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December 20, 1999

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

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

DEC 20 1999

Missouri Public  
Service Commission

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

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and fourteen (14) conformed copies of a **RESPONSE TO REQUEST FOR EXPEDITED CLARIFICATION.**

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

Thank you for your attention to this matter.

Sincerely,

Thomas R. Schwarz, Jr.  
Deputy General Counsel  
(573) 751-5239  
(573) 751-9285 (Fax)

Enclosure  
cc: Counsel of Record

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

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

DEC 20 1999

Missouri Public  
Service Commission

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

**RESPONSE TO REQUEST FOR EXPEDITED CLARIFICATION**

COMES NOW the Staff of the Missouri Public Service Commission ("Staff") and, as ordered by the Missouri Public Service Commission ("Commission") on December 17, 1999, makes its response to Laclede Gas Company's ("Laclede" or "Company") Request for Expedited Clarification, as follows:

1. The Commission issued its Report and Order in the above-captioned Laclede rate case on December 14, 1999. In its Report and Order, the Commission discussed off-system sales revenues at pages 24-26, made findings of fact on the issue at page 34, and addressed the issue further in Ordered Paragraph 11, page 39.
2. In its findings of fact on page 34 the Commission found, as Laclede had suggested in the case, that \$0.9 million was an appropriate amount to impute to Laclede's revenue to account for off-system sales. The revenue requirement of \$11,240,000 in Ordered Paragraph 10 appears to include this \$0.9 million imputation. The rates Laclede included in its tariff filing of December 16, 1999 also appear to be calculated in accord with the \$11,240,000 revenue requirement of Ordered Paragraph 10.

3. The Staff noted to Laclede on December 16, 1999 that the tariff sheets filed that day did not comply with Ordered Paragraph 11. Staff further indicated that it would not recommend approval of the tariff filing unless it complied with each and every Ordered Paragraph, including Ordered Paragraph 11. On December 17, 1999 Laclede filed tariff sheets<sup>1</sup> to comply with Ordered Paragraph 11, but recommended that the Commission reject them. Staff is working with Laclede to correct unrelated technical problems with Laclede's compliance filing.
4. The Staff had recommended during the course of the rate case, and continues to maintain, that the Commission credit all net off-system sales revenue to captive sales customers through the PGA clause. Laclede recommended during the rate case, and filed its December 16 tariff sheets to reflect, that the Commission account for off-system sales, if at all, through imputation of \$0.9 million in its rate case revenue requirement. To Staff's knowledge, no party recommended both adjustments. It appears to Staff that requiring a credit of all net off-system sales to customers through the PGA clause and imputing \$0.9 million to Laclede's revenues in this rate case results in a double adjustment for off-system sales. The Staff concurs that a clarification is needed.
5. If the Commission intended to require both a PGA credit and imputation, then it appears to Staff that the Commission should approve Laclede's tariff filings, including the December 17 sheets 15, 21, and 22 (but not the December 16 sheet 15),

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<sup>1</sup> On December 16, 1999 Laclede filed a tariff sheet 15 which did not comply with Ordered Paragraph 11. On December 17, 1999 Laclede filed tariff sheets 15, 21 and 22, which did comply with Ordered Paragraph 11. Because Laclede did not withdraw the non-compliant sheet 15 or substitute for it, Laclede now has two identically numbered, but different, tariff sheets 15 submitted for Commission approval. Laclede recommended in its December 17 cover letter that the Commission reject the December 17 tariffs, consistent with Laclede's pending Request for Expedited Clarification.

subject to technical corrections. If the Commission intended to require only a PGA credit, then it should approve the tariff sheets 15, 21, and 22 (subject to a technical corrections) filed on December 17, correct its December 14 ordered paragraph 10 to reflect a revenue requirement of \$12,140,000, and require Laclede to file substitute tariff sheets for the balance of its filing to reflect this additional \$0.9 million in revenue requirement. If the Commission intended only to impute \$0.9 million to Laclede's revenue requirement, it should approve the tariff sheets filed by Laclede on December 16 including tariff sheet 15, and tariff sheet 21 filed on December 17 (subject to technical corrections), but should reject the tariff sheets 15 and 22 filed on December 17. If the Commission intended any other result, it should inform the parties as soon as practicable, so that they can fully comply with the Commission's Order.

6. Due to the uncertainty of the parties as to the Commission's intent, and due to the multiple tariff sheets filed by Laclede, the Staff urges the Commission to issue its clarifying order as promptly as possible, December 21, 1999, if possible. The order is needed for Staff to know the criteria by which it is to judge compliance of Laclede's filed tariff sheets with the Commission's orders.

WHEREFORE, having fully responded to this Commission's December 17, 1999 Order and to Laclede's Request for Expedited Clarification, the Staff asks the Commission to clarify its December 14, 1999 Report and Order in this case as promptly as can be done.

Respectfully submitted,

DANA K. JOYCE  
General Counsel

Marc Poston *by DKS*  
Marc Poston  
Assistant General Counsel  
Missouri Bar No. 45722

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### **Certificate of Service**

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 21st day of December 1999.

Thomas R Schwan, Jr.

**SERVICE LIST FOR  
CASE NO: GR-99-315  
December 20, 1999**

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