

Exhibit No.:
Issues: Miscellaneous Charges
Witness: Michael J. Ensrud
Sponsoring Party: MO PSC Staff
Type of Exhibit: Surrebuttal Testimony
Case No.: GR-2014-0086
Date Testimony Prepared: August 8, 2014

MISSOURI PUBLIC SERVICE COMMISSION

REGULATORY REVIEW DIVISION
Tariff, Safety, Economic & Engineering Analysis

SURREBUTTAL TESTIMONY

OF

MICHAEL J. ENSRUD

SUMMIT NATURAL GAS OF MISSOURI, INC.

CASE NO. GR-2014-0086

Jefferson City, Missouri
August 2014

Staff Exhibit No. 124
Date 8/14/14 Reporter KF
File No. GR-2014-0086

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

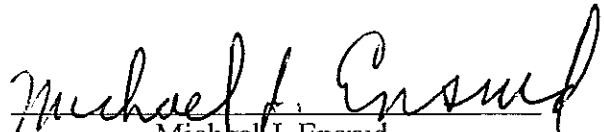
In the Matter of Summit Natural Gas of)
Missouri Inc.'s Filing of Revised Tariffs)
To Increase its Annual Revenues For)
Natural Gas Service)

Case No.: GR-2014-0086

AFFIDAVIT OF MICHAEL J ENSRUD

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michael J. Ensrud, of lawful age, on his oath states: that he has participated in the preparation of the following Surrebuttal Testimony in question and answer form, consisting of 3 pages of Surrebuttal Testimony to be presented in the above case, that the answers in the following Surrebuttal Testimony were given by him; that he has knowledge of the matters set forth in such answers; and that such matters are true to the best of his knowledge and belief.



Michael J. Ensrud

Subscribed and sworn to before me this 7th day of August, 2014.

LAURA BLOCH
Notary Public - Notary Seal
State of Missouri
Commissioned for Cole County
My Commission Expires: June 21, 2015
Commission Number: 11203914



Notary Public

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OF

MICHAEL J. ENSRUD

SUMMIT NATURAL GAS OF MISSOURI

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SURREBUTTAL TESTIMONY

OF

MICHAEL J. ENSRUD

SUMMIT NATURAL GAS OF MISSOURI

CASE NO. GR-2014-0086

13 | Q. Please state your name and business address.

14 | A. My name is Michael J. Ensrud, P.O. Box 360, Jefferson City, Missouri 65102.

15 | Q. Are you the same Michael J. Ensrud who filed rebuttal testimony and
16 | schedules in this case?

17 | A. Yes. I am.

18 | **PURPOSE OF SURREBUTTAL TESTIMONY**

19 | Q. What is the purpose of your surrebuttal testimony?

20 | A. The purpose of my surrebuttal testimony is to address the rebuttal testimony of
21 | Office of the Public Counsel's ("OPC's") witness Barbara Meisenheimer.

22 | **OFFICE OF PUBLIC COUNSELS PROPOSAL ON MISCELLANEOUS**
23 | **CHARGES**

24 | Q. Does Staff agree with OPC witness Barbara Meisenheimer miscellaneous tariff
25 | rate proposal as stated in her rebuttal testimony, page 51, lines 5 - 9?

26 | A. No. OPC has not performed any cost analyses of these charges and did not
27 | propose any revenue imputations due to her recommendation. The proper remedy is retention
28 | of dual rate structure that exists today until cost analyses of these various miscellaneous
29 | charges are undertaken. Any rate change – whether increase or decrease – should be preceded
30 | by an imputation calculation and a cost study.

1 **THE WRONG APPLICATION - CUSTOMERS PRESENTLY BEING**
2 **OVERCHARGED**

3 Q. Do you dispute OPC witness Meisenheimer's testimony relating to the
4 disconnection/reconnection charge outlined in her rebuttal testimony for existing customers
5 under the old Southern Missouri Natural Gas Company ("SMNG") rates?

6 A. Yes. Witness Meisenheimer Rebuttal testimony states:

7 "For example, as the Company currently applies charges for **the**
8 **disconnection** and reconnection of service for a residential
9 customer during normal business hours, **the Company would charge**
10 **a customer \$70 in the SMNG service area and \$80 in the MGU**
11 **area. The SMNG rate of \$70 is already high, yet the Company**
12 **proposes to charge that customer \$80 under a consolidated tariff."**
13 **(Emphasis Added) (Page 51 – Lines 9 to 16)**

14 The SMNG residual tariff (P.S.C. No. 2) lacks a disconnection charge of \$40.00. A
15 proper interpretation for a SMNG disconnection and reconnection tariffed charge is \$30, not
16 \$70.

17 **OPC POSITION RELATING TO LOW-INCOME AND**
18 **DISCONNECTION/RECONNECTION CHARGES**

19 Q. Does OPC Witness Meisenheimer Rebuttal testimony¹ contain statements that
20 low-income customers deserve to be subsidized when it comes to disconnect and reconnect
21 fees?

22 A. Yes. OPC witness Meisenheimer uses the term "late payment fees" in her
23 rebuttal testimony, but it appears she is addressing the miscellaneous disconnection &
24 reconnection fees) in her testimony. Staff does not believe "late payment fees" are an issue in
25 the case. Nor are disconnect and reconnect fees deserving of being subsidized – resulting in
26 others paying more.

¹ Rebuttal – Page 51 – lines 1 to 21 & Page 52 – lines 1 to 15

1 **SEASONAL DISCONNECT – THE MISSING ISSUE**

2 Q. Is there any other OPC issue that Staff wants to address?

3 A. Yes. I am addressing the following statement in OPC witness Meisenheimer's
4 Rebuttal, in which she states the following:

5 Q. WOULD YOU ALSO OPPOSE EFFORTS TO IMPOSE A
6 SEASONAL DISCONNECTION CHARGE?

7 A. Yes. Customers should not be forced to pay for service they
8 do not want or cannot afford. Requiring returning customers
9 to pay seasonal disconnection charges creates an unnecessary barrier
10 to customers joining the system. (Page 52 - lines 11 to 15)

11 Staff does not see where there was any proposal for a "Seasonal Disconnection
12 Charge". Staff has not been able to find the proposed or current tariff relating to this issue.

13 Q Does that conclude your surrebuttal testimony?

14 A. Yes. It does.