

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION
JEFFERSON CITY

May 27, 1992

CASE NO. GR-92-165

Robert J. Carroll, Vice President and Controller, Laclede Gas Company,
720 Olive Street, St. Louis, MO 63101
Robert C. Johnson, Peper, Martin, Jensen, Maichel and Hetlage,
720 Olive Street, 24th Floor, St. Louis, MO 63101
Ronald K. Evans and Steven R. Sullivan, Attorneys, Union Electric Company, P.O.
Box 149, St. Louis, MO 63166
William M. Franz, Franz & Franz, 721 Olive Street, Suite 800,
St. Louis, MO 63101
Gerald T. McNeive, Jr., Associate General Counsel, Laclede Gas Company,
720 Olive Street, Room 1528, St. Louis, MO 63101
Richard W. French, Assistant General Counsel, Laclede Gas Company,
720 Olive Street, Room 1517, St. Louis, MO 63101
F. Bruce Abel, Clark & Eyrich, 2200 Ameritrust Center, 525 Vine Street,
Cincinnati, OH 45202
Kenneth Eisdorfer, Cook, Eisdorfer & Associates, 2258 Scheutz Road,
Suite 205, St. Louis, MO 63146
Kevin J. Blase, Juanita Feigenbaum and Thomas M. Byrne, Mississippi
River Transmission Corp., 9900 Clayton Rd., St. Louis, MO 63124
Michael J. Hoare, Attorney at Law, 406 9-5 Shenandoah, St. Louis, MO 63110
Robert J. Carroll, Jr., Vice President-Finance, Laclede Gas Company, 720 Olive
Street, Room 1319, St. Louis, MO 63101

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

Sincerely,


Brent Stewart
Executive Secretary

Uncertified Copy:

Office of the Public Counsel, P.O. Box 7800, Jefferson City, MO 65102
Gary Mueller, Housing Resource Center, 2627 Ohio, St. Louis, MO 63118
Tom Regan, MoPIRG, 4069A Shenandoah Blvd., St. Louis, MO 63110

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 27th
day of May, 1992.

In the matter of Laclede Gas Company for authority to)
file tariffs to increase rates for gas service in) Case No. GR-92-165
Missouri.)
)

ORDER ESTABLISHING TEST YEAR

On February 11, 1992, the Commission entered its Suspension Order And Notice Of Proceedings setting March 31, 1992 as the date for Laclede Gas Company's (Laclede) recommendation for the proper test year, as adjusted, in this case and setting May 4, 1992 as the date for all other parties' recommendations for test year, as adjusted.

On March 31, 1992, Laclede, in its prefiled direct testimony, recommended that the test year in this case should be the year ended February 29, 1992, with adjustments for known and measurable changes through August 31, 1992.

On May 4, 1992, the Staff of the Commission (Staff) filed a recommendation concerning the appropriate test year to be used in this case. Staff recommends that the Commission adopt a test year of the twelve months ending February 29, 1992, as updated through May 31, 1992. In support of its proposal, Staff states that adoption of this recommendation will enable Staff to audit all cost items that will be included in its direct case which is to be filed July 17, 1992. Staff points out that the test year may be further updated subsequent to the filing of Staff's direct case should the necessary information be available.

The hearings in this matter are scheduled for August 24-28, 1992. All parties' prefiled rebuttal testimony is due August 7, 1992 and all parties' prefiled surrebuttal testimony is due August 19, 1992. Whether there are known and measurable changes occurring beyond the end of the test year as updated is an

evidentiary question for the Commission. "Known and measurable changes" were defined by the Commission in its test year order in Case No. WR-91-361 (September 6, 1991). Such changes must be auditable and must not violate the relationship of revenues, rate base, and expenses established in Staff's audit. The rates should be based on the latest information available including the most current known costs.

Viewing the proposals in this manner, the Commission finds that Staff's recommended test year as updated is more reasonable. Staff's direct testimony is to be filed on July 17, 1992. Staff's recommended test year is more reasonable because it allows the parties to address the issues using the same period in their prefiled rebuttal and surrebuttal testimony. The Commission can still consider and make findings as to known and measurable changes up to and including the hearing. Thus, the Commission determines that the proper test year to be used in this case should be the year ending February 29, 1992, as updated through May 31, 1992.

IT IS THEREFORE ORDERED:

1. That the test year to be used in this case is the twelve (12) months ending February 29, 1992, as updated through May 31, 1992.
2. That this order shall become effective on the date hereof.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Executive Secretary

(S E A I.)

McClure, Chm., Mueller, Rauch,
Perkins and Kincheloe, CC., concur.

Graham / G Rothhoff / Pope

CASE NO. CR-92-165

Kuf
Chairman

Am
Commissioner

DR
Commissioner

POP
Commissioner

GR
Commissioner

3/1584c

SOAS

5/27

c. 5/21

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 27th
day of May, 1992

Brent Stewart

Brent Stewart
Executive Secretary