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FOR IMMEDIATE RELEASE:

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October 21, 2005

**MISSOURI PUBLIC COUNSEL CALLS FOR EMERGENCY RULE TO
RESPOND TO HEATING CRISIS EXPECTED WITH THIS WINTER'S DRASTIC
NATURAL GAS PRICE INCREASES**

The Missouri Office of Public Counsel today asked the Public Service Commission to issue emergency rules to soften the rate shock and economic hardship that this winter's natural gas bills will cause consumers. Public Counsel filed a motion asking the PSC to adopt the Public Counsel's proposed emergency rule designed to avoid disconnections when customers that have never experienced payment problems face extraordinary heating bills. The new features of the proposed rule include:

- Gas companies must offer level payment or budget billing to all residential customers during this winter, including the ability to include any recent arrearage amount in the budget billing program
- The plan must be available to all residential gas customers whether or not their account is in arrears.
- If the customer makes all the required payments on a payment agreement and brings the balance current before November 1, 2006, the customer will earn a "clean slate," meaning that the customer would be treated by

the gas company as if the account was never in arrears or in defaulted on any payment agreement.

- In the next billing cycle, gas companies shall include a notice of the existence and terms of the emergency amendments.

Public Counsel's proposed rule also include measure that were in the emergency rule issued in 2001 after unusually high gas bills from the previous winter disconnected hundreds of customers due to delinquent payments. Those provisions:

- (1) Allow more lenient reconnection terms for residential customers,
- (2) prohibits additional deposit requirements,
- (3) prohibits the assessment of late payment charges on deferred amounts,
- (4) prohibits interest charges on account balances for the deferral period,
- (5) requires that existing deposits be applied to account balances in arrears to avoid disconnection, and
- (6) permits gas utilities to collect the expenses associated with the emergency amendment.

Public Counsel Lewis Mills, Jr. said the predictions for this winter are even more drastic and the need for emergency action more compelling. "Many more residential gas customers this winter will have difficulty paying their gas bills on time, even though they have never missed payments before. Residential gas customers who have failed to fulfill a previous cold weather or other payment agreements once again will fall into arrears. There is a significant potential that a large number of residential gas customers will have their gas service disconnected during this winter and will be unable to get service reconnected."

Prices for natural gas have risen dramatically over the past year and Missouri residential gas customers could see increases up 50 % over last winter's bills.

Mills said that while weatherization and education on energy conservation are vital to a long term reduction in natural gas usage and for lowering heating bills, this winter heating season presents a compelling need for an immediate response. “When some elderly customers living on social security must choose between paying a \$250 gas bill and their \$250 monthly prescription expense, handing them a brochure on weatherstripping is not the help they need at the moment,” said Mills

The Office of the Public Counsel is the state agency that acts as the consumers’ advocate and represents the public in utility cases before the Missouri Public Service Commission.

The Public Counsel's proposal has been designated Case No. GX-2006-0181 on the Public Service Commission's docket.

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