

**STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION**

At a session of the Public Service  
Commission held at its office in  
Jefferson City on the 30th day  
of September, 2008.

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 Spanish Manor, Crest Manor and     )  
White Oak Estates Mobile Home Parks in Jefferson     )  
County, Missouri.     )

**Case No. GO-2009-0029**

**ORDER GRANTING APPLICATION**

Issue Date: September 30, 2008

Effective Date: October 10, 2008

This order permits Laclede Gas Company (hereafter "Laclede") to abandon its General L.P. Gas Service to customers in the Spanish Manor, Crest Manor and White Oak Estates Mobile Home Parks in Jefferson County, Missouri.

**The Application**

On July 18<sup>1</sup>, Laclede filed the above-referenced application with the Commission. Since the early 1970s, Laclede has provided propane service to the above-mentioned mobile home parks, with the plan to later build out its natural gas service to serve those same customers. However, the anticipated growth in customers in those mobile home parks did not occur and, in fact, the number of customers has dwindled considerably. Therefore, providing natural gas service to those customers is not economically feasible.

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<sup>1</sup> All calendar references are to 2008 unless noted otherwise.

Instead of continuing to provide propane service to those customers, Laclede wishes to transfer its propane tanks and gas within those tanks to AmeriGas Partners, L.P. (hereafter “AmeriGas”). If the Commission approves this transaction, AmeriGas would provide propane services to the customers in the above-referenced mobile home parks without regulation from the Commission.

AmeriGas proposes to, at no charge, provide and connect an individual propane tank for each customer that wants service from AmeriGas. Further, AmeriGas would provide those customers a discount on the first 400 gallons of propane purchased, offer a monthly budget billing plan, and waive all initial set-up fees.

The Commission issued an Order and Notice on July 22, giving potentially interested parties until August 11 to request intervention. The Commission received no intervention requests.

### **Staff Recommendation**

On September 17, the Staff of the Commission (hereafter “Staff”) filed its Recommendation. Staff recommends that the Commission approve the application, including the condition that Laclede recognize on its books and records a \$6,000 current market value as the appropriate net salvage reduction to the estimated \$36,100 cost for removal of these systems.

Staff notes that Laclede’s propane service lines are deteriorating, and that most, if not all, of these lines would need to be replaced in the next few years if Laclede were to continue providing propane service to these customers. The replacement cost of some \$250,000 would not be economically feasible to serve fewer than 50 customers at these

mobile home parks. Further, Staff notes that based upon an average annual usage of 300 gallons, approval of this transaction would result in an average annual propane bill dropping from \$762 to \$630.

Laclede responded to Staff's Recommendation on September 18, stating that it does not object to the conditions proposed by Staff.

### **Decision**

Based on Laclede's verified application and Staff's verified Recommendation, which are admitted into evidence, the Commission concludes that Laclede should be permitted to abandon and sell its assets and service in the above-mentioned areas to AmeriGas, subject to the conditions proposed by Staff.

### **THE COMMISSION ORDERS THAT:**

1. The Verified Application to Abandon L.P. Gas Service to Customers in the Spanish Manor, Crest Manor, and White Oak Estates Mobile Home Parks in Jefferson County, Missouri filed by Laclede Gas Company is granted, subject to Laclede Gas Company recognizing on its books and recording a \$6,000 current market value as the appropriate net salvage for the storage tanks to be transferred to AmeriGas Partners, L.P., and subject to Laclede Gas Company applying the \$6,000 amount as an offset to the estimated \$36,100 overall removal cost for these three systems.

2. This order shall become effective on October 10, 2008.
3. This case shall be closed on October 11, 2008.

**BY THE COMMISSION**

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale  
Secretary

( S E A L )

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

Pridgin, Senior Regulatory Law Judge