

1 STATE OF MISSOURI  
2 PUBLIC SERVICE COMMISSION  
3  
4 TRANSCRIPT OF PROCEEDINGS  
5

6 Local Public Hearing  
7

8 May 25, 2010  
9

10 St. Charles, Missouri  
11

12 VOLUME 3  
13

14 In The Matter of Laclede Gas )  
15 Company's Tariff To Increase )  
16 Its Annual Revenues ) No: GR-2010-0171  
17 For Natural Gas Service )  
18

19 HAROLD STEARLEY, Presiding

20 CHIEF REGULATORY LAW JUDGE

21 KEVIN GUNN, COMMISSIONER

22 ROBERT KENNEY, COMMISSIONER  
23  
24

25 REPORTED BY: Linda DeBisschop

1                                   A P P E A R A N C E S

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3       FOR THE PUBLIC SERVICE COMMISSION:

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9       FOR THE STATE OF MISSOURI DEPARTMENT OF ECONOMIC  
10   DEVELOPMENT:

11          Mr. Marc D. Poston

12          Deputy Public Counsel

13          Governor Office Building, Suite 650

14          200 Madison Street

15          Jefferson City, Missouri   65102

16   FOR THE LACLEDE GAS:

17          Mr. Michael C. Pendergast

18          Mr. Rick Zucker

19          Laclede Gas

20          720 Olive Street

21          St. Louis, Missouri   63101

22

23   ALSO PRESENT:

24          Ms. Linda DeBisschop, CSR

25          Midwest Litigation Services

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

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3 JUDGE STEARLEY: We are going on the record.  
4 Good evening. Today is Tuesday, May 25, 2010. The  
5 Commission has set this time for a local public  
6 hearing in File Number GR 2010-0171 in which Laclede  
7 Gas Company seeks to implement a general rate  
8 increase for its natural gas in Missouri.

9 My name is Harold Stearley, and I'm the  
10 Regulatory Law Judge presiding over tonight's  
11 hearing. With me tonight are Commissioners Gunn and  
12 Kenney.

13 And, Commissioners, I would ask if you  
14 would like to make a statement.

15 COMMISSIONER GUNN: I just want to thank  
16 everybody for coming out tonight. We know everybody  
17 is busy, but we appreciate the time and that's it.

18 JUDGE STEARLEY: Commissioner Kenney?

19 COMMISSIONER KENNEY: Same. I just want to  
20 thank everybody for coming out and also let you know  
21 that there are two of us here tonight, but there are  
22 five of us and the other three Commissioners will  
23 have an opportunity to review the transcript of  
24 what's said here tonight and it will become a part  
25 of the record and your voice will be part of the

1 case and your voice will be heard, so thank you for  
2 coming and thank you for participating in the  
3 process.

4 JUDGE STEARLEY: Following opening  
5 statements, entries of appearance from counsel  
6 beginning with Laclede Gas Company.

7 MR. PENDERGAST: Thank you, Judge. Michael  
8 C. Pendergast and Rick Zucker appearing on behalf of  
9 Laclede Gas Company. Our business address is 720  
10 Olive Street, St. Louis, Missouri 63101.

11 JUDGE STEARLEY: Thank you Mr. Pendergast.  
12 From the Office of Public Counsel.

13 MR. POSTON: Thank you. Mark Poston,  
14 Office of Public Counsel, P.O. Box 2230, 200  
15 Madison, Jefferson City, Missouri 65102.

16 JUDGE STEARLEY: Thank you, Mr. Poston. And  
17 for the staff of Public Service Commission.

18 MR. RITCHIE: Thank you. Here appearing for  
19 the Missouri Public Service Commission, Sam Ritchie,  
20 P.O. Box 360, Jefferson City, Missouri 65100.

21 JUDGE STEARLEY: Thank you, Mr. Ritchie.  
22 Are any of our intervenors represented by counsel  
23 tonight? There are none. Let the record reflect  
24 that none of the intervenors enter an appearance  
25 this evening.

1                   We will begin taking your statements. I  
2   have a sign-up sheet that was out front and I have  
3   two names on it. The procedure that we normally  
4   follow is I will call your name and you can come up  
5   to the podium and I will swear you in and you can  
6   provide your statements for the Commission, after  
7   which we might have a couple of questions for you  
8   and counsel, who you've just heard introduce  
9   themselves, might have questions for you. However,  
10  if any of you are uncomfortable coming up here and  
11  standing in front of this podium in front of  
12  everybody, we do have these portable microphones and  
13  we will bring them out to you if that is more  
14  acceptable to you. This is not an overly formal  
15  proceeding and I'm not trying to put you on the spot  
16  or anything. The Commissioners just want to inquire  
17  regarding customer service and billing and issues  
18  that you may have with the company.

19                  So starting with our list here, I have  
20  Mr. Hubert Hefling. Mr. Hefling, would you like to  
21  make a statement?

22                  MR. HEFLING: I didn't offer to testify.

23                  JUDGE STEARLEY: All right. And then,  
24  following Mr. Hefling, I have Kathleen Kaiser. Ms.  
25  Kaiser?

1           MS. KAISER: I don't know if I'm comfortable  
2 enough to come up there.

3           JUDGE STEARLEY: Before you speak, let me  
4 have you raise your hand.

5           (UPON WHICH MS. KAISER IS SWORN.)

6           JUDGE STEARLEY: Could you, please, state  
7 and spell your name for our court reporter.

8           A    It is Kathleen, K-A-T-H-L-E-E-N, Kaiser,  
9 K-A-I-S-E-R.

10          QUESTIONS BY JUDGE STEARLEY:

11          Q    Miss Kaiser, you a customer of Laclede,  
12 correct?

13          A    Yes, I am.

14          Q    You may proceed.

15          A    Well, I asked some tough questions before  
16 and I got some legitimate answers and I understand a  
17 little more of why they are asking for a rate  
18 increase.

19               First of all, I want to again point to  
20 economic times. We are all suffering. I mean, I  
21 personally have been unemployed for over a year and  
22 I've got a master's degree, so I am really  
23 suffering. Another increase for a utility company  
24 will be tough on my budget and I want to tell you  
25 something that was a little disturbing is that they

1 sent out these little forms that said we need to  
2 replace your meter and give us a time and date that  
3 we can do that, but nobody followed up. Nobody  
4 called me and like what, is my meter reading  
5 something wrong? That is my question. But nobody  
6 responded to that card.

7           Also, I would like to point out that, if  
8 they do get a rate increase, there is already  
9 charges on my bill and that includes a monthly  
10 customer charge of \$15.50, a monthly ISRS charge of  
11 \$1.33 and usage charges and there is a St. Charles  
12 tax on here and there is a sales tax, so I guess all  
13 of those things, you know, taxes, the city tax and  
14 sales tax will go up too if they get that.

15           As we were speaking, I asked about some of  
16 the points as to why they were wanting this  
17 increase. One of the points said that they needed  
18 to refund their pension. Okay. Guys, I have a  
19 401K. Do you know what that looks like? I'm  
20 unemployed. I'm sorry that everybody's pension is  
21 falling. I'm sorry, I can't do that. I can't fix  
22 yours, I can't even fix my own. I don't know.

23           I just want to say think about the  
24 unemployment number when you consider this. Think  
25 about who the customers are and think about the

1 point that we've already been hit with this. You  
2 know, we are already paying this monthly customer  
3 charge and they get to raise the rates if the gas  
4 that they are buying, the propane they are buying  
5 goes up. We are getting that too. So we are  
6 getting stuck how many ways. They are already  
7 passing, if there is a rate increase, that to us  
8 already on a monthly basis. So, I want to tell you,  
9 I don't know how I will make it.

10 And thank you for listening and I thank  
11 them. They were very legitimate in their answers  
12 and very honest and I got a good grasp of what they  
13 were trying to do and they were all nice people. So  
14 thank you.

15 JUDGE STEARLEY: Ms. Kaiser, before you sit  
16 down, let me check with the Commissioners. Do you  
17 have any questions?

18 COMMISSIONER GUNN: I have a couple of  
19 questions.

20 (QUESTIONS BY MR. GUNN:)

21 Q Thank you very much for coming. And the  
22 testimony is not uncommon. I want to follow-up on a  
23 couple of things.

24 The card that you received about your  
25 meter replacement; did you fill it out and send it



1 back in and you haven't heard anything from them  
2 since?

3 A No.

4 Q How long ago do you think that was?

5 A It was, in fact, at the end of April because  
6 it was either March or April.

7 Q As far as you know, that meter has not been  
8 replaced?

9 A No. Because they said they would have to  
10 get inside and turn off the gas and turn it back on.

11 Q Have you ever had to call, other than with  
12 the card, have you ever had to call them for any  
13 service-related issues?

14 A Yes, I did.

15 Q How was that experience?

16 A It was fine. The gas meter on the outside  
17 was actually leaking, so they did have to shut down  
18 all the gas and re-light everything.

19 Q Were you satisfied with response time, the  
20 way they left the condition?

21 A Yes.

22 Q Everything else was fine?

23 A Yes.

24 Q No problems getting through?

25 A No.

1           Q    No billing issues real problems?

2           A    No.  When I call, they do explain that  
3   because I kind of knew that because they started  
4   listing this monthly customer charge of \$15.50 and I  
5   asked about the \$1.33 charge also.  I asked about  
6   that.  They said that was something the legislature  
7   passed through and I asked these gentlemen again and  
8   they explained it a little bit further this evening.  
9   But, no, I think they have been clear.

10          Q    If you don't have any other questions, our  
11   staff can explain hopefully, if the they haven't  
12   done already, most of those things further in  
13   detail, but we certainly appreciate you coming town.

14               JUDGE STEARLEY:  Commissioner Kenney?

15               COMMISSIONER KENNEY:  I don't have any  
16   questions.  Is there anybody here that can help Miss  
17   Kaiser tonight with a meter issue?  Okay.  Thank you  
18   for coming out tonight and sharing your thoughts  
19   with us.

20               JUDGE STEARLEY:  I want to be sure, does any  
21   counsel present have any questions for Ms. Kaiser?

22               MR. PENDERGAST:  I don't have any questions,  
23   but I want to thank you for your comments and also  
24   apologize if we failed to follow up on your meter.  
25   We are sorry, but we want to take care of it right

1 away. Like I said, please, see Lori over there or  
2 see me and we will make sure to take care of that  
3 situation as soon as possible and hopefully that  
4 will be remedied.

5 THE WITNESS: Then can I can put it to your  
6 attention?

7 JUDGE STEARLEY: I don't have anyone else on  
8 my sign-up sheet. Is there anyone else present who  
9 would like to offer any statements or information?  
10 Please come forward.

11 MS. GANAHL: My name is Cathy Ganahl. Cathy  
12 with a C, Ganahl, G-A-N-A-H-L.

13 (WHEREUPON, MS. GANAHL IS SWORN.)

14 JUDGE STEARLEY: I'm assuming you too are a  
15 customer of Laclede?

16 MS. GANAHL: I am a customer of Laclede. I  
17 am the trustee of a subdivision of 1,058 homes and  
18 we have seen the downturn of the economy. A lot of  
19 homeowners losing their homes because of the loss of  
20 jobs and we are -- our assessment is very minimal  
21 and we just barely make operating, the assessment  
22 fees to operate in the subdivision which mainly just  
23 covers our lighting and our insurance and  
24 maintaining our common ground areas.

25 And with Ameren and Missouri Water Company

1 also asking for rate increase, along with Laclede  
2 Gas, it will not be good for a lot of folks at this  
3 point in time. We have a lot of foreclosures in our  
4 subdivision right now. The properties are going  
5 unmaintained and right now it would not be a very  
6 good time for this rate increase with the downturn  
7 in our economy. Maybe next year. That's it.

8 JUDGE STEARLEY: Questions?

9 COMMISSIONER GUNN: Just a quick one. As a  
10 trustee, if people have complaints or problems with  
11 their meters or with the gas company, would you hear  
12 about that? Is there a formal process or even an  
13 informal communication process that they would have  
14 with you?

15 MS. GANAHL: Oh, yeah. I mean, we have our  
16 website. We have a phone line, we have a P.O. Box  
17 and they call us on anything, but they haven't  
18 notified us of any issues about meters or anything.

19 COMMISSIONER GUNN: So there doesn't appear  
20 to be service issues?

21 MS. GANAHL: No.

22 COMMISSIONER GUNN: I don't have anything  
23 else.

24 JUDGE STEARLEY: Commissioner Kenney?

25 COMMISSIONER KENNEY: No questions, but

1     thanks for coming out and representing your  
2     subdivision.

3             JUDGE STEARLEY:   Excuse me, just a minute.  
4     Any questions from counsel?

5             MR. PENDERGAST:   No questions.   Thank you  
6     for your comments.

7             JUDGE STEARLEY:   Is there anyone else who  
8     would like to offer any statements?   Seeing that, I  
9     would like to remind anyone who is here, if you just  
10    came to attend the hearing today, if you can't make  
11    contact with the Commission, you can have your  
12    comments heard in a number of different ways either  
13    by giving us written comments, contacting our staff,  
14    consumer services or the Office of Public Counsel.  
15    Do you have any closing remarks?

16            COMMISSIONER GUNN:   Just to let everybody  
17    know this is kind of the middle of this process.  
18    The next after the local public hearings are over,  
19    we have evidentiary hearings, which is like a trial,  
20    and those will be webcast and they are currently  
21    scheduled for August 2 through the 13 so they can be  
22    seen on our web site which is WWW.PSC.MODOT.GOV.

23            You can also go there if you have any  
24    other folks that want to make comments you can also  
25    make comments through our web site, but all of those

1   hearings are streamed over the Internet on the  
2   website. We encourage people to look at it and we  
3   appreciate you coming out tonight.

4               JUDGE STEARLEY: Commissioner Kenney?

5               COMMISSIONER KENNEY: No. I think all  
6   that's been said that needs to be said. Thank you  
7   for participating in the process.

8               JUDGE STEARLEY: Since we have no other  
9   testimony, the local public hearing in file number  
10  GR 2010-017 is hereby adjourned. Thank you very  
11  much.

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