

Laclede Gas Company / Missouri Gas Energy
GR-2017-0215 / GR-2017-0216

Response to MPSC Data Request 0507

1. How was the \$2.5 million average investment value determined? Please provide all supporting documentation and calculations with formulas intact

Response.

See attached 0507 excel workbook

2. Is the incremental replacement cost in schedule CEL R-1 the same cost as the approximately \$700,000 that is mentioned on page 9 line 5 of witness Lobser's testimony?

Response:

Yes

3. Would the \$700,000 include any annual maintenance that would need to be performed on the Meter Interface Units (MIU's)? If not, please provide the annual maintenance cost that would be necessary for the deployed meter devices and the appropriate FERC accounts this cost would be recorded in.

Response:

No. All annual maintenance is built into the monthly service fee of \$.024. Landis & Gyr dedicates about 8 full time employees to working the maintenance calls for this system. Vehicle expenses and administrative expenses are also build into the fee. This is part of what we pay the service fee for. The service fee also includes operating the system and providing us a read. No work has ever been done to see how much it would cost LAC to do the maintenance.

4. How was the 2.5% property tax rate determined? Please provide all supporting documentation and calculations with formulas intact.

Response:

$16,600,000 * 96.25\% \text{ depreciation (year 1 from MACRS table below)} * .3333 \text{ assessment rate} * 8\% \text{ estimated tax rate} = 426,000 = 2.566\% \text{ of } 16,600,000$

Staff Exhibit No. 288
Date 1/31/18 Reporter ML
File No. GR-2017-0215
GR-2017-0216

NATURAL GAS DISTRIBUTION COMPANY - TRANS. AND DIST. PLANT: REAL ESTATE 2017						
COMPAN	Laclede Gas Company, dba Missouri Gas Energy					
COUNTY	Christian			District		
	City of Ozark / 019006					
	30-3.3-00-000-000-003-000					
Account Number: Account Name:	367 Mains	376 Mains	380 Services	Total		Market Value Real
Construction Work in Progress				\$ -	100.00%	\$ -
Original Costs are reported by year placed in service	2016	124,156	206,015	\$ 330,171	96.25%	\$ 317,790
	2015			\$ -	89.03%	\$ -
	2014			\$ 235,650	82.35%	\$ 194,058
	2013			\$ 252,211	76.18%	\$ 192,134
	2012			\$ 267,652	70.46%	\$ 188,588
	2011			\$ 213,217	65.18%	\$ 138,975
	2010			\$ 197,594	60.29%	\$ 119,129
	2009			\$ 200,299	55.77%	\$ 111,707
	2008			\$ 153,002	51.31%	\$ 78,505
	2007			\$ 182,499	46.85%	\$ 85,501
	2006			\$ 275,190	42.38%	\$ 116,626
	2005			\$ 210,400	37.92%	\$ 79,784
	2004			\$ 273,122	33.46%	\$ 91,367
	2003			\$ 248,966	29.00%	\$ 72,200
	2002			\$ 220,771	24.54%	\$ 54,177
	2001			\$ 320,413	20.08%	\$ 64,339
2000			\$ 338,428	20.00%	\$ 67,686	
<1999			\$ 4,891,158	20.00%	\$ 976,232	
	\$ -	\$ 124,156	\$ 8,686,587	\$ 8,810,743		\$ 2,950,816

5. Please explain in detail why the number of devices and the capital cost in schedule CEL R-1 differ from the number of deployed devices and purchase price on the Bill of Sale of the executed contract with Landis+Gyr.

Response:

The Bill of Sale total of 700,262 includes all AMR devices in Laclede's possession including devices attached to meters that are currently pulled from service due to meter sampling program or inaccurate/no read and new meters not yet installed. The total on the schedule reflects the devices for customers who are receiving a monthly billing read.

6. What is the failure rate of the MIU's that are being purchased from Landis+Gyr?

Response:

4.5%

7. Is there software or other interface costs associated with using the MIU's? If so, please describe what the costs are as well as the annual amount of these costs.

Response:

No. There is no software or interface costs.

Signed by: Glenn Buck