

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company to Change its)	<u>Case No. GR-2015-0026</u>
Infrastructure System Replacement Surcharge in)	Tariff No.YG-2015-0027
its Laclede Gas Service Territory)	

UNANIMOUS STIPULATION AND AGREEMENT

COME NOW Laclede Gas Company (“Laclede Gas”), the Office of the Public Counsel (“Public Counsel”), and the Staff of the Missouri Public Service Commission (“Staff”), collectively referred to herein as the “Parties,” and submit this Unanimous Stipulation and Agreement (“Stipulation and Agreement”) for approval by the Commission.

1. On July 25, 2014, Laclede Gas filed a Verified Application and Petition to change its Infrastructure System Replacement Surcharge (“ISRS”) for its Laclede operating unit, along with a revised Tariff Sheet No. 12, reflecting proposed ISRS charges. Laclede Gas’ Application sought additional annual ISRS revenues in the amount of \$3,149,162.

2. Following receipt of updated information from Laclede Gas, on September 23, Staff filed its Recommendation in this case, and later that day filed a Corrected Recommendation to rectify a minor error. After discussions among the Parties concerning certain issues raised in the Staff’s Recommendation, on September 30, 2014, Staff filed its Amended Recommendation in which Staff requested that the Commission reject Laclede Gas’ July 25 tariff and instead approve a tariff with the rates and revenues set forth in Appendix B to the Amended Staff Recommendation. Staff’s

recommended additional ISRS revenue requirement in this case was \$2,819,933.

3. Adjustment to ISRS Revenues. In Laclede's previous ISRS case, Case No. GO-2014-0212, Laclede Gas and Public Counsel had a dispute regarding the ISRS eligibility for replacement of certain telemetric equipment used to monitor system pressure and odorization, as described in Laclede Gas Work Orders 60418 and 60419. In the Unanimous Stipulation and Agreement resolving Case No. GO-2014-0212, Laclede Gas agreed to remove the amounts associated with those work orders from the ISRS costs and revenues in that case, with the understanding that Laclede Gas reserved the right to include such amounts in its next ISRS filing. Accordingly, in its Application in this case, Laclede Gas included Work Orders 60418 and 60419. Although all of the Parties have discussed the ISRS eligibility of these work orders in this case, they still have not been able to reach a unanimous agreement on the issue. The Parties therefore agree that Laclede Gas will again remove the replacements in Work Orders 60418 and 60419 from this ISRS filing subject to its express right to refile such replacements with its next ISRS filing. If the Parties cannot agree on a resolution of these work orders by the time the next Laclede Gas ISRS Application is filed, any Party may request a procedural schedule that would permit the Commission to decide that specific issue.

4. Tariff Sheet. The Parties agree that the Commission should approve Tariff Sheet 12 shown in Attachment A attached hereto. Tariff Sheet 12 reflects the same ISRS charges contained in Appendix B to Staff's Recommendation, adjusted pursuant to paragraph 3 above. The tariff sheet bears an issue date of October 3, 2014, and an effective date of November 3, 2014. As set forth in a separate pleading,

Laclede Gas is requesting expedited treatment to place the rates in the tariff into effect on October 18, 2014.

5. Unless otherwise explicitly provided herein, none of the Parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation, any other method of cost determination or cost allocation or revenue-related methodology. Other than as explicitly provided herein, none of the Parties shall be prejudiced or bound in any manner in this or any other proceeding by the terms of this Stipulation and Agreement regardless of whether this Stipulation and Agreement is approved.

6. This Stipulation and Agreement has resulted from extensive negotiations among the Parties and the terms hereof are interdependent. If the Commission does not approve this Stipulation and Agreement unconditionally and without modification, then this Stipulation and Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof.

7. If the Commission does not unconditionally approve this Stipulation and Agreement without modification, and notwithstanding the provision herein that it shall become void, neither this Stipulation and Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Party has for a decision in accordance with §536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Parties shall retain all procedural and due process rights as fully as though this Stipulation and Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation and Agreement

shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

8. In the event the Commission unconditionally accepts the specific terms of this Stipulation and Agreement without modification, the Parties waive the following rights only as to the issues resolved herein: 1) their respective rights to present oral argument and written briefs pursuant to §536.080.1 RSMo 2000; 2) their respective rights to seek rehearing, pursuant to §536.500 RSMo 2000; and 3) their respective rights to judicial review pursuant to §386.510 RSMo 2000. This waiver applies only to a final, unappealed Commission order unconditionally approving this Stipulation and Agreement issued in this proceeding and only to the issues that are resolved hereby. It does not apply to any matters raised in any prior or subsequent Commission proceeding or any matters not explicitly addressed by this Stipulation and Agreement.

WHEREFORE, for the foregoing reasons, the undersigned Parties respectfully request that the Commission issue its Order approving all of the specific terms and conditions of this Unanimous Stipulation and Agreement and approve the tariff sheet submitted as Attachment A hereto.

Respectfully Submitted,

LACLEDE GAS COMPANY

/s/ Rick Zucker

Rick Zucker #49210
Associate General Counsel
720 Olive Street, 14th Floor
St. Louis, Missouri 63101
(314) 342-0533 (Phone)
(314) 421-1979 (FAX)
rick.zucker@thelacledgroup.com

OFFICE OF THE PUBLIC COUNSEL

/s/ Marc D. Poston

Marc D. Poston #45722
Chief Deputy Counsel
PO Box 2230
Jefferson City MO 65102
(573) 751-5558
(573) 751-5562 FAX
marc.poston@ded.mo.gov

**STAFF OF THE PUBLIC SERVICE
COMMISSION**

/s/ John D. Borgmeyer

John D. Borgmeyer #61992
Deputy Staff Counsel
P.O. Box 360
Jefferson City, Missouri 65102
Telephone: (573) 751-5472
Fax: (573) 751-9285
Email: john.borgmeyer@psc.mo.gov

Certificate of Service

I hereby certify that copies of the above and foregoing document were sent by electronic mail on this 6th day of October, 2014 to counsel of record.

/s/ Rick Zucker

**P.S.C. MO. No. 5 Consolidated, Twenty-Third Revised Sheet No. 12
 CANCELLING P.S.C. MO. No. 5 Consolidated, Twenty-Second Rev. Sheet No. 12**

Laclede Gas Company
 Name of Issuing Corporation or Municipality

For Refer to Sheet No. 1
 Community, Town or City

SCHEDULE OF RATES

INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE ("ISRS")

Description: The ISRS is designed to recover the costs associated with the Company's eligible infrastructure replacements in accordance with the provisions of Sections 393.1009 to 393.1015, RSMo.

Applicability: In addition to the other charges provided for in the Company's tariff, a monthly ISRS shall be added to each customer's bill for service rendered on and after the effective date of the ISRS.

Schedule of Surcharges: The amount of the ISRS by rate schedule is as follows:

Residential General Service (RG)	\$ 1.20
Residential Seasonal Air Conditioning Service (RA)	\$ 1.20
Commercial & Industrial General Service-Class I (C1)	\$ 1.57
Commercial & Industrial General Service-Class II (C2)	\$ 2.72
Commercial & Industrial General Service-Class III (C3)	\$ 5.45
Commercial & Industrial Seasonal Service-Class I	\$ 1.57
Commercial & Industrial Seasonal Service-Class II	\$ 2.72
Commercial & Industrial Seasonal Service-Class III	\$ 5.45
Large Volume Service (LV)	\$ 53.80
Interruptible Service (IN)	\$ 47.75
General L.P. Gas Service (LP)	\$ 1.05
Unmetered Gas Light Service (SL)	\$.35
Vehicular Fuel Rate (VF)	\$ 1.36
Large Volume Transportation and Sales Service (LVTSS)	\$127.30

DATE OF ISSUE October 6, 2014
 Month Day Year

DATE EFFECTIVE November 6, 2014
 Month Day Year

ISSUED BY L. Craig Dowdy, Sr. VP, Ext. Affairs, Market. & Comm., 720 Olive St., St. Louis, MO 63101
 Name of Officer Title Address