

Exhibit No.:
Issues: *Tariff*
Witness: *Carol Gay Fred*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Rebuttal Testimony*
Case No.: *GT-2008-0374*
Date Testimony Prepared: *November 14, 2008*

MISSOURI PUBLIC SERVICE COMMISSION
GENERAL COUNSEL DIVISION

REBUTTAL TESTIMONY
OF
CAROL GAY FRED

LACLEDE GAS COMPANY

CASE NO. GT-2008-0374

Jefferson City, Missouri
November 2008

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CAROL GAY FRED
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1 Q. What knowledge, skill, experience, training or education do you have in
2 regulatory matters?

3 A. I have acquired general knowledge of these topics through my experience and
4 analyses in prior rate, complaint, merger, rulemaking and working group cases before this
5 Commission. I have also acquired knowledge of these topics through review of Staff
6 workpapers for prior complaint cases brought before this Commission. I have reviewed prior
7 Commission decisions with regard to these areas. In addition, since commencing employment
8 with the Commission in January, 1987, I have attended various in-house training seminars and
9 NARUC training seminars and conferences. I am an active member of the NARUC
10 Subcommittee on Consumer Affairs. I have also participated in and supervised the work on a
11 number of informal and formal complaint proceedings. As the Manager of Consumer Services
12 Department, I supervise and provide instructions to Consumer Specialist Is and IIs and
13 Consumer Service Coordinators on similar matters within the General Counsel Division.

14 In addition, prior to my employment with the Commission I was employed by United
15 Telephone Company, now known as Embarq, from 1977 to 1987, as an internal consultant with
16 primary functions that consisted of call center supervision, credit and collections, outside plant
17 compliance audits, cable assignment specialist and central office switch conversion assistant.

18 **PURPOSE OF TESTIMONY**

19 Q. What is the primary purpose of your testimony?

20 A. The purpose of my testimony is to discuss Laclede Gas Company's (Laclede's
21 or Company's) tariff proposal to add tariff language that would address gas meters that have
22 stopped or fail to register or provide actual readings of a consumer's gas usage.

1 **TARIFF PROPOSAL BACKGROUND**

2 Q. Are you familiar with the discussion that Laclede has been having with Staff and
3 the Office of Public Counsel (OPC) regarding the terms of the proposed tariff for the past
4 several months?

5 A. Yes. In fact, on April 25, 2008, Staff reported in Staff's Reply to Public
6 Counsel's Second Response, Staff and OPC had met with Laclede and worked to develop tariff
7 language to better define the company's procedures for handling estimated bills when meters
8 stop registering usage. When meters stop registering, customer usage is estimated until a meter
9 or AMR is replaced. The parties were not able to agree on the appropriate procedures or tariff
10 language.

11 As directed by the Commission, Laclede submitted a tariff filing on May 19,
12 2008 to clarify the procedures that the Company will follow in responding to a meter that has
13 stopped or failed to register or provide actual meter readings. This case was created on May
14 28, 2008, when OPC filed its motion to suspend the tariff filing and requested an evidentiary
15 hearing on this matter.

16 **TARIFF LANGUAGE**

17 Q. Do you agree with Laclede's assessment that Staff, OPC and Laclede have been
18 discussing for approximately six (6) months the terms of this tariff which would memorialize
19 the service obligations of the Company when a gas meter has stopped or failed to register?

20 A. Yes. As stated by Laclede's witness Paul Wildeisen, Laclede's existing tariff
21 simply provides for the Company to estimate the customer's usage during the period of a meter
22 failure but fails to set parameters to ensure proper notice and timely handling by the Company
23 on a stopped meter situation which could result in an estimated bill for the customer.

1 Q. Does Staff believe that there should be measures established by Laclede that
2 would outline the Company's processes and timeline for handling stopped meters?

3 A. Yes.

4 Q. Will this type of tariff language be the first of its kind addressing stopped
5 meters?

6 A. No. AmerenUE's tariff PSC Mo. No. 2 Original Sheet No. 57.1 has had
7 language in place since January 14, 2002, which addresses non-registering meters. However,
8 AmerenUE has few if any inside meters that would warrant the specific measures contained in
9 Laclede's proposed tariff language.

10 Q. Have there been a number of Laclede consumer complaints regarding stopped
11 meters?

12 A. Since November 1, 2007 to October 31, 2008, the Consumer Services
13 Department has received approximately 125 consumer complaints regarding estimated bills,
14 defective meter, AMR installation/repair or complaints regarding a re-bill and approximately
15 80 of those complaints dealt with unmetered gas/stopped meters.

16 Q. Does staff believe that this is significant?

17 A. While it may appear to be significant to the consumer whose meter has
18 malfunctioned and who receives an unmetered gas bill, the Staff does not believe the numbers
19 are significant considering that Laclede has approximately 630,000 meters in place. Of a total
20 population of nearly 630,000 meters, the failure of only 80 meters is a very low percentage of
21 the total number of meters.

LACLEDE'S PROPOSED TARIFF LANGUAGE

Q. Do you believe that the proposed tariff language submitted by Laclede is necessary and if so, is the proposed tariff language sufficient?

A. Yes, I believe the proposed tariff language is necessary. Laclede is dealing with a unique situation whereby they have approximately one-half of their gas meters located inside the consumer's premises. This situation prohibits the Company from ease of access to the meter for conducting normal maintenance and for troubleshooting problems and abnormal circumstances that may arise from a stopped inside meter or a faulty AMR.

Staff believes that Laclede's proposed tariff language clearly addresses and clarifies the Company's protocol for stopped meters, meter or AMR failures, and the Company's methodology used when it issues an estimated bill for the period of meter malfunction. The language also clearly spells out the notices the Company is required to send to the consumer, the time parameters the company must act within to identify the problem, and the appointment times available to the consumer for allowing the Company to correct the matter. In addition, the company has also included an explanation of the parameters the company must follow prior to the discontinuance of service should the consumer refuse to grant the company access to resolve the matter.

Q. Does this conclude your testimony?

A. Yes.

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of Laclede Gas Company's)
Tariff Filing to Allow Estimated Billing) Case No. GT-2008-0374
Whenever an Automatic Meter Reader) Tariff No. YG-2008-0690
Fails to Send Readings of Actual Usage.)

AFFIDAVIT OF CAROL GAY FRED

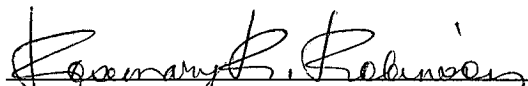
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Carol Gay Fred, of lawful age, on her oath states: that she has participated in the preparation of the following Rebuttal Testimony in question and answer form, consisting of 5 pages of Rebuttal Testimony to be presented in the above case, that the answers in the following Rebuttal Testimony were given by her; that she has knowledge of the matters set forth in such answers; and that such matters are true to the best of her knowledge and belief.

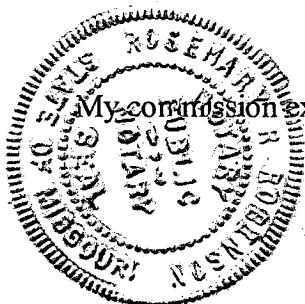


Carol Gay Fred

Subscribed and sworn to before me this 17th day of November, 2008.



Notary Public



My commission expires

 9-23-2012

ROSEMARY R. ROBINSON Notary Public - Notary Seal State of Missouri Commissioned for Callaway County My Commission Expires: September 23, 2012 Commission Number: 08499510
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