

28

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 30th
day of September, 1998.

In the Matter of Tariffs Filed by Laclede)
Gas Company to be Reviewed in its 1996-97) **Case No. GR-97-222**
Actual Cost Adjustment.)

ORDER DIRECTING RESPONSE

This case was opened for the purpose of receiving and reviewing Laclede Gas Company's (Laclede's) periodic 1996-97 purchased gas adjustment filings and Laclede's actual cost adjustment (ACA) filing for the above period. On September 1, 1998, the Procurement Analysis Department of the Staff of the Commission (Staff) filed a memorandum indicating that Staff has reviewed the 1996-1997 ACA filing of Laclede. Staff states that it audited the billed revenues and actual gas costs for the period of October 1, 1996 to September 30, 1997.

Staff proposes no adjustments to Laclede's ACA recovery balances in this case. As a result, Staff states that Laclede should establish the following ACA balances:

- a) Firm Sales = \$11,181,709 over-recovery
- b) Interruptible Sales = \$80,952 under-recovery
- c) LP Sales = \$19,490 under-recovery
- d) Firm Transportation = \$622,438 over-recovery
- e) Basic Transportation = \$4 under-recovery

Staff has proposed an adjustment (\$3,569,843) to Laclede's ACA recovery balances (firm and interruptible customer classes) in ACA Case No. GR-96-181. Staff notes that the adjustment in ACA Case No. GR-96-181, if approved by the Commission, will affect Laclede's final ACA recovery balances in the instant case.

Staff also states that Laclede filed its monitoring report in compliance with the Stipulation and Agreement in Case No. GR-96-193. The report indicates a total savings of \$35,020,579.20, with Laclede's portion of the total incentive plan savings equal to \$7,401,593.87. Staff proposes no adjustment to Laclede's incentive plan savings at this time.

Staff also reviewed the Reliability report which affirms that Laclede has not modified its purchasing strategy in favor of short-term supply. Staff states that Laclede has continued to ensure reliable service to its customers.

Staff recommends that this ACA case remain open pending an order from the Commission in MGE Case No. GC-98-335 (Elimination of MGE's Experimental Gas Cost Incentive Mechanism as unjust and unreasonable) and Laclede Case No. GR-96-181 (1995-96 ACA filing).

The Commission has reviewed the memorandum filed by Staff and determines that it is appropriate for Laclede to respond to Staff's recommendation no later than October 30, 1998.

IT IS THEREFORE ORDERED:

1. That Laclede Gas Company shall file a response to the recommendation of the Staff of the Commission no later than October 30, 1998.

2. That this order shall become effective on October 10, 1998.

BY THE COMMISSION

A handwritten signature in black ink, reading "Dale Hardy Roberts". The signature is written in a cursive, slightly slanted style.

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Murray,
Schemenauer and Drainer, CC., concur.

Register, Regulatory Law Judge

RECEIVED

OCT 01 1993

COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION