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November 22, 2002

**FILED<sup>3</sup>**

**NOV 22 2002**

**Missouri Public  
Service Commission**

Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Public Service Commission  
Governor's Office Building  
Madison & E. Capitol  
Jefferson City, MO 65101

RE: *In the Matter of the Tariff Filing of Laclede Gas Company to Implement a Gas Supply Incentive Plan Called Catch-Up-Keep-Up*, Case no. GT-2003-0117, Tariff No. JG-2003-396

Dear Judge Roberts:

Enclosed for filing in the above-referenced case are the original and 8 copies of the position statement filed on behalf of the Missouri Department of Natural Resources Energy Center. Thank you for your attention to this matter.

Sincerely,

JEREMIAH W. (JAY) NIXON  
Attorney General

Ronald Molteni  
Assistant Attorney General

Enclosures

cc: Judge Ruth  
All Parties on the Service List

FILED<sup>3</sup>

NOV 22 2002

Missouri Public  
Service Commission

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

In the Matter of the Tariff Filing of )  
Laclede Gas Company to Implement a )  
Program called Catch-Up-Keep-Up. )

Case No. GT-2003-0117

**MISSOURI DEPARTMENT OF NATURAL RESOURCES**  
**ENERGY CENTER'S POSITION STATEMENT**

The Missouri Department of Natural Resources ("MDNR"), an intervenor in this case, sets forth its statement of positions through this filing. Because, of course, additional evidence will be adduced at hearing through cross examination, the MDNR reserves the right to change its position on any or all of the specific issues presented to the Commission for adjudication.

**ISSUES FOR COMMISSION DECISION**

1. Is there a need for a Program similar in form to the one proposed by Laclede (the "Program") and, if so, what is the nature, immediacy, and scope of that need?

There is a need for a low income assistance program. That need is immediate. Its scope is substantial.

2. If there is a need, is the Program properly designed to address that need?

No.

- A. Does the Program have the potential to benefit or harm customers?

1. All customers.

The program, as currently designed, will not benefit all customers, and will, in fact, impose a cost on all customers. A

well-designed program with long-term planning focused on energy efficiency could benefit all customers by lowering the aggregate cost of service.

2. Low-income customers.

The program, as currently designed, could benefit some low-income customers, but not likely those most in need of assistance, and not likely on a long-term basis.

B. Does the Program have the potential to benefit or harm Laclede?

The program will benefit Laclede in the short run. But in the long run, energy efficiency programs with long-term benefits for low income customers will help Laclede more.

C. What revisions can or should be made to the operational terms of the Program?

Focus on alleviating the causes of energy drain in homes often occupied by persons of lower income, which are often older homes, and are energy inefficient homes, will benefit, in the long run, the company and all of its customers, but mostly, Laclede's lowest income customers.

3. What level of funding is appropriate?

The Energy Center recommends that Laclede implement an effective low-income assistance program by using the \$600,000 annual fund from the proposed Catch-Up/Keep-Up program to support a low-income weatherization assistance program based on the federal guidelines used to administer the statewide

Weatherization Assistance Program. Such a program would result in long-term and sustainable benefits.

4. How can the Program be funded?

MDNR takes no position on this issue at this junction, but reserves the right to assert a position on this issue after more evidence is adduced at hearing.

5. How should the Program be funded?

MDNR takes no position on this issue at this junction, but reserves the right to assert a position on this issue after more evidence is adduced at hearing.

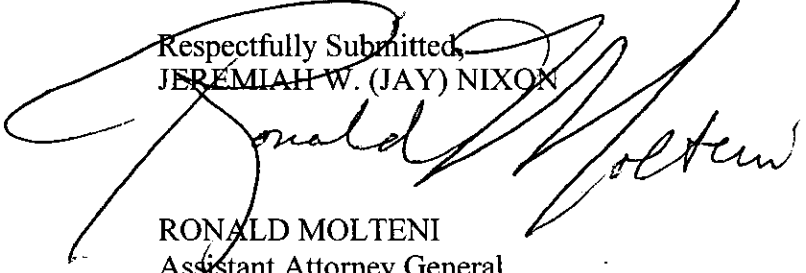
6. Can weatherization, conservation, customer outreach and education, and administrative costs be included in the program?

Yes.

7. If so, how should they be included?

MDNR takes no position on this issue at this junction, but reserves the right to assert a position on this issue after more evidence is adduced at hearing.

Respectfully Submitted,  
JEREMIAH W. (JAY) NIXON



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**CERTIFICATE OF SERVICE**

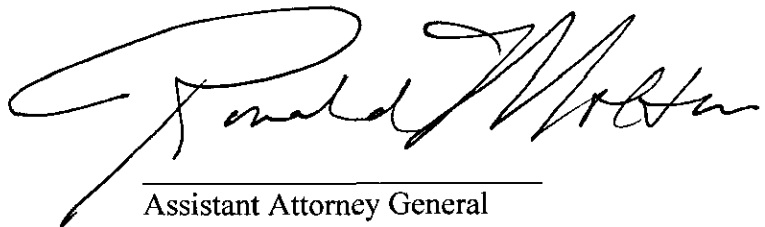
I hereby certify that a true and correct copy of the foregoing was mailed, postage prepaid, by United States mail, this 22nd day of November, 2002, to:

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