

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Paper, Allied-Industrial, Chemical, and
Energy Workers Local No. 5-6,

Complainant,

v.

Laclede Gas Company,

Respondent.

Case No. GC-2006-0060

AFFIDAVIT OF JOSEPH SCHULTE

STATE OF MISSOURI

COUNTY OF ST. LOUIS

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) ss
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Joseph Schulte, of lawful age and being first duly sworn, deposes and states:

1. My name is Joseph Schulte. I am a Business Representative of United Steelworkers of America Local Union 11-6, AFL-CIO, formerly known as Paper, Allied-Industrial, Chemical, and Energy Workers Local No. 5-6, AFL-CIO ("Local 11-6").

2. Local 11-6 represents employees in various physical plant job classifications such as production, maintenance, operations, and distributions. These employees include meter readers, service persons and trouble shooters.

3. I was formerly employed at Laclede Gas Company ("Laclede") as a gas man, service person and troubleshooter represented by the union currently known as Local 11-6 for 25 years. I last worked as a service person or troubleshooter in 1991. Thereafter, I went on leave of absence due to my union position and then retired on March 1, 2004.

4. Prior to the tariff revisions at issue, Laclede had a long-standing practice of having service workers represented by Local 11-6 conduct full inspections when performing transfers of gas service at residences, known as "turn off/turn ons." These inspections consist of inspecting the meter and every gas appliance in the residence to be sure gas lines are connected and not leaking, valves are turned properly, flues are in proper working order and there is no blockage, carbon build-up or odor of gas that could foreshadow carbon monoxide poisoning or danger of fire or explosion.

5. Laclede also has a long-standing practice of having meter readers conduct visual inspections and be cognizant of gas odors when conducting an annual meter reading.

6. Approximately three years ago, Laclede mandated that all meter readers wear a pocket leak detector that is allegedly substantially more reliable at detecting gas than a trained nose, and can even detect a gas leak from outside of a residence. (Service persons were already checking every residence they entered for leaks with one of two hand-held leak detectors.) I understood that the purpose of this change was to increase safety, in recognition of the fact that, even in the best of circumstances, time alone will cause eventual gas leaks which are difficult to detect without training and a full inspection. The idea was that the device would make a meter reader or service person more likely to detect a problem on a routine call.

7. These long-standing practices, in association with the addition of pocket leak detectors, created a low rate of unintentional carbon monoxide poisoning, gas fires and gas explosions in residences in the geographical areas of St. Louis City and County, St. Charles County, Franklin County and Jefferson County, Missouri.

8. Based on the tariff revisions at issue here, however, Laclede has begun ceasing its long-standing practices of turn off/turn ons and of annual meter reading inspections wherever automatic meter reading devices ("AMR") has been installed by Laclede's subcontractor, Cell Net.

9. Local 11-6 has attempted on numerous occasions, to no avail, to engage Laclede in discussion about its safety concerns arising from Laclede's cessation of turn off/turn ons and of annual meter reading inspections.

10. Local 11-6's concern that Laclede would reduce its vigilance concerning employee, customer and public safety was the primary reason for filing the complaint in this matter.

11. After filing the complaint, Local 11-6 monitored Laclede's actions to determine whether Laclede would actually cease its practices of turn off/turn ons and partial inspections during meter reading. It has done so wherever Cell Net has already installed AMR.

12. We further conducted sampling of Laclede hazard tickets over a five-month period (May 2005—September 2005). A hazard ticket is a form that gas workers (both meter readers and service persons) are required to complete when alerted to a safety hazard at a residence. That sampling, a true and accurate copy of which is attached here as Exhibit 1, reflects numerous, potentially life-threatening problems that were discovered as a result of turn off/turn on inspections.

13. For example, Exhibit 1 lists numerous residences in which the heat exchanger of a furnace carbonized. (*See, e.g.*, entries for May 17, 18, 26, 31; June 3, 7, 22, 30; July 1, 2, 6, 7, 12, 22, 26, 28; August 1, 2, 15, 21, 27; September 1, 3, 6, 9, 12, 17,

20) I am personally familiar with the hazards that presents. When a furnace is burning the wrong mixture of gas and air, it burns yellow, rather than blue, creating a black carbon that blocks the chambers of the heat exchanger. This causes flames to float or roll out of the front of the furnace, which creates an immediate fire hazard and can lead to an explosion. I personally found and corrected instances of carbonized heat exchangers when conducting turn off/turn ons.

14. Exhibit 1 also lists numerous residences in which there was a hole in a vent pipe or an improperly fitted vent or flue pipe. (*See, e.g.*, entries for May 7, 14, 20, 26; June 1, 2, 3, 6, 7, 14, 21, 23, 25; July 1, 2, 7, 14; August 3, 4, 8, 9, 10, 11, 12, 23, 24, 31; September 19, 20, 23) I personally found and corrected instances of improper connections of vent or flue pipe when conducting turn off/turn ons and I am familiar with the hazards that presents. In the course of our investigation into these safety issues over the last few months, a Local 11-6 member took a photograph, a true and accurate copy of which is attached and incorporated here as Exhibit 2. Exhibit 2 represents a flue pipe that has pulled away from the chimney, probably due to normal erosion to the mortar. This allows carbon monoxide to leak into the house, potentially killing all the residents. Exhibit 2 also appears to show a steel seam that has expanded to fit the pipe because of the absence of metal screws to hold it to the pipe, therefore allowing further leaking. In the course of conducting turn off/turn ons, I have also detected heater flues that leaked because they were blocked by bricks or mortar that fell in due to erosion; that leaked because they were blocked by pigeons that roosted on the warm flue top, got dizzy from the carbon monoxide and fell in, then flew into the pipe while trying to escape; and that were blocked or pulled away from the chimney due to roof work or hail damage. In each

case, the leak causes carbon monoxide to pump back into the house, which can quickly and silently kill the residents.

15. Exhibit 1 further reflects appliance connector hazards detected on turn off/turn ons. (*See, e.g.*, entries for May 20; July 19; September 20, 28) I personally found and corrected instances of hazardous appliance connectors when conducting turn off/turn ons and I am familiar with the hazards that presents. For example, I recall a turn off/turn on in Affton where I found a plastic sandwich bag wrapped around a gas stove pipe in the kitchen and held in place by a rubber band, because the former resident had removed the stove. The bag was inflated like a balloon, because it was filled with gas. Moreover, the bag was not gas impermeable, so gas was slowly leaking into the house. If the bag had ruptured, the house would likely have exploded within a few hours. This particular house in Affton was on a crowded and very public street, where school kids and others walked by it. If the house had exploded, it would not only have destroyed the residence with the leak, it would also have caused property damage to the adjacent houses and the house across the street and it would likely have killed any passersby.

16. In the course of our investigation into these safety issues over the last few months, a Local 11-6 member took a photograph, a true and accurate copy of which is attached and incorporated here as Exhibit 3. Exhibit 3 reflects a busted connector for a range or clothes dryer that probably occurred when the former resident removed the appliance while transferring residences. Carbon monoxide leaks through the busted connector into the house.

17. The types of hazards reflected in ¶¶15-16 above are a common occurrence when people are moving appliances out of residences. Left unchecked, the new resident

would likely have been the victim of a gas leak and subsequent fire or explosion.

Employees of Laclede represented by Local 11-6 commonly catch and correct these hazards during turn off/turn ons.

18. Another group of hazards that I commonly observed during turn off/turn ons was delayed ignition ovens, where the pilot does not ignite the burner immediately. The delay of ignition is due to white carbon build up, which causes the oven to fill up with gas. Eventually, an explosion will result.

19. In the course of turn off/turn ons, a service person is likely to detect any leak or other irregularity in Laclede's gas line going into the resident's meter, as well as in the gas line coming out of the meter. Such irregularities occur because of poor installation or normal erosion. Leaks of this sort result in gas seeping through the wall into the residence, another prime source of carbon monoxide poisoning and explosion.

20. Turn off/turn on inspections are also important because they permit the Laclede service person to detect general leaks, either due to the odor of gas or the pocket leak detector.

21. Based on the above-referenced sampling, other reports from the field and the personal knowledge held by me and other representatives of Local 11-6 of substantial and imminent safety risks, we are asking this Commission to issue an immediate order requiring Laclede to reinstate turn off/turn on inspections and conduct all those missed since the policy change in July 2005, subject to modification following a full evidentiary hearing.

22. At this time, Laclede estimates it has installed approximately 210,000 automatic meter reading ("AMR") devices, which includes most of St. Charles County.

See "News 4 Investigates: Automated gas meters," January 27, 2006, at p. 2, a true and accurate copy of which is attached and incorporated here as Exhibit 4. It is our belief that a substantial number of those residents are in imminent danger of carbon monoxide poisoning, gas fire or gas explosion based on leaks caused by AMR installation or failure to conduct turn off/turn ons upon the transfer of service. Residents in the areas where AMR has been installed, who are no longer receiving turn off/turn ons, would be greatly benefited by this return to the status quo.

23. Conversely, the harm to Laclede if required to reinstate turn off/turn ons and conduct missed turn off/turn ons pending a full evidentiary hearing is minimal in comparison with the harm (and financial cost) if a single resident dies as a result of Laclede's failure to conduct a turn off/turn on. This is especially true since Laclede is not ceasing turn off/turn ons until AMR has been installed and Laclede is having AMR installed at the rate of approximately 30,000 meters per month. Accordingly, the number of missed turn off/turn ons is increasing each month, as more AMR devices are installed, but should be relatively minimal to date.

24. Local 11-6's concern for customer and public safety are shared by some or all of the cities and counties served by Laclede, as reflected by the resolutions attached hereto as Exhibits 5-9, all of which are true and accurate copies of public records. Exhibit 5 is a resolution to this effect by the City of St. Louis; Exhibit 6 is a similar resolution by St. Louis County; Exhibit 7 is a similar resolution by Jefferson County; Exhibit 8 is a similar resolution by the City of O'Fallon; Exhibit 9 is a similar resolution by the City of Florissant, as well as a subsequent press release on the subject from Mayor Lowery.

25. I hereby swear and affirm that my statements contained herein are true and correct to the best of my knowledge and belief.

Joseph A. Schulte
Joseph Schulte

Subscribed and sworn to me this 3rd day of February, 2006.

Hannah M. Merritt
Notary Public

My Commission Expires:

