

# BEFORE THE PUBLIC SERVICE COMMISSION

## OF THE STATE OF MISSOURI

In the Matter of the Verified Application of )  
Laclede Gas Company for an Order )  
Establishing Replacement Requirements for ) **Case No. GS-2008-0038**  
The Final Phase of its Soft Copper Service )  
Line Replacement Program Previously )  
Approved Pursuant to Case No. GO-99-155 )

### **ORDER DIRECTING FILING**

Issue Date: August 17, 2007

Effective Date: August 17, 2007

On October 30, 1998, the Commission issued an Order Establishing Case No. GO-99-155 for the purpose of receiving information relevant to the adequacy of Laclede's copper service line replacement program and the effectiveness of Laclede's leak surveys and investigations. The Parties filed a Unanimous Stipulation and Agreement ("Agreement"), which was approved by the Commission on May 30, 2000.

As part of the Agreement, Laclede agreed to the annual replacement rate of 8,000 direct-buried copper service lines. In addition, Laclede agreed to submit annual reports to Staff detailing direct-buried copper service line renewals and relays<sup>1</sup> completed, and agreed to submit additional reports confirming the achievement of other milestones under the Agreement. The Agreement provided that after the third year of the program, Laclede and Staff would review the progress and results of the program to determine future relay/renewal plans,

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<sup>1</sup> As used in this order, the term "renewal" refers to a main to meter replacement of a service line and the term "relay" refers to the replacement of a specific segment of a service line.

including the rate of such future actions, and potential modifications to survey techniques and other related matters.

On August 1, 2003, Staff filed its Three-Year Summary Report. Staff requested that the Commission continue the current requirements of the Unanimous Stipulation and Agreement, with annual reporting from Staff. Staff stated that the requirements of the Copper Service Line Replacement Program reflect the overall goals of protecting the public, achieving a substantial number of replacements annually, using effective leak detection methods, and making timely repairs, while also being mindful of ratepayers' costs. Staff suggested that Laclede has met or exceeded the guidelines of the Stipulation and that the crucial goal of public safety is being maintained.

The Commission conducted a limited hearing on December 5, 2003. The Commission indicated that the purpose of the hearing was to determine whether Staff's recommendations should be approved without the necessity for further hearings.<sup>2</sup> On March 5, 2004, the Commission issued its Report and Order, adopting Staff's recommendation that the Commission continue the current requirements of the previously approved Stipulation and Agreement with annual reporting from Staff.

On August 29, 2005, Staff filed its 2005 Annual Report. On August 30, 2006, Staff filed its 2006 Annual Report. In both Annual Reports, Staff requested that the Commission continue its current requirements of the Unanimous Stipulation and Agreement, with annual reporting from Staff. Staff

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<sup>2</sup> The Commission also noted that if it did not approve Staff's recommendations, it would establish a procedural schedule.

stated that the requirements of the Copper Service Line Replacement Program reflect the overall goals of protecting the public, achieving a substantial number of replacements annually, using effective leak detection methods, and making timely repairs, while also being mindful of ratepayers' costs. Staff suggested that Laclede has met or exceeded the guidelines of the Stipulation and that the crucial goal of public safety is being maintained.

On August 8, 2007, Laclede Gas Company, filed an application requesting the Commission issue an Order revising replacement requirements set forth in Case No. GO-99-155. The Commission will set dates for the filing of the Staff's Recommendation and for any responses.

**IT IS ORDERED THAT:**

1. The Staff of the Commission shall file its recommendation concerning the application filed by Laclede Gas Company, no later than September 6, 2007.

2. Any responses to the Staff's recommendation shall be filed no later than September 13, 2007.

3. This order shall become effective on August 17, 2007.

**BY THE COMMISSION**

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

Colleen M. Dale  
Secretary

(SEAL)

Colleen M. Dale, Chief Regulatory Law Judge,  
by delegation of authority pursuant to  
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri  
on this 17th day of August, 2007.