

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 7th day of
December, 2006.

In the Matter of the Application of Laclede Gas)	
Company for an Accounting Authority Order)	
Authorizing the Company to Defer for Future)	<u>Case No. GU-2007-0137</u>
Recovery the Costs of Complying with the)	
Emergency Amendment to the Commission's)	
Cold Weather Rule)	

**ORDER GRANTING ACCOUNTING AUTHORITY ORDER RELATING TO
THE COSTS OF COMPLYING WITH THE EMERGENCY AMENDMENT
TO THE COLD WEATHER RULE**

Issue Date: December 7, 2006

Effective Date: December 17, 2006

Laclede Gas Company filed a verified application for an accounting authority order (AAO) on September 29, 2006. Laclede seeks to defer for future recovery the costs of complying with the Commission's January 1, 2006 emergency amendment to the cold weather rule. The issuance of such an AAO is authorized by Commission Rule 4 CSR 240-13.055(14)(F)4.

On October 3, the Commission issued an order and notice informing the public and other interested parties of Laclede's request for an AAO. That order also directed that any party wishing to apply to intervene do so by October 23. USW Local 11-6, the union representing some of Laclede's employees, applied to intervene on October 20. However, Local 11-6 withdrew its application to intervene on October 31. No other party has asked to intervene and no party has requested a hearing. On November 13, the Commission's Staff

filed a recommendation advising the Commission to approve Laclede's request for an AAO. No party has responded to Staff's recommendation.

Commission Rule 4 CSR 240-13.055(14)(G) provides that a gas utility is allowed to defer and recover the costs of complying with the emergency amendment to the cold weather rule through a 1-term AAO until the compliance costs are included in rates in a general rate case, or for a period of two years following the effective date of the 2006 amendment to the cold weather rule. That rule also provides that any such AAO is to be effective until September 30 of each year for the preceding winter. The rule does not give the Commission discretion to deny a properly filed request for an AAO.

The Commission's rule also requires a utility seeking to recover its costs of compliance to file a request for determination of the cost of compliance for the preceding winter season. The rule requires that such request for determination of costs be filed between September 30 and October 31 of each year. Because Laclede is seeking to recover the costs of complying with the emergency amendment that was in effect for January through March, 2006, it filed the required request for determination of costs of compliance on October 31. That request is pending in this case. Commission Rule 4 CSR 240-13.055(14)(G)2 allows all parties no longer than 120 days from that filing in which to state their position regarding Laclede's request for determination of costs, with all supporting evidence. The Commission is allowed 180 days from the filing in which to make a ruling establishing the costs that may be recovered. For this case, the responses of the other parties to Laclede's request for determination of costs are due no later than February 28, 2007. The Commission must rule on Laclede's request by April 29, 2007.

The Commission finds that Laclede's request for an AAO relating to its cost of complying with the Commission's January 1, 2006 emergency amendment to the cold weather rule is in proper form. The requested AAO will be granted.

IT IS ORDERED THAT:

1. Laclede Gas Company's Verified Application for Accounting Authority Order is granted.

2. Pursuant to the Accounting Authority Order granted by this order, Laclede Gas Company may book to Account 186 for review, audit and recovery all incremental expenses incurred and incremental revenue that are caused by compliance with the Commission's January 1, 2006 emergency amendment to the cold weather rule.

3. The Accounting Authority Order granted by this order shall be effective until September 30, 2007.

4. Any party wishing to submit a position regarding Laclede Gas Company's request for determination of the cost of compliance with the emergency amendment to the cold weather rule shall submit its position, with all supporting evidence, no later than February 28, 2007.

5. This order shall become effective on December 17, 2006.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray and Appling, CC., concur
Gaw and Clayton, CC., concur, concurrence to follow

Woodruff, Deputy Chief Regulatory Law Judge