

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

Stephen D. Chanerl	Complainant,	)	
		)	
v.		)	Case No. GC-2009-0132
		)	
Laclede Gas Company,		)	
	Respondent.	)	

**LACLEDE GAS COMPANY’S ANSWER TO COMPLAINT**

COMES NOW Laclede Gas Company (“Laclede” or “Company”), pursuant to the Commission’s October 14, 2008 Notice of Complaint in the above captioned case, and submits its Answer to the Complaint filed against Laclede by Stephen D. Chanerl (“Mr. Chanerl” or the “Customer”). In support thereof, Laclede states as follows:

1. In his complaint, Mr. Chanerl claims that he was overcharged on his gas bill at 9508 Weyburn in St. Louis, in May 2007. To support this claim, he alleges that his gas bill should be low because he uses a kerosene heater, and only uses gas for heating water. He states that he cannot reconcile the therms billed by the Company, as reflected on a Statement of Bills and Payments attached to the complaint. Finally, he believes that, because his gas usage was not as high as his neighbors, Laclede alleged its meter was broken and changed it, the inference being that Laclede did so in order to increase Mr. Chanerl’s bills.

2. In response, Laclede states that it did not overcharge Mr. Chanerl on his gas bill. Since opening the account on Weyburn in 1996, Mr. Chanerl has steadily used about 200 ccf per year, which is a very low annual amount.<sup>1</sup> This usage is consistent

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<sup>1</sup> The typical Laclede customer uses about 884 ccf per year.

with his claim that he uses gas primarily to heat water. Sometime in February 2007, the AMR module on the meter at Mr. Chanerl's home malfunctioned. Laclede then estimated Mr. Chanerl's bills through April. In May, Laclede obtained a manual reading and repaired its AMR module. The manual reading indicated that Laclede had underbilled Mr. Chanerl by roughly \$55-\$60. So where Mr. Chanerl would have expected a bill in May 2007 to be about \$25-\$30, his bill instead was about \$85.

3. Mr. Chanerl's usage is lower than that of his neighbors. For a 12 month period ended in October 2007 (which included the bill adjustment period), Mr. Chanerl was billed for exactly 200 ccf of gas, while his neighbors used gas in the range of 250-300 ccf.

4. Laclede's Statement of Bills and Payments reflects two adjustments and therefore, on two of its bills, it shows a relatively large amount of therms (e.g. 115.9 therms) because of the relatively long period of time covered by the bill. Accompanying these adjustments are bill credits, which effectively subtract out the amounts previously billed to Mr. Chanerl over that period. For example, Laclede issued a rebill covering a one-year period from 5/17/06 to 5/17/07. During this period, Mr. Chanerl used 200.9 therms, and was rebilled a total of \$399.23. At the same time, Laclede applied a Bill Adjustment Credit of \$314.19, to subtract all of the amounts that it had previously billed to Mr. Chanerl between 5/17/06 and 4/18/07. The result of the rebill was that in May 2007, Laclede billed the customer \$85.04 more than it had through April, as discussed above.

## **ANSWER**

5. Laclede denies that the Complainant did not use the amount of gas billed to him for the period ending May 17, 2007. To the contrary, Laclede avers that all of the evidence will show that Mr. Chanerl used the amount billed for that period.

6. Laclede is without information and belief to determine whether Mr. Chanerl used a kerosene heater to heat his home. However, the usage recorded by Laclede's meter is consistent with Mr. Chanerl's allegation.

7. Laclede denies that the numbers on its Statements of Bills and Payments do not add up.

8. Laclede denies that Mr. Chanerl's therm usage should be in the single digits during the period between February and May 2007. Historically, Mr. Chanerl experienced usage of less than 10 therms only during the heat of summer: July, August and September. He should not expect his usage for May, or any winter or near-winter months, to be less than 10 therms.

9. Laclede admits that Mr. Chanerl's usage is generally lower than that of his neighbors. Laclede denies that, because Mr. Chanerl's usage was low, Laclede falsely claimed the meter was broken, and then substituted a new meter, purportedly to increase the number of therms measured. Laclede avers that it simply replaced a malfunctioning AMR module.

10. Laclede denies that it does not want consumers saving money on services. In fact, the opposite is true, for Laclede's rate design now more closely aligns the Company with its customers, and not with gas producers and marketers. Laclede is investing millions of dollars in incentive programs to motivate customers to conserve

their use of gas. The intent of these programs is to (i) lower bills so that customers can save money, more easily pay their bills and maintain service; (ii) decrease the demand for natural gas, with the hope of easing upward pressure on gas prices; and (iii) improve the likelihood that Laclede will collect on its bills and reduce its uncollectible expenses.

WHEREFORE, Laclede respectfully requests that the Commission accept Laclede's Answer and find that the Company has violated no laws, or rules, decisions or orders of the Commission in this case.

Respectfully submitted,

**/s/ Rick Zucker**

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**Certificate of Service**

The undersigned certifies that a true and correct copy of the foregoing Answer was served on the Complainant, the General Counsel of the Staff of the Missouri Public Service Commission, and the Office of Public Counsel on this 13<sup>th</sup> day of November, 2008 by United States mail, hand-delivery, email, or facsimile.

**/s/ Gerry Lynch**