

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY
March 22, 2001**

CASE NO: GO-2000-394

Office of the Public Counsel
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Michael C. Pendergast
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,

A handwritten signature in black ink that reads "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office
in Jefferson City on the 22nd
day of March, 2001.

In the Matter of Laclede Gas Company's)	<u>Case No. GO-2000-394</u>
Experimental Price Stabilization Fund.)	Tariff No. 200100869

ORDER REJECTING TARIFF

On February 13, 2001, the Commission issued its Order modifying Laclede Gas Company's (Laclede) Experimental Price Stabilization Program (PSP). The Order shortened the period during which Laclede could opt out of the price protection program and directed Laclede to augment the fund with \$4,000,000 of its own funds. The Commission directed Laclede to file, no later than February 23, 2001, a tariff revision in compliance with the Commission's Order.

Laclede filed its proposed tariff sheets on February 23, 2001. On March 15, 2001, the Staff of the Missouri Public Service Commission (Staff) filed a Motion to Suspend, along with an attached Memorandum, recommending that the Commission suspend Laclede's tariff sheets. Staff notes that it has reviewed the proposed tariff and concludes that the tariff sheets are not in compliance with the Commission's February 13, 2001, Order. Staff states that the Commission's Order requires Laclede to contribute \$4,000,000 of its own funds to increase the funds available to purchase price protection for the winter of 2001/2002. Staff alleges that Laclede has replaced the Commission's language, "its [Laclede's] own funds", with language that would insulate Laclede from any Commission review of the PSP at any time to the extent of the \$4,000,000. Staff contends that Laclede's language modification is significant, circumvents the Commission's

procedural processes, and is detrimental to Laclede's customers. Staff recommends that the Commission suspend the proposed tariff and require the parties to establish a procedural schedule.

On March 19, 2001, Laclede filed a Motion for Opportunity to Respond Fully to Staff's Motion to Suspend. Laclede requested that the Commission grant it until noon on March 21, 2001, to fully respond to Staff's Motion to Suspend. The Commission issued an order on March, 20, 2001, granting this request.

Laclede filed its response to Staff's Motion to Suspend on March 21, 2001. Laclede argues that its proposed tariff does implement the terms of the Company's offer for contributing \$4 million to the funding of its Experimental PSP as directed by the Commission's February 13, 2001, Order. Laclede further contends that adoption of Staff's Motion to Suspend would eviscerate any effort to obtain meaningful price protection for Laclede's customers in advance of the next heating season, and is counter-productive to the interests of Laclede's customers.

The Commission has reviewed the tariff sheets, Staff's Motion to Suspend, Laclede's responses, and the official file. The Commission determines that the last sentence of paragraph G of the proposed Tariff Sheet No. 28-e goes beyond the Commission's directives in its February 13, 2001, Order. Specifically, the Commission is unwilling to approve a tariff provision that purports to preclude the Commission from ever reviewing this matter in a future Actual Cost Adjustment proceeding. The Commission finds that the tariff as filed goes beyond the Commission's February 13, 2001, order, and should be rejected. However, should Laclede refile its proposed tariff without the additional language in the last sentence of paragraph G, Sheet No. 28-e, the Commission would be inclined to approve the tariff on an expedited basis to become effective in less than 30 days.

IT IS THEREFORE ORDERED:

1. That the Staff's Motion to Suspend Laclede's tariff sheets filed on February 23, 2001, is denied.


2. That the tariff sheets filed by Laclede Gas Company on February 23, 2001, Tariff File No. 200100869, are rejected. The sheets rejected are:

P.S.C. MO. No. 5

**4th Revised Sheet No. 28-e Cancelling 3rd Revised Sheet No. 28-e
Original Sheet No. 28-e.1**

3. That this order shall become effective on March 26, 2001.

BY THE COMMISSION



**Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge**

(S E A L)

Lumpe, Ch., Drainer, Murray,
and Simmons, CC., concur.
Schemenauer, C., absent.

Ruth, Regulatory Law Judge

ALJ/Sec'y: GR with 17 e
3-16 G0-2000-394
 Date Circulated CASE NO.
SL
 Lumpe, Chair
mal
 Drainer, Vice Chair
Mr. Ziff Wing are it we going?
know the date 3/26
 Murray, Commissioner
SL about (Budget is to
 Schemenauer, Commissioner respond today)
SL We can discuss +
 Simmons, Commissioner continue if necessary

3-20
 Agenda Date

Action taken: 4-0 A A
 Must Vote Not Later Than _____

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 22nd day of March 2001.



Dale Hardy Roberts
 Dale Hardy Roberts
 Secretary/Chief Regulatory Law Judge