STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 28th day of September, 2016.

In the Matter of an Investigation into the)	
Eligibility of Expenses Recovered through the)	File No. GO-2017-0081
Infrastructure System Replacement Surcharge)	

ORDER GRANTING PUBLIC COUNSEL'S MOTION TO OPEN A CASE TO FACILITATE PUBLIC COUNSEL'S INVESTIGATION INTO ELIGIBILITY OF EXPENSES RECOVERED THROUGH THE INFRASTUCTURE SYSTEM REPLACEMENT SURCHARGE

Issue Date: September 28, 2016 Effective Date: September 28, 2016

The Office of the Public Counsel filed a motion on September 12, 2016, explaining that it intends to investigate the eligibility of projects claimed by Missouri's gas companies for recovery through the Infrastructure System Replacement Surcharge (ISRS). Public Counsel asks the Commission to open a case through which Public Counsel can conduct discovery to facilitate that investigation.

Public Counsel intends to begin its investigation by examining the ISRS practices of Missouri's largest natural gas provider, Laclede Gas Company, and its operating units, Laclede Gas and Missouri Gas Energy (Laclede). To that end, the motion asks the Commission to order Laclede to promptly answer a described data request asking the company to identify upcoming ISRS-eligible projects that Public Counsel can inspect.

Laclede responded to Public Counsel's motion on September 22, contending the Commission should deny Public Counsel's motion as unnecessary. Laclede explains it has already responded to Public Counsel's data request by providing Public Counsel with a

schedule of future ISRS-eligible projects so that it can choose the sites it wishes to inspect.

Laclede argues that no further investigation of ISRS practices is warranted.

Missouri's statutes charge Public Counsel with the duty and authority to "represent and protect the interests of the public in any proceeding before or appeal from the public service commission." Public Counsel's authority to fulfill that duty includes the ability to investigate whatever aspect of utility operations it may choose to investigate. It does not require permission from the Commission to exercise that authority. However, the legislature has not given Public Counsel all the powers of the Commission to conduct such an investigation. Rather, Public Counsel must rely on the authority of the Commission to compel Missouri's utilities to respond to discovery requests.

Section 386.450, RSMo 2000 gives the Commission authority to order a public utility to produce records for the Commission's review. That same section provides that the Commission shall order a public utility to produce records for review by Public Counsel, as requested by Public Counsel, upon a showing of good cause. The statute does not prescribe the procedure by which the Commission is to issue such an order, but, as a practical matter, the Commission needs to have a file open in which that order can be issued.

The Commission finds that Public Counsel has shown good cause for the Commission to order Missouri's natural gas utilities to produce documents in furtherance of Public Counsel's investigation. Public Counsel may use this file to pursue discovery, including the issuance of data requests, as part of its investigation. Since Laclede represents that it has already responded to the specific data request described in Public Counsel's motion, the Commission will not order a further response to that data request.

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¹ Section 386.710(2), RSMo 2000.

But, as in any other case before the Commission, the Commission will rule on any motions to compel or for protective order that may arise from those discovery attempts.

This will be Public Counsel's investigation and it is under no obligation to share the results of that investigation with the Commission or the Commission's Staff. The Commission does not intend for this to be an open-ended, unlimited grant of authority to Public Counsel, therefore, this file will be closed in six months unless Public Counsel shows good cause for an extension of time.

THE COMMISSION ORDERS THAT:

- 1. Public Counsel's Motion for Order Opening Docket to Investigate the Infrastructure System Replacement Surcharge is granted.
 - 2. This order shall be effective when issued.

BY THE COMMISSION

Morris L Wooduff

Morris L. Woodruff Secretary

Hall, Chm., Stoll, Kenney, Rupp, and Coleman, CC., concur.

Woodruff, Chief Regulatory Law Judge

STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this 28th day of September 2016.

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Morris L. Woodruff

Secretary

MISSOURI PUBLIC SERVICE COMMISSION September 28, 2016

File/Case No. GO-2017-0081

Missouri Public Service Commission

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Enclosed find a certified copy of an Order or Notice issued in the above-referenced matter(s).

Sincerely,

Morris L. Woodruff Secretary

Recipients listed above with a valid e-mail address will receive electronic service. Recipients without a valid e-mail address will receive paper service.