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December 7, 1999

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Director, Utility Services

DONNA M. KOLILIS
Director, Administration

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Secretary/Chief Regulatory Law Judge

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Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

RE: Case No. GO-99-155

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of the **PROPOSED PROCEDURAL SCHEDULE OF THE STAFF AND THE OFFICE OF THE PUBLIC COUNSEL**.

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lera L. Shemwell
Assistant General Counsel
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LLS:sw
Enclosure
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED²

DEC 7 1999

Missouri Public
Service Commission

In the matter of Laclede Gas Company)
regarding the adequacy of Laclede's)
service line replacement program and) Case No. GO-99-155
leak survey procedures.)

**PROPOSED PROCEDURAL SCHEDULE OF STAFF
AND THE OFFICE OF THE PUBLIC COUNSEL**

COME NOW the Staff of the Missouri Public Service Commission (Staff) and Office of the Public Counsel, (OPC) and in compliance with the Commission's Order Setting Prehearing Conference and Requiring Filing of Procedural Schedule, effective November 29, 1999, submit the following Proposed Procedural Schedule. In support of their request that the Commission adopt this procedural schedule, the Staff and OPC state:

1. On October 14, 1998, the Staff filed its motion to open this case. In support of that motion, Staff indicated that there had been two natural gas incidents in March, 1998, both of which involved natural gas leaking from corroded sections of copper service lines owned and operated by Laclede Gas Company (Laclede or Company). One of these incidents involved severe burns to a grandmother and her grandson.

2. Staff further stated that a case should be opened for the purpose of a thorough and complete examination and analysis of Laclede's copper service line replacement program and the effectiveness of all of the Company's leak surveys and investigations.

3. On October 22, 1998, Laclede filed its Response to Staff's Motion to Open Docket.

4. On October 30, 1998, the Commission issued its order opening this case

5. On August 31, 1999, Staff issued its Report Pertaining to an Investigation into Laclede's Leak Survey Procedures and Copper Services Line Replacement Program, noting that since November, 1985, there have been six natural gas incidents involving corrosion on direct-buried copper service lines. These explosions have resulted in one death, severe burns to a grandmother and her grandson, and significant property damage. The most recent Laclede incident involving a corroded copper service line occurred on February 22, 1999 and resulted in a fatality. This incident occurred after the Commission opened this case to investigate the adequacy of Laclede's copper service line replacement program and its leak survey procedures, emphasizing the importance of this investigation and the need for modifications to Laclede's existing programs.

6. On October 6, 1999, Laclede filed its Response of Laclede Gas Company to Staff Memorandum and Proposals, indicating that Laclede has been cooperating with Staff and that many of the issues in this case have been resolved.

7. On October 29, 1999, Staff filed its Memorandum in response to Laclede's Response to Staff's Memorandum, and also filed a Motion to Establish Expedited Procedural Schedule. Staff noted that Staff and Laclede have worked together to make necessary improvements to existing policies and procedures but while subtle changes to procedures may yield some benefits, a focused and prioritized replacement of leaking direct-buried service lines and those with the potential of leaking in the future is necessary.

8. A prehearing conference was held on November 30, 1999, and as a result, Staff and OPC recommend the following procedural schedule. Staff and OPC respectfully request that the Commission adopt the following procedural schedule for this case:

PROPOSED PROCEDURAL SCHEDULE

Direct testimony by Staff	January 5, 2000
Rebuttal testimony by Laclede	January 26, 2000
Final List of Issues	February 2, 2000
Surrebuttal testimony by Staff	February 7, 2000
Submit Parties' positions on the issues	February 10, 2000
Hearing	February 17 and 18, 2000
Briefing schedule	Initial briefs within 20 days after receipt of the transcript; reply briefs 10 days later

9. Laclede will be proposing an alternate Procedural Schedule that delays the process of resolving the issues in this case. Staff and OPC urge the Commission to reject that alternative. After the February hearing, at which time the Commission will have had an opportunity to read the testimony, hear the issues, and have the matter fully briefed, the Commission will be in a better position to determine if delay in issuing an order is wise, given the fact that the public safety is at issue.

10 Many, but not all, of the issues in this case have been resolved between Laclede and Staff. Staff and Laclede are working on a Stipulation and Agreement with the intent that such Stipulation and Agreement will be filed prior to the filing of Staff's Direct testimony, to reflect those agreements that the Staff and Laclede have been able to reach. Staff suggests that it is in the interest of all Parties if issues can be resolved and memorialized by Stipulation and Agreement, but if these issues cannot be resolved in such a manner, they will be addressed in testimony.

WHEREFORE, Staff and OPC request that the Commission issue an order adopting the above proposed procedural schedule.

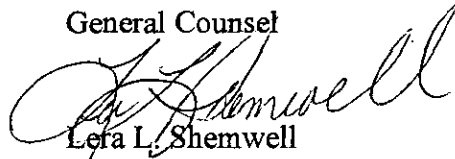
Respectfully submitted,



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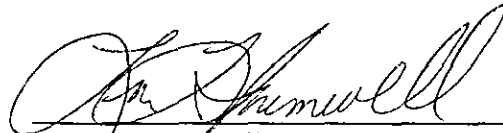


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CERTIFICATE OF SERVICE

I hereby certify that the foregoing has been served on all parties of record as shown on the attached service list.



Lera L. Shemwell

Service List for
Case No. GO-99-155
Revised: December 7, 1999

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