

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 20th day  
of November, 2007.

In the Matter of the Abandonment by Laclede Gas     )  
Company, on behalf of its Missouri Natural Gas     )  
Company Division, of General L.P. Gas Service to     )  
Customers in the Meadowview Acres Mobile Home     )  
Park in Jefferson County, Missouri.                     )

**Case No. GO-2008-0067**

**ORDER APPROVING APPLICATION TO ABANDON SERVICE  
AND APPROVING SALE OF ASSETS**

Issue Date: November 20, 2007

Effective Date: November 30, 2007

On August 31, 2007, Laclede Gas Company, filed an application in which it seeks to abandon General L.P. Gas Service to customers in the Meadowview Acres Mobile Home Park in Jefferson County, Missouri.

Even though the distribution and sale of propane is not typically regulated by the Commission, Laclede has offered such service on a tariffed basis as a precursor to providing natural gas service. Laclede has provided service to the community for the last 37 years through a centralized system. It was originally anticipated by Laclede that service in the area would grow and the system would be converted to a natural gas distribution system. However, that growth did not materialize and Laclede currently has only 13 customers in the area. Thus, it is no longer economically feasible for Laclede to continue service.

Laclede states that its distribution system has deteriorated and is in need of replacement, but that the cost to do so is not economical for the small number of customers. Laclede has entered into an agreement with AmeriGas Partners, L.P., an unregulated provider of propane, to purchase certain assets and to provide service to Laclede's customers.

The agreement, which is subject to Commission approval, provides for the sale of propane tanks and any remaining propane volume to AmeriGas. In addition, Amerigas has agreed to continue to provide propane service to existing customers. AmeriGas will provide and connect, at no charge, an individual propane tank for each customer. In addition, AmeriGas will provide a discount on the first 400 gallons of propane, offer a monthly budget billing plan, and waive all initial setup fees. Since the direct connection of AmeriGas will eliminate the need for the current service lines, Laclede proposes to abandon those lines in place.

The Commission directed that notice of the application be sent to the general public and to each of the customers identified in Exhibit B of the application. The Commission also directed the Staff of the Missouri Public Service Commission to file a recommendation, and directed that any public comments be provided to the Commission no later than October 4, 2007.

The Staff of the Missouri Public Service Commission filed its recommendation on November 8, 2007. In that recommendation, Staff stated that it had reviewed the application and recommended that the application be approved with one condition. The condition is that Laclede book to its plant-in-service the current market value of \$2,000 as the net

salvage value for the storage tanks. Staff also stated that no customer comments had been filed.

Laclede filed a response to the Staff recommendation on November 9, 2007. In its response, Laclede stated that while it did not necessarily agree with Staff's net salvage treatment, because of the lack of material effect on the company it would not object to the condition.

The Commission has reviewed the verified application, the recommendation, and Laclede's response, which are hereby admitted into evidence. The Commission finds that the abandonment of its General L.P. Gas Service to customers in the Meadowview Acres Mobile Home Park in Jefferson County is reasonable and in the public interest subject to the condition as set out by Staff. The Commission finds that no harm to the public will result from the abandonment of this service or the approval of the sale of assets. The Commission shall, therefore, authorize Laclede to abandon service and to complete the transactions of the sale with the condition as proposed by Staff. Upon completion of the sale, Laclede shall file the necessary amendments to its tariffs.

**IT IS ORDERED THAT:**

1. The Verified Application to Abandon L.P. Gas Service to Customers in the Meadowview Acres Mobile Home Park in Jefferson County, Missouri, is granted with the condition set out below.
2. Laclede Gas Company is authorized to abandon service to customers in the Meadowview Acres Mobile Home Park in Jefferson County, Missouri, and to sell certain assets to AmeriGas Partners, L.P., per the Sale Agreement, subject to the condition that

Laclede Gas Company recognize the current market value of \$2,000 as the net salvage value for the storage tanks booked to plant-in-service.

3. Laclede Gas Company is authorized to take any and all lawful actions necessary to carry out the proposed sale of assets presented to the Commission.

4. Upon completion of the transactions, Laclede Gas Company shall file any necessary revisions to its tariff.

5. If revised tariffs have not been filed by January 18, 2008, then Laclede Gas Company shall file a status report with the Commission and shall continue to do so every 60 days thereafter until the transactions are completed.

6. This order shall become effective on November 30, 2007.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', is positioned above the printed name and title.

Colleen M. Dale  
Secretary

( S E A L )

Davis, Chm., Murray, Clayton,  
Appling, and Jarrett, CC., Concur.

Dippell, Deputy Chief Regulatory Law Judge