the following updated response from Laclede Gas:

- The gas service at 4656 Lee Avenue was previously in Ms. Taylor's mother's name from September 29, 2001 until July 19, 2012; the final bill for that address was rendered on July 25, 2012, in the amount of \$365.19.
- On August 14, 2012, Ms. Taylor contacted the Company and stated that her mother was deceased and stated that she would be paying the \$365.19 bill.
- On August 20, 2012, a payment of \$100.00 was posted to the final account balance, leaving a balance due of \$265.19; which remains unpaid to date.
- On October 9, 2012, the gas service was turned on at 4656 Lee Avenue in the name of Candace Taylor.
- From July 26, 2013 to May 22, 2014, the gas bill at 4656 Lee Avenue grew to \$1,055.64, with sporadic partial payments being made on the account.
- On June 16, 2014, a payment of \$25.00 was posted to the account.
- On June 18, 2014, the gas service at 4656 Lee Avenue was disconnected for non-payment.
- On June 20, 2014, a bill was rendered for service from May 23, 2014 to June 18, 2014 in the amount of \$44.07, which brought the total balance owed to \$1,074.71.
- On June 24, 2014, Ms. Taylor contacted Laclede Gas regarding the service being disconnected at the 4656 Lee Avenue property. During this call, Ms. Taylor was

advised of the outstanding bill at the address which led to her Ms. Taylor's dispute regarding the charges. Ms. Taylor advised Laclede Gas that the property was vacant and disputed the amount owed charges on the account. Ms. Taylor also attempted to compare the usage with the property next door located at 4658 Lee Avenue. The Laclede Gas representative issued an order on the account for investigation.

- On June 25, 2014, Laclede Gas cancelled the investigation order, because its personnel had no access to the meter and appliances at 4656 Lee Avenue.
- On June 30, 2014, a letter was mailed to Ms. Taylor informing her that if an inspection was still desired to call the Customer Service Department at Laclede Gas to reschedule the order. No response was received by Laclede Gas from Ms. Taylor.
- On August 19, 2014, Ms. Taylor contacted Laclede Gas regarding the high bill and billing dispute for gas usage at 4656 Lee Avenue. A supervisor at Laclede Gas re-scheduled the high bill investigation. During the call, Ms. Taylor claimed the property at 4656 Lee Avenue was vacant.
- On August 26, 2014, the Laclede Gas supervisor who originally opened the high bill investigation erroneously noted on the customer account record that the investigation was complete and that it appeared to be a "switched meter" situation with 4658 Lee Avenue. The Laclede Gas supervisor referred the account to Laclede's Customer Service Support Department for further review and investigation to determine if the account was in fact a switched meter with the property next door.
- On September 29, 2014, the supervisor determined that this was not a "switched meter" situation based on the usage at 4656 Lee Avenue, which was also verified with the meter reading information.
- On October 1, 2014, a technician was routed to the property to confirm the meter information for both the 4656 and 4658 properties. The technician confirmed that the meter records for both properties were correct and that it was not a switched meter situation. The technician also stated that there is a boiler system at the 4656 premise, approximately three years old, and that the gentlemen present for the inspection stated that the property had been vacant and that the thermostat had been set at 68 degrees. The meter from the property at 4656 Lee Avenue was changed and taken to the meter shop for special testing.
- On October 2, 2014, Laclede Gas spoke to Ms. Taylor and advised her that the only thing left to do was to test the meter for accuracy and asked her if she wanted to witness the test. Ms. Taylor advised Laclede Gas that she would have to see if she could have time off from work and would call me back.

- On October 6, 2014, Laclede Gas called Ms. Taylor again and gave her the address of the meter shop in a voicemail message. In the voicemail, Laclede Gas urged Ms. Taylor to call Laclede Gas back because the Company was trying to have the meter tested by the end of the week. As of October 8, 2014, Ms. Taylor still had not returned Laclede Gas' call. Laclede Gas contacted her again on October 8 and left a voicemail advising Ms. Taylor that the meter would be tested on October 10, 2014, at approximately 8:00 AM and to call Laclede back to let them know if she wanted to witness the test. Ms. Taylor returned Laclede Gas' call on October 10, 2014, at approximately 10:40 a.m. Laclede Gas advised Ms. Taylor that it was possible that the meter had already been tested and informed her that they would check with the meter shop and would call her back with the results. At approximately 3:30 p.m., Laclede Gas telephoned Ms. Taylor and advised her that the test had been completed and the meter tested within standards; therefore, no allowances are warranted towards the bill.

Staff confirmed that Laclede Gas' October 10, 2014, meter test from the property at 4656 Lee Avenue tested at 100 percent accurate.

On October 21, 2014, Staff spoke with Ms. Taylor regarding her informal complaint. Staff advised Ms. Taylor that based on the evidence given during the informal complaint investigation, Laclede Gas properly transferred the unpaid debt to her current account. Staff advised Ms. Taylor that she will still be held responsible for the transferred balance from the property at 4656 Lee Avenue that was transferred to her current active account. Ms. Taylor was not happy with the informal complaint investigation. Ms. Taylor did not provide Staff with any additional documentation to support her dispute during the informal complaint process. Staff advised Ms. Taylor that she could file a formal complaint with the Commission if she wished to continue her dispute of the transferred bill. On October 23, 2014, Staff mailed a formal complaint packet to Ms. Taylor.

In reviewing all of the information Staff received by Laclede Gas in the informal complaint investigation, Staff concluded that Laclede Gas properly transferred the unpaid balance of \$1,074.71 from the 4656 Lee Avenue property to Ms. Taylor's address at 3824 Salida Court, Florissant, Missouri. Staff also concluded that Laclede Gas provided documentation supporting its position that Ms. Taylor is responsible for all charges incurred, and all unpaid charges were properly transferred to Ms. Taylor's current account. Staff also concludes the meter at 4656 Lee Avenue was accurate based on the meter test results (**SCHEDULE 1**). Staff confirmed that this is not a "switched meter" situation and Ms. Taylor was only billed for usage incurred at the address at 4656 Lee Avenue. Based on all evidence at the time of the informal complaint investigation Staff determined Laclede Gas was in compliance with Commission statues, rules, and Commission-approved Company tariffs regarding Ms. Taylor's account.

### **THE FORMAL COMPLAINT**

On December 5, 2014, Ms. Candace Taylor filed this formal complaint with the Commission, Case No. GC-2015-0143. Ms. Taylor stated in her complaint:



*Laclede Gas was charging her gas service when she cut the gas off because the home is vacant. Laclede Gas told her the cost of service monthly was \$30.00 a month without gas usage, which she agreed. She attached billing records from her bank showing payments made. She called Laclede Gas on November 18, 2014, asking for copies of bills from January 1, 2012 to present, and Laclede Gas told her their system did not go back that far. She also called to retrieve her grandfather's bills from January 1, 2012 to present and all of his records still in the system. She attached both billing records for review. She set both of these accounts up at the same time and Laclede Gas did something wrong for the 4656 Lee Avenue property.*

As for her attempt to resolve the complaint, Ms. Taylor stated:

*The first bill attached for gas services from October 9, 2012 to October 22, 2012 showed no prior balance owed. Laclede Gas stated the service was in her mother's name from September 29, 2001 to July 19, 2012 and she took over on August 14, 2012. There is a twenty-five (25) day difference. Who owned the account between dates? Her payments do not reflect the same on the bills.*

For relief Ms. Taylor is requesting:

*Ms. Taylor is requesting Laclede Gas to zero the account balance because of the inconsistency of Laclede Gas' story and evidence.*

### **STAFF FINDINGS**

Staff completed a thorough investigation of Ms. Taylor's informal and formal complaint, as described in this report. Staff has reviewed Ms. Taylor's initial allegations and concerns from the informal complaint (C201500522) as well as Laclede Gas' response to information requested by Staff. Staff has determined, based on all the information provided, Ms. Taylor was billed correctly for the usage incurred at the property located at 4656 Lee Avenue. Staff also concludes that Laclede Gas is in compliance with Commission Rule 4 CSR 240-13.050 (2) (B), which allows Laclede Gas to transfer the unpaid balance to Ms. Taylor's current account located at 3824 Salida Court. Staff also can confirm Laclede Gas removed the gas meter and tested the meter for accuracy, which tested within the required standards. Please see the meter test results attached as (Schedule 1).

On January 12, 2015, Staff requested additional updated information from Laclede Gas regarding Ms. Taylor's account.

On January 20, 2015, Staff received the additional information from Laclede Gas. Laclede Gas advised Staff that Laclede Gas transferred the final bill for charges at 4656 Lee Avenue in the amount of \$1,074.71 to Ms. Taylor's current account at 3824 Salida

Court on August 6, 2014. Staff was also advised that the full transferred balance of \$1,074.71 remains unpaid as of the filing of this report.

Staff reviewed all the information in Ms. Taylor's informal complaint again after the formal complaint was filed and has reaffirmed that all information found in the informal complaint section of this report is accurate.

As of January 21, 2015, Staff had not received any additional documentation to support Ms. Taylor's claim that she is not responsible for the entire balance of the gas charges incurred from the 4656 Lee Avenue address, nor has it received any supporting documentation regarding Ms. Taylor's claims concerning her payments made on the account.

On January 22, 2015 at 10:00 a.m., Staff called and spoke with Ms. Taylor again regarding her formal complaint case and to verify whether or not she had additional documentation to support her complaint. Ms. Taylor advised Staff that she had provided all of the documentation she had regarding her dispute and that she had no additional documentation to provide to Staff concerning her complaint case. Staff therefore concluded that all payments made on the account for gas service at 4656 Lee Avenue were applied correctly.

#### **CONCLUSION AND RECOMMENDATION**

#### **4 CSR 240-13.050 Discontinuance of Service (2)(B) states:**

*(2) None of the following shall constitute sufficient cause for a utility to discontinue service:*

*(B) The failure of the customer to pay for service received at a separate metering point, residence, or location. In the event of discontinuance or termination of service at a separate residential metering point, residence, or location in accordance with these rules, a utility may transfer and bill any unpaid balance to any other residential service account of the customer and may discontinue service after twenty-one (21) days after rendition of the combined bill, for nonpayment, in accordance with this rule;*

Based upon Staff's review of Ms. Taylor's informal complaint and the information available to Staff during its investigation of her formal complaint, Staff determined that Laclede Gas complied with the Commission's rules at 4 CSR 240-13 regarding service and billing practices for residential customers when transferring Ms. Taylor's unpaid gas charges incurred at 4656 Lee Avenue to her current address at 3824 Salida Court. Staff concludes Laclede Gas is not in violation of any Commission rule, statute, or Commission approved tariff. Staff also concludes Ms. Taylor is receiving gas service from Laclede Gas at 3824 Salida Court, and Laclede Gas transferred the unpaid debt in the amount of \$1,074.71 from Ms. Taylor's prior account at 4656 Lee Avenue to Ms. Taylor's current account at 3824 Salida Court on August 6, 2014. Ms. Taylor has not provided any

documentation to Staff or Laclede Gas to show that the meter was not accurate or that the usage she was charged was incorrect.

Staff concurs with Ms. Taylor that Laclede Gas waited too long to verify and test the meter for accuracy in regards to her initial dispute. Staff also is concerned with the poor customer service and account errors made by the Laclede Supervisor when they marked the high bill investigation as complete when it had not been completed. Staff therefore would caution Laclede on their lag time in handling such matters in order to provide better customer service. However, Staff has confirmed that Laclede Gas made several visits to Ms. Taylor's property over and beyond what is considered the norm in order to verify Ms. Taylor's account information, meter verification, and meter accuracy.

Staff therefore believes Laclede Gas is in compliance with Commission statues, rules, and Commission-approved Company tariff. Staff recommends that the complaint proceed to an evidentiary hearing to give Ms. Taylor the opportunity to present additional evidence as to why she believes her bills were too high or why she should not be held responsible for the transferred bill. A pre-hearing conference may provide the opportunity for both parties to reach a mutually satisfactory settlement.

# WO 13301131

SPECIAL METER TEST  
LACLEDE GAS COMPANY

3824 Salida Ct  
Florissant, MO 63034

Customer Name CANDACE Woodward

Customer Address 4656 LEE St. Louis, MO Zip Code 63115

Customer Account Number 7533885028 Grid \_\_\_\_\_

Reason for Test H.I. Bill

Meter Number 139320 Meter Size 175

Ordered By CANDACE Woodward 10-2-14

Meter Reading 0308 Reg.  B.P.I.  Press. Comp.

Remote Index - M.E.  R.I.  R.E.  Outside Reading 0308

Metering Pressure Medium AMP  
OK program OK BAT. OK

Removed By REINHOLD Date 10-1-14  
06986

5916  
CN  
9.10

Record of Test at 101.0 C.F.H. 1 % Fast  Slow  Exact

Record of Test at 101.3 C.F.H. 1.3 % Fast  Slow  Exact

General Condition and Appearance of Meter GOOD CONDITION

Was Index Properly Sealed? Yes  No

Prover Number 1574 Tested By JAMES ISLAVIC Date 10-10-14

Supervisor's Report and Findings: Meter tested within acceptable standards

Meter Dept. Supervisor Signature [Signature] Date 10-10-14

Superintendent Approval \_\_\_\_\_ Date \_\_\_\_\_

Customer Notified of Test Results  
By \_\_\_\_\_ Date \_\_\_\_\_

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

Candace Taylor,	)	
	)	
Complainant,	)	
v.	)	<u>Case No. GC-2015-0143</u>
	)	
Laclede Gas Company	)	
	)	
Respondent.	)	

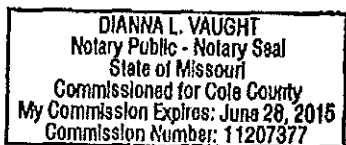
**AFFIDAVIT OF JUSTIN EDWARDS**

STATE OF MISSOURI    )  
                                  ) ss  
COUNTY OF COLE     )

Justin Edwards, of lawful age, on his oath states: that he has knowledge of the matters set forth, in the Report of Staff; and that such matters are true to the best of his knowledge and belief.

Justin Edwards  
Justin Edwards

Subscribed and sworn to me before this 30th day of January, 2015.



Dianna L. Vaught  
Notary Public

My commission expires 6/28/15