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**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 9th
day of December, 1999.

In the Matter of Laclede Gas Company's)	
Tariff Revision to be Reviewed in its)	<u>Case No. GR-98-297</u>
1997-1998 Actual Cost Adjustment.)	

**ORDER DENYING MOTION TO CLOSE CASE
AND DIRECTING THE FILING OF A PROPOSED PROCEDURAL SCHEDULE**

This case was opened for the purpose of receiving the 1997-98 Purchased Gas Adjustment filings and Actual Cost Adjustment filing of Laclede Gas Company (Laclede). On October 1, 1999, the Procurement Analysis Department of the Staff of the Commission (Staff) filed a memorandum indicating that Staff has reviewed the Actual Cost Adjustment (ACA) filing of Laclede. Staff recommended that the Commission issue an order requiring Laclede to:

- 1) adjust the Firm Sales non-LVTSS ACA balance from a \$14,162,346 over-recovery to a \$16,649,485 over-recovery in order to reflect Staff's proposed adjustments in Case No. GR-97-222 and this ACA case, Case No. GR-98-297;
- 2) adjust the Firm Sales LVTSS ACA balance from a \$27,202 over-recovery to a \$38,572 over-recovery;
- 3) establish the Interruptible Sales ACA balance at a \$78,027 over-recovery;

- 4) establish the LP Sales ACA balance at a \$2,166 over-recovery;
- 5) establish the Firm Transportation ACA balance at a \$370,102 under-recovery;
- 6) establish the Basic Transportation ACA balance at a \$9 under-recovery; and
- 7) file a response to Staff's recommendation within 30 days.

On October 13, 1999, the Commission directed Laclede to file a response to Staff's recommendation. On November 1, 1999, Laclede filed its response, together with a motion to reject Staff's proposed adjustments and close the case, or in the alternative, for oral argument.

Laclede asserts that Staff's adjustments are premised solely on Staff's analysis of a contract between Laclede and CoEnergy Trading Company (the CoEnergy contract). Laclede asserts¹ that Staff's proposed adjustments are untimely, inadequately explained, inconsistent with positions Staff has taken in other cases, and based on facts that have already been fully litigated.

On November 10, 1999, Staff filed a reply to Laclede's response. Staff disagrees with each of Laclede's assertions. Staff also requested that the Commission establish a procedural schedule. On November 19, 1999, Laclede responded to Staff's motion to establish a procedural schedule. Laclede opposes establishing a procedural schedule, and again asks the Commission to close this case.

¹ Laclede apparently filed an identical pleading in Case No. GR-97-222. Many of Laclede's assertions appear to have more to do with that case than this.

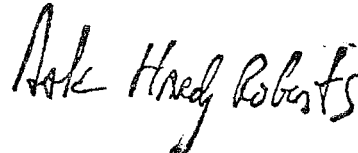
It is clear from a review of Case No. GT-99-303 that the issue the Commission must decide in this case (i.e., what ACA balance to establish) was neither litigated nor decided in that case. It is equally clear that there are material issues of fact that the Commission must decide based upon the record evidence that will be submitted in this case before it can determine the appropriate ACA balance. Laclede's motion to close the case will be denied.

The Commission will order the parties to file a proposed procedural schedule, including dates for the filing of testimony and a hearing.

IT IS THEREFORE ORDERED:

1. That the parties shall file a proposed procedural schedule no later than December 21, 1999.
2. That this order shall become effective on December 21, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

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

Mills, Deputy Chief Regulatory Law Judge,

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION