# BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

Dustin L. Estes,	)	
Complainant,	)	
•	)	
v.	)	Case No. GC-2009-0163
	)	
Missouri Gas Energy,	)	
	)	
Respondent.	)	

# **MGE'S ANSWER**

**COMES NOW** Missouri Gas Energy, a division of Southern Union Company (MGE or Respondent), by and through its counsel, and, pursuant to 4 CSR 240-2.070, respectfully states the following to the Missouri Public Service Commission (Commission) as its Answer to the Complaint filed by Dustin L. Estes (Complainant):

- MGE admits that it is a public utility subject to the jurisdiction of the Commission, as provided by law.
- 2. Correspondence, communications, orders and decisions regarding this matter should be addressed to the undersigned counsel and:

Todd Jacobs Missouri Gas Energy 3420 Broadway Kansas City, MO 64111 (816) 360-5976 (816) 360-5536 facsimile todd.jacobs@sug.com

### COMPLAINT AND RELIEF SOUGHT

3. Complainant alleges that he did not receive benefit of service at any address other than 607 Elm Street, Neosho, Missouri. Complainant states that he should not be responsible for

any bill other than the amount at 607 Elm Street and further requests that the Commission grant a discount for any amounts owed at 607 Elm Street

### **ANSWER**

- 4. Beginning on or about November 13, 2004, MGE began to provide service in the name of Dustin L. Estes at 405 Benham Ave, Neosho, Missouri.
- 5. At the time of his application for service in November 2004, Complainant had an outstanding debt to the Company in the amount of \$725.12 for service provided to him at 607 Elm Street, Neosho, Missouri. Complainant's service was terminated on June 25, 2001 for non-payment.
- 6. When Complainant requested service in his name at 405 Benham in November 2004, there were outstanding debts at that location from service provided to Stearl L. Estes (service discontinued on March 17, 2003 with an outstanding balance of \$322.89) and Casey W. Troutman (service discontinued on March 5, 2004 with an outstanding balance of \$484.85).
- 7. MGE's research shows that Dustin L. Estes had resided at 405 Benham Ave. and benefited from the use of the natural gas service previously provided by MGE at 405 Benham Ave. to other account holders. Including his own outstanding debt, Complainant owed \$1,532.89 to initiate service at this address. Complainant filed an informal complaint on this matter in November 2004.
- 8. A quote for \$268.94 to initiate service was given to Complainant in November 2004.. Service was initiated in Complainant's name on November 13, 2004. Complainant was put on a Cold Weather Rule Payment Agreement with a fixed amount of \$101.93 in order to repay his outstanding debt plus \$86.00 under the Average Bill Calculation ("ABC") Plan for natural gas service, for a total of \$187.93 per month.

- 9. Complainant applied for and received in February 2005 funds to pay for his outstanding debt. He received Low Income Home Energy Assistance Program ("LIHEAP") funds in the amount of \$178.00 and Federal Energy Crisis Intervention Program ("ECIP") funds in the amount of \$600.00 that were paid toward his current and outstanding debts. The receipt of these funds reduced Complainant's outstanding debt to \$932.86.
- 10. Once the Company received these funds, it reduced the Payment Agreement with the fixed amount of \$86.08 in order to repay his outstanding debt plus the ABC of \$72.00 per month.
- 11. Complainant submitted only one payment under the original Payment Agreement, which was received on January 21, 2005. Since no further payments were received, the Company terminated service to 405 Benham on April 21, 2005. Complainant's outstanding balance was \$1,118.06 when his service was terminated.
- 12. After Complainant filed another informal complaint in July 2008, the Company informed Complainant that he would need to pay 85% (\$950.35) of his outstanding balance of \$1,115.06 to obtain natural gas service. Since the Company is currently under the Cold Weather Rule, Complainant would have to enter into a Payment Agreement and pay 12% of his outstanding debt in addition to 12% of the Annual ABC that would be calculated for the premises where he applies for service.
- 13. Rule 3.02(1)(A) of MGE's tariffs (Sheet R-19) provides that MGE "may refuse to commence service to an applicant" for "non-payment of an undisputed delinquent charge."
- 14. Rule 3.02(2)(B) of MGE's tariffs (Sheets R-19.1 and R-19.2) provides, in part, that MGE may not refuse to commence service to an applicant for "failure to pay the bill of another customer, unless the applicant who is seeking service received substantial benefit and use of the service to that customer." To meet its burden, MGE must have "reliable evidence that:

- 1. The applicant and that customer resided together at the premises where the bill was incurred and during the period the bill was incurred; and 2. The bill was incurred within the last seven (7) years; and 3. Company has attempted to collect the unpaid bill from the customer of record; and 4. At the time of the request for service, the bill remains unpaid and not in dispute."
- 15. Commission Rule 4 CSR 240-13.035(1)(A) and 4 CSR 240-13.035(2)(B) contains substantially identical provisions.
- 16. Dustin Estes resided with Stearl Estes and Casey Troutman at the premises where the subject bill was incurred, during the period the bill was incurred. These bills were incurred within the last seven years. Dustin Estes incurred bills for service under his own name at 607 Elm Street. At the present time, the bill for service provided at 405 Benham Ave. and his previous address remained unpaid.
- 17. MGE operated within the requirements of its tariffs and Commission rules when it demanded payment of outstanding amounts due for service provided at 405 Benham Ave, Neosho, Missouri, and its refusal to provide natural gas service to Mr. Estes until arrangements are made in regard to this unpaid amount.
- 18. Except as expressly admitted in this answer, MGE denies each and every allegation contained in the Complaint.

#### **AFFIRMATIVE DEFENSES**

- 19. Further answering and as an affirmative defense, MGE states that it has acted in accordance with its tariffs.
- 20. Further answering and for its second affirmative defense, MGE states that the Complaint fails to state a claim upon which relief may be granted.

WHEREFORE, having fully answered and set forth its affirmative defenses,

Respondent Missouri Gas Energy, prays the Commission dismiss the Complaint and grant such other relief as the Commission deems reasonable and just.

Respectfully submitted,

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Dean L. Cooper

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ATTORNEYS FOR MISSOURI GAS ENERGY

# **CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing document was sent by electronic mail or by U.S. Mail, postage prepaid, on December 3, 2008, to the following:

Office of the General Counsel Governor Office Building Jefferson City, MO 65101 gencounsel@psc.mo.gov

Dustin Estes 511 Oakridge Neosho, MO 64850 Office of the Public Counsel Governor Office Building Jefferson City, MO 65101 opcservice@ded.mo.gov