

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
TRANSCRIPT OF PROCEEDINGS
Local Public Hearing
June 3, 2013
University of Missouri-St. Louis
Volume 5 @ Page 1
In the Matter of Laclede Gas)
Company's Filing of Revised) File GR-2013-0171
Tariffs to Increase Its Annual)
Revenues for Natural Gas)

Kennard Jones, Regulatory Law Judge

Robert Kenney, Commissioner
Stephen Stoll, Commissioner

Reported by:

Jeanne M. Pedrotty, CCR/CSR
Midwest Litigation Services

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

Marc Poston
Office of Public Counsel
200 Madison Street
P. O. Box 2230
Jefferson City, MO 65102

John Borgmeyer
PSC Staff Attorney
P. O. Box 360
Jefferson City, MO 65109

Rick Zucker and Michael Pendergast
Laclede Gas Company
720 Olive Street
St. Louis, MO 63101

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

2 (Starting time of hearing is 12:57)

3 JUDGE JONES: Good afternoon. My name is
4 Kennard Jones. I'm the Regulatory Law Judge presiding
5 over this rate case. To my right is Chairman of the
6 Commission, Commissioner Robert Kenney. To my my left
7 is Commissioner Steve Stoll. At this point, let's
8 take entries of appearances from the parties who are
9 present. Is Laclede Gas represented?

10 MR. ZUCKER: Yes, Your Honor. Rick Zucker
11 and Michael C. Pendergast here on behalf of Laclede
12 Gas Company, 720 Olive Street, St. Louis, Missouri,
13 63101.

14 JUDGE JONES: Thank you. And Office of
15 Public Counsel?

16 MR. POSTON: Thank you. Marc Poston
17 appearing for Office of Public Counsel and the public.

18 JUDGE JONES: And from the staff of the
19 Commission?

20 MR. BORGMEYER: On behalf of the staff of
21 Missouri Public Service Commission, my name is John
22 Borgmeyer.

23 JUDGE JONES: There are several other
24 parties who are intervenors in this matter. Is there
25 anyone here representing any of those intervenors? I

1 don't see any show of hands. I'll assume there is no
2 one here. I don't have a sign-up sheet with anyone's
3 name on it. I realize this is a fairly low turnout,
4 but if someone wants to testify, this is the time for
5 you to do that. Your testimony will be on the record.
6 I'll have you come up to this chair. I'll swear you
7 in and as a witness you will state your name and spell
8 it for the court reporter and then give your
9 statement. After which, remain at the microphone and
10 myself or the Commissioners, and perhaps even a party
11 here may have a question for you. And you may sit
12 down. Is there -- well, first is there anything you'd
13 like to say.

14 COMMISSIONER KENNEY: Good afternoon. As
15 Judge Jones indicated, my name is Robert Kenney. I'm
16 Chairman of Missouri Public Service Commission, and my
17 colleague, Commissioner Steve Stoll is with me here
18 also. I want to add just a couple of things about the
19 local public hearing process and the role that this
20 plays in the overall hearing that would ultimately
21 culminate at the end of the rate case process. At the
22 end of the examination of the utility's books and
23 records, the commission holds a hearing in Jefferson
24 city and this local public hearing allows the public
25 an opportunity to be a part of the hearing process by

1 testifying on the record. You're sworn in and it's
2 transcribed and that becomes a part of the record in
3 the case. So your testimony as consumers is important
4 and is significant, and is taken into account as the
5 commission deliberates and reaches its ultimate
6 decision. There are by statute five commissioners.
7 Currently, there are only four of us who are seated.
8 We have one vacant seat. And the absence of two
9 commissioners shouldn't be interpreted as disinterest
10 on their part. The other commissioners will have an
11 opportunity to review the transcript of this
12 proceeding and it will allow them the opportunity to
13 be informed by this information as they also
14 deliberate in the case.

15 And so, with that I just want to thank you
16 those of you that have shown up and taking the time
17 out of your busy schedule to come and participate and
18 make your voice heard in this process. With that, if
19 Commissioner Stoll has anything to add -- but thank
20 you for being here.

21 COMMISSIONER STOLL: I think that the point
22 -- the only thing I would add is, again, we do thank
23 you for coming out to the public hearing. It is
24 important for us to hear people's thoughts about the
25 issue before us. And I was going to kind of echo the

1 Chairman's statement that our fellow commissioners who
2 aren't here today will have an opportunity and will
3 read the transcript if testimony is given. And if by
4 chance -- you probably already been told this, but if
5 you don't want to make any statement now, you can fill
6 out a form and have it entered into the hearing. And
7 so, you do have several options. And, again, thanks
8 for taking the time to come out today.

9 JUDGE JONES: Yes, sir.

10 MR. GHOLSTON: You want me to sit down?

11 JUDGE JONES: Before you say anything, is
12 it a statement you want to make on the record?

13 MR. GHOLSTON: Yeah.

14 JUDGE JONES: Come up in front of the mike
15 and I'll swear you in. Can you raise your right hand
16 please? Do you solemnly affirm that the testimony you
17 are about to give is the truth?

18 MR. GHOLSTON: Yes.

19 JUDGE JONES: Can you please state your
20 name for the court reporter?

21 MR. GHOLSTON: George R. Gholston, Jr.,
22 last name is G-h-o-l-s-t-o-n, Jr.

23 JUDGE JONES: Thanks, Mr. Gholston.

24 MR. GHOLSTON: I just wanted to say that
25 don't misinterpret our engagement about these hearings

1 as apathy. But to our understanding, an agreement has
2 been reached regarding this case. So, there is not a
3 lot to say other than we're glad that there is an
4 agreement on the table. And if there is not, you can
5 tell me. Because you haven't touched on whether the
6 parties have come to an agreement on it basically. Is
7 that -- I'm not supposed to ask you questions now.

8 JUDGE JONES: You're not, but I will tell
9 you this -- during the question and answer session,
10 was the stipulation and agreement discussed?

11 MR. GHOLSTON: Yes.

12 JUDGE JONES: Did you get an answer to your
13 question then?

14 MR. GHOLSTON: Yes.

15 JUDGE JONES: So why do you need one now?

16 MR. GHOLSTON: I need to you affirm it. You
17 can't affirm it?

18 JUDGE JONES: There is an agreement.

19 MR. GHOLSTON: But I want you to understand
20 that we do -- we are here to ask questions about
21 something that's basically been settled. So there is
22 nothing really to talk about. And I think Mr. Kenney
23 or Commissioner Kenney is aware that I will get
24 involved from time to time. But it's just in this
25 case there is nothing to get involved with, but don't

1 think we're apathetic about it. Okay. Go ahead.

2 COMMISSIONER KENNEY: Mr. Gholston, it's

3 good to see you. I recognize you from our prior local

4 public hearings and I appreciate your participation

5 and input. We're not supposed to answer questions

6 because we're the judges, and you have heard that

7 before. I can add an additional comment, though. I

8 don't think this will violate to say anything.

9 Everybody in the room knows that there is an agreement

10 of sorts that has been reached between the parties.

11 And maybe this was touched upon, the Commission still

12 has to approve it. And that hasn't happened that the

13 point yet. And we are not in a position as we sit

14 here to say whether we will or will not approve that.

15 So the notion was that the local public hearings would

16 still be valuable to allow parties an opportunity to

17 have their voice be heard. And I did not interpret

18 the lack of presence as apathy. And I appreciate

19 whether it's one person or 100 people that show up, I

20 find that the local public hearings from my

21 perspective are valuable regardless. So, whether

22 there is an agreement on the table or not, I still

23 think that public engagement and public participation

24 is important. And so, I think your participation here

25 and everybody else's participation here is valuable

1 irrespective of the potential settlement that's been
2 reached.

3 MR. GHOLSTON: Okay. Thank you very much.

4 COMMISSIONER KENNEY: Thank you.

5 JUDGE JONES: Thanks. Is there anyone else
6 who would like to testify? I don't see any hands. But
7 by show of hands, how many customers are present
8 today? I count, it looks like, six or seven. Okay.
9 Thank you all. And if no one else wishes to testify,
10 then we will go off the record. Thank you.

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

INDEX OF SPEAKERS

Page

Mr. Gholston. 7

<p style="text-align: center;">A</p> <p>absence 5:8 account 5:4 add 4:18 5:19 5:22 8:7 additional 8:7 affirm 6:16 7:16,17 afternoon 3:3 4:14 agreement 7:1 7:4,6,10,18 8:9,22 ahead 8:1 allow 5:12 8:16 allows 4:24 Annual 1:10 answer 7:9,12 8:5 anyone's 4:2 apathetic 8:1 apathy 7:1 8:18 appearances 3:8 appearing 3:17 appreciate 8:4 8:18 approve 8:12 8:14 assume 4:1 Attorney 2:7 aware 7:23</p> <hr/> <p style="text-align: center;">B</p> <p>basically 7:6,21 behalf 3:11,20 books 4:22 Borgmeyer 2:7 3:20,22 Box 2:4,8 busy 5:17</p> <hr/> <p style="text-align: center;">C</p> <p>C 2:1 3:1,11 case 3:5 4:21 5:3,14 7:2,25 CCR/CSR 1:18</p>	<p>chair 4:6 Chairman 3:5 4:16 Chairman's 6:1 chance 6:4 city 2:4,8 4:24 colleague 4:17 come 4:6 5:17 6:8,14 7:6 coming 5:23 comment 8:7 commission 1:2 3:6,19,21 4:16,23 5:5 8:11 Commissioner 1:13,14 3:6,7 4:14,17 5:19 5:21 7:23 8:2 9:4 commissioners 4:10 5:6,9,10 6:1 Company 2:10 3:12 Company's 1:9 consumers 5:3 Counsel 2:3 3:15,17 count 9:8 couple 4:18 court 4:8 6:20 culminate 4:21 Currently 5:7 customers 9:7</p> <hr/> <p style="text-align: center;">D</p> <p>D 3:1 decision 5:6 deliberate 5:14 deliberates 5:5 discussed 7:10 disinterest 5:9</p> <hr/> <p style="text-align: center;">E</p> <p>E 2:1,1 3:1,1</p>	<p>echo 5:25 else's 8:25 engagement 6:25 8:23 entered 6:6 entries 3:8 everybody 8:9 8:25 examination 4:22</p> <hr/> <p style="text-align: center;">F</p> <p>fairly 4:3 fellow 6:1 File 1:9 Filing 1:9 fill 6:5 find 8:20 first 4:12 five 5:6 form 6:6 four 5:7 front 6:14</p> <hr/> <p style="text-align: center;">G</p> <p>G 3:1 Gas 1:9,10 2:10 3:9,12 George 6:21 Gholston 6:10 6:13,18,21,21 6:23,24 7:11 7:14,16,19 8:2 9:3 10:3 give 4:8 6:17 given 6:3 glad 7:3 go 8:1 9:10 going 5:25 good 3:3 4:14 8:3 GR-2013-0171 1:9 G-h-o-l-s-t-o-n 6:22</p> <hr/> <p style="text-align: center;">H</p>	<p>hand 6:15 hands 4:1 9:6,7 happened 8:12 hear 5:24 heard 5:18 8:6 8:17 hearing 1:5 3:2 4:19,20,23,24 4:25 5:23 6:6 hearings 6:25 8:4,15,20 holds 4:23 Honor 3:10</p> <hr/> <p style="text-align: center;">I</p> <p>important 5:3 5:24 8:24 Increase 1:10 INDEX 10:1 indicated 4:15 information 5:13 informed 5:13 input 8:5 interpret 8:17 interpreted 5:9 intervenors 3:24,25 involved 7:24 7:25 irrespective 9:1 issue 5:25</p> <hr/> <p style="text-align: center;">J</p> <p>Jeanne 1:18 Jefferson 2:4,8 4:23 John 2:7 3:21 Jones 1:11 3:3 3:4,14,18,23 4:15 6:9,11 6:14,19,23 7:8,12,15,18 9:5 Jr 6:21,22 Judge 1:11 3:3 3:4,14,18,23</p>	<p>4:15 6:9,11 6:14,19,23 7:8,12,15,18 9:5 judges 8:6 June 1:6</p> <hr/> <p style="text-align: center;">K</p> <p>Kennard 1:11 3:4 Kenney 1:13 3:6 4:14,15 7:22,23 8:2 9:4 kind 5:25 knows 8:9</p> <hr/> <p style="text-align: center;">L</p> <p>lack 8:18 Laclede 1:9 2:10 3:9,11 Law 1:11 3:4 left 3:6 let's 3:7 Litigation 1:19 local 1:5 4:19 4:24 8:3,15 8:20 looks 9:8 lot 7:3 Louis 1:7 2:11 3:12 low 4:3</p> <hr/> <p style="text-align: center;">M</p> <p>M 1:18 Madison 2:3 Marc 2:2 3:16 matter 1:9 3:24 Michael 2:10 3:11 microphone 4:9 Midwest 1:19 mike 6:14 misinterpret 6:25</p>
--	---	---	---	--

<p>Missouri 1:1 3:12,21 4:16 Missouri-St 1:7 MO 2:4,8,11</p> <hr/> <p>N</p> <p>N 2:1 3:1 name 3:3,21 4:3,7,15 6:20 6:22 Natural 1:10 need 7:15,16 notion 8:15</p> <hr/> <p>O</p> <p>O 2:4,8 3:1 Office 2:3 3:14 3:17 Okay 8:1 9:3,8 Olive 2:11 3:12 opportunity 4:25 5:11,12 6:2 8:16 options 6:7 overall 4:20</p> <hr/> <p>P</p> <p>P 2:1,1,4,8 3:1 Page 1:8 10:2 part 4:25 5:2 5:10 participate 5:17 participation 8:4,23,24,25 parties 3:8,24 7:6 8:10,16 party 4:10 Pedrotty 1:18 Pendergast 2:10 3:11 people 8:19 people's 5:24 person 8:19 perspective 8:21 plays 4:20</p>	<p>please 6:16,19 point 3:7 5:21 8:13 position 8:13 Poston 2:2 3:16 3:16 potential 9:1 presence 8:18 present 3:9 9:7 presiding 3:4 prior 8:3 probably 6:4 proceeding 5:12 PROCEEDI.. 1:4 process 4:19,21 4:25 5:18 PSC 2:7 public 1:2,5 2:3 3:15,17,17,21 4:16,19,24,24 5:23 8:4,15 8:20,23,23</p> <hr/> <p>Q</p> <p>question 4:11 7:9,13 questions 7:7 7:20 8:5</p> <hr/> <p>R</p> <p>R 2:1 3:1 6:21 raise 6:15 rate 3:5 4:21 reached 7:2 8:10 9:2 reaches 5:5 read 6:3 realize 4:3 really 7:22 recognize 8:3 record 4:5 5:1 5:2 6:12 9:10 records 4:23 regarding 7:2 regardless 8:21</p>	<p>Regulatory 1:11 3:4 remain 4:9 Reported 1:17 reporter 4:8 6:20 represented 3:9 representing 3:25 Revenues 1:10 review 5:11 Revised 1:9 Rick 2:10 3:10 right 3:5 6:15 Robert 1:13 3:6 4:15 role 4:19 room 8:9</p> <hr/> <p>S</p> <p>S 2:1 3:1 schedule 5:17 seat 5:8 seated 5:7 see 4:1 8:3 9:6 Service 1:2 3:21 4:16 Services 1:19 session 7:9 settled 7:21 settlement 9:1 seven 9:8 sheet 4:2 show 4:1 8:19 9:7 shown 5:16 significant 5:4 sign-up 4:2 sir 6:9 sit 4:11 6:10 8:13 six 9:8 solemnly 6:16 sorts 8:10 SPEAKERS 10:1</p>	<p>spell 4:7 St 2:11 3:12 staff 2:7 3:18 3:20 Starting 3:2 state 1:1 4:7 6:19 statement 4:9 6:1,5,12 statute 5:6 Stephen 1:14 Steve 3:7 4:17 stipulation 7:10 Stoll 1:14 3:7 4:17 5:19,21 Street 2:3,11 3:12 supposed 7:7 8:5 swear 4:6 6:15 sworn 5:1</p> <hr/> <p>T</p> <p>table 7:4 8:22 take 3:8 taken 5:4 talk 7:22 Tariffs 1:10 tell 7:5,8 testify 4:4 9:6,9 testifying 5:1 testimony 4:5 5:3 6:3,16 thank 3:14,16 5:15,19,22 9:3,4,9,10 thanks 6:7,23 9:5 thing 5:22 things 4:18 think 5:21 7:22 8:1,8,23,24 thoughts 5:24 time 3:2 4:4 5:16 6:8 7:24 7:24</p>	<p>today 6:2,8 9:8 told 6:4 touched 7:5 8:11 transcribed 5:2 transcript 1:4 5:11 6:3 truth 6:17 turnout 4:3 two 5:8</p> <hr/> <p>U</p> <p>ultimate 5:5 ultimately 4:20 understand 7:19 understanding 7:1 University 1:7 utility's 4:22</p> <hr/> <p>V</p> <p>vacant 5:8 valuable 8:16 8:21,25 violate 8:8 voice 5:18 8:17 Volume 1:8</p> <hr/> <p>W</p> <p>want 4:18 5:15 6:5,10,12 7:19 wanted 6:24 wants 4:4 we're 7:3 8:1,5 8:6 wishes 9:9 witness 4:7</p> <hr/> <p>Y</p> <p>Yeah 6:13</p> <hr/> <p>Z</p> <p>Zucker 2:10 3:10,10</p> <hr/> <p>1</p>
--	--	---	---	---

TRANSCRIPT OF PROCEEDINGS 6/3/2013

1 1:8 100 8:19 12:57 3:2				
<hr/> 2 <hr/>				
200 2:3 2013 1:6 2230 2:4				
<hr/> 3 <hr/>				
3 1:6 360 2:8				
<hr/> 5 <hr/>				
5 1:8				
<hr/> 6 <hr/>				
63101 2:11 3:13 65102 2:4 65109 2:8				
<hr/> 7 <hr/>				
7 10:3 720 2:11 3:12				