

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
December 7, 1999**

CASE NO: GR-99-315

General Counsel

Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102

Office of the Public Counsel

P.O. Box 7800
Jefferson City, MO 65102

**Gerald T. McNeive, Jr. Michael C.
Pendergast/Thomas M. Byrne**

Laclede Gas Company
720 Olive Street
St. Louis, MO 63101

Ronald K. Evans/Susan B. Knowles
Union Electric Company d/b/a AmerenUE
1901 Chouteau Avenue
P.O. Box 66149 (MC 1310)
St. Louis, MO 63166-6149

Diana M. Schmidt

Bryan Cave LLP
211 N. Broadway
St. Louis, MO 63102-2750

John D. Landwehr

Cook, Vetter, Doerhoff & Landwehr, P.C.
231 Madison Street
Jefferson City, MO 65101

Robert C. Johnson

720 Olive Street, 24th Floor
St. Louis, MO 63101

Richard P. Perkins

Diekemper, Hammond, Shinnors, Turcotte
and Larrew, P.C.
7730 Carondelet, Suite 200
St. Louis, MO 63105

Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,



**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

Uncertified Copy:

Lawrence O. Thomas

Director, Financial Analysis
Mississippi River Transmission Corp.
525 Milam Street
Shreveport, LA 71101

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's Tariff)
to Revise Natural Gas Rate Schedules.) Case No. GR-99-315

ORDER DIRECTING SCENARIOS

The Commission will be aided in its deliberations by receiving information concerning the impact on the revenue requirement of Laclede Gas Company (Laclede) under different scenarios. The Staff of the Missouri Public Service Commission (Staff), the Office of the Public Counsel (Public Counsel), and Laclede, will be ordered to file the scenarios described herein. The Commission will also shorten the time for responses to the filed scenarios as ordered below.

Assumptions Common to All Scenarios

For purposes of determining the revenue requirement under the six different scenarios, the following assumptions shall be common to each scenario:

- a. The parties shall use the figures from the Staff True-Up Accounting Schedules, filed on October 1, 1999, with the exception of the specific variables listed in these assumptions or the individual scenarios below.
- b. The amount of short-term debt is \$58 million.
- c. The advertising expenses are adjusted according to Staff's position.

- d. The depreciation rate is calculated according to Staff's position regarding Natural Gas Holders.
- e. The off-system sales revenue imputation is \$900,000.
- f. The customer annualization issue is decided using Staff's position and then, in accordance with the First Amended Stipulation and Agreement, the parties will use the figure which is the midpoint of the true-up calculations presented by Laclede and Staff.

Revenue Requirement Scenarios

A.1. The return on equity is 9.7%. The revenue collection lag is 25.4 days. The depreciation rate is calculated according to Staff's net salvage value.

A.2. The return on equity is 10.5%. The revenue collection lag is 25.4 days. The depreciation rate is calculated according to Staff's net salvage value.

A.3. The return on equity is 12.75%. The revenue collection lag is 25.4 days. The depreciation rate is calculated according to Staff's net salvage value.

B.1. The return on equity is 9.7%. The revenue collection lag is 34.8 days. The depreciation rate is calculated according to Laclede's net salvage value.

B.2. The return on equity is 10.5%. The revenue collection lag is 34.8 days. The depreciation rate is calculated according to Laclede's net salvage value.

B.3. The return on equity is 12.75%. The revenue collection lag is 34.8 days. The depreciation rate is calculated according to Laclede's net salvage value.

The parties filing scenarios shall fully explain the impact on the revenue requirement of each variable described in the scenario, as well as the total revenue requirement for each scenario. The parties filing scenarios shall fully explain the way in which all calculations in the scenario were performed. The parties shall also fully explain any additional assumptions made in the scenario.

IT IS THEREFORE ORDERED:

1. That the Staff of the Commission, the Office of the Public Counsel, and Laclede Gas Company shall file a pleading regarding the scenarios discussed herein as soon as possible, but no later than 12:00 p.m., December 10, 1999. For each scenario, the pleading shall show the impact on the revenue requirement for each variable in the scenario and the total impact on the revenue requirement of that scenario.

2. That responses to the pleadings regarding the scenarios shall be filed no later than 10:00 a.m., December 14, 1999.

3. That this order shall become effective on December 10, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Nancy Dippell, Senior Regulatory
Law Judge, by delegation of
authority pursuant to 4 CSR
240-2.120(1) (November 30, 1995)
and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 7th day of December, 1999.

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

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

**WITNESS my hand and seal of the Public Service Commission, at Jefferson
City, Missouri, this 7th day of December 1999.**

Dale Hardy Roberts

**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

