

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:	Surrebuttal Testimony
Sponsoring Party:	Laclede Gas Company
Case No.:	GT-2008-0374
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LACLEDE GAS COMPANY

GT-2008-0374

SURREBUTTAL TESTIMONY

OF

PAUL M. WILDEISEN

DECEMBER 2008

**SURREBUTTAL 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 Street, St. Louis, Missouri, 63101.

Q. Are you the same Paul Wildeisen who filed direct testimony in this case in October 2008?

A. Yes.

Q. Has your job title or responsibilities changed since you filed direct testimony in this case?

A. No.

Q. What is the purpose of your surrebuttal testimony?

A. The purpose of my testimony is to rebut the assertions made in the rebuttal testimony of Public Counsel witness Barbara A. Meisenheimer.

Q. Please summarize Ms. Meisenheimer's objections.

A. Ms. Meisenheimer made several criticisms, but the objection she relies on repeatedly is a thirty (30) day default provision. She refers to it in one form or another on pages 4, 10, 11, 12 and 13. Specifically, the language in the proposed tariff provides that Laclede may assert a default, which may lead to disconnection of service, if the customer fails to allow the Company access to its equipment on the customer's premises within 30 days after notice.

Q. Why does Ms. Meisenheimer object to the 30-day default provision?

A. She fears that it could allow premature and inequitable disconnections due to mistake or otherwise, that it conflicts with the right of customers to provide their

own meter readings, and that it could allow Laclede to boost its earnings through increased reconnection fee revenues.

Q. Does Laclede agree with these objections?

A. No. First, it should be noted that the 30-day language in the tariff *was proposed by Public Counsel itself*.

Q. Are you saying that Public Counsel has filed testimony objecting to a provision in a proposed tariff that was inserted at Public Counsel's request?

A. Yes. The proposed tariff as filed in May 2008 made no mention of the 30-day provision. On August 27, 2008, Public Counsel sent Laclede and Staff an email with tariff revisions that, among other things, added the 30-day language. In the email, Public Counsel explained that, "We added a provision that says customers have 30 days to allow access;". Laclede and Staff accepted this suggestion, which appears in the revised tariff language attached to my direct testimony.

Q. Notwithstanding Public Counsel's internal conflict, does Laclede intend to disconnect customers who do not provide Laclede access to fix its meter within 30 days?

A. No. We consider Public Counsel's 30 day standard to be a bare minimum in these cases. Remember, the tariff is designed to address those situations where Laclede's metering equipment is not functioning properly, thus resulting in an estimated bill. This is generally not the customer's fault nor the customer's problem. However, Laclede does need to fix the meter so we can resume rendering bills based on actual usage. Therefore, where we do need access to the home, such access is necessary, but not especially urgent. Thus, we do not

anticipate quick disconnections, but intend to give customers significant latitude and multiple opportunities to contact us.

Q. Has Laclede already experienced these access issues?

A. Of course. This issue has existed for decades. Meters malfunction and access inside the home is often necessary to either repair the meter or restore service after a meter change. Correspondingly, Laclede has also long been enabled to disconnect service if the customer fails or refuses to permit the Company access to its equipment. Laclede has recently experienced access challenges in connection with the installation of hundreds of thousands of AMR devices. In the more difficult cases, numerous attempts were made over many months before the Company even began to hint at a threat of disconnection.

Q. So does Laclede consider Public Counsel's 30-day provision to be a change to the rule?

A. No. As stated, Laclede today already has the right to disconnect service if the customer fails or refuses after reasonable notice to permit the Company access to fix its equipment. As far as Laclede is concerned, Public Counsel's 30-day provision merely sets a minimum amount of time for reasonable notice in these circumstances.

Q. Does Laclede consider the tariff itself to expand the situations in which Laclede may issue estimated bills, as Public Counsel claims?

A. No. This is another point heavily relied upon by Public Counsel witness Meisenheimer in opposing the proposed tariff. The tariff does not expand but merely clarifies the current rules regarding estimating bills for meters that are not

functioning properly, as most recently decided by the Commission in November in the case of Harrison vs. Laclede Gas Company.

- Q. Has AMR installation caused the Company to expand its estimates?
- A. Just the opposite. Whereas a few years ago, Laclede's estimated billings hovered around 100,000 per month, we are now approaching 10,000 per month, a reduction of roughly 90%. We are currently estimating less than 2% of total active meters. With all the inside meters we have, this represents the lowest amount I've seen.
- Q. But what about Ms. Meisenheimer's testimony that Laclede claimed that AMR would virtually eliminate the need for estimates?
- A. With estimates being used on less than 2% of total active meters, and overall estimates down by 90%, I think we have made great progress towards virtually eliminating the need for estimates. Like any other equipment, however, there are still situations where meters and auxiliary AMR equipment will not work properly. This tariff simply memorializes our commitment to fix the problem when it occurs on an expeditious basis. I believe that is why Staff supports the tariff. What I don't understand is why Public Counsel opposes it.
- Q. Ms. Meisenheimer points to 12 examples of customer complaints associated with faulty AMRs. How does Laclede respond?
- A. There will always be operational issues with meters, and certainly 600,000+ AMR devices cannot be installed without some hiccups. Again, that is why our tariff has long provided the right to estimate usage until the problem is repaired. In this

tariff, we are now simply fleshing out guidelines connected with making those repairs.

Q. Public Counsel witness Meisenheimer believes that it is unnecessary to have tariff language stating that the Company will provide to Staff and Public Counsel its written procedures for determining when a meter has malfunctioned. How does Laclede respond?

A. That language was not in the tariff filed by the Company in May 2008. Staff suggested adding the language so it could monitor the Company's approach to malfunctioning meters. Laclede agreed to add the language, the purpose of which was to simply keep the parties informed.

Q. Do you agree with Ms. Meisenheimer's statement at page 9, line 17 of her rebuttal testimony that Public Counsel not micromanage Laclede's business?

A. Yes.

Q. Do you also agree with her statement beginning at page 9, line 24, that if the Commission does approve the language in which Laclede will keep the parties informed of its detection procedures, that Public Counsel be given an opportunity to review and dispute those procedures prior to implementation?

A. No. This position directly conflicts with Public Counsel's prior comment that it does not seek to micromanage the Company. In effect, Public Counsel is saying to the Commission, "Laclede doesn't need to inform us of its procedures, but if you are going to have Laclede provide this information, then you should make Laclede first get our permission before implementing these procedures." This is illogical, as informing does not require seeking permission. If it will help resolve

- this issue, Laclede is willing to amend the tariff to remove Public Counsel as a party that receives the procedures.
- Q. Public Counsel states that the Company's right to disconnect customers for failure to permit access to repair a meter conflicts with the tariff affording the customers the right to send in their own meter readings. Do you agree?
- A. No. The self-read language and Laclede's right to access its equipment co-exist in Laclede's tariff today. The proposed tariff does not change this. The customer may send in self-reads, and in fact, in limited situations, self-reads can be very useful for billing purposes until the Company can repair its equipment problem. But as a practical matter, the goal of installing AMR is to relieve the customer of the burden of reading inside meters that are generally inaccessible to the Company.
- Q. Public Counsel also states that the proposed tariff's time frames for repairing the meter (Saturdays, and up to 7 pm on weekdays, subject to daylight restrictions) conflicts with the tariff language that provides for appointments on Saturdays and up to 9 pm on weekdays. Is this true?
- A. No. The proposed tariff language is for access to repair a meter. The language cited by Public Counsel refers to access simply to read the meter.
- Q. On page 5, lines 10-19 of her rebuttal testimony, Ms. Meisenheimer concludes that the tariff language stating that nothing in the tariff prevents Laclede from disconnecting service "for any other lawful reason" is too broad. Do you agree?
- A. No. That language is intended simply to acknowledge that Laclede's patience in arranging for access to its equipment does not require Laclede to forestall

disconnection if it has an otherwise lawful reason for doing so. “Any other lawful reason” is specifically intended as a catch-all phrase that neither expands nor limits Laclede’s lawful right to disconnect a customer. Public Counsel’s argument that reserving the right to disconnect for lawful reasons could lead to unlawful disconnections does not make sense.

Q. Does this conclude your surrebuttal testimony?

A. Yes.

