STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 5th day of June, 2007.

In the Matter of the Verified Application and
Petition of Laclede Gas Company to Change Its
Infrastructure System Replacement Surcharge
)

Case No. GO-2007-0370
Tariff No. JG-2007-0708

ORDER APPROVING ADJUSTED ISRS RATES

Issue Date: June 5, 2007 Effective Date: June 16, 2007

On March 30, 2007, Laclede Gas Company filed an application and petition to adjust its infrastructure system replacement surcharge (ISRS) rates. Laclede's request to change its ISRS rates was accompanied by an implementing tariff. The Commission has suspended that tariff until July 28, 2007.

In its ISRS application, Laclede seeks to adjust its ISRS rate schedule to reflect costs incurred in connection with ISRS-eligible infrastructure system replacements made during the period beginning October 1, 2006, through February 28, 2007. The specific infrastructure system replacements for which Laclede seeks ISRS recognition are set forth in Appendix A to its application.

Section 393.1015.1(2), RSMo, requires that the Commission publish notice of Laclede's ISRS filing. Therefore, on April 3, the Commission directed that notice of the filing be mailed to the county commission of the counties served by Laclede, as well as to the corresponding governing body for the City of St. Louis. It also directed that notice be given to the media serving the area served by Laclede and to the members of the General

Assembly representing that area. In that same order, the Commission directed that any person wishing to intervene in this matter file an application to intervene no later than April 23. The Commission did not receive any applications to intervene.

Section 393.1015.2(2), RSMo, requires the Staff of the Commission to file a report regarding Laclede's ISRS application no later than 60 days after it was filed. Staff filed its recommendation on May 29, advising the Commission to approve Laclede's application as submitted.

Staff recommends that Laclede's new rates be allowed to go into effect on June 16, 2007, which is one day beyond the one-year anniversary of its penultimate ISRS filing of June 15, 2006. Because 4 CSR 240-3.265(16) allows an ISRS filing no more often than two times every twelve-month period, Staff recommends that the new rates be effective one day after the twelve-month period of June 15, 2006 to June 15, 2007 has expired.

Based on Laclede's application and Staff's report regarding that application, the Commission concludes that Laclede should be permitted to adjust its ISRS rates. Laclede's tariff implementing those rates will be approved.

IT IS ORDERED THAT:

- 1. Laclede Gas Company is authorized to adjust its Infrastructure System Replacement Surcharge rates in the manner described in its Application and Petition.
- 2. The tariff sheet filed by Laclede Gas Company, on March 30, 2007, and assigned tariff number JG-2007-0708, is approved, effective on June 16, 2007. The tariff sheet approved is:

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- 3. This order shall become effective on June 16, 2007.
- 4. This case shall be closed on June 17, 2007.

BY THE COMMISSION

Colleen M. Dale Secretary

(SEAL)

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

Pridgin, Senior Regulatory Law Judge