

1 STATE OF MISSOURI
2 PUBLIC SERVICE COMMISSION
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5 TRANSCRIPT OF PROCEEDINGS
6 Local Public Hearing
7 July 8, 2010
8 Jackson, Missouri
9 Volume 9

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12 In the matter of Atmos Energy)
13 Corporation's Tariff Revision Designed) File No.
14 To Implement A General Rate Increase) GR-2010-0192
15 For Natural Gas Service In The Missouri)
16 Service Area Of the Company)

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17 HAROLD STEARLEY, Presiding
18 SENIOR REGULATORY LAW JUDGE

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20 REPORTED BY: Joanna Charlton

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1 P R O C E E D I N G S

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3 JUDGE STEARLEY: Good afternoon. It's July
4 8, 2010. The Missouri Public Service Commission has
5 set this time for a public hearing in File Number
6 GR-2010-0192 in which Atmos Energy Corporation seeks
7 to implement a general rate increase for its natural
8 gas service in Missouri. My name is Harold Stearley,
9 and I'm the regulatory law judge presiding this
10 evening. As you can see, since I'm sitting up here
11 by myself, none of the five commissioners were able
12 to make this hearing, and as Mr. Otcho was
13 explaining, this is why it's very important why we
14 actually make an official record and a court reporter
15 take down any comments people make because they're --
16 sometimes they're stretched out all over the state in
17 various activities, and this way your comments will
18 actually get entered into the formal record of the
19 case. And the commissioners will have an opportunity
20 to read them all and consider them when they make
21 their decision. We have had a series of eight public
22 hearings, and there's a formal evidentiary hearing
23 scheduled to start on August 23rd, if I'm remembering
24 correctly. And that hearing will be held in
25 Jefferson City, and at that hearing, the parties will

1 come in and present evidence usually with subject
2 matter experts, accountants, auditors, and other
3 experts for the Commission to review. You have
4 representation at that hearing, though, as well, and
5 that is Mr. Poston with the Office of the Public
6 Counsel, so if you have any specific questions about
7 the public counsel's position, I know they've
8 provided a sheet of paper with their position
9 outlined on it for you all, or if you have any
10 questions you'd like to direct to your counselor, he
11 is, in fact, your attorney in this case. Before I
12 begin taking public comments, though, I do want to
13 make a record of counsel for the parties which are
14 present tonight, and I'll start by having entries of
15 appearance for Atmos Energy Corporation.

16 MR. DORITY: Thank you, Judge Stearley.
17 Good evening, everyone. By name is Larry Dority with
18 the firm Fischer and Dority, P.C. appearing on behalf
19 of Atmos Energy Corporation. We're located in
20 Jefferson City at 101 Madison, Suite 400, Jefferson
21 City, Missouri 65101. Thank you.

22 JUDGE STEARLEY: Thank you, Mr. Dority.
23 For the Office of the Public Counsel.

24 MR. POSTON: Thank you. Marc Poston for
25 the Office of the Public Counsel and the public.

1 JUDGE STEARLEY: Thank you, Mr. Poston, and
2 for the staff of the Missouri Public Service
3 Commission.

4 MR. DEARMONT: Thank you, Judge. Eric
5 Dearmont on behalf of the staff of the Missouri
6 Public Service Commission, PO Box 360, Jefferson
7 City, Missouri 65102.

8 JUDGE STEARLEY: Okay. We do have a couple
9 of intervening parties in this case, and I just for
10 the record want to note I don't see that any counsel
11 is present to represent those parties. And having
12 taken those entries, we'll move on to public
13 comments. Sir, I know you wanted to offer into
14 evidence this particular document.

15 MR. RANDOL: Yes, please.

16 JUDGE STEARLEY: In order for me to do
17 that, I will need to swear you in, and you can make a
18 statement to the Commission if you want, or if you
19 want to just simply offer this document, we'll take
20 it up at that time. To begin with, if you'll please
21 state and spell your name for our court reporter so
22 she gets it correct in the record.

23 MR. RANDOL: My name's Joe Don Randol,
24 J-O-E, D-O-N, R-A-N-D-O-L.

25 JUDGE STEARLEY: All right. Mr. Randol,

1 would you please raise your right hand? Do you
2 solemnly swear or affirm that the testimony you're
3 about to give will be the truth, the whole truth, and
4 nothing but the truth?

5 MR. RANDOL: I do.

6 JOE DON RANDOL,
7 of lawful age, produced, sworn, and examined says:

8 EXAMINATION

9 QUESTIONS BY JUDGE STEARLEY:

10 Q. Thank you. And any comments you would like
11 to make, sir?

12 A. The only thing that I want to say is you
13 have the documentation there rather than take the
14 time to read it, but we do want to offer that as
15 evidence of our position with the American Legion
16 Post 158 here in Jackson, Missouri.

17 Q. And generally speaking, your letter states
18 that you're concerned with this proposed change which
19 might change your rate classification?

20 A. That's correct.

21 Q. And that would have a significant impact on
22 your gas rates?

23 A. Yes, it would, and as a struggling
24 organization, it would really impact our charitable
25 giving to the community. And we really don't want to

1 cut back on the charitable giving; however, if we
2 have to spend the money elsewhere, it will, and it's
3 just that simple. Simple matter of dollars and
4 cents.

5 Q. All right. Very good, Mr. Randol.

6 JUDGE STEARLEY: Let me ask, do any of the
7 attorneys here have any questions for Mr. Randol?

8 MR. DORITY: I don't. Thank you.

9 MR. POSTON: No thank you.

10 JUDGE STEARLEY: All right. And have the
11 parties been able to see this letter?

12 MR. DORITY: We have not. Thanks, Judge.

13 JUDGE STEARLEY: Why don't you take a look
14 at that. First, I have marked that as Exhibit Number
15 1. Okay. Counsel, now having the opportunity to
16 review that, are there any objections to the
17 admission of Exhibit Number 1?

18 MR. DORITY: No, sir.

19 MR. DEARMONT: None.

20 MR. POSTON: No.

21 JUDGE STEARLEY: Hearing none, it shall be
22 received and admitted into the record. That wasn't a
23 very painful process, was it, Mr. Randol?

24 MR. RANDOL: No, sir, it wasn't. I sure
25 thank you.

1 JUDGE STEARLEY: All right. We're pleased
2 to get your testimony, and I'd like to strongly
3 encourage the other people in attendance to offer
4 testimony for the Commission because this is an
5 opportunity to express any concern you might have, so
6 is there anyone else who would like to offer a
7 statement? All right, ma'am.

8 MRS. SNYDER: My name is Faith Snyder,
9 F-A-I-T-H, Snyder, S-N-Y-D-E-R, and I live in Jackson
10 at 2749 Lemming Lane. My concern is as retired
11 people --

12 JUDGE STEARLEY: Just before you speak,
13 Mrs. Snyder, if I could please swear you in. Do you
14 solemnly swear or affirm that the testimony you're
15 about to give will be the truth, the whole truth, and
16 nothing but the truth?

17 MRS. SNYDER: I do.

18 FAITH SNYDER,
19 of lawful age, produced, sworn, and examined says:

20 EXAMINATION

21 QUESTIONS BY JUDGE STEARLEY:

22 Q. Thank you. Now proceed.

23 A. As a retired couple living in this
24 community and for all retired couples living in this
25 community, to increase our utility rates living on a

1 fixed income is going to be hard to pay, and last
2 month -- last year I figured out the one month we
3 paid \$144 in our gas bill, and if you look at that as
4 to what was listed on this notice that was sent in
5 the mail, that's another \$70 a month more we're going
6 to have to pay to heat our house. Now, how are most
7 retired couples supported to come up today in this
8 economy with another \$70 a month more, and, I mean,
9 everything's going up. But \$70 is quite a bit of
10 money to have to come up in order to heat your house
11 to get through the wintertime, and also I think this
12 notice could've been put in this last bill that we
13 received this week to remind people of this meeting
14 and maybe there would be more people here than what
15 is here tonight. We received this a month ago. A
16 month ago people don't remember, but I think some
17 consideration should be given as far as a rate
18 increase of that high as to how people -- a lot of
19 people are unemployed. A lot of people are on fixed
20 incomes. How are they going to pay these bills?

21 Q. And, Mrs. Snyder, I know you were here
22 during the question and answer session.

23 A. Yes.

24 Q. Were you expressing some concerns regarding
25 the service quality that you're getting from the

1 company, that, or is there any concerns that you have
2 that you'd like us to make a record of?

3 A. Well, yes, yes. To a certain extent, yes,
4 because when we did have that bill for \$40 -- and I
5 don't remember what month it was, but it was the
6 summertime, something like July or August or
7 something that came for \$40. I did question that,
8 and when I called there, I really got no satisfaction
9 from anyone. And, in fact, if you really want to
10 know the honest truth, when I did call one time and
11 spoke to someone and I asked the man's name, he told
12 me his name was Perfecto. That's perfect with an O.
13 I mean, what are you going to do when that's what
14 you're getting? I'm talking to somebody in Texas,
15 you know, and then I stop the man on the street one
16 day, repair people man in a truck, and I asked about
17 how often they changed out meters and stuff. And I
18 was told, well, if that's what you want to do then
19 you have to pay for it, and I don't remember exactly.
20 But it was something like a hundred dollars or more
21 than a hundred that if I wanted that meter checked I
22 was going to have to pay to have it checked, and I
23 didn't feel that that was my responsibility. Of
24 course, I have to agree with what you say. If the
25 meter is wrong, it's going to run low, but \$40 in the

1 summertime is pretty high because this bill I just
2 paid this month was \$19, so I never did see where it
3 evened out. But you have to pay the bill. You get
4 the bill. You got to pay it, or we're told we'll cut
5 your service off, you know.

6 Q. Is there -- is there anything else you
7 would like to add?

8 A. No. Just that I don't want a rate
9 increase.

10 JUDGE STEARLEY: All right. Let me inquire
11 of Counsel. Do you have any questions for this
12 witness?

13 MR. DORITY: I do just very briefly, Judge.

14 EXAMINATION

15 QUESTIONS BY MR. DORITY:

16 Q. Mrs. Snyder, my name is Larry DORITY
17 representing Atmos Energy Corporation here this
18 evening. Regarding the notice, the bill insert, the
19 Commission orders us to notify all of our customers
20 of these local hearings, and we have different bill
21 cycles during the month when they go out. I think
22 the order in this case required us to have everyone
23 notified no later than July 1, I believe?

24 JUDGE STEARLEY: That's correct.

25 Q. (BY MR. DORITY) So in order to do that, to

1 get in the various bills that are going to our 60,000
2 customers throughout the State of Missouri, some of
3 them are going to get them earlier in the month of
4 June and some of them later in the month of June. I
5 appreciate what you're saying. We'll try to work on
6 that --

7 A. I -- I do understand --

8 Q. -- in the future.

9 A. I do understand what you're saying, but I
10 did expect to see another one when I opened that bill
11 this week. People forget.

12 Q. I hear what you're saying. Regarding \$70 a
13 month increase, as we had discussions off the record
14 prior to 6 p.m., I -- I think Mr. Martin had
15 explained that -- and I believe the staff
16 representative had explained that, you know, this is
17 only for the Atmos non-gas costs is what we're
18 looking at, so in terms of the Southeast Missouri
19 district, which we're a part here tonight, the
20 current rate is showing as \$13.92. If Atmos were to
21 receive it's full requested increase, that proposed
22 rate for residential would go to \$21.27. I think if
23 you're referring to the additional amount --

24 A. Well, it says residential customers current
25 monthly charge 14.14; proposed monthly charge 21.27.

1 Well, that's \$7, so if you take 7 times 14 goes into
2 a 144 10 times. 10 times 7 is 70.

3 Q. This is the flat rate increase, so your
4 monthly increased amount will be the difference
5 between that current rate and the proposed rate.
6 Now, you will also have gas charges in addition to
7 that as the gentleman explained, which is simply a
8 passthrough that the Missouri Public Service
9 Commission does not regulate. We just pass those
10 through dollar for dollar at the cost of the company.
11 The other -- the other comment I had was regarding
12 your statements on the -- on the meters and having
13 them checked. I think you did have an opportunity to
14 ask some questions and had a dialogue with one of the
15 company representatives before we went on the record.
16 Do you better understand what's involved in checking
17 and changing out a meter at this point?

18 A. I do understand it, but I still think it
19 should be done on a regular basis. I think after 11
20 years or something somebody should kind of look at
21 something, especially when it's facing full sun all
22 day and completely faded out.

23 Q. Okay. That's all I have. Thank you very
24 much --

25 A. Thank you.

1 Q. -- for being here.

2 JUDGE STEARLEY: All right. Any other
3 questions for with witness?

4 MR. DEARMONT: I don't have any questions,
5 but I would urge you to visit with staff for a few
6 minutes after the evidentiary hearing and the
7 company, for that matter, because they might be able
8 to give you some more information specifically on the
9 effect of the potential increase from this case.

10 MRS. SNYDER: Okay. Thank you.

11 JUDGE STEARLEY: All right. Mr. Poston?

12 MR. POSTON: No questions. Thank you.

13 JUDGE STEARLEY: Would anyone else like to
14 make a comment? Yes, sir.

15 MR. GERAU: I would like to make a
16 testimonial, please.

17 JUDGE STEARLEY: All right. If you'd
18 please state and spell your name for our court
19 reporter.

20 MR. GERAU: My name's Brian Gerau,
21 B-R-I-A-N, G-E-R-A-U.

22 JUDGE STEARLEY: All right. Mr. Gerau, if
23 you'd raise your right hand, do you solemnly swear or
24 affirm that the testimony you're about to give will
25 be the truth, the whole truth, and nothing but the

1 truth?

2 MR. GERAU: I do.

3 BRIAN GERAU,

4 of lawful age, produced, sworn, and examined says:

5 EXAMINATION

6 QUESTIONS BY JUDGE STEARLEY:

7 Q. Thank you. You may proceed.

8 A. All right. Thank you very much, Your
9 Honor. I'd like to read a written statement. I'm
10 representing the Jackson, Missouri Chamber of
11 Commerce. We the Jackson Chamber of Commerce do not
12 take a position on the rate increase or decrease. We
13 are here to simply state that Atmos is a good,
14 responsible corporate sponsor for our community.
15 Atmos has reinvested in the community, the Chamber of
16 Commerce, and through several non-for-profit
17 organizations. That is all.

18 Q. All right. Thank you very much, sir.

19 A. Yes, sir.

20 JUDGE STEARLEY: Any questions for this
21 witness?

22 MR. DORITY: No thank you.

23 MR. DEARMONT: I have none. Thanks.

24 MR. POSTON: No.

25 JUDGE STEARLEY: Thank you very much.

1 Anyone else who would like to make a comment tonight?
2 We try not to make these too formal. Would anyone
3 like to make a comment without me swearing them in?
4 I don't want -- I don't want to scare anybody off
5 from stating what they think. Well, it appears we
6 have no other comments, and since we haven't had
7 anyone else arrive, I guess we're going to reach the
8 point of conclusion here. I do want to encourage the
9 people here, though, if they still have any questions
10 the company representatives or staff representatives,
11 Office of Public Counsel can stick around here for a
12 little bit and make sure that we get everything --
13 all your questions answered for you before you leave
14 this evening. We do appreciate you all coming. We
15 appreciate your testimony, the documents you've
16 offered for the Commission. They will get an
17 opportunity to review all of those. All right. Very
18 well. The public hearing -- the formal public
19 hearing in File Number GR-2010-0192 is hereby
20 adjourned, and I thank you all very much for coming.

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1 CERTIFICATE OF REPORTER

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I, JOANNA CHARLTON, Certified Court

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Reporter, the officer before whom the foregoing

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public hearing was taken, do hereby certify that the

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witnesses whose testimony appears in the foregoing

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public hearing was duly sworn; that the testimony of

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said witnesses was taken by me to the best of my

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ability and thereafter reduced to typewriting under

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my direction; that I am neither counsel for, related

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to, nor employed by any of the parties to the action

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in which this public hearing was taken, and further

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that I am not a relative or employee of any attorney

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or counsel employed by the parties thereto, nor

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financially or otherwise interested in the outcome of

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the action.

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JOANNA CHARLTON, CCR

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	EXHIBITS		
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1			
2			
3	Exhibit 1	5	5
4	(Original exhibit retained by Judge Stearley.)		
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