

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 13<sup>th</sup> day of May, 2008.

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 )  
)  
) **Case No. GU-2007-0138**  
)  
)  
)

**ORDER DENYING MOTION FOR CLARIFICATION AND APPLICATION FOR REHEARING**

Issue Date: May 13, 2008

Effective Date: May 13, 2008

On April 17, 2008, the Commission issued a Report and Order establishing an amount Laclede Gas Company will be allowed to defer through the Accounting Authority Order previously approved in this case as its cost of compliance with Commission Rule 4 CSR 240-13.055(14). That Report and Order became effective on April 27. On April 25, the Office of the Public Counsel filed a timely application for rehearing. Public Counsel also filed a separate Motion for Clarification on the same date. No party has filed a response to either motion.

Public Counsel's application for rehearing lists multiple bases for rehearing. The Commission has already addressed these claims in its Report and Order and will not readdress them in detail in this order. The Commission will, however, emphasize that its Report and Order merely establishes an amount that Laclede may defer through a

previously approved Accounting Authority Order for consideration by the Commission in a future rate case. That is what the Commission's regulation requires, and that is what the Commission has endeavored to do. The Report and Order and the Accounting Authority Order do not guarantee that Laclede will ultimately recover any particular amount from its customers through the rates that the Commission will establish after hearing all the evidence in a future rate case.

Section 386.500.1, RSMo (2000), indicates the Commission shall grant an application for rehearing if "in its judgment sufficient reason therefor be made to appear." Public Counsel has failed to provide sufficient reason for the Commission to grant its application for rehearing, and the Commission will deny that application.

Public Counsel also filed a separate motion seeking clarification of two aspects of the Commission's Report and Order. First, Public Counsel contends the Commission mischaracterized Public Counsel's position when it cited the explicit statement of Public Counsel's witness that a specified amount representing the difference between Laclede's claim and an amount that Public Counsel would disallow, could be deferred under the Accounting Authority Order. Public Counsel now contends that its witness was wrong and that if an objection had not been sustained during redirect examination - when the witness would not be subject to further cross-examination by the other parties or the Commissioners - the witness would have contradicted his earlier testimony and espoused the position Public Counsel took in its brief. The Commission finds this portion of its Report and Order to be quite clear. There is no need for clarification.

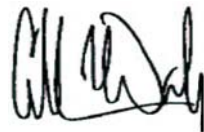
Second, Public Counsel claims confusion over the Report and Order's direction that Laclede "continue to track payments and additional arrearages of the 8,440 affected

customers after the cut-off date of September 30, 2007.” Public Counsel points out that all the affected accounts have either been disconnected or failed to honor their cold weather rule agreement and any additional arrearages could not be caused by the cold weather rule. By including that language in the Report and Order, the Commission was directing Laclede to continue to track increases and decreases in customer balances from the September 30, 2007 balances that were included in the Accounting Authority Order. The Commission will consider those increases and decreases in a subsequent rate case. If, as Public Counsel indicates, there can be no increases, then that fact will become apparent in the rate case. There is no need for further clarification.

**IT IS ORDERED THAT:**

1. The Office of the Public Counsel’s Application for Rehearing is denied.
2. The Office of the Public Counsel’s Motion for Clarification is denied.
3. This order shall become effective on May 13, 2008.

**BY THE COMMISSION**



Colleen M. Dale  
Secretary

( S E A L )

Davis, Chm., Murray, and Jarrett, CC., concur.  
Clayton, C., dissents, and Gunn, C., abstains.

Woodruff, Deputy Chief Regulatory Law Judge