

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

In the matter of)	
)	
USW Local 11-6,)	GC-2006-0390
)	
and)	
)	
Laclede Gas Company)	

FIRST AMENDED COMPLAINT

COMES NOW USW Local 11-6 ("Local 11-6"), by counsel, and hereby files its Complaint against Laclede Gas Company ("Laclede") pursuant to R.S.Mo. §§386.390, 393.130.1 and 4 CSR §240-2.070. In support of this Complaint, Local 11-6 states as follows:

1. Laclede Gas Company is a public utility operating under the jurisdiction and oversight of the Missouri Public Service Commission. Laclede's principal place of business is 720 Olive Street, St. Louis, Missouri 63101.
2. Local 11-6 is a labor organization that represents for purposes of collective bargaining approximately 1050 of Laclede's employees in physical plant classifications such as production, maintenance, operations, and distribution jobs.
3. The principal place of business for Local 11-6 is 7750 Olive Boulevard, St. Louis, Missouri 63130. The telephone number for Local 11-6 is (314) 721-8448, and its fax number is (314) 721-8789. Local 11-6's electronic mail address is gasworkerslocal@sbcglobal.net.
4. Employees represented by Local 11-6 install, inspect, read, test, service and change meters at the residences of Laclede's customers.
5. Laclede is implementing an automated meter reading ("AMR") program, pursuant to which a device is being installed on each residential meter to electronically and remotely read gas usage on each meter on which it is installed.

6. Laclede has contracted with Cellnet Technology, Inc. ("Cellnet") for the installation of the AMR device, which is being installed on Laclede's meters by subcontractors of Cellnet and not by Laclede's trained personnel. Those subcontractors are personnel hired through Manpower, Inc., a temporary employment agency, and supervised by Honeywell Corporation.

7. Subcontractors of Cellnet are not receiving adequate training prior to installing the AMR devices on the residential meters. Specifically, subcontractors of Cellnet are not required to have any gas-related experience and are not adequately trained to recognize and deal with gas hazards, or to know when they have caused a gas hazard.

8. Numerous installations of AMR by Cellnet subcontractors have resulted in meter damage, gas leaks, the failure to remedy an existing or imminent gas hazard, or improper installation. *See e.g.*, documents attached and incorporated here as Exhibit 1 bearing bates nos. USW 11-6/AMR 0001-66, which reflect various problems relating to AMR installation.¹

9. For example, one or more Cellnet subcontractors have drilled through a meter while installing an AMR device. This fact was admitted by the Honeywell manager who provided a deposition in this matter on August 11, 2006. One such incident occurred on January 20, 2006 at XXXXXXXXXXXXXXXXXXXX. The service person who fixed the meter was told not to fill out a damage report for the job. (*See* bates no. 35)

10. Cellnet subcontractors have installed AMR devices in ways that have caused gas to leak from the dial glass at the face of the meter on several occasions, including at XXXXX and XXXXXXXX (bates no. 1), XXXXXXXXXXXXXXXXXXXX and XXXXXXXXXXXXXXXXXXXX (bates no. 2), XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX (a 22% gas reading at the index vent) (bates no. 27), and

¹ Exhibit 1 consists of documents Local 11-6 produced in response to the PSC's data request in this matter. Pages bearing bates nos. 8-12 have been redacted before being attached to this Complaint.

XXXXXXXXXXXXX (bates no. 31). On March 8, 2006, Cellnet subcontractors caused a leak and failed to discover pipeline leaks at XXXXXXXXXXXXXXXXXXXXXXXX, a potentially devastating combination. (See bates nos. 3-4)

11. A Cellnet subcontractor who installed an AMR device at the apartment residence of XXXXXXXXXXXXXXXXXXXX, St. Louis, MO, reportedly told XXXXX that he did not smell gas “and anyway, I’m not responsible for that,” and then walked away from a two-inch hole in the back of a neighboring meter, which leak was caused by erosion. When XXXXX and his neighbor called Laclede about this meter they reportedly were told that no meter had been replaced. (See bates nos. 11, 66)

12. A Cellnet subcontractor duct-taped an AMR device to a meter at XXXXXXXXXXXX and another did so on Telegraph Road; two others left the meter dial on top of the meter, one at XXXXXXXXXXXXXXXXXXXXXXXX, St. Louis, MO 63122 and one at XXXXXXXXXXXXXXXXXXXXXXXX. (See bates nos. 5, 23)

13. Cellnet subcontractors are not equipped with the mechanical leak detectors required to be carried by all service persons, Laclede’s internal workforce whose job description covers installation of remote meter-reading devices.

14. Local 11-6 has had conversations with Laclede regarding this matter, to no avail.

15. The Missouri Public Service Commission has jurisdiction over this case pursuant to R.S.Mo. §386.250(1) and (5), which establishes its jurisdiction over public utility commissions and all persons or entities engaged in the manufacture, sale or distribution of gas within the State, and to R.S.Mo. §386.390.1, which allows the Commission to hear complaints brought by any person based upon an action by a public utility.

16. The Missouri legislature has expressly found that gas service is an essential, but “potentially dangerous,” commodity in today’s society. R.S.Mo. §393.297.4.

17. Pursuant to R.S.Mo. §393.130, Laclede is required to provide “safe and adequate” service. The unilateral change in method of installing remote meter reading devices on meters significantly impairs Laclede’s ability to provide safe and adequate service.

18. Not only is Laclede failing to provide safe and adequate service by subcontracting the installation of AMR devices to Cellnet subcontractors with little or no training and experience in gas safety, Laclede is compounding that failure by refusing to install the AMR device with its own trained and experienced gasworkers upon the request of concerned customers. In this regard, Laclede has, at different times, informed such customers that they could have their device installed by the subcontractor for free or by a gasworker for a fee (which fee changed over time); informed them that Laclede would get back with the customer about it, but then the device has been installed by the subcontractor anyway without further discussion (*see e.g.*, 64-65); and misrepresented to them that Local 11-6 approves of the installation by the subcontractor and believes that the subcontractors are the best group to install the device.

19. Laclede appears to be trying to conceal the problems that have been occurring as a result of AMR installation by subcontractors. For example, a service call to replace a meter that was listed to be “old” was really for the purpose of replacing a new meter on which an AMR device had been improperly installed. On August 10, 2006, a service person was directed to change out a meter where improper installation of the AMR device allegedly caused double-billing. With the old meter replaced, it will be impossible for the customer to prove that his or her high gas usage was the result of overbilling. In addition, Laclede is not maintaining separate

records of problems associated with AMR installation, thereby making it extremely difficult, if not impossible, to determine the scope of those problems.

20. Pursuant to R.S.Mo. §393.140(2), the Commission is empowered to investigate the “methods employed . . . in . . . distributing and supplying gas. . . and to order such reasonable improvements as will best promote the public interest, preserve the public health and protect those using such gas,. . . and those employed in the distribution thereof.”

21. Pursuant to R.S.Mo. §386.310.1, the Commission may require Laclede to operate “in such manner as to promote and safeguard the health and safety of its employees, customers, and the public. . . and to require the performance of any. . . act which the health or safety of its employees, customers or the public may demand.”

22. Local 11-6 hereby requests that the Commission order Laclede to, from this date forward, continue the installation of the AMR devices with, or supervised by, its own trained and experienced personnel to ensure that the devices are installed without damaging the meters or causing gas leaks. Local 11-6 further requests that the Commission order Laclede to have its trained and experienced personnel promptly inspect each of the meters that has been installed through Cellnet.

23. As a labor organization, Local 11-6 is an unincorporated association. It is apparently not the type of association to which 4 CSR 240-2.070(5)(G) is directed. Since it does not appear to be the intent of that regulatory subsection for Local 11-6 to file a list of all of its members, Local 11-6 hereby respectfully requests a waiver of complying with said requirement. Should the Commission determine that 4 CSR 240-2.070(5)(G) applies to Local 11-6, Complainant will tender the required list immediately.

Respectfully submitted,

/s/ Sherrie A. Schroder

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Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing highly confidential version of the First Amended Complaint was electronically filed on August 21, 2006 and the public version of the First Amended Complaint was filed on September 21, 2006 and was served by United States mail, hand-deliver, email, or facsimile upon:

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