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STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Public Hearing  
October 28, 2003  
Wentzville, Missouri  
Volume 2

In the Matter of Union Electric       )  
Company d/b/a AmerenUE for Authority)  
to File Tariffs Increasing Rates for) Case No.  
Gas Service Provided to Customers in) GR-2003-0517  
The Company's Missouri Service Area )

RONALD D. PRIDGIN, Presiding  
REGULATORY LAW JUDGE

CONNIE MURRAY,  
ROBERT M. CLAYTON, III,

COMMISSIONERS.

1 P R O C E E D I N G S

2 JUDGE PRIDGIN: On the record, please.

3 Good evening. I am Ron Pridgin, I'm the Regulatory Law  
4 Judge assigned by the Missouri Public Service  
5 Commission to conduct this local public hearing. We  
6 are in Wentzville, Missouri, on October 28th, 2003, and  
7 the time is about 6:45 in the evening.

8 The reason that we're here is to hear  
9 your comments on the proposed rate increase from Union  
10 Electric doing business as AmerenUE and we're here to  
11 listen to you and take your testimony. If you have  
12 specific comments or questions, you can see staff  
13 members, and I suspect from the time we allowed that  
14 you've already visited with them and had the chance to  
15 speak to them, and you may, of course, speak to them  
16 later if you wish, but we're not here as much to answer  
17 questions. Again, it's to hear your comments and your  
18 testimony.

19 I do have a couple of people on the sign  
20 up list. If you do wish to testify, I will need you to  
21 come up and sign in for me. I will read an opening  
22 statement here in a moment, and when I'm done, I will  
23 ask the people who wish to testify to come up and do  
24 so, and if you would just please come to this lectern  
25 area and testify, and we've got that lectern kind of

1       for you to relax and put any notes down if you have  
2       any, and I don't know if anybody has any exhibits, any  
3       documents that you want the Commission to look at. If  
4       you do, please let us know so we can mark them and make  
5       them a part of the record.

6                       I will ask that when you come up to  
7       testify, that you try to speak slowly and clearly and  
8       please be sure to spell your name for the Court  
9       Reporter so she can get it in the record correctly, and  
10      let me see if we have any questions before I give the  
11      opening statement. All right. Hearing none.

12                     The Missouri Public Service Commission  
13      has set this time for a local hearing in Case No.  
14      GR-2003-0517 in which Union Electric Company doing  
15      business as AmerenUE seeks to implement a rate  
16      increase. The Missouri Public Service Commission  
17      regulates the rates charged by investor-owned utility  
18      companies in Missouri to ensure that those rates are  
19      just and reasonable.

20                     The Commission also regulates the quality  
21      of service and safety of the operations of  
22      investor-owned utilities. The Commission is made up of  
23      five Commissioners, two of whom are here this evening.  
24      The Commissioners are appointed by the Governor to  
25      fixed terms and confirmed by the Senate. The

1       Commissioners employ a staff of engineers, accountants,  
2       attorneys, financial analysts, and other specialists in  
3       the field of utility regulation.

4               Again, I'm Ron Pridgin, I'm the  
5       Regulatory Law Judge for the Missouri Public Service  
6       Commission, and I will preside over this evening's  
7       hearing. With me this evening are Commissioner Murray  
8       to my right, and to my left Commissioner Clayton, and I  
9       also believe Staff Counsel that I have here, Lera  
10      Shemwell.

11              This is an official hearing of the  
12      Missouri Public Service Commission and the statements  
13      and testimony of the witnesses will be recorded by the  
14      Court Reporter and must be given under oath.

15              All of the Commissioners will have the  
16      chance to read all of the witness' remarks. In  
17      addition to this hearing, a trial type evidentiary  
18      hearing will be held beginning on January 2nd, 2004,  
19      and reconvening beginning January 12th, 2004, starting  
20      at 9 o'clock in the morning in the Commission's offices  
21      at the Hotel Governor in Jefferson City, Missouri.

22              That hearing is a public hearing and the  
23      company will have the burden of showing that the  
24      proposed rate increase is just and reasonable. The  
25      various parties will present witnesses for and against

1 the rate increase at that time.

2 The purpose of this hearing is to hear  
3 from you on the subject of this proposed rate increase.  
4 The company will not present witnesses this evening and  
5 will not be answering questions. This is your chance  
6 to testify and your remarks will be a part of the  
7 official record of this case.

8 I will call the name of each witness who  
9 has signed up to speak. I will call you in the order  
10 in which you signed up. When your name is called,  
11 please approach this lectern, and please spell your  
12 name for the Court Reporter so she can put it in the  
13 record correctly.

14 I will ask a few preliminary questions  
15 such as your name and your address, and you can then  
16 make your statement. There are then maybe questions  
17 from the Commission or from me, and perhaps some  
18 clarifying questions from counsel, but they will not be  
19 permitted to cross-examine you. Please do not leave  
20 the witness area until you are excused.

21 If there is someone who wishes to  
22 testify, but because of religious convictions cannot  
23 take an oath, please let me know so that when you are  
24 asked to be sworn, that you may be affirmed instead.  
25 Does anyone have any questions about the procedure we

1 will follow this evening? Hearing no questions, we  
2 will then begin the public hearing, Case No.  
3 GR-2003-0517 in the matter of Union Electric Company  
4 doing business as AmerenUE for authority to file  
5 tariffs increasing rates for gas service provided to  
6 customers in the company's Missouri service area. Will  
7 counsel make their entries of appearance, please?

8 MS. SHEMWELL: Lera Shemwell appearing on  
9 behalf of the Staff of the Missouri Public Service  
10 Commission, Post Office Box 360, Jefferson City,  
11 Missouri, 65102. Thank you, Judge.

12 JUDGE PRIDGIN: Ms. Shemwell, thank you.  
13 On behalf of the Office of the Public Counsel.

14 MR. MICHEEL: Douglas E. Micheel,  
15 M-I-C-H-E-E-L, appearing on behalf of the Office of  
16 Public Counsel and the public, PO Box 2200, Jefferson  
17 City, Missouri, 65102-2200.

18 JUDGE PRIDGIN: Mr. Micheel, thank you.  
19 On behalf of AmerenUE.

20 MR. BURN: Tom Burn, appearing on behalf  
21 of Union Electric Company, doing business as AmerenUE.  
22 My address is 1901 Chouteau Avenue, that's  
23 C-H-O-U-T-E-A-U, St. Louis, Missouri, 63103.

24 JUDGE PRIDGIN: Mr. Burn, thank you. Any  
25 other counsel wishing to enter an appearance? Seeing

1 none, let me call the first witness.

2 I believe the first person we have signed  
3 up is Ann Ivory, if I'm reading that name correctly.

4 All right. Ms. Ivory, if you would, please come  
5 forward here. All right. If you would, ma'am, please  
6 raise your right hand.

7 (Witness sworn.)

8 JUDGE PRIDGIN: If you would, please  
9 state your name and spell your last name for the  
10 record.

11 MS. IVORY: Ann Ivory, I-V-O-R-Y.

12 JUDGE PRIDGIN: And Ms. Ivory, could you  
13 state your address, please?

14 MS. IVORY: 304 East Second Street,  
15 Moscow Mills.

16 JUDGE PRIDGIN: And are you currently a  
17 gas customer of AmerenUE?

18 MS. IVORY: Yes.

19 JUDGE PRIDGIN: All right. Ms. Ivory,  
20 any comments or statements you'd like to make.

21 MS. IVORY: Yes, first of all, the first  
22 thing that happened was I received a statement from the  
23 gas company that they were going to implement this  
24 operating cost increase, which equals out to  
25 approximately 20 percent of my bill, and then the

1 following week, I read an article that stated that they  
2 paid more for gas, which will be passed on to the  
3 customer, so that's two increases in one year, so I'm  
4 looking at maybe a 25 percent increase in my gas bill.

5 I did not receive a 25 percent raise last  
6 year. I don't know anyone who has received a 20  
7 percent rate increase. I just -- I feel like this is  
8 unfair. I think that it's an excessive amount of money  
9 to ask. We don't -- I don't know anyone who earns  
10 enough money to pay those kind of increases, and it  
11 seems to me in the past, in history, is that when one  
12 utility company raises rates, the next utility company  
13 raises rates, and it goes all the way down to the phone  
14 bill and the cable bill, and that's just what I see as  
15 a consumer. I don't have any proof that it does, it's  
16 just what I see when I pay my monthly bills.

17 I also work for St. Louis County, I'm  
18 just a Janitor, nobody important, but we do service  
19 people that come in and ask for utility assistance, and  
20 this is really going to affect them. We have a lot of  
21 senior citizens that come in there and they wait all  
22 day to get \$30 towards their gas bill or something, and  
23 I just don't think that this is fair.

24 And I think that I don't mind an  
25 increase, I mind a drastic increase, and I think that



1       they should reevaluate the situation and bring the cost  
2       down. That's all.

3               JUDGE PRIDGIN: All right. Ms. Ivory,  
4       thank you very much, and if you would, just keep your  
5       place and we'll see if you have any questions from the  
6       Commission. Commissioner Murray, do you think you have  
7       any questions?

8               COMMISSIONER MURRAY: I don't have any  
9       questions. Thank you.

10              JUDGE PRIDGIN: Thank you so much.  
11       Commissioner Clayton.

12              COMMISSIONER CLAYTON: I don't have any  
13       questions. Thank you for coming.

14              JUDGE PRIDGIN: All right. Ms. Ivory, I  
15       don't believe I have any questions. Thank you very  
16       much for your time this evening and for your testimony.

17              MS. IVORY: Thanks.

18              JUDGE PRIDGIN: Thank you so much. I  
19       believe I see, and I apologize if I mispronounce the  
20       last name, Shirley -- is it McFrancis? Did I pronounce  
21       that correctly, ma'am?

22              MS. FRAZIER: No, it's Frazier.

23              JUDGE PRIDGIN: Frazier, I'm terribly  
24       sorry. All right. I see it now. I see a middle M  
25       there. I'm very sorry.

1 MS. FRAZIER: I apologize.

2 JUDGE PRIDGIN: No, that's my fault.

3 COMMISSIONER CLAYTON: McFrancis?

4 JUDGE PRIDGIN: Well, I saw an M there. I

5 apologize. Ms. Frazier, if you would, please raise

6 your right hand to be sworn.

7 (Witness sworn.)

8 JUDGE PRIDGIN: If you would, please

9 state your name and spell your last name for the

10 record.

11 MS. FRAZIER: It is Shirley,

12 S-H-I-R-L-E-Y, M as in Mary, Frazier, F-R-A-Z-I-E-R. I

13 live at 403 Pleasant Meadows Court in Wentzville.

14 JUDGE PRIDGIN: And Ms. Frazier, are you

15 a gas customer of AmerenUE?

16 MS. FRAZIER: Yes, sir.

17 JUDGE PRIDGIN: All right. Do you have

18 any comments or statements you'd like to make?

19 MS. FRAZIER: Yes, I think this is a good

20 time to talk to the Commissioners and to voice your

21 opinion about the raise of all the utilities or in this

22 one particularly, but I do think it's important, and I

23 want to say that I think that gas is high enough now.

24 There may be some fluctuations in the future, of

25 course, supply and demand or the wholesale prices, but

1       this is a tremendous amount of an increase.

2                       My husband and I are both on Social  
3       Security and it's -- it's quite an expensive utility  
4       now. In here, the gas is on with the electric in our  
5       community here, so where we moved from in St. Louis  
6       County, it was quite high there, too. I always would  
7       argue about even the water bill. If the water was  
8       going up, I wrote a letter, and they did seemed to  
9       listen to customers then about the increase -- proposed  
10      increase, so I thought I would just come over here  
11      tonight, and not expecting to testify, I was just going  
12      to listen, but I think it's probably important to say  
13      what you think and I think the increase is going to be  
14      a tremendous burden on a lot of people.

15                     As I said, we're on Social Security. It  
16      is high. I keep my thermostat down to 65 to 68 all  
17      winter long. We have a new home with thermal windows  
18      and good insulation, our gas bill is still high, and I  
19      keep the water heater down almost on like vacation to  
20      keep the water just warm, and I don't even use a  
21      dishwasher because I just don't want to use that much  
22      more gas, you know, to have the water hot enough to use  
23      the dishwasher, but anyway, that's one other point I  
24      was going to say was we changed out a fire place to a  
25      gas fireplace after we moved in, not realizing all

1       these gas rates were going to go up and it was going to  
2       be so high, so now we can't even use the fireplace  
3       unless we change it back to wood, which may happen if  
4       the rates go up very high, but that's basically my  
5       complaint about the rate increase.

6                   JUDGE PRIDGIN:  Ms. Frazier, thank you  
7       very much.  Let me see if we have any questions.  
8       Commissioner Murray, do you have any questions?

9                   COMMISSIONER MURRAY:  I don't, thank you.

10                  JUDGE PRIDGIN:  Thank you.  Commissioner  
11       Clayton.

12                  COMMISSIONER CLAYTON:  I have no  
13       questions, I have just one comment about your gas  
14       fireplace.  My father did the exact same thing and just  
15       said this weekend that he wasn't firing it up this  
16       winter because of gas prices.

17                  MS. FRAZIER:  Well, I will say, if I can  
18       continue --

19                  JUDGE PRIDGIN:  Certainly.

20                  MS. FRAZIER:  I will say that I was  
21       really scared when they were talking about the gas rate  
22       was going to double this year.  You know, we have --  
23       I've already put them on the buzz of flannel sheets, I  
24       can't even move in my bed at night because there's so  
25       much quilts on the bed with a flannel under sheet, a

1 flannel over sheet, and then the quilts on top, it's  
2 hard to move, but yeah, we just keep our thermostat so  
3 low. I've never lived that way, and years ago, we used  
4 to live in 70 degrees, and now it's way down, and I'm  
5 just not getting used to that yet, so anyway.

6 COMMISSIONER CLAYTON: I have no further  
7 questions.

8 MS. FRAZIER: Do you think it's going to  
9 cost a whole lot more? We've never used that gas  
10 fireplace yet.

11 COMMISSIONER CLAYTON: He was struggling  
12 with whether he was going to light it pilot light.  
13 He's not even going to light the pilot light. It's  
14 brand new, but I don't think it's convertible. I don't  
15 think he can change it to wood.

16 MS. FRAZIER: We have the same problem,  
17 and I do have a really nice house. Our house has got  
18 excellent windows in it and a lot of insulation. We  
19 were there when they put the insulation. We can't do  
20 any more to keep the house temperatures down. I'm  
21 really getting used to living about 70, but 65 is cool,  
22 and I guess we'll have to do something different.

23 COMMISSIONER CLAYTON: Can I ask, Judge,  
24 and forgive me for the people that are here, this is my  
25 first local public hearing. I'm the newest member of

1       the Commission, so I may ask a question and then he's  
2       going to get me in trouble for it, but can I ask, can  
3       you give me an idea of what your average bill is for  
4       gas, do you mind telling me, and if you don't  
5       comfortable?

6                   MS. FRAZIER: Well, we've never budgeted  
7       our billing at all on any of the utilities, we just  
8       live with what ups and downs in the summers and the  
9       winters, and I think our bill, like, in January is \$200  
10      -- over \$200.

11                  COMMISSIONER CLAYTON: \$200 in January?

12                  MS. FRAZIER: But then that does have  
13      electric on it, too, but see, the same principal, if  
14      you use your furnace a lot, you have to have your  
15      electric to run the motors in the furnace, and I do  
16      cook with electric, so I have to watch that, too.

17                  COMMISSIONER CLAYTON: Thank you.

18                  JUDGE PRIDGIN: Okay. I don't believe I  
19      have any questions, ma'am. Thank you very much for  
20      coming out this evening. We appreciate your comments.

21                  MS. FRAZIER: I didn't realize I was  
22      going to do this, Judge, and thank you, Commissioners.

23                  JUDGE PRIDGIN: You did great. Thank you  
24      very much. We appreciate it. I don't see anybody else  
25      signed up on the witness list. Is there anyone else

1       who wishes to testify? All right. Seeing nobody else  
2       who wishes to testify, Commissioner Murray, before we  
3       adjourn, anything else you would like to add?

4               COMMISSIONER MURRAY: I would just like  
5       to thank those of you who did come out this evening,  
6       and particularly those of you who felt comfortable in  
7       coming forward and telling us your views. Thank you.

8               JUDGE PRIDGIN: Thank you. Commissioner  
9       Clayton.

10              COMMISSIONER CLAYTON: I would also say  
11       thank you for coming out. It's easy for many folks to  
12       sit at home and gripe and not take the initiative to  
13       come out, learn about how this process works, and what  
14       the Public Service Commission does in utility  
15       regulations, so I appreciate the people who came and I  
16       appreciate the two people who testified. Ms. Ivory,  
17       could I ask her one question? She's still under oath.

18              JUDGE PRIDGIN: Still under oath.

19              COMMISSIONER CLAYTON: Do you mind --  
20       could I ask you what your average bill is, gas bill?

21              MS. IVORY: Well, the gas and electric  
22       are together, and we've recently sided the house and  
23       put insulation in. Our average bill over the summer  
24       has been \$90 to \$100.

25              COMMISSIONER CLAYTON: For both?

1 MS. IVORY: For both, but I don't know  
2 what it's going to be for winter, because we also got a  
3 new everything. We redid the whole house, so it's all  
4 going to be a surprise, but right now, it's averaging  
5 \$90 a month.

6 COMMISSIONER CLAYTON: Well, I would say  
7 from our two witnesses, increasing the energy  
8 efficiency of your home is really the first place to  
9 start with the insulation, and I am glad to hear that.  
10 There are a lot of people who come in and put a piece  
11 of plastic over the window and think that's going to do  
12 it, and you know, doing the insulation and energy  
13 efficiency and good appliances.

14 MS. IVORY: Yeah, we redid the whole  
15 house.

16 COMMISSIONER CLAYTON: That's great,  
17 that's refreshing to hear. Thank you.

18 JUDGE PRIDGIN: Commissioner Clayton,  
19 thank you. I don't believe I have any concluding  
20 comments, so unless we have anything else from any  
21 other parties. Hearing nothing, that will conclude  
22 this local public hearing. Thank you very much. We  
23 are off-the-record.

24 WHEREUPON, the public hearing was  
25 concluded.