BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of an Investigation of)	
Customer Service Issues at Spire)	Case No. GO-2018-0251
Missouri Inc.)	

SPIRE MISSOURI INC.'S RESPONSE TO STAFF'S MOTION TO OPEN INVESTIGATION

COMES NOW Spire Missouri Inc. ("Spire" or "Company") and files this Response to the Staff's Motion to Open Investigation ("Motion"), stating as follows:

- 1. Staff's Motion raises four issues:
 - A. Whether a customer's payment of 50% of the balance owed should have been sufficient to meet the Cold Weather Rule's initial payment requirements;
 - B. Whether the Company complied with the requirement to restore service "not later than the next working day," after the customer has cured the reason for disconnection;
 - C. Whether the Company complied with the "knock" rule before disconnecting service; and
 - D. How the 96-Hour notice requirement for disconnections should operate;
- 2. As an initial matter, Staff's Motion created the impression that Spire had not responded to Staff's communications on this matter. The Company notes that Staff's first letter on this topic was sent by the Chief Staff Counsel to the undersigned at 3pm on Friday, January 5.¹ The undersigned provided a detailed response to the letter that same evening at 8:30pm.
- 3. <u>Cold Weather Rule Initial Payment</u>. Staff noted in the Motion that, in the case of S.B., the customer paid \$800 after being disconnected, but was asked to pay an

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¹ This was during the 5 day period between the true-up hearing and the due date for the initial brief in the Company's rate cases.

additional amount to restore service. Staff opined that the Cold Weather Rule limited the Company to seeking the lesser of 50% of the balance, or \$500 to have service reconnected. However, as noted in the Company's January 5 response, the 50% / \$500 initial payment rule only applies every second year. In the interim year, a defaulting customer's initial payment is 80% of the balance. Customer S.B. had already defaulted under the 50% / \$500 level, so the customer's required initial payment was 80% of the balance, or significantly more than the \$800 S.B. had voluntarily paid. There was no violation of the Cold Weather Rule. Ultimately, however, Spire Missouri agreed to restore Customer S.B.'s service for the \$800 paid.

- 4. Restoration of Service. Commission rules require that, when a customer cures a default, service must be restored by the next working day after the date requested. Spire Missouri generally agrees with the facts Staff laid out in the Motion regarding Customer R.C. The customer's service was disconnected on November 16, 2017, which was a Thursday. The customer cured the default on Friday, November 17 and requested that service be restored. Spire Missouri restored service by the next working day, which was Monday, November 20. There was no violation of the Cold Weather Rule.
- 5. <u>Knock Rule</u>. Commission rules require that the customer receive a knock on the door before service is disconnected, except where employee safety is at risk. In the Motion, Staff notes that Customer K.P. claims that no knock was received. Spire Missouri trains its people to knock before disconnection unless they fear for their safety. The fact that knock complaints are rare indicates that the technicians are complying with this rule. The Company checked into this particular claim, and found no indication that the technician failed to knock. Nevertheless, in light of the complaint, the Company re-

emphasized the obligation to knock before disconnecting when its safe to do so. There was no violation of the Cold Weather Rule.

- 6. 96 Hour Notice. This is the most controversial of the issues raised by Staff. During the Cold Weather Rule period, the Company sends a 10-day notice of disconnection, followed by a 96 hour notice of disconnection. The 10 day notice operates like all other notices; it provides the defaulting customer a warning and an opportunity to cure the default before a certain date, after which an adverse action (i.e. disconnection) may occur. However, the Staff's interpretation of the 96 Hour notice provides the defaulting customer a warning, but places the obligation on the Company to effect the disconnection within the 96 hour period, at which time the disconnection window expires. The 96 hour disconnection period can be extended by either another written notice, or two phone call attempts, or a doorhanger.
- 7. Staff's view of the 96 hour notice is counter-intuitive. It turns the warning process on its head, and places the onus to act on the Company, and not just the customer. Nevertheless, a very close look at the language of the 96 hour rule reveals that Staff's position is a reasonable interpretation, and in fact, Spire Missouri has operated under this interpretation. After sending the initial 96 hour notice, Spire Missouri will follow up with two phone call attempts in order to extend the 96 hour period.
- 8. The controversy arises out of the timing of the 96 hour notice. Based on experience, Spire Missouri allows three days to make sure customers receive the notice before starting the 96 hour clock. As the Company informed Staff in its January 5 letter, the 96 hours essentially begins at Day 3 and ends at Day 7. Staff objects to this practice. Staff insists that the 96 hour period begins when Spire Missouri places the notice in the mail. Spire Missouri disagrees, because Staff's position would often result in

disconnections being performed before the customer actually has a chance to receive the 96 hour notice. A customer who receives a notice of disconnection after service has been disconnected would be justifiably angry. The Company does not believe that the rule was intended to operate in such a customer-unfriendly way.

9. Although the Company addressed most of the issues in the response it provided less than six hours after receiving a late Friday afternoon letter, it did owe the Staff some follow-up information which had not been sent. On the other hand, Staff filed its Motion without any advance warning that it was going to do so. Despite their disagreement on the operation of the 96 hour notice, Spire Missouri anticipates that the Company and Staff will be able to work together on these matters in a way that benefits the customer citizens that they both serve.

Respectfully submitted,

/s/ Rick Zucker

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CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing was served on the Staff and the Office of Public Counsel on this 26th day of March, 2018 by United States mail, hand-delivery, email, or facsimile.

/s/ Rick Zucker	/s/	Rick	Zucker	
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