

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Robert B. Hector,)	
Complainant,)	
)	
vs.)	<u>Case No. EC-2009-0112</u>
)	
Union Electric Company, d/b/a)	
AmerenUE,)	
Respondent.)	

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff), by and through counsel, and submits its *Staff Recommendation* in Case No. EC-2009-0112 as follows:

1. On September 24, 2008, Mr. Robert B. Hector (Mr. Hector or Complainant) filed a *Complaint* with the Missouri Public Service Commission (the Commission) against Union Electric Company, d/b/a AmerenUE (AmerenUE or the Company).
2. Mr. Hector's *Complaint* is founded upon circumstances arising from the pending disconnection of his electrical service and his alleged account balance of \$8,473.56.
3. In his *Complaint*, Hr. Hector requests an evidentiary hearing before the Commission, suspension of the pending disconnection of his utility services, assistance in negotiating a reasonable and correct monthly billing amount, and a reduction of his outstanding balance to zero (\$0) dollars as a settlement in this matter.
4. On October 3, 2008, the Commission issued its *Notice Of Complaint And Order Directing Filing*, ordering AmerenUE to file an answer to Mr. Hector's *Complaint* by November 3, 2008, and directing Staff to conduct an investigation into the *Complaint* and to report its findings no later than December 3, 2008.

5. On November 3, 2008, the Company filed its *Answer*, in which it denies the majority of Mr. Hector's allegations, as well as any violation of State statutes, Commission rules, or the Company's tariffs.

6. In its investigation into this matter Staff submitted 16 Data Requests to the Company pertaining to the allegations contained in Mr. Hector's *Complaint*. Staff's recommendation is based upon the responses to these Data Requests, relevant AmerenUE tariffs, Commission rules and records, Mr. Hector's account history, AmerenUE's Medical Needs Registry, AmerenUE energy assistance policies, and Company call center performance records, including 12 recorded telephone conversations between the Company and either Mr. Hector or service agency representatives acting on Mr. Hector's behalf.

7. Staff has attempted to contact Mr. Hector by electronic mail and by telephone on numerous occasions since November 17, 2008 in order to set up a conference call to discuss his *Complaint*. Although Staff spoke with Mr. Hector briefly on one occasion, efforts to engage in a substantive discussion with Mr. Hector have not been successful. Since the filing of his *Complaint* Mr. Hector has provided Staff with no supplemental information which could be used to substantiate his allegations.

8. Based upon the above material, in the attached *Report Of The Staff*, labeled Appendix A, Staff engages in a detailed accounting of Mr. Hector's current account balance and an analysis of current Company practices as compared to its tariffs, State statutes, and Commission rules.

9. In the attached Appendix A, Staff states among other recommendations, its opinion that the Company is lawfully entitled to disconnect the services of Mr. Hector. The legal justification for such can be found in Commission Rule 4 CSR 240-13.050(1), which addresses

the discontinuance of service by utility companies in stating that services may be disconnected for: (A) nonpayment of an undisputed delinquent charge; (B) failure to post a required deposit or guarantee; and/or (F) a misrepresentation of identity in obtaining utility service.

10. Staff places particular reliance on the above subsection (F), noting in Appendix A that “inaccurate or incorrect social security numbers were used by Mr. Hector to establish service...” at a number of prior residences.

11. Regarding allegations that Mr. Hector’s account balance (upon which disconnection for non-payment is based) is inflated due to inappropriate transfers of balances from previous accounts, Staff finds justification for such Company practices in Commission Rule 4 CSR 240-13.050(2)(D), which provides that the failure to pay the bill of another customer may not provide sufficient cause for the termination of services “unless the customer whose service is sought to be discontinued received substantial benefit and use of the service.”

12. Furthermore, Commission Rule 4 CSR 240-13.050(2)(B) states that while the failure of a customer to pay for service received at a separate location may not provide sufficient cause for the termination of services, that

[i]n the event of discontinuance or termination of service at a separate residential metering point, residence or location in accordance with these rules, a utility may transfer and bill any unpaid balance to any other residential service account of the customer and may discontinue service after twenty-one (21) days after rendition of the combined bill, for non-payment, in accordance with this rule.

13. Because Staff finds that the Company has complied with these provisions and that Mr. Hector has received substantial benefit from the service for which the Company has transferred a balance to his current account, Staff believes that Hr. Hector’s allegations concerning the legal implications of these practices are without merit.

14. In regards to allegations concerning the medical needs of both the Complainant and his minor son, Commission Rule 4 CSR 240-13.050(9) states that

[n]otwithstanding any other provision of this rule, a utility shall postpone a discontinuance for a time not in excess of twenty-one (21) days if the discontinuance will aggravate an existing medical emergency of the customer, a member of his/her family or other permanent resident of the premises where service is rendered. Any person who alleges a medical emergency, if requested, shall provide the utility with reasonable evidence of the necessity.

15. Furthermore, AmerenUE's Medical Equipment Registry is a program that identifies customers who require electrically operated medical equipment. As provided in AmerenUE's *Answer* on page 2, "[t]he program allows AmerenUE to notify customers in advance of a planned outage, allowing them to make arrangement while the power is out. Depending on what medical equipment is present, a customer may not be fully disconnected for non-payment...".

16. As a result of its investigation, Staff finds that AmerenUE has not violated Commission Rule 4 CSR 240-13.050(9) and further finds that Mr. Hector has failed to submit the required documentation for enrollment in the Company's Medical Equipment Registry Program. Even if Mr. Hector were enrolled in the program, Staff is of the opinion that such enrollment would not affect Mr. Hector's pending account balance or his duty to make payments thereon.

17. Finally, Staff has also reviewed Mr. Hector's allegations concerning inappropriate and discriminatory treatment on behalf of AmerenUE personnel, and AmerenUE's energy assistance pledge policies. Although Staff is of the opinion that the treatment of Mr. Hector by a call center representative was in one instance unprofessional, Staff finds no further facts to substantiate either of those claims.

18. While Staff believes that AmerenUE is under no obligation to reduce Mr. Hector's outstanding account balance, Staff does recommend the Company consider removing late fees and deposit amounts, in an effort to aid Mr. Hector in retaining service. These amounts total \$1604.23 and if removed would result in an outstanding balance of \$6869.33.

WHEREFORE, Staff submits the results of its investigation and recommends that the Commission either dismiss the Complaint in this case or pursue this matter to a preliminary hearing.

Respectfully submitted,

/s/ Eric Dearmont

Eric Dearmont
Assistant General Counsel
Missouri Bar No. 60892

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-5472 (Telephone)
(573) 751-9285 (Fax)
eric.dearmont@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 3rd day of December, 2008.

/s/ Eric Dearmont