

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

In the Matter of the Application of)	
Laclede Gas Company to Change its)	Case No. GO-2016-0196
Infrastructure System Replacement)	Tariff Filing No. YO-2016-0193
Surcharge in its Laclede Gas Service)	
Territory.)	

In the Matter of the Application of)	
Laclede Gas Company to Change its)	Case No. GO-2016-0197
Infrastructure System Replacement)	Tariff Filing No. YO-2016-0194
Surcharge in its Missouri Gas Energy)	
Service Territory.)	

**MOTION TO DENY WAIVER
AND REJECT ISRS TARIFF FILINGS**

COMES NOW the Office of the Public Counsel (OPC) and for its Motion to Deny Waiver and Reject ISRS Tariff Filings, states:

1. On February 1, 2016, Laclede Gas Company (Laclede) filed applications to increase rates through the Infrastructure System Replacement Surcharges (ISRS) for its Laclede Gas and Missouri Gas Energy (MGE) service territories.¹

2. Prior to filing the applications, Laclede did not file the 60-day notice required by Commission Rule 4 CSR 240-4.020(2), which states:

Any regulated entity that intends to file a case likely to be a contested case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case.

Any case filed which is not in compliance with this section shall not be permitted and the secretary of the commission shall reject such filing.

¹ Laclede’s proposed tariff sheets are attached.

Since Laclede did not file the required notice, Laclede's filing is not in compliance with the rule and such filing "shall not be permitted and the secretary of the commission shall reject such filing." Rather than file the required notice, Laclede filed its ISRS petitions and requested waiver of the notice requirement of 4.020(2). Public Counsel urges the Commission to deny the motion for waiver.

3. There should be no question that Laclede knew, or should have known, that Public Counsel would contest the applications. In Laclede's last six (6) ISRS applications, Public Counsel opposed Laclede's practice of updating ISRS-eligible costs after the filing of the applications. The most recent ISRS applications, Case Nos. GO-2015-0341 and GO-2015-0343, were contested cases and an evidentiary hearing was held. The Commission's final Report and Order allowed the updating practice opposed by Public Counsel, and on January 15, 2016, Public Counsel filed its Notice of Appeal, appealing the Report and Order on the issue of allowing updates after the petitions were filed. In its applications now before the Commission, Laclede once again seeks to follow the same practice that Public Counsel is appealing in Case No. WD79349.

4. The Commission's *ex parte* rule defines "anticipated contested case" as "any case that a person anticipates, knows, or should know will be filed before the commission within sixty (60) days and that such person anticipates or should anticipate will be or become a contested case." Given the recent history of Public Counsel opposing the update practice in all recent ISRS filings, Laclede should have known the new petitions would also be contested. Laclede's counsel (the same counsel that filed the applications) was served with a copy of Public Counsel's Notice of Appeal on the same day the notice was filed, January 15, 2016. Laclede knew Public Counsel was continuing

to dispute the update practice and should have known the new applications would be contested. Accordingly, the 60-day notice is mandatory.

5. In its request for a waiver of Rule 4 CSR 240-4.020(2), Laclede states correctly that the rule allows utilities to request a waiver of the 60-day notice requirement for good cause. However, Laclede does not identify good cause to support a waiver. Instead, Laclede states, “Having just litigated issues in the previous MGE and Laclede ISRS cases, MGE does not believe it is likely that this case will also be contested.” This explanation is disingenuous at best. Laclede’s waiver request was filed on February 1, 2016, which was 17 days after Public Counsel filed its notice of appeal in the prior ISRS cases. Laclede’s explanation simply does not hold water.

6. The stated purpose of the *ex parte* rule is “to set forth standards to promote the public trust in the commission with regard to pending filings and cases.” Granting Laclede’s request for a waiver would not promote the public trust, and would instead, promote a distrust of the process because it would indicate that the Commission is not enforcing a rule that assures the public that no improper commissioner influence is occurring regarding a contested case.

7. Laclede’s request also should be denied because Laclede has *already violated* the *ex parte* rule, and now seeks a retroactive waiver of the violated rule. Once Laclede filed its applications without the notice, it had already violated the rule. Even if Laclede has a legitimate reason not to make the required 60-day notice filing, which it does not, Laclede should have requested such a waiver of the rule from the Commission and received a ruling by the Commission *before* filing the applications. Moreover, Laclede’s request for a waiver does not state that there were circumstances that in any

way *prevented* Laclede from filing the 60-day notice, which suggests that Laclede simply *chose not to follow the rule*.

8. Laclede attempts to support its request for a waiver with two additional reasons for the Commission to waive the requirement. Laclede states that ISRS petitions are “routine” and that Laclede “has participated in no such extra record discussions on this topic, either before or after 60 days prior to filing” its applications. These reasons, if followed by the Commission, would essentially nullify Rule 4.020(2) because all utilities would ignore the rule, as Laclede has done here, and go forward with any filing likely to be contested by simply stating that the filing is routine and no extra record communication was held. The Commission’s *ex parte* rules will lose teeth if the Commission finds good cause in Laclede’s reasoning. By not following the rule, the consumer protections provided by the Commission’s *ex parte* rules will be lost.

9. Rejecting Laclede’s tariff filing is in the public interest because strict adherence to the rule is necessary to ensure that no improper *ex parte* communication occurs, and to ensure that utilities follow the *ex parte* rules in the future. For these reasons, OPC urges the Commission to reject the tariff filing and direct Laclede to issue a 60-day notice should Laclede wish to resubmit its tariff change proposal.

WHEREFORE, the Office of the Public Counsel offers this reply in opposition to Laclede’s motion for waiver and moves the Commission to reject the tariff filings.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: /s/ Marc D. Poston

Marc D. Poston (#45722)
Chief Deputy Public Counsel
P. O. Box 2230
Jefferson City MO 65102
(573) 751-5558
(573) 751-5562 FAX
marc.poston@ded.mo.gov

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed to all counsel of record this 10th day of February 2016:

Case No. GO-2016-0196

Missouri Public Service Commission

Jeff Keevil
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
jeff.keevil@psc.mo.gov

Missouri Public Service Commission

Department Staff Counsel
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

Laclede Gas Company

Glenn W Buck
700 Market St, 5th Floor
St. Louis, MO 63101
glenn.buck@thelacledegroup.com

Laclede Gas Company

Rick E Zucker
700 Market Street, 6th Floor
St. Louis, MO 63101
rick.zucker@thelacledegroup.com

Case No. GO-2016-0197

Missouri Public Service Commission

Jeff Keevil
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
jeff.keevil@psc.mo.gov

Missouri Public Service Commission

Department Staff Counsel
200 Madison Street, Suite 800
P.O. Box 360
Jefferson City, MO 65102
staffcounsel@psc.mo.gov

Missouri Gas Energy (Laclede)

Rick E Zucker
700 Market Street, 6th Floor
St. Louis, MO 63101
rick.zucker@thelacledegroup.com

Missouri Gas Energy (Laclede)

Glenn W Buck
700 Market St, 5th Floor
St. Louis, MO 63101
glenn.buck@thelacledegroup.com

Missouri Gas Energy (Laclede)

Michael R Noack
7500 E 35th Terr
Kansas City, MO 64129
michael.noack@thelacledegroup.com

/s/ Marc Poston



Laclede Gas Company
700 Market Street
St. Louis, MO 63101

L. Craig Dowdy
Senior Vice President, External Affairs,
Marketing & Communications
Craig.Dowdy@thelacledegroupp.com

February 1, 2016

VIA EFIS

Secretary
Missouri Public Service Commission
Governor Office Building
200 Madison Street
Jefferson City, MO 65101

Re: Tariff Filing to Change the Infrastructure System Replacement Surcharge

Dear Secretary:

Enclosed for filing is P.S.C. MO. No. 5 Consolidated, Twenty-Sixth Revised Sheet No. 12, which is applicable to the Laclede Gas operating unit of Laclede Gas Company ("Company").

This revised tariff sheet, which has an issue date of February 1, 2016 and an effective date of March 2, 2016, is being filed to change the Infrastructure System Replacement Surcharge ("ISRS") in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri. A full explanation of the surcharge being proposed by the Company is set forth in the *VERIFIED APPLICATION AND PETITION OF LACLEDE GAS COMPANY TO CHANGE ITS INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE IN ITS LACLEDE GAS SERVICE TERRITORY AND REQUEST FOR WAIVER OF COMMISSION RULE 4.020(2)*, which is being filed separately today. As proposed herein, the ISRS would increase the typical residential heating customer's bill by 61 cents per month or less than 1%.

Please bring this filing to the attention of the appropriate Commission personnel.

Sincerely,

/s/ L. Craig Dowdy
L. Craig Dowdy

**P.S.C. MO. No. 5 Consolidated, Twenty-Sixth Revised Sheet No. 12
 CANCELLING P.S.C. MO. No. 5 Consolidated, Twenty-Fifth Revised Sheet No. 12**

Laclede Gas Company
 Name of Issuing Corporation or Municipality

For Refer to Sheet No. 1
 Community, Town or City

SCHEDULE OF RATES

INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE (“ISRS”)

Description: The ISRS is designed to recover the costs associated with the Company’s eligible infrastructure replacements in accordance with the provisions of Sections 393.1009 to 393.1015, RSMo.

Applicability: In addition to the other charges provided for in the Company’s tariff, a monthly ISRS shall be added to each customer’s bill for service rendered on and after the effective date of the ISRS.

Schedule of Surcharges: The amount of the ISRS by rate schedule is as follows:

Residential General Service (RG)	\$ 2.98
Residential Seasonal Air Conditioning Service (RA)	\$ 2.98
Commercial & Industrial General Service-Class I (C1)	\$ 3.90
Commercial & Industrial General Service-Class II (C2)	\$ 6.77
Commercial & Industrial General Service-Class III (C3)	\$ 13.54
Commercial & Industrial Seasonal Service-Class I	\$ 3.90
Commercial & Industrial Seasonal Service-Class II	\$ 6.77
Commercial & Industrial Seasonal Service-Class III	\$ 13.54
Large Volume Service (LV)	\$ 133.77
Interruptible Service (IN)	\$ 118.72
General L.P. Gas Service (LP)	\$ 2.60
Unmetered Gas Light Service (SL)	\$.87
Vehicular Fuel Rate (VF)	\$ 3.38
Large Volume Transportation and Sales Service (LVTSS)	\$ 316.53

DATE OF ISSUE February 1, 2016
 Month Day Year

DATE EFFECTIVE March 2, 2016
 Month Day Year

ISSUED BY L. Craig Dowdy, Sr. VP, Ext. Affairs, Market. & Comm., 700 Market St., St. Louis, MO 63101
 Name of Officer Title Address



Laclede Gas Company
700 Market Street
St. Louis, MO 63101

L. Craig Dowdy
Senior Vice President, External Affairs,
Marketing & Communications
Craig.Dowdy@thelacledegroupp.com

February 1, 2016

VIA EFIS

Secretary
Missouri Public Service Commission
Governor Office Building
200 Madison Street
Jefferson City, MO 65101

Re: Tariff Filing to Change the Infrastructure System Replacement Surcharge

Dear Secretary:

Enclosed for filing is P.S.C. MO. No. 6 Consolidated, Sixth Revised Sheet No. 10, which is applicable to the Missouri Gas Energy operating unit of Laclede Gas Company ("Company").

This revised tariff sheet, which has an issue date of February 1, 2016 and an effective date of March 2, 2016, is being filed to change the Infrastructure System Replacement Surcharge ("ISRS") in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri. A full explanation of the surcharge being proposed by the Company is set forth in the VERIFIED APPLICATION AND PETITION OF MISSOURI GAS ENERGY, AN OPERATING UNIT OF LACLEDE GAS COMPANY, TO CHANGE ITS INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE IN ITS MISSOURI GAS ENERGY SERVICE TERRITORY AND REQUEST FOR WAIVER OF COMMISSION RULE 4.020(2), which is being filed separately today.

Please bring this filing to the attention of the appropriate Commission personnel.

Sincerely,

/s/ L. Craig Dowdy
L. Craig Dowdy

Laclede Gas Company

For: All Missouri Gas Energy Service Areas

INFRASTRUCTURE REPLACEMENT SURCHARGE (ISRS)

Description: Rate ISRS is designed to recover the costs associated with the Company's eligible infrastructure replacements in accordance with the provisions of sections 393.1009, 393.1012 and 393.1015, RSMo.

Applicability: Rate ISRS is applicable to each customer billing for service during the effectiveness of the ISRS rate element.

ISRS Rate Element: In addition to the other charges provided for in the Company's tariff, a monthly ISRS Rate Element shall be added to each bill for service on and after the effective date of the ISRS rate. The amount of the ISRS Rate Element, by customer class, is as follows:

Residential	\$1.52 per month	*
Small General Service	\$2.24 per month	*
Large General Service	\$7.61 per month	*
Large Volume Service	\$59.66 per month	*
Whiteman Air Force Base	\$59.66 per month	*
Intrastate Transportation Service	\$59.66 per month	*

* - indicates new rate

DATE OF ISSUE February 1, 2016 DATE EFFECTIVE March 2, 2016
month day year month day year

ISSUED BY: L. Craig Dowdy, Sr. VP, Ext. Affairs, Corp. Communications & Marketing
Laclede Gas Company, St. Louis, MO. 63101