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STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

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TRANSCRIPT OF PROCEEDINGS

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Public Hearing

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August 24, 2005

12

St. Louis, Missouri

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Volume 4

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In the matter of Laclede Gas Company's)  
Tariff to Revise Natural Gas Rate ) Case No. GR-2005-0284  
Schedules )

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NANCY M. DIPPELL, Presiding  
SENIOR REGULATORY LAW JUDGE

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JEFF DAVIS, Chairman,

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CONNIE MURRAY,

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STEVE GAW,

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LINWARD "LIN" APPLING,

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COMMISSIONERS

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REPORTED BY: Carol A. Green

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

2 Laclede Gas company was represented by  
3 attorney Mr. Michael Pendergast, 720 Olive Street,  
4 Suite 1520, St. Louis, Missouri 63101.

5  
6 The Office of Public Counsel was represented  
7 by Senior Public Counsel Mr. Mike Dandino, P.O. Box  
8 2230, Jefferson City, Missouri 65102.

9  
10 The Staff was represented by Deputy General  
11 Counsel Mr. Tim Schwarz, P.O. Box 360, Jefferson City,  
12 Missouri 63102.

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PROCEEDINGS

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JUDGE DIPPELL: Missouri Public Service

Commission has set this time for a local public hear-

ing for Case No. GR-2005-0284, in which Laclede Gas

Company seeks to implement a general rate increase.

I think you all probably know by now, the

Missouri Public Service Commission regulates investor-

owned utility companies in Missouri to ensure that

those rates are just and reasonable. The Commission

also regulates the quality of service and the safety

in the operations of those investor-owned utilities.

The Commission is made up of five commis-

sioners. Two of those commissioners are here with me

tonight, that is the chairman, Jeffrey Davis and

commissioner Steve Gaw. I also have one of the com-

missioners in Jefferson City, commissioner Connie

Murray. I'm not sure if she's with us yet or not.

Commissioner Murray are you there? She

may be joining us at a little later time. As I said,

my name is Nancy Dippell.

COMMISSIONER APPLING: Can you hear me?

JUDGE DIPPELL: Yes. Mr. Appling?

COMMISSIONER APPLING: Yes. Can you hear

me?

JUDGE DIPPELL: Yes. Commissioner

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1 Appling is in our Jefferson City office.

2 COMMISSIONER MURRAY: And I'm here also,  
3 Judge.

4 JUDGE DIPPELL: All right, Commissioner  
5 Murray. They will be able to ask questions and hear  
6 what you are saying, and that's the reason I'm going  
7 to ask you to speak into the microphone. I'd also  
8 like to thank the Cooperating School Districts for  
9 letting us use this facility. And to state that  
10 nothing that's said here tonight are the opinions, or  
11 anything that's gone on before for that matter has  
12 anything to do with the Cooperating School Districts,  
13 they're just being gracious hosts and we appreciate  
14 them letting us use their room. And that's the reason  
15 we're going to try to get us out of here at nine  
16 o'clock.

17 I think you've met the attorneys that are  
18 here today. We have some of our staff here tonight,  
19 and they'll be available to help you with any consumer  
20 issues that you might have. They will be happy to  
21 speak with you about that. Laclede also has some con-  
22 sumer people here tonight and this is their attorney,  
23 Mr. Pendergast, he'd be happy to speak with anyone af-  
24 terwards. And we have with us Office of Public  
25 Counsel representative Mike Dandino. And I think

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1 that's all the preliminary stuff I have.

2 Commissioner Davis did you want to give  
3 any opening remarks?

4 COMMISSIONER DAVIS: I would just like to  
5 thank everyone for coming. I know that there have  
6 been some alleged procedural defects in the way this  
7 whole case came about. We were notified in writing  
8 that there was a proposed settlement on the table. We  
9 asked for information for that settlement for this  
10 hearing.

11 The parties responded that they did not  
12 want to -- That they did not have an agreement yet,  
13 they wanted to wait on these hearings before they ac-  
14 tually signed that agreement. So for right or wrong  
15 we acceded to their request. Given the circumstances  
16 that are here, the fact that if in two days or when-  
17 ever they file this agreement on all these issues,  
18 it's my intent to come back and have public hearings  
19 on that agreement.

20 So It is my intent that we will be back  
21 here, back in St. Louis to give people a chance to  
22 comment on whatever proposed agreement the parties in-  
23 tend to file, which I have no knowledge of what is in  
24 that agreement. I just wanted to be clear about that,  
25 and thank everyone for coming.

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1 JUDGE DIPPELL: Commissioner Gaw, did you  
2 want to make an opening remark?

3 COMMISSIONER GAW: I think I made it  
4 clear earlier today, and I know most of you weren't  
5 there, that I felt strongly that everyone should have  
6 an opportunity to know what's in some purported agree-  
7 ment in order that we can get feedback on that. I  
8 feel very strongly about that.

9 I wish we were doing that now, because I  
10 think the parties have already said they have an  
11 agreement in principal. I think we ought to be talk-  
12 ing about it. But I do think if it's not going to be  
13 disclosed at this point in the process the next best  
14 thing is to come back and have additional hearings so  
15 that you can voice comments on it.

16 That's what I look forward to, and I too,  
17 as the chairman said, I very much appropriate all of  
18 you taking the time out to come down here. Because  
19 everybody here is busy, I know you are. So thanks for  
20 that, and I look forward to hearing what you have to  
21 say.

22 JUDGE DIPPELL: Commissioner Murray, did  
23 you have any comments?

24 COMMISSIONER MURRAY: Yes, Judge. I just  
25 wanted to thank everyone for coming this evening. And

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1 to point out that in the interest of giving everybody  
2 the opportunity to speak, I probably will not be ask-  
3 ing questions tonight. That will not indicate that I  
4 am not listening and I'm not interested in what you  
5 have to say. But I want you to have the opportunity  
6 to speak, rather than us taking up too much of the  
7 time. And I would also like to ask, Judge, do you  
8 have a number there on your list as to how many people  
9 have signed up at this point, roughly?

10 JUDGE DIPPELL: I have ten names on here  
11 and three of those have made testimony earlier. So  
12 we're going to start with the other people.

13 COMMISSIONER MURRAY: All right. Thank  
14 you.

15 JUDGE DIPPELL: Commissioner Appling, did  
16 you have any opening remarks?

17 COMMISSIONER APPLING: No, Judge. I don't  
18 have any opening remarks. I'd just like to say I ap-  
19 preciate the fact that everyone is showing up, and that  
20 we are listening. Thank you very much.

21 JUDGE DIPPELL: Let's go ahead and begin  
22 with our first witness. Glen Koenen? Is this  
23 something you would like me to mark as an exhibit?

24 THE WITNESS: Yes.

25 JUDGE DIPPELL: Okay. I'll mark this as

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1 Exhibit No. 1.

2 (Thereupon, the witness was duly sworn/  
3 affirmed by the Judge to tell the truth.)

4 JUDGE DIPPELL: If you could state your  
5 name and spell it.

6 THE WITNESS: My name is Glen Koenen,  
7 K-o-e-n-e-n. I'm the executive director of Circle of  
8 Concern, which is a charity serving southwest and west  
9 St. Louis County. Among the things we do is help  
10 people with utility bills. The bad news is, folks, we  
11 already have a train wreck, and this rate increase is  
12 pouring more gasoline onto a hot burning fire.

13 What we're already seeing are families  
14 coming to us every day that have past due balances of  
15 \$1000 or more left over from the last heating season.  
16 What we're seeing are more and more working families,  
17 people who get up every morning, have a job, do their  
18 best, they just can no longer afford gas to stay warm.  
19 They have trouble affording food for their family, gas  
20 for their car.

21 We're in a very bad economic time for  
22 many, many families. Let's not forget in the State of  
23 Missouri we have over 772,000 people getting food  
24 stamps. We've never had more than 700,000 people get-  
25 ting food stamps before this year. We're looking at a



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1 situation now where many working poor families are  
2 being told to maintain their Medicaid payments or  
3 Medicaid coverage. They have to pay the State of  
4 Missouri money.

5 The gentleman who came into my office on  
6 Monday, a grandfather trying to raise grandchildren.  
7 He's so poor he gets \$400 a month in food stamps, and  
8 yet the State of Missouri said if he didn't prepay  
9 \$164 a month for Medicaid he and his grand kids won't  
10 have Medicaid coverage.

11 In a situation like that, where my chari-  
12 ty is getting 20, 30, 40 phone calls a day from people  
13 seeking utility assistance -- In a situation where we  
14 have had to rearrange our budget so we have more money  
15 available to help our families, we increased the  
16 amount of the money for utility assistance by about 25  
17 percent this year. And yet, we're still turning down  
18 more people than ever before.

19 For two reasons, one, there's a tremen-  
20 dous amount of people coming and asking for help.  
21 And, two, they owe so much money that the \$200 or \$300  
22 our charity can give them isn't enough to make a dent.  
23 We're not going to spend \$200 to pay Laclede Gas or  
24 AmerenUE if that will not get the service on. We are  
25 seeing people who routinely owe \$1000 or more from

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1 last heating season. We're seeing some people who owe  
2 \$2000 between their gas and electric from last year.

3 We are also seeing families not only have  
4 to choose between which utility bill to pay, they now  
5 have to choose whether to put gas in their car to go  
6 to work, skip work and stay home with the kids be-  
7 cause they can't afford daycare, or buy food for their  
8 family. An awful lot of our fellow citizens are  
9 struggling right now, and this is making it worse.

10 To give Laclede Gas some very good cre-  
11 dit, they do have the Dollar Help Program, they have  
12 supported that. The problem is, that is not enough.  
13 It is not enough money in the system, the federal  
14 energy grants are not going to go up. They haven't  
15 gone up for several years. In the end, the best thing  
16 that we could do is start working towards a level  
17 payment plan.

18 It's been talked about in the past, where  
19 families can enroll in it and pay a set amount of  
20 their income every month. Say 5 or 10 percent in  
21 their gas bill, and 5 or 10 percent in their electric.  
22 And as long as they keep up those payments, as long as  
23 they complete the application for energy assistance,  
24 they're guaranteed of maintaining service.

25 This is not a place where you have gas as

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1 a luxury, you need to stay warm in the wintertime.  
2 This increase will make a bad situation worse, and  
3 we'll see more families lose their gas service. We'll  
4 see more families heating with kerosine heaters, im-  
5 proved wood stoves, and other dangerous things. The  
6 best thing we can do is keep the rates down, so work-  
7 ing families especially, can afford to stay warm.  
8 JUDGE DIPPELL: Thank you, sir.  
9 Commissioner Murray, I'm going to start with you. Did  
10 you have any questions?  
11 COMMISSIONER MURRAY: No questions.  
12 JUDGE DIPPELL: Commissioner Appling,  
13 did you have any questions?  
14 COMMISSIONER APPLING: Judge, I have no  
15 questions at this time.  
16 JUDGE DIPPELL: Commissioner Gaw, did you  
17 have any questions?  
18 COMMISSIONER GAW: I defer to the Chair.  
19 JUDGE DIPPELL: Mr. Chairman, did you  
20 have any questions?  
21 CHAIRMAN DAVIS: Mr. Koenen, let me just  
22 ask you, this fixed payment plan that you would be  
23 proposing, doesn't Laclede already have some sort of a  
24 fixed payment plan, how would this differ?  
25 THE WITNESS: The budget billing plan

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1 takes your basic cost and divides it over 12 months,  
2 that levels out the total amount. The problem is, we  
3 are seeing people who can't afford that total amount.  
4 This is a proposal from a number of years ago -- I'm  
5 showing my age -- from back in the '80s and early '90s  
6 where people would sign up and pay a fixed amount of  
7 their income, and then that automatically is applied  
8 for federal energy grants and so on. Yes, it could  
9 mean more of a burden on Laclede or other gas com-  
10 panies because the people may not be able to pay 100  
11 percent of the posted rate.

12 But on the other hand, they would be pay-  
13 ing a fixed amount, a set amount every month and doing  
14 the best they can. Keep in mind, for some of these  
15 families, they're in situations where their budget  
16 billing amount and their plan amount after they've had  
17 problems with their bills may be 30, 40, 50 -- in one  
18 case we saw 104 percent of the family income. But the  
19 family had to agree to the plan to get their service  
20 turned back on.

21 CHAIRMAN DAVIS: Just to paraphrase, it's  
22 a fairly common occurrence, your getting as many as  
23 20 to 30 phone calls a day from people who are having  
24 to choose between paying their rent, paying for medi-  
25 cine, putting groceries on the table, and paying their

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1 utility bills?

2 THE WITNESS: Yes, sir.

3 CHAIRMAN DAVIS: Thank you.

4 JUDGE DIPPELL: Thank you, very much.

5 Commissioner Gaw?

6 COMMISSIONER GAW: If I'm reading this  
7 correctly, you've been involved in service organi-  
8 zations in the area for 20 years?

9 THE WITNESS: Yes, sir.

10 COMMISSIONER GAW: Have you ever seen it  
11 this bad?

12 THE WITNESS: No. It's getting worse  
13 every year for a number of factors. One, the fact  
14 that energy costs are going up. Housing costs for low  
15 income families are going up faster than inflation.  
16 And also, right now we have this terrible situation  
17 where the federal energy grants, the old LIHEAP pro-  
18 gram, I don't know what they're calling it this year.  
19 That program has not substantially been increased for  
20 several years. We're seeing people who got \$250  
21 twenty years ago still getting \$250.

22 COMMISSIONER GAW: Isn't it true that  
23 this program has not really changed in the amount of  
24 funding over the course of its existence since the  
25 early 1980s?

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1 THE WITNESS: No. And there's a lot of  
2 opposition in Congress to increasing it. In fact,  
3 every year we read about threats to that program. So  
4 even that \$250 per family may be at risk this year or  
5 next. Keep in mind, this is the same Congress that is  
6 talking about taking money away from food stamps to  
7 have more money for price supports.

8 COMMISSIONER GAW: Thank you very much,  
9 sir.

10 JUDGE DIPPELL: Do any of the attorneys  
11 have any questions?

12 MR. DANDINO: No questions.

13 MR. PENDERGAST: I just want to thank you  
14 for your testimony. And thank you for the acknowledg-  
15 ment for the efforts we've made over the years with  
16 Dollar Help. I would like to let you know that recent  
17 energy legislation was passed that did raise the ceil-  
18 ing, the authorization ceiling to 5.1 billion dollars,  
19 a significant increase.

20 Now, that's just raising the ceiling, you  
21 still need to go ahead and have appropriations. So  
22 that's where the action is, and contacting your  
23 congressman and telling them to go ahead and support  
24 the increase in funding while there's still time.

25 JUDGE DIPPELL: Were there questions from

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1 any of the other attorneys of the parties? And sir, I  
2 forgot to ask you your address.

3 THE WITNESS: 112 St. Louis Avenue,  
4 Valley Park, Missouri 63088.

5 JUDGE DIPPELL: And are you a customer  
6 yourself of Laclede Gas?

7 THE WITNESS: Yes, I am.

8 JUDGE DIPPELL: Mr. Rice?

9 (Thereupon, the witness was duly sworn/  
10 affirmed by the Judge to tell the truth.)

11 JUDGE DIPPELL: Could you state your name  
12 and spell it for the court reporter.

13 THE WITNESS: Mark Rice, R-i-c-e.

14 JUDGE DIPPELL: And could you give us  
15 your address.

16 THE WITNESS: 3546 California, St. Louis  
17 Missouri.

18 JUDGE DIPPELL: Are you a customer of  
19 Laclede Gas?

20 THE WITNESS: I'm a customer, and also an  
21 employee.

22 JUDGE DIPPELL: Please give us your  
23 comments.

24 THE WITNESS: When I read the  
25 Post-Dispatch article, it basically said it was a done

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1 deal, which you have said two or three times that it's  
2 not. I want to know if you're covered under the  
3 Missouri Sunshine Laws?

4 JUDGE DIPPELL: The Commission is most  
5 definitely covered under the Missouri Sunshine Laws.

6 THE WITNESS: Where did you have these  
7 other meetings at that this is supposedly not a done  
8 deal, where was this held at?

9 JUDGE DIPPELL: Sir, we're here today to  
10 take your comments. We had an earlier public hearing  
11 today, but if you have other questions I'd ask that  
12 you hold those, and just give us your comments on the  
13 rate increase.

14 THE WITNESS: Well, what I want to know,  
15 is where did you have the meeting at where you dis-  
16 cussed all this? Did you have it down at Tony's  
17 Restaurant, or where was the meeting at? I wasn't  
18 aware of it.

19 CHAIRMAN DAVIS: Sir, we, the Commission,  
20 we didn't participate in any of these meetings. Our  
21 staff was a party to the case, but we can't even dis-  
22 cuss these issues with our own staff that works for us  
23 on these cases. So to answer your question, I have no  
24 idea when or where any of the discussions took place  
25 between the staff, the Office of the Public Counsel,



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1 Laclede Gas, and any of the other parties involved.

2 THE WITNESS: Are any of your staff  
3 people here, can I ask them?

4 MR. SCHWARZ: My name is Tim Schwarz, I'm  
5 an attorney for the Commission. The discussions among  
6 the parties were held as part of the settlement con-  
7 ference that the Commission has scheduled in this  
8 case. All of the parties were given notice of it, and  
9 in fact, all of the parties, including Laclede's Local  
10 5-6 participated in those meetings.

11 THE WITNESS: Where was the meeting at?

12 MR. SCHWARZ: In Jefferson City.

13 THE WITNESS: Okay. Now you guys did all  
14 this, it seems like it was all underhanded, that you  
15 did it behind everybody's back. Then you made the  
16 comment, Well, we got to have the meeting before it's  
17 a done deal. Now, I don't know, maybe Jay Nixon might  
18 be interested in you violating the Sunshine Laws,  
19 that's all.

20 MR. PENDERGAST: Sir, if I could --

21 JUDGE DIPPELL: Mr. Pendergast, I'd rather  
22 you didn't. We're here tonight to take your comments  
23 about the rate increase. If you have complaints about  
24 the Commission, we'll be happy to hear those at another  
25 time. If you have complaints that you feel rise to the

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1 level of the Attorney General's Office, we suggest you  
2 call them.

3 THE WITNESS: Okay. Thank you, I will.

4 JUDGE DIPPELL: Were there any questions  
5 for Mr. Rice?

6 COMMISSIONER GAW: I do. I understand  
7 your frustration, I want to tell you that. I'm frust-  
8 rated too. I don't know what's in this so-called  
9 agreement. I know the chairman doesn't know what's in  
10 it. And I want to know what's in it if they've got an  
11 agreement, because we all deserve to know, so everybody  
12 can voice their comments on it. All I can tell you, is  
13 the parties have said to us they have some sort of  
14 agreement, but they have not inked it. And until they  
15 ink it, they're not going to tell us what's in it. So  
16 I don't know what's in it either.

17 THE WITNESS: Then I can't really be for  
18 it or against it if I don't know what's in it.

19 COMMISSIONER GAW: And neither can I.  
20 And I really want to know what you think about it, be-  
21 fore I decide what I think about it.

22 THE WITNESS: I think just like you do.  
23 I don't know what there is to think about if I don't  
24 know what it is.

25 COMMISSIONER GAW: That's it. So I under-

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1 stand your frustration, and I appreciate you coming  
2 down here. And you are a person who is a Laclede Gas  
3 customer; is that correct?

4 THE WITNESS: Yes, sir.

5 COMMISSIONER GAW: And you are supposed  
6 to be represented, and not only as an individual now,  
7 by Public Counsel. Public Counsel is a different en-  
8 tity then the Public Service Commission. You have a  
9 right to go ask them what they have done. And after  
10 this is over I imagine they might be willing to talk  
11 to you.

12 Now, whether they're willing to share  
13 what they've done, that may be a different issue. And  
14 they have a right to do that, but you might want to  
15 inquire.

16 THE WITNESS: Can I ask them now, or do I  
17 have to wait for another meeting?

18 COMMISSIONER GAW: At this point we can't  
19 do that in this part of the proceeding, but --

20 THE WITNESS: Thank you, sir. At least  
21 you're trying to be fair.

22 JUDGE DIPPELL: Are there any other ques-  
23 tions for Mr. Rice?

24 CHAIRMAN DAVIS: No. Thank you.

25 JUDGE DIPPELL: Any questions

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1 Commissioner Appling or Commissioner Murray?

2 COMMISSIONER MURRAY: I have no questions,  
3 thank you.

4 COMMISSIONER APPLING: I have no ques-  
5 tions, Judge, thank you.

6 JUDGE DIPPELL: Were there any questions  
7 from you Mr. Dandino?

8 MR. DANDINO: No questions.

9 JUDGE DIPPELL: Mr. Pendergast?

10 MR. PENDERGAST: I have no questions. I  
11 would like to clarify the record. The gentleman that  
12 just spoke had two attorneys involved in the process  
13 during which these matters were discussed. They had a  
14 representative --

15 JUDGE DIPPELL: Mr. Pendergast, I'm going  
16 to let you address that in a written comment later,  
17 when we don't have people waiting to testify.

18 MR. PENDERGAST: Well, your Honor, I  
19 guess what I'm saying is that at some point I may  
20 object. Because they were parties to these proceed-  
21 ings, they were represented, they intervened. They  
22 were at every discussion we had during the settlement  
23 conference. They were agreeable to suspending the  
24 procedural schedule and not submitting additional --

25 JUDGE DIPPELL: I understand. But we

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1 called this hearing to take public comments. He's a  
2 member of the public and he came to give his comments.  
3 If you would like to address those objections, I'll  
4 let you do so in a formal pleading that you can file  
5 with the office later. Tonight we're going to take  
6 public comments. Arnie Dienhoff?  
7 (Thereupon, the witness was duly sworn/  
8 affirmed by the Judge to tell the truth.)  
9 JUDGE DIPPELL: Please state your name  
10 and spell it for the court reporter.  
11 THE WITNESS: Arnie, A-r-n-i-e, Dienhoff,  
12 D-i-e-n-h-o-f-f.  
13 JUDGE DIPPELL: If you could give us your  
14 address.  
15 THE WITNESS: 914 Amaral, A-m-a-r-a-l,  
16 Circle, Bellefontaine Neighbors, Missouri 63132-3462.  
17 JUDGE DIPPELL: Are you a Laclede Gas  
18 customer?  
19 THE WITNESS: Yes, I am.  
20 JUDGE DIPPELL: Thank you.  
21 THE WITNESS: What I'm here to testify  
22 tonight is -- I just found out about this this after-  
23 noon. I know that Laclede Gas is basically, in es-  
24 sence asking for two different rate increases. One  
25 increase is for the actual gas purchase and the other

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1 is for the actual operations cost. I have a lot of  
2 problems with the operational cost.

3 Gas prices have gone up considerably over  
4 the last three or four years. I, as probably most  
5 people that are Laclede Gas customers in this room,  
6 are on a fixed income -- not a fixed income, a budget.  
7 You have certain budgets of cost. A couple years ago  
8 Laclede Gas hit me hard with the increase during the  
9 winter.

10 I resorted to going to electric sources.  
11 I have not in two years used my gas consumption for  
12 natural gas, but I've gone through electrical heaters  
13 and I've been spending -- I have 1100 square feet on  
14 the first level and a basement of 1100 square feet. I  
15 spend eight to ten dollars a month during the winter  
16 on electric, where I was spending 60 to 80 dollars for  
17 natural gas.

18 I'm still concerned that just for hot  
19 water, which I have a 40-gallon hot water heater, I'm  
20 spending 25 dollars per month. I know the gas prices  
21 are similar to the fuel charges, but I have problems  
22 where Laclede Gas is asking for increases for safety  
23 reasons, putting in meter readings, and as you know  
24 they want to lay-off 90 employees, I believe, and  
25 those type of things.

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1 I'd like to see the Commission cut their  
2 rate increase by half, to 20 million dollars. I think  
3 that's something that could be agreeable and something  
4 that's better off and it's good for both sides. I've  
5 read articles and done some research on the Internet,  
6 and I don't know if anybody here can tell me exactly,  
7 but from my finding Laclede Gas had made a profit last  
8 year in the amount of 14 percent. And I know Mr.  
9 Pendergast and the media said it's 5 percent. And  
10 there's been some lofty bonuses given to the executive  
11 staff, but not to the actual work force, which I have  
12 some problems with also.

13 If this Commission doesn't listen and  
14 heed the public's input -- I know that Commissioner  
15 Gaw, I know that he sort of addressed what I was going  
16 to address with the previous speaker. After talking  
17 to staff the staff's response is there was no prelim-  
18 inary agreement that was made with Laclede Gas. I  
19 know Commissioner Gaw has a different stance, that  
20 there has been a preliminary agreement made.

21 The whole basis of the Commission is that  
22 you need to start with the public and the users who  
23 use their service and get their input, because these  
24 are the people you're going to affect. You're going  
25 to affect the families that are on limited budgets and

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1 the families that are struggling to keep their heat on  
2 during the season. But I hope that everybody that's  
3 here testifying, I hope we aren't wasting or time or  
4 our effort. And I hope that the Commissioners are  
5 definitely taking and heeding our advice and solu-  
6 tions.

7 Another thing I would like the commis-  
8 sioners to look into is, people that -- it's kind of  
9 like a vicious cycle. If somebody gets a bill and  
10 they fall behind, all of a sudden Laclede Gas -- and I  
11 know they're trying to stay in business and trying to  
12 do their collection side. But all of a sudden they  
13 slap on, I guess -- what's the word I'm looking for --  
14 a deposit. I have problems with that. It's just a  
15 spiraling problem out of control.

16 You have somebody that's trying to meet  
17 their bills, and meet their requirements, and if  
18 they're paying every month, they may not pay the whole  
19 percentage -- and that's even been me. There have  
20 been times when I've only been able to make 50 or 60  
21 percent of what the bill is, and Laclede Gas has done  
22 it to me. But that's where I think that should be cut  
23 out. You're just going to put somebody out of busi-  
24 ness. We're going to shut off their heat, and guess  
25 what? They're going to be in big trouble. They won't



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1 even be in big trouble safety-wise, health-wise, but  
2 in terms of if they have children.

3 I know that we have the problem with air-  
4 conditioning in the summer months when it's over 100,  
5 people have problems keeping their air-conditioning.  
6 It's the same thing with elderly. And these are some  
7 of the problems, and some of the things that I see.

8 Just to sum up what I said, you know, I'm  
9 really concerned, and I want to make sure the  
10 Commission is hearing out the public. And I hope -- I  
11 talked to the staff members, I hope that there was not  
12 a preliminary agreement already hammered out, and I  
13 hope this is not a done deal. I hope that you seri-  
14 ously take your public service duty and our democracy,  
15 and you listen to all the residents that are going to  
16 testify tonight.

17 Another thing I'd like to see -- I don't  
18 think the public should be paying for bonuses to the  
19 executive staff. I don't think we should be paying  
20 for simple things to stay in business, it should be  
21 operational costs that they should be doing through  
22 good management principals of keeping their lines in  
23 requirement with the safety regulation and also their  
24 meter readers, the AMR's, I believe. Thank you for  
25 giving me the chance to speak.

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1 JUDGE DIPPELL: Thank you. Commissioner  
2 Murray, do you have any questions for this witness?  
3 COMMISSIONER MURRAY: No, I don't. Thank  
4 you.  
5 JUDGE DIPPELL: Commissioner Appling?  
6 COMMISSIONER APPLING: No questions.  
7 JUDGE DIPPELL: Commissioner Gaw?  
8 COMMISSIONER GAW: Just, thank you very  
9 much for coming.  
10 JUDGE DIPPELL: Chairman Davis?  
11 CHAIRMAN DAVIS: Mr. Dienhoff, we are  
12 listening.  
13 JUDGE DIPPELL: Mr. Dandino, do you have  
14 any questions?  
15 MR. DANDINO: No questions. Thank you  
16 for coming.  
17 JUDGE DIPPELL: Mr. Pendergast?  
18 MR. PENDERGAST: No, your Honor.  
19 JUDGE DIPPELL: Any questions from any of  
20 the other attorneys' parties?  
21 JUDGE DIPPELL: Thank you very much, sir.  
22 Robert Kortkamp?  
23 (Thereupon, the witness was duly sworn/  
24 affirmed by the Judge to tell the truth.)  
25 JUDGE DIPPELL: State your name and spell

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1 it for the court reporter.

2 THE WITNESS: Robert O. Kortkamp,  
3 K-o-r-t-k-a-m-p. I live at 15325 Oaktree Estates  
4 Drive, Chesterfield, Missouri 63017. And yes, I am a  
5 customer of Laclede Gas.

6 JUDGE DIPPELL: Thank you. If you could  
7 give us your comments.

8 THE WITNESS: I am the president of the  
9 Missouri Alliance for Retired Americans. I represent  
10 in the State of Missouri, 85-90,000 retirees. In the  
11 Laclede Gas territory that they service, approximately  
12 20,000 of those are retirees that I represent. These  
13 people are on fixed incomes, many of them are elderly  
14 and have to have the heat in their houses, as they  
15 have to have the electric in the summertime when it's  
16 so hot.

17 The thing that bothers me is that every-  
18 thing continues to go up and up and up. At some point  
19 somebody is going to have to face reality that we're  
20 going to have to try to do something about this uncon-  
21 scionable increase. No matter how justified they may  
22 be in the minds of Laclede Gas or the electric company  
23 or the phone company.

24 It doesn't matter who it is, sooner or  
25 later someone is going to have to get a handle on

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1 theses costs that are just killing people, not only  
2 retirees, everybody. I'm a labor person, I used to  
3 represent thousands of people making eight, nine, ten  
4 dollars an hour. That's not a lot of money when you  
5 have got these bills that are just tearing you apart.  
6 You can't raise a family, can't have a decent quality  
7 of life. Look at what's happening to people's real  
8 estate taxes, they're going out of sight. Somebody's  
9 going to have to begin to grab a hold of it.

10 I think people like you, the Commission,  
11 you have a responsibility to the residents and the  
12 State of Missouri to take a good hard look at this,  
13 and ask yourself if they really need that much of an  
14 increase that they're asking for. I would hope that  
15 you would do that.

16 I'm not going to beat a dead horse to  
17 death about these meetings. I think I understand what  
18 went on with that, and I appreciate what Mr. Gaw had  
19 to say about them. When you have your other meetings  
20 I hope to be here to testify again. Thank you.

21 JUDGE DIPPELL: Commissioner Murray, do  
22 you have any questions?

23 COMMISSIONER MURRAY: No questions. Thank  
24 you.

25 JUDGE DIPPELL: Commissioner Appling?

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1 COMMISSIONER APPLING: Thank you very  
2 much. No questions, Judge.  
3 JUDGE DIPPELL: Commissioner Gaw?  
4 COMMISSIONER GAW: I think I'll pass.  
5 But I really appreciate you being here on behalf of  
6 all the 20,000 in Laclede's territory.  
7 JUDGE DIPPELL: Chairman Davis?  
8 CHAIRMAN DAVIS: No questions. But thank  
9 you for testifying, Mr. Kortkamp.  
10 JUDGE DIPPELL: Mr. Dandino?  
11 MR. DANDINO: No questions. Thank you,  
12 Mr. Kortkamp.  
13 JUDGE DIPPELL: Mr. Pendergast?  
14 MR. PENDERGAST: No questions. Thank you,  
15 sir.  
16 JUDGE DIPPELL: Any of the other parties?  
17 Thank you, sir. Dave Meinell?  
18 (Thereupon, the witness was duly sworn/  
19 affirmed by the Judge to tell the truth.)  
20 JUDGE DIPPELL: Could you state your name  
21 and spell it for the court reporter.  
22 THE WITNESS: Dave Meinell,  
23 M-e-i-n-e-l-l. 417 Dwyer, D-w-y-e-r, Lane, St.  
24 Charles, Missouri.  
25 JUDGE DIPPELL: And are you a customer of

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1 Laclede Gas?

2 THE WITNESS: No, ma'am.

3 JUDGE DIPPELL: All right. Go ahead and  
4 give us your comments.

5 THE WITNESS: Basically, what I am wor-  
6 ried about is the loss of 90 eyes and hands that are  
7 not going to be going around checking the meters for  
8 readings and other things. Now, with electricity if  
9 something happens, my home may burn and maybe scorch  
10 the neighbors house. But if there's a problem with a  
11 gas leak like we've noticed on the news in recent  
12 years, and a home blows up, it usually takes that home  
13 and two or three, or as high as five additional resi-  
14 dences, if you're lucky.

15 I see where this is a 34 million dollar  
16 increase for goods and services, not for increased  
17 cost of gas. If you're getting that type of an in-  
18 crease, or requesting that type of an increase, they  
19 should not be cutting employees out of their jobs.  
20 Which would possibly affect the homeowner and their  
21 neighbors.

22 That's basically why I came here, to make  
23 the comments based on what I've heard about people  
24 losing their jobs, and not being able to properly get  
25 the hands-on and eyes-on of possible problems. And

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1    therefore, I hope the commission looks at this very  
2    closely. I don't know if you have the power to stop  
3    Laclede from eliminating these jobs, but I think that  
4    should be part of your position based on the fact that  
5    all of us working people are trying to look out for  
6    one another.

7                   JUDGE DIPPELL: I will just state for the  
8    record, just so it's clear. The Commission does have  
9    some pending cases dealing with meter reading issues  
10   that the union is intervening in, and some other cases  
11   -- that we do have those cases pending, also, before  
12   the Commission.

13                   Commissioner Murray, did you have any  
14   questions?

15                   COMMISSIONER MURRAY: No questions. Thank  
16   you.

17                   JUDGE DIPPELL: Commissioner Appling?

18                   COMMISSIONER APPLING: No questions.

19   Thank you.

20                   JUDGE DIPPELL: Commissioner Gaw?

21                   COMMISSIONER GAW: Thank you, Mr. Meinell.

22                   JUDGE DIPPELL: Chairman Davis?

23                   CHAIRMAN DAVIS: Mr. Meinell, have you  
24   discussed these issues with your counsel? I'm assuming  
25   the union as a group has counsel. Are you a part of

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1 that group?

2 THE WITNESS: No. I'm an old retired  
3 guy who's worried about something happening because  
4 of the cuts in employees, and noticing what is hap-  
5 pening. You know, one of the most eye-openers was  
6 the fact that Praxair blew-up, and was blown up all  
7 over everywhere and nobody even knew it was in their  
8 backyard. That's what I'm worried about.

9 I know what gas can do, I've watched  
10 different things on the news media, where homes have  
11 gotten gas leaks and blown open and taken their home  
12 and the adjacent home or homes around them. That's  
13 the only reason I'm here, I haven't talked to any  
14 attorneys. I'm just here to voice my opinion as the  
15 guy who is living next door and may be affected.

16 CHAIRMAN DAVIS: Thank you, Mr. Meinell.

17 JUDGE DIPPELL: Mr. Dandino, did you have

18 any questions?

19 MR. DANDINO: No. Thank you, Mr. Meinell.

20 JUDGE DIPPELL: Mr. Pendergast?

21 MR. PENDERGAST: No, your Honor.

22 JUDGE DIPPELL: Any of the other parties?

23 THE WITNESS: Thank you for giving me the  
24 chance to talk, and hear my voice.

25 JUDGE DIPPELL: We thank you for your



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1 attendance. Don Rose?

2 (Thereupon, the witness was duly sworn/  
3 affirmed by the Judge to tell the truth.)

4 JUDGE DIPPELL: Could you state your name  
5 and spell it.

6 THE WITNESS: Don Rose, R-o-s-e. My  
7 address is 2729 Chalet Hill, C-h-a-l-e-t, Oakville,  
8 Missouri 63129. And I am a customer of Laclede Gas.

9 JUDGE DIPPELL: Thank you.

10 THE WITNESS: I don't represent any par-  
11 ticular party or any group. But I can tell you that I  
12 came here because of my personal recent experiences of  
13 Laclede Gas. I have to honestly tell you that the  
14 service that -- If everyone is receiving the type of  
15 service that I had to receive when I had the problems  
16 I had with them -- I can't honestly tell you they de-  
17 serve a rate increase with the type of service I saw.

18 Their customer service was ineffectual at  
19 best, and rude at worst. The only one through the  
20 whole process that we went through, which took about  
21 four or five months -- That I will give you credit,  
22 sir, is that sounded like a decent -- I was talking to  
23 an adult was a Mr. Zucker from your office.

24 You're -- I'm Don. You remember me,  
25 don't you.

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1                   The very start of the problem was mind-  
2 boggling that it was even brought up. It was a 15-  
3 year-old debt that basically, the way it was explained  
4 to me, they don't bother to look for you --

5                   JUDGE DIPPELL: I apologize. We're re-  
6 connecting. Sir, you can go ahead.

7                   THE WITNESS: I was given misinformation  
8 that even Mr. Zucker has to admit, when you're told  
9 you're sent notices to a house you don't live at, and  
10 you try to explain that to a customer service agent,  
11 their answer is, "Well, that's what the computer  
12 says." And everytime I spoke to someone short of this  
13 gentleman here, it was, "Look, this is Laclede, pay it  
14 or we're going to cut your gas off."

15                   Now they're coming to us saying, "We're  
16 concerned about the public, we need the public sup-  
17 port." If they're not going to support the public in  
18 everyday management and issues, I don't see how they  
19 can expect us to support 34, 39, whatever-it-is,  
20 million dollars. That's pretty much the bottom line.

21                   JUDGE DIPPELL: Is that the end of your  
22 comments?

23                   THE WITNESS: That's the end of my  
24 comments.

25                   JUDGE DIPPELL: Have you had your issue --

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1 It sounded like you actually got your issue resolved.

2 THE WITNESS: It was resolved. I can't  
3 say that I thought it was resolved fairly. But it was  
4 resolved to an end with both parties.

5 JUDGE DIPPELL: I do want you to know that  
6 we do have some customer service people from our staff  
7 here tonight.

8 THE WITNESS: I did file a written report  
9 with the Public Service Commission. But the day that  
10 I was given for the evidentiary hearing I had to be in  
11 Florida, and there was no way I could be there and be  
12 in Jeff City. Mr. Zucker called me and we basically  
13 settled for half of this outstanding debt. That I  
14 have still yet to see.

15 I said through the whole thing, "Show me  
16 proof of this 15-year-old bill. After I was told they  
17 sent it to the house I didn't live at until the year  
18 later, I was given a spreadsheet, which it's kind of  
19 hard to believe the spreadsheet is on the level, when  
20 they told you they sent it to the house that -- in  
21 1995, I moved into in 1996. I can't really take that  
22 as absolute proof.

23 I have never received a copy of that ori-  
24 ginal bill. But like I said, I didn't want to go from  
25 Florida to Jeff City so I settled it. But the basic

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1 point I'm trying to make is I've been in customer  
2 service for 20 years. I currently work for Red Cross,  
3 I deal with the public every day. If anyone that  
4 works for me, or myself, would deal with people the  
5 way I was dealt with by everyone -- again, but  
6 Mr. Zucker -- at Laclede Gas, they would not have  
7 employment today.

8 If that's what they're going to put out  
9 to the public, until they have these short notice  
10 hearings that they have, then -- It's unbelievable to  
11 me that they come in and say we need your support.  
12 The other times it's "We're Laclede, do it." And now  
13 it's. "We need your support." That's not right to  
14 me.

15 JUDGE DIPPELL: Thank you. Commissioner  
16 Murray, do you have any questions for the witness?

17 COMMISSIONER MURRAY: I have no questions  
18 at this time. Thank you.

19 JUDGE DIPPELL: Commissioner Appling?

20 COMMISSIONER APPLING: No questions,  
21 Judge. Thank you very much.

22 JUDGE DIPPELL: Commissioner Gaw?

23 COMMISSIONER GAW: Mr. Rose, you hit on a  
24 sore point with me, and I want to tell you why. For  
25 the last few years I've been arguing that when a cus-

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1 tomer has some sort of a complaint like this, where  
2 there's an amount of money that's in controversy that  
3 is not extremely large, that we should not make them  
4 have to come clear to Jefferson City to argue the  
5 point. Because it's too much of an inconvenience and  
6 most people that have a complaint end up either settling  
7 for something less than they ought to, or more, or  
8 not showing up at all and not being able to carry forward  
9 with getting some sort of relief.

10 I hope that we're seeing that being  
11 changed now. It's been something that I think is not  
12 a good thing for the Public Service Commission, who is  
13 supposed to be serving the public. And not providing  
14 ease of convenience and access to having someone  
15 resolve your complaint, to me is wrong.

16 THE WITNESS: Yes.

17 COMMISSIONER GAW: So I want to say that  
18 I'm sorry you had that experience. And I hope that  
19 going forward that other people that are in your shoes  
20 don't get put in a position where they can't access  
21 someone to decide whether you're right or wrong. By  
22 being able to have that hearing in St. Louis or over  
23 the telephone or something that's more convenient.

24 And secondly -- I'm sorry. I don't mean  
25 to be making statements here, I'm supposed to be ask-

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1 ing questions. Let me ask you this: In regard to  
2 your complaint, would you mind sharing with me about  
3 -- this was an alleged amount owed that was 15 years  
4 before --

5 THE WITNESS: Yes, sir.

6 COMMISSIONER GAW: -- from before they  
7 were saying you had to pay it?

8 THE WITNESS: Yes, sir.

9 COMMISSIONER GAW: Fifteen years later?

10 THE WITNESS: Yes, sir. It wasn't that  
11 large of an amount, it was like \$216, I think it was.  
12 The point of the thing was, like after I called the  
13 Public Service Commission, I was still getting -- on a  
14 bill that was being disputed I was still getting dis-  
15 connect notices. If you don't pay this, you're going  
16 to get disconnected.

17 COMMISSIONER GAW: Even after you --

18 THE WITNESS: After I called and notified  
19 the Public Service Commission. And the young lady I  
20 spoke to there said she talked to a Rita -- I don't  
21 remember her last name -- at Laclede Gas, and they  
22 were told this bill was in dispute, I was still  
23 getting disconnect notices on my monthly bill.

24 The first two months after the dispute  
25 they were taking -- the money we were paying towards

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1 the current balance, there was a \$30 charge or  
2 whatever, from when you move from one house to an-  
3 other, they were taking that and applying it to the  
4 disputed part of the bill. And then putting late  
5 charges on not paying the \$30 and telling me, "That's  
6 just how the computer does it."

7           Until Mr. Zucker got involved none of  
8 this stopped. And it's just kind of hard for me to  
9 believe that it took their legal department to tell  
10 them that they were giving very sub-par customer  
11 service.

12           COMMISSIONER GAW: And we probably both  
13 appreciate Mr. Zucker talking to you and trying to at  
14 least work with you in some fashion.

15           THE WITNESS: I'm surprised he kept his  
16 cool as well as he did with some of the conversations  
17 he and I had. I couldn't keep my cool if somebody  
18 talked to me the way I talked to him.

19           COMMISSIONER GAW: The problem I see in  
20 that, is that it took you to filing a complaint I  
21 would imagine, to get to Mr. Zucker?

22           THE WITNESS: After I called the Public  
23 Service Commission the second or third time I heard  
24 from Mr. Zucker.

25           COMMISSIONER GAW: Well, hopefully -- I

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1 guess the question is, how many people never take that  
2 step?

3 THE WITNESS: Yes. I just like to argue.  
4 There are people I know presumably with back bills  
5 that they knew nothing about, that because they were  
6 afraid their gas would be cut off, paid without  
7 argument.

8 COMMISSIONER GAW: I won't ask you any  
9 more details about it. But I would say to you, if you  
10 ever run into that situation again, I hope that you do  
11 not hesitate to call the commissioners directly. At  
12 least to make sure that you get some notice. We can't  
13 talk to you after a formal case is filed, but in order  
14 to make sure it's facilitated so something occurs on  
15 making sure you can present your case, don't hesitate  
16 to push that issue. Thank you.

17 JUDGE DIPPELL: Mr. Chairman, did you  
18 have any questions?

19 CHAIRMAN DAVIS: The only question I had  
20 was, Mr. Rose were they -- Do you feel they were at-  
21 tempting to bill you for gas service to a home that  
22 you didn't live in at the time?

23 The witness: No. I lived in the apart-  
24 ment, and it's quite possible I didn't pay the bill.  
25 I don't remember everything I did or didn't pay 15



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1 years ago. The two things that bothered me the most  
2 was one, over and over and over again I said, if you  
3 want me to pay this bill, show me the bill. And I  
4 kept being told by customer service agents, "We will  
5 mail it out to you."

6 I couldn't even get the account history  
7 until the legal department stepped in. When I asked  
8 them why it took 15 years to find me, I was told that  
9 in 1995 I was notified twice. And when they gave me  
10 the address, I did not live at that address until  
11 October of 1996. And I said, how did you do that when  
12 I wasn't there. You couldn't find me, but you knew  
13 where I'd be a year ahead of time?

14 I was basically informed, "Well, we don't  
15 look for you." Because it never turned up in a credit  
16 report -- I've bought multiple cars, houses and when I  
17 asked why this never came up on a credit report,  
18 "Well, we never report it." Basically, how it was  
19 explained to me is, "We wait until your name pops up  
20 and then we come get you."

21 CHAIRMAN DAVIS: Thank you, Mr. Rose.

22 JUDGE DIPPELL: Mr. Dandino?

23 MR. DANDINO: Mr. Rose, would you see me  
24 before you leave?

25 THE WITNESS: Sure.

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1 JUDGE DIPPELL: Mr. Pendergast?  
2 MR. PENDERGAST: No questions, your Honor.  
3 JUDGE DIPPELL: Any questions from the  
4 other parties? Thank you.  
5 Mr. Zucker, just so I make sure, that  
6 complaint case is a closed case in front of the  
7 Commission?  
8 MR. ZUCKER: Yes, ma'am.  
9 JUDGE DIPPELL: The next one is Rose  
10 Ceballos?  
11 (Thereupon, the witness was duly sworn/  
12 affirmed by the Judge to tell the truth.)  
13 JUDGE DIPPELL: State your name and spell  
14 it.  
15 THE WITNESS: Rose Ceballos,  
16 C-e-b-a-l-l-o-s. 427 Spring Creek Drive, Webster  
17 Groves, Missouri 63119.  
18 JUDGE DIPPELL: Are you a customer of  
19 Laclede?  
20 THE WITNESS: Yes, I am.  
21 JUDGE DIPPELL: Go ahead and give us your  
22 comments.  
23 THE WITNESS: I think, maybe, I got here  
24 a little late and I missed the question and answer,  
25 because that's what I have. Can I ask a question?

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1 JUDGE DIPPELL: We're here to take your  
2 comments, but ask and maybe we can answer it.

3 THE WITNESS: I got my gas bill -- I've  
4 been on the budget for years, and I got my gas bill a  
5 couple of weeks ago and it went up \$39. I didn't un-  
6 derstand that, then I saw the articles in the paper.  
7 That's like 30 percent, and the paper keeps saying  
8 it's a four dollar increase on your -- for every cus-  
9 tomer. But then I'm hearing there's another rate in-  
10 crease?

11 JUDGE DIPPELL: Okay. I think I can ans-  
12 wer that. We're here today tonight to discuss a gen-  
13 eral rate increase that Laclede has asked for. And  
14 that is a four dollar increase on the monthly operat-  
15 ing charge that is standard, not the actual cost of  
16 the natural gas itself. That's a separate charge, and  
17 those charges, the increases on those work different-  
18 ly, and those are not the subject of this particular  
19 case.

20 THE WITNESS: Well, I called and they  
21 told me it was in anticipation of a rate increase in  
22 November.

23 JUDGE DIPPELL: This particular hearing is  
24 about the four dollars. So if you have questions --

25 THE WITNESS: I'm at the wrong hearing.

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1 JUDGE DIPPELL: Well, if you have ques-  
2 tions about those charges and so forth, I would encour-  
3 age you to talk to our staff. Mr. Wood here, or Mr.  
4 Dandino from Public Counsel.

5 THE WITNESS: Four dollars isn't bad, but  
6 39 is.

7 JUDGE DIPPELL: They might be able to  
8 explain those particular charges to you a little  
9 better.

10 THE WITNESS: All right. Thank you.

11 JUDGE DIPPELL: Did you have any other  
12 comments about the rate increase of four dollars?

13 THE WITNESS: No. I just wanted to know  
14 why my budget went up \$39.

15 JUDGE DIPPELL: And of course, Laclede  
16 has some customer service people here too, that could  
17 meet with you about that.

18 THE WITNESS: Thank you.

19 JUDGE DIPPELL: I'm assuming there are no  
20 questions? That's all the witnesses I had except  
21 those that had testified earlier. Is there anyone  
22 else that didn't testify at the noon hearing that  
23 wants to give any comments? Sir, come forward.

24 (Thereupon, the witness was duly sworn/  
25 affirmed by the Judge to tell the truth.)

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1 JUDGE DIPPELL: Could you state your name  
2 and spell it for the court reporter.

3 THE WITNESS: My name is Kenneth Lee,  
4 K-e-n-n-e-t-h L-e-e. And I'm a Laclede Gas customer.  
5 My concern is that -- I heard it on the news today a-  
6 bout the increase, and my concern is about several  
7 things. I've been diagnosed with MS and I've been  
8 trying to pay my bills -- I'm on disability. It seems  
9 like to me, that the more I pay, or the more I try to  
10 get help, two things happen.

11 If I get help -- If I go to the ball  
12 game, I go to Dierberg's and you pay that little  
13 dollar -- when I was able to do it. And it seems like  
14 when I go to the agencies and try to get help, I don't  
15 qualify for it. I can't get the help that I need, and  
16 so I'm struggling. So when I called Laclede Gas and  
17 asked them to work with me, then -- I think the  
18 gentleman earlier said customer service.

19 I don't get the customer service. They  
20 say you got to do this. And the more I get -- If I  
21 have to pay \$100 this month, then next month it would  
22 be \$200. Then if I get to pay that, then there's al-  
23 ways an increase. It never seems that I'm getting  
24 ahead. And, you know, I'm only making what I make.

25 So I'm concerned about that because, in

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1 fact, during the increase if some of these people  
2 that's here today, if they're like me, I'm sure all of  
3 us have some budget. It's hard for us to pay what we  
4 are paying right now. I know the gas fuel is up and  
5 high, I know somebody has to pay it.

6 I know the only way that the person that  
7 sits on the phone when you call -- They even got where  
8 you call Laclede Gas, if you don't want to wait on the  
9 line they call you back in 20 minutes, 30 minutes, or  
10 whatever. Then when you're sitting at home waiting on  
11 them, they tell you this is what you got to do.

12 My concern is that -- I'm not for the in-  
13 crease for any kind of fund because, in fact, I'm  
14 struggling now, and I can't get the help, the assis-  
15 tance to help me now. I brought my gas bill, maybe  
16 you all can help me tonight. Help me pay that? So if  
17 you can help me I appropriate that.

18 But, I don't know, you go to the stadium,  
19 they have this thing, you pay the warm up St. Louis,  
20 Heat Up St. Louis, and you don't -- And it seems like  
21 when you go to the agency -- What agency do you need  
22 to go? The Urban League don't have anything to help  
23 you. State program don't have anything to help you.  
24 Everybody's out of funds. So who do you need to talk  
25 to, to help you? Thank you.

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1 JUDGE DIPPELL: Thank you, sir.

2 Commissioner Murray, did you have any questions for  
3 this witness?

4 COMMISSIONER MURRAY: No questions.

5 JUDGE DIPPELL: Commissioner Appling?

6 COMMISSIONER APPLING: Tell him we're  
7 sorry. We can't pay the bills from here, either. No  
8 questions.

9 JUDGE DIPPELL: Commissioner Gaw?

10 COMMISSIONER GAW: Mr. Lee, as I under-  
11 stand, basically, you're on an income that's fixed,  
12 would that be true?

13 THE WITNESS: Yes. I just got disability  
14 two months ago.

15 COMMISSIONER GAW: The increase in prices  
16 that we're talking about here in this hearing is just  
17 basically dealing with that one part of your gas bill,  
18 dealing with the service part of it. The other part  
19 is going up significantly, that part that deals with  
20 the wholesale price of natural gas that you already  
21 mentioned going up, too.

22 Give me some perspective on how that  
23 overall increase, and in particular, is impacting you,  
24 as someone who is on disability and dealing with that  
25 as a challenge in your life. Give me some perspective

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1 on that.

2 THE WITNESS: Well, what I'm saying about  
3 that is that, like, I'm on disability. And the issue  
4 is that the more I try to make calls, and they say I  
5 need to pay \$100 this month. Now, I find out that the  
6 budget program don't work. Because it seems like if  
7 you can't pay the budget then what they do, if you  
8 don't make that agreement on the first of the month,  
9 they will cancel the budget payment out, and then they  
10 will put you on regular budget.

11 And I find out in the summer months even  
12 though my budget may be -- like, gas right now is  
13 cheaper, maybe it might be 35 or whatever, It take me  
14 through all the winter. But if I can't pay whatever  
15 that cost is, then they have the tendency of going up.  
16 I don't understand how I can be on a budget -- As a  
17 matter of fact, several months ago I decided to tell  
18 them to take me off the budget, because I find out  
19 that the budget program really don't work.

20 You know, if you're budgeted to pay \$80,  
21 and you're struggling to pay the \$80. Then they take  
22 that off and they put you at whatever you had over the  
23 winter onto the other months. And so you still don't  
24 benefit from that. I believe you don't. So my prob-  
25 lem is that I try to pay, pay more. I get help -- I



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1 got help a couple months ago from the Catholic  
2 Charity. They have helped me. Yet, the more -- they  
3 gave me last -- as I look at my last bill, they helped  
4 me with \$100. Then they tell me I still got to pay  
5 another \$200. My bill was only \$600. Every month  
6 that I get help, I go up 50 to \$100 more.  
7 Then when you call customer service, you  
8 have people that -- you decide that you can't go to  
9 nobody. They won't talk to you, and tell you, "Well,  
10 can you just hold on until a couple months." And I'm  
11 sure some of the senior citizen people who get once-a-  
12 month checks -- you know can you wait until this  
13 month, where I can make a \$50 payment or whatever.  
14 Well, they don't, I get a notice.  
15 The other day, I think last month I had  
16 people came out to my house -- I was just going there  
17 -- you know, the police had to come to my house, they  
18 said, "Well, you know, you got to make the payment."  
19 I said, "Well, somebody's going to make the payment  
20 for me." "Well, you got to make the payment right  
21 now, we got you scheduled to be cut off." I mean, you  
22 going to cut me off with like \$28?  
23 I mean, give me time. You know, give me  
24 time. You know, I'm going to make the payment, but, I  
25 just can't get it right now, you know. So that's the

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1 whole thing. I normally try to make my payments. I  
2 know I don't have nothing to say. And I know that  
3 whatever I say right now, it's still going to go up.  
4 But still, I'm just saying that even when  
5 you call Laclede Gas the people all should be more  
6 compassionate, they ought to be more understanding  
7 about your needs. I can see if I was a customer that  
8 ain't paid in six months, but at least I'm trying to  
9 make a payment every month to you all. They ought to  
10 consider that. I hope I answered that question.

11 COMMISSIONER GAW: That's helpful. Thank  
12 you very much, Mr. Lee, for coming tonight.

13 JUDGE DIPPELL: Mr. Chairman, did you have  
14 any questions?

15 CHAIRMAN DAVIS: No. I just want to say  
16 thank you, Mr. Lee. And I agree, they need to be more  
17 compassionate. Obviously, you're trying to pay your  
18 bills and they need to treat you with a little more  
19 respect.

20 THE WITNESS: Well, call them and tell  
21 them that.

22 CHAIRMAN DAVIS: I think they're here  
23 listening.

24 JUDGE DIPPELL: Mr. Dandino?

25 MR. DANDINO: No questions.

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1 JUDGE DIPPELL: Mr. Pendergast?

2 MR. PENDERGAST: Mr. Lee, I appreciate your  
3 comments, and if anybody was insensitive to you, I want  
4 to apologize myself for it. We certainly would be in-  
5 terested in talking to you after the meeting is over  
6 and see if there is something we can do to help your  
7 situation.

8 THE WITNESS: Thank you.

9 JUDGE DIPPELL: Are there any other ques-  
10 tions from the other parties? Thank you, Mr. Lee.  
11 Was there anyone else that didn't speak at the noon  
12 hearing that would like to speak? Sir?

13 (Thereupon, the witness was duly sworn/  
14 affirmed by the Judge to tell the truth.)

15 JUDGE DIPPELL: Could you state your name  
16 and spell it for the court reporter.

17 THE WITNESS: My name is Roger Pleis,  
18 P-l-e-i-s, the "e" is silent.

19 JUDGE DIPPELL: Could you give us your  
20 address.

21 THE WITNESS: 3043 Yaeger Road, St.  
22 Louis, Missouri. And I am a customer.

23 JUDGE DIPPELL: Thank you. Give us your  
24 comments.

25 THE WITNESS: I'd like to say, first of

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1 all, I'm disappointed. This is the first public hear-  
2 ing I've ever been to. What I've run into here is a  
3 lot of misinformation, and I don't have any facts.  
4 You want me to look at a rate I don't know what the  
5 money's being spent for. I don't know where the money  
6 that was already for that, where it's going.

7 I need these facts and these figures to  
8 make an informed decision. If I would go to a bank  
9 and say, "Hey, I need a million dollars." They'll say,  
10 "Great. What are you going to use it for?" They need  
11 facts and figures. They're not going to give me the  
12 money unless they know what I'm going to use it for,  
13 they know I'm going to pay it back, and I'm a credible  
14 person. That's all I ask. And I'm afraid I was dis-  
15 appointed.

16 JUDGE DIPPELL: Commissioner Murray, did  
17 you have any questions for this witness?

18 COMMISSIONER MURRAY: No questions. Thank  
19 you.

20 JUDGE DIPPELL: Commissioner Appling, did  
21 you have any questions?

22 COMMISSIONER APPLING: No questions at this  
23 time, Judge. Thank you.

24 JUDGE DIPPELL: Commissioner Gaw?

25 COMMISSIONER GAW: Mr. Pleis, were you

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1 here in the earlier part of this session before the  
2 commissioners were in the room?

3 THE WITNESS: No. I'm afraid I work.

4 COMMISSIONER GAW: Let me just say to  
5 you, that in that part of the proceeding there is a  
6 question and answer session. Where you could ask the  
7 company or the staff or the Public Counsel questions  
8 about those things that you're wanting information on.  
9 If you want, I suspect that, at least generally, if  
10 you have time after this, you can ask some of those  
11 individuals a few questions if you want to.

12 THE WITNESS: Yes. Is this information  
13 available? Is there someplace I can get it?

14 COMMISSIONER GAW: The other thing that  
15 will happen, just from an information standpoint here,  
16 is that the information that the Commission will  
17 eventually see will be filed as testimony in a form  
18 that is available if you have access to the Internet.

19 THE WITNESS: I do, but I would need to  
20 know where to go.

21 COMMISSIONER GAW: It's on our website.  
22 One of the members of our staff could give you the ad-  
23 dress. You can see all of the filings there. The  
24 testimony, I'm not sure exactly how that comes up, but  
25 they can give you an explanation of it. There's a lot

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1 of it, the detail that the Commission eventually will  
2 see when this thing goes to hearing, assuming that  
3 occurs, would be available to you. But as far as just  
4 questions tonight, if you want to ask those individ-  
5 uals, I suspect some of them would have a little time  
6 after this is over with.

7 THE WITNESS: Yes. If I could get an  
8 address to the web where I can get some of this infor-  
9 mation. If I'm going to pay somebody more money, I  
10 want to know why I'm paying it.

11 COMMISSIONER GAW: I understand. And you  
12 should have it.

13 THE WITNESS: I work for my money just  
14 like everybody else, and I do not have a pot of gold  
15 sitting at home.

16 COMMISSIONER GAW: I understand exactly  
17 what you're saying. If that helps you --

18 THE WITNESS: If I can get the infor-  
19 mation to get the information -- I guess that's how  
20 you'd call it.

21 COMMISSIONER GAW: If there is some sort  
22 of a settlement that we do get, it's my understanding  
23 that we're going to have some more of these hearings  
24 to comment on whatever that settlement is, supposedly.  
25 And you will have an opportunity to come back if you

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1 want to then. And also to ask more questions. I'm  
2 assuming there will be an informal setting ahead of  
3 time too, but that's an assumption on my part.

4 THE WITNESS: That would be great.

5 JUDGE DIPPELL: I think Mr. Wood would  
6 have a business card that would have our web address.  
7 And also when this case started, Laclede filed what's  
8 called it's direct testimony, and it will have infor-  
9 mation about what exactly they were requesting and so  
10 forth. I think that will give you information.

11 Sir, if you have a question, it will  
12 have to wait for a moment. Mr. Chairman, did you  
13 have any questions?

14 CHAIRMAN DAVIS: No, I don't. Thank you.

15 JUDGE DIPPELL: Mr. Dandino?

16 MR. DANDINO: No questions.

17 MR. PENDERGAST: Your Honor. Sir, I  
18 appreciate your comments. I just want to tell you if  
19 you do have any problems getting information off of the  
20 website, it is pretty voluminous. When we filed the  
21 case back in February, we had a number of different  
22 pieces of testimony, accounting schedules, if you would  
23 like to arrange to get a copy of that, please see me  
24 afterwards and we'll work with you.

25 THE WITNESS: I appreciate that.

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1 JUDGE DIPPELL: Any other questions from  
2 any other parties? Sir, thank you. Was there any  
3 further testimony from anyone who did not testify at  
4 the noon hearing? I'm sorry. Sir, you had a ques-  
5 tion.

6 THE SPEAKER: I want to testify, also.  
7 JUDGE DIPPELL: Okay. Could you step up  
8 to the microphone.

9 (Thereupon, the witness was duly sworn/  
10 affirmed by the Judge to tell the truth.)

11 JUDGE DIPPELL: Could you state your name  
12 and spell it.

13 THE WITNESS: My name is Michael Grady,  
14 spelled G-r-a-d-y. I live at 1814 Santa Vlas Walk,  
15 Spanish lake, Missouri. I am a customer of Laclede  
16 Gas. My concerns are basically, that a few years ago  
17 I fell on a little bit of hard times. I had trouble  
18 paying my bill. I went through five or six different  
19 agencies. One said we don't deal with your area, go  
20 to another office, go to another office. I as all  
21 over the place and I couldn't find help. It was a  
22 struggle for me to get caught up on my gas bill.

23 I'm concerned because, well, everything's  
24 gotten more expensive since then. I wonder, this in-  
25 crease, is it absolutely necessary? Is it absolutely



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1 necessary for the safety of the customers, businesses  
2 that are customers, individual customers, or can there  
3 be some cuts within the organization that could poss-  
4 ibly pay for some of this? So it would not fall on  
5 the individual homeowners, those who live in apart-  
6 ments, like I do. Those who are on disability, as I  
7 am, who are struggling.

8 At the time I was struggling with it, I  
9 had to go to several soup kitchens and food pantries  
10 just to keep food on the table, because I had to pay  
11 the gas bill, because there was no help for me. So my  
12 question is: Is this increase absolutely necessary?  
13 Very simple. That's all I have to say. I told you I  
14 was going to be brief.

15 JUDGE DIPPELL: Commissioner Murray, any  
16 questions for this witness?

17 COMMISSIONER MURRAY: No questions. Thank  
18 you, Judge.

19 JUDGE DIPPELL: Commissioner Appling?

20 COMMISSIONER APPLING: No questions.

21 JUDGE DIPPELL: Commissioner Gaw?

22 COMMISSIONER GAW: No questions. Thank  
23 you, sir, for coming.

24 JUDGE DIPPELL: Mr. Chairman?

25 CHAIRMAN DAVIS: No questions.

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1 JUDGE DIPPELL: Mr. Dandino?

2 MR. DANDINO: Thank you for your

3 testimony, Mr. Grady.

4 JUDGE DIPPELL: Mr. Pendergast?

5 MR. PENDERGAST: No questions. Thank you.

6 JUDGE DIPPELL: Any questions from the

7 other parties? Thank you, sir.

8 Sir, are you able to move to the micro-

9 phone?

10 (Thereupon, the witness was duly sworn/

11 affirmed by the Judge to tell the truth.)

12 JUDGE DIPPELL: Could you state your name

13 and spell it for the court reporter.

14 THE WITNESS: My name is Craig Mershon,

15 C-r-a-i-g M-e-r-s-h-o-n. I live at 11923 El Sabado

16 Drive, St. Louis, Missouri 63138. I am not a Laclede

17 Gas customer, but I am a customer of utilities.

18 JUDGE DIPPELL: Could you go ahead and

19 give us your comments.

20 THE WITNESS: My comment, is that I know

21 you're raising the rates and things, but here's the

22 two things I'd like to say that might give you some

23 insight.

24 Number one, if you cut people off, no

25 matter how high you raise the rates, they can't pay

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1 it. And you'll both be losing. They'll be losing  
2 their gas, but you won't be getting your money. If  
3 they can't pay it and you cut them off, you're still  
4 losing. You're not getting any money and they're not  
5 getting any gas.

6 The second thing is, if people would  
7 learn to work with others and stop saying what they  
8 can't do, or their policies, or if we do this for you,  
9 we have to do it for everybody. If we'd all work to-  
10 gether as we should, then we would be able to com-  
11 promise and work things out. The thing that you don't  
12 really realize, is you're not in this position, yet.

13 Many of you in this room may know people  
14 with disabilities, you may associate with some of  
15 them, you may see them. But living life like this is  
16 not very fun. It's a hard life. And if you're always  
17 telling people that you can't do things for them, you  
18 are always telling people you have a policy, or all  
19 these things, which is good to have policies in order  
20 to keep down chaos. But if you use it for your own  
21 advantage it's not helping.

22 You're not getting anything if you hurt  
23 your customers. Your rates make no difference, be-  
24 cause if you cut them off they can't pay it anyway.  
25 So what benefit is it to you? If I were you, I would

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1 do whatever I could to keep your customer service on,  
2 then you would have a good legitimate reason for  
3 raising the rate.  
4 I'm not for the rate, but I'm just saying  
5 these are some of the things you could do to help your  
6 customers. What difference would it make, if you  
7 raise it and they can't pay it, you're losing out.  
8 Your thing is, you want to win, but your customers  
9 also want to win. So to win, you got to work together  
10 to make a success. And if you're not working togeth-  
11 er, both of you have failed.  
12 So if we could get a commission of some  
13 sort together within the company to help with customer  
14 service. Because customer service is poor. Because I  
15 work with people with disabilities that have problems  
16 when they call, no one wants to talk with them. I  
17 don't think they have a TDY for people who are deaf.  
18 I'm not sure that they don't, but that's what I heard.  
19 These are the type of things that you  
20 have to get together to help with the customers.  
21 People who aren't disabled are having problems with  
22 the rate. And if you cut them off, what are you going  
23 to do? You lose out anyway. Maybe if you had compe-  
24 tition, some other gas company come along and work  
25 besides, and start taking some of your customers,

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1     you'd find a way very quickly.  
2                     Just like you do when you want something  
3     done. You immediately grab a policy, even if it's out  
4     of your hat to get what you want. So your best bet,  
5     and I's just saying this, is work with your customers.  
6     That's the best way to get things done. Because you  
7     need them just as much as they need you. If you all  
8     are fighting against each other, which you do, there's  
9     no excuses that you don't, because you do, you're los-  
10    ing out.  
11                    You know the best way, and I'll restate  
12    it again, work with your customers. Don't make ex-  
13    cuses about rules and policies and what you can't do.  
14    This country is yours. People of minority, we don't  
15    have a country, we come from other places. So you  
16    know, we're lost out anyway. But if you work togeth-  
17    er, you'll find some things that will help.  
18                    JUDGE DIPPELL: Thank you, sir.  
19    Commissioner Murray, do you have any questions for  
20    this witness?  
21                    COMMISSIONER MURRAY: No questions. Thank  
22    you.  
23                    JUDGE DIPPELL: Commissioner Appling?  
24                    COMMISSIONER APPLING: No, questions.  
25    Thank you.

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1 JUDGE DIPPELL: Commissioner Gaw?  
2 COMMISSIONER GAW: Mr. Mershon, thank you  
3 for coming in and waiting and taking the time. I  
4 appreciate your wisdom.  
5 THE WITNESS: You're welcome.  
6 JUDGE DIPPELL: Chairman Davis?  
7 CHAIRMAN DAVIS: No questions. But thank  
8 you, Mr. Mershon. I think you're right, we do need to  
9 do a better job of working together with other people.  
10 JUDGE DIPPELL: Mr. Dandino?  
11 MR. DANDINO: No questions. Thank you.  
12 JUDGE DIPPELL: Mr. Pendergast?  
13 MR. PENDERGAST: Thank you for your com-  
14 ments, sir. I just wanted to let you know we do uti-  
15 lize a relay service to help communicate with our  
16 hearing impaired customers. And if you'd like us to  
17 give you more information about that before you leave,  
18 we'd be happy to do that.  
19 THE WITNESS: Okay.  
20 JUDGE DIPPELL: Are there any other ques-  
21 tions from any of the other parties? Thank you, sir.  
22 Is there anyone else who did not testify at the noon  
23 hearing that would like to do so now?  
24 Then I will go to Senator Joan Bray. You  
25 were sworn in earlier today, and I will say that you

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1 are still sworn in.

2 THE WITNESS: My name is Joan Bray and I  
3 do serve the senate in the 24th District, which you  
4 are in now. I did want to be here tonight, because  
5 you are here and I appreciate you coming to St. Louis  
6 and to this district and listen to the people testify  
7 about this rate hike. I will spare you the comments I  
8 made earlier in the day, but I would like to summarize  
9 them for this evening meeting.

10 My problem that I bring to this hearing  
11 about this rate hike, is that it has to do with the  
12 process as well as the rate hike itself. My concern  
13 with the process is that apparently there has been a  
14 deal cut in secret. The average consumer wasn't there  
15 and doesn't know anything about it. You guys don't  
16 even know about it.

17 But the PSC website does say an agreement  
18 will be filed the day after tomorrow. So something's  
19 been done, yet we can't testify about it because we  
20 don't know what it is. Because of this deal being  
21 cut, the process has been cut short, and notification  
22 about this hearing itself was inadequate. All this is  
23 sort of strangely, uncomfortably reminiscent to me of  
24 the way things went this spring in the legislature.  
25 When the utility rate hike legislation went through,

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1 and the average consumer was left out of the process,  
2 and the deal was cut behind closed doors. But as a  
3 result, rates will go up on your utility bills.

4 The hike itself is to go for operating  
5 expenses, but it comes at a very unfortunate time,  
6 when gas prices themselves, and the automatic  
7 pass-through of these prices, have gone up so much  
8 that many people are going to be in pain. Especially  
9 folks who are not on the budget system this winter,  
10 when it's going to be real cold and the gas prices are  
11 going to be a lot higher.

12 You know, from my constituents I hear how  
13 every dollar matters, and to be paying more for oper-  
14 ational expenses when they're paying more for gas is  
15 going to be very difficult for many, especially at  
16 this time. This is a very well-run company, it's got  
17 record earnings, it pays great dividends. It seems,  
18 to pay more for operating expenses, it's not the right  
19 time to do it.

20 So my plea is just, that this process be  
21 transparent, include everybody, and that any hike be  
22 totally justified, that everyone can be comfortable  
23 with. Because I'm just not sure it should be. Thank  
24 you.

25 JUDGE DIPPELL: Commissioner Murray, did



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1 you have any questions for Senator Bray?

2 COMMISSIONER MURRAY: Just briefly, I  
3 would like to say to Senator Bray that I regret that  
4 she doesn't understand that there was no deal cut.  
5 And the fact that the Commission has made no decision  
6 in this matter. We are here with this public hearing,  
7 taking public testimony on an issue that has not been  
8 decided by this Commission.

9 To say that there has been a deal cut  
10 gives the wrong impression that this Commission has  
11 done something improper, and that is not the case, and  
12 I just want to reiterate that. I think it's important  
13 that people understand that. And that when parties  
14 get together in any kind of a litigation situation,  
15 any kind of a contested matter, that the parties are  
16 free to negotiate amongst themselves before they bring  
17 an issue back to the tribunal, and we are the tri-  
18 bunal.

19 We have not seen the issue, we have not  
20 seen any of the negotiations. And that is approp-  
21 riate. There is nothing that has been done here that  
22 is underhanded or inappropriate, and I just wanted to  
23 clarify that for the record.

24 THE WITNESS: My I just say, that when  
25 the website says an agreement will be filed on Friday

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1 August the 26th, it is confusing, then, at best.

2 COMMISSIONER MURRAY: I agree that the  
3 process before this Commission and before any tribunal  
4 -- You're not an attorney, is that right, Senator Bray?

5 THE WITNESS: No, I am not an attorney.

6 COMMISSIONER MURRAY: And it is a very  
7 complicated process, but it's unfortunate when things  
8 get reported in a way that makes them sound as if they  
9 are underhanded, when they actually are not. And I  
10 just wanted to make that clear.

11 THE WITNESS: I still would advise that  
12 the website be made clearer.

13 JUDGE DIPPELL: Could I ask what part of  
14 the website you're referring to?

15 THE WITNESS: I flipped around so many  
16 places. The press release.

17 JUDGE DIPPELL: There was a press release  
18 that you saw?

19 THE WITNESS: Yes. Because it was just  
20 confirmed that somebody else saw it too.

21 JUDGE DIPPELL: Thank you. Just for my  
22 own information. Commissioner Appling, did you have  
23 any questions for Senator Bray?

24 COMMISSIONER APPLING: No, I have no  
25 questions for the senator. Thank you very much.

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1 JUDGE DIPPELL: Commissioner Gaw?

2 COMMISSIONER GAW: Yes, I do. I wasn't  
3 going to. First, Senator, thank you for coming to-  
4 night. Thank you for being there today earlier. You  
5 have spent a lot of time on this, and a lot of time on  
6 standing up for consumers over in the senate, and that  
7 is just an editorial comment that's probably not ne-  
8 cessary.

9 I will say, one of the things you might  
10 have seen, I'll ask if you've seen this on our web-  
11 site. It would be on our website somewhere in what's  
12 called the EFIS system, joint motion to suspend pro-  
13 cedural schedule, which I think was filed on August  
14 the 1st. Paragraph two, have you seen this? It says,  
15 "The filing parties now request the Commission to sus-  
16 pend the procedural schedule with respect to the dir-  
17 ect testimony to be filed on August 12, 2005 because  
18 the parties have reached a tentative settlement, and  
19 are in the process of preparing a unanimous stipu-  
20 lation and agreement, which the parties intend to  
21 resolve all issues in dispute in this matter." Have  
22 you seen that?

23 THE WITNESS: I think I did see that.

24 COMMISSIONER GAW: Have you also seen,  
25 there's a paragraph four that says, "All parties to

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1 this matter intend to file a unanimous stipulation and  
2 agreement on or before August the 26 of 2005, subject  
3 to receipt of comments at the local public hearings."

4 THE WITNESS: Maybe I saw it there, too.

5 COMMISSIONER GAW: It sort of sounds like  
6 there's an agreement between the parties, to me.

7 THE WITNESS: That's what I understood,  
8 and that's why I'm reacting the way I am.

9 COMMISSIONER GAW: To be fair to  
10 Commissioner Murray, the commissioners don't know what  
11 is in this agreement, because it hasn't been filed with  
12 us. Well, we've already talked about that, it's sort  
13 of frustrating to have this public hearing when the  
14 parties are telling us in these motions that there is  
15 some sort of agreement in principal. Which we have not  
16 had disclosed to us, so you all can make comments to  
17 us.

18 THE WITNESS: I would love to be able to  
19 testify in substance. All I can do is testify about  
20 the process, and you know, just my concepts of a rate  
21 hike at this point in time.

22 COMMISSIONER GAW: Anyway, thank you for  
23 being here.

24 JUDGE DIPPELL: Mr. Chairman?

25 CHAIRMAN DAVIS: Senator Bray, how long

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1 have you been on the appropriations committee?

2 THE WITNESS: Well, I have been on the  
3 senate appropriations committee for three years, and I  
4 was on the budget committee in the house for ten.

5 CHAIRMAN DAVIS: Do you recall, I be-  
6 lieve it may have been Bob Quinn coming to the senate  
7 appropriations committee two or three years ago re-  
8 garding the need for commissioners to have personal  
9 advisers?

10 THE WITNESS: Yes.

11 CHAIRMAN DAVIS: Do you recall that  
12 testimony?

13 THE WITNESS: Well, I could probably be  
14 reminded of it. I couldn't quote it to you.

15 CHAIRMAN DAVIS: In essence, and correct  
16 me if this is a wrong impression, the testimony was  
17 that commissioners needed their own staff. Because  
18 the staff at the Commission, in fact, did not work for  
19 the commissioners. But they're party litigants in all  
20 these cases, and therefore we can't talk to the very  
21 people that work for us because they have cases and  
22 they're a party in front of us.

23 THE WITNESS: That's my understanding,  
24 right. And didn't you get some staff?

25 CHAIRMAN DAVIS: Yes, we did. And we're

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1 very appreciative and they're very helpful in getting  
2 us prepared. How would you suggest that we remedy  
3 these inadequacies? And I will acknowledge that I be-  
4 lieve our notice could have been much better, it  
5 should have been in the customer bills, and that's  
6 traditionally the way it's done. And we need to do a  
7 better job of doing that.

8 THE WITNESS: That was a mistake, too.

9 CHAIRMAN DAVIS: Moving forward in this  
10 case, how do we remedy these inadequacies that you  
11 pointed out?

12 THE WITNESS: Well, I think that apparen-  
13 tly an agreement is going to be filed on Friday, but I  
14 would hope that doesn't mean that it's any more than  
15 just a suggestion. And that we then go back with full  
16 education about that, and we all get to find out the  
17 ramifications of whatever it is that they're suggest-  
18 ing, and we come back, or you know, we get together  
19 again and get to react to the substance of what's be-  
20 ing proposed.

21 CHAIRMAN DAVIS: Anything else?

22 THE WITNESS: I think that would certain-  
23 ly be a good start. It's fine with me if you guys  
24 just decide that there's no hike needed, so we don't  
25 need to go through this pain. But I know it's the

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1 three year process as well, so.  
2 CHAIRMAN DAVIS: I understand. Thank  
3 you.  
4 JUDGE DIPPELL: Mr. Dandino?  
5 MR. DANDINO: I don't have any questions.  
6 Thank you, Senator.  
7 JUDGE DIPPELL: Mr. Pendergast?  
8 MR. PENDERGAST: No questions. Thank you.  
9 JUDGE DIPPELL: Any other parties? Thank  
10 you, Senator Bray.  
11 THE WITNESS: Thank you.  
12 JUDGE DIPPELL: Representative Frazier,  
13 were you wanting to comment tonight?  
14 THE SPEAKER: I'm just here to listen,  
15 thank you very much.  
16 JUDGE DIPPELL: I will just note and  
17 introduce you, Representative Barbara Frazier. I  
18 believe this is also your district?  
19 THE SPEAKER: No. My district's a little  
20 bit east of here.  
21 JUDGE DIPPELL: I'm sorry.  
22 Joseph Schulte?  
23 THE WITNESS: I assume I'm still under  
24 oath?  
25 JUDGE DIPPELL: You're still under oath.

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1                   THE WITNESS: I testified this morning  
2 about the meter readers and the results, and the safety  
3 issues. But I've heard other comments come up here  
4 today about the meter readers, if they have to come to  
5 your house for a special call it's a \$35 charge. The  
6 company is misspoken there. There is a \$35 charge if  
7 the company -- If somebody moves out of a house and  
8 they go to turn the gas on, there's where the \$35  
9 charge is.

10                   Also, in that there was talk about safety  
11 inspections on that. What Laclede is going to do, and  
12 it was brought up here, and I'm obligated to clarify  
13 it. They have told us that they are no longer going  
14 to do the safety inspection to that customer's house.  
15 If any house starting right now, if it has the AMR  
16 reading device in there, they will no longer charge  
17 you \$35, but they will no longer do a safety inspection  
18 to that person's house, which they have done for  
19 years.

20                   I was on the street for about 18 years  
21 and believe me, I found a lot of stuff out there  
22 through these safety inspections that could have possibly  
23 hurt the customer, or asphyxiated the customer,  
24 or killed the customer. We find that through these  
25 inspections that we do.



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1                   Now, here's another thing, which I brought up  
2 this morning. If they're going to eliminate all the  
3 meter readers, where's all that excess money going?  
4 If they're going to eliminate -- and this is their  
5 figure -- if they're going to eliminate 80,000 turn-  
6 off/turn-ons and just take that meter reading from the  
7 airwaves, what are they going to do with all that  
8 money they're saving there? Because obviously these  
9 servicemen are not going out there anymore to this  
10 house.

11                   And I also want to reiterate to this  
12 Commission that all these things that was done was  
13 always included in the rate. This has already been  
14 bought and paid for over the years. So I have a prob-  
15 lem with that. Not only for my members, of losing  
16 work, I have a big problem with customer safety. To  
17 save \$35 or \$40 or \$50 what is somebody's life worth?  
18 If we save one life a year by finding a problem out  
19 there at these houses -- I don't think it should be  
20 stopped.

21                   I heard comments here, that's why I came  
22 up here and brought this to your attention. There is  
23 a savings here, but what is the savings compared to  
24 the cost of a human life? That's all I have on this,  
25 right now, but you heard from me this morning.

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1 JUDGE DIPPELL: Thank you, Mr. Schulte.  
2 Commissioner Murray, do you have any questions for Mr.  
3 Schulte?  
4 COMMISSIONER MURRAY: No questions.  
5 Thank you.  
6 JUDGE DIPPELL: Commissioner Appling?  
7 COMMISSIONER APPLING: No questions.  
8 Thank you.  
9 JUDGE DIPPELL: Commissioner Gaw?  
10 COMMISSIONER GAW: I asked my questions  
11 this morning. Mr. Schulte, I appreciate you coming  
12 here tonight. Thank you.  
13 JUDGE DIPPELL: Mr. Chairman?  
14 CHAIRMAN DAVIS: Mr. Schulte, the union  
15 has intervened in this case, correct?  
16 THE WITNESS: Correct.  
17 CHAIRMAN DAVIS: When was your last con-  
18 versation with your attorney?  
19 THE WITNESS: My last conversation with  
20 my attorney, probably was a week ago.  
21 CHAIRMAN DAVIS: Does your attorney feel  
22 that this Commission has the authority, the specific  
23 authority to tell Laclede not to lay off any workers?  
24 THE WITNESS: No. I never talked to her  
25 about any of this. As I said when I testified in the

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1 morning meeting, she told me she's not allowed to tell  
2 me -- there's a protective order and there's only  
3 certain things that she can say, and she's not allowed  
4 to tell me stuff. It would get her in trouble and she  
5 would be violating the commission rule. So there's  
6 very little -- she's just up there monitoring what's  
7 going on for us. And to let us know, once we get, if  
8 we get to a full hearing we will be there at the full  
9 hearing, then I assume she can tell me.

10 CHAIRMAN DAVIS: All right. Thank you  
11 for your testimony here today, I appropriate it. It  
12 has been helpful.

13 JUDGE DIPPELL: Mr. Dandino?  
14 MR. DANDINO: No questions. Thank you.  
15 JUDGE DIPPELL: Mr. Pendergast?  
16 MR. PENDERGAST: No questions.  
17 JUDGE DIPPELL: Any questions from other  
18 parties? Thank you, Mr. Schulte.  
19 Kevin Patterson? I'm sorry. Mr.  
20 Patterson, did you testify earlier?  
21 THE WITNESS: Yes, ma'am.  
22 JUDGE DIPPELL: You were previously sworn  
23 in also?  
24 THE WITNESS: Yes, ma'am. I just want to  
25 tell everybody what I testified on this morning. The

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1 top CEO of this company makes a quarter of a million  
2 dollars in a bonus. Do you know how long it takes an  
3 average worker to make \$236,000? That's when it's a  
4 \$110,000 bonus? And they've got the gall to come to  
5 this here, and ask for more money. For what, bigger  
6 bonuses? This is not right.  
7 If Laclede wants to help out anybody, let  
8 them put these bonuses toward the rate increase and  
9 see how they like it. That's all I have to say. I  
10 just wanted to make sure the public knew that.  
11 JUDGE DIPPELL: Commissioner Murray, do  
12 you have any questions for this witness?  
13 COMMISSIONER MURRAY: No questions.  
14 JUDGE DIPPELL: Commissioner Appling?  
15 COMMISSIONER APPLING: Thank you, no  
16 questions.  
17 JUDGE DIPPELL: Commissioner Gaw?  
18 COMMISSIONER GAW: Thank you for coming  
19 again.  
20 JUDGE DIPPELL: Chairman Davis?  
21 CHAIRMAN DAVIS: Thank you.  
22 JUDGE DIPPELL: Mr. Dandino?  
23 MR. DANDINO: No questions. Thank you,  
24 Mr. Patterson.  
25 JUDGE DIPPELL: Mr. Pendergast?

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1 MR. PENDERGAST: No questions, your Honor.

2 JUDGE DIPPELL: Any other parties? Thank

3 you, Mr. Patterson.

4 Is there anyone else present that would

5 like to testify? Sir?

6 THE SPEAKER: There are a couple of

7 things that I'd like to add if that's possible?

8 JUDGE DIPPELL: That's fine. Come back

9 up.

10 THE WITNESS: Again, my name is Arnie

11 Dienhoff. There are two items from other speakers

12 that I'd like the Commission to look into. The first

13 is the \$35 charge for the meter reading. It's unclear

14 at this point if -- If there's a discrepancy in the

15 bill, let's say the bill is \$80 and there's a discrep-

16 ancy in the actual reading, is that customer actually

17 charged that \$35 for Laclede Gas to come out and read

18 that bill? That's number one. Because I don't think

19 it would be fair to charge that if there is an actual

20 discrepancy in the actual meter reading.

21 The other thing is, the union president,

22 Mr. Schulte, I believe brought up the safety inspec-

23 tion on the furnace. Where I live, I live in the City

24 of Bellefontaine Neighbors. It's part of our city

25 code of ordinances that Laclede Gas performs a gas

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1 inspection to be current within 60 days for somebody  
2 either moving into a new home or purchasing a home, or  
3 a renter to obtain an occupancy permit from the City  
4 to reside in it.

5           So if Laclede Gas cuts out this service,  
6 which I think it's desperately needed, and it's a  
7 public health safety and welfare issue. I know it's  
8 \$62 and it's a lot of money, but I'll tell you what,  
9 it's saved a lot of lives and saved a lot of malfunc-  
10 tioning equipment that needs to be replaced. I agree  
11 with the union president that this needs to stay in  
12 effect.

13           If the commission allows Laclede Gas to  
14 take that away I think you're jeopardizing people's  
15 lives, you're jeopardizing neighborhoods. Also, a lot  
16 of the city codes require it to get an occupancy per-  
17 mit. So if you cut that out, I don't know if there's  
18 any other services that perform that type of service.  
19 Those are the two things I wanted to add.

20           JUDGE DIPPELL: Commissioner Murray, did  
21 you have any questions?

22           COMMISSIONER MURRAY: No questions. Thank  
23 you, Judge.

24           JUDGE DIPPELL: Commissioner Appling?

25           COMMISSIONER APPLING: No. Thank you.

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1 JUDGE DIPPELL: Commissioner Gaw?  
2 COMMISSIONER GAW: No. Thank you, sir.  
3 JUDGE DIPPELL: Chairman Davis?  
4 CHAIRMAN DAVIS: No. Thank you, Mr.  
5 Dienhoff.  
6 JUDGE DIPPELL: Mr. Dandino?  
7 MR. DANDINO: No questions.  
8 JUDGE DIPPELL: Mr. Pendergast?  
9 MR. PENDERGAST: Thank you for your  
10 comments, sir. I did just want to clarify that I think  
11 you're talking about home sale inspection, probably all  
12 that requires --  
13 THE WITNESS: Before you -- It's either --  
14 There's a change in occupancy, it's not really a change  
15 by sale.  
16 MR. PENDERGAST: Okay. For purposes of  
17 home sales inspections, to my knowledge things are not  
18 contemplated to change. I just want to clarify that  
19 for you.  
20 JUDGE DIPPELL: Anything further from  
21 any of the other parties? Thank you, Mr. Dienhoff.  
22 Did anyone else wish to comment to-  
23 night? I don't see any other hands being raised, so  
24 I believe that will concluded our -- wait. I'm  
25 sorry. The Chairman wanted to comment.

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1 CHAIRMAN DAVIS: I had a question for Mr.  
2 Pendergast.

3 JUDGE DIPPELL: Go right ahead.

4 CHAIRMAN DAVIS: Do we need to swear him  
5 in or anything?

6 JUDGE DIPPELL: We don't need to swear  
7 him in since he's their attorney.

8 CHAIRMAN DAVIS: Mr. Pendergast, it came  
9 up here earlier tonight, has Laclede Gas changed it's  
10 budget billing collections prospectively in antici-  
11 pation of any rate increase?

12 MR. PENDERGAST: Not in anticipation of  
13 any rate increase. We do have an adjustment that we  
14 make to our budget billing pursuant to our tariff,  
15 which I believe is twice a year. When we do make  
16 those changes we do make them basically to reflect  
17 what the current forecast is, the current assumptions  
18 are, for where the prices will be. But I don't be-  
19 lieve it has any reflection on our base rates, which  
20 is the subject of this proceeding.

21 CHAIRMAN DAVIS: I think that answers my  
22 question.

23 JUDGE DIPPELL: Did you want to make a  
24 closing statement, Mr. Chairman?

25 CHAIRMAN DAVIS: I just want to say thank



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1 you again to everyone for coming and hanging in here  
2 on a Wednesday night. We appreciate your interest and  
3 we will be mindful of your comments. And when, and  
4 if, there is a stipulation and agreement filed in this  
5 case, we are coming back, because of the circum-  
6 stances. We will try to give you adequate notice of  
7 when the hearing will be, as well as adequate notice  
8 as to what is exactly in the agreement. Thank you.  
9 COMMISSIONER GAW: Thank you all for  
10 coming.  
11 JUDGE DIPPELL: We appreciate your atten-  
12 dance this evening. And that will conclude our public  
13 hearing. We can go off the record.  
14 (Thereupon, the public hearing was  
15 concluded.)  
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