

Exhibit No.:	
Issue:	Establishing additional procedures for situations where a gas meter stops or fails to register or provide meter readings
Witness:	Paul M. Wildeisen
Type of Exhibit:	Direct Testimony
Sponsoring Party:	Laclede Gas Company
Case No.:	GT-2008-0374
Date Testimony Prepared:	October 16, 2008

LACLEDE GAS COMPANY

GT-2008-0374

DIRECT TESTIMONY

OF

PAUL M. WILDEISEN

OCTOBER 2008

DIRECT TESTIMONY OF PAUL M. WILDEISEN

Q. Please state your name and business address.

A. My name is Paul M. Wildeisen, and my business address is 720 Olive St., St. Louis, Missouri, 63101.

Q. What is your present position?

A. I am presently employed as Director, Customer Accounting, for Laclede Gas Company ("Laclede" or "Company").

Q. Please state how long you have held your position and briefly describe your responsibilities.

A. I was promoted to my present position in September, 2006. In this position, I am responsible for managing three departments: Customer Accounting, Credit & Collection and Meter Reading Services.

Q. What was your experience with the Company prior to becoming Director, Customer Accounting?

A. I joined Laclede in June 1982, as an Accountant in the Corporate Accounting Department. In June 1983 I was transferred to the Budget Department where I served in senior staff and assistant managerial capacities until my promotion to Manager of General Accounting in 1991. I held this position for eight years prior to being promoted to Manager of Financial Systems in 1999. In January 2000, I was appointed Manager of Credit & Collection. I held this position until being promoted to Director of Customer Accounting.

Q. What is your educational background?

1 A. I graduated from the University of Missouri – St. Louis, in 1982, with a Bachelor of
2 Science degree in Business Administration, majoring in accounting.

3 Q. Have you previously filed testimony before this Commission?

4 A. No.

5 Q. What is the purpose of your testimony?

6 A. The purpose of my testimony is to explain and support the tariff filing made by Laclede
7 on May 19, 2008, as amended to reflect the input Laclede has received from Staff and
8 Public Counsel.

9 Q. How has the proposed tariff been amended?

10 A. Laclede has been discussing the terms of this tariff with Staff and Public Counsel for
11 more than six months now. Since filing the tariff on May 19, 2008, these discussions
12 have resulted in certain changes to the tariff that Laclede is willing to adopt. A copy of
13 the amended tariff language is attached hereto as Schedule 1.

14 Q. What is the purpose of the amended tariff?

15 A. As amended, the proposed tariff memorializes the service obligations assumed by the
16 Company when a gas meter has stopped or failed to register or provide readings of actual
17 usage¹. Specifically, in such cases, the Company will (i) maintain a written procedure for
18 determining when a failure occurs; (ii) react within 10 business days by either visiting the
19 site to correct the failure or sending notice advising the customer that the bill is being
20 estimated and asking the customer to make an appointment with Laclede to have the
21 meter repaired; and (iii) if the customer does not respond, continue to send notices at least
22 once for each full billing period thereafter.

23 Q. How does this differ from the existing tariff?

¹ In Laclede parlance, this situation is referred to as a meter that ‘doesn’t register’ or is a “DR” meter.

1 A. The existing tariff simply provided for the Company to estimate the customer's usage
2 during the period of a meter failure. It did not have time or notice parameters.

3 Q. Why does Laclede wish to have these parameters imposed through a tariff rule?

4 A. Laclede continually reviews the rules and regulations set forth in its tariff to determine
5 whether any changes should be made to make them more responsive to, or reflective of,
6 current service requirements and practices. Although Laclede has used automated meter
7 reading devices for more than three decades, beginning in mid-2005, it implemented a
8 system-wide effort to place automated meter reading ("AMR") devices on virtually all of
9 its 650,000 plus meters. The purpose of the AMR project was to improve customer
10 service by reducing the large number of estimated bills caused by the inaccessibility of
11 inside meters and to simultaneously reduce metering costs over the long-term.² However,
12 during the implementation process, a design flaw in certain AMR devices caused some
13 outside meters to fail during the winter of 2006-07. Due to the volume of these failures,
14 some customer bills were estimated for a number of months. The problem has since been
15 remedied, permitting Laclede to implement measures to address DR meters on a much
16 more expedited basis. Nevertheless, Laclede seeks to assure its customers and regulators
17 that it intends to stand behind these measures by putting them in writing.

18 Q. In the proposed tariff, Laclede is committing to react by either fixing the meter or sending
19 the customer a notice. Why doesn't Laclede just fix the meter?

20 A. The Company's reaction depends on the nature of the meter's failure. If the DR meter
21 arises out of the failure of the AMR device, and the meter is an outside meter, then the
22 Company's AMR provider, Landis & Gyr (formerly known as CellNet), could send a

² In October 2005, Laclede issued estimated bills to 100,297 customers (15.3%). By October 2007, that figure had been reduced to 22,508 (3.4%). Since May 2008, monthly estimates have been below 3.0%.

1 technician to the customer's premises to repair or reprogram the AMR device without
2 disturbing the customer. However, if the meter is either inside the customer's premises,
3 or the DR meter arises from the failure of a part of the meter other than the AMR device,
4 then an immediate physical visit to the home may not be effective or cost-justified.

5 Q. Why?

6 A. If the meter is inside the customer's premises, then regardless of the nature of the
7 problem, the customer must be home to permit access to the service technician. Our
8 experience in these situations has been that unscheduled physical visits to gain access
9 tend to be unsuccessful. Instead, it is more efficient to send a notice to the customer to
10 set up an appointment for a time when the customer will be home.

11 Q. Why would you not make a physical visit to an outside meter that became DR due to the
12 failure of a part of the meter other than the AMR device?

13 A. If the failure is not AMR-related, Laclede's practice is to remedy the DR situation by
14 replacing the entire meter. In most cases, this requires service to be temporarily
15 disconnected so the existing meter can be removed and a new one installed. Under
16 Commission safety rules, once service has been turned off, Laclede cannot restore service
17 without performing a safety inspection of the customer's inside appliances and fuel runs.
18 If the customer is not home, Laclede could disconnect service but would be unable to
19 restore it. Laclede does not want to leave customers without service under these
20 circumstances. Thus, if the Company believes that a DR meter may not tend to be caused
21 by the AMR device, it is better to send the customer a notice to set up an appointment.

22 Q. What information will Laclede include in its notice to customers?

1 A. The proposed tariff provides for Laclede to inform the customer that the meter needs
2 maintenance and that the customer is being billed on estimated usage that may not reflect
3 actual consumption, and asks the customer to contact the Company to arrange access to
4 the customer's premises.

5 Q. What happens if the customer does not respond to the Company's notice?

6 A. As indicated above, Laclede will continue to send notices to the customer at least once
7 for each full billing period that follows.

8 Q. What will Laclede do if a customer does not respond to repeated notices?

9 A. Failure to permit Laclede access to its equipment is a violation of the Company's tariff
10 permitting Laclede to discontinue service. The proposed tariff provides that the
11 Company may discontinue service for this reason but is not required to do so within any
12 specified period of time. This discretion would allow Laclede the flexibility to work with
13 customers who may be too busy to read or respond to Company notices.

14 Q. Does this complete your direct testimony?

15 A. Yes.

CASE NO. GT-2008-0374

Laclede Tariff Language – As Amended

In the event a gas meter stops or fails to register or provide readings of actual usage, the customer shall be billed for such period on an estimated consumption basis. The bill will be estimated based upon the procedure described on Tariff Sheet R-40, Usage Estimating Procedure. The Company shall have a written procedure for determining when a gas meter has stopped or failed to register or provide readings of actual usage, and shall provide such procedure, as modified from time to time, to Staff's Consumer Services and Energy Departments and Public Counsel. Within ten business days of detection pursuant to such procedure, the Company shall either attempt to correct the failure or provide notice advising the customer by mail that the meter requires maintenance, that the customer should contact the Company so that arrangements can be made to access the customer's premises, and that the customer is being billed based on estimated usage that may not reflect the customer's actual usage. Thereafter, the Company will provide additional notice to the customer at least once for each full billing period that the condition exists by mail, bill message, telephone message or hand delivery. The Company shall document all notices on the customer's account. The Company shall offer appointments for meter access on Saturday or prior to 7:00 p.m. on weekdays, subject to the Company's right to restrict appointments to daylight hours. Failure by the customer to allow access to the customer's premises within thirty days after the Company has sent such notice shall constitute a failure to permit access as provided in Rule 14(1)(E) of this tariff, and the Company may discontinue service to the customer pursuant to Rule 14, Discontinuance of Service; provided that nothing herein shall be construed as requiring the Company to discontinue service within any specific period of time or as preventing the Company from discontinuing service to a customer for any other lawful reason, including but not limited to, failure to grant the Company access for the purpose of installing a meter or a meter reading device, or for performing routine maintenance, or for non-payment of utility service.

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

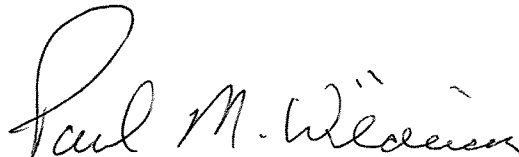
In the Matter of the Laclede Gas)
Company Tariff Filing to Establish)
Additional Procedures For Situations) **Case No. GT-2008-0374**
Where a Meter Stops or Fails to Register) **Tariff No. YG-2008-0690**
or Provide Meter Readings)

AFFIDAVIT


STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

Paul M. Wildeisen, of lawful age, being first duly sworn, deposes and states:

1. My name is Paul M. Wildeisen. My business address is 720 Olive Street, St. Louis, Missouri 63101; and I am Director of Customer Accounting for Laclede Gas Company.
2. Attached hereto and made a part hereof for all purposes is my direct testimony, on behalf of Laclede Gas Company.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.


Paul M. Wildeisen

Subscribed and sworn to before me this 15th day of October, 2008.


Notary Public
