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STATE OF MISSOURI

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PUBLIC SERVICE COMMISSION

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TRANSCRIPT OF PROCEEDINGS

6

LOCAL PUBLIC HEARING

7

JULY 01, 2010

8

BUTLER, MISSOURI

9

VOLUME 5

10

11 In The Matter Of Atmos Energy Corporation's  
12 Tariff Revision Designed To Implement A File No. GR-2010-0192  
13 Rate Increase For Natural Gas  
Service In The Missouri Service Area Of The  
Company

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HAROLD STEARLEY, Presiding  
SENIOR REGULATORY LAW JUDGE

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17 REPORTED BY:

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TRACY HACKLEMAN, CCR  
MIDWEST LITIGATION SERVICES

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1 Butler, Missouri

2 July 01, 2010 6:17 p.m.

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4 JUDGE STEARLEY: We're still going to have  
5 more time for questions and answering for the people who  
6 are attending tonight with the company representatives but  
7 I want to start the formal part of our hearing tonight.  
8 We are making a formal record of taking public comment.

9 This is Thursday, July 1st, 2010. The  
10 Missouri Public Service Commission has set this time for a  
11 public hearing in file number GR-2010-0192, where Atmos  
12 Energy Corporation seeks to implement a general rate  
13 increase to the natural gas service it provides in  
14 Missouri.

15 My name is Harold Stearley and I'm the  
16 Regulatory Law Judge presiding over tonight's hearing. In  
17 a few moments I'll explain a little bit more about the  
18 hearing process and we'll, kind of, take your comments as  
19 we go along.

20 But before I do that I do want to let you  
21 know that the Public Service Commission has five political  
22 appointed, politically appointed commissioners. They're  
23 appointed by the Governor and confirmed by the Senate.  
24 They serve terms of six years each and those terms are  
25 usually staggered. This evening unfortunately our five

1 commissioners could not be here. We have multiple  
2 hearings and cases going on here and other parts of the  
3 state but we're making a record of this. We have a court  
4 reporter that's going take all of our statements down,  
5 we're making a videotape of this hearing and that there  
6 will be posted and archived on our web page. And the  
7 transcripts of tonight's hearing will be included in the  
8 record in the file of this case.

9 All the commissioners will be reviewing  
10 your comments and they greatly appreciate hearing from the  
11 public. So, just because they were not able to attend  
12 tonight, I assure they will be reviewing the comments and  
13 they're very appreciative of hearing from you.

14 And we're going to begin me taking entries  
15 of appearance from the attorneys that are here  
16 representing the different parties of this case. And I'll  
17 start with that.

18 MR. DORITY: Thank you Judge Stearley. On  
19 behalf of Atmos Energy Corporation, my name is Larry  
20 DORITY with the firm of Fischer and DORITY in Jefferson  
21 City. Our address is 101 Madison Street, Jefferson City,  
22 Missouri, 65101. Thank you.

23 JUDGE STEARLEY: Thank you Mr. DORITY. For  
24 the staff of the Missouri Public Service Commission.

25 MS. OTT: Thank you Judge. Let the record

1 reflect, Jamie Ott on behalf of the Staff of the Missouri  
2 Service Commission, PO Box 360, Jefferson City, Missouri,  
3 65102.

4 JUDGE STEARLEY: Thank you Ms. Ott.  
5 Someone from the Office of the Public Counsel.

6 MR. POSTON: Thank you. Marc Poston  
7 appearing for the Office of the Public Counsel and the  
8 Public.

9 JUDGE STEARLEY: Thank you Mr. Poston.  
10 Now, I do want to point out to the attendees here today,  
11 it's been mentioned during our question and answer  
12 session, this is a hearing where we take public comment.  
13 And we've had eight of these hearings scheduled so that we  
14 could get to the different parts of Atmos's service area.  
15 There will be an evidentiary hearing, a formal hearing for  
16 the taking of more evidence. That's held down in  
17 Jefferson City. At that hearing, different parts are  
18 going to be the subject matter, things like auditing,  
19 accounting and engineering to present more information to  
20 the commission. At the hearing though, you have a  
21 representative that is there and that's Mr. Poston, who  
22 just introduced himself. He's with the Office of the  
23 Public Counsel and he's the attorney that will be  
24 representing your voice there.

25 MR. COWIN: Let me say something before we

1 go any farther.

2 JUDGE STEARLEY: Certainly.

3 MR. COWIN: Now, if this means I'm going to  
4 have to go to Jefferson City, I don't want no part of  
5 that.

6 JUDGE STEARLEY: No, sir, it does not.  
7 Mr. Poston will be there. This is why we try to reach out  
8 to the public and get comments in these type of formats.  
9 People won't come to our hearings, we also have other ways  
10 to get their comments. They can contact the Office of  
11 Public Counsel directly, they can phone comments into us,  
12 they can mail them, they can email them. So we try to get  
13 a lot of public outreach. You do not have to be present  
14 for that hearing but Mr. Poston will be. And I know he's,  
15 along with the commissioners, he's very interested in the  
16 comments because he's going to be representing your  
17 position at that hearing.

18 The way we will proceed tonight is I do  
19 have a list, this is our signup sheet and anyone who  
20 signed that sheet, I'll call your name, I'll swear you in  
21 and then you can provided your comments for us. If you  
22 haven't signed the list, I will still give everyone a  
23 chance to speak and we'll stay as long as we need to, so  
24 everyone gets an opportunity to speak.

25 And Reverend, you are the only name I have

1           on my sign up sheet so I'm going to formally call you at  
2           this time. And what I'd like you to do is start by  
3           stating and spelling your name for the court reporter so  
4           she can spell correctly for the record.

5                       MR. COWIN: My name is Roger, R-o-g-e-r  
6           C-o-w-i-n, Cowin. And I live at 422 North Fayette in Rich  
7           Hill, Missouri.

8                       JUDGE STEARLEY: And Mr. Cowin, if you'd  
9           please raise your right hand.

10                      Do you solemnly swear or affirm that the  
11           testimony you are about to give will be the truth, the  
12           whole truth and nothing but the truth?

13                      MR. COWIN: I do.

14                      JUDGE STEARLEY: Thank you. You may  
15           proceed and offer any comments you wish.

16                      MR. COWIN: As I said earlier, the reason  
17           I'm concerned about this rate increase is because of the  
18           amount of money that has been taken from the customer's.  
19           On the \$19.43 increase on each customers bill in this  
20           area, amounts to one million six hundred and or \$165,800  
21           monthly. And yearly it's \$13,000,889 -- let me read it  
22           back, \$13,989,600 for the yearly fee. And that's seem to  
23           me to be an exorbitant price for anything or any kind of  
24           rate increase, and we already have that on our bill. And  
25           yet the commission have been asked to increase it some

1           more.

2                       We the people, here in this area are, or  
3           most of the people in this area, are not only on a fixed  
4           income, but living on fees that our government says is  
5           impossible to do. And myself, we're able to pay our bills  
6           without any problems, but some of the people in town do  
7           have problems and this is a major concern of mine, is the  
8           exorbitant increase that's you're asking for.

9                       JUDGE STEARLEY: Reverend Cowin, have you  
10          had any problems with customer service from the company.

11                      MR. COWIN: No.

12                      JUDGE STEARLEY: Any problems with gas  
13          being delivered to your home, problems with your meters or  
14          anything like that?

15                      MR. COWIN: When the gas meter was  
16          installed. Now, I take that back, the original gas meter  
17          was installed and I guess we wasn't using enough gas to  
18          satisfy whoever was reading it and so they changed the  
19          meter. And in the process of changing that meter, they  
20          left a leak in the meter and it took some time, a month or  
21          two, for them to come out and fix that leak at the gas  
22          meter. And at another place in an ally, at one of their  
23          customer's houses, I drove by and I could smell a gas leak  
24          there and it was, I didn't keep record of it at the time,  
25          but between 60 days and 90 days before that leak was



1 fixed. So, when people talks about the gas leaks because  
2 the natural gas so cheap, the reason it wasn't fixed, it  
3 was my opinion, it wasn't that it didn't need fixed, but  
4 it did. And when some people talks about fixing pipe  
5 lines and charging exorbitant amount of money for keeping  
6 pipe lines fixed and that concerns me when the leaks are  
7 not fixed when they all need fixed.

8 JUDGE STEARLEY: I wanted to ask you about  
9 the \$13 million dollar that you presented?

10 MR. COWIN: This figure was for the \$19.43  
11 that was put on our bill for the convenience of the gas at  
12 my house, ours houses. This is for the 600,000 customers  
13 that they say they're providing the gas for. And that's  
14 what this figure covers, for those amounts of customers.  
15 For the 60,000 customers.

16 JUDGE STEARLEY: Okay.

17 MR. COWIN: And like I say, \$1,165,800  
18 monthly, already being sent. \$13,989,600 yearly for the  
19 convenience of the natural gas at our houses. Without any  
20 usage.

21 JUDGE STEARLEY: Referring to that just  
22 flat service fee that you get?

23 MR. COWIN: That's right.

24 JUDGE STEARLEY: Okay.

25 MR. COWIN: That doesn't include the charge

1           for the I. S. R. S. That's in addition to that fee, on top  
2           of that for no usage.

3                       JUDGE STEARLEY: Has anyone explained that  
4           I. R. I. S. is?

5                       MR. COWIN: Yes, they did. To repair the  
6           gas lines with. And I can read and I understand what  
7           things are, about the bill and the exorbitant fees.

8                       JUDGE STEARLEY: Okay.

9                       MR. COWIN: As I've already mentioned to  
10          some of the people here before, when I moved Louisiana,  
11          Moore's Port, Louisiana, our fees for natural gas, with no  
12          fee like this stuck on it, was 55 cents per thousand cubic  
13          feet and that can be proven. Arkan Gas was the one that,  
14          was the gas company that we bought the gas from there.  
15          Per thousand feet, no other fees stuck on there besides  
16          the tax.

17                      So we moved to Missouri in 1978 and the  
18          fees was already gone up quite a bit and since then, the  
19          fees that's put on the gas bill have, they're exorbitant  
20          price in other words. They're actually unreal for the  
21          product that the customers are receiving. Now, if it's  
22          costing that much for the fuel and for the delivery of the  
23          fuel, then there's something wrong somewhere.

24                      JUDGE STEARLEY: Mr. Cowin, do you have any  
25          other comments that you'd like to make?

1 MR. COWIN: That pretty well covers it.

2 JUDGE STEARLEY: Thank you very much, we  
3 appreciate your testimony.

4 I'm going to ask if, I don't have anyone  
5 else that signed my sheet, but would anyone like to offer  
6 some comments to the commission. And if someone would  
7 like to comment and they don't feel like being sworn in,  
8 I'll still listen to your comments. I know sometimes this  
9 process kind of scares people. The commission would like  
10 to hear from you and we don't want this to be too formal  
11 in any way for you. So, I would like to get your comments  
12 into the record so the commissioner can all review them.

13 No one else would like to say anything,  
14 we're certainly willing to hear you.

15 Mr. Poston, I believe you had mentioned to me  
16 earlier that you had a customer who was not able to attend  
17 tonight. Did you have a statement you'd like to make on behalf  
18 of that customer?

19 MR. POSTON: Yeah. I received an email  
20 this morning from that customer. She wanted to come  
21 tonight and she couldn't and so she just asked if I can  
22 bring something she had put together. So I was reading it  
23 off the email that she had put together for me.

24 JUDGE STEARLEY: And what is her name?

25 MR. POSTON: Lizabeth Finley.

1 L-i-z-a-b-e-t-h, and Finley, F-i-n-l-e-y.

2 MR. COWIN: And she writes, "Dear  
3 Mr. Poston, I was planning to attend the public hearing  
4 this evening in Butler, Missouri to present information  
5 regarding base prices for natural gas in comparison to the  
6 base price charged by Atmos Energy. Unfortunately, due to  
7 a situation at my own office, I will not be able to  
8 attend. Please accept my comparison that I've attached to  
9 this email. Thank you, Liza Finley." And I have her  
10 attachment here.

11 JUDGE STEARLEY: Okay. Please come forth.  
12 Is there a portion that you'd like to read into it record?

13 MR. POSTON: I don't think so. That  
14 attachment has been provided to counsel for the other  
15 parties.

16 JUDGE STEARLEY: We'll marked this as  
17 Exhibit 1. Are there any objections to the admission of  
18 Exhibit 1 into this record?

19 MR. DORITY: No objection.

20 JUDGE STEARLEY: Very well, it shall be  
21 received and admitted.

22 Are there any other comments? Anyone would  
23 like to make before the commission.

24 If there are no further comments, we're  
25 going to go conclude the formal portion of the hearing

1 process.

2 Members of the staff and member from the  
3 company, I'm sure, will stick around for a little bit if  
4 you all have any additional questions for them.

5 We do appreciate your coming out and if you  
6 decided not to offer comments formally to us, I do want to  
7 remind you that we do have some information on the back  
8 table which offers you a variety of methods to comment to  
9 the commission. The commission would certainly like to  
10 hear from anyone. If you want to take copies of the with  
11 you, pass those out to friends and neighbors, whoever.  
12 They will be reviewing all of those comments. If there  
13 are no further comments for the formal part of this  
14 hearing, we'll go ahead and conclude.

15 And the public hearing for file number  
16 GR-2010-0192 is hereby adjourned. Thank you all very  
17 much.

18 (PROCEEDINGS CONCLUDED AT 6:32 P.M.)

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## I N D E X

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## E X H I B I T S

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