BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company to Change its)	Case No. GO-2010-0212
Infrastructure System Replacement Surcharge)	

RESPONSE TO ORDER DIRECTING FILING

COMES NOW Laclede Gas Company ("Laclede" or "Company"), and files this response to the Commission's Order Directing Notice, Directing Filings and Setting Intervention Deadline (the "Order"), issued on January 19, 2010, in the referenced case, and in support thereof states as follows:

- 1. Paragraph 4 of the Order requires Laclede to address Commission Rule 4 CSR 240-3.265 regarding proposed customer notices. Rule 3.265(9) requires natural gas utilities that are filing a petition to <u>establish</u> an ISRS to file with the Commission proposed examples of (i) an initial customer notice, (ii) an annual customer notice, and (iii) an example customer bill. (emphasis added)
- 2. Laclede last filed a petition to establish an ISRS on November 9, 2007, in Case No. GO-2008-0155. On November 16, 2007, Laclede filed its Request for Approval of Customer Notices and attached the three examples, as required above. On January 15, 2008, the Commission issued its Order approving the ISRS and the customer notices.
- 3. Since establishing its ISRS, Laclede has now made four filings to change it. Laclede has received three previous orders approving these changes in Case Nos. GO-2008-0351, GO-2009-0221, and GO-2009-0389. These orders did not include

consideration or approval of customer notices or example bills, because those items were approved when the Company first established its ISRS.

- 4. In accordance with the Commission's January 15, 2008 Order in Case No. GO-2008-0155 approving customer notices, the initial customer notices were printed on the face of Laclede's full page bills that first included the ISRS, and mailed to Laclede's customers during January and February 2008. Laclede has also sent to customers the annual ISRS notice approved by the Commission in 2008 and 2009 as a separate insert.
- 5. The customer notices and bill approved by the Commission in Case No. GO-2008-0155 are attached hereto as Attachments I, II and III. These notices, approved at the time Laclede established its ISRS, satisfy the requirements of Commission Rule 3.265(9).

WHEREFORE, Laclede Gas Company respectfully requests that the Commission take official notice that the attached notices satisfy the requirements of Commission Rule 3.265(9).

Respectfully submitted,

/s/ Rick Zucker_

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

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ATTORNEYS FOR LACLEDE GAS COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing Response was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of the Public Counsel on this 26th day of February, 2010 by hand-delivery, fax, electronic mail or by placing a copy of such Application, postage prepaid, in the United States mail.

/s/ Gerry Lynch	
Gerry Lynch	

ATTACHMENT I

<u>ISRS</u>

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

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

Reading Reading (CCF) X **Factor Therms** 1631 1424 207 1.032 213.6 **Actual Reading** Rate: Res. General **Detail - Current Charges Amount** Prior Bill Chrg Late Payment Chrg Gas Charge For Gas Svc 01-17-07 To 05-18-07 (Includes A Monthly ISRS Charge Of \$.45) (46.48)(1.09)287.18 .48 Farmington Tax 4.31 Sales Tax Subtotal - Current Utility Charges 244.40 **Total Current Charges** \$244.40 Amount **Detail - Account Balance** Prior Gas Balance 37.09 244.40 **Current Charges** \$281.49 Account Balance

Usage

BTU

Statement Date: 1

11/13/2007

Account Number: Service Address:

Bill at a Glance	Amount
Previous Bill	37.09
Payment	<u>00.</u>
Balance	37.09
Total Current Charges	244.40
Amount Due	\$281.49
Due By	11/27/07
Delinquent After	12/05/07

	Current Period 213.6				
		Therms			
	Use In Therms	Degree Days	Supplier Cost of Gas/Therm	Days In Billing Period	
Current Period	213.6	2240	.76512	121	

|--|

Final bill

Please retain this portion for your records.

See back of bill for other convenient ways to pay your bill.

Please detach and return this portion to Missouri Natural Gas, Drawer 2, St. Louis, MO 63171 with your payment. Please do not fold, staple or paper clip payment to your bill.

Account Number: Service Address:

Present

Previous

Amount Due

\$281.49

Due By

11/27/07

Delinquent After

12/05/07

Amount Enclosed:

Please do not write below.

Make check payable to:

Missouri Natural Gas

Drawer 2

St. Louis, MO 63171