

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 15th day of
January, 2008.

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company to Establish an)	<u>Case No. GO-2008-0155</u>
Infrastructure System Replacement Surcharge)	Tariff No. YG-2008-0313

ORDER APPROVING ISRS RATES AND IMPLEMENTING TARIFF

Issue Date: January 15, 2008

Effective Date: January 18, 2008

On November 9, 2007, Laclede Gas Company filed an application and petition to establish an infrastructure system replacement surcharge (ISRS). Laclede's request was accompanied by an implementing tariff. The Commission has suspended that tariff until March 8, 2008.

In its application, Laclede seeks to establish its ISRS rate schedule to reflect costs incurred in connection with ISRS-eligible infrastructure system replacements placed in service from April 1, 2007, through September 30, 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 the Commission to publish notice of Laclede's ISRS filing. Therefore, on November 13, the Commission directed that notice of the filing be mailed to the county commission of the counties served by Laclede, as well as 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 addition, the Commission directed notice to each party in Laclede's most recent rate case. In the same order, the Commission directed that any person wishing to intervene in this matter file an application to intervene no later than December 3.

The Commission received an application to intervene from a group of industrial customers identifying themselves as the Missouri Industrial Energy Consumers (MIEC) on December 3. No other applications to intervene were received. The Commission granted MIEC's application to intervene on December 14.

Section 393.1015.2(2), RSMo, allows 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 January 4, 2008, advising the Commission to approve Laclede's application as submitted. Staff also recommended the Commission approve Laclede's implementing tariff effective on the date its order approving the ISRS is effective. Laclede responded to Staff's recommendation on January 4 with a motion asking the Commission to approve its ISRS and implementing tariffs effective on January 18.

On January 7, the Commission ordered that any party wishing to respond to Staff's recommendation do so no later than January 10. No party has responded to that recommendation.

In connection with its ISRS application, on November 16, Laclede filed a request for approval of various sample notices that will inform its customers of the ISRS. The filing and approval of those notices is required by the Commission's ISRS rule, 4 CSR 240-3.265(9). On January 10, Staff filed a recommendation advising the Commission to approve the submitted sample notices.

Staff's recommendation also explains that Commission Rule 4 CSR 240-3.265(22) requires Laclede to provide certain information, when it files its ISRS petition, describing information posted on its website regarding the ISRS, as well as a description of instructions provided to the utility's call center regarding how to respond to calls pertaining to the ISRS. Laclede provided the required information to Staff and Public Counsel, but stated in its November 16 pleading that it was not clear whether the regulation required this information to be filed along with its petition. Staff asserts that the information should be filed along with the application and asks the Commission to direct Laclede to file call center instructions and website information at the time it files any future ISRS petition. In a pleading filed on January 10, Laclede accepted Staff's recommendation, and advises the Commission that it will file such information when it files any future ISRS petition.

Based on Laclede's application and Staff's report regarding that application, the Commission concludes that Laclede shall be permitted to collect ISRS rates in the amount requested by Laclede.

IT IS ORDERED THAT:

1. Laclede Gas Company is authorized to collect an Infrastructure System Replacement Surcharge sufficient to recover appropriate annual pre-tax revenues in the amount of \$1,646,284.
2. The tariff sheet filed by Laclede Gas Company, on November 9, 2007, and assigned tariff number YG-2008-0313, is approved, effective January 18, 2008. The tariff sheet approved is:

P.S.C. MO. No. 5

Tenth Revised Sheet No. 12, Cancelling Ninth Revised Sheet No. 12

3. The customer notices submitted by Laclede Gas Company on November 16, 2007 are approved.

4. Laclede Gas Company is directed to file call center instructions and website information required by Commission Rule 4 CSR 240-3.265(22) at the time it files any future infrastructure system replacement surcharge petition.

5. This order shall become effective on January 18, 2008.

BY THE COMMISSION

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

Colleen M. Dale
Secretary

(S E A L)

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

Woodruff, Deputy Chief Regulatory Law Judge