STATE OF MISSOURI PUBLIC SERVICE COMMISSION JEFFERSON CITY May 24, 2001

CASE NO: GT-2001-329

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Enclosed find certified copy of an ORDER in the above-numbered case(s).

Sincerely,

Dale Hardy Roberts

Ask Hard Roberts

Secretary/Chief Regulatory Law Judge

STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 24th day of May, 2001.

In the matter of Laclede Gas Company's Tariff)	
Filing to Implement an Experimental Fixed)	Case No. GT-2001-329
Price Plan and Other Modifications to Its Gas)	Tariff No. 200100572
Supply Incentive Plan.)	

ORDER REGARDING STAFF MOTION TO WITHDRAW HIGHLY CONFIDENTIAL SCHEDULE AND SUBSTITUTE NP SCHEDULE AND TESTIMONY

On April 18, 2001, the Staff of the Missouri Public Service Commission (Staff) filed a motion requesting that the Commission authorize Staff to use information pertaining to cost of gas and volumes of gas for the limited purpose of performing a cost comparison between Missouri natural gas utilities. Subsequently, several parties filed applications to intervene and responses in opposition to Staff's motion.

On May 3, 2001, the Commission issued an Order Permitting Use of Certain Information and Order Granting Intervention and Revising Procedural Schedule.

On May 15, 2001, Staff filed a Motion for Leave to Withdraw Highly Confidential Schedule and Substitute NP Schedule and Testimony. Staff states that following the Commission's Order Permitting Use of Certain Information, Staff filed its testimony, using annual cost and volume data from all Missouri LDCs to compute the percentage price change in the delivered cost of natural gas from year to year for each LDC.

Staff then ranked the LDCs each year based on that percentage change. Staff did not compare the LDCs on the basis of the delivered cost of gas. Staff concedes that the use of the data from the other LDCs is novel. For that reason, Staff limited its use to same-company comparisons; to use of a statistic that can be independently calculated by the same method for each LDC; and to a statistic that has meaning for customers. Nonetheless, Staff notes that Laclede continues to insist that it is entitled to conduct the equivalent of a full ACA audit of each LDC, including review of gas supply and transportation contracts, in order to prepare this case.

Staff states that it has pledged to work with the company to resolve any discovery disputes related to its use of other LDC data. Staff indicates that it is apparent that the parties cannot resolve their differences, and that there is not sufficient time in the context of this case to frame the dispute and submit it to the Commission for resolution. Staff indicates that it believes it is far more important for the Commission to focus its attention on the core issues. Therefore, Staff now seeks to eliminate the use of this data. Staff sees no practical alternative to resolve this case before the winter of 2001-2002.

Staff indicates that in withdrawing HC Schedule 6, Staff does not concede that its proposed use is unwarranted or unworkable. Staff states that should the Commission decide to adopt the meaningful incentive program suggested by Staff in the rebuttal testimony of Staff witness Schallenberg, there will be adequate time to address the discovery issue prior to using the information in the fall of 2002. Staff requests that it be permitted to withdraw HC Schedule 6 to David Sommerer's rebuttal

testimony, and requests leave to file a substitute schedule and substitute pages 11 and 12 of David Sommerer's rebuttal testimony to reflect the change in Schedule 6.

On May 18, 2001, Laclede filed its response to Staff's motion for leave to withdraw the highly confidential schedule. Laclede states that it has no objection to Staff's motion.

The Commission has reviewed Staff's request, Laclede's response and the official case file. The Commission finds that Staff's request should be granted.

IT IS THEREFORE ORDERED:

- 1. That the Staff of the Missouri Public Service Commission is authorized to withdraw HC Schedule 6 to David Sommerer's rebuttal testimony, and is authorized to file a substitute schedule and substitute pages 11 and 12 of David Sommerer's rebuttal testimony to reflect the change in Schedule 6.
 - 2. That this order shall become effective on May 29, 2001.

BY THE COMMISSION

Hoke Hard Roberts

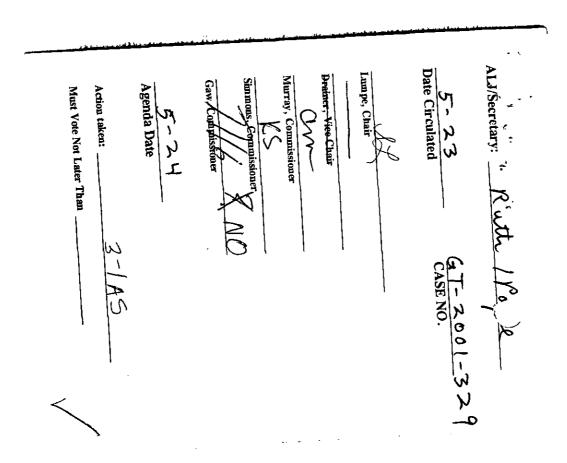
Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(SEAL)

Lumpe, Ch., Murray, and Simmons, CC, concur. Gaw, C., dissents.

Ruth, Regulatory Law Judge



STATE OF MISSOURI

OFFICE OF THE PUBLIC SERVICE COMMISSION

I have compared the preceding copy with the original on file in this office and

I do hereby certify the same to be a true copy therefrom and the whole thereof.

WITNESS my hand and seal of the Public Service Commission, at Jefferson City, Missouri, this <u>24th</u> day of May 2001.

Dale Hardy Roberts

Lake Hard Roberts

Secretary/Chief Regulatory Law Judge