

At a Session of the Public Service Commission held at its office in Jefferson City on the 30th day of September, 1994.

### ORDER DENYING WAIVER AND GRANTING EXTENSION OF TIME

On August 31, 1994, the Staff of the Commission (Staff) filed a memorandum opinion recommending that the Commission deny Greeley's waiver request but grant the company an extension of time until December 31, 1994, to comply with Commission Rule 4 CSR 240-40.040(6). Staff stated that the last case specifically addressing Greeley's depreciation rates was in May

of 1964, the company's last rate case was in 1989, and that it is unlikely the company will file a rate case in the near future. Staff's opinion was that a cost of less than \$10.00 per customer was reasonable and compliance would be beneficial to the company and its ratepayers. Staff stated that, without the information required by the rule, the Staff could not evaluate the status of depreciation accounts and the justification of the rates that are in use.

The Office of the Public Counsel (OPC) filed a response in the case on September 15, 1994. OPC took no position on whether the Commission should grant or deny the company's waiver request.

On September 15, 1994, Greeley Gas Company filed its response to the staff recommendation. The company reiterated its position that the cost of compliance with Rule 4 CSR 240-40.040(6) would outweigh the benefits of compliance. The company suggested that the Commission consider implementing depreciation rates for Greeley Gas similar to those recommended by the Staff in recent gas distribution cases, namely Re Tartan Energy Company, Case No. GA-93-127, and Re Fidelity Natural Gas, Inc., Case No. GA-91-299. The company stated that it had been informed that it would take a minimum of five months to obtain an outside consultant, gather the necessary information, and complete the analysis and report for filing. Greeley requested that, should the Commission deny its waiver request, it be given five months to complete those tasks. The company also asked that it be granted an Accounting Authority Order to defer the costs associated with compliance with Rule 4 CSR 240-40.040(6).

Having considered the Request for Waiver filed by Greeley Gas Company, the Staff recommendation, and the responses filed by OPC and the company, the Commission finds that Greeley Gas Company, A Division of Atmos

Energy Corporation, is a public utility subject to Commission jurisdiction pursuant to Chapters 386 and 393 RSMo. (1986). Greeley Gas is obligated to comply with properly promulgated Commission rules unless granted a waiver by the Commission. The Commission is of the opinion that the company has not shown good cause for waiver of 4 CSR 240-40.040(6). Although the Commission can sympathize with the company's concerns regarding the costs and the time required for gathering data and completing the reporting requirements, the company has not filed a rate case since 1989 and has not been subjected to a comprehensive review of its depreciation rates since 1964. Accordingly, a full waiver of the rule should not be approved. However, since the company will be required to obtain an outside consultant and considerable effort will be needed to collect the necessary data, an extension of time for compliance is in order.

The Company initiated this action with a Request for Waiver and made a bare bones plea for an Accounting Authority Order (AAO) only in its response to the Staff's recommendation. Consequently, the issue of whether the costs of compliance with Rule 4 CSR 240-40.040(6) may be deferred via an AAO is not before this body for decision. In any case, AAO's are reserved for the deferral of expenses associated with extraordinary events, or large, one-time expenditures.

**IT IS THEREFORE ORDERED:**

1. That the Request for Waiver filed by Greeley Gas Company, A Division of Atmos Energy Corporation, be denied.
2. That Greeley Gas Company be allowed until March 1, 1995, to comply with the provisions of Commission Rule 4 CSR 240-40.040(6).

3. That this order shall become effective on October 12,  
1994.

BY THE COMMISSION

A handwritten signature in cursive script that reads "David L. Rauch".

David L. Rauch  
Executive Secretary

(S E A L)

McClure, Perkins, and Kincheloe, CC.,  
Concur.  
Mueller, Chm., and Crumpton, C., Absent.