

FISCHER DORITY
PROFESSIONAL CORPORATION

James M. Fischer
Larry W. DORITY

Attorneys at Law
Regulatory & Governmental Consultants

101 Madison, Suite 400
Jefferson City, MO 65101
Telephone: (573) 636-6758
Fax: (573) 636-0383

July 3, 2003

Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, Missouri 65102

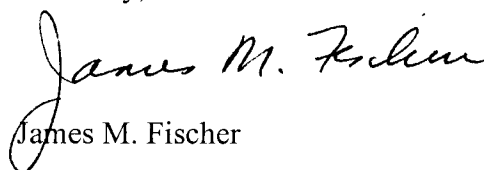
RE: Proposed Amendments to Commission Rule 4 CSR 240-13.055;
Case No. AX-2003-0193

Dear Mr. Roberts:

Enclosed for filing in the above-referenced matter are the Comments Of Laclede Gas Company. A copy of the Comments has been hand-delivered, emailed, or mailed this date to the counsel listed below.

Thank you for your attention to this matter.

Sincerely,


James M. Fischer

Enclosures

cc: Office of the Public Counsel
General Counsel, Missouri Public Service Commission
Thomas M. Byrne
Dean Cooper
Michael C. Pendergast
Robert J. Hack
Douglas Walther

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of a Proposed Amendment)
to Commission Rule 4 CSR 240-13.055) Case No. AX-2003-0193

COMMENTS OF LACLEDE GAS COMPANY

COMES NOW Laclede Gas Company (hereinafter "Laclede" or "Company"), and pursuant to the notice set forth in the June 2, 2003, issue of the *Missouri Register*, submits the following comments:

1. The proposed rule change to Commission Rule 4 CSR 240-3.250 (formerly 4 CSR 240-13.055) requires gas utilities to provide the Commission's Consumer Services Department significantly more information relating to the Cold Weather Rule than is provided today. According to Staff, the purpose of requiring expanded information is to enhance the Commission's ability to assess the effectiveness of the Cold Weather Rule and enable policymakers to better understand the need for funding for low-income energy assistance.

2. Laclede does not object in principle to providing expanded aggregate customer information relating to the Cold Weather Rule. However, it should be noted that Missouri's gas utilities will have to incur expenses, primarily in programming costs, to comply with the proposed rule.¹ While the amount of this expense may not be extraordinary, it nevertheless represents a financial detriment to Laclede that is being imposed on the

¹ Laclede has estimated costs in the range of \$10,000-\$20,000. Although Staff suggests that these increased expenses *may* be offset by cost savings that will occur if expanded reporting leads to reduced requests for ad hoc information, there is no assurance that such offsetting savings will actually materialize. Furthermore, any savings that do materialize are likely to be minimal.

Company outside the context of a general rate case proceeding. Laclede mentions this fact only because it has seen utility tariff filings, including its own, rejected as unlawful on the theory that they might bestow an impermissible financial benefit on the utility by allowing it to vary between rate cases the level of revenues or expenses that had previously been reflected in rates. A proposed rule that imposes a new financial detriment on utilities between rate cases is, of course, simply the other side of the same legal coin. Accordingly, it would appear that the Commission has either taken a too limited view, in those prior cases, of its powers to approve measures that favorably impact a utility's revenues or expenses between rate cases, or has given inadequate attention to these considerations in proposing the rule at issue in this proceeding.

3. With respect to the substance of the proposed rule, Laclede submits the following specific comments and questions in order to seek clarification:

A. **Subsection A.** This subsection requires a number of assumptions. For example, Laclede assumes that the term "discontinued" in subsection A(1) is not meant to differ from the term "disconnected" in subsection A and A(2). If so, then all three terms should be made uniform. Laclede further assumes that the rule is trying to capture customers whose accounts were "discontinued," meaning a cessation of service not requested by the customer.² If so, then does part (A) ("How many customers were disconnected at the end of the period") refer to those discontinued during the period for any reason, including for non-payment, versus part (A)(1), which appears to seek only those discontinued for non-payment? Laclede requests that the Commission clarify this matter.

² See 4 CSR 240-13.015(I).

B. **Subsection C.** In subsection C(1) and C(2), does “Other” mean other governmental assistance, or does it include assistance from charitable organizations? If it is meant to be broad enough to include charities, Laclede will only be able to capture the information if the charity delivers its payment through Laclede’s Community Services Department, which is the Company’s normal channel for energy assistance. To the extent a payment is sent directly to Laclede’s lock box, like a routine payment, the Company will not be able to track it.

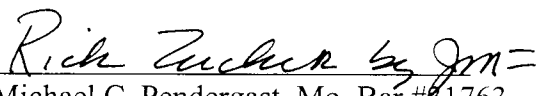
C. **Subsection G.** Similar to the comment above on subsection C, in subsection G(3), does “Other assistance” refer to other governmental assistance, or does it include assistance from charitable organizations?

D. **Subsection J.** Laclede can track this data now. However, as a point of information, Laclede may not know in the future when there is insufficient energy assistance, because the community action agencies are expected to have more involvement and control in handling energy assistance pledges. Under such circumstances, an agency may decide not to make a pledge because of inadequate funding without ever advising the Company of the decision.

4. Programming changes, along with training of customer service personnel regarding those changes, will take time to implement. Laclede cannot accurately estimate the amount of time needed until the rule is approved and we know exactly what information will be required. However, it is likely that at least a few months will be required to implement the proposed rule changes.

5. The Company reserves the right to supplement its comments at the public hearing in this matter scheduled for July 9, 2003.

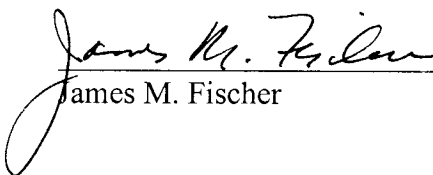
Respectfully submitted,


Michael C. Pendergast, Mo. Bar #31763
Vice President and Associate General Counsel
Laclede Gas Company
720 Olive Street, Room 1520
St. Louis, MO 63101
Telephone: (314) 342-0532
Fax: (314) 421-1979
Email: mpendergast@lacledegas.com

Rick Zucker, Mo. Bar #49211
Assistant General Counsel - Regulatory
Laclede Gas Company
720 Olive Street, Room 1524
St. Louis, MO 63101
Telephone: (314) 342-0533
Fax: (314) 421-1979
Email: rzucker@lacledegas.com

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the foregoing Comments have been duly served upon the General Counsel of the Staff of the Public Service Commission and the Office of Public Counsel by fax, email or by placing a copy thereof in the United States mail, postage prepaid, on this 3rd day of July, 2003.


James M. Fischer