

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of November, 2007.

In the Matter of the Application of Laclede Gas Company for an Accounting Authority Order Authorizing the Company to Defer for Future Recovery the Costs of Complying with the Permanent Amendment to the Commission's Cold Weather Rule)
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) **Case No. GU-2007-0138**
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)

**ORDER DENYING LACLEDE'S REQUEST TO DEFER
CONSIDERATION AND DIRECTING STAFF AND PUBLIC COUNSEL TO
SUBMIT THEIR POSITIONS REGARDING LACLEDE'S REQUEST FOR
DETERMINATION OF COSTS**

Issue Date: November 16, 2007

Effective Date: November 16, 2007

On October 31, 2007, Laclede Gas Company filed a Request for Determination of the Cost of Compliance with the Permanent Amendment to the Cold Weather Rule. Laclede's request is necessary because on December 7, 2006, the Commission granted Laclede an accounting authority order (AAO) authorizing deferred accounting treatment for its costs of complying with the Commission's permanent amendment of its Cold Weather Rule.

Commission Rule 4 CSR 240-13.055(14)(G)2 establishes a specific timeline for the processing of a request for determination of the cost of compliance with the Cold Weather Rule. In particular, the rule allows other parties no more than 120 days to submit their positions regarding the company's request. The rule also states: "If the commission fails to

establish the amount of costs within one hundred eighty (180) days, then the amount requested by the utility shall be deemed reasonably incurred.” Laclede, however, asks the Commission to defer processing its request for determination of its cost of compliance until it can be taken up along with the company’s next general rate case. Laclede suggests that deferring action on the request would save the parties and the Commission the burden of separately evaluating Laclede’s cost of compliance; instead allowing that review to take place as part of the more general evaluation that would occur during a rate case.

In response to Laclede’s request, the Commission directed its Staff and the Office of the Public Counsel, the only other parties, to respond to Laclede’s deferral request by November 9. Staff and Public Counsel filed separate responses on that date. Both oppose the requested deferral.

Given the specific timelines mandated by the rule and the opposition of Staff and Public Counsel to any variance from that rule, the Commission will deny Laclede’s request to defer consideration of its request for determination of cost of compliance. As required by the rule, the Commission will order Staff and Public Counsel to submit their positions regarding the company’s request with all supporting evidence, no later than 120 days after Laclede filed its request for determination of the cost of compliance.

IT IS ORDERED THAT:

1. Laclede Gas Company’s request to defer processing of its Request for Determination of the Cost of Compliance with the Permanent Amendment to the Cold Weather Rule until Laclede’s next general rate case is denied.

2. The Staff of the Commission and the Office of the Public Counsel shall submit their positions regarding Laclede Gas Company's Request for Determination of the Cost of Compliance with the Permanent Amendment to the Cold Weather Rule, along with all supporting evidence, no later than February 28, 2008.

3. This order shall become effective on November 16, 2007.

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, Clayton, Appling, and
Jarrett, CC., concur

Woodruff, Deputy Chief Regulatory Law Judge