

**BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MISSOURI**

In The Matter Of The Verified Application	)	
And Petition Of Laclede Gas Company For	)	<b><u>Case No. GO-2006-0377</u></b>
Establishment Of An Infrastructure	)	Tariff File No. YG-2006-0747
System Replacement Surcharge	)	

**REQUEST FOR APPROVAL OF CUSTOMER NOTICES**

**COMES NOW** Laclede Gas Company (“Laclede” or "Company"), pursuant to 4 CSR 240-3.265(9) of the Commission’s Rules, and for its Request for Approval of Customer Notices, states as follows:

1. Pursuant to Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri and Commission Rule 4 CSR 240-3.265 (the “ISRS Rule”), on March 31, 2006, Laclede filed its Verified Application and Petition to re-establish its Infrastructure System Replacement Surcharge (“ISRS”).

2. Sections 8 and 9 of the ISRS Rule sets forth certain requirements regarding how customers are to be notified of the ISRS. Accordingly, Laclede has attached for the Commission’s approval:

- (a) an example of the initial, one-time notice required by subsection (8)(A) of the ISRS Rule which explains the Company’s infrastructure system replacement program, explains how the ISRS will be applied to the Company’s various customer classes, and identifies the statutory authority under which the ISRS is being implemented (*see* Attachment 1);
- (b) an example of the annual notice required by subsection (8)(B) of the ISRS Rule explaining the continuation of the infrastructure

system replacement program and the resulting ISRS (*see* Attachment 2); and

- (c) an example customer bill showing how the ISRS will be described on affected customer's bills in accordance with subsection (8)(C) of the ISRS Rule (*see* Attachment 3).

3. Laclede notes that the initial one-time notice referenced in paragraph (2)(a) above may be provided as either an insert sent with the customer's bill or as a message on the back of the customer's bill (or a combination of both) depending on the timing of any Commission Order approving the ISRS filing. The annual notice referenced in paragraph (2)(b), however, will be provided as a separate insert with the customer's bill.

4. Section 22 of the ISRS Rule also requires Laclede to provide information regarding ISRS information on its website, along with ISRS-related call center instructions. This information has been provided to Staff and Public Counsel. As opposed to the information provided pursuant to Section 9 above, this information is not submitted for approval, nor is it clear whether this information should even be filed. Nevertheless, Laclede is attaching hereto the ISRS information used by its call center (Attachment 4) and the ISRS information on its website (Attachment 5). These attachments will be updated following a Commission order approving an ISRS in this case.

**WHEREFORE**, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission issue an Order approving the customer notices set forth in Attachments 1, 2 and 3 to this Request.

Respectfully submitted,

/s/ Rick Zucker

Michael C. Pendergast # 31763  
Vice President & Associate General Counsel  
Rick E. Zucker #49211  
Assistant General Counsel

Laclede Gas Company  
720 Olive Street, Room 1520  
St. Louis, MO 63101  
(314) 342-0532 (telephone)  
E-mail:mpendergast@lacledegas.com

ATTORNEYS FOR  
LACLEDE GAS COMPANY

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing Request was served on the General Counsel of the Staff of the Missouri Public Service Commission, the Office of the Public Counsel, and all parties or record on this 20th day of April, 2006 by hand-delivery, fax, electronic mail or by placing a copy of such Request, postage prepaid, in the United States mail.

/s/ Gerry Lynch

Gerry Lynch

## **ATTACHMENT I**

### **INITIAL NOTICE**

#### **ISRS**

Each year, Laclede spends tens of millions of dollars on its more than 16,000 miles of pipeline facilities used to deliver gas to its customers. The infrastructure system replacement surcharge (ISRS) covers only a part of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state and federal public improvement projects and safety requirements. In general, the ISRS charge to cover these costs is smaller for residential customers, while larger users in other customer classes are charged a greater amount. The amount of the charge may be adjusted periodically, and is being implemented in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.

## **ATTACHMENT II**

### **ANNUAL NOTICE**

#### **ISRS**

Each year, Laclede spends tens of millions of dollars on its more than 16,000 miles of pipeline facilities used to deliver gas to its customers. The infrastructure system replacement surcharge (ISRS) covers only a part of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state and federal public improvement projects and safety requirements. In general, the ISRS charge to cover these costs is smaller for residential customers, while larger users in other customer classes are charged a greater amount. The amount of the charge, which is reflected on the front of your bill, may be adjusted periodically, and has been implemented in accordance with Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.

**ATTACHMENT III**

**EXAMPLE CUSTOMER BILL**

# Laclede Gas Company

DRAWER 2  
ST. LOUIS, MO 63171



FIRST-CLASS MAIL  
U.S. POSTAGE PAID  
POST CARD RATE  
PERMIT NO. 735

PRESORTED

SERVICE AT: XXXXXXXXXXXXXXXXXXXX

ACCT NO. 999999-999-2

DEPOSIT 0.00 RATE RG

AVERAGE GAS COST PER THERM .82083 DEGREE DAYS 429

PRESENT READING	PREVIOUS READING	USAGE (CCF)	BTU FACTOR	THERMS
1258	1230	28	1.029	28.8

ACTUAL READING AMOUNT  
CURRENT CHARGES 50.18

AMOUNT DUE \$50.18

PAYMENT DUE BY 07-01-06 DELINQUENT AFTER 07-10-06

AMOUNT DUE \$50.18

PAYMENT DUE BY 07-01-06  
DELINQUENT AFTER 07-10-06

Dollar Help - Check One!

☐ \$1 ☐ \$2 ☐ \$5

RETURN THIS STUB TO: LACLEDE GAS COMPANY, DRAWER 2, ST. LOUIS, MO 63171

AMOUNT PAID



XXXXXX XXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXXXX  
ST LOUIS, MO 63136

9999999920000050186

06455

BILL DETAIL	AMOUNT
PRIOR GAS BALANCE	67.79
PAYMENT THANK YOU	67.79-
CHARGE FOR GAS SVC 05-16-06 TO 06-17-06 (INCLUDES A MONTHLY ISRS CHARGE OF \$.25)	47.67
ST LOUIS CNTY TAX	2.51
ACCOUNT BALANCE	50.18

HELP SOMEONE IN NEED. GIVE TO DOLLAR HELP. CHECK A  
RED BOX TO ADD A DONATION TO EACH MONTH'S GAS BILL.

**ATTACHMENT IV**

**CALL CENTER INSTRUCTIONS**



**LACLEDE GAS COMPANY**  
**INTRA-COMPANY CORRESPONDENCE**

June 8, 2004

To: All Customer Relations Employees

Re: Infrastructure System Replacement Surcharge (ISRS)

The Infrastructure System Replacement Surcharge (ISRS) will begin with all meters read after June 10, 2004. June 11, 2004 will be the first day that the ISRS bill stock will be used (see attachment 1). The ISRS bill stock will be used through July 12, 2004. After July 12, 2004, customers will receive a bill insert notice once a year in November that explains the ISRS charge (see attachment 2).

The initial ISRS charge will be implemented as a prorated charge. The exact amount of the ISRS charge can be found under the "DETAIL BILL CALCULATION" screen under NBIL (see attachment 3). (See attachment 4A and 4B for examples of how the bill will look.)

See attachment 5 for a listing of all ISRS rates.

If a customer calls inquiring about the ISRS charge, you can direct them to the information on the back of the bill through July 12, 2004. When customers call after July 12, 2004 or before July 12, 2004 and want to discuss the charge in greater detail, please emphasize the following:

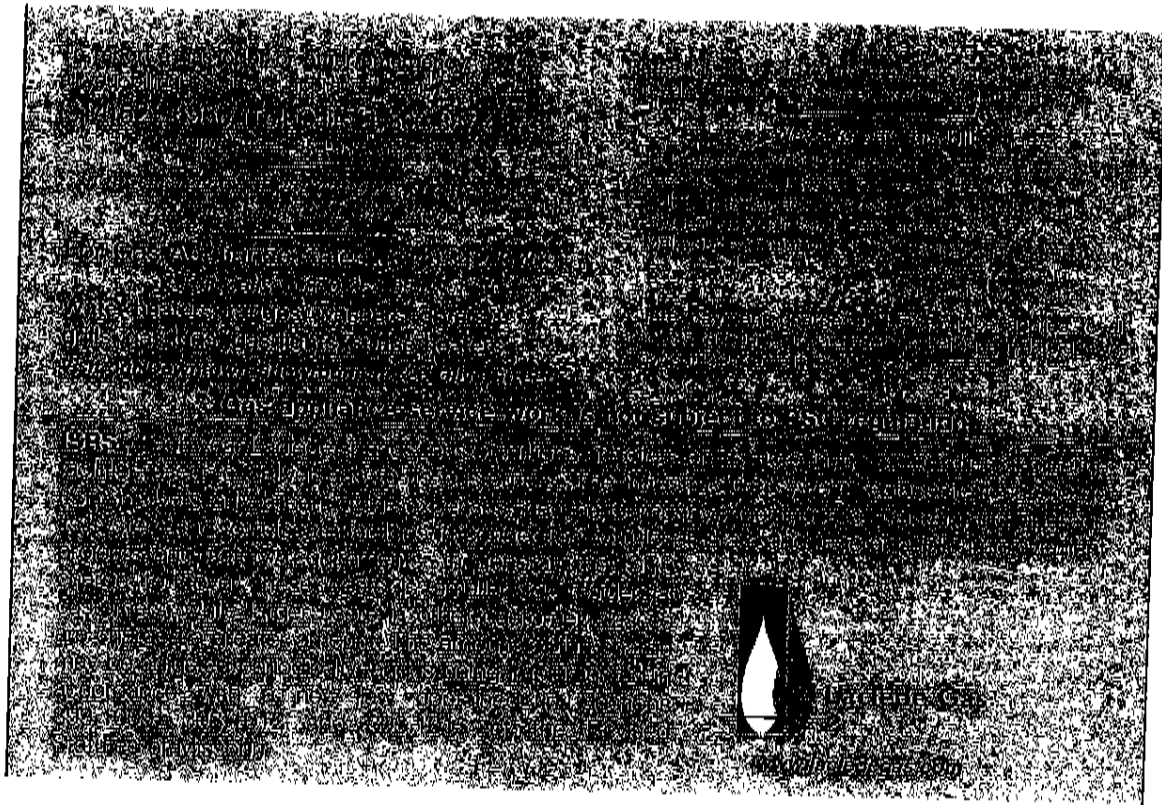
The ISRS covers a portion of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state, and federal public improvement projects and safety requirements.

The filing was made pursuant to a new law that went into effect last year that allows gas utilities like Laclede to adjust their rates twice a year to recover these mandated costs.

None of these mandated costs and projects produce any new revenue for the Company that can be used to offset the costs we are incurring to meet these obligations.

The financial impact of the ISRS will be very modest, about 45 cents a month for residential customers. Larger customers are charged a greater amount.

*M. Shillato*  
M. Shillato



Attachment 1

### ISRS

Each year Laclede spends tens of millions of dollars on its more than 15,000 miles of pipeline facilities used to deliver gas to its customers. The infrastructure system replacement surcharge (ISRS) covers only a part of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state and federal public improvement projects and safety requirements. In general, the ISRS charge to cover these costs is smaller for residential customers, while larger users in other customer classes are charged a greater amount. The amount of the charge, which is reflected on the front of your bill, may be adjusted periodically, and has been implemented in accordance with a law contained in Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.


Attachment 2

ACCT NO 032426-004	REV DATE 05/04	BILL DATE 06/07/04	PREV RD 05/03/04
TAXES - TOWN 986 FENTON			PRES RD 06/02/04
STATE SLS TAX .00000	CITY SLS TAX .01500	TOTAL SLS TAX .01500	
GRT RATE .00000	GRT REFUND RATE .00000	REFUND EXCLUDES INTEREST	
RATE 2RM HEATING-RES-MID REV CLASS 0 RESIDENTIAL PGA GROUP 5 RESIDENTIAL			
***** BILL CALCULATION *****			
RATE STEP TOTAL	\$5.99	13.3 X \$ .45016	= \$5.987
	(	- )X	=
SUMMER CUSTCHRG	\$12.00		
PGA TOTAL	\$4.54	BLK1 PGA 0.34572 X 13.3	= \$4.60
ISRS/ \$0.45	\$0.23	BLK2 PGA 0.34572 X .0	= \$0.00
		ACA .00872- X 13.3	= \$0.12
		PRIN REF .00000 X 13.3	= \$0.00
		IA (C) .00407 X 13.3	= \$0.05
RATE CHRG + PGA	\$22.76	INT REF (PGA TOTAL -ABOVE AMTS)=	\$0.01
SALES TAX	\$0.34	.01500 X \$22.76	= \$0.34
TOTAL GRT	\$0.00	RT STEP+CUST+B1+B2+ACA(A)	= \$22.70
		GRT TX (A)/(1 - .00000) - (A)	= \$0.00
		PRIN PGA (B)	= \$0.00
		GRT RF (B)/(1 - .00000) - (B)	= \$0.00
TOTAL BILLED	\$23.10	IA GRT (C)/(1 - .00000) - (C)	= \$0.00
BASE GAS COST	\$3.79	13.3 X .28489	= \$3.79

DEPRESS PF9 TO RETURN TO THE BILL DETAIL SELECTION SCREEN  
 ENTER TRANSACTION CODE OR PAGING REQUEST-

Attachment 3

# ATTACHMENT III

<b>Laclede Company</b>		DRAWER 2 ST. LOUIS, MO 63171		 PRESORTED		FIRST-CLASS MAIL U.S. POSTAGE PAID POST CARD RATE PERMIT NO. 738	
SERVICE AT: 99	XXX DR	DEPOSIT 0.00 RATE RC					
ACCT NO. 999999		AVERAGE GAS COST 56.733 DEGREE DAYS 543		<b>BILL DETAIL</b> PRIOR GAS BALANCE 184.82 PAYMENT THANK YOU 184.82 CHARGE FOR GAS SVC 02-17-04 TO 03-17-04 84.59 (INCLUDES A MONTHLY ISRS CHARGE OF \$.45) BELLE NEIGHBORS TAX 3.52 ACCOUNT BALANCE 88.11			
PRESENT READING 591	PRE READING 59	BTU FACTOR 1.032	THERMS 84.6				
ACTUAL READING		AMOUNT		HELP SOMEONE IN NEED. GIVE TO DOLLAR-HELP. CHECK THE RED BOX BELOW TO ADD \$1 TO EACH MONTH'S GAS BILL.			
CURRENT CHARGES		88.11					
<b>AMOUNT DUE \$88.11</b>							
PAYMENT DUE BY 05-04		DELINQUENT AFTER 04-15-04		RETURN THIS STUB TO: LACLEDE GAS COMPANY, DRAWER 2, ST. LOUIS, MO 63171			
<b>AMOUNT DUE \$88.11</b>		<b>AMOUNT PAID</b>					
PAYMENT DUE BY 04-06-04		DELINQUENT AFTER 04-15-04					
DOLLAR HELP <input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		XXXX XXXXXXXXXXXX 99999 XXXXXXXXX ST LOUIS, MO 63132			
999999999900000088110							

Attachment 4A

ACCT NO 032426-004-1 RATE 2RM STAT ACTIVE ON DATE 07/02 PAGE 1  
NAME [REDACTED] TOWN 986 ROUTE 0258 BUDI  
SERV ADD [REDACTED] 06/07/04  
CITY/ST [REDACTED] BALANCE 140.94 CIS ACTIVITY NONE  
ZIP CODE 63026 GRID 15951D CYCLE 18  
\*\*\*\*\* PHYSICAL BILL \*\*\*\*\*

BILL DETAIL	AMOUNT
PRIOR GAS BALANCE	167.84
PAYMENT THANK YOU	50.00-
CHARGE FOR GAS SVC 05-03-2004 TO 06-02-2004 (INCLUDES A MONTHLY ISRS CHARGE OF \$.45)	22.76
SALES TAX	.34
ACCOUNT BALANCE	140.94

-----  
HELP SOMEONE IN NEED. GIVE TO DOLLAR-HELP. CHECK  
THE RED BOX BELOW TO ADD \$1 TO EACH MONTH'S GAS BILL.  
WANT TO PAY BY INTERNET? BY PHONE? BY CREDIT CARD?  
SEE THE BACK OF THIS BILL FOR MORE INFORMATION.

DEPRESS PF9 TO RETURN TO THE BILL DETAIL SELECTION SCREEN  
ENTER TRANSACTION CODE OR PAGING REQUEST-

Attachment 4B

**P.S.C. MO. No. 5 Consolidated, Second Revised Sheet No. 12  
CANCELLING P.S.C. MO. No. 5 Consolidated, First Revised Sheet No. 12**

**Laclede Gas Company**  
Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1  
Community, Town or City

**SCHEDULE OF RATES**

**INFRASTRUCTURE SYSTEM REPLACEMENT SURCHARGE ("ISRS")**

**Description:** The ISRS is designed to recover the costs associated with the Company's eligible infrastructure replacements in accordance with the provisions of Sections 393.1009 to 393.1015, RSMo.

**Applicability:** In addition to the other charges provided for in the Company's tariff, a monthly ISRS shall be added to each customer's bill for service rendered on and after the effective date of the ISRS.

**Schedule of Surcharges:** The amount of the ISRS by rate schedule is as follows:

	<u>Per Bill Per Month</u>
Residential General Service (RG) .....	\$ .45
Residential Seasonal Air Conditioning Service (RA) .....	\$ .45
Commercial & Industrial General Service-Class I (C1) .....	\$ .59
Commercial & Industrial General Service-Class II (C2) .....	\$ .64
Commercial & Industrial General Service-Class III (C3) .....	\$ .87
Commercial & Industrial Seasonal Service-Class I .....	\$ .59
Commercial & Industrial Seasonal Service-Class II .....	\$ .64
Commercial & Industrial Seasonal Service-Class III .....	\$ .87
Large Volume Service (LV) .....	\$22.30
Interruptible Service (IN) .....	\$19.70
General L.P. Gas Service (LP) .....	\$ .41
Unmetered Gas Light Service (SL) .....	\$ .14
Vehicular Fuel Rate (VF) .....	\$ .56
Large Volume Transportation and Sales Service (LVTSS) .....	\$43.97
LVTSS - Other (*) .....	\$33.45

(\*) Single customers with multiple accounts located on contiguous property.

DATE OF ISSUE	<u>May 27, 2004</u>	DATE EFFECTIVE	<u>June 26, 2004</u>
	Month Day Year		Month Day Year
ISSUED BY	<u>/s/ M.R. Spolanski,</u>	Vice President,	<u>720 Olive St., St. Louis, MO 63101</u>
	Name of Officer	Title	Address

**Attachment 5**

**ATTACHMENT V**

**WEBSITE INFORMATION**





In This Section ...

ABOUT  
LACLEDE GAS

PRODUCTS &  
SERVICES

CUSTOMER  
SERVICE & SAFETY

INVESTOR  
SERVICES

NEWS  
RELEASES

EMPLOYMENT  
OPPORTUNITIES

CONTACT

HOME

THE LACLEDE  
GROUP

TECHNICAL  
RESOURCES

APPLIANCE  
SALES

## ISRS

Each year Laclede spends tens of millions of dollars on its more than 15,000 miles of pipeline facilities used to deliver gas to its customers. The infrastructure system replacement surcharge (ISRS) covers only a part of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state and federal public improvement projects and safety requirements. In general, the ISRS charge to cover these costs is smaller for residential customers, while larger users in other customer classes are charged a greater amount. The amount of the charge may be adjusted periodically, and is being implemented in accordance with a new law contained in Sections 393.1009, 393.1012 and 393.1015 of the Revised Statutes of Missouri.

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