BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the matter of Laclede Gas Company's)		
application to establish depreciation rates for)	Case No. G2012- 03	
Enterprise Computer Software Systems)		

<u>LACLEDE'S NOTICE OF INTENDED CASE FILING AND</u> REQUEST FOR WAIVER OF 60 DAY NOTICE BEFORE FILING

COMES NOW Laclede Gas Company ("Laclede") and, pursuant to Commission Rule 4 CSR 240-4.020, files this Notice of Intended Case Filing and Request for Waiver of 60 Day Notice Before Filing (this "Notice"), respectfully stating as follows:

1. Commission Rule 4 CSR 240-4.020(2) provides, in part, as follows:

Any regulated entity that intends to file a case likely to be a contested case shall file a notice with the secretary of the commission a minimum of sixty (60) days prior to filing such case. Such notice shall detail the type of case and issues likely to be before the commission.

- 2. Laclede is in the process of performing a total overhaul and replacement of its legacy computer software systems. The new systems basically cover Laclede's entire enterprise. This comprehensive enterprise information management system ("EIMS") project will completely modernize information technology at Laclede. Specifically, the project will cover human resources, finance, including tax and treasury, the supply chain, enterprise asset management, and customer care and billing.
- 3. Because this comprehensive overhaul is unusual and unprecedented for Laclede, the Company intends to make a filing to establish an asset account for this enterprise system and a new depreciation rate to be applied until permanent depreciation treatment can be determined in Laclede's next rate case.
- 4. Fortunately, Missouri American Water Company (MAWC) is also currently involved in making virtually identical changes to its computer systems.

MAWC's project is known as Business Transformation (BT). In its recent rate case, Case No. WR-2011-0337, MAWC dealt with the very same issue that Laclede intends to raise with this Notice. In February 2012, the parties to MAWC's rate case reached a comprehensive settlement that included special accounting for MAWC's BT system. In the settlement, a new account was created for the BT system, and it was assigned a 20-year depreciation life, or an annual depreciation rate of 5%, until the Commission orders a different treatment.

- 5. Laclede intends to seek the Commission's approval for the same treatment afforded to MAWC. Given the striking similarity in the two projects, the comprehensive agreement reached on the issue among numerous diverse parties in the MAWC case, and the fact that granting Laclede's request will not change customer rates, but will only provide an essential depreciation rate pending the processing of Laclede's next general rate case proceeding, Laclede did not anticipate that its request would trigger a contested case. However, Laclede has not yet been able to secure an agreement to its requested relief.
- 6. Laclede has, however, made diligent efforts to obtain such an agreement. On April 4, 2012, Laclede shared relevant information on this matter, including its draft application, with both Staff and Public Counsel. Since April 4, Laclede has provided these parties additional information at their request. While Laclede has not yet received consent from these parties, it continues to hope that a mutually acceptable resolution can be achieved in the near future.

REQUEST FOR WAIVER

7. As stated in its Application, Laclede seeks to have a new Commission-approved depreciation rate in place before October 1, 2012, as it begins to implement the

various components of its EIMS. Accordingly, pursuant to Commission Rule 4.020(2)(B), Laclede requests a waiver, for good cause, of the 60 day notice requirement provided in Rule 4.020(2). Laclede believes there are several factors that support this request. First, it is not clear why this request would be contested given the similarity between the relief requested and that recently afforded MAWC. Second, since this depreciation issue was freshly presented to the Commission in the MAWC case, there is really no need for a quiet period before this same issue is presented to the Commission again. Third, Laclede has not, in any event, had any communication regarding this matter in the past 60 days with any Commission personnel covered by the 60 day notice requirement. Finally, because Laclede has shared its information with Staff and Public Counsel, the matter has already been effectively disclosed to the representatives of the public since April 4. Laclede believes that the foregoing reasons provide good cause for the Commission to waive the 60 day notice requirement under Rule 4.020(2).

8. Attached hereto is the Application that Laclede will present for filing in the event the Commission grants the waiver of the notice period requested herein.

WHEREFORE, Laclede respectfully requests that the Commission and its Secretary accept this Notice regarding Laclede's upcoming filing, and waive the 60 day notice requirement.

Respectfully submitted,

/s/ Michael C. Pendergast

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing pleading has been duly served upon the General Counsel of the Staff and on the Office of the Public Counsel by hand delivery, email, fax, or United States mail, postage prepaid, on this 4th day of May, 2012.

/s/ Gerry Lynch

Gerry Lynch