

Exhibit No.:

Issue:

Witness:

Type of Exhibit:

Sponsoring Party:

Case No.:

Service Initiation Fees

John J. Kozyrski, Jr.

Direct Testimony

Laclede Gas Company

GR-2001-629

LACLEDE GAS COMPANY

GR-2001-629

DIRECT TESTIMONY

OF

JOHN J. KOZYRSKI, JR.

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's )  
Tariff to Revise Natural Gas Rate )  
Schedules. )

Case No. GR-2001-629

AFFIDAVIT

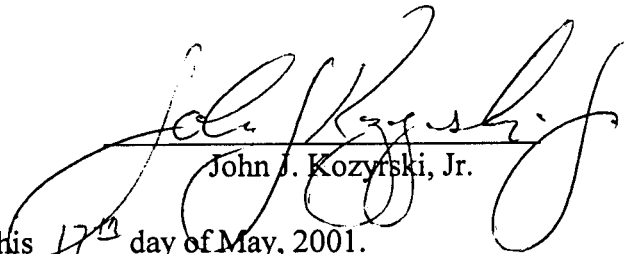
STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

John J. Kozyrski, Jr., of lawful age, being first duly sworn, deposes and states:

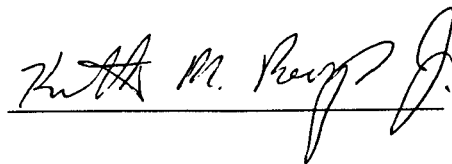
1. My name is John J. Kozyrski, Jr.. My business address is 720 Olive Street, St. Louis, Missouri 63101; and I am Director of Marketing for Laclede Gas Company.

2. Attached hereto and made part hereof for all purposes is my direct testimony, consisting of pages 1 to 3, inclusive.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

  
John J. Kozyrski, Jr.

Subscribed and sworn to before me this 17<sup>th</sup> day of May, 2001.



KENNETH M. BEERUP, JR.  
Notary Public — Notary Seal  
STATE OF MISSOURI  
City of St. Louis  
My Commission Expires: Dec. 19, 2003

**DIRECT TESTIMONY OF JOHN J. KOZYRSKI**

1 Q. What is your name and address?

2 A. My name is John J. Kozyrski, Jr., and my business address is 720 Olive Street,  
3 St. Louis, Missouri, 63101

4 Q. By whom are you employed and in what capacity?

5 A. I am employed by Laclede Gas Company in the position of Director - Marketing.

6 Q. Please state your qualifications and experience.

7 A. I graduated from the University of Michigan in 1970, where I received the degree  
8 of Bachelor of Science in Mechanical Engineering. I have been a registered  
9 professional engineer in the State of Michigan since 1975. From 1970 to 1993, I  
10 was employed by Michigan Consolidated Gas Company in Detroit, Michigan in  
11 various management positions with responsibility for marketing, customer  
12 service, distribution operations, and corporate engineering and construction. I  
13 also served as President of EnCon Energy Services, an independent subsidiary  
14 providing technical consulting services to gas marketing organizations. In 1993, I  
15 joined Washington Natural Gas Company in Seattle, Washington as Vice  
16 President - Engineering. In 1994, I served as Vice President - Gas Operations  
17 with responsibility for system operations, engineering, customer service, and  
18 storage partnerships. In 1997, our organization merged with Puget Sound Power  
19 and Light to form Puget Sound Energy at which time my customer service  
20 responsibility was reassigned to a new business unit and I assumed the additional

responsibility for business development. In 1999, I joined Laclede Gas as Director - Marketing.

Q. Would you please explain the purpose of your testimony?

A. My testimony will identify specific services provided to a group of customers where the cost of performing the service is currently shared by other non-participating customers. My testimony will assign the cost of performing the services to the select customers requesting each service.

Q. Please explain the proposal.

A. Each year the Company receives approximately 85,000 requests to "turn-on" gas service for our customers. As part of this service, we incur expenses for such tasks as reading the meter, turning the gas on, and performing all related safety inspections. At issue is the responsibility for "cost causation". The Company proposes that the customers generating the requests for these services should be charged accordingly rather than distribute the cost to customers who have remained in the same home for years.

The Company proposes to incorporate a new service initiation fee into its schedule of customer charges. The base charge will be \$36 for each request to initiate gas service.

The Company also proposes to offer premium service initiation to customers requesting off-hour service. For service during non-regularly scheduled work hours, Sundays and holidays, a service premium charge of \$18 would be added to the base fee. Customer requested appointments would be confirmed at the option

1 of the Company and each premium service would be subject to the availability of  
2 personnel to fulfill the request.

3 Q. Why is Laclede proposing to offer a premium level of service initiation?

4 A. Our customers' daily schedules are getting increasingly busy. Coordination of our  
5 service visits can require customers to take time off from work and may even  
6 cause greater inconveniences during a "move" when so many other matters  
7 require attention. In our continuing effort to enhance service to our customers, we  
8 believe that an off-hour service will provide an improved level of convenience  
9 and peace-of-mind.

10 Q. What operational adjustments do you anticipate in order to provide the premium  
11 service?

12 A. Our field operations will always focus on assuring that our gas service is safe and  
13 reliable for our customers and the communities within which we operate.  
14 Premium service will be offered when personnel are available to fulfill requests  
15 without compromising any priority work.

16 Q. How do you plan to account for the charges covered in your testimony?

17 A. Based upon test year experience, the service charges will generate \$3,123,000 in  
18 revenue. The adjustment of line 6g on Schedule 2 of Section C increases revenue  
19 by this amount, thereby reducing the amount of the Company's revenue  
20 requirement by the same value.

21 Q. Does this complete your testimony?

22 A. Yes, it does.