



**MIDWEST
LITIGATION**
SERVICES

**PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

**IN THE MATTER OF:
USW LOCAL 11-6 AND LACLEDE GAS COMPANY**

Case Nos. GC-2006-0313 and GC-2006-0390

DEPOSITION OF ROBERT LEONBERGER

JULY 6, 2006

OFFICES MISSOURI ■ ILLINOIS ■ KANSAS

HEADQUARTERS: 711 NORTH ELEVENTH STREET, ST. LOUIS, MISSOURI 63101

800.280.3376

www.midwestlitigation.com

Page 1	Page 3
<p>1 STATE OF MISSOURI 2 PUBLIC SERVICE COMMISSION 3 In the Matter of:) 4 USW LOCAL 11-6,) 5 and) Case Nos. GC-2006-0313) GC-2006-0390 6 LACLEDE GAS COMPANY.) 7 8 DEPOSITION OF ROBERT LEONBERGER, 9 a witness, produced, sworn and examined on the 6th day of 10 July, 2006, between the hours of 8:00 a.m. and 6:00 p.m. 11 of that day at the offices of the Missouri Public Service 12 Commission, 200 Madison Street, in the City of Jefferson, 13 County of Cole, State of Missouri, before 14 15 KELLENE K. FEDDERSEN, RPR, CSR, CCR MIDWEST LITIGATION SERVICES 16 3432 West Truman Boulevard, Suite 207 Jefferson City, MO 65109 17 (573)636-7551 18 and Notary Public within and for the State of Missouri, 19 commissioned in Cole County, Missouri, in the 20 above-entitled cause, on the part of USW Local 11-6, 21 pursuant to Notice. 22 23 24 25</p>	<p>1 I N D E X 2 Direct Examination by Ms. Martin 4 Cross-Examination by Mr. Poston 64 3 Redirect Examination by Ms. Martin 65 Cross-Examination by Mr. Zucker 65 4 Cross-Examination by Mr. Franson 67 Further Redirect Examination by Ms. Martin 70 5 Recross-Examination by Mr. Franson 71 6 EXHIBITS INDEX 7 Exhibit No. 1 Report and Order, Case No. GO-95-320 15 8 Exhibit No. 2 Data Requests to Staff 26 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25</p>
Page 2	Page 4
<p>1 A P P E A R A N C E S 2 FOR USW LOCAL 11-6: 3 JANINE M. MARTIN Attorney at Law 4 HAMMOND, SHINNERS, TURCOTTE, LARREW AND YOUNG, P. C. 5 7730 Carondelet Avenue, Suite 200 St. Louis, MO 63105 6 (314)727-1015 7 FOR LACLEDE GAS COMPANY (VIA TELEPHONE): 8 RICK ZUCKER Attorney at Law 9 Laclede Gas Company 720 Olive Street 10 St. Louis, MO 63101 (314)342-0532 11 12 FOR THE OFFICE OF THE PUBLIC COUNSEL: 13 MARC POSTON Senior Public Counsel P.O. Box 2230 14 200 Madison Street, Suite 650 Jefferson City, MO 65102-2230 15 (573)751-4857 16 FOR THE STAFF OF THE PUBLIC SERVICE COMMISSION: 17 ROBERT FRANSON Senior Counsel 18 JENNIFER HEINTZ Assistant General Counsel 19 P.O. Box 360 200 Madison Street 20 Jefferson City, MO 65102 (573)751-3234 21 22 SIGNATURE INSTRUCTIONS: 23 Presentment waived; signature requested. 24 EXHIBIT INSTRUCTIONS: 25 Attached to original.</p>	<p>1 ROBERT LEONBERGER, being sworn, testified as follows: 2 DIRECT EXAMINATION BY MS. MARTIN: 3 Q. Would you state your name, please. 4 A. Robert Leonberger. 5 Q. And you are aware that you've been noticed 6 for deposition in connection with two separate complaints 7 filed by USW Local 11-6; is that correct? 8 A. Yes. 9 Q. And one of them is 2006-0313, which 10 involves the Grunsky bag method, and the other is 11 2006-0390, which involves the automated meter reading 12 program, correct? 13 A. Yes. 14 Q. Mr. Leonberger, who is your employer? 15 A. Missouri Public Service Commission. 16 Q. And how long have you been with that 17 employer? 18 A. Got to calculate this. 25 years. 19 Q. What is your present position? 20 A. I'm the assistant manager of the gas safety 21 engineering area. 22 Q. What are your duties in that position? 23 A. Overseeing the gas safety program of the 24 Commission. We inspect all the gas utilities in the 25 state, the -- all the regulated utilities and the</p>

Page 5

1 municipal utilities for gas safety.
 2 **Q. And have you had those same duties the**
 3 **entire time that you've been employed by the PSC?**
 4 A. I've had the supervisor's job since about
 5 1991.
 6 **Q. Okay.**
 7 A. Before that, I was an inspector with the
 8 department.
 9 **Q. Were you always in gas safety?**
 10 A. Yes, I've always been in the gas safety
 11 area.
 12 **Q. Do you belong to any professional**
 13 **organizations whose focus are issues of gas distribution**
 14 **or safety?**
 15 A. I'm a member of the National Association of
 16 Corrosion Engineers.
 17 **Q. And what is that?**
 18 A. It's a -- NACE is the acronym. It's a
 19 national -- it's an international association of corrosion
 20 technicians and engineers that corrosion, one of the
 21 aspects is the corrosion of pipelines.
 22 **Q. Do you have annual meetings or --**
 23 A. There's annual meetings, but I haven't
 24 attended one of those for a while.
 25 **Q. Okay. Any other professional organizations**

Page 6

1 **related to gas distribution or safety?**
 2 A. I was -- associations, the National
 3 Association of Pipeline Safety Representatives.
 4 **Q. National Association of?**
 5 A. Pipeline Safety Representatives. It's an
 6 organization of state pipeline safety managers like
 7 myself.
 8 **Q. Does that have a short thing?**
 9 A. NAPSRS.
 10 **Q. NAPSRS. Does that association hold any**
 11 **meetings?**
 12 A. Yes, there's regional meetings and national
 13 meetings.
 14 **Q. Do you attend those at all?**
 15 A. Yes.
 16 **Q. How often?**
 17 A. I attend basically all the regional
 18 meetings annually and all the national meetings annually.
 19 **Q. And what regional meeting is that? What**
 20 **region is covered by the region?**
 21 A. The NAPSRS is broken up into regions the
 22 same as the Federal Pipeline Safety regions. They have
 23 different -- the Federal Pipeline Safety Organization has
 24 different regions, and Missouri's in the central region.
 25 129 states in the central region. So we just mirror their

Page 7

1 breakup of the states.
 2 **Q. And so the people you meet with are your**
 3 **counterparts in other states?**
 4 A. Yes, as well as the federal office of the
 5 Pipeline Safety people.
 6 **Q. Okay. And those people work for the**
 7 **Federal Government?**
 8 A. Right.
 9 **Q. Now, I wanted to ask you a couple of**
 10 **questions about gas incident reporting. The PSC, does the**
 11 **PSC receive reports of gas incidents from gas utilities in**
 12 **the state of Missouri?**
 13 A. Yes.
 14 **Q. And how does that -- what is the -- is**
 15 **there a regulation in the State Code of Regulations that**
 16 **requires that sort of reporting?**
 17 A. It requires a notification to the Staff of
 18 certain incidents.
 19 **Q. What are the incidents that need to be**
 20 **reported?**
 21 A. There's if it involves injury requiring
 22 hospitalization, if it involves a death, if it involves
 23 property damage more than \$10,000.
 24 **Q. Greater than 10,000. So if there is a gas**
 25 **incident that does not cause any property damage, say for**

Page 8

1 **example there's a gas leak and the utility finds it, fixes**
 2 **the problem, nobody's hurt, that's not something that**
 3 **would come to the attention of the PSC?**
 4 A. Often we have calls that we consider a
 5 courtesy call, if the media is involved or something like
 6 that, but it's not required that they call unless it meets
 7 one of those criteria. There's another criteria, if it
 8 doesn't meet any of those specific criteria I just gave
 9 you, that if it is significant, quote, in the eyes of the
 10 operator, that you call.
 11 **Q. Okay.**
 12 A. But a lot of times we'll get calls from
 13 different operators because there's media involved. They
 14 just want us to know about it.
 15 **Q. Okay.**
 16 A. That's not an incident report. It doesn't
 17 meet the definition of incident.
 18 **Q. When incident reports are filed on the**
 19 **ones -- on the incidents that meet the qualifications**
 20 **you've just described to me, are those maintained by the**
 21 **PSC?**
 22 A. An incident report will be something
 23 that -- a Staff incident report is a report that the Staff
 24 would file with the Commission. We would open a docket or
 25 open a case number, and we would do an investigation and

Page 9

1 then we would write a formal case, or write a formal
 2 report.
 3 **Q. Okay.**
 4 A. And it would be filed here or filed with
 5 the Commission, yes.
 6 **Q. And so those files are open to the public;**
 7 **is that correct?**
 8 A. Yes.
 9 MR. FRANSON: No.
 10 THE WITNESS: The Staff incident reports
 11 would be.
 12 MR. FRANSON: Hold on. The Staff incident
 13 report, but that's different than the entire file.
 14 BY MS. MARTIN:
 15 **Q. Okay. So there may be certain parts of the**
 16 **file that are not available to the public?**
 17 A. Correct. The Staff incident report is
 18 available to the public, and the filings would be --
 19 filings, responses and things like that would be in that
 20 case file.
 21 **Q. If -- when the cause -- let me strike that.**
 22 **When the PSC Staff is notified of a -- say**
 23 **a significant property damage over \$10,000 as a result of**
 24 **a gas situation, does it make a difference in terms of the**
 25 **investigation whether the leak or the -- I'm sorry -- the**

Page 10

1 **problem was on, say, a pipeline that's owned by the gas**
 2 **utility or on a furnace or a gas appliance that was in the**
 3 **customer's home?**
 4 A. The notification, we would want them to
 5 notify us -- notify us so we would have that knowledge,
 6 but the actual jurisdiction that we would have would be on
 7 piping that would be owned under the regulatory authority
 8 of the Commission or if equipment that the company had
 9 malfunctioned or if actions by one of the operating
 10 personnel caused that.
 11 **Q. Okay.**
 12 A. Even though it may not be on the specific
 13 pipeline owned by the company.
 14 **Q. Okay. Well, so if there's a problem on the**
 15 **customer side, say a pipe in their home that maybe led to**
 16 **their stove burst and there was an incident, would that be**
 17 **investigated?**
 18 A. Possibly, but if it was clear that we found
 19 that the fire department said it was clearly a failure of
 20 an inside pipe and it had nothing to do with the actions
 21 of the company or the failure of the company facilities,
 22 we may not do a formal investigation.
 23 **Q. Okay. Would you do an informal**
 24 **investigation?**
 25 A. We would find out what happened, yes.

Page 11

1 **Q. Would that be mostly just to verify that it**
 2 **wasn't the fault or on the utility property side?**
 3 A. Normally we would talk to the fire
 4 department, the police department, the investigators
 5 there, the fire marshals, to find out what happened. If
 6 it's clear, all their investigations say it was clearly
 7 this particular piece broke and there's no other
 8 indications of something, we may not do a formal
 9 investigation.
 10 **Q. So smaller incidents that happen that don't**
 11 **involve injury or death, and by that I mean smaller gas**
 12 **leaks that are found and captured by the gas company,**
 13 **regardless of whether it's on the customer side or the**
 14 **utility side property or equipment, those things are not**
 15 **officially reported to the PSC?**
 16 A. Only in maybe overall leaks repaired for
 17 that year, just a composite number of leaks repaired for
 18 the year, something like that, but individually, no.
 19 **Q. Okay. So do you get data on overall leaks**
 20 **per year from the utilities?**
 21 A. There's an annual report, has leaks
 22 repaired during the year.
 23 **Q. And when does the annual report get filed?**
 24 A. February. We get that in February, then we
 25 send it to -- we review it, then send it on to the Federal

Page 12

1 Office of Pipeline Safety.
 2 **Q. And each separate gas utility files its own**
 3 **separate annual report?**
 4 A. Yes.
 5 **Q. What other sorts of statistics or**
 6 **information is contained in the annual report?**
 7 A. Miles of pipe, number of service lines,
 8 types of materials for each service line, lost and
 9 unaccounted-for gas.
 10 **Q. Is the report long?**
 11 A. It's two pages, three pages.
 12 **Q. When you get the report, does it indicate**
 13 **how the leaks were detected, or is it just an overall**
 14 **leaks per year, the number?**
 15 A. There's a breakdown of -- there's four or
 16 five different categories for the leak, what caused the
 17 leak.
 18 **Q. Do you know if the leaks that are reported**
 19 **are leaks of a certain magnitude? I know in the**
 20 **regulations they talk about a Class 1, Class 2, Class 3.**
 21 **Does the breakdown that you're talking about separate them**
 22 **out that way?**
 23 A. No.
 24 **Q. It's just all leaks?**
 25 A. Right.

Page 13

1 **Q. No matter how minor?**
 2 A. Right.
 3 **Q. Okay.**
 4 A. Well, I would say that there are a few
 5 above-ground small like fizz leaks on a meter set piping
 6 that would be considered a Class 4 leak that wouldn't
 7 be -- necessarily be required to be in that report.
 8 **Q. So Class 4 is the most minor?**
 9 A. Right.
 10 **Q. Do the regulations require, to your**
 11 **knowledge, the utilities, the gas utilities to perform gas**
 12 **safety inspections on the customer side at any particular**
 13 **times?**
 14 A. When the gas is physically turned on.
 15 **Q. And that's what we call turn-ons, right?**
 16 A. Right. When the gas is physically turned
 17 on, the company is required -- company or municipality is
 18 required to go inside and do an inspection.
 19 **Q. And with a home sale inspection situation,**
 20 **is that another time when a gas safety inspection is done?**
 21 A. It's not required then.
 22 **Q. It's not required?**
 23 A. Right.
 24 **Q. Do you know if most of the utilities do it**
 25 **here in Missouri?**

Page 14

1 A. I don't believe any of them do that, except
 2 Laclede.
 3 **Q. Laclede does them; is that right?**
 4 A. Right.
 5 **Q. Do the gas utilities provide any statistics**
 6 **to the PSC that discuss or address whether or not gas**
 7 **hazards are discovered or potential hazards are discovered**
 8 **during these gas safety inspections that are done at**
 9 **turn-on or home sale inspections?**
 10 A. No.
 11 **Q. Do the regulations address the issue of the**
 12 **changing out of gas meters by the gas utility?**
 13 A. Just the requirement to do changes, I mean,
 14 the change in the meter.
 15 **Q. That's discussed in the regulations?**
 16 A. It's discussed in the statute, not the
 17 regulation.
 18 MR. FRANSON: I need to just put a
 19 continuing objection, and I should have done this a little
 20 earlier. Certainly I have no objection to Mr. Leonberger
 21 testifying about his knowledge of the regulations, but
 22 certainly the regulations and statutes covering these
 23 subjects do speak for themselves, and if he inadvertently
 24 leaves something out, that would be the final authority on
 25 the subject.

Page 15

1 MS. MARTIN: Right. That's fine.
 2 MR. FRANSON: So as long as we can agree I
 3 can have a continuing objection?
 4 MS. MARTIN: Yes.
 5 BY MS. MARTIN:
 6 **Q. That's right. And I should tell you, I am**
 7 **only wanting your knowledge. I'm not actually going to**
 8 **quote you for what comes in there. I'm just sort of**
 9 **leading us up to the Grunsky bag set of questions.**
 10 **So the process or timing of meter**
 11 **change-outs is something that's addressed by the statute?**
 12 A. It's addressed by the statute, and in
 13 Laclede's case and a number of the other gas utilities
 14 it's addressed by a waiver to the statute, as far as how
 15 the meter is changed out.
 16 **Q. Okay. Why don't we -- in connection with**
 17 **that, let me just give you -- I guess we'll call it**
 18 **Exhibit 1, Union Exhibit 1.**
 19 **(UNION EXHIBIT NO. 1 WAS MARKED FOR**
 20 **IDENTIFICATION BY THE REPORTER.)**
 21 BY MS. MARTIN:
 22 **Q. I've handed you what is Plaintiff or Union**
 23 **Exhibit No. 1, and it's a Report and Order in Case**
 24 **No. GO-95-320; is that correct?**
 25 A. Yes.

Page 16

1 **Q. Do you recall this case?**
 2 A. Yes.
 3 **Q. And do you recall whether or not this case**
 4 **involved issues dealing with the changing of meters?**
 5 **You know, let me rephrase that. What I**
 6 **understand this case to be on -- just correct me if I'm**
 7 **wrong. I'm not actually going to ask you any questions**
 8 **about it. But very --**
 9 MR. FRANSON: I'm sorry. I can't -- I'm
 10 going to have to object. A question correct me if I'm
 11 wrong would suggest you're about to make a statement. I
 12 would ask that you ask the witness questions. I mean, if
 13 you want to interpret it and then ask him questions,
 14 that's fine, but just kind of leaving him hanging, correct
 15 you if he's wrong on a legal matter, I'm sorry, I'm going
 16 to have to object to that. More the form of the question
 17 than anything.
 18 MS. MARTIN: Yeah. And that's fine. Let
 19 me finish my question, and we'll see if that fixes the
 20 problem
 21 BY MS. MARTIN:
 22 **Q. In this case Laclede requested a variance**
 23 **from the method it was using to select meters to be**
 24 **changed; is that correct?**
 25 A. Yes.

Page 17

1 Q. Okay. And at the time -- the time before
 2 this Case 95-320 was heard, was Laclede using the method
 3 that was set forth in the statute to change -- to select
 4 meters for change?
 5 A. Yes.
 6 Q. Okay. And in this case we're talking about
 7 here, 95-320, Laclede was requesting a variance that would
 8 allow it to use a statistical meter sampling method to
 9 select meters for replacement; is that correct?
 10 A. Yes.
 11 Q. Until recently, I think really until
 12 earlier this year, is this still the method that Laclede
 13 had been using, do you know?
 14 A. They've been using it since '95, as far as
 15 I know.
 16 Q. And still they're using this method?
 17 A. Yes.
 18 Q. Okay. That's actually all I had on that,
 19 so let's move on. Are you familiar with a process for
 20 changing gas meters that's referred to as the Grunsky bag
 21 method or Grunsky method?
 22 A. I'm familiar with it, yes.
 23 Q. And which terminology do you prefer for
 24 that, Grunsky bag or just Grunsky method?
 25 A. Doesn't make any difference.

Page 18

1 Q. Okay. I'm afraid I'll use it
 2 interchangeably. If I say Grunsky method, I mean the
 3 Grunsky bag method, and vice versa.
 4 Other than Laclede, are there gas utilities
 5 in Missouri that you know of that are using the Grunsky
 6 bag method?
 7 A. Yes.
 8 Q. Is this process a process for -- can you
 9 describe to me how the Grunsky method works, if you know?
 10 I mean, what's done just --
 11 A. It's a method to change the meter without
 12 having to turn the flow of gas off. Do you want
 13 specifically how the step through --
 14 Q. No, you don't need to describe it that
 15 much. Prior to the implementation or the use of the
 16 Grunsky method, would the gas have to be turned off when a
 17 utility changed a gas meter?
 18 A. There are other methods besides a Grunsky
 19 method that can be used, but prior to the use of the
 20 Grunsky method, the utilities I'm aware of were using the
 21 traditional change-out.
 22 Q. So here in Missouri, you don't know of
 23 other utilities that were using another sort of method for
 24 changing the gas meter that allowed them to keep the gas
 25 on prior to the Grunsky?

Page 19

1 A. MGE is using the Grunsky bag method, has
 2 for 10, 12 years.
 3 Q. Okay. Does the -- do you know of any
 4 statute or regulation that requires a certain type of
 5 process for changing gas meters --
 6 A. No.
 7 Q. -- here in Missouri?
 8 So when the utilities want to use, for
 9 example, the Grunsky method, do they need to come to the
 10 PSC to request approval?
 11 A. No.
 12 Q. Do they -- let's start with MGE. When they
 13 decided to start using the Grunsky method, did they come
 14 to the PSC and at least alert the PSC they were going to
 15 start using this or start using it in conjunction with
 16 other methods?
 17 MR. FRANSON: I'm going to think about an
 18 objection. We have to be real careful talking about other
 19 utilities. Unless that information is public,
 20 Mr. Leonberger cannot answer that.
 21 MS. MARTIN: Okay.
 22 MR. FRANSON: So as long as it's public, I
 23 will have no objections to him answering the question, but
 24 I remind everyone here that it must be public information
 25 about other utilities or otherwise he cannot answer.

Page 20

1 BY MS. MARTIN:
 2 Q. Would you know if that's public
 3 information?
 4 A. It wouldn't be public information because
 5 it wasn't part of a case.
 6 Q. Okay. So let me ask it then in regard to
 7 Laclede, let me ask you this: When did you first find out
 8 that Laclede was going to be using the Grunsky method?
 9 A. I'm not real sure.
 10 Q. Okay. Did you have any -- did the PSC do
 11 any investigation or did they have any discussion -- let
 12 me ask it that way -- prior to the time the Union filed
 13 its complaint about Laclede's use of the Grunsky method?
 14 A. We had discussions, yes.
 15 Q. So you knew they were going to be using the
 16 Grunsky method before the Union filed its complaint?
 17 A. Yes.
 18 Q. Was any sort of investigation done of
 19 Laclede's decision to start using the Grunsky bag in some
 20 situations?
 21 A. I was aware of the pilot programs they had
 22 done.
 23 Q. I guess I'm just trying to avoid getting
 24 into the problem where I'm asking you about anything
 25 that's private or not public knowledge, but just tell me

Page 21

1 **if that's where I'm going.**
 2 **At the time Laclede let you know they were**
 3 **going to start doing it, did the Commission perform any**
 4 **sort of studies or investigations on its own about whether**
 5 **or not the Grunsky method was a safe and effective method**
 6 **of changing meters?**
 7 A. A formal investigation?
 8 **Q. Yes.**
 9 A. No.
 10 **Q. Was there an informal investigation?**
 11 A. Like I said before, we were aware of the
 12 pilot programs they were doing, what they had done with
 13 those pilot programs.
 14 **Q. So you would say it's more a matter of**
 15 **Laclede letting you know what was going on, keeping you**
 16 **abreast of it?**
 17 A. Right.
 18 **Q. And let me just ask you this, too, because**
 19 **you use the word formal investigation, and I think I know**
 20 **what you mean, but is there a -- are there any, like,**
 21 **written provisions in the regulations or something that**
 22 **make a distinction between a formal investigation or**
 23 **informal investigation?**
 24 A. By formal or informal, I mean, we had
 25 discussions with them about what they were going to do.

Page 22

1 We did not have a formal written-out memo-type
 2 investigation, no.
 3 **Q. So there wouldn't be any written records or**
 4 **memos that the PSC Staff had put together about the**
 5 **Grunsky method?**
 6 A. Correct.
 7 **Q. Do you know, do you guys maintain any**
 8 **statistics from either Laclede that are public or MGE that**
 9 **are public that describe or discuss the use of the Grunsky**
 10 **method in practice?**
 11 A. Do we require them to give it to us?
 12 **Q. I'm wondering if you maintain any records**
 13 **of those.**
 14 A. No.
 15 **Q. At the time Laclede discussed with the**
 16 **Staff its decision to start using Grunsky and that it was**
 17 **going to be performing this pilot project, did the Staff**
 18 **have any concerns about the safety of this method of meter**
 19 **change?**
 20 A. No.
 21 **Q. Does that remain true today after it's been**
 22 **used for a while?**
 23 A. My no answer is based upon the fact that we
 24 had known that for ten years or so that MGE had performed
 25 that and done thousands, maybe tens of thousands of these

Page 23

1 and had not had a problem.
 2 MR. FRANSON: Can we stop and go off the
 3 record?
 4 (AN OFF-THE-RECORD DISCUSSION WAS HELD.)
 5 BY MS. MARTIN:
 6 **Q. I think we were just at -- you guys knew**
 7 **that for the past ten years MGE had been doing it without**
 8 **a problem. I think that was our last answer. Do you know**
 9 **whether or not MGE and Laclede performed the Grunsky**
 10 **method in the same fashion?**
 11 MR. FRANSON: I think we're going down the
 12 same problem because you're asking other -- you're asking
 13 information about other companies that I -- I'm -- I guess
 14 I need to hear Mr. Leonberger say his knowledge of that
 15 subject would be public information. Otherwise, I'm going
 16 to have a problem with him answering the specifics about
 17 what he knows about MGE.
 18 BY MS. MARTIN:
 19 **Q. All right.**
 20 A. My answer is going to be that, from my
 21 knowledge, they both use the process -- procedure spelled
 22 out in Grunsky's --
 23 **Q. Literature?**
 24 A. Literature, yes.
 25 **Q. Okay. So the way I understand it, when the**

Page 24

1 **Grunsky method is used and these meters are changed**
 2 **without turning off the gas, the utility does not need to**
 3 **do a gas safety inspection on the customer side; is that**
 4 **correct?**
 5 A. The gas is not turned off, so it would not
 6 be required to be physically turned back on; therefore, an
 7 inside inspection would not be required.
 8 **Q. Okay. The other question I have about**
 9 **that, and I don't know if this is something you know**
 10 **about, but when you're using the Grunsky method in**
 11 **accordance with the Grunsky literature, is the gas**
 12 **regulator pressure pressure-checked after that meter**
 13 **change?**
 14 A. I'm not sure I understand.
 15 **Q. Yeah. Is there a gas regulator on the**
 16 **meters that are changed?**
 17 A. Not all of them.
 18 **Q. Okay. On the ones that do have a gas**
 19 **regulator, do you know if that pressure is normally**
 20 **checked after a meter change when the Grunsky method is**
 21 **not used?**
 22 A. I'm not aware.
 23 **Q. Okay. If the Grunsky method eliminates the**
 24 **need to turn on the gas, therefore, it eliminates the need**
 25 **for these customer-side gas safety inspections; is that**

Page 25

1 correct?

2 A. If the gas is not physically turned on, it

3 would not be -- inspection would not be required.

4 Q. All right. Do you know if there's

5 anything, any other sort of inspection on the customer

6 side that replaces that that's performed by the utilities?

7 A. Replaces?

8 Q. The gas safety inspection that would be

9 done at turn-on, if there's fewer turn-ons when this

10 Grunsky method is being used. Are there other

11 inspections, I guess is what I'm asking you, on the

12 customer side other than at turn-on?

13 A. Laclede does the home sale inspection.

14 That's not a regulated part of what we do --

15 Q. Right.

16 A. -- but Laclede does that home sale

17 inspection.

18 Q. Yeah. And I think what I was just trying

19 to get is an answer to that. I mean, do the regulations

20 require any other sort of inspection on the customer side

21 other than at turn-on? And I think --

22 A. No.

23 Q. -- you've answered that no.

24 Okay. And that's the only customer-side

25 gas safety inspection that the regulations discuss; is

Page 26

1 that correct?

2 A. State regulations, yes. The federal

3 regulations don't require that.

4 Q. Okay. So that's only in the state, not the

5 federal?

6 A. Correct.

7 Q. I'm going to give you the -- what will be

8 Plaintiff's Exhibit or Union Exhibit 2.

9 (UNION EXHIBIT NO. 2 WAS MARKED FOR

10 IDENTIFICATION BY THE REPORTER.)

11 MR. FRANSON: Actually, if you're going to

12 give this to Rick, that will save me the trouble.

13 MR. ZUCKER: What's being handed out?

14 MR. FRANSON: Exhibit No. 2. It's the DR

15 to Staff -- actually the DR is from Staff to -- I'm

16 sorry -- from the Union to Staff.

17 MS. MARTIN: Do you not have a copy, Rick?

18 THE WITNESS: Our response.

19 MS. MARTIN: It's the response.

20 MR. ZUCKER: No, I do not have a copy.

21 MS. MARTIN: Well, you soon will, I guess.

22 THE WITNESS: Sorry, it's my fault.

23 MR. ZUCKER: It's okay.

24 BY MS. MARTIN:

25 Q. Okay. Do you recognize Exhibit 2 as the

Page 27

1 PSC's responses to the Union's Data Request in Case 0313,

2 which is the Grunsky bag case?

3 A. Yes.

4 Q. Okay. And are you the individual that

5 provided the information in the responses?

6 A. Yes.

7 Q. And that's your signature at the bottom of

8 page 2?

9 A. Yes.

10 Q. The response to Data Request 1 indicates

11 that in January of 2006 the Staff inquired to Laclede

12 about information that Laclede had about the Grunsky

13 method. What precipitated that inquiry?

14 A. General information, just what they were --

15 what exactly they were doing.

16 Q. Well, was January '06 close to the time

17 when you had first learned that they would be implementing

18 the Grunsky method?

19 A. I think we -- I knew about it before then.

20 Q. And had any discussion been held before

21 then with Laclede and Staff?

22 A. I don't know when, but I believe we -- we

23 talked about they were going to do a pilot program, but I

24 really had -- nothing formal, no.

25 Q. Are the documents that are attached to the

Page 28

1 DRs, which I'll read your description of them, it's a

2 brochure, an equipment catalog slash product list and a

3 memorandum describing the Grunsky meter change method.

4 You listed them in Data Request 4. Are those the only

5 documents you received from Laclede in response to your

6 inquiry to Laclede?

7 A. Yes.

8 Q. Did the Staff review any other documents

9 that were evidently not provided by Laclede?

10 A. We looked at -- I think I said here

11 somewhere that I looked on the Internet just to see what

12 else was available for the Grunsky bag method.

13 Q. Which leads to my next question. Did any

14 of the sites that you look at -- or looked at contain

15 information other than the descriptive information that

16 you list here, like patent dates and the description of

17 the method?

18 A. No.

19 Q. The response also states that the Internet

20 turned up -- this is the last sentence of your first

21 response -- no information indicating problems with the

22 method found. Do you see where I am?

23 A. Right.

24 Q. Okay. Was this because it was an absence

25 of data on problems found or not found?

Page 29

1 A. I just didn't find anything.

2 **Q. Okay. Did you find any information**

3 **discussing whether or not there were -- that stated there**

4 **were no problems with the method?**

5 A. Just the information about it was being

6 used and successfully.

7 **Q. So it was just general information that you**

8 **found?**

9 A. Right.

10 **Q. In DR -- in Data Request 2 in your**

11 **response, you have the word studies in a parenthetical. I**

12 **want to make sure that doesn't mean -- does that mean that**

13 **the Staff might have undertaken another sort of research**

14 **that wouldn't be covered by the word studies?**

15 A. The word studies is used in the Data

16 Request, and so I used that just studies, meaning that we

17 didn't have, as I said before, any formal -- we started a

18 formal investigation of the Grunsky bag and had, you know,

19 information written out about that, no.

20 **Q. So it doesn't mean that there may be other**

21 **written documents --**

22 A. No.

23 **Q. -- that Staff prepared that you wouldn't**

24 **call a study?**

25 A. No.

Page 30

1 **Q. Okay. In DR 3, you list conversations or**

2 **the names of people with whom the Staff discussed the**

3 **Grunsky bag method who worked for Laclede. Was it you who**

4 **had the conversations with these individuals that are**

5 **listed in DR 3?**

6 A. Yes, we were -- yes, there was other -- we

7 were talking about things, but I may have -- I put those

8 names down as who I thought we talked to. I don't have

9 detailed notes of who I talked to on that stuff. It's

10 just by my recollection.

11 **Q. But it probably would have been you who had**

12 **the conversations?**

13 A. I have had the conversation, yes.

14 **Q. And who is Mark Lauber?**

15 A. Mark Lauber is a superintendent for

16 Laclede. We work with him in the operations side.

17 **Q. And what about Ben McReynolds?**

18 A. I'm not sure of Ben's exact title.

19 **Q. Did he have some responsibility for**

20 **implementing the Grunsky bag method on Laclede's side?**

21 A. We were talking to Laclede about a number

22 of things at the time, and I put his name down because we

23 talked about some things, and I'm not sure if Ben was --

24 there was other Laclede personnel. I believe Ben was

25 there, but it may have been other subjects we were talking

Page 31

1 about the same time that I talked with Ben. So if Ben

2 says he wasn't there, he may not have been there. I may

3 have confused him with another conversation we may have

4 had.

5 **Q. Okay. What were you told about the pilot**

6 **program for the Grunsky bag by Laclede personnel?**

7 A. That they were doing a pilot in the Mo Nat

8 area and had done a pilot in the Laclede area before they

9 started implementation.

10 **Q. What is first area you said?**

11 A. Missouri Natural.

12 **Q. And were you given the details of the**

13 **program?**

14 A. My understanding, they had done

15 approximately 100 meters in the Missouri Natural area

16 where they had actually used the Grunsky bag and gone

17 inside to see if there were any problems with the pilot

18 lights still being lit.

19 **Q. Were you told about the pilot program**

20 **before the pilot program or after?**

21 A. I think I was aware of it. We weren't

22 really -- I wasn't tracking it for a specific event, but I

23 think I was aware of it.

24 **Q. Okay. Were you told that -- what the**

25 **results of the pilot program were?**

Page 32

1 A. At this point, yes.

2 **Q. When they were -- if you know, when they**

3 **were checking in the houses during this pilot program**

4 **after doing the Grunsky method meter change, do you know**

5 **what was being checked?**

6 A. My understanding was just to see if the

7 pilot lights were still operational.

8 **Q. And the pilot lights would be on gas**

9 **appliances, gas furnaces --**

10 A. Right.

11 **Q. -- things like that?**

12 **So the only other utility in Missouri, gas**

13 **utility that you know that uses this method is Missouri**

14 **Gas Energy; is that correct?**

15 A. Yes.

16 **Q. If another --**

17 A. That I'm aware of.

18 **Q. I'm sorry. If another gas utility in**

19 **Missouri wanted to use the method, would they have to come**

20 **talk to the PSC first?**

21 A. They wouldn't have to come talk to the PSC,

22 no.

23 **Q. Okay. So they could just start using it**

24 **without letting the PSC know?**

25 A. Yes.

Page 33

1 Q. So it's possible somebody else might be
 2 using it and you just don't know yet?
 3 A. Possibly.
 4 Q. Missouri Gas Energy, you indicated, has
 5 been using it for about ten years?
 6 A. Over ten years, I believe.
 7 Q. I'm going to ask you a question about this,
 8 and just let me know if I'm crossing over into public or
 9 private --
 10 MR. FRANSON: We'll let you know.
 11 BY MS. MARTIN:
 12 Q. -- information.
 13 You state in here that MGE personnel
 14 indicated that they had had success using the method and
 15 had not identified any problems using the method. That's
 16 the last sentence of DR 3.
 17 My question is, do you know, does that --
 18 did that mean to you that they had been using -- what do
 19 you mean to say in that sentence, is what I'm trying to
 20 get at? Did you mean to say that they'd been using the
 21 method, they had not had problems with pilot lights going
 22 out or other sorts of gas leak issues when they were using
 23 this method?
 24 A. Yeah, basically the method was successful
 25 and they were able to change the meter out without

Page 34

1 problems like the pilot lights going out, things like
 2 that.
 3 Q. They had not identified any problems using
 4 the method. Does that mean that they -- that you were not
 5 aware that -- that there were never situations where pilot
 6 lights were going out?
 7 A. I basically asked them that question, if
 8 they know of any problems. The answer was no.
 9 Q. In either the -- have you discussed or --
 10 in the meetings that you go to for the NAPS, regional or
 11 annual, has the Grunsky bag method been discussed?
 12 A. I don't recall.
 13 Q. Do you get literature from that
 14 organization?
 15 A. We have just mailings when we're going to
 16 have meetings and things of that nature. We have phone
 17 calls on a continuous basis.
 18 Q. Not like newsletters about the HUD issues
 19 and gas safety?
 20 A. No.
 21 Q. Okay. What about the other organization,
 22 NACE? I know you testified that you don't go to meetings,
 23 but do you get any sort of written newsletters or --
 24 A. There's newsletters from that. That is a
 25 corrosion control organization.

Page 35

1 Q. So Grunsky wouldn't be discussed in that?
 2 A. Correct.
 3 Q. Are there any -- do you know if there are
 4 limitations on time of year that the Grunsky method can be
 5 used successfully?
 6 A. I would assume that -- my understanding
 7 would be the size of the load could possibly be a problem,
 8 but that could be -- the load could be at a time of year
 9 or it could be at a size of the facility. But I mean, if
 10 the meters change out fairly quickly, I'm not sure there's
 11 a problem in most residential applications.
 12 Q. Does it make a difference whether or not
 13 the Grunsky's being used in the summer as opposed to the
 14 winter?
 15 A. On a residential application, the load
 16 would be less -- possibly be less in the summertime, but
 17 the amount of time that the meter's out of service
 18 doesn't -- wouldn't necessarily make it a problem.
 19 Q. And when you're talking about the load, is
 20 that the amount of gas that's being --
 21 A. Yes.
 22 Q. -- given to a house or business?
 23 Okay. I'm going to ask you a couple of
 24 questions about AMR now, and I don't believe that we have
 25 our responses to our AMR discovery, so that should --

Page 36

1 MR. FRANSON: Before we go on, have you
 2 sent any discovery requests to Staff in the AMR case?
 3 MS. MARTIN: No.
 4 MR. FRANSON: That's all I wanted to be
 5 sure.
 6 MS. MARTIN: We don't have responses, but
 7 it wasn't to you-all that we served it.
 8 MR. FRANSON: I was going to say, if you
 9 had, I wasn't aware of it.
 10 MS. MARTIN: No, we haven't.
 11 BY MS. MARTIN:
 12 Q. When did you first -- when did the Staff
 13 first learn that Laclede wanted to implement a system-wide
 14 AMR, automated meter reading system on its gas meters?
 15 A. I'm not really aware. I think over five
 16 years ago.
 17 Q. When I ask you to provide me a day or a
 18 time frame, I'm not expecting you to be able to say
 19 January '01. Just an estimate's fine. And how did you
 20 become aware that Laclede wanted to implement the AMR on
 21 its gas meters?
 22 A. Just discussions with us about that.
 23 Q. Is the transfer of the meters to an AMR
 24 system something that Laclede needs to have approval from
 25 the PSC for?

Page 37

1 A. The actual transfer of taking the index
 2 off, putting a new index on, no. I guess there are rate
 3 implications that sometimes they come in and talk to us
 4 about the rate implications that may -- not me
 5 particularly, but our rate staff of rate implications of a
 6 large project, but --
 7 **Q. So just to make sure I understand this, if
 8 Laclede just wanted to take the dial that was on their
 9 meters and change it to this AMR dial, this device to do
 10 the reading, that's not something they would need approval
 11 for, but there may be other implications of that they
 12 would need approval for?**
 13 A. Correct. Specifically their tariff, they
 14 were changing the way that AMR was going to be used to do
 15 certain things, and the tariff required them to do certain
 16 things, so the tariff was changed.
 17 **Q. Okay. And so I think one of the things
 18 we're all familiar with from one of the other issues that
 19 arose was the variance case where they needed to have a --
 20 they wanted a change in how the meters were replaced or
 21 selected for replacement as a result of AMR?**
 22 A. Right.
 23 **Q. But that was a separate matter?**
 24 A. Right.
 25 **Q. Okay. Did you have any discussions with**

Page 38

1 **anybody from Laclede about their implementation of AMR or
 2 their plan to implement AMR?**
 3 A. Over the years? yes.
 4 **Q. Yes, over the years. Let's just go back,
 5 though, to when you first learned about it. Do you recall
 6 having discussions with folks at Laclede about their plan
 7 to implement AMR?**
 8 A. Yes, we had discussions about it.
 9 **Q. Okay. Do you know who you discussed it
 10 with?**
 11 A. Various people. The person that was the
 12 head of that was Bo Matisziw, M-a-t-i-s-z-i-w.
 13 M-a-t-i-s-z-i-w.
 14 **Q. Were you provided any documents from
 15 Laclede about AMR?**
 16 A. I can't recall if we had documents or not.
 17 **Q. Well, did the PSC Staff do a formal
 18 investigation of the AMR project?**
 19 A. Did our Staff?
 20 **Q. Yeah.**
 21 A. No.
 22 **Q. So --**
 23 A. I know that our engineering analysis or our
 24 people had back, I think in the mid '80s had done a
 25 recommendation that Laclede actually go to AMR. So our

Page 39

1 one area where Staff had made a recommendation in one of
 2 our audits that Laclede should consider using AMR, I think
 3 it was a 1985 case.
 4 **Q. And that's a case with a 1985 dash --**
 5 A. It's a management audit case.
 6 **Q. What's a management audit?**
 7 A. The PSC has a section that does management
 8 audits and looks at the efficiency of the operations. In
 9 this case they looked at using AMR as one of the aspects
 10 of that particular audit.
 11 **Q. So when a management audit is done and a
 12 gas utility or another utility, but we're talking about
 13 gas utilities, so --**
 14 A. Right. Not only gas utilities, I think,
 15 but in this case, that's the one they did on Laclede.
 16 **Q. Other than that, did the PSC Staff prepare
 17 any written documents discussing the benefits or costs of
 18 AMR?**
 19 A. No, my staff didn't.
 20 **Q. Do you know whether or not there was a test
 21 program with Laclede for the AMR implementation?**
 22 A. I think they had a pilot program, but I
 23 don't know when it exactly was.
 24 **Q. There are other gas utilities in Missouri
 25 that have AMR on their gas meters; is that correct?**

Page 40

1 A. Yes.
 2 **Q. Do you know which ones they are?**
 3 A. I know MGE has a form of AMR. It's not
 4 quite the same as what Laclede is using, and then AmerenUE
 5 has the -- basically used the same Celnet technology, I
 6 believe.
 7 **Q. And do either MGE or AmerenUE have to
 8 provide statistics or reports to the PSC about their
 9 automated meter reading programs?**
 10 A. To my group specifically about safety or --
 11 **Q. Well, safety effectiveness, how well it
 12 works, problems that are associated with it.**
 13 A. They may be required in a rate case or some
 14 other case, but I'm not aware. It's not given to me.
 15 **Q. They don't have to report anything to you
 16 about how well the system's working?**
 17 A. Correct. There may be other things in like
 18 a rate case that a management audit looks at or something
 19 like that, but I'm not aware of it. My staff does not
 20 have anything.
 21 **Q. Now, if a -- hypothetically, if a gas leak
 22 occurred at a Celnet, when the Celnet device was put in,
 23 it would be reported should it fall into the categories we
 24 talked about earlier where it caused property damage over
 25 a certain amount or loss of life or injury or something**

Page 41

1 **like that; is that correct?**
 2 A. Well, if there's a gas leak, that should be
 3 reported to Laclede that there was a gas leak and they
 4 would respond to that leak. Now, reported, do you mean
 5 reported to the PSC?
 6 **Q. Yes.**
 7 A. Like I said, that criteria, it wouldn't
 8 necessarily be reported to the PSC.
 9 **Q. And that's what I was trying -- I mean, my**
 10 **question was just, you would hear about the results of it**
 11 **only if it fell within those, the loss of life, damage to**
 12 **property that we talked about earlier; is that correct?**
 13 A. Well, I become aware of some that there has
 14 been allegations that there has been some leaks on some,
 15 but we've looked into those addresses and those meters,
 16 yes.
 17 **Q. How would you hear about those?**
 18 A. Through complaints.
 19 **Q. From the public you mean?**
 20 A. Yes.
 21 **Q. Let me just -- before I ask you about that,**
 22 **when you get the other report, we had talked about annual**
 23 **report, and on there the annual amount of gas leaks is**
 24 **reported. It doesn't break it down by where it was?**
 25 A. No.

Page 42

1 **Q. So it just would say 100 gas leaks were**
 2 **found this year?**
 3 A. Corrosion leak, a leak due to material
 4 defect, leak due to outside force damage, those kind of
 5 categories.
 6 **Q. So there are categories. It's just you**
 7 **wouldn't say we had a leak at the meter?**
 8 A. Right.
 9 **Q. That would maybe fall within the equipment,**
 10 **the second one you mentioned?**
 11 A. It would depend on what the particular leak
 12 was.
 13 **Q. So what are the categories on that annual**
 14 **report for gas leak, if you know?**
 15 MR. FRANSON: Mr. Leonberger, if you're
 16 going to cite a specific regulation, please do that when
 17 you answer.
 18 THE WITNESS: There's a specific form from
 19 the -- it's actually the Pipeline Hazard Materials Safety
 20 Administration of the Department of Transportation, the
 21 cause of the leaks. There are corrosion, natural forces,
 22 excavation, other outside force damage, material or wells,
 23 equipment, operations and other.
 24 BY MS. MARTIN:
 25 **Q. Okay. And that's something we could find**

Page 43

1 **in the public domain and looks like in the regulations**
 2 **that you've got?**
 3 A. Right. I mean, there's --
 4 **Q. It's one of the forms?**
 5 A. It's a form -- it's a federal form that's
 6 required to be turned in to the Federal Department of
 7 Transportation annually.
 8 **Q. Okay. And now, you also say that**
 9 **occasionally you get, I guess, calls from the public**
 10 **reporting problems directly to the PSC; is that correct?**
 11 A. Correct.
 12 **Q. Now, do you-all have a hotline for that?**
 13 A. We have a consumer services line.
 14 **Q. And the public takes advantage of this, I**
 15 **gather?**
 16 A. We have -- they have all sorts of
 17 complaints from all sorts of different utilities.
 18 **Q. When you receive a complaint from a gas**
 19 **utility customer -- we'll hear speak specifically about**
 20 **AMR since that's the subject of the complaint. Say**
 21 **somebody called in, said somebody came over and stuck this**
 22 **AMR device on my meter, now I have this nasty gas odor and**
 23 **I called the people and complained. Does the PSC do**
 24 **anything about that?**
 25 A. I'm not sure how I got this, but we've

Page 44

1 looked at a couple of addresses where there's a --
 2 supposedly a severe leak caused and we checked with
 3 Laclede about what they -- they wanted to test that meter.
 4 **Q. And is a formal investigation done at that**
 5 **time?**
 6 A. We just ask them if they tested that meter
 7 and what the specifically was the problem with that meter.
 8 **Q. You're talking about you asked Laclede?**
 9 A. Yes.
 10 **Q. Okay. So the consumer would call the PSC**
 11 **and then the PSC calls Laclede?**
 12 A. I don't know if it's a consumer or if it's
 13 someone else.
 14 **Q. Someone else?**
 15 A. Could be an employee or something. I'm not
 16 sure.
 17 MR. ZUCKER: Excuse me a minute. This is
 18 Rick Zucker. We're talking hypothetically now, or are we
 19 talking about an actual complaint?
 20 MS. MARTIN: Well, I was actually asking
 21 about a hypothetical, just generally what the PSC would do
 22 in that situation, and I think he's just mentioned a
 23 couple of addresses but we haven't specifically asked
 24 about those addresses.
 25 MR. ZUCKER: He's mentioned a couple of

Page 45

1 addresses?
 2 MS. MARTIN: He just mentioned that he
 3 looked at a couple of addresses.
 4 MR. FRANSON: Rick, he has not said it's
 5 123 Laclede Building in St. Louis, Missouri or something
 6 like that. No, he has not named a specific address yet.
 7 MS. MARTIN: Does that answer your
 8 question?
 9 MR. ZUCKER: Sort of. Go ahead.
 10 BY MS. MARTIN:
 11 **Q. Okay. So in any event, somebody called.**
 12 **We don't know if it's a consumer or an employee. They**
 13 **tell you there's a problem, and you-all will call Laclede**
 14 **to ask Laclede to give you information about it; is that**
 15 **correct?**
 16 A. Yes.
 17 **Q. And that would be the general process when**
 18 **a customer calls in with a leak or an employee or**
 19 **whoever's calling it in, that's the normal process you-all**
 20 **would follow?**
 21 A. It depends on what the allegation is.
 22 **Q. Okay. So for other sorts of allegations**
 23 **you would perhaps follow a different path?**
 24 A. Perhaps we would -- in the course if we're
 25 going to do an inves-- we do our annual inspections of

Page 46

1 Laclede at different times. We would maybe incorporate
 2 looking at that in the course of our normal looking at
 3 records. So we wouldn't just ask them what it is, we may
 4 try to find it ourselves, or we may actually do a special
 5 inspection, go up there and say, we want to see the leak
 6 records for an area. So it depends on what the allegation
 7 is.
 8 **Q. Okay. Now, going more specifically to AMR,**
 9 **have you had occasion to call Laclede about complaints**
 10 **you've received on the consumer hotline about AMR**
 11 **installation?**
 12 A. I think it was the consumer hotline, but I
 13 can't remember what it was about, but we had a couple of
 14 addresses we wanted to check on.
 15 **Q. When you say couple, do you mean three?**
 16 A. Two.
 17 **Q. Two. And in those specific cases, what was**
 18 **the process that you followed?**
 19 A. We asked them to -- if they were aware that
 20 the meter was leaking, and they weren't aware that -- one
 21 of them they went out and found the meter and tested it.
 22 **Q. And when you say they, you mean Laclede?**
 23 A. Yes.
 24 **Q. And then Laclede called you back with the**
 25 **results of the test?**

Page 47

1 A. Yes.
 2 **Q. And can you tell me in each case what the**
 3 **results were?**
 4 A. One of them they couldn't find a leak. One
 5 of them they tested the meter to five pounds before it --
 6 they found a very small leak. It's five -- you can
 7 normally operate at about a quarter pound, and they had to
 8 test it to five pounds before they found a small leak.
 9 **Q. So at normal operating pressure, there**
 10 **wasn't a leak?**
 11 A. Right.
 12 **Q. And those are the only calls that you're**
 13 **aware of from the public about AMR installation?**
 14 A. Yes. Well, I mean, we've had some other
 15 calls, people who said that they didn't want the -- they
 16 didn't want Celnet to -- no. There's been other calls.
 17 **Q. Well, let's stick -- I'm asking you about**
 18 **safety of the AMR installation, not people not wanting it,**
 19 **so --**
 20 A. No, not wanting -- they wanted Laclede to
 21 install them.
 22 **Q. Right. In terms of calls about problems**
 23 **caused by it being placed in there, you've not received**
 24 **calls other than the two you just talked about?**
 25 A. Specifically we've heard allegations from

Page 48

1 the -- I believe in the letters from the representatives
 2 of the ex parte comments that there were leakage caused.
 3 We called and contacted Laclede once we saw those to say,
 4 in general, have you -- do you have any that you know of,
 5 these severe leaks they're talking about? And there was
 6 no -- they have no knowledge of those severe leaks,
 7 allegations there are leaks.
 8 **Q. Is AMR -- has AMR been addressed in any of**
 9 **the meetings that you've gone to, either regional or**
 10 **annual of the NAPSRS?**
 11 A. Not that I'm aware of. We discuss the fact
 12 that a lot of people are going to AMR, going to using the
 13 method.
 14 **Q. Any discussions about how effective it's**
 15 **been at the NAPSRS meetings?**
 16 A. Effective how?
 17 **Q. Well, in terms of streamlining the billing**
 18 **process.**
 19 A. Just the method of --
 20 **Q. Saving money, time?**
 21 A. Not having -- the AMR process of not having
 22 to go read individual meters and that kind of thing.
 23 **Q. Any discussion of safety problems connected**
 24 **with AMR installation at the NAPSRS meetings?**
 25 A. No. There would be no regulatory

Page 49

1 requirements addressing change out of meters, so it's not
 2 really a safety issue, as far as safety regulations
 3 requiring change out of meters.
 4 **Q. So has there been any -- I guess I want to**
 5 **make sure, has there been any anecdotal discussions with**
 6 **these other folks that you were at these NASR meetings**
 7 **with about experiences they've had with AMR installation**
 8 **in their states related to safety?**
 9 A. I haven't heard any problems, no.
 10 **Q. Just briefly going back to the pilot**
 11 **program, AMR program, do you know how extensive that was,**
 12 **Laclede's pilot program on AMR?**
 13 A. No.
 14 **Q. Do you know if it was?**
 15 A. I probably did at one time, but I don't
 16 remember.
 17 **Q. Okay. So you might have --**
 18 MR. ZUCKER: I'm sorry. Are you talking
 19 about the pilot program with AMR or the pilot program with
 20 the Grunsky method?
 21 MS. MARTIN: AMR.
 22 MR. ZUCKER: Did we establish a pilot
 23 program with AMR?
 24 MS. MARTIN: He testified there was a --
 25 THE WITNESS: I testified that I believe

Page 50

1 there was some kind of pilot program. That was many years
 2 ago, so I --
 3 MR. FRANSON: The answer to your question,
 4 Rick, is yes, we did establish that.
 5 MR. ZUCKER: All right. Thank you.
 6 BY MS. MARTIN:
 7 **Q. Well, do you recall whether or not you**
 8 **would have received any sort of written report of the**
 9 **success of the pilot program or the test program of AMR?**
 10 A. I don't believe I received -- that's not to
 11 say, again, that another section or another department may
 12 not have seen a report.
 13 **Q. You didn't get one?**
 14 A. No.
 15 **Q. And you didn't see one?**
 16 A. I may have -- in meetings we had I may have
 17 seen one, but I don't have one, no.
 18 **Q. But do you recall whether there was one**
 19 **that you did see?**
 20 A. No.
 21 **Q. At the time that AMR -- that Laclede began**
 22 **implementing AMR on a system-wide basis, did the Staff**
 23 **have any concerns about its safety?**
 24 A. Specifically installing AMR on a meter?
 25 **Q. Yeah.**

Page 51

1 A. No. We were aware of, again, that this had
 2 been done in other utilities and what had happened there,
 3 so we weren't concerned that another utility was going to
 4 install AMR using a similar method, no.
 5 **Q. Had you received reports from other**
 6 **utilities that they were experiencing any problems with**
 7 **AMR?**
 8 A. What kind of problems?
 9 **Q. Well, I guess I was going to have you tell**
 10 **me when you received reports and then ask you what sort of**
 11 **problems.**
 12 A. The only problems that I was aware of that
 13 was installation of the AMRs were installed to -- the
 14 index was installed too tightly and they were not
 15 functioning correctly. It wasn't any safety problems. It
 16 was more of a -- they had to go back out and reinstall the
 17 index.
 18 **Q. And --**
 19 A. That wasn't Laclede. That was with another
 20 utility.
 21 **Q. Is the index the thing that gives you the**
 22 **reading?**
 23 A. The index is the plastic little box that
 24 sits on the outside of the meter that has the dials.
 25 **Q. Okay. But you weren't receiving reports**

Page 52

1 **from other utilities that there were leaks associated with**
 2 **the actual installation or other problems associated with**
 3 **the actual installation of the device?**
 4 A. I received no reports like that.
 5 **Q. No safety complaints; is that correct?**
 6 A. Correct.
 7 **Q. If a meter was damaged at the time of**
 8 **installation of AMR, would that be reported by the utility**
 9 **to the PSC?**
 10 A. Not necessarily.
 11 **Q. And under what circumstances would that be**
 12 **reported?**
 13 A. If it met one of the criteria of an
 14 accident or if they felt we were having all these
 15 discussions about AMR that they would want just to tell us
 16 about that, possibly.
 17 **Q. Okay. So the mandatory reporting would be**
 18 **if it fell within one of those incidents we talked about**
 19 **earlier?**
 20 A. Yes.
 21 **Q. Otherwise it would be a voluntary report by**
 22 **Laclede --**
 23 A. Right.
 24 **Q. -- because they think you should know; is**
 25 **that correct?**

Page 53

1 A. Yeah.

2 **Q. Does the PSC -- does Laclede provide**

3 **reports or other sorts of written documents to the PSC**

4 **relating to complaints it might be receiving from its**

5 **customers in regard to AMR installation?**

6 A. Not that I'm aware of.

7 **Q. So if a customer complains to Laclede, oh,**

8 **I hate this, it's not working right, come out here and fix**

9 **it, you're not going to get here at the PSC any sort of**

10 **report of that?**

11 A. Not unless we have a case going that's

12 asking those specific questions.

13 **Q. Okay. In the absence of that sort of**

14 **thing, that kind of a complaint's not passed on to the PSC**

15 **by Laclede?**

16 A. Not to me, no.

17 **Q. Okay. Does the PSC impose any training or**

18 **qualification requirements on the individuals who install**

19 **and service residential gas meters?**

20 A. Say that again.

21 **Q. Does the PSC impose any training or**

22 **qualification requirements on individuals who install and**

23 **service residential gas meters?**

24 A. Yes, there's operator qualification

25 requirements.

Page 54

1 **Q. Are those contained in the regulations?**

2 A. Yes.

3 **Q. Does the PSC -- I'm sorry. Other than**

4 **what's in the regulations, are there any rules or**

5 **otherwise from the PSC specifically discussing training**

6 **and qualification for individuals who install and service**

7 **residential gas meters?**

8 A. There's the old operator requirements if

9 you're working with gas, like changing out a meter, those

10 kind of things, there's certain requirements, certain

11 tasks you have to be trained to do.

12 **Q. No, but is all of that contained in the**

13 **regulations?**

14 A. If you're asking if there's individual

15 requirements for the meter change-out people, for people

16 who do leak investigations, no. There's a generic

17 basically operator qualification.

18 **Q. Okay. So more what I was trying to get to**

19 **is whether or not you've got those sort of qualification**

20 **requirements in a place other than in the regulations or**

21 **if they're all set forth in the --**

22 A. The regulations set forth the operator is

23 supposed to develop an operator qualification plan that

24 would set out the specific covered actions that would have

25 to be -- that would be covered by the rule and the

Page 55

1 training that those individuals would have to have.

2 **Q. Okay.**

3 A. So the rule requires that the company make

4 a plan and a program, and then that program becomes what

5 they have to train people on. So the rule requires to

6 make the plan, then the plan is a training method.

7 **Q. Okay. And does the PSC review the plan**

8 **that the company --**

9 A. Yes.

10 **Q. -- develops?**

11 **Can the company change the plan without PSC**

12 **approval?**

13 A. They have -- any change to the plan have to

14 be given to us in a specified amount of time.

15 **Q. And then the PSC reviews those changes?**

16 A. Right.

17 **Q. Does the PSC or has the PSC been monitoring**

18 **the field installation of the AMR devices by Laclede?**

19 A. Have we been, like, going out in the field

20 and looking at them?

21 **Q. Yes.**

22 A. No.

23 **Q. Do you receive any reports from Laclede**

24 **updating the PSC as to the status of the implementation of**

25 **AMR?**

Page 56

1 A. Over the course of time, we've had some

2 reports of how far along they are, but I don't look at

3 those on a regular basis. That's not to say that someone

4 else in the Commission would not be getting those.

5 **Q. But you're not. And those reports you just**

6 **mentioned, are those generally we've now finished X amount**

7 **in this amount of time in this area or is there more**

8 **detail?**

9 A. Basically how many they've gotten done and

10 where they are.

11 **Q. Do those reports indicate whether they've**

12 **had any problems with the installation of any?**

13 A. In general, I've asked that -- I've asked

14 that general question about problems and there wasn't.

15 **Q. But it's not contained in the report?**

16 A. There's no report necessary. Just more of

17 a phone call or discussions. There's no formal report.

18 **Q. This isn't a written report?**

19 A. No.

20 MR. FRANSON: When you're at a good

21 stopping point, can we stop?

22 MS. MARTIN: We can stop right now.

23 (A BREAK WAS TAKEN.)

24 BY MS. MARTIN:

25 **Q. After -- has the PSC at this time, after**

Page 57

1 some good part of the installation of AMR's been completed
 2 have any safety concerns about the AMR installation?
 3 A. Do we have any concerns, specific concerns
 4 at this point?
 5 Q. At this point.
 6 A. No.
 7 MR. FRANSON: Okay. I should have made
 8 this clear a long time ago. There is a distinction
 9 between the PSC and the PSC Staff. And when you say does
 10 the PSC have some concerns as an example, that would
 11 suggest maybe that the PSC has held some kind of hearings
 12 and made a determination. I think every question like
 13 that's going to be no. However, Mr. Leonberger represents
 14 the PSC Staff, and so when he's been saying the PSC, he's
 15 really meaning the PSC Staff; is that correct?
 16 THE WITNESS: Yes. Sorry. I apologize.
 17 MS. MARTIN: No. Because I think some of
 18 the questions will sometimes say PSC or PSC Staff, and
 19 then sometimes I've gotten sloppy and just said PSC. I
 20 always mean PSC Staff.
 21 MR. FRANSON: I should have made that
 22 clear.
 23 THE WITNESS: And many times, like I said
 24 before, as far as the AMR, AMR is basically a
 25 metering-type function, not necessarily a safety function,

Page 58

1 so there may be other areas of the Staff, like the
 2 engineering analysis section that may be doing things that
 3 I'm not necessarily aware of. I'm not saying I'm speaking
 4 for the whole Staff in most cases that aren't involving
 5 safety.
 6 BY MS. MARTIN:
 7 Q. Now, is it your understanding that once an
 8 AMR device is on a gas meter, that Laclede no longer has
 9 to visit the customer home to obtain a meter reading?
 10 A. Yes.
 11 Q. That's the premise of AMR, correct?
 12 A. Right.
 13 Q. So Laclede no longer has to turn off gas
 14 service when a transfer of service is made; is that
 15 correct?
 16 A. If they're doing a transfer they would not
 17 have to go there to read the meter, no.
 18 Q. Because they could get their reading for
 19 the final bill and start -- when the new customer comes
 20 in, they can get the remote read?
 21 A. There would be no requirement from the
 22 safety regulations for them to go physically to the site,
 23 no.
 24 Q. Okay. And if they're not having to turn
 25 off the gas and then turn the gas back on, Laclede does

Page 59

1 not have to do a gas safety inspection at the time a new
 2 customer gets their service; is that correct?
 3 A. According to our regulations.
 4 Q. According to your regulations. I just
 5 wanted to ask you one more question about Union Exhibit 1,
 6 which was the Report and Order in Case No. 95-320. You've
 7 got it in front of you. On page 6 of the Order, and the
 8 numbers are at the bottom left, pages 1 of 8, 2 of 8, 6 of
 9 8. I'm at page 6 of 8. Actually, I think what I want is
 10 the very bottom. Do you recall that in this Order the
 11 Commission suggested a, what they were calling a
 12 recapturing the safety inspections that were lost by the
 13 change in method of meter replacement?
 14 A. I'm aware of that, yes.
 15 Q. Do you know whether or not Laclede has ever
 16 implemented a program to recapture those lost
 17 opportunities as the Commission calls it on page 6?
 18 A. At the time, right about this time in
 19 1997?
 20 Q. I'm not sure when it was.
 21 MR. FRANSON: What is the date on the
 22 Order?
 23 THE WITNESS: Issue date of May 13 of 1997.
 24 The Staff had -- was talking to -- there was concern about
 25 the leaking of the copper service lines and replacement of

Page 60

1 the copper service lines. I think at the time Laclede was
 2 replacing less than a thousand of those. So we had had a
 3 very big safety concern about leaking copper service lines
 4 because of some incidents we'd had.
 5 So at that time, there was a specific
 6 program that was implemented to do inspections, but we
 7 had -- the Laclede was ramping -- we were having them or
 8 discussing with them doing more replacements of copper
 9 service lines and doing more leak surveys over copper
 10 service lines because that was a very big safety concern.
 11 So at that point a lot of their resources
 12 were going to that particular issue, going from replacing
 13 less than a thousand to replacing thousands, about the
 14 '97, '98, '99 time frame.
 15 BY MS. MARTIN:
 16 Q. All right. So the Order we're talking
 17 about, the Commission's talking about again on page 6,
 18 that as a result of the change in the way meters are going
 19 to be selected for replacement, there's going to be an
 20 average of 20,000 fewer meter visits. Do you see where
 21 I'm looking at? It's the second full paragraph,
 22 second-to-last paragraph.
 23 A. Yes.
 24 Q. And in this Order, they're talking about
 25 finding a way to -- well, let me rephrase that.

Page 61

1 **The Commission suggested that the**
 2 **appropriate response would be to implement a program to**
 3 **recapture those lost opportunities, do you recall that? I**
 4 **think we just talked about that.**
 5 A. There's discussion about recapturing those
 6 opportunities elsewhere in Laclede's safety inspection
 7 program.
 8 **Q. Right. And so is your testimony that you**
 9 **believe that moving the safety, the lost opportunity to**
 10 **the corrosion inspection and inspection you just talked**
 11 **about would satisfy this? Is that --**
 12 MR. FRANSON: Objection, that calls for a
 13 legal conclusion. No. 1, you're assuming that the
 14 Commission ordered Laclede to do something.
 15 MS. MARTIN: No. I don't mean to be
 16 suggesting I think it was an Order. I think I said
 17 suggestion.
 18 MR. FRANSON: And, okay, moving on, then.
 19 Next part of the objection is, what would satisfy this
 20 would be if there was some problem with the -- with
 21 Laclede not complying with a Commission Order. That would
 22 be an entirely different proceeding. And I can tell you
 23 that since this isn't part of the order paragraph, there
 24 would be a big question at best whether this was an actual
 25 order of the Commission for Laclede to do something.

Page 62

1 So I guess my main objection is to the way
 2 your question is phrased about would it satisfy this. So
 3 I'm asking -- you can probably get around my objection by
 4 just rephrasing the question.
 5 MS. MARTIN: Yeah, let me do that.
 6 BY MS. MARTIN:
 7 **Q. At the bottom of page 6 of the Commission's**
 8 **Order, the Commission -- I certainly don't mean to be**
 9 **suggesting that the Commission's ordering anything, but**
 10 **they're suggesting that Laclede's -- the appropriate**
 11 **response by Laclede to this variance it's granting in the**
 12 **way it's left in this replacement, would be to recapture**
 13 **the lost opportunities to observe and remedy potentially**
 14 **unsafe conditions in other aspects of its safety**
 15 **inspection program. Is that what you understood?**
 16 A. This said lost opportunity. It said
 17 recapture lost opportunities elsewhere in the safety
 18 inspection programs.
 19 **Q. Right. So what I'm asking -- what I was**
 20 **asking then was if you knew whether or not Laclede had**
 21 **implemented a program to recapture the lost opportunities**
 22 **that are discussed in this Order, and you then answered --**
 23 A. What I said was that right about that same
 24 time period, the corrosion of copper service lines and
 25 replacement of copper service lines became a large issue

Page 63

1 because of incidents we'd had. So at that point there was
 2 a lot more activity that Laclede was going from replacing,
 3 like I said, less than 1,000 service lines to more and
 4 more and more, up to where in 2000 they started replacing
 5 8,000 service lines a year.
 6 So they had a -- there's a safety
 7 initiative that took a lot of man hours, a lot of work
 8 both doing the annual surveys over those and doing
 9 replacement. So I don't know if it specifically
 10 recaptured lost opportunities for inside work, but we
 11 believe because of the leaks in -- the number of leaks and
 12 the incidents we've had, that that particular effort was
 13 very important.
 14 **Q. I guess the question I'm asking is kind of**
 15 **simpler. Was that corrosion -- upping the corrosion**
 16 **inspection process and replacement process, was that in**
 17 **response to this suggestion?**
 18 A. No.
 19 **Q. It was separate from that?**
 20 A. Yes.
 21 **Q. Do you know whether or not Laclede has set**
 22 **up any other sort of inside inspection program on its own**
 23 **voluntarily to recapture the lost opportunity to inspect**
 24 **20,000?**
 25 A. Not that I'm aware of.

Page 64

1 MS. MARTIN: Okay. That was the only
 2 question I have, and I am finished.
 3 MR. FRANSON: I think I'm going to be last,
 4 if I've got any questions for Mr. Leonberger.
 5 MR. POSTON: May I ask a clarifying
 6 question? Bob's saying, no, I can't.
 7 CROSS-EXAMINATION BY MR. POSTON:
 8 **Q. You had -- when you were talking about the**
 9 **Grunsky bags earlier, there had been questions about load**
 10 **differences?**
 11 A. Right.
 12 **Q. I just want to clarify. Were you saying**
 13 **that a greater load could cause the Grunsky method to be**
 14 **unsafe?**
 15 A. No, I didn't say that at all. I said that
 16 there may be some appli-- I'm just not aware of the
 17 specific, you know, where you -- at what time, what -- how
 18 big of BTU furnace or BTU appliance could be operating,
 19 but there's -- if you took a long time to do that method,
 20 I assume there could be some -- depends on the amount of
 21 gas and pressure in the tank. I'm not aware of the
 22 specific specifications on that, no.
 23 MR. POSTON: That's all.
 24 THE WITNESS: I'm just saying in general,
 25 that's my thought that I guess you'd want to look at those

Page 65

1 things.

2 MS. MARTIN: I just want to follow up to

3 that.

4 REDIRECT EXAMINATION BY MS. MARTIN:

5 **Q. That sort of thing might be addressed in**

6 **the literature you get?**

7 A. Right.

8 **Q. From the Grunsky company, correct?**

9 A. And I was just more familiar with how it

10 worked, not specifically all of the -- where the cutoffs

11 were on certain -- when you should use them and not.

12 MR. FRANSON: Rick, I think I'm last.

13 MR. ZUCKER: Okay. Let me just ask a few.

14 And I'm sorry if I repeat something that was already

15 asked.

16 CROSS-EXAMINATION BY MR. ZUCKER:

17 **Q. Mr. Leonberger, was it your testimony that**

18 **based on MGE's long-time use of the Grunsky method, that**

19 **you did not have concerns about Laclede using it?**

20 A. I was aware that the Grunsky method had

21 been around for 50 or so years and then MGE was using it,

22 and I was aware that during our inspections that they were

23 saying they had not had any problems with it. So when

24 another utility started to use the same type of method, it

25 didn't raise concerns, no.

Page 66

1 **Q. And if you had reason to believe that the**

2 **Grunsky meter change method was unsafe, what would you do?**

3 A. If we had knowledge of something, a

4 particular method or particular material that wasn't --

5 that we believed wasn't working correctly or wasn't good,

6 we would probably ask the company not to use that, and if

7 we felt strongly that it was a bad method, we would

8 probably go to the Commission and have them order them not

9 to use it.

10 **Q. With regard to AMR, do you have any idea of**

11 **about how many AMR units Laclede has installed to date?**

12 A. To date, no. I don't know. I mean, I know

13 it's over -- I believe it's over 200,000, but that

14 number's quite a few months ago. I really don't know the

15 exact number to date, no.

16 **Q. Okay.**

17 A. I'm not getting -- I'm not getting a week

18 by week or, you know, day by day update on the number

19 that's being installed, no.

20 **Q. And. Have you received -- since Laclede**

21 **began installing AMR devices on meters last year, have you**

22 **received any reports of incidents related to the**

23 **installation of an AMR meter?**

24 A. Incident like leaking gas causing a formal

25 incident?

Page 67

1 **Q. Yes, sir.**

2 A. No.

3 **Q. And if you were concerned about the safety**

4 **of AMR installation, what would you do?**

5 A. As I stated before, when we find something

6 that the Staff believes is an unsafe method or unsafe

7 material, we would take measures to talk to the company

8 about stopping to use that. If we believed the method or

9 material was bad and they weren't voluntarily stopping to

10 use it, then we would talk to the Commission about having

11 an order to stop.

12 MR. ZUCKER: Thank you. That's all I have.

13 MR. FRANSON: A couple clarifying

14 questions, Mr. Leonberger.

15 CROSS-EXAMINATION BY MR. FRANSON:

16 **Q. Let's talk about pipes in an average**

17 **household. Let's use a hypothetical residential customer**

18 **of Laclede. It's a normal three-bedroom, two-bath home,**

19 **we'll say 1,500 square feet, and it is set up, piped for**

20 **natural gas. What facilities would ordinarily be used to**

21 **provide service by Laclede to this customer, and where**

22 **does Laclede ownership and responsibility for those**

23 **facilities begin and end, and where would the customer**

24 **ownership and responsibility begin and end?**

25 A. In a typical residential service, there

Page 68

1 would be a service line come up to the house. On the high

2 pressure, there would be a regulator to reduce the

3 pressure to about a quarter of a pound, and there would be

4 a meter, and the regulatory responsibility or Laclede's

5 property ends at the outlet of that meter.

6 On a low pressure, which would be -- the

7 pressure in the main would be essentially the same

8 pressure that the appliances would operate at, there would

9 be a service line to the house. There would not be a

10 regulator because the pressure in the main would be the

11 same pressure the appliances operated at. There would be

12 a meter and meter set piping going on, and the same thing,

13 the Laclede property ends at the outlet of the meter.

14 **Q. And that meter in most instances is outside**

15 **the house?**

16 A. I think Laclede's -- Mr. Zucker could

17 say -- correct me if I'm wrong -- but I believe --

18 **Q. Hold on. Let's not leave it to Mr. Zucker.**

19 A. I believe there's about a 60/40 split

20 between -- there's about 60 percent of their meters are

21 outside and 40 percent are inside, is my recollection.

22 **Q. Okay. What you just talked about would**

23 **cover the outside meters; is that correct?**

24 A. What's that?

25 **Q. About where the responsibility ends,**

Page 69

1 **Laclede's responsibility ends at that meter?**
 2 A. Inside or outside, the responsibility of
 3 Laclede would end at the outlet to the meter
 4 **Q. At the outlet to the meter?**
 5 A. Yes.
 6 **Q. Or at the meter itself?**
 7 A. The outlet of the meter.
 8 **Q. Which is connected to the meter itself?**
 9 A. Right. There's an inlet and outlet to the
 10 meter, where the gas comes in the meter and out of the
 11 meter.
 12 **Q. Tell me where more time, where does**
 13 **Laclede's --**
 14 A. The outlet of the meter.
 15 **Q. So once the gas goes out of the meter and**
 16 **on into the house, that's the customer's responsibility?**
 17 A. Right, past the outlet of the meter.
 18 **Q. Okay. Do you know of any regulations that**
 19 **require, other than when the interruption -- when gas flow**
 20 **is interrupted to a house, that requires Laclede to go in**
 21 **and do an inspection of the inside premises?**
 22 A. Specifically Laclede in Missouri or any
 23 other --
 24 **Q. Let's talk specifically about Laclede.**
 25 A. Unless the flow of gas is turned on,

Page 71

1 **turn-on.**
 2 A. My understanding is that our rule requires
 3 the inspection at turn-on, that the federal rule doesn't
 4 require that, and my understanding most -- from what I've
 5 talked to my peers in other states, that they don't have a
 6 requirement even at turn-on to go inside and inspect the
 7 inside stuff.
 8 **Q. So weren't -- the answer wasn't limited to**
 9 **Missouri utilities?**
 10 A. Well, no. I asked that question because
 11 the idea that other utilities, other states that I know of
 12 don't have even the requirement to go inside when the gas
 13 is turned on, so I was just trying to figure out what he
 14 was asking, if he was asking empirically in Missouri or
 15 nationwide.
 16 MR. FRANSON: Well, let's go back. I'll
 17 ask that question.
 18 RECROSS-EXAMINATION BY MR. FRANSON:
 19 **Q. Generically in Missouri, unless the flow of**
 20 **gas is interrupted, does -- is there any requirement that**
 21 **you know of in Missouri that the gas utility go inside and**
 22 **perform an inspection inside the customer's home?**
 23 A. If the utility -- if the gas is physically
 24 turned on, they have to go in and do an inspection of the
 25 inside piping and appliances. On an inside meter set,

Page 70

1 there's not a requirement for them to go in and do an
 2 inside check.
 3 **Q. Any other LDCs that you are aware of?**
 4 A. No other LDCs that I know do a check on the
 5 inside piping unless they physically turn the gas on
 6 according to our rules.
 7 **Q. And LDC stand for local distribution**
 8 **company.**
 9 A. Which would be municipalities and
 10 investor-owned companies.
 11 MR. FRANSON: The only other thing we need
 12 to talk about, we need to talk about off the record some
 13 of the things that we talked about may need to be deemed
 14 highly confidential. We can talk about that.
 15 I don't believe I have any other questions
 16 for Mr. Leonberger. Does anybody else?
 17 MS. MARTIN: I just had one.
 18 FURTHER REDIRECT EXAMINATION BY MS. MARTIN:
 19 **Q. When you were talking -- the last question**
 20 **you asked about the LDCs, were you speaking specifically**
 21 **about Missouri or were you speaking --**
 22 A. What question was that?
 23 **Q. -- nationwide?**
 24 **Whether or not the other LDCs had or**
 25 **performed any other inside inspection other than at**

Page 72

1 there is -- there is Laclede's service line piping that
 2 goes up to the meter set, there are requirements of
 3 corrosion control and leakage surveys that Laclede would
 4 be required to go inside not only with -- go inside and do
 5 a leak and inspection and do a corrosion inspection on the
 6 piping that goes -- on their piping that goes to the
 7 meter, but not fuel piping that goes past the meter. They
 8 would be required to go inside the house on those specific
 9 instances.
 10 **Q. But all of those specific instances is**
 11 **either where the gas is turned on anew, meaning after some**
 12 **time of interruption, or where the gas flow is**
 13 **interrupted?**
 14 A. No. The requirement for doing an
 15 inspection on customer-owned piping is only when the gas
 16 flow is turned on. There's a requirement to do periodic
 17 leakage surveys and corrosion inspection of company-owned
 18 piping, Laclede piping before the meters, not when it's
 19 turned on, but on a periodic basis, no matter if it's
 20 turned on or not.
 21 MR. FRANSON: Okay. I don't have any
 22 further questions.
 23 MS. MARTIN: No, I don't either.
 24 MR. POSTON: No.
 25 MR. FRANSON: Rick?

Page 73

1 MR. ZUCKER: No more for me.
 2 THE REPORTER: Read and sign?
 3 MR. FRANSON: Yes. We will waive
 4 presentment, but not signature, yes.
 5 THE REPORTER: Rick, this is the court
 6 reporter. Did you want a copy?
 7 MR. ZUCKER: Please. Do you do e-tran?
 8 THE REPORTER: Yes.
 9 MR. ZUCKER: That will be fine.
 10 THE REPORTER: Robert, did you want a copy?
 11 MR. FRANSON: Yes, I do, but I want the
 12 mini.
 13 THE REPORTER: Mark, did you want a copy?
 14 MR. POSTON: Please.
 15 (PRESENTMENT WAIVED; SIGNATURE REQUESTED.)
 16
 17
 18
 19
 20
 21
 22
 23
 24
 25

Page 75

1 SIGNATURE PAGE
 2 STATE OF MISSOURI)
) ss.
 3 COUNTY OF COLE)
 4
 5 I, Robert Leonberger, do hereby certify:
 6 That I have read the foregoing deposition;
 7 That I have made such changes in form and/or
 8 substance to the deposition as might be necessary to
 9 render the same true and correct;
 10 That having made such changes thereon, I hereby
 11 subscribe my name to the deposition.
 12 I declare under penalty of perjury that the
 13 foregoing is true and correct.
 14 Executed the ____ day of _____, 2006, at
 15 _____
 16
 17 _____
 18 ROBERT LEONBERGER
 19
 20 Notary Public:
 21 _____
 22 My commission expires:
 23 _____
 24
 25 KF/Robert Leonberger
 24 USW Local 11-6 v. Laclede Gas Company
 25

Page 74

1 CERTIFICATE OF REPORTER
 2 STATE OF MISSOURI)
) ss.
 3 COUNTY OF COLE)
 4
 5 I, KELLENE K. FEDDERSEN, RPR, CSR, CCR, and
 6 Notary Public within and for the State of Missouri, do
 7 hereby certify that the witness whose testimony appears in
 8 the foregoing deposition was duly sworn by me; that the
 9 testimony of said witness was taken by me to the best of
 10 my ability and thereafter reduced to typewriting under my
 11 direction; that I am neither counsel for, related to, nor
 12 employed by any of the parties to the action to which this
 13 deposition was taken, and further that I am not a relative
 14 or employee of any attorney or counsel employed by the
 15 parties thereto, nor financially or otherwise interested
 16 in the outcome of the action.
 17
 18 _____
 19 KELLENE K. FEDDERSEN, RPR, CSR, CCR
 Notary Public, State of Missouri
 (Commissioned in Cole County)
 My commission expires 3/28/09.
 20
 21
 22
 23
 24
 25

Page 76

1 ERRATA SHEET
 2 Witness: Robert Leonberger
 In Re: USW Local 11-6 v. Laclede Gas Company
 3
 4 Upon reading the deposition and before subscribing
 thereto, the deponent indicated the following changes
 should be made:
 5
 6 Page Line Should read:
 Reason assigned for change:
 7 Page Line Should read:
 Reason assigned for change:
 8
 9 Page Line Should read:
 Reason assigned for change:
 10 Page Line Should read:
 Reason assigned for change:
 11
 12 Page Line Should read:
 Reason assigned for change:
 13 Page Line Should read:
 Reason assigned for change:
 14
 15 Page Line Should read:
 Reason assigned for change:
 16 Page Line Should read:
 Reason assigned for change:
 17
 18 Page Line Should read:
 Reason assigned for change:
 19 Page Line Should read:
 Reason assigned for change:
 20
 21 Page Line Should read:
 Reason assigned for change:
 22 Page Line Should read:
 Reason assigned for change:
 23
 24 Reporter: Kellene K. Feddersen, RPR, CSR, CCR
 25

1 Midwest Litigation Services
2 3432 West Truman Boulevard, Suite 207
3 Jefferson City, MO 65109
4 Phone (573)636-7551 * Fax (573)636-9055
5 July 24, 2006
6 Robert Franson
7 Missouri Public Service Commission
8 P.O. Box 360
9 200 Madison Street
10 Jefferson City, MO 65102
11 In Re: USW Local 11-6 v. Laclede
12 Dear Mr. Franson:
13 Please find enclosed your copy of the deposition of Robert
14 Leonberger taken on July 6, 2006, in the above-referenced
15 case. Also enclosed is the original signature page and
16 errata sheet.
17
18 Please have the witness read your copy of the transcript,
19 indicate any changes and/or corrections desired on the
20 errata sheet and sign the signature page before a notary
21 public.
22 Please return the errata sheet and notarized signature
23 page to Ms. Martin for filing prior to trial date.
24
25 Thank you for your attention to this matter.
26
27 Sincerely,
28
29 Kellene K. Feddersen, RPR, CSR, CCR
30
31 Enclosure
32 cc: Janine Martin
33 Rick Zucker
34 Marc Poston
35