

STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

**ORIGINAL**

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TRANSCRIPT OF PROCEEDINGS

Public Hearing

November 4, 2003  
Cape Girardeau, Missouri

Volume 7

In the Matter of Union Electric )  
Company d/b/a/AmerenUE for Authority ) Case No.  
to File Tariffs Increasing Rates for ) GR-2003-0517  
Gas Service Provided to Customers in )  
the Company's Missouri Service Area )

-----  
RONALD PRIDGIN: PRESIDING  
REGULATORY LAW JUDGE

BRYAN FORBIS,  
ROBERT M. CLAYTON, III,

COMMISSIONERS

ROBERT S. BERLIN, Assistant General  
Counsel, Public Service Commission  
State of Missouri

GREGG OCHOA, Public Information  
Coordinator, Public Service  
Commission, State of Missouri

MICHAEL DANDINO, Public Counsel,  
Office of the Public Counsel  
State of Missouri

EDWARD FITZHENRY, Associate General  
Counsel, Ameren Services

REPORTED BY: BETH E. MALLIS, CCR

MERIT REPORTING & VIDEO SERVICES 573-354-2580

**FILED**

**DEC 3 2003**

*Missouri  
Public Service Commission*

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## SHIRLEY MOORE

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## JOHN JONES

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1     Whereupon, the following proceedings were had:

2             JUDGE PRIDGIN: Good evening, the  
3     Missouri Public Service Commission has set  
4     this time for a local hearing in Case Number  
5     GR 2003 0517, in which Union Electric  
6     Company, doing business as AmerenUE, seeks  
7     to implement a rate increase.

8             The Missouri Public Service Commission  
9     regulates the rates charged by  
10    investor-owned utility companies in Missouri  
11    to insure that those rights are just and  
12    reasonable.

13            The commission also regulates the  
14    quality of service and safety of the  
15    operations of investor-owned utilities. The  
16    commission is made up of five commissioners,  
17    two of whom are here this evening.

18            The commissioners are appointed by the  
19    governor to fix terms and confirmed by the  
20    Senate.

21            The commissioners employ a staff of  
22    engineers, accountants, attorneys, financial  
23    analysts and other specialists in the field  
24    of utility regulation.

25            I'm Ron Pridgin. I'm the Regulatory

1 Law Judge for Missouri Public Service  
2 Commission assigned to preside over this  
3 evening's hearing.

4 With me this evening, are two  
5 commissioners. To my right is Commissioner  
6 Robert Clayton. To my left is Commissioner  
7 Bryan Forbes.

8 This is an official hearing of the  
9 Missouri Public Service Commission and the  
10 statements and testimony of witnesses will  
11 be recorded by the court reporter and must  
12 be given under oath. All of the  
13 commissioners will have the chance to read  
14 all of your remarks.

15 In addition to this hearing, a trial  
16 type evidentiary hearing will be held  
17 beginning on January 2, 2004, and  
18 reconvening on January 12, 2004, at 9:00  
19 a.m., at the Commissions Office At the Hotel  
20 Governor Office Building in Jefferson City,  
21 Missouri.

22 That hearing is a public hearing and  
23 the company will have the burden at that  
24 hearing of showing that the proposed rate  
25 increase is just and reasonable.

1           The Parties will present their witness  
2           for and against the rate increase at that  
3           time. The purpose of this hearing is to  
4           hear from you on the subject of the proposed  
5           rate increase.

6           The company will not present witnesses  
7           this evening, and will not answer your  
8           questions. This is your chance to testify  
9           and your remarks will be made a part of the  
10          official record.

11          I will call the name of each witness  
12          who is signed up to speak. I will call you  
13          in the order in which you signed up. When  
14          your name is called, please come forward and  
15          approach the lectern.

16          Please spell your name for the court  
17          reporter so she can put it in the record  
18          correctly. I'll ask you a few preliminary  
19          questions such as your name and address and  
20          you can then make your statement. There  
21          then may be some clarifying questions from  
22          counsel, from the commissioners or from  
23          myself.

24          Please do not leave the lectern until  
25          you are excused. There may be someone who

1 wishes to testify, but because of their  
2 religious beliefs, cannot take an oath. If  
3 so, please indicate that to me when I ask  
4 you to be sworn so that you may be affirmed  
5 instead.

6 Does anyone have any questions about  
7 the procedure this evening?

8 All right, seeing none, we'll then  
9 begin the public hearing on Case Number GR  
10 2003, 0517 in the matter of Union Electric  
11 Company doing business as AmerenUE for  
12 authority to file tariffs increasing rates  
13 for gas service provided to customers in the  
14 company's Missouri service area.

15 Will Counsel make their entries of  
16 appearance, please, beginning with staff.

17 MR. BERLIN: Robert S. Berlin, attorney  
18 for staff Missouri Public Service Commission  
19 200 Madison Street Post Office Box 360  
20 Jefferson, City Missouri. 65102.

21 JUDGE PRIDGIN: Mr. Berlin, thank you.  
22 On behalf of the Office of the Public  
23 Counsel, please.

24 MR. DANDINO: Michael Dandino, Office  
25 Of The Public Counsel, Post Office Box 7800,

MERIT REPORTING & VIDEO SERVICES 573-354-2580

1           Jefferson City Missouri, 65102, representing  
2           the Office of Public Counsel and the public.

3           JUDGE PRIDGIN: Mr. Dandino, thank you.  
4           On behalf of AmerenUE.

5           MR. FITZHENRY: Edward Fitzhenry,  
6           F-I-T-Z-H-E-N-R-Y. My address is 1901  
7           Chouteau Avenue, St. Louis, Missouri, 63103.

8           JUDGE PRIDGIN: Mr. Fitzhenry, thank  
9           you. Is there anyone here on behalf of the  
10          Missouri Department of Natural Resources?  
11          No entry from them?

12          In that case, let's proceed to the  
13          first witness. I see the first witness is  
14          Shirley Moore. Ms. Moore, if you would,  
15          please come forward to be sworn.

16   Thereupon:

17                               SHIRLEY MOORE

18          A witness herein, being first duly  
19          sworn, was examined and testified under oath  
20          as follows:

21                               EXAMINATION

22   BY JUDGE PRIDGIN:

23          Q     If you would, please state your name for  
24          the record and spell your last name.

25          A     Shirley Moore, M-O-O-R-E.

1 Q And your address, please?

2 A 99 Skyview Road, Portageville, Missouri,  
3 63873.

4 Q Are you a gas customer of AmerenUE?

5 A No.

6 Q Any statement that you would like to make  
7 to the commission at this time?

8 A I work for DAEOC, which is a community  
9 action agency. I'm actually here on behalf of all  
10 the low income people in our area.

11 And as far as actually saying whether the  
12 gas increase should or should not be, you know, that  
13 partly depends on which side of the fence you sit on.

14 If you are the one paying the bill, of  
15 course it's not. But on behalf of my clients, this  
16 is going to be a tremendous burden upon them. They  
17 are now struggling to pay their bills at the rate  
18 that it is now, and any increase whatsoever would be  
19 an additional burden upon them. I do know that there  
20 is a program being proposed for weatherization and  
21 low income for helping the low income through  
22 AmerenUE in some way, and that's what I would like to  
23 make a statement on also.

24 We have a weatherization program. We also  
25 have the energy programs. But these programs do not



1 help those people above the hundred and fifty percent  
2 poverty level. The weatherization is a hundred and  
3 fifty percent, the energy program is at a hundred and  
4 twenty-five percent. And we have a lot people that  
5 make minimum wages. They are struggling, they're  
6 working, they're struggling to pay their bills as it  
7 is now. They do not qualify for any assistance as it  
8 is now. With the rate increase, that's going to be  
9 an initial burden. With weatherization being the  
10 program that it is, it is a very good program to help  
11 reduce the use of energy. We're getting -- Last year  
12 we had 300 applicants for weatherization. This year  
13 we have got five hundred applicants. We need this  
14 program to help them and especially with the proposal  
15 of a rate increase from AmerenUE.

16 JUDGE PRIDGIN: Ms. Moore, thank, you  
17 very much.

18 Let me see if we have any clarifying  
19 questions from counsel. First Mr. Dandino.

20 EXAMINATION

21 BY MR. DANDINO:

22 Q Thank you, Your Honor. Ms. Moore my name  
23 is Mike Dandino, with the office of Public Counsel.  
24 I had a question. What's the kind of state of the  
25 economy down in this area?

1           A     Very low. We have very little industry  
2 down there. We're a very rural area. We have lost  
3 some of our industry down here. We're a farming  
4 community and just very low income.

5           Q     And when we're talking about some of the  
6 people don't meet the hundred fifty percent of the  
7 poverty level, some of those people are employed or  
8 recently unemployed?

9           A     Yes, they are employed. They are employed,  
10 but due to basically making minimum wage, they do not  
11 qualify for anything.

12          Q     Is there any other type of assistance to  
13 pay any of the bills, the heating bills that your  
14 organization distributes the funds?

15          A     Yes, we do. We do have the energy program,  
16 the LEIAPH Program, the ECIP Program. But then  
17 that's at a hundred 25 percent and below level.

18                We administer both the energy assistance  
19 and the LEIAPH program and we have a tremendous need,  
20 you know, for even more than we have. But that is  
21 strictly for the people below a hundred 25 percent  
22 poverty.

23          Q     By what percentage of your clients would  
24 fall into that, if I could characterize it as  
25 working, low income or working poor, what percentage

1 of your clients fall into that area as compared to  
2 someone who's below the hundred and fifty percent?

3 A I do not actually have that figure, but I  
4 would say it would probably be 20 percent, 30  
5 percent.

6 That is something, since we have no  
7 services at this time where we actually keep a  
8 tracking record. I really could not give you an  
9 actual figure on that or an actual percentage or even  
10 maybe even a guesstimate on that.

11 Q Okay. It's difficult, I understand. If an  
12 applicant would say come in and doesn't qualify for  
13 any of the other programs, what resource or where do  
14 you direct them?

15 A We basically have no place to direct them,  
16 we really don't.

17 Q Thank you.

18 MR. DANDINO: Thank you, Your Honor.

19 JUDGE PRIDGIN: Mr. Dandino, thank you.

20 Any other questions from counsel?

21 Hearing none, let me see if we have any  
22 questions from the commission. Commissioner  
23 Forbis?

24

25

1 EXAMINATION

2 BY COMMISSIONER FORBIS:

3 Q Thank you for coming. I know she also came  
4 to our meetings this summer, so I appreciate your  
5 coming back again tonight.

6 A Yes, I did.

7 Q I know you were in Sikeston on a potential  
8 gas rate increase.

9 Do you have any sense, do you know what  
10 percent of your potential customers, if you will, are  
11 natural gas versus propane?

12 A I would say 80 percent.

13 Q Are on?

14 A Natural gas as opposed to propane.

15 Q I think that might be more evenly mixed.

16 A It would depend on what particular little  
17 area you may be in, but we have a very high rate of  
18 natural gas.

19 Q And you talked about you've gone from 300  
20 applications last year to five hundred this year?

21 A Yes.

22 Q How is the money looking at this point this  
23 year on some of the programs?

24 A Well, it's not enough to cover all these  
25 people, and it's like a five-year waiting list. At

1 this point, there are more applications coming in per  
2 month than completed jobs are going out per month.

3 Q So it's kind of hard to keep up with them?

4 A Absolutely.

5 COMMISSIONER FORBIS: Thank you.

6 JUDGE PRIDGIN: Mr. Forbis, thank you.

7 Commissioner Clayton?

8 EXAMINATION

9 BY COMMISSIONER CLAYTON:

10 Q First of all, where is Portageville?

11 A Oh, goodness. It's about 60 miles south of  
12 here right down the interstate.

13 Q What county?

14 A New Madrid.

15 Q Is it on the river?

16 A We're a ways off the river.

17 Q So it's not on the river?

18 A We are not right on the river, we're  
19 probably about ten miles from the river.

20 Q I came from Hannibal. It's a bit up  
21 stream.

22 A Yes, it is.

23 Q First of all, what was the name of your  
24 community action?

25 A Delta Area Economic Opportunity

1 Corporation, which is DAEOC for short.

2 Q And you all administer both weatherization  
3 and the low heat program?

4 A Yes.

5 Q You mentioned that live heat standards of a  
6 hundred 25 percent of poverty wasn't sufficient?

7 A Correct.

8 Q What percent of poverty do you believe  
9 would be sufficient?

10 A At the present rate of funding that we have  
11 or if we had additional funding?

12 Q Well, it's a different question. You  
13 talked about the level or percentage of poverty, then  
14 you talked about how much money would you need to  
15 actually fund it. That would be my next question.

16 A I really do not know the figure, I really  
17 do not.

18 Q I don't believe I have any other questions  
19 although I would point out I know that you say this  
20 is very rural, but Cape Girardeau is a lot bigger  
21 than Hannibal, you realize that?

22 A I've never been to Hannibal.

23 Q Come on up and see us sometime.

24 A Maybe I will, and you come down to  
25 Portageville.

1 JUDGE PRIDGIN: Thank you, Commissioner  
2 Clayton, and thank you, ma'am.

3 Next witness is John Jones. Mr. Jones,  
4 if you would, raise your right hand to be  
5 sworn, please, sir.

6 Thereupon:

7 JOHN J. JONES

8 A witness herein, being first duly  
9 sworn, was examined and testified under oath  
10 as follows:

11 EXAMINATION

12 BY JUDGE PRIDGIN:

13 Q If you would, please state your name and  
14 spell your name for the record, please.

15 A John Jones J-O-N-E-S, 139 Camellia Drive,  
16 Cape Girardeau, Missouri, 63703.

17 Q Mr. Jones, are you a gas customer of  
18 AmerenUE?

19 A Yes, I am.

20 Q Any statements that you have for the  
21 commission?

22 A Well, I represent myself and my wife and I  
23 feel the 18 percent increase, either on a day in  
24 April or spread within 13 months, is a joke to many  
25 people, including myself.

1 I don't need assistance. I've been a UE  
2 customer since 1946, except for two years in  
3 Kentucky. So I feel I own part of the pipelines  
4 someplace. I have no complaints of UE, I think  
5 they're a very good company. And I don't have any  
6 problems with the service. But I just think that 18  
7 percent is going to hit people very hard where the  
8 cost of living in the last three years is about two  
9 percent and they're predicting the same thing next  
10 year. And I just feel it's too much for people to  
11 handle at one crack.

12 That's all I've got to say.

13 Q Mr. Jones, thank you very much, let me see  
14 if we have any clarifying questions from counsel  
15 first. Mr. Dandino?

16 MR. DANDINO: I have none.

17 JUDGE PRIDGIN: Commissioner Forbis?

18 COMMISSIONER FORBIS: I don't think I  
19 have any questions, Mr. Jones, thank you.

20 JUDGE PRIDGIN: Anybody else,  
21 Commissioner Clayton?

22 COMMISSIONER CLAYTON: I do, Judge. I  
23 can't let Mr. Jones off that easily.

24 JUDGE PRIDGIN: Okay, go ahead.

25



1 EXAMINATION

2 BY COMMISSIONER CLAYTON:

3 Q Mr. Jones, do you participate in a budget  
4 billing program?

5 A No, I do not.

6 Q Could you give me kind of an average what  
7 you think your bill is, your gas bill?

8 A I haven't because I run it monthly.

9 Q Well, that's all right.

10 A I think about four- to five-hundred a year.

11 Q A year?

12 A Yes.

13 Q I thought maybe you had one of these big  
14 old Victorian homes down here on the river.

15 A No.

16 Q Well, then my next question is: Do you  
17 remember what your average monthly bill was in 1946?

18 A I think it was around \$4.00, three or  
19 \$4.00.

20 Q A month?

21 A Yeah.

22 Q Oh, those were the days.

23 A Weren't they though?

24 Q My goodness. Thank you, very much.

25 A You're welcome.

1 JUDGE PRIDGIN: Mr. Jones, thank you,  
2 very much for your time and for your  
3 testimony, sir.

4 I don't see anybody else signed up. Is  
5 there anyone else who wishes to testify this  
6 evening?

7 All right. I'm seeing no volunteers.  
8 Let me see if we have anything Counsel wants  
9 to bring to my attention before we hear from  
10 the commissioners. Seeing nothing let me  
11 see if we have any concluding remarks from  
12 the commissioners. Commissioner Forbis.

13 COMMISSIONER FORBIS: We would like to  
14 thank everybody for coming, appreciate the  
15 comments. He did a nice job of representing  
16 you. After all these years, you trust him  
17 to do that? That's very good of you.

18 MR. JONES: 57 years.

19 COMMISSIONER FORBIS: Well, he's had a  
20 lot of practice. Thank you all for coming  
21 out and to those who spoke and nice to see  
22 you again. That's it.

23 JUDGE PRIDGIN: Mr. Forbis, thank you.  
24 Commissioner Clayton?

25 COMMISSIONER CLAYTON: I would also add

1 my thanks for you being here, although we  
2 only had two people speak tonight. There  
3 are meetings that are going on throughout  
4 the state. We only have two commissioners  
5 that are here, but that's basically because  
6 we have got them going on all over the  
7 state. So far, I've already been to  
8 Wentzville and Mexico for hearings taking  
9 place around the state just for this case  
10 alone.

11 All these comments are going to be  
12 taken into consideration and I appreciate  
13 you for coming out tonight, for the two  
14 speakers and the folks listening in.

15 There is a lot of people who did not do  
16 that. Thanks for being here.

17 JUDGE PRIDGIN: Thank you, very much.

18 Hearing nothing further that needs to  
19 be brought to my attention, this concludes  
20 the public hearing.

21 Thank you, very much for your  
22 attendance.

23 (Thereupon, the proceedings were concluded  
24 at 7:00: p.m.)

25

## C E R T I F I C A T E

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THE STATE OF MISSOURI  
COUNTY OF CAPE GIRARDEAU.

I, BETH E. MALLIS, Certified Court  
Reporter, State of Missouri, certify that I was  
authorized to and did stenographically report the  
foregoing proceedings and that the transcript is a  
true and complete record of my stenographic notes.

Dated this 20th day of November, 2003.

  
BETH E. MALLIS, CCR 944 (g)