

**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 July, 2009.

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company to Change its)	<u>File No. GO-2009-0389</u>
Infrastructure System Replacement Surcharge)	Tariff File No. YG-2009-0760

**ORDER APPROVING ADJUSTED ISRS RATES AND
GRANTING MOTION FOR EXPEDITED TREATMENT**

Issue Date: July 15, 2009

Effective Date: July 16, 2009

On April 28, 2009¹, Laclede Gas Company (hereafter “Laclede”) filed an application with the Missouri Public Service Commission under Sections 393.1009, 393.1012 and 393.1015, RSMo Cum. Supp. 2008, requesting that the Commission authorize the company to establish an Infrastructure System Replacement Surcharge (hereafter “ISRS”) for numerous gas utility plant projects. Laclede’s request to change its ISRS rates was accompanied by an implementing tariff. The Commission has suspended that tariff until August 26.

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 of December 1, 2008, through May 31, 2009. The specific infrastructure system replacements for which Laclede seeks ISRS recognition are set forth in Appendix A to its application.

¹ All calendar references are to 2009 unless otherwise indicated.

Section 393.1015.1(2), RSMo, requires that the Commission publish notice of Laclede's ISRS filing. Therefore, on May 4, 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 May 24. The Commission received an application to intervene from USW Local 11-6, which the Commission granted.

Section 393.1015.2(2), RSMo, requires the Staff of the Commission (hereafter "Staff") to file a report regarding an ISRS application no later than 60 days after it was filed. Staff filed its recommendation on June 26, advising the Commission to approve Laclede's application as amended. Staff stated that Laclede's initial ISRS request was for \$2,485,205; however, Staff stated that on June 16, based upon additional information that reflected actual plant additions and retirements for the period covering April 1 through May 31, Laclede lowered its ISRS revenue requirement request to \$2,473,240.

Laclede responded on July 2, stating that it agreed with and accepted Staff's recommendation. Laclede filed a substitute tariff to reflect the \$2,473,240 ISRS revenue requirement that it and Staff agreed upon. The tariff sheet bears an effective date of August 2, 2009. However, Laclede also filed a Motion for Expedited Treatment, asking that the Commission approve the tariff sheet no later than July 16.

On July 6, the Commission ordered Staff to respond no later than July 8, and permitted any other party to also respond no later than July 8. Staff timely responded,

stating that it neither supports nor opposes Laclede's Motion for Expedited Treatment, and that Laclede's substitute tariff sheet filed on July 2 correctly states the ISRS rates as listed in Staff's recommendation. No other party responded to the Commission's July 6 order.

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, as substituted on July 2, will be approved.

The Commission further finds that good cause exists for Laclede to be excused from the Section 393.140(11) requirement that tariffs have a 30-day effective date. To constitute good cause, the reason or legal excuse given "must be real not imaginary, substantial not trifling, and reasonable not whimsical."² Laclede states, and the Commission finds, that there will be no negative effect on its customers or the general public if the Commission allows the tariff to become effective on or before July 16.

THE COMMISSION ORDERS THAT:

1. Laclede Gas Company is authorized to adjust its Infrastructure System Replacement Surcharge rates in the manner described in its Application and Petition, as amended by the Staff Recommendation.
2. The Motion for Expedited Treatment filed by Laclede Gas Company is granted.


² *Belle State Bank v. Indus. Comm'n*, 547 S.W.2d 841, 846 (Mo. App. 1977). See also *Barclay White Co. v. Unemployment Compensation Bd.*, 50 A.2d 336, 339 (Pa. 1947) (to show good cause, reason given must be real, substantial, and reasonable).

3. The tariff sheet filed by Laclede Gas Company, on April 28, 2009, as amended by the substitute tariff sheet filed on July 2, 2009, and assigned tariff number YG-2009-0760, is approved, effective on July 16, 2009. The tariff sheet approved is:

P.S.C. Mo. No. 5 Consolidated
Thirteenth Revised Sheet No. 12, Cancelling Twelfth Revised Sheet No. 12

3. This order shall become effective on July 16, 2009.
4. This case shall be closed on July 17, 2009.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

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

Pridgin, Senior Regulatory Law Judge