

*Exhibit No.:*

*Issues: AMR Customer Billing*

*Witness: Carol Gay Fred*

*Sponsoring Party: MoPSC Staff*

*Type of Exhibit: Rebuttal Testimony*

*Case No.: GC-2006-0390*

*Date Testimony Prepared: November 7, 2006*

**MISSOURI PUBLIC SERVICE COMMISSION**

**ADMINISTRATION DIVISION**

**REBUTTAL TESTIMONY**

**OF**

**CAROL GAY FRED**

**LACLEDE GAS COMPANY**

**CASE NO. GC-2006-0390**

*Jefferson City, Missouri*

*November 2006*

**\*\* Denotes Highly Confidential Information \*\***

**NP**

*Staff* Exhibit No. 36NR  
Case No(s). GC-2006-0390  
Date 2-26-07 Rptr XF

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

USW Local 11-6	)	
	)	
Complainant,	)	
	)	
v.	)	
	)	Case No. GC-2006-0390
Laclede Gas Company,	)	
	)	
Respondent.	)	

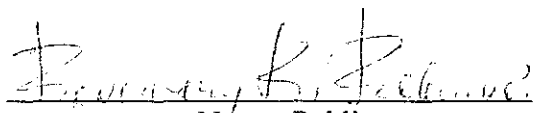
**AFFIDAVIT OF CAROL GAY FRED**

**STATE OF MISSOURI**     )  
                                      ) ss  
**COUNTY OF COLE**        )

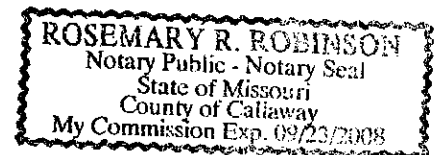
Carol Gay Fred, of lawful age, on her oath states: that she has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 6 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true to the best of her knowledge and belief.

  
\_\_\_\_\_  
Carol Gay Fred

Subscribed and sworn to before me this 7<sup>th</sup> day of November, 2006.

  
\_\_\_\_\_  
Notary Public

My commission expires 9-23-2008



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2  
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7

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**CAROL GAY FRED**  
**LACLEDE GAS COMPANY**  
**CASE NO. GC-2006-0390**

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Rebuttal Testimony of  
Carol Gay Fred

1           A.     I have acquired general knowledge of these topics through my experience and  
2 analyses in prior rate, complaint, merger, rulemaking and working group cases before this  
3 Commission. I have also acquired knowledge of these topics through review of Staff  
4 workpapers for prior complaint cases brought before this Commission. I have reviewed prior  
5 Commission decisions with regard to these areas. In addition, since commencing  
6 employment with the Commission in January, 1987, I have attended various in-house training  
7 seminars and NARUC training seminars and conferences. I am an active member of the  
8 NARUC Subcommittee on Consumer Affairs. I have also participated in and supervised the  
9 work on a number of informal and formal complaint proceedings. As the manager of  
10 consumer services department I supervise and provide instructions to Consumer Specialist Is  
11 and IIs, on similar matters within the Administration Division.

12           In addition, prior to my employment with the Commission I was employed by United  
13 Telephone Company, now known as Embarq, from 1977 to 1987, as an internal consultant  
14 with primary functions that consisted of call center supervision, credit and collections, outside  
15 plant compliance audits, cable assignment specialist and central office switch conversion  
16 assistant.

17     **PURPOSE OF TESTIMONY**

18           Q.     What is the primary purpose of your testimony?

19           A.     The purpose of my testimony is to address testimony of Marilyn Jean Kessler  
20 regarding her informal complaint filed with the Missouri Public Service Commission,  
21 Consumer Services Department.

22           Q.     Please briefly describe the informal complaint filed by Ms. Kessler's with the  
23 Missouri Public Service Commission.

Rebuttal Testimony of  
Carol Gay Fred

1           A.     On May 15, 2006, Commissioner Gaw's office referred to Consumer Services  
2 Department a complaint regarding Laclede Gas Company (Laclede) sending non-union  
3 personnel to Ms. Kessler's premise to install an Automatic Meter Reading (AMR) device on  
4 her outside gas meter. Ms. Kessler stated she had called Laclede requesting that a union  
5 employee come install her AMR and check her meters at two of here residences. One at  
6 \*\* \_\_\_\_\_ \*\* and other at \*\* \_\_\_\_\_. \*\* Ms. Kessler also  
7 indicated that she had received two different stories from Laclede personnel regarding AMR  
8 installation.

9           Q.     What were the two different stories Ms. Kessler indicated she was told?

10          A.     Ms. Kessler indicated that one, she was told twice by Customer Relations that  
11 it would not be a problem to have to have a union employee of Laclede to come install her  
12 AMR and check meters at both her residences; and two, that two different Supervisors with  
13 Laclede advised her that she may pay higher estimated bills if she doesn't let the  
14 subcontractors install the AMR and that is she didn't pay her bill she may be shut off, in  
15 addition to being told she really doesn't have a choice but to let the contactor to do the work  
16 or else there will be charges to her to let a union employee to the work.

17          Q.     Did Ms. Kessler express any other concerns?

18          A.     Yes, she also indicated that she was upset because she didn't want contractors  
19 who do no know what they are doing to touch her meters causing her house to blowup. She  
20 concluded stating she wanted a union employee to install her AMRs and to look at whether or  
21 not here is a need to replace her meters at both her properties.

22          Q.     What occurred after your received Ms. Kessler's complaint?

Rebuttal Testimony of  
Carol Gay Fred

1           A.     The Consumer Services Department forward Ms. Kessler's complaint to  
2     Laclede for their response to the occurrences on May 15, 2006, the same day of receipt.

3           Q.     Ms. Fred, when did you talk with Ms. Kessler?

4           A.     I talked with Kessler on May 11, 2006, when she telephoned wanting to verify  
5     whether or not Laclede could charge her for sending a union employee to her premises to  
6     install AMRs.

7           Q.     What was your response?

8           A.     I discussed with Ms. Kessler as well as followed up with a letter dated  
9     May 16, 2006, (See Schedule A), that Laclede could charge her for sending a union employee  
10    to install her AMR. That Laclede has a contract with a Cell Net to install AMRs throughout  
11    their service area and that Laclede would still be ultimately responsible for any issues arising  
12    from the work of the contractors and that if a customer were to request someone other than the  
13    contractor to do the work, that under Laclede's tariff they could apply appropriate fees.

14          Q.     What Laclede tariff and fees would apply in this case?

15          A.     Under Laclede's tariff PSC Mo. No. 5, Tenth Revised Sheet No. 31, Service  
16    and Meter Relocation Charges, it states, "The charges for changing the location of a  
17    customer's service pipe or meter at the customer's request, as described in Rule No. 11 of this  
18    tariff, shall be as follows: Miscellaneous - Time and material (See Schedule B).

19          Q.     The tariff does not list a specific rate?

20          A.     No, however, after verifying with Laclede, the rate for AMR installation would  
21    be \$76.00 for the first 30 minutes and \$1.30 for each additional minutes thereafter.

22          Q.     In your letter, did you indicate whether or not you considered the matter  
23    closed?

Rebuttal Testimony of  
Carol Gay Fred

1           A.     I stated in my letter to Ms. Kessler, that I had assigned one of my staff  
2 employees to continue to investigate into her request for a union employee to check the gas  
3 meters at both locations and to conduct the installation of the AMRs at no cost to her.

4           Q.     Why did you state that you would continue to investigate into this matter if  
5 Laclede's tariff stated there would be a fee assessed?

6           A.     Given the fact that Ms. Kessler was provided conflicting information from  
7 Laclede's Customer Relations, I felt there was a need to investigate further into the matter to  
8 determine, if in fact she was told there would be to no charge for a union employee to do the  
9 work.

10          Q.     What were your findings?

11          A.     Laclede sent to us the following information as their complaint resolution into  
12 this matter:

13               1)     Cell Net owns the devices and has trained its technicians in the  
14 proper and safe installation of devices on various types of meters.

15               2)     On 03/03/06, Mrs. Kessler contacted Customer Relations and  
16 requested that a union employee install the AMR on the gas meter at  
17 \*\*                   \*\* The request was forwarded to the Order Control  
18 Supervisor.

19               •     On 05/10/06, Ms. Kessler spoke with the Order Control Supervisor  
20 regarding her request for a union employee to install an AMR device  
21 on Laclede's meter. The Supervisor informed Ms. Kessler that Laclede  
22 has contracted with Cell Net/Honeywell to install the AMR devices on  
23 Laclede's meters and that if an AMR device is not installed on the  
24 meters at her locations, she will begin to receive estimated bills. The  
25 Supervisor states that at no time during the conversation did he advise  
26 Ms. Kessler's that her gas service would be shut off. Ms. Kessler was  
27 not satisfied with his handling of her inquiry and requested to speak to  
28 someone of higher authority.

29               •     At approximately 4:30 PM, Ms. Kessler spoke with the Customer  
30 Relations Department Manager. The Manager reiterated that we have  
31 already contracted with Cell Net/Honeywell to install the AMR.  
32 However, a Laclede union employee could install a new meter that was  
33 already fitted with an AMR. The Manager further explained that the  
34



1 charges associated with a union employee performing the work would  
2 be placed on her monthly bill. The Manager asked Ms. Kessler if she  
3 wanted to schedule the work orders. Ms. Kessler stated that she would  
4 think about it and call back. The Manager provided Mrs. Kessler with  
5 his direct phone number and asked her to call him back when she had  
6 come to a decision.

- 7 • On 5/11/06, Mrs. Kessler contacted Customer Relations and stated  
8 that the meters at \*\* \_\_\_\_\_ \*\* were old  
9 and looked like they were corroding. Meter change orders were  
10 scheduled for 5/18/06.
- 11 • On 5/11/06, while in the area, Cell Net/Honeywell installed an AMR  
12 on the outside gas meter at \*\* \_\_\_\_\_ \*\*
- 13 • On 5/18/06, a Laclede technician changed the meters at both  
14 residences, which were pre-equipped with AMR devices by the Meter  
15 Shop. The Kessler's were not charged for the orders.

16 Q. Following receipt of this information from Laclede did you have any further  
17 communications with Ms. Kessler?

18 A. Yes. A letter dated June 13, 2006, signed by my employee Contessa King, was  
19 sent to the Kessler's, advising them that it was our understanding that Laclede union  
20 personnel had changed the meters at both of their premises and that the meters were equipped  
21 with AMR devices that had been placed on the meters in Laclede's Meter Shop prior to being  
22 installed and that Laclede had not charged them for the work done.

23 Q. In your opinion, did the resolution in this matter satisfy the customer?

24 A. Yes.

25 Q. Does this conclude your testimony?

26 A. Yes.



Commissioners  
JEFF DAVIS  
Chairman  
CONNIE MURRAY  
STEVE GAW  
ROBERT M. CLAYTON III  
LINWARD "LIN" APPLING

## *Missouri Public Service Commission*

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Director, Utility Operations  
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Secretary/Chief Regulatory Law Judge  
KEVIN A. THOMPSON  
General Counsel

May 16, 2006

William Kessler

Dear Mrs. Kessler:

This letter is in response to our telephone conversation of last Thursday 5/11/06 regarding your concern with Laclede's use of subcontractors to install the new Automated Meter Reading (AMR), devices onto your existing meter.

You stated that you had called Laclede several times requesting that a union employee conduct the installation of the new device and to conduct a meter check. In our conversation you stated that Laclede had stated that there would be cost associated for such work. I stated that Laclede does have tariffed language (see attached tariff sheet #31), which allows Laclede to charge time and material charges for miscellaneous work request. The current time and material cost on file with the Missouri Public Service Commission is as follows:

Time charges for labor in the Laclede Division of the Company will be \$76.00 for the first 30 minutes and \$1.30 for each additional minute thereafter.

In addition, I have assigned Contessa Pool-King of my staff, to continue to work on investigating your request for a union employee to investigate your gas meters at both locations and to conduct the installation of the AMRs, at no cost to you. Contessa will be communicating with you the

William Kessler

Page 2 of 2

5/16/06

results of her investigation, as soon as, she receives a response from Laclede Gas regarding your concerns and her questions.

I hope you find the enclosed information useful. If you have any additional questions please feel to call us at our toll-free number 1-800-392-4211.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gay Fred".

Gay Fred

Consumer Services Manager

cc: Contessa Pool-King

Enc.

P.S.C. MO. No. 5 Consolidated, Tenth Revised Sheet No. 31  
CANCELLING P.S.C. MO. No. 5 Consolidated, Ninth Revised Sheet No. 31

Laclede Gas Company  
Name of Issuing Corporation or Municipality

For Refer to Sheet No. 1  
Community, Town or City

**SCHEDULE OF RATES**

**COLLECTION TRIP CHARGE**

The collection trip charge as described in Rule No. 23 of this tariff shall be as follows:

Collection Trip Charge ..... \$9.00

**RETURNED PAYMENT CHARGE**

A charge shall be assessed for any check or electronic payment submitted to the Company by or on behalf of a customer whenever such payment has been returned by the financial institution through which such payment was to have been made.

Returned Payment Charge ..... \$15.00

**SERVICE AND METER RELOCATION CHARGES**

The charges for changing the location of a customer's service pipe or meter at the customer's request, as described in Rule No. 11 of this tariff, shall be as follows:

**Residential**

Relocate outside meter assembly	\$150.00
Move inside meter to outside	\$250.00
Move inside meter to a new inside location	\$100.00
Adjust height of meter assembly due to a grade change	\$125.00
Temporarily disconnect service line	\$ 60.00
Relocate or extend a service line:	
0 to 10 feet	\$120.00
11 to 20 feet	\$180.00
21 to 30 feet	\$230.00
31 to 40 feet	\$270.00
41 to 50 feet	\$300.00
Over 50 feet	\$300.00 plus \$5.00 per foot
Miscellaneous	Time and material

**Commercial and Industrial**

Time and material

The above relocation charges shall be included in the customer's bill for gas service or in a separate billing and may be paid in installments, at the customer's option, over a period of up to three months with no interest or finance costs.

DATE OF ISSUE August 31, 2005  
Month Day Year

DATE EFFECTIVE October 1, 2005  
Month Day Year

ISSUED BY K.J. Neises, Executive Vice President, 720 Olive St., St. Louis, MO 63101  
Name of Officer Title Address

GR-2005-0284

Schedule B