

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

In the Matter of the Application of Missouri Gas ) Case No. GO-2014-0179  
Energy, a division of Laclede Gas Company, for )  
Approval to Change its Infrastructure System )  
Replacement Surcharge. )

**UNANIMOUS STIPULATION AND AGREEMENT  
AND MOTION FOR EXPEDITED TREATMENT**

COME NOW Laclede Gas Company, doing business as Missouri Gas Energy (“MGE”), the Office of the Public Counsel (“Public Counsel”); the Staff of the Missouri Public Service Commission (“Staff”), and Midwest Gas Users’ Association (“MGUA”) (collectively, the “Parties”) and submit this Unanimous Stipulation and Agreement (“Stipulation and Agreement”) and Motion for Expedited Treatment for approval by the Commission.

**BACKGROUND**

1. On December 6, 2013, MGE filed an electronic copy of PSC MO. No. 6, Sheet No. 10, reflecting a change in its Infrastructure System Replacement Surcharge (“ISRS”) as well as an application to adjust its ISRS on that same date (“Application”). The tariff sheet reflected an issue date of December 6, 2013 and a proposed effective date of April 5, 2014.

2. On December 18, 2013, Public Counsel filed a Motion to Reject Application, which was denied, but the Commission directed MGE to supplement its Application.

3. MGE supplemented its Application on February 2, 2014 and Staff filed a Recommendation on February 4, 2014 (“Recommendation”). On February 5, 2014,

MGE filed a Notice of Agreement and Motion for Expedited Treatment and Tariff Page, which accepted Staff's Recommendation. MGE also filed a revised tariff sheet (Fifteenth Revised Sheet No. 10) with a proposed effective date of March 7, 2014.

4. On February 14, 2014, Public Counsel filed a Request for Evidentiary Hearing, which detailed Public Counsel's objections to \$527,137 of MGE's requested ISRS eligible plant. The Hearing Request also detailed Public Counsel's concerns with the information provided by MGE to support its inclusion in ISRS line relocations required by entities with eminent domain authority.

5. On March 6, 2014, MGE filed a Motion to Suspend Procedural Schedule in order to allow the Parties time to submit a formal stipulation for Commission review. That request was granted by the Commission on March 7<sup>th</sup>.

6. The Parties have held several discussions concerning the amounts included in the Application, the type of information MGE provides to the parties for review during the auditing process, and the type of information included in ISRS applications. As a result of those discussions, the Parties have agreed to the following Stipulation and Agreement, which resolves all issues in this proceeding in the manner set out herein.

### **RESOLUTION OF ISSUES**

7. Tariff Sheet. The Parties agree that the Commission should approve the tariff sheets shown in Appendix A (PSC Mo. No. 6 Original Sheet No. 10) attached hereto. The Tariff Sheet bears an effective date of April 14, 2014.

8. Filing Requirements. MGE shall file all future ISRS applications with references to the ISRS statute and the state or federal safety requirements in the format

set forth in its Supplemental Appendix B attached to its February 3, 2014 Response to the Commission's Order.<sup>1</sup> Further, for projects completed after the date of the approval of this Stipulation and Agreement, MGE will make available written documentation in its work order files which identifies the entity with the power of eminent domain and provides a description of the purpose of the relocation project. Such documentation may be consistent with the documentation normally used by such entity, but at a minimum shall include a written request (in the form of a letter, email, or project description) from such entity for the relocation. All parties reserve the right to contest the sufficiency of said documentation.

9. MGE agrees not to include any expenses associated with project numbers 20808132502, 20830132446, 21207132670, and 20401121469 in its ISRS.

#### **GENERAL PROVISIONS**

10. Unless otherwise explicitly provided herein, none of the Parties to this Stipulation and Agreement shall be deemed to have approved or acquiesced in any ratemaking or procedural principle, including, without limitation to, any other method of cost determination or cost allocation or revenue-related methodology. Other than as explicitly provided herein, none of the Parties shall be prejudiced or bound in any manner in this or any other proceeding by the terms of this Stipulation and Agreement regardless of whether this Stipulation and Agreement is approved.

11. This Stipulation and Agreement has resulted from extensive negotiations among the Parties and the terms hereof are interdependent. If the Commission does not approve this Stipulation and Agreement unconditionally and without modification,

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<sup>1</sup> The parties specifically agree only to the *format* shown in the Supplemental Appendix B. This agreement in no way limits a party's right to challenge in the future whether the safety requirements cited by MGE properly qualify such expenses for the ISRS.

then this Stipulation and Agreement shall be void and no Party shall be bound by any of the agreements or provisions hereof.

12. If the Commission does not unconditionally approve this Stipulation and Agreement without modification, and notwithstanding the provision herein that it shall become void, neither this Stipulation and Agreement nor any matters associated with its consideration by the Commission shall be considered or argued to be a waiver of the rights that any Party has for a decision in accordance with §536.080 RSMo 2000 or Article V, Section 18 of the Missouri Constitution, and the Parties shall retain all procedural and due process rights as fully as though this Stipulation and Agreement had not been presented for approval, and any suggestions, memoranda, testimony, or exhibits that have been offered or received in support of this Stipulation and Agreement shall become privileged as reflecting the substantive content of settlement discussions and shall be stricken from and not be considered as part of the administrative or evidentiary record before the Commission for any purpose whatsoever.

13. In the event the Commission unconditionally accepts the specific terms of this Stipulation and Agreement without modification, the Parties waive the following rights only as to the issues resolved herein: 1) their respective rights to present oral argument and written briefs pursuant to §536.080.1 RSMo 2000; 2) their respective rights to seek rehearing, pursuant to §536.500 RSMo 2000; and 3) their respective rights to judicial review pursuant to §386.510 RSMo 2000. This waiver applies only to a final unappealed Commission order unconditionally approving this Stipulation and Agreement issued in this proceeding and only to the issues that are resolved hereby. It

does not apply to any matters raised in any prior or subsequent Commission proceeding or any matters not explicitly addressed by this Stipulation and Agreement.

**MOTION FOR EXPEDITED TREATMENT**

14. MGE requests the expedited treatment of the Tariff Sheet. MGE seeks the Commission's order allowing the proposed Tariff Sheet to go into effect by March 21, 2014, or as soon as it may be acted on by the Commission. MGE states that since the Parties have resolved their differences in the processing of this ISRS application, there is no reason to delay permitting MGE to revise its rates. Accordingly, harm will be avoided and benefit will accrue from the Commission acting consistent with the terms of the ISRS statute providing for expediting ISRS cases. (See 393.1015 RSMo.) As this motion accompanies the Stipulation and Agreement resolving the issues in this case, it was filed as soon as it could have been.

**WHEREFORE**, for the foregoing reasons, the undersigned Parties respectfully request that the Commission issue its Order approving all of the specific terms and conditions of this Unanimous Stipulation and Agreement and approve the Tariff Sheet submitted as Appendix A hereto. Further, MGE requests that the tariff be approved on an expedited basis as requested herein.

Respectfully Submitted,

**MISSOURI GAS ENERGY, A DIVISION OF  
LACLEDE GAS COMPANY**

**/s/ Todd J. Jacobs**

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**Certificate of Service**

I hereby certify that copies of the above and foregoing document were sent by electronic mail on this 14<sup>th</sup> day of March, 2014 to counsel of record.

/s/ Todd J. Jacobs  
Todd J. Jacobs