

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

JUN 05 2006

Missouri Public
Service Commission

USW Local 11-6

Complainant,

v.

Laclede Gas Company,

Respondent.

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Case No. GC-2006-0060

DECLARATION OF KEVIN STEWART

I, Kevin Stewart, declare and state:

1. I am a Meter Reader for Laclede Gas Company. I have worked for Laclede for over 25 years.

2. I am a member of USW Local 11-6.

3. Before the advent of remote meter reading, gas meters were read manually on a monthly basis. Currently, gas meters not equipped with remote reading devices are still read monthly. Where access to these meters is not possible, the customer receives an estimated bill.

4. Over the years, Laclede Gas has tried various methods of remotely reading the inside gas meters. Remotely reading inside gas meters makes it possible for gas usage to be determined on a monthly basis without requiring access to the customer's home.

5. When procedures for the remote reading of meters were first implemented, monthly reads continued. However, in about 1994, the monthly read no longer included

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a read of the inside meter, but only of the device outside the home that recorded the usage. After this time, the inside meter in homes equipped with a remote device was read on an annual basis.

6. During the annual read of the inside meters that were equipped with remote reading technology, the meter reader would compare the actual reading on the inside meter with the reading on the remote meter outside to ensure that the remote device was correctly recording the customer's gas usage.

7. The process described in paragraph 6 continued even when Laclede switched to another method of remote reading of meters involving a trace device.

8. From approximately 1992, the annual meter reads described in the preceding paragraphs were done on overtime on Saturdays as it was more likely that the customers would be at home to provide the meter reader with access to the inside meter.

9. As part of the job of reading meters, the meter reader would check the meter for gas leaks. Approximately 15 years ago, several house explosions occurred due to faulty gas runs from the outside pipe to inside the customers' homes. It was determined that most leaks were occurring at the location where the gas meter came through the customer's wall therefore making it critically important regularly to check the meter for leaks.

10. Until approximately 3 years ago, leak detection was done by smell. Because gas does not have an odor naturally, an odor is added so that the smell of gas is distinctive. The meter readers are trained to recognize this smell.

11. About 3 years ago, Laclede issued leak detection devices to the meter readers to assist in detecting gas leaks at inside meters. The detection device makes noise

if it detects a certain number of gas molecules in the air. The meter readers check their detection devices every morning upon reporting to work to make sure the devices are in working order.

12. Laclede told the meter readers that failure to use the detection device when reading an inside meter was an offense that could lead to discipline, including discharge.

13. The meter readers are trained that gas leaks, particularly inside gas leaks, are very serious. If the leak is not detected, the leaking gas can cause fires and explosions.

14. When a meter reader discovers a leak at a meter, the meter reader is required to report the leak immediately. The meter readers have been provided with cell phones, which they use to call the service department with their leak report. The service department then sends out a service employee to repair the problem.

15. The meter readers are instructed by Laclede that if they do not follow Laclede's procedures as described above for checking for and reporting gas leaks, that they are subject to discipline up to and including discharge. Laclede has explained to the meter readers that its safety procedures in this regard are very important due to the serious consequences, i.e., destruction of property and life, that could result from a gas leak.

16. Although I did not find leaks every Saturday that I performed annual reads, I have often discovered leaks while performing annual reads. Some of the leaks would be brought to my attention by the customer, who thought he or she smelled gas, but others were only found because I was there checking the meter. I reported all leaks I discovered in accordance with Laclede's policies.

17. In 2005, Laclede began installing automated meter reading, or AMR, on its meters. In St. Charles, where I was then working, many AMR devices were installed on outside meters. For several months after AMR installation, the meter readers would still manually read the meter to verify that the AMR device was operating properly.

18. During some of the reads after AMR had been installed, I found meters on which AMR had been improperly installed. For example, I saw half-installed AMRs; AMRs with broken screws; AMRs that had been installed in such a way that they caused a gas leak; and AMRs that would not read at all because of poor installation. I estimate that I was finding one or two gas leaks a day during the early stage of AMR installation.

19. I reported all problems I found and believe that a service employee was sent to repair the problem.

20. Some meters on which AMR has been installed are read on Saturday "confirmation" routes. The meters on a confirmation route are meters for which Laclede has received a customer complaint or which Laclede has reason to believe is not reading correctly. I would estimate that almost half of the meters on a confirmation route are found to be defective and must be replaced with a new meter.

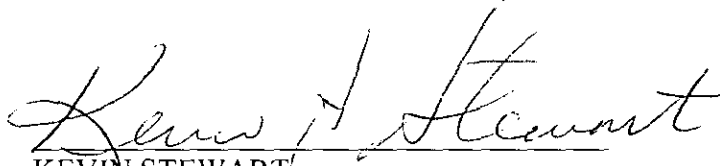
21. Although the exact same types of meters are installed both inside and outside the customers' homes, the verification reads described in paragraph 17 are not done on inside meters. Instead, Laclede has instructed the meter readers just to skip the homes that have inside meters with AMR installed. Laclede told the meter readers that it would cost too much to read these inside meters because reading them would require too much overtime work.

22. Because the verification reads are not being done on AMR meters installed inside a home, the meter readers are not able to find and report problems such as are described in paragraph 18, if they exist, on the inside meters with AMR. Inside meters with AMR are only read if the customer calls with a complaint or if Laclede suspects something is wrong with the AMR.

22. Based on the number of meter leaks and improperly installed AMR devices I found when I was performing monthly manual reads on outside meters with newly-installed AMR, I believe that annual reads of inside meters with AMR would detect a significant number of similar problems.

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct and that I have personal knowledge of the facts contained herein and, if called upon to testify, I could and would competently testify thereto.

Executed on the 4th day of May, 2006.


KEVIN STEWART