

Exhibit No.: _____
Issue: Company Response
Witness: Kim Lambert
Type of Exhibit: Rebuttal
Sponsoring Party: Missouri Gas Energy
Case No.: GC-2004-0305
Date Testimony Prepared: August 2, 2004

MISSOURI PUBLIC SERVICE COMMISSION

MISSOURI GAS ENERGY

CASE NO. GC-2004-0305

REBUTTAL TESTIMONY OF

KIM LAMBERT

Jefferson City, Missouri

August 2, 2004

REBUTTAL TESTIMONY OF KIM LAMBERT

CASE NO. GC-2004-0305

1 **Q. WOULD YOU PLEASE STATE YOUR NAME AND BUSINESS**
2 **ADDRESS?**

3 A. My name is Kim Lambert and my business address is 3420 Broadway, Kansas
4 City, Missouri 64111.
5

6 **Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

7 A. I am employed by Missouri Gas Energy (MGE), a division of Southern Union
8 Company (Company), as Manager of Billing and Account Services.
9

10 **Q. PLEASE DESCRIBE YOUR PROFESSIONAL EXPERIENCE AND THE**
11 **NATURE OF YOUR DUTIES AS MGE'S MANAGER OF BILLING AND**
12 **ACCOUNT SERVICES.**

13 A. I have worked for MGE (or its predecessor companies) for 25 years, primarily in
14 the customer service area, in positions ranging from a front-line customer service
15 representative, to customer advisor, to supervisor of Large Volume services. My
16 present duties as manager of billing and account services include overseeing the
17 proper billing of all accounts and the collection of all monies owed to MGE, in
18 addition to many other functions.
19

20 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
21 **PROCEEDING?**

1 A. The purpose of my testimony is to rebut the direct testimony of Mr. Charles A.
2 Cooper, the Complainant in this matter, and explain how MGE's actions are
3 supported by the facts and its tariff.
4

5 **Q. WHAT IS THE BASIS OF MR. COOPER'S COMPLAINT?**

6 A. Mr. Cooper alleges that MGE wrongfully attempted to assess a bill for unbilled
7 gas and a delinquent account for gas service at 6303-6305 Evanston, Raytown,
8 Missouri. Mr. Cooper is the owner of the premises at 6303-6305 Evanston and
9 has the owner since approximately July of 2001. In his Complaint, Mr. Cooper
10 sought: 1) to have the prior outstanding balance of \$760.88 withdrawn; 2) to have
11 MGE provide service to him at 6303-6305 Evanston, Raytown, Missouri; 3) to
12 have MGE reimburse him for the purchase of two electric heaters; and 4) have
13 penalties assessed against MGE.
14

15 **Q. WHAT IS THE NATURE OF THE PROPERTY LOCATED AT 6303-6305**
16 **EVANSTON?**

17 A. This is commercial property with multiple rental units. There is a separate natural
18 gas meter for each rental unit. This Complaint specifically concerns natural gas
19 service provided to the 6303 Evanston unit.
20

21 **Q. PLEASE EXPLAIN THE CHRONOLOGY OF EVENTS IN THIS**
22 **MATTER UP TO THE FILING OF MR. COOPER'S COMPLAINT.**

1 A. MGE's records show the following:

- 2 • December 18, 2002 -- Service is discontinued to Ready, Set, Go, Inc.,
3 a business using space at 6303 Evanston on a periodic basis and
4 primarily located at 6311 Evanston. The meter index reads 2928. The
5 meter is turned off and blind sealed. (See Schedules KL-1 and KL-2).
- 6 • December 18, 2002—De minimis usage is noted on the meter at 6303-
7 6305 Evanston for the period ending January 8, 2003. The usage is 11
8 units of gas. (Schedules KL-3-1 and K-3-2).
- 9 • February 6, 2003 – A meter reading at 6303 Evanston was obtained
10 showing usage of 383 units of gas in the 29 days since the last reading.
- 11 • February 18, 2003 – Although not very clearly stated, it appears Mr.
12 Cooper calls to inquire about the service at 6303 Evanston, Raytown,
13 Missouri. (Schedule KL-4).
- 14 • March 7, 2003 – A meter reading at 6303 Evanston was obtained
15 showing usage of 314 units in the 29 days since the last reading.
- 16 • April 7, 2003 – A meter reading at 6303 Evanston was obtained
17 showing usage of 86 units of gas in the 30 days since the last reading.
- 18 • June 14, 2003 – The meter at 6303 Evanston was locked as a result of
19 unbilled gas passing through meter.
- 20 • June 19, 2003 – The meter at 6303 Evanston was removed from the
21 premises.
- 22 • December 17, 2003 – An extended conversation took place between a
23 MGE Customer Consultant and Janet Byers, President of Ready, Set,

1 Go, Inc. Ms. Byers informs MGE she only utilized the premises in the
2 months of July and August and did not need service at this address.
3 Mr. Cooper is demanding gas on so pipes will not freeze. (Schedule
4 KL-5).

- 5 • December 18, 2003 -- Mr. Cooper files a complaint with the Missouri
6 Public Service Commission (the "Commission").

7
8 **Q. DID MGE ACT WITHIN ITS TARIFF AUTHORITY IN ASSESSING THE**
9 **UNBILLED GAS AMOUNT TO MR. COOPER?**

10 A. Yes. Mr. Cooper admits that he established electric service in his name on March
11 26, 2003. Mr. Cooper's testimony fails to disclose the date he acquired
12 possession of the premises from his tenant, Ready, Set, Go, Inc. I note that the
13 lease attached to Mr. Cooper's Direct Testimony shows a lease termination date of
14 August 31, 2004. The Terms and Conditions of Tariff 3.02 provide:

15 PRIOR INDEBTEDNESS OF CUSTOMER: Company shall not be required to
16 commence supplying gas service if at the time of application, the applicant, or any
17 member of applicant's household (*who has received benefit from previous gas*
18 *service*), is indebted to Company for such gas service previously supplied at the
19 same premises or any former premises until payment of such indebtedness shall
20 have been made. This provision cannot be avoided by substituting an application
21 for service at the same or at a new location signed by some other member of the
22 former customer's household or by any other person acting for or on behalf of
23 such customer." (Emphasis Supplied).
24

25 **Q. WHO, OTHER THAN MR. COOPER, BENEFITED FROM THE USE OF**
26 **THE GAS BETWEEN DECEMBER, 2002 AND JUNE, 2003, WHEN THE**
27 **METER WAS REMOVED?**

1 **A.** No one other than Mr. Cooper would have benefited from the use of gas during
2 this time. Obviously, MGE did not benefit from the use of this gas. Ready, Set,
3 Go, Inc. did not seek any benefit from this service as it had taken affirmative steps
4 to instruct MGE to discontinue service. The use of the gas allowed the premise to
5 be heated during the winter months and served Mr. Cooper’s interest in
6 preventing the pipes from freezing during the winter. Mr. Cooper stated in his
7 Complaint that “. . . the area in question had exposed water pipes in the bathrooms
8 and they might freeze if there was not heat in this area of the building.”
9 (Complaint, para. 2). The heating of these premises benefited Mr. Cooper. To
10 not assess this bill to Mr. Cooper, unjustly enriches him in this situation.

11

12 **Q. PLEASE EXPLAIN THE SIGNIFICANCE OF “BLIND SEALING” THE**
13 **METER WHEN MGE’S SERVICEPERSON LEFT THE SERVICE**
14 **INACTIVE ON DECEMBER 18, 2002.**

15 **A.** Certainly. As I review Schedule KL-1, I find an “I” in the status left field. This
16 indicates that the valve on the meter set was turned to the “OFF” position. I also
17 note the service person remarked that the meter was “MOBS”. This abbreviation
18 is short for “Meter Off and Blind Sealed.” The blind sealing of a meter calls for
19 loosening the meter set and inserting a round disc in the piping to prevent leakage.
20 Therefore, after this procedure, a two-step process is required to cause gas to
21 again flow through this meter. First, the metal disc had to be removed from the
22 piping. Second, the valve had to be turned to the “ON” position. There are no
23 records in MGE’s system to show that a MGE service person reinitiated service at

1 this address. This process will be further described in the Rebuttal Testimony of
2 MGE witness James F. Gorman.

3
4 **Q. DOES MGE'S TARIFF ADDRESS IMPROPER RECONNECTION OF**
5 **SERVICES?**

6 A. Yes. Section 4.10 (Sheet R-37 of MGE's tariff) states that "In case of
7 unauthorized or fraudulent use of gas in any manner on the premises occupied by
8 customer with or without customer's knowledge, where in the opinion of
9 Company, an unsafe condition may have been created, service may be shut off
10 without any advance notice, and shall not be resumed until customer shall have
11 given satisfactory assurance that such unauthorized or fraudulent use of gas has
12 been discontinued and shall have paid to Company an amount estimated by
13 Company to be reasonable payment for gas so used and not paid for. Company
14 shall also be entitled to collect a reconnection charge as provided in Section 14,
15 herein."

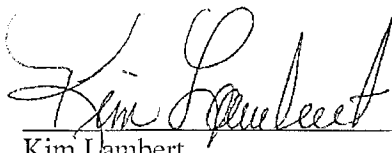
16
17 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

18 A. Yes.

AFFIDAVIT

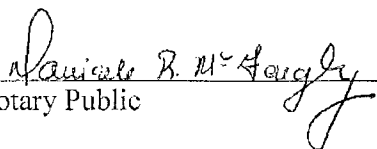
STATE OF MISSOURI)
)
COUNTY OF JACKSON) ss

I, Kim Lambert, state that I am employed by Missouri Gas Energy, a Division of Southern Union Company, as its Manager of the Accounts Services Center; that the Rebuttal Testimony attached hereto has been prepared by me or under my direction and supervision; and, that the answers to the questions posed therein are true to the best of my knowledge, information and belief.



Kim Lambert

Subscribed and sworn to before me this 2nd day of August, 2004.



Notary Public

My Commission Expires:
DANIELLE R. McGAUGHY
Notary Public - State of Missouri
Commissioned in Jackson County
My Commission Expires Nov. 7, 2004

(SEAL.)

F04WXL SOPL SOOH SERVICE ORDER COMPLETION HISTORY 08/02/04 07:55

SERVICE ADDRESS: 6303 EVANSTON AVE SERVICE ORDER TYPE: SOTF
CUSTOMER NAME : LA PETITE ACADEMY BILL ACCOUNT: 8565082446
REQUESTED BY : BRETT ROSE COMPLETED BY: 01816
FIELD ORDER NO : 021285226 WORK DIST: 0533 ACTION TAKEN:

TIMES: DISPTCH: 00:22 ACKDG: ENRTE: 14:21 ARRVD: 14:30 LEFT: 14:42
COMPLETED: 12/18/02

	METER	MTR	MTR	SO	STAT	STAT		REMOVE
SVC	NUMBER	MFG	LOC	ACT	FND	LEFT	INDEX	REASON
G	00092512	04	L6	TF	A	I	2928	

ISSUE RMKS: <TF>ADV FREEZE DO NOT LEAVE ON .. LA PETITE HAS BEEN GONE A YEAR
FIELD RMKS: MOBS

TOP OF LIST

NEXT FUNCTION: DATA: 0091

SCHEDULE KL-1

Completion_Code	
VALUE	DESCRIPTION
APIO	Appliance inoperable
APLO	Appl left off per cust request
APLM	Appl(s) lit by plumber/maint
APSO	Appl(s) left off/cust request
CAPL	Capped lines
CLLM	Collected money
CCAN	Cust cancelled order
CNSN	Cust did not sign
CHPR	Cust has paid receipt
CPAD	Cust paid already
CPAY	Cust will pay
FTGO	Fire dept. turned gas off
HFI	HFI (hold for inspection)
WTLK	Hot water leak
LKYL	Leak in yardline - Mtr off
LKHL	Leak in HL-off and sealed mtr
LHFI	Lk in HL - Mtr off (HFI)
LKIS	Leak isolated/left gas off
LKSW	Leak repaired at swivel
LOOK	Left on and OK
LPNT	Loop not painted* make order
MCLO	Made contact; left on
MCGT	Meter Change Grunsky T
MTST	Mtr - needs to be tested
MAOM	Mtr - several apts. on one
MOBS	Mtr off and blind sealed
MEXC	Mtr exchanged
MFNS	Mtr fnd off w/o seal/Sealed
MFOS	Mtr found off and sealed
MORD	Mtr over-read
MRDC	Mtr reading is correct
MRGC	Mtr registering properly
MRMV	Mtr removed
MSOF	Mtr set and off
MSON	Mtr set and on
MOFL	Mtr turned off and locked
MURD	Mtr under-read meter
NLF	NLF (no leaks found)
NACN	No appliances connected
NCLO	No contact; left off
NINS	No inspection
NMLC	No meter at location
NCOL	No money collected
OPLN	Open line
PNTL	Painted loop
PVAL	Plugged vacant loop.
PRAP	Problem was at another premise
RDOY	Read only
ROTG	Red tagged see remarks
RFCM	Referred to C and M
RPCM	Referred to P and M
RPGK	Replaced gasket
RPNB	Replaced nylon bushing
RFRG	Replaced regulator
SCAL	Safety checks performed/left on

Not_Done_Code	
VALUE	DESCRIPTION
BC	Building condemned
BD	Bad dog
CA	Cust cancelled order
CL	Cust left before completing shut in test
CM	Need C and M crew to do work
DL	Door locked
GL	Gate locked
HL	Leak in house line
HU	Cust not home to complete leak check
IC	Cust irate
MO	Mtr already off
NA	No access to apt.
NC	No access code to gate/Lock box
NG	No gas on service
NH	Cust not home
NI	No city inspection
NK	No key to house
NM	Cust does not have the money
NO	No access
NP	Cust called; never arrived at premise
NQ	No access to all appliances
NR	No response to call before going
NS	Not safe
NT	No company service line
NV	No cut off valve to one or more appls
OB	Obstruction in the customers line
OM	Obstruction to meter
RS	Cust wants to reschedule order
TG	Test gauge on h/i
TR	Trash on meter
UA	No adult home (minors only)
UC	Unacceptable conditions
UL	Unable to locate premise
WA	Wrong access code to gate/Lock box
WL	Water in line
WP	Wrong phone number on CB4G
YL	Leak in yard line
FB	Flooded Basement

Completion Codes Cont.

SITK	Shut in Test OK
SRMK	See Remarks
UPRB	Unable to probe; too wet
USAF	Unsafe cond. preventing entry
VACP	Vacant premise
WNGA	Wrong address
YELT	Yellow tag attached/lit appl

New Addition

6303 EVANSTON AVE
RAYTOWN MO 64133
F04WXL MRHI MRHI

WK
HM
METER READING HISTORY

0902
10 09059
I COM 7794428324
08/02/04 07:57

SVC: G METER: 00092512 MFG: 04 DIALS: 4 STATUS: R
LOC: SOUTH SIDE BLDG INSTR:
READ NO METER DEMAND RDG RDG RDG RDG MTR
DATE DAYS INDEX INDEX SRCE INFO RSN STAT RD OK EMPLOYEE
02/06/03 50 3322 Q 24 N N 64904
02/06/03 50 3322 O 24 N N 64904
01/08/03 21 2939 Q 68 N N 64904
01/08/03 21 2939 O 48 N N 64904
12/18/02 12 2928 S F P Y 01816
12/06/02 31 2819 O N P 64904
11/05/02 29 2571 Q N P 64904
11/05/02 29 2571 O 47 N N 64904
10/07/02 31 2457 O 52 N P 64904
09/06/02 30 2457 O 52 N P 64904

MORE PAGES

NEXT FUNCTION: DATA:

0091

6303 EVANSTON AVE
RAYTOWN MO 64133
F04WXL MRHI MRHI

WK
HM
METER READING HISTORY

0902
10 09059
I COM 7794428324
08/02/04 07:57

SVC: G METER: 00092512 MFG: 04 DIALS: 4 STATUS: R
LOC: SOUTH SIDE BLDG INSTR:
READ NO METER DEMAND RDG RDG RDG RDG MTR
DATE DAYS INDEX INDEX SRCE INFO RSN STAT RD OK EMPLOYEE
06/19/03 183 3733 Q 24 X N 04451
06/14/03 178 3734 S V N Y 03506
06/06/03 170 3732 Q 24 N N Y 88888
06/06/03 170 3732 O 24 N N Y 88888
05/07/03 140 3732 Q 24 N N Y 88888
05/07/03 140 3732 O 24 N N Y 88888
04/07/03 110 3722 Q 24 N N 64904
04/07/03 110 3722 O 24 N N 64904
03/07/03 79 3636 Q 24 N N 64904
03/07/03 79 3636 O 47 N N 64904

TOP OF LIST

MORE PAGES

NEXT FUNCTION: DATA:

0091

6303 EVANSTON AVE
RAYTOWN MO 64133
F04WXL CCON CCIN

WK
HM
CUSTOMER CONTACT ENTRY

0902
10 09059
I COM 7794428324
08/02/04 08:07

SEL	DATE	TIME	TYPE	USER ID	CONTACT DESCRIPTION	MEMO
	05/23/03	18:44	OT	F04JAL	RETURNED MAIL // INACTIVE CONSUMP JOLIE	N
	05/13/03	02:40	IC	SYSTEM	SENT INACTIVE W/ CONS LETTER - 804 CCF	Y
	05/12/03	09:12	PB	F04RTT	PREBILL ERROR COMPLETED 05/12/03.	Y
	04/11/03	02:39	IC	SYSTEM	SENT INACTIVE W/ CONS LETTER - 794 CCF	Y
	04/10/03	09:04	PB	F04JWW	PREBILL ERROR COMPLETED 04/10/03.	Y
	04/02/03	14:11	OT	F04JAL	RETURNED MAIL /INACTIVE CONSUMP JOLIE	N
	03/13/03	02:36	IC	SYSTEM	SENT INACTIVE W/ CONS LETTER - 708 CCF	Y
	03/12/03	08:29	PB	F04MYS	PREBILL ERROR COMPLETED 03/12/03.	Y
	02/18/03	10:31	OT	F04LAM	CHARLES COOPER IS THE OWNER OF THIS BUIL	Y
	02/12/03	02:38	IC	SYSTEM	SENT INACTIVE W/ CONS LETTER - 394 CCF	Y
	02/11/03	08:18	PB	F04AYY	PREBILL ERROR COMPLETED 02/11/03.	Y
	01/13/03	08:10	PB	F04MYS	PREBILL ERROR COMPLETED 01/13/03.	Y

BOTTOM OF LIST
13-ADD CNTCT

NEXT FUNCTION:

DATA:

0091

6303 EVANSTON AVE
RAYTOWN MO 64133
F04WXL CINQ MEMO

WK
HM G E
MEMO SCRATCH PAD INQUIRY

0902
10 09059
I COM 7794428324
08/02/04 07:51

DATE	TYPE	USER ID	CONTACT DESCRIPTION
12/17/03	OT	F04JJ1	CKED AND CALLED JANET BYERS WITH READY S

REMARKS: ET GO DAYCARE WHOM OWNER CHARLES COOPER SAYS HAD SPACE ..SHE SAY
S HE HAS CONTROL OF THE HEAT AND A/C HERE...SHE HAS GAS AT 6311
EVANSTON AVE BUT SAYS NEVER USED HEAT HERE...SAYS ONLY HERE JULY
TO AUG AND DID NOT NEED GAS....EXPLAINED UBG IS 12-02 TO 6-03 A
ND SHE INSISTS NOT HERE AT THAT TIME.... CHARLES BOUGHT 7-01 AND
LA PETTIT LEFT 12-01....HE DEMANDS WE TURN ON SO PIPES DO NOT F
REEZE. BYERS SAYS HE OWES UBG HE SAYS BYERS OWES UBG

13-ACCT DATA	14-CURR SERV	16-BILL HIST	17-PYMT HIST	18-ANALYSIS
19-MISC CHARGE	20-DEGREE DAY	21-ACCT BAL	22-ACCT INFO	
NEXT FUNCTION:	DATA:			

0091