

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 24th day of June, 2008.

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company to Change Its)	<u>Case No. GO-2008-0351</u>
Infrastructure System Replacement Surcharge)	Tariff No. YG-2008-0644

ORDER APPROVING ISRS RATES AND TARIFF

Issue Date: June 24, 2008

Effective Date: June 30, 2008

On April 25, 2008, Laclede Gas Company filed an application and petition to change its infrastructure system replacement surcharge (ISRS). Laclede's request was accompanied by an implementing tariff. The Commission has suspended that tariff until August 23.

In its application, Laclede seeks to increase its ISRS rate schedule to reflect costs incurred in connection with ISRS-eligible infrastructure system replacements placed in service from October 1, 2007, through March 31, 2008. 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 (Supp. 2007), requires the Commission to publish notice of Laclede's ISRS filing. Therefore, on April 29, 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 May 19.

The Commission granted applications to intervene from USW Local 11-6 on May 20, and from a group of industrial customers identifying themselves as the Missouri Industrial Energy Consumers (MIEC) on May 30. The Commission did not receive any other applications to intervene.

Section 393.1015.2(2), RSMo (Supp. 2007), allows the Staff of the Commission to file a report regarding Laclede's ISRS application no later than 60 days after the application was filed. Staff filed its recommendation on June 12, advising the Commission to approve Laclede's application as submitted. Staff also recommended the Commission approve Laclede's implementing tariff to be effective on August 23.

Laclede responded to Staff's recommendation on June 13 with a motion asking the Commission to expedite its consideration of its ISRS application and to issue an order approving that application no later than June 19.

On June 16, the Commission ordered that any party wishing to object to either Laclede's motion for expedited treatment, or its application and petition to change its ISRS, do so no later than June 18. The Office of the Public Counsel objected on June 18, arguing that it needed more to review Staff's recommendation, but indicating it could complete its review and offer any objections by June 23. In light of Public Counsel's objection, the Commission denied Laclede's Motion for Expedited Treatment and established June 23 as the deadline for filing responses to Laclede's ISRS application and Staff's recommendation

regarding that application.

Neither Public Counsel nor any other party filed an objection to Laclede's ISRS application by June 23. Laclede, however, filed a pleading on June 24, asking the Commission to make its order approving the ISRS adjustment effective on June 26.

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

By statute, all orders of the Commission become effective after thirty days, "except as otherwise provided."¹ Customarily, the Commission gives its final orders a ten-day effective date. That practice has been upheld by reviewing courts.² However, the Commission must give its final orders an effective date that will allow a reasonable time for the filing of an application for rehearing.³ Laclede asks the Commission to make its ISRS rates effective on June 26, thus allowing only one full business day for the filing of an application for rehearing. Under the circumstances of this case, shortening the time before the order becomes effective is reasonable. All interested parties have now had ample time to express any objection to the ISRS and none have done so. However, a one-day effective date is not sufficient. The Commission will approve Laclede's ISRS rates and the accompanying tariff to become effective on June 30.

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

¹ Section 386.490.3, RSMo 2000.

² *State ex rel. Kansas City, Independence & Fairmount Stage Lines Co. v. Pub. Serv. Com'n*, 333 Mo. 544, 63 S.W.2d 88 (Mo 1933).

³ *State ex rel. Office of the Public Counsel v. Pub. Serv. Com'n*, 236 S.W.3d 632 (Mo banc

amount of \$3,531,066.

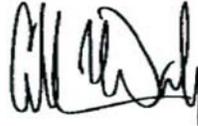
2. The tariff sheet filed by Laclede Gas Company, on April 25, 2008, and assigned tariff number YG-2008-0644, is approved, effective June 30, 2008. The tariff sheet approved is:

P.S.C. MO. No. 5

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

3. This order shall become effective on June 30, 2008.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

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

Woodruff, Deputy Chief Regulatory Law Judge