BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application and Petition of Laclede Gas Company to Change its Infrastructure System Replacement Surcharge in its Laclede Gas Service Territory.

Case No. GO-2015-0178

PUBLIC COUNSEL'S MOTION TO REJECT TARIFF OR SET THIS MATTER FOR HEARING

COMES NOW the Missouri Office of the Public Counsel (OPC) and for its motion to reject tariff or set this matter for an evidentiary hearing, states as follows:

1. On January 30, 2015, Laclede Gas Company filed its application to raise its Infrastructure System Replacement Surcharge (ISRS) rate to recover eligible costs incurred complying with state and federal regulations that require the replacement of infrastructure, improvement of infrastructure, or the relocation of infrastructure. §§ 393.1009, 393.1012, and 393.1015 RSMo, Supp. 2013.

2. Laclede's application states that it seeks to include telemetric equipment replacement costs incurred by Laclede pursuant to work orders 60418 and 60419. It is Public Counsel's understanding that this telemetric equipment is not being replaced because it is worn out or in deteriorated condition as required by §393.1009(5)(a) RSMo for infrastructure replacements eligible under the ISRS. Rather, Laclede is choosing to replace the telemetric equipment to upgrade the technology on its distribution system, which is not a lawful replacement cost for ISRS purposes.

3. It is also the understanding of Public Counsel that Laclede's ISRS filing includes "budget" amounts, which act as placeholders for infrastructure costs to be

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incurred *after* Laclede files its application. Allowing the ISRS to include costs incurred after the application is unlawful under the ISRS statutes, which require schedules and supporting documentation to be filed with the application. To allow a gas utility to insert additional costs into its ISRS request months after its initial filing denies Public Counsel from the full 120 days to contest the request.

4. Accordingly, Public Counsel moves to reject the tariff, or in the alternative, schedule this matter for an evidentiary hearing.

5. Public Counsel has issued data requests to Laclede regarding the telemetric equipment replacements, the budget amounts, and other costs that Laclede seeks to include in its request to raise customer rates through the ISRS. Public Counsel may also oppose additional costs that Laclede seeks to include in its ISRS.

WHEREFORE, the Office of the Public Counsel respectfully moves to reject the tariff, or in the alternative, set this matter for hearing.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: /s/ Marc D. Poston

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 19th day of March 2015.

/s/ Marc Poston