

**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 STAFF RECOMMENDATION AND  
MOTION FOR EXPEDITED TREATMENT**

**COMES NOW** Laclede Gas Company (“Laclede” or "Company") and files this Response to Staff Recommendation and Motion for Expedited Treatment, pursuant to 4 CSR 240-2.080(16), and in support thereof, states as follows:

1. On January 15, 2010, Laclede filed its Verified Application and Petition and a Tariff Sheet to increase its Infrastructure System Replacement Surcharge (“ISRS”), 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”).

2. The ISRS Application included a tariff intended to recover incremental annual pre-tax revenues of \$3,244,969, based upon ISRS eligible replacements from June 1, 2009 through December 31, 2009, plus plus pro forma ISRS costs through February 28, 2010.

3. Pursuant to paragraph 22 of the Unanimous Stipulation and Agreement filed on July 9, 2007, and approved by the Commission on July 19, 2007 in Case No. GR-2007-0208 (the “Stipulation”), in exchange for valuable consideration given by Laclede, the parties agreed to work towards implementation of the Company’s ISRS filings *as soon as reasonably possible*. Based on past experience regarding processing of

its ISRS filings, Laclede set March 31, 2010 as the effective date of the tariff. Laclede believes this date to be reasonable under the circumstances.

4. By orders dated January 26 and 27, 2010, respectively, the Commission directed the Staff to file its report by March 12, 2010, and suspended the tariff.

5. On March 12, 2010, Staff filed its Memorandum and Recommendation (“Staff Recommendation”), in which it recommended that the Commission reject the Company’s tariff filing, and instead approve the Staff’s determination of such revenues, based upon actual ISRS eligible costs incurred from June 1, 2009 through January 31, 2010, in the amount of \$2,818,150.<sup>1</sup> The Staff recommended that Laclede be authorized to file ISRS rates as reflected in Attachment 1 to the Staff Recommendation.

#### **Response to Staff Recommendation**

6. Laclede responds to the Staff Recommendation by stating that it accepts the Staff’s figure for annual pre-tax revenues as stated in paragraph 5 above, and accepts the ISRS rates reflected in Attachment 1 of the Staff Memorandum.

7. Contemporaneously herewith, Laclede is filing a tariff (the “Compliance Tariff”), with rates that comply with Attachment 1 to the Staff Recommendation.

#### **Motion for Expedited Treatment**

8. Pursuant to the agreement in the Stipulation to work towards implementation of the Company’s ISRS filings as soon as reasonably possible, Laclede respectfully requests that the Commission issue its order directing a response to the Staff Recommendation such that the Commission may approve the Compliance Tariff effective as soon as reasonably practicable, but not later than March 31, 2010.

---

<sup>1</sup> Laclede commends the Staff for its efforts in meeting the March 12 filing deadline even though Staff did not receive updated data until very late in the process. Staff’s actions in this regard fulfill both the spirit and the letter of the Stipulation.

9. Since this request is based upon the Stipulation, which was signed by all of the parties to this case and approved by the Commission, harm will be avoided, and the intent of the parties and the Commission will be served, by Commission approval of the Compliance Tariff effective by March 31, 2010. Laclede states that there will be no negative effect on Laclede's customers or the general public if the Commission acts to permit the Compliance Tariff to be effective on or before the date requested.

10. This pleading was filed as soon as it could have been following the Company's evaluation of the Staff's Recommendation and preparation of the Compliance Tariff.

**WHEREFORE**, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission direct the parties to this case to respond to the Staff Recommendation and to this Motion for Expedited Treatment in sufficient time to accommodate the proposed approval date, and that the Commission approve the annual pre-tax ISRS revenues and rates in accordance with the Staff Recommendation, effective as soon as reasonably possible, but no later than March 31, 2010.

Respectfully submitted,

/s/ Michael C. Pendergast

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](mailto:mpendergast@lacledegas.com)

ATTORNEYS FOR  
LACLEDE GAS COMPANY

**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing pleading was served on all parties of record this 12th day of March, 2010 by hand-delivery, fax, electronic mail or by placing a copy of such pleading, postage prepaid, in the United States mail.

**/s/ Gerry Lynch**

Gerry Lynch