

**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 June, 2005.

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company to Change)	<u>Case No. GO-2005-0351</u>
its Infrastructure System Replacement)	Tariff No. YG-2005-1073
Surcharge.)	

**ORDER APPROVING STIPULATION AND AGREEMENT
AND ORDER REJECTING ONE TARIFF AND APPROVING ANOTHER**

Issue Date: June 16, 2005

Effective Date: July 1, 2005

Syllabus: This order approves the Stipulation and Agreement entered into between the Staff of the Commission and Laclede Gas Company with regard to the company's proposed Infrastructure System Replacement Surcharge. This order also rejects the tariff initially filed by Laclede and approves a second tariff reflecting the Stipulation and Agreement.

Background

Laclede filed with the Missouri Public Service Commission an application to change its Infrastructure System Replacement Surcharge on April 4, 2005. The total ISRS revenue requested by Laclede was \$1,313,663. With its application, the company also filed a tariff with an effective date of May 5, 2005, which the Commission suspended until August 2, 2005.

On May 31, 2005, the Staff of Commission and Laclede filed a Stipulation and Agreement. The Agreement allows Laclede to collect ISRS revenues totaling \$1,150,000.

Under the first tariff Laclede's ISRS surcharge for residential customers would have been 79 cents. Under the Stipulation and Agreement, residential customers would be charged 77 cents.

The Stipulation and Agreement

Although the agreement is only between Staff and Laclede, the Office of the Public Counsel does not support or oppose the agreement and will not request a hearing. Also, there have been no requests to intervene in this matter and no requests for a hearing.

The parties agreed to the following:

- That Laclede file a tariff reflecting the agreed-upon ISRS revenue.
- That the ISRS revenue of \$1,150,000 reflects a reduction of \$72,000 to eliminate an over-recovery associated with the Laclede's prior ISRS for the time period of December 2004 to April 2005.
- When the current ISRS revenue is added to Laclede's existing ISRS revenue, the total is equal to approximately \$6,126,000 annually.
- That the revised tariff be approved to become effective on July 1, 2005.
- That the sole point of contention between the parties is the appropriate method of calculating income taxes for purposes of determining ISRS revenues. The parties do, however, agree that the Stipulation and Agreement reflects a compromise on this point.

Discussion

The Commission has the legal authority to accept a stipulation and agreement as offered by the parties as a resolution of issues raised in this case.¹ The Commission notes that '[e]very decision and order in a contested case shall be in writing and, except in default cases or cases disposed of by stipulation, consent order or agreed settlement . . . shall

¹ Section 536.060, RSMo 2000.

include . . . findings of fact and conclusions of law.”² Consequently, the Commission need not make findings of fact or conclusions of law in this order.

Commission rule 4 CSR 240-2.115 (2)(C) states that if no party objects to the Stipulation and Agreement, the Commission may treat the agreement as unanimous. Because OPC has indicated that it does not oppose the agreement, the Commission will treat the agreement as unanimous.

The Commission has reviewed the facts of this case and the Stipulation and Agreement and finds that the agreement is reasonable. The Commission will therefore approve the agreement and the proposed tariff and direct that the parties to the agreement comply with its terms.

IT IS THEREFORE ORDERED:

1. That the Stipulation and Agreement entered into between the Staff of the Commission and Laclede Gas Company, on May 31, 2005, is approved.
2. That the parties to the Stipulation and Agreement shall comply with its terms.
3. That the proposed tariff, Tariff No. YG-2005-0859, filed by Laclede Gas Company on April 4, 2005, is rejected.
4. That the following proposed tariff, Tariff No. YG-2005-1073, filed by Laclede Gas Company on May 31, 2005, is approved to become effective on July 1, 2005:

P.S.C. MO No. 5
Consolidated, Fourth Revised Sheet No. 12 canceling
Consolidated, Third Revised Sheet No. 12

² Section 536.090, RSMo 2000.

5. That this order shall become effective on July 1, 2005.
6. That this case may be closed on July 2, 2005.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Cully M. Dale', written in a cursive style.

Cully M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Gaw, Clayton,
and Appling, CC., concur.

Jones, Regulatory Law Judge