

**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 the final phase of its)
soft copper service line replacement)
program previously approved pursuant)
to Case No. GO 99-155 and as)
revised by Case No. GS-2008-0038.)

Case No. GS-2008-0038

STAFF'S STATUS REPORT

COMES NOW the Staff of the Missouri Public Service Commission and Files Its Status Report in this matter, stating that Laclede is finalizing its copper service line replacements and Staff proposes to report back concerning conclusion of this program no later than December 15, 2010. Staff further states:

1. On October 14, 1998, Staff filed a motion to open a case to investigate the adequacy of Laclede Gas Company's (Laclede or Company) direct-buried-copper-service-line replacement program and the effectiveness of the Company's leak survey procedures and investigations.

2. On October 30, 1998, the Commission issued an Order Establishing Case (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 the Company's leak surveys and investigations.

3. On February 18, 2000, the Parties filed a Unanimous Stipulation and Agreement (Agreement), in which Section 7(h) states: "[a]fter the third year of this program, Laclede and the Gas Safety Staff will review the progress and results of the Company's Copper Service Safety Program to determine future relay/renewal plans,

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

4. On August 8, 2007 Laclede filed, in this case, a Verified Application Requesting a Revision in the Replacement Requirements for Case No. GO-99-155 Establishing the Adequacy of the Company’s Copper Service Line Replacement Program and Leak Survey Procedures for Soft Copper Service Lines.

5. Staff recommended, and Laclede agreed to a slight reduction in the number of soft copper service lines Laclede was required to replace annually from 8,000 to 7,000. The average overall number of service line replacements will, however, remain at approximately 8,000 annually for the term of the program.

6. On September 20, 2007, the Commission issued its *Order Granting Reduction of Replacement Requirements*.

7. The Commission’s October 7, 2009 *Order Continuing Requirements Of Direct-Buried Copper Service Line Replacement Program* found that Laclede “...will replace its last direct-buried copper service line sometime in 2010. Staff recommends the Commission order Laclede to continue to comply with the previously established replacement schedule, leak survey, and repair requirements. Staff indicates it will continue to monitor Laclede’s actions, and will file a final report with the Commission in 2010, after Laclede completes the replacement program.”

8. The October 7th Order states: “Staff shall report to the Commission when Laclede Gas Company has completed its direct-buried copper service line replacement program.”

9. In response to the Commission's October 1, 2010 *Order Directing Staff to File Status Report*, Staff reports the following:

- a. Since 1999 the Company has completed the replacement of over 81,000 soft copper service lines as of October 7, 2010.
- b. All replacements are main-to-meter replacements.
- c. Laclede, however, is still reviewing documents as there are currently 23 addresses where the Company has record of a soft copper service line but a structure no longer exists at the reported address.
- d. Because of this situation, the Company is researching its own records for these addresses and, where applicable, is researching the records of municipal agencies regarding the location of the structure that was originally served.
- e. Laclede is attempting to determine the location of the service line so it can be confirmed as abandoned or can be properly abandoned.
- f. The Company expects to complete its research on these addresses by November 15, 2010, and will at that time, provide an update to Staff on any remaining actions that need to be taken and the associated timeline.

10. Staff will provide to the Commission an end-of-program update, and recommendations, if necessary, no later than December 15, 2010.

WHEREFORE, the Staff respectfully requests the Commission accept Staff's Status Report in compliance with the Commission's October 1 Order, and set December 15 as the date for an end-of-program report on Laclede's progress in finalizing its copper service line replacement program.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 15th day of October, 2010.

/s/ Lera L. Shemwell