

~~Staff~~ Exhibit No. 3
Date 11-07-07 Case No. GC-2007-0445 3
Reporter KE Ex 11

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Missouri Public
Service Commission

REPORT OF THE STAFF

TO: Missouri Public Service Commission Official Case File
Case No. GC-2007-0445 Cesar M. Alba versus Laclede Gas
Company

FROM: /s/Marilyn Doerhoff, Consumer Services Coordinator

DATE: July 13, 2007

/s/ Marilyn Doerhoff 7/13/07 /s/ Steve Reed 7/13/07
Consumer Service Department/Date General Counsel's Office/Date

COMPLAINT

On May 23, 2007, Cesar M. Alba (Mr. Alba or Complainant) filed a formal complaint case against Laclede Gas Company (Laclede or Company) stating in his complaint that due to the Company's negligence in conducting service calls at his premise where he currently resides, that he experienced unusually "high gas charges, late charges and over charges, that all of those charges should be dropped and that the Missouri Public Service Commission should impose punitive damages for such inexcusable negligence and over billings". In addition, Mr. Alba also states directives that Laclede should follow when inspecting for gas leaks.

On May 24, 2007, the Missouri Public Service Commission (Commission) issued an Order Directing Staff to Investigate and File a Report and Directing Other Filing regarding Mr. Alba's formal complaint. Following are the findings of the Staff's investigation.

STAFF FINDING

Staff has reviewed the information provided by Mr. Alba in his formal complaint and Laclede's billing and service order records. Mr. Alba asserts that Laclede was negligent in their performance of the service that resulted in unusual very high charges, late charges and over-charges. Staff has determined that Laclede did over-estimate Mr. Alba's bills from October 2006 to December 19, 2006; however, the Company made the necessary adjustments to Mr. Alba's account with the actual reading that was obtained when the meter was replaced on December 19, 2006. Subsequent bills issued on the Complainant's account have been based on actual usage provided to Laclede by the Automated Meter Reading (AMR) device installed on the existing meter.

Staff obtained and reviewed all work orders pertaining to special reads and gas odor reports (Schedule 1), all of which appear to be in line. Staff also verified that the procedures used by Laclede when performing the turn on inspection are significant and

the testing solution used by Laclede to check for gas leaks is comparable to the liquid soap and water method mentioned in Mr. Alba complaint.

DISCUSSION

On February 8, 2007, Mr. Alba filed an informal complaint with the Consumer Services Department by phone, in which he stated that a high bill inspection was scheduled for February 8, 2007, however, Laclede did not show up at his premise and when he called the company was told the inspection was not necessary that the meter was right. A new meter was installed and still bills are too high. Mr. Alba also stated that a private contractor checked his lines previously and that minor leaks were fixed but felt something was still wrong.

Staff immediately began its informal investigation by requesting customer account notes, service call details and a statement of account from Laclede. As a result of its informal investigation, Staff found the following:

- On 10/12/06, gas service was turned on for Mr. Alba at 3931 Minnesota Ave. - 2FL. The meter reading at this time was x5846. Prior to Mr. Alba's request for service, service had been turned off at the premise since 2004.
- On 11/2/06, Mr. Alba contacted Laclede and requested a special read for 11/6/06, in the AM.
- On 11/6/06, a special meter reading was obtained with an index of x5915.
- On 12/12/06, Mr. Alba contacted Laclede and requested another special read for 12/18/06. It was noted that Mr. Alba requested the reading due to previous estimations on his account. He was advised that his account would be adjusted accordingly, based on the special reading, the index obtained was x6185. The reading indicated an over-charge, as Mr. Alba had previously been estimated to x6234 as of 11/29/06.
- On 12/19/06, the customer reported a gas odor. A Laclede Customer Relations representative advised Mr. Alba that as his account balance was in arrears that Laclede could not perform any service work. Additionally, should a leak be concealed the company would be unable to repair and he would need to contact a contractor for repairs.
- On 12/19/06, a technician was dispatched. It was determined that a leak existed on the customer's fuel runs. While at the premise the meter was replaced. The old meter was removed at x6190 and the new meter set at x3222. The new meter included an AMR device. The meter was left off and locked.

- On 12/21/06, Mr. Alba contacted Laclede. He reported that the leaks in his fuel runs had been repaired. A technician was dispatched and the gas service was restored.
- On 1/12/07, a corrected billing was rendered. The prior gas balance was \$542.55. A late fee of \$5.20 was assessed on this balance and a customer payment of \$196.00 credited to his account. The charge for gas service was from 10/12/06, meter reading index of x5846 to 12/19/06, x6190, meter change index and from 12/19/06, new meter reading index of x3222 to 1/2/07, meter reading index of x3296, for 418 CCfs of actual usage. The gas charge was \$538.12. Previous billings and late fees rendered during this time frame were credited, in the amount of \$511.75, which resulted in an account balance of \$378.12.
- On 2/8/07, Laclede issued a bill for service rendered from 1/2/07, beginning meter reading index of x3296, to 1/31/07, ending meter reading of x3533, for 237 CCfs of actual usage. The current gas charge was \$291.01. This bill also included a prior account balance of \$209.72, for a total account balance of \$500.73 (Schedule 2).
- On 2/8/07, Mr. Alba contacted Laclede regarding his bill. He provided a self-reading over the phone of x3637, which was in-line with the AMR reading from the UDL, and thus the representative explained that the billings have been accurate.
- It should be noted that no problems were found when gas service was restored on 12/21/06, as a cursory safety inspection was also completed at that time.

RECOMMENDATION

With regard to Complainant's request that the unusual very high charges, late charges and over charges that resulted due to negligence in the performance of service be dropped, the Staff has found no violation of Laclede's tariffs or Commission rules based on the information provided by the Mr. Alba and Company.

With regard to Complainant's request that the Missouri Public Service Commission impose punitive damages for inexcusable negligence, such claims are outside the scope of the Commission. Our General Counsel has advised that with respect to the authority of this Commission, the Missouri Supreme Court has held that:

"The Public Service Commission has full authority to investigate complaints about rates or service and can make reports to remedy the situation in the future, but it cannot grant monetary relief for compensation for past overcharges or damages."

HC

May Department Stores Company v. Union Electric Light & Power Company et al., 107 S.W. 2d 41,58 (1937).

In summary, Staff has reviewed the information provided by both Mr. Alba and Laclede. As a result of its investigation and analysis, the Staff finds no tariff or rule violation on the part of Laclede. Therefore, Staff recommends the Commission dismiss the complaint.

107 S.W. 2d 41,58 (1937)

HC

REVIEW ORDER REASON

574751-011	Office Located LACLEDE
(F)ield (R)outed R (D)ispatched:	Order No. 061125774 Dist. C Area 02
Grid No. H12483D	Account No. 574751-011
Date Scheduled 11/06/06	Meter No. 001252645
AM X PM AL	Meter Size 250AM Loc. INSIDE

SERVICE INFORMATION: Tee 13 SNBL Main 03 WECL	Leak Information NO MATCH FOUND
Curb Box 01 WWCL Riser 00 Service 13 SNBL	Leak # DID DETECTOR
Material PLASTIC Branch Service N	Location
	Detected Gas: ALARM?
	Source of Gas: YES / NO

Name ALBA, CESAR	Cust Phone 773-983-5957
Service Address 3931 MINNESOTA AVE 2FL	Owner/Tenant OWNER
Township ST LOUIS, MO 63118	
Special Inst: 8-12 RING/KNK ON FRNT DOOR	
Special Inst: I/S METER	






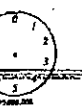




JOB DESCR. MYRS 16 *** METER SERVICE ORDER *** MTR STAT ACTIVE
METER READ ONLY
TAKEN 04/18/91 BASEMENT

LAST COMPLETED ORDER TURN ON 10/12/06 00088 TENANT=011
COMMENT () X5846

Ordered By MR ALBA

OFFICE USE ONLY: Date Taken 11/02/06	Time Taken 09.36.53	Operator 00477 BUTLER, TONIQUE
Mailing Address	City ST	ZIP
Meter Sets: Town Code 001-ST LOUIS	Route 2583	
Rate 2RL Revenue Class 001 Norm .8333	Add .4413	Tax Code T
SVC Press LOW	Geographic Location	

() CHECK IF EXTRA FIELD WORK DONE. SEE REVERSE FOR COMPLETED INFORMATION

Main Meter 001252645	COMPLETION INFORMATION
Old Meter No. 001252645	New Meter No. _____
Device Number _____	Device Number _____
No. of Dials: 4	No. of Dials: _____ MTR-TEE: _____
Location: INSIDE Size: 250AM	Location: _____ Size: _____
D.R. METER REPORT	Meter Found DR _____ Not DR _____
	Device Found DR _____ Not DR _____
CURRENT METER READING:	NEW METER READING:
    	    
READINGS ==> 5967E	LAST READ DATE 10/27/06
INDEX READING	INDEX READING
Top/Front/Meter 5915	Top/Front/Meter _____
Bot/Rear/Device _____	Bot/Rear/Device _____
Veeder _____	Veeder _____
HIGH/LOW READINGS FROM SYSTEM: Low 6010 High 6039 Verified	
ORDER STATUS	EMPLOYEE NUMBER 5599
Service Person Signature	DATE COMPLETED 11-6-06
Comment	TIME START 9:30
	TIME COMPLETE

REVIEW ORDER REASON

574751-011

(F)ield (R)outed R (D)ispatched:
Grid No. H12483D
Date Scheduled 12/18/06
AM X PM AL

Office Located LACLEDE
Order No. 061216910 Dist. C Area 02
Account No. 574751-011
Meter No. 001252645
Meter Size 250AM Loc. INSIDE

SERVICE INFORMATION: Tee 13 SNBL Main 03 WECL
Curb Box 01 WWCL Riser 00 Service 13 SNBL
Material PLASTIC Branch Service N

Leak Information NO MATCH FOUND
Leak # Class
Location DID DETECTOR
Detected Gas: ALARM?
Source of Gas: YES / NO

REQUIRED INSPECTIONS:

Name ALBA, CESAR
Service Address 3931 MINNESOTA AVE 2FL
Township ST LOUIS, MO 63118
Special Inst: METER READ HERE; 12/18; AM; TO ADJUST CURRENT BILL/EST BILL
Special Inst: KNK FRONT DOOR/RING BELL FOR ACCESS
Cust Phone 314-771-2155
Owner/Tenant OWNER

JOB DESCR. MTRS 16 *** METER SERVICE ORDER *** MTR STAT ACTIVE
METER READ ONLY
TAKEN 04/18/91 BASEMENT

LAST COMPLETED ORDER TURN ON 10/12/06 00088 TENANT=011
COMMENT () X5846

Ordered By CESAR ALBA

OFFICE USE ONLY: Date Taken 12/12/06 Time Taken 11.03.11 Operator 00565 DAVIS, BRADLEY
Mailing Address _____ City _____ ST _____ ZIP _____
Meter Sets: Town Code 001-ST LOUIS Route 2583
Rate 2RL Revenue Class 001 Norm .8333 Add .4413 Tax Code T
SVC Press LOW Geographic Location _____

() CHECK IF EXTRA FIELD WORK DONE. SEE REVERSE FOR COMPLETED INFORMATION

Main Meter 001252645 COMPLETION INFORMATION

Old Meter No. 001252645 New Meter No. _____
Device Number _____ Device Number _____
No. of Dials: 4 No. of Dials: _____ MTR-TEE: _____
Location: INSIDE Size: 250AM Location: _____ Size: _____

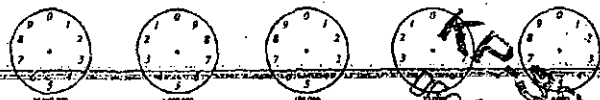
D.R. METER REPORT Meter Found DR _____ Not DR _____
Device Found DR _____ Not DR _____

CURRENT METER READING:



READINGS ==> 6234E LAST READ DATE 11/29/06

NEW METER READING:



INDEX READING 6185 Mult INDEX READING 6185

Top/Front/Meter _____
Bot/Rear/Device _____
Veeder _____

HIGH/LOW READINGS FROM SYSTEM: Low 6333 High 6400 Verified

ORDER STATUS EMPLOYEE 5786 DATE COMPLETED 12-18-06 TIME START 10:32 TIME COMPLETE 10:35
Service Person Signature _____
Comment _____

[illegible]

12/19/2006 8:51:58		LACLEDE		C		2	
H12463D		08897		051228089			
12/19/2006		DW		574751-011			
AM				001262845			
				25CAN			
13 SNBL		03 WCL		NO PRIOR			
01 WACL		13 SNBL					
PLASTIC		N					
ALBA CESAR							
5931 MINNESOTA AVE 2 FL				OWNER			
ST LOUIS MO		63118					
INSTALL AMR METER							
MTR 3 04		0		ACTIVE			
METER CHANGE				SYSTEMATIC			
12/19/2006		2RL		LOW		8883	
C							
12/19/2006 9:15:00		12/19/2006 10:34:03		08897			
BASCH J.							
new meter installed							

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12/21/2006 9:59:13	03154	LACLEDE	2
112483D	03154	081234813	C
12/21/2006	AM	574751-011	
		001232645	
		250AM	1
12/21/2006	13 SNBL	03 WECL	
01 MWGL	00	13 SNBL	
PLASTIC		N	
ALBA, CESAR		314-771-2155	
3931 MINNESOTA AVE 2FL		OWNER	
ST LOUIS MO	63118		
LAC OUT 12:19:06 FOR R3 LEAK ISSO 627 ON FLRHS MR ST65 RPR			
CMPLTD-NDS GAS ON 4XESS KMK ON FANT DR-HERE TILL 12PM ONLY			
TEL 631 48	0	ACTIVE	
NO GAS		CESAR	
12/21/2006	06:38	00037 FENNESSEYS	
7055	2FL	LOW	
FRIGERIOD		12/21/2006 11:10:57	08801
Gas 1801			

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DEPT. 9

LAKEDE GAS COMPANY
STATEMENT OF BILLS & PAYMENTS
JULY 05, 2007

ALBA, CESAR
3931 MINNESOTA AVE 2FL
ST LOUIS, MO 63118

PAGE 0001

SERVICE ADDRESS: 3931 MINNESOTA AVE 2FL
ACCT. NO: 574951-011

DATE	TRANSACTION	SERVICE DATES FROM - TO	METER READING	THERMS	BILLS/ PAYMENTS	BALANCE
BALANCE AS OF 10-19-06						0.00
10-19-06	SERVICE INITIATION FEE				36.00	36.00
10-31-06	REBILL	10/12/06-10/27/06	5967E	123.8	159.63	195.63
11-24-06	LATE PAY CHRG-GAS SERVICE				2.93	198.56
12-01-06	REBILL	10/27/06-11/29/06	6234E	274.5	343.99	542.55
12-19-06	METER CHANGE-REMOVE METER X00006190 SET METER X00003222					
12-19-06	METER CHANGE-REMOVE METER X00006190 SET METER X00003222					
12-26-06	PAYMENT-GAS SERVICE				196.00-	346.55
12-28-06	LATE PAY CHRG-GAS SERVICE				5.20	351.75
01-12-07	LATE PAY CREDIT-GAS SERVICE				8.13-	343.62
01-12-07	BILL ADJUSTMENT CREDIT				503.62-	160.00-
01-12-07	REBILL	10/12/06-01/02/07	3296R	430.1	538.12	378.12
01-18-07	PAYMENT-GAS SERVICE				118.40-	259.72
01-24-07	PAYMENT-GAS SERVICE				50.00-	209.72
02-02-07	BILL	01/02/07-01/31/07	3533R	246.2	291.01	500.73
02-27-07	LATE PAY CHRG-GAS SERVICE				7.51	508.24
03-06-07	BILL	01/31/07-03/02/07	3767R	241.7	285.99	794.23
03-29-07	LATE PAY CHRG-GAS SERVICE				11.91	806.14
04-04-07	BILL	03/02/07-04/02/07	3815R	49.4	70.30	876.44
05-02-07	PAYMENT-GAS SERVICE				70.30-	806.14
05-04-07	BILL	04/02/07-05/02/07	3841R	26.8	44.07	850.21
05-10-07	PAYMENT-GAS SERVICE				44.07-	806.14
05-30-07	LATE PAY CHRG-GAS SERVICE				12.09	818.23
06-05-07	BILL	05/02/07-06/01/07	3853R	12.3	27.05	845.28
06-28-07	LATE PAY CHRG-GAS SERVICE				12.68	857.96
07-03-07	BILL	06/01/07-06/27/07	3863R	10.2	24.74	882.70

TOTAL ACCOUNT BALANCE \$882.70

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THE ABOVE ACCOUNT BALANCE DOES NOT REFLECT
ANY BUDGET OR PAYMENT ARRANGEMENTS YOU MAY
HAVE MADE. REFER TO YOUR LAST BILL FOR
INFORMATION ON YOUR AMOUNT DUE.

EXPLANATION OF METER READING CODES

R - REGULAR READING

S - CUSTOMER READING

E - ESTIMATE

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Schedule 2