EXHIBIT



OCT 2 1 2009

Missouri Public Service Commission Exhibit No.: Issue(s): Witness: Type of Exhibit: Sponsoring Party: Case Number: Date Testimony Prepared:

Liability Tariff Barb Meisenheimer Rebuttal Public Counsel GT-2009-0056 August 19, 2009

REBUTTAL TESTIMONY

OF

BARBARA A. MEISENHEIMER

Submitted on Behalf of the Office of the Public Counsel

Laclede Gas Company

Case No. GT-2009-0056

August 19, 2009

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Laclede Gas Company

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August 19, 2009

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BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Laclede Gas Company's Tariff Revision Designed to Clarify its Liability for Damages Occurring on Customer Piping and Equipment.

Case No. GT-2009-0056

AFFIDAVIT OF BARBARA A. MEISENHEIMER

STATE OF MISSOURI

COUNTY OF COLE)

Barbara A. Meisenheimer, of lawful age and being first duly sworn, deposes and states:

SS

- 1. My name is Barbara A. Meisenheimer. I am Chief Utility Economist for the Office of the Public Counsel.
- 2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony.
- 3. I hereby swear and affirm that my statements contained in the attached testimony are true and correct to the best of my knowledge and belief.

Barbara A. Meisenheimer

Subscribed and sworn to me this 19th Day of August 2009.



2011年4月20日本部的国家出来自己的主要的现在分词有限的

8HYLAH C. BROSSIER My Commission Expires June 8, 2013 Cole County Commission #09812742

Shylah C. Brossier Notary Public

My Commission expires June 8th, 2013.

Laclede Gas Company

GT-2009-0056

Rebuttal Testimony of Barbara Meisenheimer

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

A. Barbara A. Meisenheimer, Chief Utility Economist, Office of the Public Counsel,
P. O. 2230, Jefferson City, Missouri 65102.

Q. PLEASE SUMMARIZE YOUR EDUCATIONAL AND EMPLOYMENT BACKGROUND.

 A. I hold a Bachelor of Science degree in Mathematics from the University of Missouri-Columbia (UMC) and have completed the comprehensive exams for a Ph.D. in Economics from the same institution. My two fields of study are Quantitative Economics and Industrial Organization. My outside field of study is Statistics.

I have been with the Office of the Public Counsel since January 1996. I have testified on economic issues and policy issues in the areas of telecommunications, gas, electric, water and sewer.

13Over the past 15 years I have also taught courses for the University of14Missouri-Columbia, William Woods University, and Lincoln University. I15currently teach undergraduate and graduate level economics courses and16undergraduate statistics for William Woods University.

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1	Q.	HAVE YOU TESTIFIED PREVIOUSLY BEFORE THIS COMMISSION?
2	A.	Yes, I have testified regularly before the Missouri Public Service Commission.
3		(PSC or Commission).
4	Q.	WHAT ISSUES ARE ADDRESSED IN YOUR TESTIMONY?
5	А.	My testimony addresses general policy concerns with the Laclede Gas Company
6		(Laclede or the Company) proposal to modify its tariff to limit liability. I will
7		also address concerns with specific tariff language. Our legal counsel will
8		address Public Counsel's position on legal issues in this case including the issue
9		of whether the Commission has authority to limit liability.
10	Q.	WHAT MATERIAL HAVE YOU REVIEWED THAT IS RELEVANT TO THE PROPOSED
11		TARIFF?
12	А.	I reviewed the Company's current and proposed tariffs, the direct testimony of
13		Mr. David Abernathy, filed on behalf of Laclede, the PSC Staff Recommendation
14		filed in this case on November 19, 2008, portions of the Commissions rules,
15		accounting schedules and other materials from Laclede's most recent rate case
16		No. GR-2007-0208, Company testimony from Case No. GR-2001-629, Company
17		data request responses submitted to the Staff and Public Counsel and materials
18		regarding product and service offerings available on the websites of
19		Company's referenced in the Staff Recommendation.
20	Q.	WHAT IS THE PUBLIC COUNSEL'S RESPONSE TO THE STAFF
21		RECOMMENDATION?
22	А.	The Staff recommends rejection of the originally filed tariff sheets. In support of
23		its recommendation the Staff cites numerous deficiencies with the originally filed
24		tariffs. Public Counsel appreciates Staff's comprehensive review of the original
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1		tariff and shares the concerns uncovered by Staff's initial evaluation. Public
2		Counsel agrees with the Staff recommendation to reject the original proposed
3		tariff sheets filed in this case.
4	Q.	WHAT IS THE PUBLIC COUNSEL'S POSITION ON THE MODIFIED TARIFF
5		LANGUAGE FILED AS AN ATTACHMENT TO THE DIRECT TESTIMONY OF
6		COMPANY WITNESS MR. ABERNATHY?
7	А.	Although the Company characterizes the modified tariff language as representing
8		near consensus between Staff and the Company, Public Counsel continues to have
9		significant legal and policy concerns regarding the modified tariff language and
10		urges the Commission to reject both the original proposed tariff and the modified
11		language contained in Mr. Abernathy's direct testimony.
12	Q.	WHAT ARE YOUR GENERAL POLICY CONCERNS?
13	А.	I am concerned that Laclede's modified tariff language weakens customer
14	1	protections and weakens the Company's incentive to provide safe and adequate
15		service. The Company's proposal to limit its liability under all circumstances,
16		even when it is negligent, is unreasonable and against public interest.
17		The Company's proposal unreasonably shifts the risk to customers. When
18		damage or loss occurs, whether or not fault can be assigned, individual customers
19		may not have the financial wherewithal to sustain the loss or the ability to insure
20		against this loss at a reasonable price. Public Utilities have historically acted to
21		spread risk among and on behalf of all ratepayers in order to gain cost efficiencies
22		and to avoid catastrophic loss. Insurance coverage purchased by the company is a
23		reasonable method of spreading risk rather than saddling an individual home
24		owner with the loss.
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1		Laclede's customers have little independent control over the quality of
2		service they receive and no control over the purchase, installation or maintenance
3		of the company's equipment, meters, mains and other distribution system. They
4		have to rely on Laclede to ensure the safety and reliability of service and
5		equipment. Customers are usually banned from making repairs or otherwise
6		working on the Company's equipment.
7		Limiting Laclede's liability regardless of fault or negligence or the degree
8		of fault or negligence does not serve the public interest. The customer should not
9		be assigned liability for all risks, loss and damages without the customer's express
10		consent to assume that liability from the Company. It is overreaching for Laclede
11		to include this significant assumption of liability in its tariff for its monopoly
12		service. With liability comes responsibility and accountability, which gives an
13		incentive for the Company to provide safe and adequate service. Insulating the
14		Company from virtually all liability gives the company and its shareholders an
15		unreasonable escape from liability, responsibility, and accountability.
16	Q.	WHAT ARE YOUR SPECIFIC CONCERNS WITH THE TARIFF LANGUAGE?
17	А.	Public Counsel's specific concerns are summarized below:
18 19 20 21		1) The modified tariff language is over broad in defining compliance with duties and obligations in providing gas service and in limiting liability related to accident or negligence.
22 23 24		2) The Company's modified tariff language tariff does not make clear that the liability limitations would apply only to regulated services.
24 25 26 27		3) The Company's modified tariff language should not be used to relieve shareholder liability for unregulated product or service offerings.
27 28 29 30		<i>4)</i> The modified tariff language is ambiguous regarding the obligation to provide gas free of constituents.

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1 2 3 4 5 6 7		 5) The modified tariff language should not be used to relieve shareholder liability when the Company fails to conduct regular inspections required by Commission rules. 6) The modified tariff language may impact the Company's revenue requirement and is therefore best addressed in a rate case.
8	Q.	PLEASE DISCUSS YOUR FIRST CONCERN WITH THE TARIFF LANGUAGE.
9 10 11	А.	1) The modified tariff language is over broad in defining compliance with duties and obligations in providing gas service and in limiting liability related to accident or negligence.
12		The modified tariff language suggests that adherence to a limited number of
13		Commission rules should be considered full compliance with all duties and
14		obligations of providing safe transmission and distribution of gas;
15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33		The company shall be responsible for the safe transmission and distribution of gas, free of constituents (water or debris) that materially interfere with or adversely affect the safe and proper operation of Customer Equipment, until such gas passes the Point of Delivery to the Customer in a manner that complies with the pressure, quality and other requirements set forth in the Safety Standards of the Pipeline Safety Regulations of the State of Missouri, 4 CSR 240-40.030, and the Pipeline Safety Regulations issued by the U.S. Department of Transportation, 49 CFR Part 192. Such compliance shall constitute the safe transmission and distribution of gas by the Company's duties and obligations in the transmission and distribution of gas. Compliance with the above shall constitute a complete defense for the Company in any lawsuit against the Company by the Customer or any other person or entity for loss, damage or injury to persons or property, or death, arising in whole or in part from the transmission and distribution of gas by the Company.
34		Public Counsel disagrees that compliance with a limited number of Commission
35		rules should be considered full compliance with all duties and obligations of
36		providing utility service. As described in the Purpose section of 4 CSR 240-
37		40.030 and part 1(a) of 49 CFR Part 192 the rules provide only the minimum

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2 I 3 s 4 c	safety requirements an LDC is required to follow. In certain circumstances, Laclede may need to exceed these minimum safety requirements to ensure the safe provision of service. The declaration of "full compliance" is too broad and overreaching. This limited liability tariff should not be used as a total shield
3 s 4 c	safe provision of service. The declaration of "full compliance" is too broad and overreaching. This limited liability tariff should not be used as a total shield
4 c	overreaching. This limited liability tariff should not be used as a total shield
5 a	
1	gainst liability for issues or actions not specifically addressed or only generally
6 а	ddressed by Commission rules.
7	The modified tariff is also over broad in that it imposes extreme liability
8 li	imitations on virtually every activity affecting gas service at the customer
9 p	remise including limiting liability for accident or negligence;
10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28	Company will use reasonable diligence to furnish to Customer continuous gas service with natural gas that does not contain constituents (water or debris) that would materially adversely affect the proper and safe operation of Customer Equipment, but does not guarantee the supply of gas service against irregularities or interruptions. <u>Company shall not be considered in default of its service agreement with customer and shall not otherwise be liable for any damage or loss occasioned by interruption, failure to commence delivery, or failure of service or delay in commencing service due to accident to plant, lines, or equipment, strike, riot, act of God, order of any court or judge granted in any bonafide adverse legal proceedings or action or any order of any commission or tribunal having jurisdiction; or, without limitation by the preceding numeration, any other act or things due to causes beyond Company's control. Any liability of the Company under this paragraph due to the <u>Company's negligence shall be</u> <u>limited to the charge for service rendered during the period of</u> interruption or failure to render service, which shall be the sole and exclusive remedy, and shall in no event include any indirect,</u>

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1		Under certain circumstances, the action of the company may justify its liability
2		for some reasonable indirect, incidental, or consequential damages.
3	Q.	ON PAGE 10, LINES 7-11, MR. ABERNATHY STATES THAT " IT WOULD BE VERY
4	·	POOR PUBLIC POLICY FOR THE COMMISSION TO PRESUME THAT JUDGES AND
5		JURORS, WHO HAVE NO PARTICULAR TECHNICAL EXPERTISE IN HOW NATURAL
6		GAS SYSTEMS AND FACILITIES OPERATE, SHOULD NEVERTHELESS, SET THE
7		STANDARDS FOR WHEN A UTILITY HAS OR HAS NOT MET ITS OBLIGATIONS TO
8		PROVIDE NATURAL GAS SERVICE IN A SAFE MANNER" ARE THE COMMISSION
9		RULES SPECIFIC ENOUGH TO ELIMINATE JUDGEMENT REGARDING WHEN A
10		UTILITY HAS OR HAS NOT MET ITS OBLIGATIONS TO PROVIDE NATURAL GAS
11		SERVICE IN A SAFE MANNER?
12	Α.	Not in my opinion. The Commission rules do not address every action or
13		decision of the Company or its personnel.
14	Q.	DOES LACLEDE'S CURRENT TARIFF HOLD THE COMPANY'S CUSTOMERS
15		
15	ļ.	FINANCIALLY RESPONSIBLE FOR CUSTOMERS NEGLIGENCE?
16		FINANCIALLY RESPONSIBLE FOR CUSTOMERS NEGLIGENCE? Yes. While the Company seeks relief from liability due to negligence, customer
16 17 18 19		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer
16 17 18 19 20 21		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the
16 17 18 19 20		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the Company's employees or its authorized agents to handle same. In
16 17 18 19 20 21 22 23 24		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the Company's employees or its authorized agents to handle same. In the event of loss or damage to such property of the Company arising out of carelessness, negligence, or misuse by the customer
 16 17 18 19 20 21 22 23 24 25 26 		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the Company's employees or its authorized agents to handle same. In the event of loss or damage to such property of the Company
16 17 18 19 20 21 22 23 24 25		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the Company's employees or its authorized agents to handle same. In the event of loss or damage to such property of the Company arising out of carelessness, negligence, or misuse by the customer or his authorized agent the cost of making good such loss or
 16 17 18 19 20 21 22 23 24 25 26 		 Yes. While the Company seeks relief from liability due to negligence, customer are responsible for negligence with respect to customer extensions; 19. Extension of Distribution Facilities The customer shall protect the portions of the customer extension installed within his premises and shall, unless otherwise authorized by the Company, permit no one but the Company's employees or its authorized agents to handle same. In the event of loss or damage to such property of the Company arising out of carelessness, negligence, or misuse by the customer or his authorized agent the cost of making good such loss or

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Q.	PLEASE DISCUSS YOUR NEXT CONCERN WITH THE TARIFF LANGUAGE.
А.	2) The Company's modified tariff language tariff does not make clear that the liability limitations would apply only to regulated services.
	On an unregulated basis, the Company sells carbon monoxide detectors and an
	extensive array of gas appliances and equipment including furnaces, water
	heaters, grills, outdoor lights, air conditioners, dryers, ranges, fireplace logs, pool
	heaters and backup generators. (See Attachment 1) Laclede also offers
	unregulated services including appliance installation and repair, maintenance and
1	inspection services. (See Attachment 1) While branded and marketed as Laclede
	Gas products and services, most of these offerings are not governed by the
	Missouri Public Service Commission Rules.
	Because the Company offers both regulated utility services and unregulated
	services, failing to include a statement regarding the application of the tariff only
:	to regulated services may be confusing if not inaccurate. For example, the
I	modified tariff states;
	The Company does not own Customer Equipment, <u>nor is it</u> responsible for the design, installation, inspection, operation, repair, condition or maintenance of Customer Equipment, except for the testing and inspection requirements of 4 CSR 240- 40.030(10)(J) and (12)(S), or unless the Company expressly agrees in writing to assume such obligations. The 10(J) and 12(S) requirements are intended only to ensure the safe introduction of gas into Customer Equipment As with any equipment, Customer Equipment can be defective, fail, malfunction or fall into disrepair at any time, and Customer shall be deemed to be aware of this fact. It shall be presumed that such testing and inspections were performed in a safe and appropriate manner if such Customer Equipment operates as designed for 48 hours after gas service is initiated.

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	Case IN	0.01-2007-0050
1		However, the Company does perform installations, inspections, and repair and
2		maintenance of Customer Equipment on an unregulated basis.
3	Q.	DOES MR. ABERNATHY'S TESTIMONY MAKE CLEAR THAT THE COMPANY IS
4		SEEKING LIMITATIONS ON LIABILITY FOR ONLY REGULATED SERVICES?
5	A.	No. While Mr. Abernathy's testimony primarily discusses liability related to
6		regulated services, the following discussion that appears on page 6, lines 7-13, of
7		Mr. Abernathy's direct testimony appears to extend the application of the liability
8		limitations to unregulated services;
9 10 11 12 13 14 15 16 17 18		"At the same time, the tariff also recognizes that the Company is required by the Commission's rules to inspect and sometimes test such facilities when it initiates or turns on service and that the Company may also undertake to perform certain work in connection with such facilities at the customer's request. Under these circumstances, the tariff presumes that the Company performed these activities in a safe and appropriate manner, provided that the customer's equipment operates as designed and in a safe manner for 48 hours after gas service was initiated."
19 20		Another example appears on page 8, lines 3-5, of Mr. Abernathy's direct testimony;
21 22 23 24 25 26		" <u>Similarly, there should be limits on how long a utility like</u> <u>Laclede should be held financially responsible for claims arising</u> <u>from defects or malfunctions of customer owned equipment</u> that it may inspect <u>or work</u> "
27	Q.	ATTACHMENT D AND ATTACHMENT E OF THE STAFF RECOMMENDATION
28		INCLUDE LIABILITY TARIFF PROVISIONS FOR ELECTRIC AND NATURAL GAS
29		PROVIDERS IN MISSOURI AND OTHER STATES IN WHICH THE TARIFF LANGUAGE
30		DOES NOT SPECIFY THAT LIABILITY LIMITATIONS APPLY ONLY TO REGULATED
31		SERVICES. ARE CIRCUMSTANCES DIFFERENT WITH LACLEDE?

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1		Ver Withits the sector included in Association Devel Association for the Stoff
1	А.	Yes. While the tariffs included in Attachment D and Attachment E of the Staff
2	-	Recommendation may not contain language specifying that the liability
3		limitations apply only to regulated products and services, a review of these
4		companies' websites suggest that they provide only a limited number, if any
5		unregulated products and services (light bulbs, energy audits and bill paying
6		services) to residential customers.
7	Q.	PLEASE DISCUSS YOUR NEXT CONCERN WITH THE TARIFF LANGUAGE.
8 9 10	А.	3) The Company's modified tariff language should not be used to relieve shareholder liability for unregulated product or service offerings.
11		If interpreted to apply to unregulated services, sections of the modified tariff
12		language appear to limit liability associated with unregulated services that
13		Laclede may have provided. For example, the modified tariff states;
14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29		Subject to the Company's responsibility for the safe transmission and distribution of gas as provided above, and except as otherwise provided for herein, <u>upon expiration of the Non- Incident Operational Period</u> , as defined below, Company shall in no event be liable to Customer or anyone else, and Customer shall indemnify, hold harmless and defend the Company from and against any and all liability, claims, proceedings, suits, cost or expense, for any loss, damage or injury to persons or property, or death, in any manner directly or 'indirectly connected with or arising out of, in whole or in part (i) the release or leakage of gas on the Customer's side of the Point of Delivery; (ii) a leak and ignition of gas from Customer Equipment; (iii) any failure of, or defective, improper or unsafe condition of, any Customer Equipment; or (iv) a release of carbon monoxide from Customer Equipment.
30		Another example relates to the meaning of the term "service agreement".
31		If interpreted to apply to service agreements for unregulated services, the

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	Case No. GT-2009-0056
I	following sections of the modified tariff language appears to limit liability
2	associated with unregulated services;
3 4 5 6 7 8 9 10 11 12 13	<u>Company shall not be considered in default of its service</u> agreement with customer and shall not otherwise be liable for any damage or loss occasioned by interruption, failure to commence delivery, or failure of service or delay in commencing service due to accident to plant, lines, or equipment, strike, riot, act of God, order of any court or judge granted in any bonafide adverse legal proceedings or action or any order of any commission or tribunal having jurisdiction; or, without limitation by the preceding enumeration, any other act or things due to causes beyond Company's control
14	The Company should not gain a competitive advantage in the provision of
15	unregulated services by insulating liability related to unregulated services through
16	language included in the regulated services tariff.
17	Q. ON PAGE 8, LINES 9-12, MR. ABERTNATHY STATES THAT "IN CONTRAST TO
18	UNREGULATED FIRMS WHO PERFORM SIMILAR SERVICES ON CUSTOMER-OWNED
19	APPLIANCES AND EQUIPMENT, MUCH OF THE INSPECTION AND TESTING WORK
20	DONE BY THE COMPANY ON SUCH FACILITIES IS MANDATED BY THE COMMISSION
21	AND PROVIDED WITHOUT ANY DIRECT CHARGE TO THE CUSTOMER" DOES
22	THE COMPANY COLLECT ANY DIRECT CHARGE FOR REGULATED INSPECTION
23	AND TESTING DONE BY THE COMPANY?
24	A. Yes. The Company collects a Service Initiation Fee and Reconnection Fee that
25	are designed to recover the cost of inspections when gas is turned on. The work
26	activities associated with these fees were described in the direct testimony of
27	Company witness John J. Kozyrski Jr. in Case No.GR-2001-629. (See Attachment
28	2) The cost of other regulated activities is directly recovered through rates.

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1	Q.	PLEASE DISCUSS YOUR NEXT CONCERN WITH THE TARIFF LANGUAGE.
2 3	A.	4) The modified tariff language is ambiguous regarding the obligation to provide gas free of constituents.
4 5		Shown below are two excerpts from the modified tariff language regarding
6		Laclede's obligation to provide gas free of constituents.
7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25		The Company <u>shall be responsible for</u> the safe transmission and distribution of gas, free of constituents (water or debris) that materially interfere with or adversely affect the safe and proper operation of Customer Equipment, until such gas passes the Point of Delivery to the Customer in a manner that complies with the pressure, quality and other requirements set forth in the Safety Standards of the Pipeline Safety Regulations of the State of Missouri, 4 CSR 240-40.030, and the Pipeline Safety Regulations issued by the U.S. Department of Transportation, 49 CFR Part 192.
26		provide gas free of constituents that is assigned to Laclede by the first excerpt.
27	Q.	PLEASE DISCUSS YOUR NEXT CONCERN WITH THE TARIFF LANGUAGE.
28 29 30 31 32	А.	 5) The modified tariff language should not be used to relieve shareholder liability when the Company fails to conduct regular inspections required by Commission rules. For example, the modified tariff states;
33 34 35 36 37 38 39 40		Absent actual, specific knowledge of a dangerous condition on a Customer's premises, gained through notice to the Company by the Customer, or by the Company's discovery during the Non-Incident Operational Period described above, the Company's obligation to provide warnings or safety information of any kind to the Customer shall be limited to the obligations that are imposed by Sections (1)(K), (1)(L), (10)(J) and (12)(S) 2 of the Safety Standards of the Pipeline Safety Regulations of the State

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1 2 3 4		of Missouri, 4 CSR 240-40.030(1)(K)-(L), (10)(1) (12)(S) 2; and Section 192.16 of the Pipeline Safety Regulations of the U.S. Department of Transportation, 49 CFR 192.16.
5		While the Company is required to inspect pipes exposed to air at least once every
6		three years (4 CSR 240-40.030(9)(Q)), if it had been more than three years since
7		the Company was last at the customer's premises to perform testing, inspection or
8		other work, the Company might be shielded from liability associated with
9		providing customer notice despite having missed a required inspection.
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10	Q.	PLEASE DISCUSS YOUR NEXT CONCERN WITH THE TARIFF LANGUAGE.
11 12	А.	6) The modified tariff language may impact the Company's revenue requirement and is therefore best addressed in a rate case.
13 14		The Company argues that the modified tariff will not have an immediate affect on
15		the cost associated with liability that are included in revenue requirement,
16		however, the Company does not deny that there will be an impact. As discussed
17		above, the proposed limitations on liability are extensive and seek to shift risk and
18		associated cost to ratepayers. It seems reasonable that to the extent that the
19		Commission grants liability limitations the impacts should be quantified and
20		accounted for along with all other relevant factors in the context of a rate case.
21	Q.	DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?
22	A.	Yes.

Laclede Gas Company: Repair and Inspections

Laclette Gas

- Home /
- · Products & Services /

Repair and Inspections

All you need to service natural gas appliances is one tool — a telephone:



Just call the gas service experts at (314) 621-6960 (toll calls: 1-800-887-4173) for prompt, dependable service of any natural gas appliance. Laclede Gas has the people, the parts and the know-how to do the job right.

For service of:

gas furnaces, gas water heaters, gas grills, gas lights, gas air conditioners, gas dryers, gas ranges, gas logs, gas pool heaters.

Call the natural gas experts for a gas furnace inspection:

- check and clean your heating system
- examine the blower and venting systems, filters and cold air returns
- check the thermostat
- inspect ignition and burner for safe operation

Pay for your repair service or inspections on your monthly gas bill.

For Laclede Gas' other division, call:

- In Farmington: (573) 431-2020 or (573) 783-6451
- In Festus: (636) 931-8383 or 1-877-664-2726
- In Poplar Bluff: (573) 785-9681
- In Union: (636) 584-8440 or 1-800-675-6577

Gas appliance service work is not subject to PSC regulation.

Attachment 1 1 of 19

Laclede Gas Company: Carbon Monoxide Alarm

Laciede Gas

- Home /
- Products & Services /

Carbon Monoxide Alarm



To protect yourself and your loved ones, depend on a top-quality, UL-approved carbon monoxide alarm from Laclede Gas.

The Nighthawk Utility Deluxe Carbon Monoxide Alarm is equipped with a loud 85-decibel alarm, a rechargeable battery back up, and a full 7-year factory warranty. The American Gas Association recommends it.

Pay on your monthly bill - \$60 tax included - in six payments with no interest. Free delivery.

To order your CO Alarm today, call (314) 621-6960. (toll calls: 1-800-887-4173)

- In Farmington, call (573) 431-2020.
- In Festus, call (636) 931-8383.
- In Poplar Bluff, call (573) 785-9681.
- In Union, call (636) 584-8440.

Carbon monoxide protection begins with an annual furnace inspection, either by Laclede or a qualified heating contractor. The U.S. Consumer Product Safety Commission urges all homeowners with fuel-burning appliances or attached garages to install a separate CO alarm on each level of your home.

Attachment 1 2 of 19



8/14/2009

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Time for a new water heater? Natural gas water heaters provide plenty of hot water when you need it, heating water nearly twice as fast as typical electric units. Service is limited to Laclede Gas customers. Same, or next day service is often available. Pay up to six months interest-free, or finance up to three years.

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 Washers & Dryers Indoor Water Heaters 	Napoleon Patio Flame 60,000 Btu's, stainless steel construction. Does not Include stones as shown.	DID YOU KNOW? (Lociede Gzs carries microwo ovens and Energy Star complia
 Gas Logs Fireplaces Space Heaters 	click to	refrigerators, too? Ask our sak professionals for details.
	Napoleon Patio Heater 40,000 Btu's, brown, black, or stainless steel. 10 to 12 hours of run time on propane tank; natural gas available. Provide radiant heating during cool weather?	ASK LACLEDE! Looking for something else? We can order just about any product. Just esk Laclede!
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FIREPLACES

Fireplace systems are customized. Start by choosing the appropriate size firebox and vent-free gas logs, then select a style and finish for your mantel and trim. The choices allow you to build a fireplace to sult your taste and décor.

PRODUCT DETAIL



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The Classic AH Cast Iron Stove, by White Mountain Hearth, is a traditionally styled stove containing a strikingly detailed ceramic fiber gas log set. The result is an attractive, efficient heater that lends elegance to any decor.

Vintage AH

The flat black casting can be painted using any of the six White Mountain Hearth designer colors shown on this page or select any high-temperature stove coatings - available at most hearth stores. A floor pad is necessary for the stove if it's placed on carpet or tile.

Vail 32 & 36 Series

The Vall series is our most popular vent-free fireplace. A variety of options makes the Vali customizable and a perfect addition to your home.





Vall 24 Series

The Vail 20 is the perfect solution when space is at a premium, but quality and beauty are important. Perfect for fofts and remodeling projects, the Vail 20 is a cost effective choice, biending style and heating function.

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 Ranges RefFRIGERATORS Cook Tops Wall Ovens Wall Ovens Refrigerators Deep Freezes Dishwashers Washers & Dryers Washers & Dryers Washers & Dryers Water Heaters Gas Logs ASK US ABOUT Microwave Ovens Range Hoods ASK US ABOUT Microwave Ovens Range Hoods ReLATED CATEGORIES Dishwashers Deep Freezes Dishwashers Crossiey pricing, Laclede Gas customers may finance their purchase on the monthily gas bill. ReLATED CATEGORIES Dishwashers ASK US ABOUT Microwave Ovens Range Hoods Dishwashers ASK LACLEEDES 	6. Appliances				
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 Water Heaters Gas Logs Fireplaces Space Heaters Butdoor Butdoor ASK US ABOUT RELATED CATEGORIES Deep Freezes ASK LACLEDEI 	Dishwashers Washers & Dryers		When it's time for a new refrigerator, Energy Star is a good place to start. Browse the links above, your price is the MSRP. Call for	SHOP BY PHONE Z Call us today at (314) 342-0709 toll free at (800) 264-0347.	
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Exhibit No.: Issue: Witness: Type of Exhibit: Sponsoring Party: Case No.:

Service Initiation Fees John J. Kozyrski, Jr. Direct Testimony Laclede Gas Company GR-2001-629

LACLEDE GAS COMPANY

GR-2001-629

DIRECT TESTIMONY

OF

JOHN J. KOZYRSKI, JR.

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BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's) Tariff to Revise Natural Gas Rate) Schedules.)

Case No. GR-2001-629

<u>AFFIDAVIT</u>

SS.

STATE OF MISSOURI)) CITY OF ST. LOUIS)

John J. Kozyrski, Jr., of lawful age, being first duly sworn, deposes and states:

1. My name is John J. Kozyrski, Jr.. My business address is 720 Olive Street, St. Louis, Missouri 63101; and I am Director of Marketing for Laclede Gas Company.

2. Attached hereto and made part hereof for all purposes is my direct testimony, consisting of pages 1 to 3, inclusive.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

John

Subscribed and sworn to before me this 17th day of May, 2001.

KENNETH M. BEERUP, JR. Notery Public — Notery Seal STATE OF MISSOURI City of St. Louis My Commission Expires: Dec. 19, 2003

Attachment 2 2 of 5

DIRECT TESTIMONY OF JOHN J. KOZYRSKI

Q. What is your name and address? 1 2 Α. My name is John J. Kozyrski, Jr., and my business address is 720 Olive Street, 3 St. Louis, Missouri, 63101 By whom are you employed and in what capacity? 4 Q. 5 Α. I am employed by Laclede Gas Company in the position of Director - Marketing. 6 Q. Please state your qualifications and experience. 7 Α. I graduated from the University of Michigan in 1970, where I received the degree 8 of Bachelor of Science in Mechanical Engineering. I have been a registered 9 professional engineer in the State of Michigan since 1975. From 1970 to 1993, I 10 was employed by Michigan Consolidated Gas Company in Detroit, Michigan in 11 various management positions with responsibility for marketing, customer service, distribution operations, and corporate engineering and construction. I 12 also served as President of EnCon Energy Services, an independent subsidiary 13 14 c providing technical consulting services to gas marketing organizations. In 1993, I 15 joined Washington Natural Gas Company in Seattle, Washington as Vice 16 President - Engineering. In 1994, I served as Vice President - Gas Operations with responsibility for system operations, engineering, customer service, and 17 storage partnerships. In 1997, our organization merged with Puget Sound Power 18 and Light to form Puget Sound Energy at which time my customer service 19 responsibility was reassigned to a new business unit and I assumed the additional 20

responsibility for business development. In 1999, I joined Laclede Gas as
 Director - Marketing.

3 Q. Would you please explain the purpose of your testimony?

A. My testimony will identify specific services provided to a group of customers
where the cost of performing the service is currently shared by other nonparticipating customers. My testimony will assign the cost of performing the
services to the select customers requesting each service.

8 Q. Please explain the proposal.

A. Each year the Company receives approximately 85,000 requests to "turn-on" gas
service for our customers. As part of this service, we incur expenses for such
tasks as reading the meter, turning the gas on, and performing all related safety
inspections. At issue is the responsibility for "cost causation". The Company
proposes that the customers generating the requests for these services should be
charged accordingly rather than distribute the cost to customers who have
remained in the same home for years.

The Company proposes to incorporate a new service initiation fee into its schedule of customer charges. The base charge will be \$36 for each request to initiate gas service.

The Company also proposes to offer premium service initiation to customers requesting off-hour service. For service during non-regularly scheduled work hours, Sundays and holidays, a service premium charge of \$18 would be added to the base fee. Customer requested appointments would be confirmed at the option

Attachment 2 4 of 5