

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY**

August 1, 2000

CASE NO: GO-2000-394

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

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

Michael C. Pendergast/Thomas M. Byrne
Laclede Gas Company
720 Olive Street, Room 1520
St. Louis, MO 63101

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

Sincerely,



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

On July 7, 2000, Laclede filed a Verified Application for Authorization to Implement Temporary Revisions to Price Stabilization Program. Along with the Application, Laclede filed a Motion for Expedited Treatment. In its motion, Laclede claimed the temporary revisions were designed to provide Laclede with the "additional resources and flexibility required to obtain meaningful price

protection for its customers in advance of the upcoming winter heating season." Specifically, Laclede requested the Commission act on its request by August 1, 2000.

On July 11, 2000, the Commission, pursuant to Commission Rule 4 CSR 240-2.808(16), issued its Order Directing Filing which required all interested parties to respond by July 14, 2000, to Laclede's Application. The order also directed Staff to file either a recommendation and memorandum or a pleading requesting a hearing on or before July 21, 2000.

On July 14, 2000, the Office of the Public Counsel (Public Counsel) filed its Response to the Order Directing Filing wherein it stated that it was reviewing Laclede's Application but was not prepared to state its position with respect to the Application at that time. Public Counsel's request that the Commission allow it to respond no later than July 21, 2000, was granted on July 17, 2000.

On July 19, 2000, Staff filed its response to Laclede's motion and application. Staff recommended that the Commission grant only part of the relief sought by Laclede.

On July 21, 2000, Public Counsel filed a Response to Laclede's Application. In its response, Public Counsel stated that the Commission should reject Laclede's proposal entirely. Public Counsel further recommended that the Commission should direct Laclede to comply with the provisions of its currently approved program. Public Counsel requests that the Commission open a separate docket to review the operation of Laclede's program.

On July 25, 2000, Laclede filed its Reply to Staff and Public Counsel. In addition to rebutting many of Staff and Public Counsel's assertions, Laclede requested that the Application be approved, subject to the following:

The Company is willing to defer until its next Summer PGA filing the recovery of any additional amounts that the Company has requested to procure financial instruments to the extent such deferral is necessary to mitigate or eliminate any additional increase in rates at the time Laclede makes its Winter PGA filing in November of this year. The Company agrees that it will only procure fixed rate instruments in the event, and to the extent that it will contribute to an actual reduction in Laclede's existing rates at the time the Company makes its Winter PGA filing in November. With these understandings, the Commission can be assured that approval of the temporary revisions proposed by Laclede will only serve to reduce or eliminate any further increase in rates that might otherwise occur in advance of the upcoming heating season while providing consumers with additional protection from any price increases that do occur.

As the synopsis of the procedural history shows, this case can only be characterized as contested. As a result, the Commission is unable to grant the Motion for Expedited Review requested by Laclede. A prehearing conference will promptly be set with the intention of proceeding to resolution as expeditiously as possible. Furthermore, Laclede may continue to pursue discussions with Staff and Public Counsel in an attempt to achieve a unanimous stipulation and agreement.

The Commission concludes that the parties should file a proposed procedural schedule. The procedural schedule shall include dates for the filing of testimony and for a hearing.

IT IS THEREFORE ORDERED:

1. That a prehearing conference will be held on August 17, 2000, at 10:00 a.m. at the Commission's offices in Jefferson City, Missouri. The prehearing conference will be held in a building that complies with the Americans with Disabilities Act. If you have additional needs as addressed by the Americans with Disabilities Act, you should contact the Missouri Public Service Commission at least ten days before the prehearing conference at: Consumer Services Hotline - 1-800-392-4211 or TDD Hotline - 1-800-829-7541.

2. That the parties shall file a proposed procedural schedule no later than August 24, 2000.

3. That this order shall become effective on August 11, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Kevin A. Thompson, Deputy Chief
Regulatory Law Judge, by delegation
of authority pursuant to Section
386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 1st day of August, 2000.

File: To Be Issued By Delegate)

AL/Sec'y: Thompson (Deputy Sec'y) Noyle

7-31

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Date Circulated

Return by 3pm

10am

CASE NO. 90-2000-394

V.H.
Lumpe, Chair

OP
Draimer, Vice Chair

MC
Murray, Commissioner

KS
Schemenauer, Commissioner

KS
Simmons, Commissioner

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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 1st day of Aug. 2000.

Dale Hardy Roberts

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

