

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION
3
4
5 TRANSCRIPT OF PROCEEDINGS
6
7 Local Public Hearing
8 May 26, 2010
9 Harris-Stowe State University, St. Louis, Missouri
10
11 Volume 4 @ Page 1
12
13 In the Matter of Laclede Gas Company's)
14 Tariff To Increase Its Annual Revenues) File No.
15 For Natural Gas Service) GR-2010-0171
16
17
18
19 MORRIS L. WOODRUFF, Presiding
20 CHIEF REGULATORY LAW JUDGE
21 ROBERT M. CLAYTON, III, Chairman
22 KEVIN GUNN,
23 ROBERT KENNEY,
24 COMMISSIONERS
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000
1001
1002
1003
1004
1005
1006
1007
1008
1009
1010
1011
1012
1013
1014
1015
1016
1017
1018
1019
1020
1021
1022
1023
1024
1025
1026
1027
1028
1029
1030
1031
1032
1033
1034
1035
1036
1037
1038
1039
1040
1041
1042
1043
1044
1045
1046
1047
1048
1049
1050
1051
1052
1053
1054
1055
1056
1057
1058
1059
1060
1061
1062
1063
1064
1065
1066
1067
1068
1069
1070
1071
1072
1073
1074
1075
1076
1077
1078
1079
1080
1081
1082
1083
1084
1085
1086
1087
1088
1089
1090
1091
1092
1093
1094
1095
1096
1097
1098
1099
1100
1101
1102
1103
1104
1105
1106
1107
1108
1109
1110
1111
1112
1113
1114
1115
1116
1117
1118
1119
1120
1121
1122
1123
1124
1125
1126
1127
1128
1129
1130
1131
1132
1133
1134
1135
1136
1137
1138
1139
1140
1141
1142
1143
1144
1145
1146
1147
1148
1149
1150
1151
1152
1153
1154
1155
1156
1157
1158
1159
1160
1161
1162
1163
1164
1165
1166
1167
1168
1169
1170
1171
1172
1173
1174
1175
1176
1177
1178
1179
1180
1181
1182
1183
1184
1185
1186
1187
1188
1189
1190
1191
1192
1193
1194
1195
1196
1197
1198
1199
1200
1201
1202
1203
1204
1205
1206
1207
1208
1209
1210
1211
1212
1213
1214
1215
1216
1217
1218
1219
1220
1221
1222
1223
1224
1225
1226
1227
1228
1229
1230
1231
1232
1233
1234
1235
1236
1237
1238
1239
1240
1241
1242
1243
1244
1245
1246
1247
1248
1249
1250
1251
1252
1253
1254
1255
1256
1257
1258
1259
1260
1261
1262
1263
1264
1265
1266
1267
1268
1269
1270
1271
1272
1273
1274
1275
1276
1277
1278
1279
1280
1281
1282
1283
1284
1285
1286
1287
1288
1289
1290
1291
1292
1293
1294
1295
1296
1297
1298
1299
1300
1301
1302
1303
1304
1305
1306
1307
1308
1309
1310
1311
1312
1313
1314
1315
1316
1317
1318
1319
1320
1321
1322
1323
1324
1325
1326
1327
1328
1329
1330
1331
1332
1333
1334
1335
1336
1337
1338
1339
1340
1341
1342
1343
1344
1345
1346
1347
1348
1349
1350
1351
1352
1353
1354
1355
1356
1357
1358
1359
1360
1361
1362
1363
1364
1365
1366
1367
1368
1369
1370
1371
1372
1373
1374
1375
1376
1377
1378
1379
1380
1381
1382
1383
1384
1385
1386
1387
1388
1389
1390
1391
1392
1393
1394
1395
1396
1397
1398
1399
1400
1401
1402
1403
1404
1405
1406
1407
1408
1409
1410
1411
1412
1413
1414
1415
1416
1417
1418
1419
1420
1421
1422
1423
1424
1425
1426
1427
1428
1429
1430
1431
1432
1433
1434
1435
1436
1437
1438
1439
1440
1441
1442
1443
1444
1445
1446
1447
1448
1449
1450
1451
1452
1453
1454
1455
1456
1457
1458
1459
1460
1461
1462
1463
1464
1465
1466
1467
1468
1469
1470
1471
1472
1473
1474
1475
1476
1477
1478
1479
1480
1481
1482
1483
1484
1485
1486
1487
1488
1489
1490
1491
1492
1493
1494
1495
1496
1497
1498
1499
1500
1501
1502
1503
1504
1505
1506
1507
1508
1509
1510
1511
1512
1513
1514
1515
1516
1517
1518
1519
1520
1521
1522
1523
1524
1525
1526
1527
1528
1529
1530
1531
1532
1533
1534
1535
1536
1537
1538
1539
1540
1541
1542
1543
1544
1545
1546
1547
1548
1549
1550
1551
1552
1553
1554
1555
1556
1557
1558
1559
1560
1561
1562
1563
1564
1565
1566
1567
1568
1569
1570
1571
1572
1573
1574
1575
1576
1577
1578
1579
1580
1581
1582
1583
1584
1585
1586
1587
1588
1589
1590
1591
1592
1593
1594
1595
1596
1597
1598
1599
1600
1601
1602
1603
1604
1605
1606
1607
1608
1609
1610
1611
1612
1613
1614
1615
1616
1617
1618
1619
1620
1621
1622
1623
1624
1625
1626
1627
1628
1629
1630
1631
1632
1633
1634
1635
1636
1637
1638
1639
1640
1641
1642
1643
1644
1645
1646
1647
1648
1649
1650
1651
1652
1653
1654
1655
1656
1657
1658
1659
1660
1661
1662
1663
1664
1665
1666
1667
1668
1669
1670
1671
1672
1673
1674
1675
1676
1677
1678
1679
1680
1681
1682
1683
1684
1685
1686
1687
1688
1689
1690
1691
1692
1693
1694
1695
1696
1697
1698
1699
1700
1701
1702
1703
1704
1705
1706
1707
1708
1709
1710
1711
1712
1713
1714
1715
1716
1717
1718
1719
1720
1721
1722
1723
1724
1725
1726
1727
1728
1729
1730
1731
1732
1733
1734
1735
1736
1737
1738
1739
1740
1741
1742
1743
1744
1745
1746
1747
1748
1749
1750
1751
1752
1753
1754
1755
1756
1757
1758
1759
1760
1761
1762
1763
1764
1765
1766
1767
1768
1769
1770
1771
1772
1773
1774
1775
1776
1777
1778
1779
1780
1781
1782
1783
1784
1785
1786
1787
1788
1789
1790
1791
1792
1793
1794
1795
1796
1797
1798
1799
1800
1801
1802
1803
1804
1805
1806
1807
1808
1809
1810
1811
1812
1813
1814
1815
1816
1817
1818
1819
1820
1821
1822
1823
1824
1825
1826
1827
1828
1829
1830
1831
1832
1833
1834
1835
1836
1837
1838
1839
1840
1841
1842
1843
1844
1845
1846
1847
1848
1849
1850
1851
1852
1853
1854
1855
1856
1857
1858
1859
1860
1861
1862
1863
1864
1865
1866
1867
1868
1869
1870
1871
1872
1873
1874
1875
1876
1877
1878
1879
1880
1881
1882
1883
1884
1885
1886
1887
1888
1889
1890
1891
1892
1893
1894
1895
1896
1897
1898
1899
1900
1901
1902
1903
1904
1905
1906
1907
1908
1909
1910
1911
1912
1913
1914
1915
1916
1917
1918
1919
1920
1921
1922
1923
1924
1925
1926
1927
1928
1929
1930
1931
1932
1933
1934
1935
1936
1937
1938
1939
1940
1941
1942
1943
1944
1945
1946
1947
1948
1949
1950
1951
1952
1953
1954
1955
1956
1957
1958
1959
1960
1961
1962
1963
1964
1965
1966
1967
1968
1969
1970
1971
1972
1973
1974
1975
1976
1977
1978
1979
1980
1981
1982
1983
1984
1985
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
2039
2040
2041
2042
2043
2044
2045
2046
2047
2048
2049
2050
2051
2052
2053
2054
2055
2056
2057
2058
2059
2060
2061
2062
2063
2064
2065
2066
2067
2068
2069
2070
2071
2072
2073
2074
2075
2076
2077
2078
2079
2080
2081
2082
2083
2084
2085
2086
2087
2088
2089
2090
2091
2092
2093
2094
2095
2096
2097
2098
2099
2100
2101
2102
2103
2104
2105
2106
2107
2108
2109
2110
2111
2112
2113
2114
2115
2116
2117
2118
2119
2120
2121
2122
2123
2124
2125
2126
2127
2128
2129
2130
2131
2132
2133
2134
2135
2136
2137
2138
2139
2140
2141
2142
2143
2144
2145
2146
2147
2148
2149
2150
2151
2152
2153
2154
2155
2156
2157
2158
2159
2160
2161
2162
2163
2164
2165
2166
2167
2168
2169
2170
2171
2172
2173
2174
2175
2176
2177
2178
2179
2180
2181
2182
2183
2184
2185
2186
2187
2188
2189
2190
2191
2192
2193
2194
2195
2196
2197
2198
2199
2200
2201
2202
2203
2204
2205
2206
2207
2208
2209
2210
2211
2212
2213
2214
2215
2216
2217

1 APPEARANCES:

2

3 Marc Poston, Representing the People

4 Michael Penderjast, Laclede Gas Company Representative

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

PROCEEDINGS

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

JUDGE WOODRUFF: Good evening, thank you for

coming out on a rainy evening. My name is Morris

Woodruff. I am the chief law judge with the Commission.

I'll be presiding at the hearing tonight. Let me start

this is a local public hearing for the Laclede -- for

Laclede Gas Company local public hearing. We did about

15 of these back in January for Ameren UE so I almost

misspoke. Case number GR-1010-0171, and we are here for

the public hearing. I'll introduce the commissioners

here with us tonight. On my left is Commissioner Robert

Clayton, chairman of the commission. On my right is

Commissioner Kevin Gunn. Over the furthest left over

here Commissioner Robert Kenney. I'll start out I will

ask for any opening comments.

COMMISSIONER CLAYTON: Thank you, Judge. I

just wanted to introduce myself formally. My name is

Robert Clayton. I'm Chairman of the Missouri Public

Service Commission. There are a number of folks in the

room. I just need to ask can you raise your hand if you

are not a Laclede Gas staff employee. Here and up here,

great. I just need to know if you're here to talk. I

would to thank each of you for coming out tonight. This

is a part of our process as we look at rate increases,

1 utilities in the state of Missouri. As the Judge said,
2 in the St. Louis area quite often there have been a lot
3 rate increase filings by a number of the utilities in
4 the metro area so this is not our first time here.
5 We've done a number of hearings with Ameren Electric.
6 We did an entire line of hearings with water and now we
7 are right in the middle of this process with Laclede.
8 We appreciate you coming out. We look forward to your
9 comments. We have the majority of the commission here
10 so your comments will be heard in person by three of us
11 and also a transcript will be made so that the other two
12 commissioners that are not participating in person will
13 be able to read that material and take it under
14 consideration and proceed in the case. I just want to
15 thank you for being here.

16 COMMISSIONER KENNEY: I'm Robert Kenney. I
17 want to thank you for your participation as a voice in
18 this process. You are sworn in and your words will
19 become a part of the case file so your participation is
20 an integral part of the process and we appreciate it.

21 COMMISSIONER GUNN: I do want to recognize
22 and it's important to the commission and I think it
23 should be important to the folks that are here we are
24 very happy that Doug Jaeger is here, CEO of Laclede. We
25 certainly appreciate that and it's a unique opportunity

1 for the folks that are here to talk directly with the
2 company as well as our staff and your very able public
3 counsel Marc Poston who represents the public in the
4 proceeding. So don't only talk to us, if you have other
5 questions, and if you have questions that aren't -- that
6 weren't answered during the question and answer period
7 that you feel like you want to get resolve you're not
8 going to offend us if you go out in the hallway and talk
9 to some of our staff that are here and some of the
10 Laclede people that are here so feel free to do that.
11 We won't be offended, bu other than that I thank
12 everybody for coming.

13 JUDGE WOODRUFF: Before I call the first
14 witness I'll ask the attorneys here representing the
15 parities to enter their appearances.

16 MR. PENDERJAST: Thank you, Your Honor,
17 Michael C. Penderjast attorney on behalf of Laclede Gas
18 Company. Our business address is 720 Olive Street, St.
19 Louis, Missouri 63101?

20 JUDGE WOODRUFF: Anyone here for staff for
21 public counsel?

22 MR. POSTON: Marc Poston counsel for the
23 public.

24 JUDGE WOODRUFF: Any other parities? I'll
25 call the first witness and I'll have you come to the

1 microphone in the middle of the aisle there and I'll
2 swear you in to offer your testimony. We'll start with
3 Barbara Frose.

4 (Witness sworn.)

5 JUDGE WOODRUFF: What would you like to tell
6 us?

7 MS. FROSE: Thank you so much for being here
8 and I appreciate Mr. Jaeger for being here today as well
9 as I'm so glad I have the opportunity as a citizen of
10 the community, citizen of St. Louis County and I
11 currently am an elected official in St. Louis County. I
12 sit in the chair of that group. Today, first of all, I
13 want to say the good things, customer service, I really
14 have to say I appreciate so much the Laclede Gas' effort
15 to encourage safe energy in my monthly newsletter and
16 counsel I often have given for saving energy, and I
17 think that's incumbent in all of us to try to do that.
18 I appreciate the efforts to do that. Second of all, I
19 have had an incredible good response with the workers in
20 Laclede Gas Company to accommodate and fix issues that
21 constituents have had in my experience. And before I go
22 on is there a time limit?

23 JUDGE WOODRUFF: No.

24 MS. FROSE: I don't plan on taking up all
25 your time the political person that I am. I just wanted

1 to make sure I'm not going to be cut off in the middle.
2 Third, I really want to point out that I appreciate your
3 efforts, Laclede Gas' efforts to help indigent
4 customers. I have had several constituents in my time
5 as a public official and I have called the company and
6 in fact been very well-satisfied with efforts to help
7 those that are just absolutely unable to pay their gas
8 bills. So on all of those counts I compliment, I repeat
9 my appreciation of the efforts of Laclede Gas speaking
10 to all of you judges, but I think that the other issue
11 becomes an important one as well. It is a mission of
12 the company to provide safe, reliable and reasonably
13 priced utility services, and I just believe that we have
14 to be -- and that you public service commission it is
15 incumbent upon you to determine whether this is the
16 right time to have such an increase. It is a time of
17 deep recession. Many of my friends, neighbors and as an
18 official people are out of jobs. They do not have
19 enough money to pay for their homes much less the just
20 recurrent cost of gas, electric and other things. To
21 have their gas bill go up at a time when everything else
22 seems to be really difficult just seems to me a borent,
23 and I think that we certainly have to take that into
24 consideration.

25 I heard quite clearly the issue of increase

1 in salaries and bonuses. I'm going to give you an
2 example which just taking from the answers that I have
3 gotten a little bit earlier, but if in fact highest
4 management nets \$600,000 salary, and I have to say I
5 don't know that to be the highest management salary, but
6 at two or three percent increase in highest management
7 gets that that's about \$18,000 to three percent of a
8 salary of \$600,000. Ten workers, ten management people
9 getting a three percent increase would equal about \$1.8
10 million if in fact the numbers are generically maybe
11 somewhat correct. On the other hand, if the general
12 amount of a Laclede Gas worker making \$60,000 and she or
13 he gets a three percent increase that's \$1,800 increase
14 in salary. Well, if you have 1,000 workers that's about
15 \$1.8 million getting an increase, and if you have 10 top
16 management workers getting a three percent increase
17 that's about \$1.8 million. I think that's an important
18 issue in who gets the bonuses and how the system works
19 to encourage that.

20 I know from my experience as an official in
21 the county that there are many, many workers throughout
22 the county making under \$100,000 and are having an
23 incredibly difficult time making ends meet, and whatever
24 the increase it's probably well-deserved wherever they
25 are. The county has held salaries in the workers in the

1 county, many companies that feel grateful. Instead I do
2 not at all feel that a 3 percent increase is anything
3 but great for 1,000 or more workers. On the other hand,
4 at a time when we read every single day about corporate
5 greed and how bonuses I think that should be an area
6 that I hope you look at in terms of is this money being
7 spent in the very best way, and my feeling would be that
8 considering the recession, considering the fact that we
9 are in a deep economic crisis period that certainly to
10 have a company spend money on bonuses for its top, top
11 management is a question that maybe needs to be asked.

12 Now, the next question might be from you
13 what does this have to do with the rate increase, well
14 if a company has a \$1.8 million to spend on bonuses the
15 question I would say for top management is that's
16 something that would be foregone and in fact spent on
17 the issue of the kind of maintenance, the things that
18 the company needs to do. I think there are a lot of
19 small companies in the St. Louis region that are in fact
20 not giving bonuses to their management. There are lots
21 of companies who are actually cutting back in order to
22 spread the wealth out. I would encourage you the public
23 service commission to question how the current system of
24 bonuses is given out, how in fact that could be perhaps
25 looked at in a different way and hopefully have the good

1 result of not making a higher rate for the customers. I
2 am very, very concerned about my constituents, my own
3 citizens I know and work with who are in fact going to
4 find it very difficult to pay an increase in the gas
5 rates, and I think we as a community need to take care
6 of everybody and not just the top ten managers or the
7 people who are getting the most salary and the most
8 bonuses.

9 So thank you for your comments. Again, I
10 deeply appreciate coming before you and the opportunity
11 to speak. Thank you.

12 JUDGE WOODRUFF: Questions?

13 CHAIRMAN CLAYTON: Thank you I would like to
14 thank you for being here and I appreciate your comments.
15 I wanted to follow up on a comment that you made at the
16 start of your comments relating to Laclede's efforts
17 working with the indigent or low income people. I was
18 wondering did I hear that correctly, can you give me a
19 little more detail about what you were referring to?

20 MS. FROSE: I can't give you the total
21 detail quite honestly. I can tell you that in two cases
22 as a counsel person I have had an individual call and
23 say they can't pay their bill and the Laclede Gas has
24 talked to the customer relation people and they found a
25 way to continue the gas provision. I believe it's

1 through, and you're getting -- it's through the I want
2 to say state or county organization that covers this as
3 well, so it's a middle person here who takes care of it.
4 The individual has to fill out forms and it's just
5 basically the procedure that indigent people can get
6 help. I think it's through one of the organizations,
7 and I apologize for not knowing actually the title of it
8 but it's an organization that is designed to help people
9 through that.

10 CHAIRMAN CLAYTON: But they were responsive
11 in the --

12 MS. FROSE: They were very responsive.

13 CHAIRMAN CLAYTON: You have experience
14 working as a public official and you have worked as a
15 public official in a number of capacities what else can
16 be done from the standpoint of the Public Service
17 Commission of the utilities, what else can we do to
18 address issues related to low income folks? Have you
19 ever had any thoughts about what we can do alleviate the
20 problems that the constituents face?

21 MS. FROSE: One of the things that I see
22 most often and I'm out and about in the neighborhoods
23 and those neighborhoods most -- let me say that there
24 are areas in which the housing is just very below even
25 livable, really inhabitable at times, and one can only

1 guess what the heating bill might be in these homes, and
2 I really think that collectively, you know, again, it
3 would save money in the big picture to have policies in
4 place that help these folks get more insulated homes,
5 better energy efficiency. We are heating the outside
6 air as much as the indoor air in many places in our
7 community.

8 COMMISSIONER CLAYTON: I agree. Thank you
9 very much for being here.

10 COMMISSIONER GUNN: I want to get on the
11 record the population of your counsel district is what?

12 MS. FROSE: About 150,000 people.

13 COMMISSIONER GUNN: So you represent, you
14 are here in your capacity both as an individual customer
15 and representative of those 150,000?

16 MS. FROSE: I feel comfortable with that
17 answer, yes.

18 COMMISSIONER GUNN: Thank you very much for
19 coming.

20 COMMISSIONER KENNEY: I don't have any
21 questions. Thank you for taking the time on behalf of
22 your community and it's important that your voice be
23 heard and to the extent you are speaking for them it's
24 important that their voices be heard?

25 MS. FROSE: Thank you, Mr. Kenney, Mr.

1 Clayton, Mr. Gunn. Thank you all for your service to
2 our state, thank you.

3 JUDGE WOODRUFF: Do you have any questions?

4 MR. PENDERJAST: I don't have any questions.
5 I want to thank you for your comments about energy
6 conservation and just to let you know --

7 MS. FROSE: Just keep it up, do more, take
8 that bonus and give it to the --

9 MR. PENDERJAST: We have proposals to do
10 more and if you are interested in finding who is on the
11 existing programs above and I think we have some
12 information outside as well. Thank you very much.

13 JUDGE WOODRUFF: Next witness is Fran
14 Bonham.

15 (Witness sworn.)

16 JUDGE WOODRUFF: First of all, would you
17 tell us your full name.

18 MS. BONHAM: My name is Francis Bonham,
19 B-o-n-h-a-m.

20 JUDGE WOODRUFF: What would you like to tell
21 us?

22 MS. BONHAM: I work for the Human
23 Development Corporation, which is a community action
24 group referred to as LIHEP. I work with Laclede Gas
25 Company when we have problems. I have frequently daily

1 contacted Laclede on all sorts of assistance, and I
2 appreciate that from them. However, I'm here
3 representing my clients who are the very low income
4 people. Also here you had the counsel of Missouri, the
5 human development corporation of the counsel of Missouri
6 is suppose regulate the rate increase because of the
7 impact of elderly and disabled and other families if I
8 have living at or near the poverty level. According to
9 the last census in 2007 approximately 83,000 individuals
10 in St. Louis city lived at or below the current poverty
11 index. These are my clients at HDC. Last year over
12 15,000 families received assistance from the LIHEP
13 program. In addition 6,000 families received crisis
14 assistance from other public and private funds.
15 Twenty-nine percent of those families have at least one
16 member who is elderly or disabled. Approximately 70
17 percent of all households have members under the age of
18 18 statewide of the household. This year it's only
19 gotten worse. I don't have those figures. Because of
20 the current recession we are servicing more families and
21 the utilities bills that customers come in asking for
22 assistance are just astonishing. They are the working
23 poor struggling to survive on low or minimum wage. Last
24 week state medium paid six percent of their income for
25 utilities but the average in Missouri pays 16 to 26 of

1 their income because of low housing stock and lack of
2 weatherization this energy burden is even hire for those
3 who can least afford pay. This higher than average
4 energy bill causes families to have to choose between
5 necessities like medication or food or pay their utility
6 bills. It puts more families in revolving costs and
7 restorations and service is disconnected as soon as cold
8 weather is lifted. Any rate increase will be an added
9 burden on these most vulnerable customers.

10 The current economic crisis has a record
11 number of people having trouble paying for utilities
12 bills now. Rate increase estimate per household it will
13 catastrophic for these families. So we ask that you can
14 take the steps necessary to assure safe, reliable and
15 affordable gas to all Missouri, carefully evaluate any
16 rate increase on all customers, particularly the
17 elderly, disabled and low income customers. Please
18 expand the weatherization program. As I was saying the
19 housing stock for low income families just makes the
20 bills outrageous. If there is a rate increase please
21 consider rate discounts for elderly, disabled and low
22 income customers. Thank you.

23 JUDGE WOODRUFF: Questions?

24 COMMISSIONER CLAYTON: I was going to ask
25 the question what else do you think we can do and you

1 answered it with the last couple recommendations. Thank
2 you very much.

3 COMMISSIONER GUNN: I just have a couple
4 questions. In the last six or eight months we have seen
5 a decline in the actual commodity. You say something
6 that struck me. You said the utility bills you are
7 seeing are astonishingly high. Now, is that because
8 people have not been able to pay so the debt keeps
9 compounding? Is it because of the weather, the
10 weatherization issues? Is that what you're talking
11 about or the cut off and restoration cycle that you also
12 talked about, is that what is causing you to see the
13 higher bills or is it something else?

14 MS. BONHAM: First of all, I have to say I
15 am a supervisor and my boss would be much more able to
16 answer those questions. From what I understand, I can't
17 represent my company now, this is just what I
18 understand, I believe part of the problem is the cut off
19 cycle which will let you run up a higher bill, and
20 unfortunately sometimes the things that we do to help
21 the low income will let them run up higher bills before
22 cut off. Also, I don't know, but I see a lot of
23 customers with compiled bills, this is new, that they
24 have run up a bill at one address and somehow managed
25 not to pay it off and now that Laclede discovered it at

1 the new address this doubles or triples their bill, but
2 in terms of exactly what it is that I don't know. I
3 know we sit around and say I've got a \$5,000, I have
4 \$12,000 bill.

5 COMMISSIONER GUNN: Just to get an idea of
6 the programs you're taking advantage of, other than
7 Dollar Help is one of the other, what other programs,
8 LIHEP, from the company perspective provided for you?
9 What are those programs?

10 MS. BONHAM: Most of our funding is through
11 LIHEP. That goes through the state and through the
12 community. That is biggest part of our budget. The
13 Dollar Help is run by Laclede Gas is a huge help to us.
14 There's a dollar more program that goes through Ameren
15 Company. There is Heat Up St. Louis. There's grants
16 that we get from the city. I can't think of others but
17 there are.

18 COMMISSIONER GUNN: In terms of direct
19 dollars you get from the Dollar Help program that is
20 mostly a voluntary program, is there any other direct
21 funds that you know of that are being utilized to help
22 fund some of these programs?

23 MS. BONHAM: I believe that would be the
24 dollar more fund and Heat Up St. Louis.

25 COMMISSIONER GUNN: Have you seen those

1 funds -- how are they budgeted? Is it first come, first
2 service, so the fact that you're seeing a spike in
3 people coming in with large bills is that because money
4 is running out or are you limiting with all of the
5 different programs is the assistance limited so you can
6 help a certain number of rate payers or such number of
7 bills?

8 MS. BONHAM: In my experience what it is
9 they do proportionately limit HDC in the city and
10 another agency in one of the counties we would get a
11 bigger share.

12 COMMISSIONER GUNN: Let me clarify. If I'm
13 someone who needs help and I come in with one of \$12,000
14 bills and I happen to come in right as you're funding is
15 renewed, you have a big pot of money, do I get a larger
16 share of that money, and, therefore, if you have a
17 series of those people that money dries up quicker or am
18 I limited to a certain amount that means that we have a
19 much better idea of that of how many number of people
20 that we are helping rather than the amount of
21 assistance?

22 MS. BONHAM: If I understand you each of the
23 fuel funds has a limit that a client can use up to so
24 much. If you come in with a \$12,000 bill there's
25 nothing I can do. If I have every fund in my pocket

1 there is not enough money. We periodically run out of
2 money and go back to the charity and tell it's a
3 situation where here's the next budget it's frequently
4 today I'm sorry, tomorrow we have money.

5 COMMISSIONER GUNN: Thank you. I appreciate
6 you coming out.

7 COMMISSIONER KENNEY: Thank you for coming.
8 Who do you primarily assist?

9 MS. BONHAM: The city residents, the city of
10 St. Louis and city which is actually the county but
11 that's our are.

12 COMMISSIONER KENNEY: And you said you
13 helped -- households?

14 MS. BONHAM: That was statewide.

15 COMMISSIONER KENNEY: How many households --
16 where does St. Louis city fit in in terms of the number
17 of households?

18 MS. BONHAM: Well, we have serviced in 2009
19 we serviced over 15,000. That is I believe the city of
20 Kansas City, which is HDC. We service a city population
21 most of the agency several counties or a county we are
22 by far the largest city. Kansas City is the second
23 largest, but I can't tell you statistics.

24 COMMISSIONER KENNEY: Do you expect the
25 numbers to stay constant or be much greater number of

1 possible serviced?

2 MS. BONHAM: I anticipate the household will
3 increase because the economy is worse proportionately
4 all over the state. I can't tell the percentage-wise.

5 COMMISSIONER KENNEY: Thank you. Those are
6 all of the questions I have. Thanks for your time and
7 suggestions as well.

8 JUDGE WOODRUFF: Any questions from the
9 parities?

10 MR. PENDERJAST: I appreciate your comments.
11 Did you have a chance to talk to Jackie about the low
12 income affordability program with Laclede Gas where we
13 provide assistance to customers and credits are given?

14 MS. BONHAM: Actually I do work very closely
15 with Jackie.

16 MR. PENDERJAST: You were just asked by the
17 commissioners about programs that Laclede has, that one
18 was one and did you have a chance to talk with Jackie at
19 all about some of the changes we are contemplating
20 making that program a chance to --

21 MS. BONHAM: No, actually I have not. I am
22 glad to hear because the way the program is running I'm
23 not very happy with it as a worker.

24 MR. PENDERJAST: And you would be in favor
25 of possibly pressing the situation of a holistic

1 situation by combining energy, electric and gas
2 companies?

3 MS. BONHAM: I don't have an opinion on
4 that.

5 MR. PENDERJAST: Thank you very much, and
6 HDC does receive some assistance from Laclede?

7 MS. BONHAM: For the low income program,
8 yes.

9 JUDGE WOODRUFF: Thank you. Next name on
10 the list is Joe Schulte.

11 (Witness sworn.)

12 JUDGE WOODRUFF: Tell us your name, please.

13 MR. SCHULTE: Joe Schulte.

14 JUDGE WOODRUFF: What would you like to tell
15 us?

16 MR. SCHULTE: Well, I would like to testify
17 against this rate increase. I have formerly been
18 business representative for Local 11-6 city workers who
19 has represented all of the gas workers. I'll start
20 about four or five things here, correct me if I'm wrong.
21 When Laclede got approval from the commission to start
22 Laclede group, which is a whole group of businesses, my
23 understanding and what I recall was that we are forming
24 this group so we don't have to go back to the commission
25 and continually get rate increases. Well, from what I

1 have seen, they came back every two years to get rate
2 increases, and each year they are compounded bigger and
3 bigger rate increases. When this group was -- the
4 commission allowed their group it was affiliated
5 transaction and cost allocation manual that went along
6 with this. Now, all of these top executives at Laclede
7 run theses businesses. I have been out for three years.
8 I don't know what businesses they got in there. They
9 all work out of Laclede's office, and they attribute
10 time spent to them. Is that thoroughly audited the time
11 spent from the executive and the secretaries and the
12 cost of the secretaries and the cost of the rooms and
13 everything? Are they being audited to check that the
14 proper amount of money that is being charged to these
15 businesses and not to Laclede's payers? To me I feel
16 it's a conflict of interest. It's a done deal. I feel
17 the commission should audit these businesses and audit
18 the time spent on these to make sure that it's correct.
19 If not then the rate payers are paying for this and it
20 shouldn't be. The other thing I have got is the usage
21 charge. I am very familiar with that law. I was up
22 there when that was going on. That charge is to be
23 reimbursement for me replacing our services that is
24 directed to be moved by local, state or federal
25 government, okay. My understand is Laclede is getting

1 \$8.1 million this year for that. That legislation never
2 said we are going to give Laclede \$8 million put it in
3 rate increase and keeps going and going and going. That
4 money was just for the replacement of that but every
5 time Laclede gets a rate increase that is tacked on so
6 whether it be 3 million or 7 million or 10 million that
7 is not suppose to continue going every year onto the
8 consumer to pay for it. At some point in time lets say
9 its \$10 million and they are given three or four years
10 they have their money back why should they keep getting
11 it each year compounding every year, that's wrong, and
12 that needs to be checked out.

13 When I was at Laclede and represented the
14 workers at that time when I retired it was about two
15 workers to every one management person. I don't know of
16 any private business that can operate a business with
17 two workers with one management person there. And since
18 that time there has probably been at least 150 to 200
19 contract workers who are gone because they have
20 contracted work out and got rid of the employees. I
21 think Laclede -- I think the commission needs to take a
22 thorough look at Laclede and how many management people
23 they have. Do they need all of the management people
24 there at Laclede and are they doing managing the worker?
25 Are they working on these other groups that they have

1 formed.

2 Laclede has stated that they made profits
3 for the last seven years, record profits. Why do they
4 need a rate increase if they have made all of these
5 record profits? As far as the bonuses my understanding
6 they started at \$1.7 million and went down. That's a
7 lot of money for a bonus for somebody there when you
8 have got people out here that Barbara Frose said can't
9 pay their house payments, they don't know where their
10 next meal is going to come from, and give these
11 exorbitant statements saying these bonuses coming from
12 the stockholder. I'm a stockholder. I didn't agree to
13 give these. I'm not a big stockholder but I'm a
14 stockholder. In truth where I feel it comes from is the
15 board of directors who represents stockholders at the
16 meeting, the board of directors who are appointed by
17 Mr. Jaeger and Laclede Gas and okayed by the other board
18 of directors. There is a conflict of interest there.
19 So to me it's wrong to say that the stockholders are
20 giving these big bonuses. The profits from Laclede have
21 to go to the stockholder to turn around and give it back
22 to the executives from the board of directors. If I'm
23 wrong somebody tell me I'm wrong. But that's all I have
24 to say. I just don't feel that Laclede should be
25 getting this big rate increase.

1 JUDGE WOODRUFF: Questions?

2 COMMISSIONER CLAYTON: Mr. Schulte, I have
3 answered many of your questions over the years on the
4 public service commission. I don't think I have any
5 questions here today, but I appreciate you coming in
6 over the years. It's been an interesting experience and
7 we hope to see you in the years to come.

8 MR. SCHULTE: I'll continue to be around.

9 COMMISSIONER GUNN: I will echo the
10 sentiments Mr. Clayton. I appreciate it.

11 COMMISSIONER KENNEY: This is my first time
12 listening to your obviously thoughtful remarks and I
13 appreciate you taking the time to come out here.

14 JUDGE WOODRUFF: Question from parities?

15 MR. PENDERJAST: Thank you. Good evening.
16 I just have a couple. On the record you said that you
17 used to be a representative of local union. I want to
18 make sure you're not here speaking of a current
19 membership?

20 MR. SCHULTE: No, I am speaking as a retired
21 person. I feel that I'm representing the retired having
22 a hard time struggling to get by.

23 MR. PENDERJAST: I appreciate that
24 clarification. You didn't confer with other union
25 members on this subject?

1 MR. SCHULTE: No, I did not.

2 MR. PENDERJAST: Okay. Fine. As far as
3 your comments about rate increases, do you know when
4 Laclede last had a rate increase?

5 MR. SCHULTE: If I'm not mistaken a few
6 years ago they had \$38 million; is that correct?

7 MR. PENDERJAST: Well, I'm not asking you
8 about the holding company act you referenced. Do you
9 know if Laclede's rate increases has been declined?

10 MR. SCHULTE: No, I don't.

11 MR. PENDERJAST: You talked about the
12 incidences about the amounts -- you stated once we got
13 to the rate increase it's your understanding that the
14 entire amount of investment company gets paid as public
15 rate increases?

16 MR. SCHULTE: No, I did not say that. You
17 remember if you listened it might take three years, ten
18 years to recoup it, but that \$3 million, now using a
19 metaphor here, that's never gone. Once it's in there it
20 keeps going and going. That's what I'm talking about.

21 MR. PENDERJAST: Well, would it be your
22 understanding or basically what you know about the
23 facilities that it makes an investment hike somewhere in
24 the neighborhood to 40 years to recoup that investment?

25 MR. SCHULTE: I'm not familiar. You guys

1 never shared those figures with me. I couldn't verify
2 that.

3 MR. PENDERJAST: You are not familiar with
4 that?

5 MR. SCHULTE: No. Like I said, you would
6 not give me the figures, so hopefully you give them to
7 these guys up here.

8 MR. PENDERJAST: I would like to go ahead
9 and put there are information available --

10 MR. SCHULTE: I don't have a computer. I'm
11 from the old school.

12 MR. PENDERJAST: Fair enough. And with
13 respect to the ratio of labor to management employees,
14 do you know how many contract employees Laclede has?

15 MR. SCHULTE: I think around this time you
16 have probably 900 and about 100 in local and request.

17 MR. PENDERJAST: So 1,100, 1,200?

18 MR. SCHULTE: I'm assuming, yeah.

19 MR. PENDERJAST: Thank you very much.

20 MR. SCHULTE: Can I ask you a question?

21 JUDGE WOODRUFF: No, you really can't. You
22 can talk to him afterwards.

23 COMMISSIONER SCHULTE: Mr. Schulte, I want
24 to talk to you about a couple of issues. First of all,
25 you mentioned items with the IZRUS, the infrastructure,

1 surcharge, were you a part of the Laclede or part of the
2 gas workers when that was past?

3 MR. SCHULTE: Yes, I was.

4 COMMISSIONER CLAYTON: And can you give me
5 an idea how that legislation moved forward? Did you all
6 support it? Were you opposed to this? Were you
7 neutral, any commitments associated with the IZRUS?

8 MR. SCHULTE: If I remember correctly you
9 are old to remember but that went in maybe eight, ten
10 years ago. It was all passed in Jeff City and the
11 reason for that bill was to recuperate costs when the
12 local state or federal government made them move the
13 mains and surfaces out of the way. All of that was for
14 the improvements of the street and the highway, then
15 Laclede should be able to recover the costs. We had no
16 problem with that, you know, which is right. It was
17 perfectly good main that they should be able to recover
18 the cost for the state or local --

19 COMMISSIONER CLAYTON: I got that part.
20 Were the gas workers recruited to be in support of it or
21 did you all oppose the legislation? Were you neutral?
22 Do you recall?

23 MR. SCHULTE: We were probably we supported
24 it and I can't recall or we would have been neutral. We
25 would not have been opposed to that. We thought it was

1 only fair that they get reimbursed for it.

2 COMMISSIONER CLAYTON: Okay. So you think
3 you were in favor. Were there any commitments to the
4 gas workers? Were there going to be perks for gas
5 workers if the bill passed? Do you believe the IZRUS
6 worked as it was suppose to work?

7 MR. SCHULTE: Yeah. I believe it has worked
8 the way it was suppose to work, but I question if all of
9 the right charges are put on there, and then I question
10 when does it stop from year to year when they recuperate
11 a cost for something that happened three years ago, they
12 have already got the money for, they're asking for in
13 addition of \$9 million right now, are they ever going to
14 give that other money back, no. I have never known
15 Laclede to give any money back.

16 COMMISSIONER CLAYTON: I guess what I'm
17 trying to get at is there an assertion made that gas
18 workers are going to have more work or that there was
19 going to be more opportunity for the gas workers?

20 MR. SCHULTE: Yeah. They have always said
21 the more money we make the better offers for you guys.

22 COMMISSIONER CLAYTON: Has that
23 materialized? Have they actually benefited from IZRUS?

24 MR. SCHULTE: No.

25 COMMISSIONER CLAYTON: Why is that?

1 MR. SCHULTE: Because Laclede cut corners
2 every chance they get. For example, my understanding,
3 and I'm not in charge of the union, I have no knowledge
4 of what is going on.

5 COMMISSIONER CLAYTON: When did you retire
6 from the union?

7 MR. SCHULTE: Three years.

8 COMMISSIONER CLAYTON: We wanted to clarify
9 and get that on the record.

10 MR. SCHULTE: 2007, March of 2007. Now I
11 lost my train of thought.

12 COMMISSIONER CLAYTON: You were explaining
13 IZRUS causing more jobs for the gas workers.

14 MR. SCHULTE: Here's a good example, Laclede
15 had SMP they bought it. They had it for a few years
16 selling for a profit, well within a year they sell them,
17 they get rid of all of the local people. Now, and I
18 think the other people that's in my place now they asked
19 you to check the hits made on mains that were located by
20 SMP, there is no comparison to my understanding, but
21 they eliminated all of them jobs.

22 COMMISSIONER CLAYTON: How many jobs was
23 that?

24 MR. SCHULTE: I'm guessing around 30 or so.
25 I'm not sure. I'm just going by what I hear from the

1 grapevine.

2 COMMISSIONER CLAYTON: You mentioned in your
3 testimony concern with the Laclede Group. Do you recall
4 when that occurred?

5 MR. SCHULTE: At least ten years ago.

6 COMMISSIONER CLAYTON: Were there any
7 commitments made to any gas workers during your time
8 associated with that creation?

9 MR. SCHULTE: No. There was just statements
10 it's better for Laclede if they are making more money
11 and by this group branching out into Laclede Group it's
12 going to save or it's going to make more money, we're
13 not going to have go backwards on any rate increases.

14 COMMISSIONER CLAYTON: Do you believe that
15 those events have occurred and do you think things
16 worked as you anticipated?

17 MR. SCHULTE: No.

18 COMMISSIONER CLAYTON: Why is that?

19 MR. SCHULTE: No. I feel -- well, they keep
20 coming back for more rate increases. Today they make
21 the workers secure jobs because they're eliminating
22 them. I think when I left there there was between both
23 locals there was probably 12, 1,500 employees, and I
24 think now they are down to maybe 12, 1,150, somewhere in
25 there.

1 COMMISSIONER CLAYTON: All right. Well,
2 thank you for coming out tonight and representing the
3 retired folks that are out there.

4 MR. SCHULTE: You are welcome.

5 JUDGE WOODRUFF: Thank you, Mr. Schulte.
6 Next name on the list is Raymond Redlich.

7 (Witness sworn.)

8 JUDGE WOODRUFF: Will you tell us your name?

9 MR. REDLICH: Raymond Redlich.

10 JUDGE WOODRUFF: Spell your last name.

11 MR. REDLICH: R-e-d-l-i-c-h.

12 JUDGE WOODRUFF: Thank you. What would you
13 like to tell us?

14 MR. REDLICH: Well, I thank you for the
15 opportunity to come and give my testimony here this
16 evening. I am the assistant director of the New Life
17 Center. We are an organization that among other things
18 helps with people's utility bills. We also work for the
19 homeless and we also do utility assistance, other forms
20 of financial assistance. I have worked with the
21 organization for the past 35 years, and, of course, when
22 that the problems of people who were low income is
23 nothing new but we see right now the current economic
24 recession that people are in tremendous burden, reduced
25 income, some lose their jobs, incomes are limited, but

1 also various forms of funds, there aren't as much funds
2 available, government cutbacks and utility programs are
3 not well funded as they could be. Therefore, I feel
4 that Laclede Gas Company should wait until a better
5 economic environment time to ask for rate increases, and
6 I believe pose a tremendous hardship on the people we
7 service. I see them come to our center week after week.
8 People are struggling to keep their home's gas on,
9 electric, very difficult times. I do want to thank
10 Laclede as the previous speakers done so for their help
11 in working with the clients. I can tell you just today
12 I was able to make two pledges on the online pledge
13 system. I'm grateful fr customer service people at
14 Laclede Gas and also grateful for Laclede Gas'
15 participation in the Dollar Help program. These are
16 very important things that are available to help people.
17 I am grateful for that. But, again, I think that this
18 is not the proper time to put this rate increase into
19 effect, should weight until better opportunity.

20 JUDGE WOODRUFF: Thank you.

21 COMMISSIONER CLAYTON: Very briefly, first
22 of all, I appreciate you being here and appreciate the
23 hardship it was in fighting the hail and the downpour
24 when you came in. That wasn't easy for you. I wanted
25 to ask you what you thought the commission aside from,

1 you know, keeping rates low or as low as possible, that
2 sort of comment, can you give me an idea of what else
3 you think the commission should do to provide some
4 assistance or arrange some policy that improves certain
5 things for folks that are struggling with the issues
6 that you mentioned?

7 MR. REDLICH: Well, as some of the previous
8 speakers mentioned, I think a good program of
9 weatherization is helpful. Some of these
10 recommendations will be more in the legislative line
11 than the jurisdiction of the commission. I think that
12 the state weatherization program and encourage the
13 program of helping people weather-rise their homes,
14 especially elderly. Some of this is already in effect
15 is greatly needed.

16 COMMISSIONER CLAYTON: Are you seeing any
17 dollars going out to help weather-rising or making their
18 homes more efficient.

19 MR. REDLICH: We don't channel any of the
20 government funds. It's not through our organization.
21 We do provide weatherization materials directly through
22 our charitable program. I know that there are programs.
23 I'm not directly involved with them. Certainly those
24 programs do exist. I think a lot more can be done to
25 help people conserve energy, and also I'd like to see

1 the state of Missouri do more to encourage and promote
2 alternative forms of energy. This is a long-term
3 research. I think that we as a society and here in
4 Missouri need to do more to really encourage and look
5 into the possibilities of any forms of alternative
6 energy, home heating and ways to conserve.

7 COMMISSIONER CLAYTON: Thank you very much.

8 COMMISSIONER GUNN: I just have a couple
9 clarifying questions. Do you work mostly, when you are
10 dealing with assistance, are you working through third
11 parties or directly with Laclede Gas?

12 MR. REDLICH: Third parties.

13 COMMISSIONER GUNN: HDC for example?

14 MR. REDLICH: No, we work directly with
15 Laclede Gas.

16 COMMISSIONER GUNN: That interaction has
17 been very positive as you said?

18 MR. REDLICH: Yes.

19 COMMISSIONER GUNN: For the homeless
20 outreach that you do, do you get involved primarily
21 after someone becomes homeless or do you do any kind of
22 actual work in order to prevent homelessness?

23 MR. REDLICH: We do limited rental
24 assistance when we are financially able to do so. Our
25 organization relies on donations, so it's pretty much a

1 week by week determination how much we can help people.

2 COMMISSIONER GUNN: Have you seen increase
3 of people coming through your facility, and you may not
4 be able to answer this question, as a direct result of
5 problems with the utility bills or is it general
6 condition?

7 MR. REDLICH: It's hard to monitor. I do
8 know over the recent years many cases of people who are
9 not homeless yet but they're approaching that situation.
10 And, of course, their problem was if they got their
11 utility shut off they would lose Section 8 benefits or
12 for some reason lose their apartment, and we try to help
13 people avert that situation actually taking place. From
14 a perspective of homeless people that come to us it's
15 really difficult for me to tell how many.

16 COMMISSIONER GUNN: When you're dealing with
17 the situation you just described, would you work
18 directly with Laclede Gas if it was a gas issue being
19 shut off?

20 MR. REDLICH: Yes, we would.

21 COMMISSIONER GUNN: And that, again, was a
22 positive experience?

23 MR. REDLICH: Yes. Of course, their funds
24 are limited. There's only so much.

25 COMMISSIONER GUNN: Thank you. I appreciate

1 you coming out in the rain.

2 COMMISSIONER KENNEY: I don't have any
3 questions. Thank you for your work that you do and for
4 your 35 years continuing to do that work and thanks for
5 coming.

6 JUDGE WOODRUFF: Parties?

7 MR. PENDERJAST: No questions. Thank you
8 for your comments.

9 JUDGE WOODRUFF: Mr. Redlich was the last
10 name on the list. Was there anyone else that came in
11 that would like to testify? Tell us your name, please.

12 MS. COTTON: Betty Cotton.

13 (Witness sworn.)

14 JUDGE WOODRUFF: I didn't catch your name.
15 What was your name.

16 MS. COTTON: Betty Cotton, C-o-t-t-o-n.

17 JUDGE WOODRUFF: What would you like to tell
18 us?

19 MS. COTTON: I was wondering I've been
20 noticing like for like the past eight months a bill came
21 down for \$15,50 surcharge on my gas bill. I'm assuming
22 that this on every customer's bill and has been. What
23 is the purpose of this \$15.50 and in essence you want to
24 charge us over just like double jeopardy over here added
25 to the \$15.50?

1 JUDGE WOODRUFF: I can't answer the
2 question. There are people here that are from Laclede
3 and our staff that can answer that specific question for
4 you. If somebody would identify themselves for her.

5 MR. CASSIDY: I am John Cassidy with the
6 commission staff.

7 JUDGE WOODRUFF: If you have a specific
8 question you can talk to Mr. Cassidy after the hearing.

9 COMMISSIONER CLAYTON: This is the testimony
10 part of the meeting. If you want to say something we
11 are here to listen. Talk to these folks or Laclede
12 folks here.

13 MS. COTTON: Sorry then.

14 COMMISSIONER CLAYTON: Why don't you meet
15 with staff over here and maybe one of the Laclede people
16 can come out and meet and get it all worked out.

17 MS. COTTON: Thank you.

18 JUDGE WOODRUFF: Anyone else like to
19 participate? I don't see anyone else raising their
20 hand. At this point any final comments from the
21 commissioners, then we'll adjourn. Thank you all.

22 (Hearing was concluded at 7:17 P.M.)

23

24

25

1	INDEX	
2		PAGE
3	Barbara Frose	6
4	Francis Bonham	13
5	Joe Schulte	21
6	Raymond Redlich	32
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		