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) File No. GO-2015-03	<u>41</u>
Infrastructure System Replacement Surcharge) Tariff No. YG-2016-00	41
in Its Laclede Gas Service Territory)	

ORDER SUSPENDING TARIFF, SCHEDULING EVIDENTIARY HEARING AND SETTING PROCEDURAL SCHEDULE

Issue Date: August 11, 2015 Effective Date: August 11, 2015

On August 3, Laclede Gas Company ("Laclede") filed a verified application and petition to change its Infrastructure System Replacement Surcharge ("ISRS"). Laclede also requested the Commission establish a procedural schedule and set a hearing to determine the eligibility of certain expenses in the company's ISRS.

On August 7, Laclede filed a *Proposed Procedural Schedule*. That same day, the Office of the Public Counsel ("OPC") filed *Public Counsel's Motion to Reject Tariff Filing or Alternative Motion for an Evidentiary Hearing, and Motion Regarding a Procedural Schedule*. Laclede proposes an October 9 deadline for the filing of rebuttal and surrebuttal testimony, with an evidentiary hearing on October 15. Laclede states that it shared its proposed schedule with the other parties and that the Commission's Staff agrees.

OPC seeks to extend the deadline for rebuttal and surrebuttal testimony to October 15, with an evidentiary hearing on October 30. OPC states that it needs this additional time to seek discovery and present evidence that is responsive to Staff's recommendation, due on October 2.

Pursuant to § 393.1010.2(3), RSMo, the Commission must issue an order on Laclede's petition, and any associated rate schedule, that is effective no later than one

hundred twenty days after the August 3 filing of Laclede's petition (December 1). The case law states that statutory deadlines, "... require that the PSC process cases in a timely fashion, which means...concluding its hearing and entering orders far enough in advance of the operation of law date...so as to provide the OPC and other parties a reasonable time in which to request rehearing and file appeals." OPC's proposed schedule does not allow the members of the Commission sufficient time to review the record, reach a consensus, and issue an order while also providing the parties with reasonable time to potentially request rehearing before the December 1 deadline. OPC's proposed procedural schedule would necessitate the Commission issuing a report and order less than thirty days before the operation of law date and would set a deadline for objections to any compliance tariffs at less than ten days. "While the PSC has discretion to set a time less than thirty days for the effective date of an order, case law suggests that anything less than ten days is likely unreasonable."²

The Commission recognizes the parties will need sufficient time to conduct discovery and submit testimony. However, since the three disputed issues identified by Laclede—the inclusion in an ISRS of costs for telemetry equipment, regulatory stations, and the allowance of updated estimates— are issues that OPC previously disputed in a prior Laclede ISRS application, the parties have investigated and prepared testimony on these issues. Furthermore, the parties will have approximately sixty days to conduct discovery on what are arguably issues of statutory interpretation.

Based on the foregoing, the Commission finds it reasonable to adopt the proposed procedural schedule submitted by Laclede and supported by Staff.

¹ State ex rel. Office of Public Counsel v. Public Service Commission, 409 S.W.3d 522 at 528 (Mo.App. 2013).

² ld.

With its ISRS application, Laclede filed a tariff to implement the surcharge with a September 2, 2015 effective date. The Commission will suspend the tariff until December 1, 2015, to allow sufficient time to conduct an evidentiary hearing on Laclede's application.

THE COMMISSION ORDERS THAT:

1. The tariff sheet filed by Laclede Gas Company on August 3, 2015, and assigned Tariff No. YG-2016-0041 is suspended until December 1, 2015, unless ordered otherwise by the Commission. The tariff suspended is:

P.S.C. Mo. No. 5 Consolidated 25th Revised Sheet No. 12, CANCELLING 24th Revised Sheet No. 12

- 2. The following procedural schedule is adopted:
 - a. Discovery issued after October 2 shall only pertain to matters contained in October 2 testimonies and that could not have been reasonably anticipated prior to October 2. Such discovery will be objected to in 3 business days and responded to in 5 business days.
 - Workpapers will be submitted within one business day of filing testimony to which they related.

ltem	Date
Direct Testimony on issues: Telemetry Equipment, Regulator Station, and Updating	August 28, 2015
Staff Recommendation/Direct Testimony/ Rebuttal Testimony	October 2, 2015
Rebuttal/Surrebuttal Testimony (All parties) Reconciliation of Disputed Items (Staff)	October 9, 2015 October 9, 2015
List of Issues/Position Statements/ List and Order of Witnesses, Opening, Cross-Examination	October 9, 2015

Evidentiary Hearing

October 15, 2015

Post-Hearing Briefs

October 23, 2015

- 3. An evidentiary hearing shall be held on October 15, 2015, beginning at 9:00 a.m. at the Commission's office at the Governor Office Building, 200 Madison Street, Jefferson City, Missouri, Room 310. The Governor Office Building meets accessibility standards required by the Americans with Disabilities Act. Any person who needs specific accessibility accommodations may call the Public Service Commission's Hotline at 1-800-392-4211 (voice) or Relay Missouri at 711 prior to the hearing.
 - 4. This order shall be effective when issued.

BY THE COMMISSION

Corris I Wood



Morris L. Woodruff Secretary

Kim S. Burton, Regulatory Law Judge, by delegation of authority pursuant to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri, on this 11th day of August, 2015.