BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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USW Local 11-6

v.

Complainant,

) Case No. GC-2006-0390

Laclede Gas Company,

Respondent.

LACLEDE GAS COMPANY'S RESPONSE OPPOSING MOTION TO COMPEL DISCOVERY AND TO LIMIT EVIDENCE

COMES NOW Laclede Gas Company ("Laclede" or "Company") and files this response opposing the request by USW Local 11-6 (the "Union") to compel discovery and limit evidence, and in support thereof, states as follows:

1. The Union filed its complaint in this case in April 2006 alleging that non-Union workers who are installing automated meter reading ("AMR") units on the outside of meters were causing meters to be damaged and to leak. The Union provided no specific details or any specific acts or omissions committed by Laclede that violated laws or Commission rules, orders or decisions, as required by §386.390 RSMo. Four months later, in August 2006, and only after repeated requests for information by Laclede and Staff, and an order from the Commission, did the Union provide any detail to support its claim. This detail consisted of several pages of self-serving information from the "Labor Tribune," a union publication, and just over 300 addresses that in nearly every instance were completely unaccompanied by any details or information that would show whether or in what way the installation of an AMR device actually damaged a meter or caused a meter to leak.

2. The Union's transparent attempt to obscure its failure to present or support its case by pretending that it has been denied access to relevant information is obvious for several reasons. If there were damaged or leaking meters caused by non-Union AMR installers, such problems would have been remedied by Union members, who would have filled out a service order, and would have had such orders in their possession. It is clear that the Union knows how to gather such information, assuming it exists. Indeed, in Case No. GC-2006-0060, in the spring and summer of 2005, the Union gathered and copied hundreds of hazard reports filled out by its members in an unsuccessful effort to support its meritless contentions in that case. And it is clear that the Union attempted to do the same thing in this proceeding, given the fact that the addresses that it provided to the parties in August 2006 arose from occurrences as far back as the 4th quarter of 2005, and involved the work of more than 70 Union members who would have had access to and possession of a large number of service tickets. In view of its members' creation of these very documents, the Union should already be in possession of any information that would actually support the claims that it has been making for more than a year now, and Laclede should have not have been obligated to provide any information in response to the Union's requests.

3. Nevertheless, Laclede has gone to extraordinary lengths to be responsive to the Union's unnecessary discovery requests. Throughout the course of this proceeding, for example, Laclede has supplied the Union the following information, in connection with its complaint that AMR installers are causing damage to, and leaks on, gas meters:

- A. A list from Laclede's meter shop of meters that were brought into the meter shop as damaged, setting forth the address, meter number, and the date the damaged meter was worked on or tested;
- B. A summary of all meters that were brought into Laclede's meter shop equipped with an AMR module between November 2005 and
 - 2

August 2006, including the number of meters that were leaking, the location of the leak, whether there was damage to the AMR module, whether the meter was stuck, and a host of other categories; it should be noted that none of these categories covers damaged meters, primarily because there is virtually no likelihood of a material issue of meter damage arising from the simple installation of an AMR module;

- C. The backup support for this summary, which showed the results of the analysis of each meter equipped with an AMR module that was performed by Union workers in Laclede's meter shop;
- D. A document created by Laclede for the Union that analyzed the addresses provided by the Union, and provided for each address the meter number, when the AMR installation was posted to Laclede's customer information system, the date a problem was reported at the address, who reported it, the service technician's remarks that were entered into the customer information system, and the conclusion reached by the meter shop.
- 4. In lieu of supplying its own information at the time it filed its complaint,

the Union issued data requests to Laclede seeking the information set forth in its motion.

This information included:

Data Request 1: Identify and provide all damage reports or other documents relating to residential gas meters that were damaged in any way from January 1, 2005 to date.

In response to this data request, Laclede provided the meter shop damage report referenced in paragraph 2A above. Laclede did not provide other documents since the report met the criteria requested. The original report as updated through September 2006 contains a total of 453 meters. Of these, 136 meters were tested by the meter shop during the first half of 2005, prior to the beginning of the AMR installation project. In addition, well over 100 of these meters were removed as damaged prior to AMR installation. The result is that there is only a very small number of meters identified as damaged at or after

an AMR device was installed, and as with the leaks, there are actually less meters damaged since AMR installation began than before.

Data Request 2: Identify and provide all documents relating to residential gas meters that were repaired in Laclede's meter shop from January 1, 2005 to date.

While Laclede does not specifically distinguish between damaged residential and commercial meters, the report on the total number of damaged meters referenced in paragraph 2A above also covers this data request.

Data Request 3: State whether Laclede maintains records or reports of complaints by its customers, employees, or others relating to residential gas leaks, and if so,

1) describe the form in which such complaints are recorded or reported;

2) provide such records or reports from January 1, 2005 to date.

Laclede replied to this data request by stating that it maintains records of reports of residential gas leaks in its customer information system on a per location basis, but does not separately identify or aggregate them. Laclede also includes reports of leaks in service lines, including those serving residential customers, in its Leak Repair and Pipeline Condition Report, and provided the Union a copy of that report for the year 2005. Laclede has also provided the Union with the documents referenced in paragraphs 2B, 2C, and 2D above that provides the identity and analysis of all of the meters equipped with AMR modules that were brought into Laclede's meter shop for any reason, including all of those with a leak.

5. In sum, Laclede has either provided to, or actually created for, the Union documents that would specifically permit the Union to make a case, if it had a case. Every document the Union now claims to need was created by Union members, and was in the possession of Union members, over a time period of at least one full year since the Union undeniably began trying to build a case against the non-Union installers. With

more than 600,000 installations completed without an incident, and with an actual decrease in the number of damaged or leaking meters experienced, the complete dearth of even the possibility of evidence supporting the Union's case exposes the case for what it truly is: a dispute with management over Laclede's "outsourcing" the AMR installation work.

6. This is the Union's third complaint since the Company began the AMR process. The Union has brought one case to hearing (Case No. GC-2006-0060) without any evidence that Laclede violated a law or a rule, order or decision of the Commission, and dismissed another case outright (Case No. GC-2006-0313). The Union should not be permitted to continue to file baseless actions as leverage against Laclede's efforts to employ advanced technology for the benefit of its customers. Laclede takes responsibility for compliance with safety and other Commission rules; the Union takes no responsibility for the acts of its members. It simply uses its status to raise issues and bring complaints that needlessly frighten customers and drive up costs for the Company, its customers and the Commission. The Union's complaints, including this complaint, represent an abuse of the regulatory process and should not be tolerated. The Union's motion should be denied.

WHEREFORE, for the foregoing reasons, Laclede respectfully requests that the Commission deny the Union's motion to compel discovery and to limit evidence.

5

Respectfully Submitted,

/s/ Rick Zucker_

Michael C. Pendergast, #31763 Vice President & Associate General Counsel Rick Zucker, #49211 Assistant General Counsel-Regulatory

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Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing pleading was served on all of the parties to this case on this 5th day of December, 2006 by United States mail, hand-delivery, email, or facsimile.

/s/ Rick Zucker