



**Commissioners**

**SHEILA LUMPE**  
Chair

**HAROLD CRUMPTON**

**CONNIE MURRAY**

**ROBERT G. SCHEMENAUER**

**M. DIANNE DRAINER**  
Vice Chair

**Missouri Public Service Commission**

POST OFFICE BOX 360  
JEFFERSON CITY, MISSOURI 65102  
573-751-3234  
573-751-1847 (Fax Number)  
<http://www.ecodev.state.mo.us/psc/>

December 10, 1999

**GORDON L. PERSINGER**  
Acting Executive Director  
Director, Research and Public Affairs

**WESS A. HENDERSON**  
Director, Utility Operations  
**ROBERT SCHALLENBERG**  
Director, Utility Services

**DONNA M. KOLILIS**  
Director, Administration

**DALE HARDY ROBERTS**  
Secretary/Chief Regulatory Law Judge

**DANA K. JOYCE**  
General Counsel

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

**FILED**

DEC 10 1999

Missouri Public  
Service Commission

**RE: 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 **STAFF'S SCENARIOS**.

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,

Marc Poston  
Senior Counsel  
(573) 751-8701  
(573) 751-9285 (Fax)

MP/jb  
Enclosure  
cc: Counsel of Record

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI

FILED

DEC 10 1999

Missouri Public  
Service Commission

In the Matter of Laclede Gas Company's )  
Tariff to Revise Natural Gas Rate )  
Schedules

Case No. GR-99-315

STAFF'S SCENARIOS

The Staff of the Missouri Public Service Commission (Staff) submits the attached scenarios, labeled Attachment A, in response to the Commission's December 7, 1999 *Order Directing Scenarios*. The Office of the Public Counsel concurs with the Staff's scenario calculations.

Respectfully submitted,

DANA K. JOYCE  
General Counsel



Marc Poston  
Senior Counsel  
Missouri Bar No. 45722

Attorney for the  
Missouri Public Service Commission  
P. O. Box 360  
Jefferson City, MO 65102  
(573) 751-8701 (Telephone)  
(573) 751-9285 (Fax)

### **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 10th day of December, 1999.

  
\_\_\_\_\_

**Laclede Gas Company**  
**Case No. GR-99-315**

**Revenue Requirement Under Scenario A.1. Assumptions**  
**(000)**

<u>Line</u>			
1	Common Assumptions:		
2	Staff Mid-range (9.5% Return on Equity) True-up Revenue Requirement Filed October 1, 1999	\$	5,139
3	Short Term Debt is \$58 Million		1,154
4	Advertising Adjusted to Staff's Position		[1]
5	Depreciation on Gas Holders Calculated According to Staff Position		[1]
6	Off-system Sales Revenue Imputation of \$900,000		(914)
7	Customer Annualization in Accordance With The First Amended Stipulation and Agreement		[1]
8	Scenario A.1. Return on Equity of 9.7%		960
9	Scenario A.1. Revenue Collection Lag of 25.4 Days		[1]
10	Scenario A.1. Depreciation Rates With Staff's Net Salvage Value		<u>[1]</u>
11	Revenue Requirement Reflecting Scenario A.1. Assumptions	\$	6,339

[1] Assumption reflected in Staff Revenue Requirement on Line 2 above.

**Laclede Gas Company**  
**Case No. GR-99-315**

**Revenue Requirement Under Scenario A.2. Assumptions**  
**(000)**

<u>Line</u>		
1	Common Assumptions:	
2	Staff Mid-range (9.5% Return on Equity) True-up Revenue Requirement Filed October 1, 1999	\$ 5,139
3	Short Term Debt is \$58 Million	1,154
4	Advertising Adjusted to Staff's Position	[1]
5	Depreciation on Gas Holders Calculated According to Staff Position	[1]
6	Off-system Sales Revenue Imputation of \$900,000	(914)
7	Customer Annualization in Accordance With The First Amended Stipulation and Agreement	[1]
8	Scenario A.2. Return on Equity of 10.5%	4,650
9	Scenario A.2. Revenue Collection Lag of 25.4 Days	[1]
10	Scenario A.2. Depreciation Rates With Staff's Net Salvage Value	<u>[1]</u>
11	Revenue Requirement Reflecting Scenario A.2. Assumptions	\$ 10,029

[1] Assumption reflected in Staff Revenue Requirement on Line 2 above.

**Laclede Gas Company**  
**Case No. GR-99-315**

**Revenue Requirement Under Scenario A.3. Assumptions**  
**(000)**

<u>Line</u>		
1	Common Assumptions:	
2	Staff Mid-range (9.5% Return on Equity) True-up Revenue Requirement Filed October 1, 1999	\$ 5,139
3	Short Term Debt is \$58 Million	1,154
4	Advertising Adjusted to Staff's Position	[1]
5	Depreciation on Gas Holders Calculated According to Staff Position	[1]
6	Off-system Sales Revenue Imputation of \$900,000	(914)
7	Customer Annualization in Accordance With The First Amended Stipulation and Agreement	[1]
8	Scenario A.3. Return on Equity of 12.75%	15,014
9	Scenario A.3. Revenue Collection Lag of 25.4 Days	[1]
10	Scenario A.3. Depreciation Rates With Staff's Net Salvage Value	<u>[1]</u>
11	Revenue Requirement Reflecting Scenario A.3. Assumptions	\$ 20,393

[1] Assumption reflected in Staff Revenue Requirement on Line 2 above.

Scenario A.3.

**Laclede Gas Company**  
**Case No. GR-99-315**

**Revenue Requirement Under Scenario B.1. Assumptions**  
(000)

Line

1	Common Assumptions:		
2	Staff Mid-range (9.5% Return on Equity) True-up Revenue Requirement Filed October 1, 1999	\$	5,139
3	Short Term Debt is \$58 Million		1,154
4	Advertising Adjusted to Staff's Position		[1]
5	Depreciation on Gas Holders Calculated According to Staff Position		[1]
6	Off-system Sales Revenue Imputation of \$900,000		(914)
7	Customer Annualization in Accordance With The First Amended Stipulation and Agreement		[1]
8	Scenario B.1. Return on Equity of 9.7%		960
9	Scenario B.1. Revenue Collection Lag of 34.8 Days		1,140
10	Scenario B.1. Depreciation Rates With Company's Net Salvage Value		2,162
11	Revenue Requirement Reflecting Scenario B.1. Assumptions	\$	9,641

[1] Assumption reflected in Staff Revenue Requirement on Line 2 above.

Scenario B.1.

**Laclede Gas Company**  
**Case No. GR-99-315**

**Revenue Requirement Under Scenario B.2. Assumptions**  
**(000)**

<u>Line</u>		
1	Common Assumptions:	
2	Staff Mid-range (9.5% Return on Equity) True-up Revenue Requirement Filed October 1, 1999	\$ 5,139
3	Short Term Debt is \$58 Million	1,154
4	Advertising Adjusted to Staff's Position	[1]
5	Depreciation on Gas Holders Calculated According to Staff Position	[1]
6	Off-system Sales Revenue Imputation of \$900,000	(914)
7	Customer Annualization in Accordance With The First Amended Stipulation and Agreement	[1]
8	Scenario B.2. Return on Equity of 10.5%	4,721
9	Scenario B.2. Revenue Collection Lag of 34.8 Days	1,140
10	Scenario B.2. Depreciation Rates With Company's Net Salvage Value	<u>2,162</u>
11	Revenue Requirement Reflecting Scenario B.2. Assumptions	\$ 13,402

[1] Assumption reflected in Staff Revenue Requirement on Line 2 above.



**Laclede Gas Company**  
**Case No. GR-99-315**

**Revenue Requirement Under Scenario B.3. Assumptions**  
**(000)**

Line

1	Common Assumptions:		
2	Staff Mid-range (9.5% Return on Equity) True-up Revenue Requirement Filed October 1, 1999	\$	5,139
3	Short Term Debt is \$58 Million		1,154
4	Advertising Adjusted to Staff's Position		[1]
5	Depreciation on Gas Holders Calculated According to Staff Position		[1]
6	Off-system Sales Revenue Imputation of \$900,000		(914)
7	Customer Annualization in Accordance With The First Amended Stipulation and Agreement		[1]
8	Scenario B.3. Return on Equity of 12.75%		15,287
9	Scenario B.3. Revenue Collection Lag of 34.8 Days		1,140
10	Scenario B.3. Depreciation Rates With Company's Net Salvage Value		<u>2,162</u>
11	Revenue Requirement Reflecting Scenario B.2. Assumptions	\$	23,968

[1] Assumption reflected in Staff Revenue Requirement on Line 2 above.

Scenario B.3.

**SERVICE LIST FOR  
CASE NO: GR-99-315  
December 10, 1999**

Office of the Public Counsel  
P.O. Box 7800  
Jefferson City, MO 65102

Michael C. Pendergast  
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  
231 Madison  
Jefferson City, MO 65102

Richard Perkins  
Diekemper, Hammond, Shinnars, Turcotte  
7730 Carondelet, Suite 200  
St. Louis, MO 63105

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