

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

Johnny Lane)	
)	
Complainant,)	
)	
vs.)	Case No: GC-2017-0322
)	
Union Electric Company, d/b/a)	
Ameren Missouri,)	
Respondent.)	

ANSWER AND AFFIRMATIVE DEFENSES

COMES NOW, Union Electric Company, d/b/a Ameren Missouri (“Ameren Missouri” or the “Company”), and for its Answer and Affirmative Defenses states as follows.

ANSWER

1. On June 5, 2017, Complainant initiated this proceeding against the Company. Complainant has an account with the Company for residential gas service to 5002 Hatteras Dr., Columbia, Missouri (the “Premises”).
2. Any allegation not specifically admitted herein by the Company should be considered denied.
3. In lieu of completing the Commission’s complaint form, and as the basis of his Complaint, Complainant filed a two-page letter (the “Complaint”) to which he attached nine pages of exhibits. The paragraphs of the Complaint are unnumbered, but the Company will refer in this Answer to the first paragraph of the Complaint (the paragraph beginning, “I relocated to Columbia, MO...”) as paragraph 1, the next as paragraph 2, and so on.
4. In answer to paragraph 1, the Company admits that it is subject to the Commission’s jurisdiction, that Complainant’s correspondence constitutes his formal complaint against the Company, and that the Company discontinued Complainant’s gas service. The Company is without information sufficient to form a belief about the allegation that Complainant’s residency at the Premises is temporary, and therefore denies the same. Complainant’s statement that his correspondence is the first step in a legal process to get his service restored immediately is a legal conclusion to which no answer is required, but to the

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extent an answer is required the Company admits that the Commission has statutory authority to hear and decide complaints such as Complainant's. The Company denies the remaining allegations of paragraph 1.

5. In answer to paragraph 2 of the Complaint, the Company admits the following: on May 22, 2017, Complainant called the Company to discuss a payment arrangement; on May 25, 2017 the Company disconnected Complainant's gas service for nonpayment; at the time of the disconnection, its field personnel left a doorhanger at the Premises that included instructions regarding restoration of service; and that \$***.** less \$***.** equals \$***.**. The Company denies the allegation that when Complainant called the Company he was told "nothing could be done to help [Complainant]." The Company denies remainder of the allegations of paragraph 2.

6. In answer to paragraph 3, the Company admits: that Complainant has carefully studied his December 2016 through May 2017 bills for gas service; Complainant called the Company on May 31, 2017 and spoke with Company representatives named Michelle and Connie; and Connie noted each bill includes a customer charge and Complainant's December 2017 bill also included an "gas adjustment." The Company denies the remainder of the allegations of paragraph 3, as stated.

7. In answer to paragraph 4 of the Complaint, the Company admits that Complainant's CCF usage at the Premises was reasonable; i.e. "NOT a lot." The Company denies the remainder of the allegations of paragraph 4.

8. In answer to paragraph 5 of the Complaint, the Company denies that Complainant's calculated "breakdown" of each of his bills is correct. In further answer, the Company states that residential charges for gas usage (included in the account statement line item "Gas Charge – Residential") are calculated according to the customer charge and volumetric delivery charges set forth in the Company's tariff, *Union Electric Company Gas Service, 7th Revised Sheet No. 5* and according to the Purchased Gas Adjustment ("PGA") charges set forth in the Company's tariff *Union Electric Company Gas Service, 109th Revised Sheet No. 30*. Currently, the customer charge is \$** per month (prorated for partial billing periods); the delivery charge is \$*.**** per CCFs (for 0-30 CCFs); and the PGA charges are \$*.**** (for 0-30 CCFs) and \$*.**** (for all CCFs over 30). Residential bills specifically set

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forth the *total* charges for gas usage, and note the PGA costs in cents per CCF, but do not separately set forth the PGA charges, the monthly customer charge, or the delivery charge.

9. In answer to paragraph 6 of the Complaint, the Company states as follows. Complainant's statement, "[p]erhaps the Attorney General's office or the FTC can help me understand this one" does not allege facts to prove that the Company violated a statute, tariff or Rule or Order of this Commission. As such, it does not appear that an answer is required, but to the extent an answer may be required, the Company denies the statement. The Company denies the remainder of the allegations of paragraph 6.

10. In answer to paragraph 7 of the Complaint, the Company states that Complainant's statements, "I need a paper trail for myself as I pursue this matter" and "I plan to pursue this RIGHT up the channel [] local, state, federal government until someone does something about it" do not allege facts to prove that the Company violated a statute, tariff or Rule or Order of this Commission. As such, it does not appear that an answer is required, but to the extent an answer may be required, the Company denies the statements. The Company is without information sufficient to form a belief about the remainder of the allegations of paragraph 7 and therefore denies the same.

11. In further answer, the Company states as follows. The amounts due for gas service stated in Complainant's bills were correctly calculated at the rates set forth in the Company's tariffs. Complainant failed to pay for all the service he received and as a result his service was disconnected for nonpayment. In particular:

a. Complainant began receiving gas service on December 1, 2016. The Company issued a bill to Complainant for the twelve-day period December 1, 2016 to December 13, 2016 (the end of the regular billing cycle). Complainant used 49 CCFs of gas. His total gas charge was \$**.**, calculated as follows: \$*.** customer charge (\$**.** x (12/30)) plus \$**.** delivery charge (30 CCF x \$*.***) plus \$*.** PGA charge (30 CCF x \$*.***) plus \$**.** PGA charge (19 CCF x \$*.***). The bill also reflected \$*.** in Missouri local sales tax ("sales tax") and \$*.** in Columbia municipal charges ("muni charges"), for a total amount due of \$**.**, due January 10, 2017. The Company did not receive a payment from Complainant.

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b. The Company issued a bill to Complainant for gas service for the period December 13, 2016 through January 16, 2017. Complainant used 127 CCFs of gas, and therefore his gas charge was \$***.**, calculated as follows: \$**.** customer charge plus \$**.** delivery charge (30 CCF x \$*.****) plus \$**.** PGA charge (30 CCF x \$*.****) plus \$**.** PGA charge (97 CCF x \$*.****). The bill also reflected \$**.** in sales tax, \$**.** in muni charges, a late pay charge of \$**.** (1.5% of \$**.**), and the prior balance of \$**.**, for a total amount due of \$***.**, due February 8, 2017.

c. On February 1, 2017 a check from Complainant for \$**.** (\$**.** plus \$**.***) received by the Company was returned for insufficient funds. The same day, the Company issued a returned payment notice to Complainant, advising him that the \$**.** check had been returned for insufficient funds and that he needed to redeem the returned payment of \$**.** by February 13, 2017. On February 8, 2017, Complainant made a \$**.** payment, reducing the balance to \$***.**.

d. The Company issued a bill to Complainant for gas service for the period January 16, 2017 through February 14, 2017. Complainant used 104 CCFs of gas, and therefore his gas charge was \$***.**, calculated as follows: \$**.** customer charge plus \$**.** delivery charge (30 CCF x \$*.****) plus \$**.** PGA charge (30 CCF x \$*.****) plus \$**.** PGA charge (74 CCF x \$*.****). The bill also reflected a \$**.** credit (a one-time infrastructure system replacement surcharge or “ISRS” credit), \$**.** in sales tax, \$**.** in muni charges, a returned check insufficient funds charge of \$**.**, late pay charge of \$**.** (1.5% of \$***.**), and the prior balance of \$***.**, for a total amount due of \$***.**, due March 10, 2017. The Company did not receive a payment from Complainant.

e. The Company issued a bill to Complainant for gas service for the period February 14, 2017 through March 15, 2017. Complainant used 70 CCFs of gas, and therefore his gas charge was \$**.**, calculated as follows: \$**.** customer charge plus \$**.** delivery charge (30 CCF x \$*.****) plus \$**.** PGA charge (30 CCF x \$*.****) plus \$**.** PGA charge (40 CCF x \$*.****). The bill also reflected \$**.** in sales tax, \$**.** in muni charges, a late pay charge of \$**.** (1.5% of \$***.**), and the prior balance of \$***.**, for a total amount due of \$***.**, due April 7, 2017. The bill also

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contained messages that Complainant's account had a past due amount of \$***.** that may subject it to disconnection, Complainant should pay the amount required to avoid interruption of service, and the due date applied to current charges only.

f. On March 15, 2017, the Company also issued a disconnect notice to Complainant, advising him that unless the \$***.** delinquent portion of his account balance was paid, his service would be disconnected for nonpayment on or after March 28, 2017.

g. On March 20, 2017, Complainant inquired about payment assistance, using the Company's online ecustomer process. Complainant selected the Payment Agreement option. Complainant was given the option to enter into a Cold Weather Rule ("CWR") payment agreement, provided he made a required payment of \$***.** by March 27, 2017, and made twelve monthly installment payments of \$**.** (eleven for \$**.** and a twelfth for \$**.**). The ecustomer process advised Complainant that the \$***.** payment was required to activate the agreement and that failure to pay the full payment amount by the payment due date may result in disconnection of his service. Complainant's pending CWR payment agreement was not activated because Complainant did not pay \$***.** by the March 27, 2017 due date stated.

h. Complainant attempted to make a payment of \$**.** on March 22, 2017. That payment was returned on March 24, 2017 because the bank account number given to process the payment was invalid.

i. The Company placed two automated calls to Complainant on March 27, 2017 advising of the pending disconnection. However, the disconnection order expired.

j. On April 7, 2017, Complainant made a payment of \$**.**, reducing the balance to \$***.**.

k. The Company issued a bill to Complainant for gas service for the period March 15, 2017 through April 13, 2017. Complainant used 46 CCFs of gas, and therefore his gas charge was \$**.**, calculated as follows: \$**.** customer charge plus \$**.** delivery charge (30 CCF x \$*.****) plus \$**.** PGA charge (30 CCF x \$*.****) plus \$**.** PGA charge (16 CCF x \$*.****). The bill also reflected \$**.** in sales tax, \$**.** in muni charges, a late pay charge of \$**.** (1.5% of \$***.**), and the prior

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balance of \$***.**, for a total amount due of \$***.**, due May 8, 2017. On April 20, 2017, Complainant made a payment of \$**.**, reducing the balance to \$***.**.

l. The Company issued a bill to Complainant for gas service for the period April 13, 2017 through May 14, 2017. Complainant used 26 CCFs of gas, and therefore his gas charge was \$**.**, calculated as follows: \$**.** customer charge plus \$**.** delivery charge (26 CCF x \$*.****) plus \$**.** PGA charge (26 CCF x \$*.****). The bill also reflected \$**.** in sales tax, \$**.** in muni charges, a late pay charge of \$**.** (1.5% of \$***.**), and the prior balance of \$***.**, for a total amount due of \$***.**, due June 7, 2017. The bill also contained messages that Complainant's account had a past due amount of \$***.** that may subject it to disconnection, Complainant should pay the amount required to avoid interruption of service and that the due date applied to current charges only.

m. On April 19, 2017 Complainant again inquired about payment assistance, using the Company's online ecustomer process. Complainant selected the Payment Agreement option. Complainant was given the option to enter into a payment agreement, provided he made a required payment of \$***.** by May 12, 2017, and made three monthly installment payments of \$**.** (two for \$**.** and a third for \$**.**). The ecustomer process advised Complainant that the \$***.** payment was required to activate the agreement and that failure to pay the full payment amount by the payment due date may result in disconnection of his service. Complainant's pending payment agreement was not activated because Complainant did not pay \$***.** by the May 12, 2017 due date stated.

n. On May 11, 2017 the Company sent Complainant a disconnection notice advising that unless the \$***.** delinquent portion of his account balance was paid, his service would be disconnected for nonpayment on or after May 24, 2017.

o. On May 22, 2017, Complainant called the Company to discuss his delinquent balance. He noted that he had a large balance. He commented that he didn't know if it was correct or not but it seemed high. He did not ask to discuss the charges in detail or offer any other opinion about his bill. He next stated he thought he had signed up for a budget billing program. A Company representative advised that he was not

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signed up for budget billing; rather, he had signed up for a payment agreement, but had never made the required initial payment. He noted that his account was subject to disconnection on May 23. The representative clarified that if the \$***.** delinquent balance was not paid, he was subject to disconnection on or after May 24th. He asked if there was any way he could avoid that, stating that he did not have \$*** at that moment. The representative stated that the minimum payment arrangement he was eligible for would require a \$***.** payment. He asked how he would do that. The representative explained he would need to make a payment of \$***.** by 7 p.m. the next day, followed by three monthly installment payments of \$**.** in addition to his monthly bill. Complainant noted that he would not have money to make the initial payment until the 30th of the month, and stated that, “if there are no other arrangements that could be made or no other way you could help me with that, then, I guess I’m sc*****d til then. Appreciate your time.” The representative asked if there was anything else she could help him with. He said, “Nope.” The representative advised him of his remaining balance and its due date and he thanked her for the information.

p. Immediately after the call, Complainant again inquired about payment assistance, using the Company’s online ecustomer process. Complainant selected the Payment Agreement option. Complainant was given the option to enter into a payment agreement, provided he made a required payment of \$***.** by May 23, 2017, and made two monthly installment payments, one for \$**.** and one for \$**.**. The ecustomer process advised Complainant that the \$***.** payment was required to activate the agreement and that failure to pay the full payment amount by the payment due date may result in disconnection of his service. Complainant’s pending payment agreement was not activated because Complainant did not pay \$***.** by the May 23, 2017 due date stated.

q. On May 23, 2017, the Company placed two automated calls to Complainant regarding the pending disconnection.

r. On May 25, 2017, Complainant’s gas service was disconnected for nonpayment.

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s. On May 31, 2017 Complainant called the Company stating he wanted to understand how the Company calculated his charges and requesting a detailed statement of his payment history. The representative immediately emailed him an account activity statement (see the email attached to Complainant's Complaint). He and the representative reviewed his May bill. He asked how to calculate his bill, and the representative attempted to explain. He claimed he had been overcharged, based on his own calculations. The representative noted that he did not include all charges in his calculation. The representative asked to put him on hold to have a manager discuss all the charges. He stopped her, and detailed the amount he thought he had been overcharged since the inception of his account, and asked if there was an office in Columbia, Missouri where he could sit down with a manager to discuss the bills. She said she would find out. They continued to discuss his calculations. The representative again asked him if she could speak with a manager to find out if the PGA charge shown on his bill was the only charge that made up the gas charge stated on his bill. He refused, indicating *all* he wanted to know at that point was the address of an office in Columbia where he could discuss his bill in person. She agreed to find out, and placed him on hold. When she returned to the call, she noted there was not a customer office in Columbia, Missouri. She offered to get a supervisor on the call. He refused, and insisted that she find the nearest office to Columbia where he could sit down with a supervisor. She agreed, and again placed him on hold. A supervisor picked up the call. She informed him that there was not a customer service office where he could walk in and speak in person with a representative about his account. He asked who the regulatory agency was before whom he could challenge his bill. She identified the Commission and gave its phone number to him. He proceeded to ask the supervisor about how his bill was generated. They reviewed his December, 2016 bill. He asked about how the "Gas Charge – Residential" charge was calculated. She said it was charged based on rates, and offered to send him something that showed all the current rates. He refused, and asked that she explain how it was calculated. She explained there was a customer charge, a "gas adjustment" and a delivery charge, not separately detailed on the statement. She explained she would need to get him more detailed information on the formulas used, and

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noted she would give him a call back. He asked for an email, instead, so that he would have the information in writing, and she agreed.

t. On June 30, 2017, a \$***.** payment was made towards Complainant's outstanding account balance, reducing it to \$***.**.

12. At paragraph 7 of the Complaint, Complainant also appears to request that the Commission order the Company to restore Complainant's gas service without paying his outstanding account balance. In answer thereto, the Company states that Complainant is not entitled to the relief requested.

AFFIRMATIVE DEFENSES

13. Complainant asserts that customers "should be able to SEE/VIEW any charges they are responsible to pay" and any "hidden charges...is in most states against the law[.]" The format for the Company's bills is subject to Commission Rule 4 CSR 240-13.020(9), and where the bills contain all the information required by the Rule, the complainant has failed to prove a Company violation. *See, e.g., Craig Mershon v. Union Electric Company d/b/a Ameren Missouri*, 2014 Mo. PSC LEXIS 347, *27 (May 23, 2014) and *Charles Harter v. Union Electric Company d/b/a Ameren Missouri*, 2013 Mo. PSC LEXIS 1075, *27 (December 13, 2013).

Subsection (9) states:

Every bill for residential utility service shall clearly state—

- (A) The beginning and ending meter readings of the billing period and the dates of these readings;
- (B) The date when the bill will be considered due and the date when it will be delinquent, if different;
- (C) Any previous balance which states the balance due for utility charges separate from charges for services not subject to commission jurisdiction;
- (D) The amount due for the most recent billing period for electric, gas or water usage stated separately from the amount due for the same period for a deposit and the amount due for the same period for service not subject to commission jurisdiction;
- (E) The amount due for other authorized charges;
- (F) The total amount due;
- (G) The telephone number the customer may call from the customer's service location without incurring toll charges and the address of the utility where the customer may initiate an inquiry or complaint regarding the bill as rendered or the service provided. Charges for measured local service are not toll charges for purposes of this rule;
- (H) License, occupation, gross receipts, franchise and sales taxes; and
- (I) Purchased gas adjustment cost in total or cents per unit basis.

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A review of copies of Complainant's bills, which he attached as exhibits, demonstrates that the Company's bills fully comply with 4 CSR 240-13.020(9).

14. There were no hidden charges in Complainant's December 2016 through May 2017 bills. As required by 4 CSR 240-13.020(9), the *amounts due* for gas usage was clearly stated. The components of the amount due for gas usage—the monthly customer charge, the per CCF volumetric delivery charge, and the per CCF purchased gas adjustment charges for the gas service provided to him—were combined and shown on the bill as the “Gas Charge – Residential.” These charges are set forth in detail in the Company's Gas Service tariffs, *Union Electric Company Gas Service, 7th Revised Sheet No. 5 and 109th Revised Sheet No. 30*. These gas service tariffs are filed with and approved by the Commission, and have the force and effect of law. The Company is *not* required to separately state all three of these components of the residential gas charge on a customer's bill. However, this does not mean the components not stated on the bill are “hidden” from customers. Customers are legally presumed to know the Company's tariffs. “Similar to laws, all Missouri citizens are presumed to know the filed tariffs, and [a utility's] failure to inform [a customer] of the terms of the tariff [is] not actionable.” *Bauer v. Southwestern Bell Tel. Co.*, 958 S.W.2d 568, 570 (Mo. App. E.D. 1997). Should a customer desire to review the Company's tariffs, they are filed with and available from the Commission, and they can also be found on the Company's website (current link: <https://www.ameren.com/missouri/rates/gas-full-service-bundle>).

15. The Company was entitled to disconnect service to the Premises on May 25, 2017, because Complainant failed to pay an undisputed delinquent charge, and the Company mailed a written notice of discontinuance to Complainant and made telephone calls giving notice of the pending disconnection in advance of the disconnection. 4 CSR 240-13.050(1)(A) and (5). Per the Company's tariff, *2nd Revised No. Sheet 64, XI. Disconnection and Reconnection of Service, Section A. Reasons for Denial or Disconnection of Service*, the Company was entitled to disconnect service to the Premises. That tariff states, in part:

Company shall have the right...to disconnect service supplied to a gas customer for any of the following violations of its rules or practices:

1. Nonpayment of an undisputed delinquent account.

The delinquent charge was undisputed at the time of the disconnection because Complainant did not contact the Company in person, in writing or by telephone at least 24 hours prior to the May

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24, 2017 date of proposed discontinuance stated in the mailed notices, to advise the Company that all or part of the charge was in dispute. 4 CSR 240-13.045(1). Because Complainant did not do so, Complainant was not entitled to avoid discontinuance of service on account of a dispute. 4 CSR 240-13.045(1).

16. The following attorneys should be served with all pleadings in this case:

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WHEREFORE, Ameren Missouri respectfully requests that the Commission issue an order dismissing the Complaint, or in the alternative setting the matter for hearing.

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing Answer and Affirmative Defenses was served on all of the following parties via electronic mail (e-mail), and also served on Complainant via U.S. Mail, on this 5th day of July, 2017.

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