

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FP Grandboro, LLC,)	
)	
Complainant,)	
)	
v.)	<u>Case No. GC-2008-0228</u>
)	
Missouri Gas Energy,)	
)	
Respondent.)	

NOTICE OF COMPLAINT

Issue Date: January 23, 2008

Missouri Gas Energy
3420 Broadway
Kansas City, Missouri 64111

CERTIFIED MAIL

On January 10, 2008, Complainant FP Grandboro, LLC filed a formal complaint with the Missouri Public Service Commission against Respondent Missouri Gas Energy ("MGE"), a copy of which is enclosed. Under Commission Rule 4 CSR 240-2.070(7), Respondent shall have 30 days from the date of this notice to file an answer or to file notice that the complaint has been satisfied. Since this notice is being issued on January 23, 2008, MGE's response is due no later than February 22, 2008.

In the alternative, the Respondent may file a written request that the complaint be referred to a neutral third-party mediator for **voluntary mediation** of the complaint. Upon receipt of a request for mediation, the 30-day time period shall be tolled while the Commission ascertains whether the Complainant is also willing to submit to voluntary mediation. If the Complainant agrees to mediation, the time period within which an answer is due shall be suspended pending the resolution of the mediation process. Additional information regarding the mediation process is enclosed.

If the Complainant declines the opportunity to seek mediation, the Respondent will be notified in writing that the tolling period has ceased and will also be notified of the

date by which an answer or notice of satisfaction must be filed. That period will usually be the remainder of the original 30-day period.

All pleadings (including the answer, the notice of satisfaction of complaint, or request for mediation) shall be mailed to:

Secretary of the Missouri Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102-0360

A copy of such pleadings shall be served upon the Complainant at its primary place of business as listed within the enclosed complaint. A copy of this notice has been mailed to the Complainant.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', is written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Dated at Jefferson City, Missouri,
on this 23rd day of January, 2008.

Lane, Regulatory Law Judge

Copy to: FP Grandboro, LLC
 13900 Grandboro Lane
 Grandview, Missouri 64030

LAW OFFICE
OF
JERRY W. POTOCHNIK

FILED
January 10, 2008
Data Center
Missouri Public
Service Commission

January 5, 2008

VIA UNITED STATES MAIL

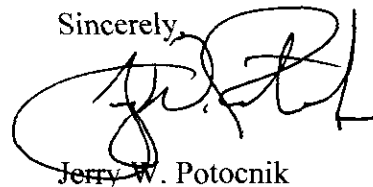
Secretary of the Missouri PSC
Attn: Data Center
P.O. Box 360
Jefferson City, MO 65102-0360

RE: Formal Complaint Against Missouri Gas Energy

Dear Secretary:

Enclosed herein please find an original and eight (8) copies of a Formal Complaint that my client, FP Grandboro, LLC, hereby files against Missouri Gas Energy. Please direct all correspondence to my office at the address below. I can be reached by telephone at (816) 224-3133. Thank you in advance for your assistance in this matter.

Sincerely,



Jerry W. Potocnik

3. The Complainant has taken the following steps to present this complaint to the Respondent:

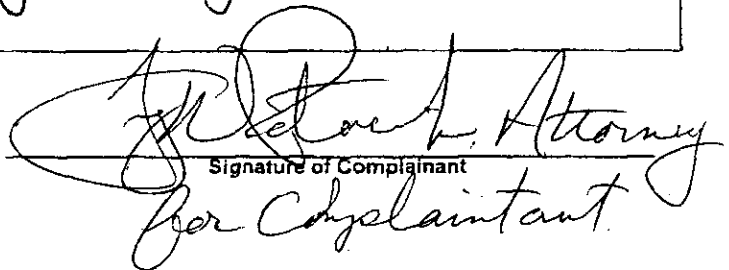
See attached report.

WHEREFORE, Complainant now requests the following relief:

- Reimbursement of replacement costs for 111 furnaces
- Reimbursement of labor costs re inspection & replacement of same.
- Reimbursement of expenses associated w/ financing of furnace replacements
- Loss of future income from departure of tenants who moved due to gas being shut off
- attorney fees

1-5-08

Date

 J. DeLoach, Attorney
Signature of Complainant
for Complainant

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

2. As the basis of this Complaint, Complainant states the following facts:

Sterling Point Apartments (SPA) is a mutli-unit residential complex situated in Grandview, Missouri. There are more than two hundred (200) residents currently living at SPA. The grounds consist of seventeen (17) buildings, including five (5) buildings that house twenty (20) individual townhomes. There are one hundred twenty five (125) units altogether. A map of SPA is attached hereto as Exhibit A.

In each of the apartment buildings, there is a ground floor, a second level and a basement; there are six (6) residential apartments in each building. The furnaces are located in the basement of each building. There is one (1) water heater for each building, which also is located in the basement. Each apartment is equipped with a gas cooking stove. Residents are billed by Missouri Gas Energy (MGE) for the gas they use in the heaters. The landowner is billed for the gas provided to the public service meters, which in turn service the cooking stoves and the hot water heater in each building.

On October 20, 2007, MGE shut off the gas service to all the furnaces and public gas meters at SPA. For several days, the residents of this residential community were without gas to boil their water, cook their meals, take hot showers or heat their apartments. The temperatures during this time period ranged between the 40s, 50s and low 60s. MGE said it shut down the gas service to the entire complex because there were red tagged furnaces in Building 13908 that constituted a dangerous condition, mainly carbon monoxide and gas leaks. MGE gave no warning, written or otherwise, to the owner or residents at SPA prior to making its decision. MGE afforded SPA no opportunity to fix the problems and offered no alternative plan before shutting down the service. Moreover, MGE refused to entertain any alternative plan offered by SPA.

The decision to shut off the gas to SPA caused SPA owner, Scott Fricker, to make a Hobson's Choice. On the one hand, he could incur the expense of hiring an independent contractor to tear down 125 furnaces, assess whether in fact each of those units was working properly and fix those units that were not. On the other hand, he could simply follow the independent contractor's recommendation to replace most of the units (111 in all) because, as MGE described it, they were old. When making this decision, Mr. Fricker had the added pressure of negative news broadcasts, angry residents and MGE's uncooperative nature. Faced with these two (2) costly and undesirable choices, he decided to replace 111 units because it was the fastest way to convince MGE to restore gas service to the entire complex. He did it for his residents.

Mr. Fricker has incurred considerable damages in this matter, including but not limited to, expenses hiring independent contractors, buying and replacing 111 furnaces, financing such replacements, losing the future income from at least eight (8) tenants who decided to move out. His estimated losses total more than \$150,000.

The conclusions above are based on a compilation of facts derived from interviews with Scott Fricker and various SPA employees and independent contractors, including David Garcia, (property manager), James Britton (maintenance employee), Aaron Stiles

(independence contractor), Michael Shumway (independent contractor), Matt Seahorn (independent contractor). The following account reflects the events of the days leading up to and following October 23, 2007, when MGE decided to shut off the gas.

Wednesday, October 17, 2007:

Given the fall temperatures, SPA property manager, David Garcia, instructed SPA employee, James Britton, to commence lighting furnaces around the property. Mr. Britton lit only those furnaces without red tags. If any furnace had a red tag, he made note of it and moved on to the next furnace. Mr. Britton made inspection notes as he went along. Mr. Britton's Inspection Notes are attached hereto as Exhibit B.

There were no reports that day from any residents at SPA regarding gas leaks or odors of any kind. There were no reports of malfunctioning furnaces, cooking stoves or water heaters, either.

Thursday, October 18, 2007:

Mr. Britton continued to light furnaces around the property. He also continued to make a list of red tagged furnaces. In all, Mr. Britton lit 114 furnaces; he skipped eleven (11) furnaces because of red tags. The red tagged furnaces were located in the following buildings:

Building 13908, Unit 22
Building 13908, Unit 23
Building 13908, Unit 24
Building 13908, Unit 25
Building 13908, Unit 26
Building 13918, Unit 36
Building 13914, Unit 46
Building 5201, Unit 58
Building 13905, Unit 74
Building 13921, Unit 114
Building 13923, Unit 118

See J. Britton's Inspection Notes; Exhibit A.

Again, there were no reports of gas leaks or odors, and there were no reports of malfunctioning furnaces, cooking stoves or water heaters, either.

Friday, October 19, 2007:

Mr. Britton installed a new cooking stove for the tenants in Building 13908, Unit #24. The old stove had been not working properly. Installation was done Friday afternoon.

There were no reports from the tenants in Unit #24 or any other residents at SPA regarding a gas leak or odor that day. There were no reports of malfunctioning furnaces, cooking stoves or water heaters, either.

Saturday, October 20, 2007:

Saturday evening, the tenants in Building 13908, Unit #24 detected a "gas" odor and called MGE. The tenants did not call the after-hours number at SPA (816-204-1613). In response, MGE employee, "Mike", investigated. He discovered a gas leak behind the stove in Unit #24, turned off the gas valve and red tagged the stove. He then went into the basement of Building 13908 to further investigate and found red tags on furnaces for Units #22, #23, #24, #25 & #26. In response, he turned off each of the gas valves to those furnaces as well. It is not known whether any of the furnaces whose valves were red tagged and turned to the "on" position was actually lit prior to the MGE's investigation that evening.

Other than the above-described events, no one at MGE called the after-hours number at SPA or made any attempt, written or otherwise, to alert SPA of any dangerous condition on the property.

There were no additional reports that day made by any resident of any gas leaks or odors, and there were no additional reports of malfunctioning furnaces, cooking stoves or water heaters.

Sunday, October 21, 2007:

The gas remained off to five (5) of the (6) furnaces in Building 13908. The gas also remained off to the cook stove in Unit #24. Sunday afternoon, a tenant in Building 13908 stopped Mr. Britton, who also lives at SPA, and stated the gas had been shut off to the whole building. Mr. Britton went into the basement and discovered all of the gas valves were on the "off" position.

No one at MGE called the after-hours number at SPA or made any attempt, written or otherwise, to alert SPA of any dangerous condition on the property.

There were no reports from any residents regarding gas or other leaks at SPA that day, and there were no additional reports of malfunctioning furnaces, cooking stoves and water heaters.

Monday, October 22, 2007:

Monday morning, several tenants in apartments from Building 13908 contacted SPA property manager, David Garcia, complaining about the "gas leak" on Saturday; they also complained about the gas being shut off to their furnaces. In response, Mr. Garcia and several maintenance workers inspected the furnaces in Building 13908. They found five

(5) of the (6) furnaces had been red tagged. At least three (3) of the red tags instructed SPA to repair the flues. Only one (1) of the red tags instructed SPA to replace the unit. None of them stated that a dangerous condition existed or prohibited SPA from re-lighting the furnaces once the problems were fixed.

To address the problem, Mr. Garcia contacted Steve Bannister, a repairman, who came to Building 13908 and inspected the furnaces. It was Mr. Bannister's opinion that all red-tagged units needed to be replaced. He did not provide Mr. Garcia any specific facts upon which to base his opinion other than the units were old. Mr. Garcia passed along Mr. Bannister's opinion to SPA owner, Scott Fricker, who decided to get a 2nd opinion, particularly based on the fact that MGE itself only recommended the replacement on one (1) such unit. Mr. Bannister left the property and did not work on any of the furnaces that day. None of the red tagged furnaces were lit that day, either.

That afternoon, Mr. Garcia contacted another repairman, Jose Sanchez, who inspected the furnaces in Building 13908 later that evening. After inspecting the units and reading the red tags, it was his opinion that all of the units needed routine maintenance, including thorough cleaning and the replacement of several flues. Mr. Garcia scheduled him to return the following afternoon to commence repairing the furnaces in Building 13908.

No one at MGE called the after-hours number at SPA or made any attempt, written or otherwise, to alert SPA of any dangerous condition on the property that day. There were no reports from any tenants regarding gas or other leaks or odors, and there were no additional reports of malfunctioning furnaces, cooking stoves or water heaters.

Tuesday, October 23, 2007:

Around 2:00 p.m. in the afternoon, several MGE employees arrived at SPA, unannounced, including "Mike", his boss Darren Moten and MGE fire inspector "Kevin". They located SPA maintenance employee, Enrique, and asked him the whereabouts of the property manager. Enrique gave them David Garcia's cell number; Mr. Garcia was taking a late lunch off the premises. MGE fire captain "Kevin" called Mr. Garcia on the cell phone and stated to him that the situation at SPA was "serious" and demanded that "you'd better get here ASAP." He further threatened: "If you're not here in ten (10) minutes, we're shutting down the entire complex."

In response, Mr. Garcia immediately returned to SPA and went directly to the basement in Building 13908, where the MGE personnel had gathered along with City housing inspector, Scott Karr. Initially, the MGE fire captain told Mr. Garcia that only Building 13908 was going to be shut down. Mr. Garcia questioned why. Kevin said, "We have a problem with gas leaks and carbon monoxide. Come here we'll show you." He then pointed to the furnaces. "You see, these furnaces are old and rusted. The flues are bad. These need to be replaced", said the fire captain.

However, no one at MGE or the City showed or offered to show Mr. Garcia any kind of carbon monoxide readings or test results, nor did any of these officials say there were any

actual gas leaks on the property. Moreover, none of the men in the basement were wearing any kind of protective masks or suits; nor did they offer any such protection to Mr. Garcia.

In response to the fire captain's statements, Mr. Garcia attempted to explain to the whole group that inspections of these furnaces had been performed the day before by an independent contractor, who said the furnaces in Building 13908 needed only some general maintenance (i.e., flue replacements). He also informed them that the contractor was scheduled to return to SPA that very afternoon to commence working on the furnaces. The group, however, did not want to listen to Mr. Garcia. In particular, MGE fire captain "Kevin" laughed it off, saying "you guys can't get away with jerri-rigging these furnaces anymore."

At that time, Mr. Garcia contacted SPA owner, Scott Fricker, by cell phone, and told him about MGE and their intentions. At that point, only one building was going to be shut down, so Mr. Fricker told Mr. Garcia to handle the situation and that he would be there in the morning to help.

At one point in the basement, MGE employee "Mike" pulled Mr. Garcia to the side and said: "David, I myself am in trouble here. They're questioning why I've been coming to this property and turning on the gas. They're questioning why, David, and this last call I had on Saturday, from No. 24, the tenant could have blown up it was leaking so much gas, and that call was the straw that broke the camel's back. We've been getting too many calls from tenants, so now they're just going to shut everything down."

Following that conversation, the MGE and City personnel left the basement of Building 13908 and gathered again outside. After a few minutes of discussion, they approached Mr. Garcia and stated their intention to shut down the entire property. Mr. Garcia protested, but to no avail. Mr. Garcia then called Mr. Fricker back and told him that gas was going to be shut off to the entire property. Mr. Garcia put Mr. Fricker on speaker phone and Mr. Fricker had a conversation with MGE fire captain "Kevin" and the city inspector, Mr. Karr. During this conversation, Mr. Fricker asked why the entire property was going to be shut down when only a small portion of the property had been inspected and the MGE fire captain said: "Scott, you got to start putting up some money. We don't want people coming out of here in body bags". Neither person suggested that Mr. Fricker come to the property. Thereafter, additional MGE employees arrived at SPA and commenced shutting off the gas meters around the property.

Moments later, Mr. Garcia approached MGE employee, Darren Moten, who was starting to inspect the townhomes located in Building 13904. Mr. Garcia asked him why they were turning off the gas to the water heaters and stoves when the problems were with the furnaces. Mr. Moten replied that they didn't have time to figure it all out, so they were just going to shut down the entire property. Mr. Garcia then asked him to wait for Mr. Fricker to arrive, but he said it would not matter anyway, because the decision to shut off the property was final and there was nothing Mr. Fricker could do about it.

Mr. Fricker arrived at the property at approximately 3:30 p.m. A crowd of approximately one hundred (100) tenants had gathered next to the property manager's office. They were not happy. In fact, some were outright angry, outraged, and demanded answers. The atmosphere was intense. Initially, he spent some time talking with the residents, trying to explain the situation and calm their anger. Afterward, he met with Mr. Garcia, who passed along MGE's message that, to restore gas service to the property, Mr. Fricker would need to have a licensed contractor inspect all furnaces and water heaters; only after the City passed them for code compliance would MGE restore the service.

Immediately, Mr. Fricker and Mr. Garcia went to work on contacting contractors to perform inspections of all the furnaces at SPA. They contacted Steve Bannister and Airstar heating and cooling. Given the late hour in the day, they were scheduled to commence a joint inspection of all furnaces the following morning.

Other than a vague reference to "carbon monoxide" in Building 13908 by MGE fire captain "Kevin", there were no reports made by any residents at SPA regarding gas leaks or smells that day, and there were no reports of malfunctioning furnaces, cooking stoves or water heaters.

About an hour after the gas was shut off by MGE, Jose Sanches, who was scheduled to work on the furnaces in Building 13908, arrived on the property. Mr. Garcia had to inform him that the gas had been shut off and that Mr. Fricker had already arranged for two (2) independent contractors to commence a comprehensive inspection of the entire complex the following morning. Jose left the premises without being able to work on any of the furnaces in Building 13908.

MGE did not provide Mr. Fricker with any advanced warning, written or otherwise, prior to shutting down the gas to all the meters at SPA. MGE did not supply Mr. Fricker with any written documentation regarding gas leaks, carbon monoxide leaks or any other supposed dangerous condition existing at SPA.

City inspector, Mike Karr, issued no violations of any kind to SPA owner, Scott Fricker.

FOX 4 did a story on the ten o'clock (10:00 p.m.) news. The story reflected negatively upon SPA, its owner and its property manager.

Wednesday, October 24, 2007:

Mr. Fricker talked with MGE employee "Mike" and MGE fire marshal "Kevin" in the morning at SPA. They told him that one of the main reasons they shut down the property the day before was that during their inspection of Building 13908 they found red tagged furnaces that were lit and operating. They did not explain, however, how that constituted a dangerous condition or otherwise justified shutting down gas services to each and every other building in the complex.

Shortly thereafter, Mr. Fricker met with Steve Bannister and "Craig" from AirStar, regarding a joint inspection. It took most of the day to inspect all of the furnaces on the property. Afterward, they explained to Mr. Fricker that the sheer age of approximately 111 units made it difficult to know whether they were working properly or not. To make that determination, they said, they would have to tear into the furnaces, remove the heat exchangers and thoroughly clean them. Based on the age of the units and the fact that it would cost a great deal of money to clean and check all of the units, both contractors recommended that it would be more cost effective to simply replace all 111 units.

Given the pressures he was under, including (i) the gas being shut off to the entire complex, (ii) the negative news broadcasts, (iii) angry residents (iv) MGE's uncooperative nature and (v) the length of time it would take for the independent contractors to accurately assess whether each of the 111 units were working properly or not, Mr. Fricker decided to replace all 111 units. He based this decision not on undisputed facts that 111 units were malfunctioning. He was not afforded that accommodation to find out. Rather, Mr. Fricker made this decision because, quite simply, it was fastest way to appease MGE so that gas service could be restored to his residents.

The decision to replace the units was frustrating to Mr. Fricker because he knew that, other than the cook stove in Building 13908, Unit #24, there were no other reported gas leaks on the property. He also knew there were no other reports of malfunctioning furnaces, cook stoves or water heaters other than the red tagged units identified in Mr. Britton's report (see Exhibit B). Lastly, he knew that his employees and independent contractors had worked very hard on keeping the furnaces at SPA in good repair. He tried to plead these facts to MGE and the City, but no one was willing to listen.

Attached hereto as Exhibit C is summary of work orders from SPA for furnace problems reported between October 20, 2006 and October 15, 2007. In each reported case, SPA recognized the problem and took steps to remedy it within a reasonable period of time.

Attached hereto as Exhibit D is a report from Aaron Stiles at Innovative Maintenance Solutions regarding his inspection of all 125 units in February, 2007. Mr. Stiles was hired to inspect these units and provide a report as part of a potential sale of the property to a prospective buyer. He concluded that two (2) furnaces needed to be replaced and that three (3) other units needed only general maintenance. He reported no leaks.

In conversations with Darren Moten at MGE and Nick Workman, City of Grandview Building Official, Mr. Fricker learned that all furnaces and hot water heaters would need to be brought up to current local code before any gas could be restored to the property. This requirement despite a very limited inspection of by MGE that included less than 10% of the furnaces at the property and only one (1) of twenty eight (28) hot water heaters.

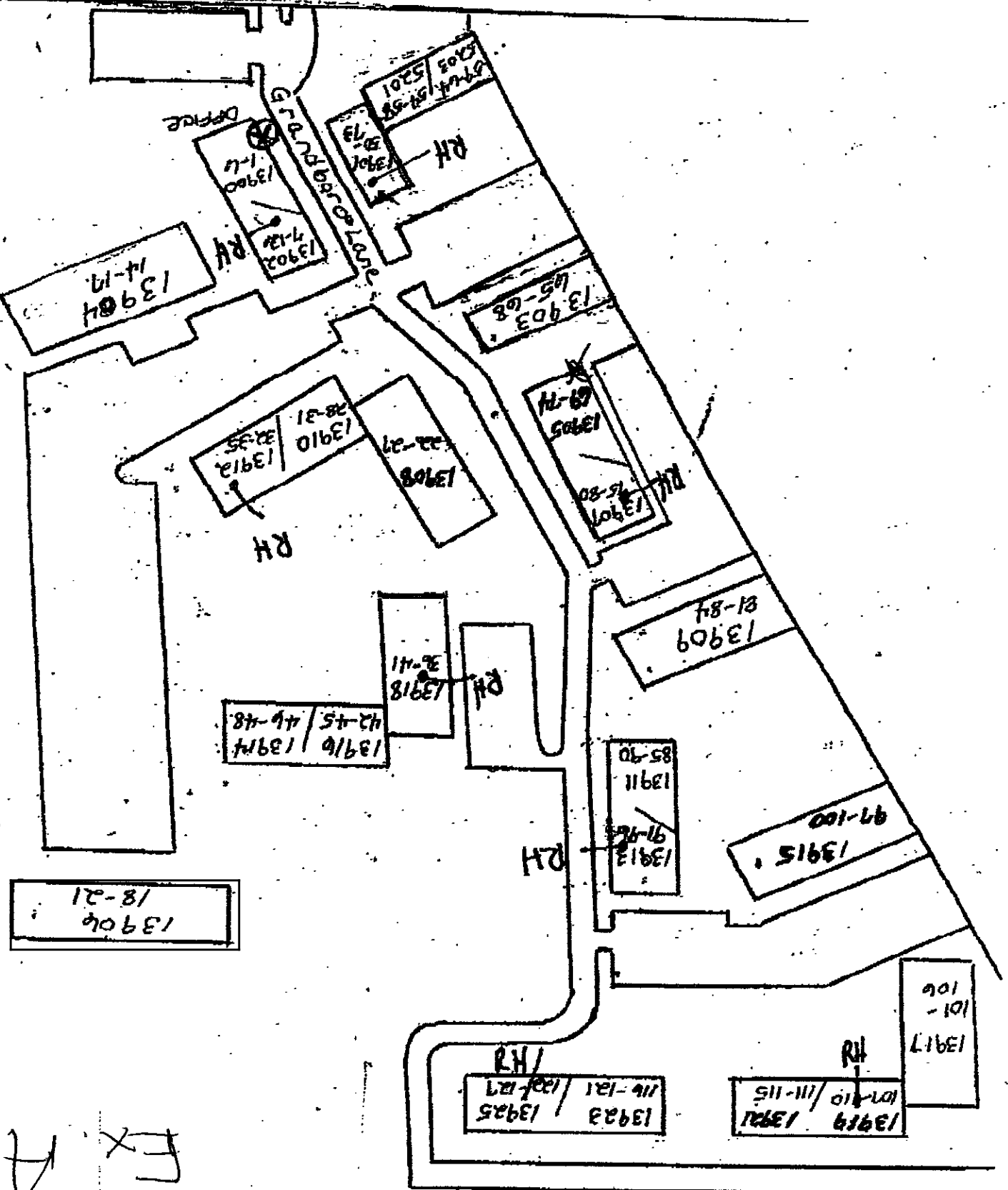
Thursday, October 25, 2007 thru Friday, November 9, 2007:

Seahorn Mechanical and Airstar commenced inspections and minor repairs of all twenty eight (28) hot water heaters on the property so that hot water and gas for cooking (all of which is on "house" meters) could be restored as soon as possible. The cost of this work was over \$10,000 and was not completed until Wednesday, October 31, 2007. Residents at SPA went one (1) full week without hot water and gas for cooking.

Beginning Monday, October 29, 2007, the new furnace installation process began, a project that involved replacing 111 furnace units at SPA. As the old units were removed, no inspections of the units being replaced were performed. There was no time. Over the course of the next week and a half, gas service and heat was restored, little by little, until the entire complex was restored with service on November 9, 2007, eighteen (18) days after MGE shut off the gas on October 23, 2007.

ROOF HATCHES

Sterling Pointe Apartments
13900 Granddoro Ln Grandview, MO 64030
Ph: 816-765-5331 Fax: 816-222-0667



76-O.K.	100-Town House	124-O.K.
77-NOT LIT	101-NOT LIT	125-O.K.
78-O.K.	102-OK	126-O.K.
79-O.K.	103-O.K.	127-O.K.
80-NO POWER	104-O.K.	
81-TOWN HOUSE	105-NOT-LIT	
82 TOWN HOUSE	106-OK	
83 TOWN HOUSE	107-OK	
84 TOWN HOUSE	108-NOT LIT	
85-O.K.	109-OK	
86-O.K.	110-OK	
87-O.K.	111	
88-O.K.	112	
89-O.K.	113	
90-OK.	114- ^{RED TAG} NOT LIT ✓	
91-O.K.	115	
92-OK.	116-O.K.	
93-O.K.	117-NOT LIT	
94-O.K.	118- ^{RED TAG} NOT LIT ✓	
95-O.K.	119-NOT LIT	
96-O.K.	120-O.K.	
97-TOWN HOUSE	121	
98-TOWN HOUSE	122-O.K.	

Ex. B

Britton's
Inspection
Notes

FURNICE'S

1 - O.K.
 2 - O.K.
 3 - NOT LIT
 4 - O.K.
 5 - NOT LIT
 6 - O.K.
 7 - O.K.
 8 - ~~O.K.~~ NOT LIT
 9 - O.K.
 10 - NOT LIT
 11 - O.K.
 12 - O.K.
~~13~~
 14 - TOWN HOUSE
 15 - TOWN HOUSE
 16 - TOWN HOUSE
 17 - TOWN HOUSE
 18 - TOWN HOUSE
 19 - TOWN HOUSE
 20 - TOWN HOUSE
 21 - TOWN HOUSE
 22 - RED TAG ✓
 23 - RED TAG ✓
 24 - RED TAG ✓
 25 - RED TAG ✓
 26 - RED TAG ✓

27 -
 28 - NOT LIT
 29 - NOT LIT
 30 - NOT LIT
 31 - O.K.
 32 - O.K.
 33 - O.K.
 34 - NOT LIT
 35 - O.K.
 36 - RED TAG ✓
 37 - NOT LIT
 38 - NOT LIT
 39 - O.K.
 40 - O.K.
 41 - O.K.
 42 -
 43 - O.K.
 44 - NOT LIT
 45 - NOT LIT
 46 - RED TAG ✓
 47 - NOT LIT
 48 - O.K.
 49 - O.K.
 50 - O.K.

51 - O.K.
 52 - NOT LIT
 53 - O.K.
 54 - O.K.
 55 - O.K.
 56 - O.K.
 57 - O.K.
 58 - RED TAG ✓
 59 - O.K.
 60 - O.K.
 61 - O.K.
 62 - O.K.
 63 - O.K.
 64 - NOT LIT
 65 -
 66 -
 67 -
 68 -
 69 - O.K.
 70 - O.K.
 71 - O.K.
 72 - O.K.
 73 - NOT LIT
 74 - RED TAG ✓
 --

Exc

11/05/2007
10:49 am
11/05/2007
10:49 am

FRICKER PROPERTIES
Sterling Pointe Apartments
FRICKER PROPERTIES
Sterling Pointe Apartments

Page 1
Page 1
ID 5.5.

List Completed Work Orders -- summary
From Unit 002 To COMMON
From 23 Oct 2006 To 23 Oct 2007
From Category FURN To FURN
From Work Order 1 To 4147

Reported	Unit	Problem	Completed By	Date	Solution	W.O. # P/C
10/20/2006	109	Furn Still Not Working Properly	Michael	10/24/2006		2918 C
10/23/2006	113	No Heat	Michael	10/23/2006		2921 C
10/24/2006	044	No Heat	Michael	10/24/2006		2925 C
10/24/2006	042	No Heat	Michael	10/24/2006		2926 C
10/24/2006	006	No Heat	Michael	11/01/2006		2928 C
10/25/2006	024	Too Hot Even At 70	Michael	10/24/2006		2931 C
10/26/2006	012	No Heat	Michael	11/01/2006		2933 C
10/26/2006	096	No Heat	Michael	10/27/2006		2941 C
10/27/2006	007	No Heat	Michael	10/27/2006		2945 C
10/31/2006	034	No Heat	Michael	11/01/2006		2957 C
10/31/2006	103	No Heat	Michael	11/01/2006		2958 C
11/01/2006	095	Clean Furnace	Michael	11/01/2006		2962 C
11/01/2006	126	No Heat	Michael	11/01/2006		2962 C
11/01/2006	089	No Heat	Michael	11/03/2006		2976 C
11/03/2006	009	No Heat	Michael	11/03/2006		2983 C
11/08/2006	110	No Heat	Michael	11/10/2006		3014 C
11/10/2006	079	Lite Furnace	Michael	11/10/2006		3022 C
11/10/2006	102	No Heat	Michael	11/10/2006		3024 C
11/14/2006	121	No Heat	Michael	11/16/2006	Lit & Cleaned Furnace	3029 C
11/20/2006	030	No Heat	Michael	11/17/2006	Rebuilt Furnace	3041 C
11/20/2006	090	No Heat	Michael	11/20/2006	Reset Thermostat Wiring	3043 C
11/21/2006	046	No Heat	Michael	11/21/2006	Fixed Valve, Replaced Pilot Ignit Tube	3046 C
11/21/2006	004	No Heat	Michael	11/22/2006	Pan Broken, Replaced Port On Motor&M	3048 C
11/22/2006	071	No Heat	Michael	11/22/2006	Cleaned & Lit Furnace	3051 C
11/22/2006	112	Furnace Need Be Cleaned (Carbon Mono	Michael	11/22/2006	Cleaned/Rebuilt Igniter/Valve	3053 C
11/22/2006	004	Furnace Need Be Cleaned (Carbon Mono	Michael	11/22/2006	Cleaned Out Dust & Vacuum	3054 C
11/22/2006	COMMON	Office Furnace Need Cleaned (Carbon	Michael	11/29/2006	Re-Lit Switch/Malay/Clean	3055 C
11/24/2006	016	Furnace Needs To Be Checked For Loos	Michael	11/27/2006	Fixed Furnace & Did Maintenance	3059 C
11/25/2006	090	No Heat	Michael	11/28/2006	Fix Valve Switch/Changed Filter&Clea	3066 C
11/28/2006	118	No Heat	Michael	11/29/2006	Fixed Wire/Troubleshoot/Clean	3074 C
11/28/2006	099	No Heat	Michael	11/29/2006	Fixed Limit Switch/Clean/Troubleshoot	3075 C
11/28/2006	075	No Heat In Lr	Michael	11/30/2006	Vent Shaft Broken-Fixed Hole	3077 C
11/30/2006	049	No Heat	Michael	11/30/2006	Bad Igniter/Might Be Bad Switch	3078 C
11/30/2006	038	No Heat	Michael	11/30/2006	Fixed Valve & Igniter	3079 C
11/30/2006	091	No Heat	Michael	11/30/2006	Fixed Heater & Front Door	3080 C
11/30/2006	028	No Heat	Michael	11/30/2006	Re-Lit Furnace. Might Be Bad Valve	3081 C
11/30/2006	012	No Heat	Aaron Stiles	11/30/2006		3087 C
12/01/2006	120	No Heat	Michael	12/04/2006	Fixed Burners	3088 C
12/01/2006	036	No Heat	Michael	12/04/2006	Fixed Valve	3089 C
12/07/2006	061	No Heat	Michael	12/04/2006	Rebuilt Furnace	3091 C
12/05/2006	061	Furnace Needs Maintenance	Michael	12/11/2006	Lit Furnace Not Need Be Re-Wired.	3094 C
12/08/2006	081	Not Working Properly	Michael	12/09/2006	Replaced Relay Switch	3098 C
12/11/2006	040	No Heat	Michael	12/12/2006	Replaced Filter & Adjusted Thermosta	3102 C
12/14/2006	034	No Heat	Michael	12/13/2006	Trouble Shoot Furnace.	3108 C

Exc Cont.

11/05/2007
10:49 am

FRICKER PROPERTIES
Sterling Pointe Apartments
List Completed Work Orders -- Summary
From Unit 002 To COMMON
From 23 Oct 2006 To 23 Oct 2007
From Category FURN To FURN
From Work Order 1 To 4147

Page 2
ID 5.5.

Reported	Unit	Problem	Completed By	Date	Solution	W.O. #	P/C
12/13/2006	057	No Heat	Michael	12/15/2006	Fix Heater	3111	C
12/15/2006	104	No Heat	Michael	12/16/2006	Repaired Gas Line	3118	C
12/16/2006	108	No Heat	Michael	12/16/2006	Relit Furnace	3123	C
12/19/2006	053	No Heat	Michael	12/19/2006	Rebuild Valve/Replace Black Pipe/Vac	3126	C
12/20/2006	COMMON	No Heat In Office.	Michael	12/20/2006	Fixed Igniter/Replaced Switch	3140	C
12/22/2006	061	Rebuild Furnace	Michael	12/26/2006	Rebuilt Furnace	3150	C
12/22/2006	062	Rebuild Furnace	Michael	12/26/2006	12262006	3151	C
12/22/2006	063	Rebuild Furnace	Michael	12/27/2006	Rebuilt Furnace	3152	C
12/27/2006	116	No Heat	Michael	12/28/2006	Furnace Needs Rebuilt/Fixed Temporer	3155	C
12/29/2006	041	No Heat	Michael	12/29/2006	Replaced Switch & Cleaned	3160	C
01/01/2007	115	Inspect Furnace	Michael	01/02/2007	Rebuilt Heat Exchange & Furnace	3170	C
01/05/2007	115	Furnace Not Working	Michael	01/05/2007	Re Lit Furnace. Adjusted Pilot	3187	C
01/05/2007	092	No Heat	Michael	01/08/2007	Adjust Vents/Work On Valve/Heater Oil	3193	C
01/10/2007	070	No Heat	Michael	01/11/2007	Relit Furnace	3211	C
01/10/2007	070	No Heat	Michael	01/11/2007	Adjusted Pilot & Valve/Replaced Ther	3212	C
01/12/2007	044	No Heat	Michael	01/12/2007	Adjust Pilot Light	3216	C
01/12/2007	075	No Heat...Urgent!!	Michael	01/15/2007	Re Lit Furnace/Pipe Need Be Vacuumed	3221	C
01/12/2007	093	No Heat	Michael	01/15/2007	Adjusted Vents/Cleaned Pipes	3222	C
01/15/2007	066	Heater Won't Stop Blowing	Michael	01/18/2007	Fixed Short In Wire	3225	C
01/17/2007	052	No Heat	Michael	01/18/2007	Adjusted Pilot	3226	C
01/17/2007	121	No Heat	Michael	01/18/2007	Fixed Furnace	3227	C
01/17/2007	025	No Heat	House	02/16/2007	Fixed Furnace	3228	C
01/22/2007	043	No Heat	Michael	01/22/2007	Adjusted Pilot/Clean/Changed Filter	3239	C
01/29/2007	030	No Heat	Michael	01/30/2007	Lit Pilot Furnace	3264	C
01/31/2007	107	Work On Furnace	Michael	02/01/2007	Changed Valve	3272	C
01/31/2007	121	Work On Furnace	Michael	02/01/2007	Broken Wire In Hall	3273	C
01/31/2007	127	Work On Furnace	House	02/16/2007	Fixed Furnace	3274	C
02/05/2007	092	Limit Switch Not Working	Michael	02/06/2007	Change Gas Valve/Limit Switch	3284	C
02/07/2007	091	No Heat	Michael	02/08/2007	Replaced Heater Gas Valve To Tank	3286	C
02/08/2007	056	No Heat	Michael	02/08/2007	Adjust Valve/Wire Loose On Thermostat	3290	C
02/08/2007	064	No Heat	Michael	02/08/2007	Replaced Relay For Fan/Adjust Pilot	3291	C
02/08/2007	052	No Heat	Michael	02/08/2007	Replaced Thermostat	3294	C
02/08/2007	010	Needs Furnace Checked For Gas Leaks	House	02/10/2007	Looked For Gas Leak. Looked Well.	3302	C
02/09/2007	010	Check Furnace If Working Correctly	House	02/22/2007	Fixed Furnace	3303	C
02/13/2007	077	No Heat	James	01/13/2007	Relit Furnace	3310	C
02/13/2007	006	No Heat	James	02/13/2007	Relit Furnace	3311	C
02/14/2007	091	No Heat	James	02/14/2007	Lit Pilot Light	3325	C
02/16/2007	089	No Heat	House	02/15/2007	Lit Furnace	3331	C
02/16/2007	078	No Heat	House	02/20/2007	Re-Lit Furnace	3335	C
02/19/2007	061	No Heat	House	02/22/2007	Fixed Furnace	3344	C
02/27/2007	005	Furnace Needs Repair	House	03/01/2007	Fixed furnace & Replaced Thermostat	3360	C
03/01/2007	002	Blower Is Currently Not Working	Chris Mysak	03/02/2007	Fixed Bathroom Blower	3371	C
03/07/2007	023	No Heat	Chris Mysak	03/08/2007	Lit Pilot	3378	C
04/09/2007	116	No Heat	Chris Mysak	04/10/2007	Got Gas Turned On	3445	C

Ex. D

Innovative Maintenance Solutions
(816) 868-6695
3310 Eastern Ave
Kansas City, Mo 64129

Sterling Pointe Apartments
Fricker Properties
13900 Grandboro
Grandview, MO 64030

Annual Furnace Inspection and Service

Process:

Each heat exchanger is inspected for cracks, fractures, holes, excessive wear, and any conditions that may cause improper operation or hazardous conditions. First the furnace is disassembled by removing the burners, pilot assembly, Flue pipe, and flue vent assembly. These components are cleaned and inspected. Particles from normal erosion collect within the furnace. These particles and other loose debris are cleaned from the walls and bottom of the heat exchanger. The heat exchanger is then visually inspected for any flaws. After the furnace has been inspected the filter is changed and the furnace is reassembled and tested for proper operation. Adjustments and repairs are made if needed to ensure proper operation.

Number of units inspected: 125

With the following exceptions the furnaces at Sterling Pointe in Grandview, MO were found to be in average to excellent condition, operating properly, and have a minimum average continued lifespan of 20+ years.

- Unit 24 – New model furnace in excellent condition. Replace inducer housing.**
- Unit 25 – Replace Furnace. Heat exchanger has small fracture.**
- Unit 70 – Replace Furnace. Heat exchanger has small fracture.**
- Unit 89 – Furnace in good condition. Replace (1) manifold orifice.**
- Unit 95 – Furnace in good condition. Replace fan limit switch.**

If you have any questions concerning this report please contact;
Aaron Stiles
Innovative Maintenance Solutions
(816) 868-6695

Ex-D Cont.

Innovative Maintenance Solutions

3310 Eastern Ave
Kansas City, MO 64129

**Invoice**

Date	Invoice #
2/14/2007	1012

Phone #	
\$16-868-6695	

Bill To
Sterling Pointe 13900 Grandboro Ln Grandview, MO 64030

E-mail	Web Site
Info@imsfirst.com	Immsfirst.com

P.O. No.	Due Date	Account #
S. Fricker	3/1/2007	100502

Description	Qty	Unit	Serviced	Amount
Each heat exchanger is inspected for cracks, fractures, holes, excessive wear, and any conditions that may cause improper operation or hazardous conditions. First the furnace is disassembled by removing the burners, pilot assembly, Flue pipe, and fine vent assembly. These components are cleaned and inspected. Particles from normal erosion collect within the furnace. These particles and other loose debris are cleaned from the walls and bottom of the heat exchanger. The heat exchanger is then visually inspected for any flaws. After the furnace has been inspected the filter is changed and the furnace is reassembled and tested for proper operation. Adjustments and repairs are made if needed to ensure proper operation.	125	AE	2/12/2007	1,250.00

	Total	\$1,250.00
	Payments/Credits	\$0.00
	Balance Due	\$1,250.00

*Warranty Disclaimer: IMS guarantees for a period of one year on all workmanship beginning at the time the service was rendered. IMS will make needed repairs as required at no additional charge. IMS is not responsible for damages due to miss use, neglect, damages due to unforeseen or unpreventable conditions or events, weather phenomena, normal wear and tear. IMS reserves the right to change this agreement without obligation of notification. We thank you for your business.



Commissioners

JEFF DAVIS
Chairman

CONNIE MURRAY

ROBERT M. CLAYTON III

LINWARD "LIN" APPLING

TERRY JARRETT

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

NATELLE DIETRICH
Director, Utility Operations

COLLEEN M. DALE
Secretary/Chief Regulatory Law Judge

KEVIN A. THOMPSON
General Counsel

Information Sheet Regarding Mediation of Commission Formal Complaint Cases

Mediation is a process whereby the parties themselves work to resolve their dispute with the aid of a neutral third-party mediator. This process is sometimes referred to as "facilitated negotiation." The mediator's role is advisory and although the mediator may offer suggestions, the mediator has no authority to impose a solution nor will the mediator determine who "wins." Instead, the mediator simply works with both parties to facilitate communications and to attempt to enable the parties to reach an agreement which is mutually agreeable to both the complainant and the respondent.

The mediation process is explicitly a problem-solving one in which neither the parties nor the mediator are bound by the usual constraints such as the rules of evidence or the other formal procedures required in hearings before the Missouri Public Service Commission. Although many private mediators charge as much as \$250 per hour, the University of Missouri-Columbia School of Law has agreed to provide this service to parties who have formal complaints pending before the Public Service Commission at no charge. Not only is the service provided free of charge, but mediation is also less expensive than the formal complaint process because the assistance of an attorney is not necessary for mediation. In fact, the parties are encouraged not to bring an attorney to the mediation meeting.

The formal complaint process before the Commission invariably results in a determination by which there is a "winner" and a "loser" although the value of winning may well be offset by the cost of attorneys fees and the delays of protracted litigation. Mediation is not only a much quicker process but it also offers the unique opportunity for informal, direct communication between the two parties to the complaint and mediation is far more likely to result in a settlement which, because it was mutually agreed to, pleases both parties. This is traditionally referred to as "win-win" agreement.

The traditional mediator's role is to (1) help the participants understand the mediation process, (2) facilitate their ability to speak directly to each other, (3) maintain order, (4) clarify misunderstandings, (5) assist in identifying issues, (6) diffuse unrealistic expectations, (7) assist in translating one participant's perspective or proposal into a form that is more understandable and acceptable to the other participant, (8) assist the participants with the actual negotiation process, (9) occasionally a mediator may propose a possible solution, and (10) on rare occasions a mediator may encourage a participant to accept a particular solution. The mediator will not possess any specialized knowledge of the utility industry or of utility law.

In order for the Commission to refer a complaint case to mediation, the parties must both agree to mediate their conflict in good faith. The party filing the complaint must agree to appear and to make a good faith effort to mediate and the utility company against which the complaint has been filed must send a representative who has full authority to settle the complaint case. The essence of mediation stems from the fact that the participants are both genuinely interested in resolving the complaint.

Because mediation thrives in an atmosphere of free and open discussion, all settlement offers and other information which is revealed during mediation is shielded against subsequent disclosure in front of the Missouri Public Service Commission and is considered to be privileged information. The only information which must be disclosed to the Public Service Commission is (a) whether the case has been settled and (b) whether, irrespective of the outcome, the mediation effort was considered to be a worthwhile endeavor. The Commission will not ask what took place during the mediation.

If the dispute is settled at the mediation, the Commission will require a signed release from the complainant in order for the Commission to dismiss the formal complaint case.

If the dispute is not resolved through the mediation process, neither party will be prejudiced for having taken part in the mediation and, at that point, the formal complaint case will simply resume its normal course.

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', with a stylized, cursive script.

Colleen M. Dale
Secretary