

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Verified Application)	
and Petition of Laclede Gas Company)	Case No. GO-2008-0351
to Change its Infrastructure System)	
Replacement Surcharge)	

**STAFF RECOMMENDATION CONCERNING
LACLEDE'S ISRS TARIFF**

COMES NOW the Staff and for its recommendation concerning Laclede's May 26, 2008 proposed Infrastructure System Replacement Surcharge (ISRS) tariff filing states:

1. On April 25, 2008, Laclede Gas Company (Laclede or Company) filed a tariff sheet with the Commission with a proposed effective date of May 26, 2008. This tariff sheet (File No. YG-2008-0644) proposes to increase the currently established ISRS surcharge rates.

2. The prior ISRS was reset to \$1,646,284 in Filing GO-2008-0155, which the Commission allowed to become effective January 18, 2008.

3. In its *Verified Application and Petition*, Laclede requested an adjustment to its surcharge amount for eligible infrastructure replacements made between October 1, 2007 and March 31, 2008.

4. Staff has thoroughly reviewed Laclede's filing and Staff recommends that the proposed ISRS rates, which generate \$3,531,066 in revenues annually, may be implemented.

5. In terms of the contents of the notices Laclede submitted, Laclede has agreed to update its customer notices to reflect the new ordered surcharge amount

and to insert the correct rates into its various notice components. Laclede will also update the correct effective dates.

WHEREFORE the Staff recommends that the Commission issue an order in this case that PERMITS Laclede to implement the ISRS tariff sheet on August 23, 2008, which authorizes Laclede to collect an Infrastructure System Replacement Surcharge that sufficient to recover appropriate annual pre-tax revenues in the amount of \$3,531,066.

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 12th day of June, 2008.

/s/ Lera L. Shemwell_____