STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY January 25, 2001

CASE NO: GO-2000-394

Office of the Public Counsel P.O. Box 7800 Jefferson City, MO 65102 General Counsel
Missouri Public Service Commission
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Jefferson City, MO 65102

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,

Dale Hardy Roberts

Hake Hard Roberts

Secretary/Chief Regulatory Law Judge

BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

ORDER GRANTING MOTION FOR LEAVE TO REPLY OUT OF TIME AND NOTICE SHORTENING TIME IN WHICH TO RESPOND

On December 22, 2000, the Staff of the Missouri Public Service Commission (Staff) filed a Staff Recommendation with respect to the Experimental Price Stabilization Program (PSP) of Laclede Gas Company (Laclede). Staff recommends that the Commission terminate the third year of the PSP because it is no longer appropriate in the current market conditions, and that the Commission advise Laclede to make the necessary gas purchasing decisions required to fulfill its obligation to provide safe and adequate service at just and reasonable rates.

On January 5, 2001, Laclede filed its Response to Staff Recommendation. Laclede requests that the Commission issue an order on or before February 15, 2001, specifying that the company may continue operating under the PSP as previously approved by the Commission or, alternatively, take no action on Staff's Recommendation and permit the program to continue by its own terms following that date.

Staff filed a Motion for Leave to File Reply Out of Time, and its Reply to Laclede's Response, on January 23, 2001. Staff indicates that it received supporting information from Laclede with respect to Laclede's January 5 Response on January 12 and January 16, 2001.



Staff reviewed the supporting information as quickly as possible, but due to other pressing Commission business was not able to frame its reply until now. Staff states that given the importance of the case, and the press of time, it requests that it be permitted to file the proposed reply.

In its Reply to Laclede's Response, Staff argues that the PSP is flawed, and suggests that, as the Commission did last fall with Missouri Gas Energy (MGE), the Commission should give the local distribution companies (LDCs) clear direction that LDCs are expected to exercise their best judgment to assure natural gas in the face of changing market conditions, clearly document the framework and basis for those decisions, and that the Commission will review those decisions in the ACA process. Staff states that the Commission gave MGE clear direction to secure protection for customers in its best judgment, and it should apply the same judgment to Laclede.

The Commission has reviewed Staff's Recommendation, Laclede's Response to Staff Recommendation, Staff's Motion for Leave to File Reply Out of Time, and Staff's Reply to Laclede's Response. The Commission finds that Laclede should be allowed an opportunity to respond to Staff's Reply, filed on January 23, 2001. However, it is necessary to shorten the time in which Laclede may respond so that the Commission may promptly address the issues.

IT IS THEREFORE ORDERED:

 That the Motion for Leave to File Reply Out of Time, filed by Staff of the Missouri Public Service Commission on January 23, 2001, is granted.

- 2. That Laclede Gas Company may respond to Staff's Reply to Laclede's Response no later than 12:00 p.m. on January 29, 2001. The Office of the Public Counsel may file a reply on the same date.
- 3. That this order shall become effective on January 29, 2001.

BY THE COMMISSION

Dale Hardy Roberts

Hake Hred Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Vicky Ruth, Regulatory Law Judge, by delegation of authority pursuant to 4 CSR 240-2.120(1) (November 30, 1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri, on this 25th day of January, 2001.

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 <u>25th</u> day of Jan. 2001.

Dale Hardy Roberts

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Secretary/Chief Regulatory Law Judge