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June 20, 2001

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Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102

FILED

JUN 20 2001

RE: Case No. GR-2001-629

Missouri Public
Service Commission

Dear Mr. Roberts:

Enclosed for filing in the above-captioned case are an original and eight (8) conformed copies of the **STAFF SUGGESTIONS TO THE COMMISSION REGARDING SCHEDULING.**

This filing has been mailed or hand-delivered this date to all counsel of record.

Thank you for your attention to this matter.

Sincerely yours,

Lera L. Shemwell
Associate General Counsel
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LLS:sw
Enclosure
cc: Counsel of Record

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

FILED

JUN 20 2001

Missouri Public
Service Commission

In the matter of Laclede Gas Company's)
Tariff to Revise Natural Gas Rate)
Schedules.)

Case No. GR-2001-629

STAFF SUGGESTIONS

TO THE COMMISSION REGARDING SCHEDULING

On May 18, 2001, Laclede Gas Company (Laclede or Company) filed tariff sheets that, if accepted by the Commission, would result in an increase in rates of thirty-nine million, eight hundred thousand dollars (\$39.8 million) for Laclede's natural gas customers. Laclede requested that the tariff sheets be effective on June 18, 2001.

In its June 17, 2001 Suspension Order and Notice, the Commission, among other things, suspended Laclede's tariffs for a period of 120 days in addition to the date requested by Laclede, plus an additional six months, and ordered an evidentiary hearing for this case on October 29 – November 2, 2001.

Staff respectfully suggests that, based on its calculation and the ordered suspensions, the operation of law date is April 16, 2002. Based on that date, Staff suggests that the hearing that is now scheduled for October 29 - November 2, 2001, can be scheduled for December 2001, or later, and that this additional time will allow Staff to perform a thorough audit and file comprehensive testimony covering all of the issues presented. In support of these suggestions, Staff states:

I. Calculation of the Operation of Law Date

1. Staff has calculated the operation of law date based on the following dates:

Date proposed tariffs filed:	May 18, 2001
Requested effective date:	June 18, 2001
Date the Commission ordered suspension begins:	June 18, 2001
Suspension of 120 days:	October 16, 2001
Plus 6 month suspension:	April 16, 2002

II. Staff's Suggestions concerning Scheduling

2. As noted in its Suspension Order and Notice, one of the purposes of suspending tariffs is to allow the Commission "sufficient time to study the effect of the proposed tariffs and to determine if they are just, reasonable and in the public interest." Suspension Order and Notice at 1. The currently scheduled hearing date of October 29, 2001, does not allow adequate time for Staff to engage in discovery, complete its investigation and file testimony that is thorough and complete. The Staff will need time to issue data requests, receive responses, resolve any discovery disputes and issue follow-up data requests in order to prepare testimony that will be sufficiently thorough to be helpful to the Commission and that will adequately address all the issues.

III. Adequate Time for the Laclede Rate Case Audit Process

3. Staff's availability to prepare its case in response to Laclede's filing is also adversely impacted by the time spent on the Ameren audit, which is requiring much of the time of the St. Louis Staff.

4. The number of Laclede witnesses filing testimony and the complexity of the issues to which Staff must respond suggests that Staff will need more, rather than less, time to prepare its case.

5. Twelve (12) witnesses filed Direct Testimony for Laclede. Since Laclede chose when to file its direct case, Laclede witnesses had ample time to prepare their testimony. The Staff needs sufficient time to respond since some of the proposals by Laclede involve approaches that differ significantly from past rate cases. Staff will need adequate time to study these proposals and to develop its testimony in response.

6. The nature of the discovery process, the quantity of information that Staff must review in a rate case, the demands of testimony and hearing preparation, and the Commission's decision-making process are all factors that require consideration in determining a schedule for a rate case such as this. An inadequate schedule for the filing of Staff's direct case will degrade audit and testimony quality. Considering the attention given to the cost of gas service in the past year, it is imperative to maintain the quality of the Staff's case.

III. Limits on Commission and Staff Resources

7. In addition to the time limits imposed by the nature of the rate case process, the resources available to the Commission and to the Staff also limit the discovery and audit process. The Commission's current scheduled hearing date would require Staff to complete the discovery process, review and audit large volumes of data and prepare testimony by August 16, 2001. Based upon Staff's experience, this time period is not adequate to perform a thorough audit and prepare comprehensive testimony on all of the issues presented by this rate case.

8. Besides the AmerenUE audit, there are other limits on Staff resources for this case. The Staff is currently working on the ACA audits of all ten LDC's for the 1999/2000 ACA period. Staff has been preparing for hearing in MGE's current rate case, Case No. GR-2001-292. It is investigating allegations of improper gas purchasing practices by UtiliCorp United in Case No. GO-2001-249. The Staff is addressing a major natural gas fuel issue in Empire District's currently pending rate case. The Staff is preparing for hearing in MGE's ACA case, GR-96-450, which is scheduled for hearing in September, and for hearing on a possible extension of Laclede's PSP in November. All of these commitments limit the resources that Staff can devote to this rate case.

10. Based on an operation of law date of April 16, 2002, Staff has attached two sample schedules that show possible dates for filings and hearings. These schedules are filed as examples, only to show possible timing of events and possible dates for filings, and are not intended to preempt or in any way affect the setting of a proposed procedural schedule by the parties at the prehearing conference established by the Commission in this case.

11. The first sample schedule shows the potential dates for filings with a December hearing date. The second sample schedule shows dates for a hearing after the Christmas holidays. In the Staff's opinion, scheduling the hearing beginning on December 17, 2001, provides the minimum time necessary to prepare its case.

12. In support of its position that the sample schedules provide a reasonable amount of time for the Staff to review, audit and prepare testimony, Staff has attached the schedule for Laclede's last rate case and the schedules for other recent rate cases. Attachment A reflects both of Staff's sample schedules and Attachment B shows the schedules for recent rate cases.

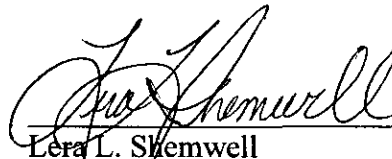
IV. Conclusion

The Staff understands that the Commission gives this type of case preference over other types of cases pending before it, and appreciates that the Commission requires adequate time to deliberate on the complex issues involved. Staff would suggest that in order for the Commission to receive the highest quality work from its Staff, which is essential to a determination of whether the proposed rates are just and reasonable and in the public interest, Staff must have adequate time to do a thorough review.

WHEREFORE, the Staff makes this filing to request that the Commission reconsider the hearing dates set for this case.

Respectfully submitted,

DANA K. JOYCE
General Counsel



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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 20th day of June, 2001.



Laclede Gas Company

GR-2001-629

Task	6/7/2001 Order	Days	Staff Proposed	Days	Staff Proposed	Days	Laclede GR-99-315 Dates	Days
Date case filed with Commission	5/18/2001		5/18/2001		5/18/2001		1/26/1999	
Staff direct testimony filed	8/16/2001	90	10/8/2001	143	10/22/2001	157	6/28/1999	153
Staff rate design direct testimony filed	8/23/2001	97	10/15/2001	150	10/29/2001	164	7/6/1999	161
Prehearing - start	9/3/2001	108	10/22/2001	157	11/5/2001	171	7/12/1999	167
Prehearing - end	9/7/2001	112	10/26/2001	161	11/9/2001	175	7/16/1999	171
All parties rebuttal testimony filed	9/27/2001	132	11/14/2001	180	11/29/2001	195	8/5/1999	191
All parties surrebuttal testimony filed	10/12/2001	147	12/6/2001	202	12/20/2001	216	8/19/1999	205
Hearing memo & case reconciliation filed	10/19/2001	154	12/11/2001	207	1/2/2002	229	8/23/1999	209
Hearing - start	10/29/2001	164	12/17/2001	213	1/7/2002	234	8/30/1999	216
Hearing - end	11/2/2001	168	12/21/2001	217	1/11/2002	238	9/3/1999	220
True-up Hearing	11/14/2001	180						
True-up Hearing	11/15/2001	181	1/22/2002	249	2/11/2002	269	10/7/1999	254
Operation of law date	3/12/2002	298	4/16/2002	333	4/16/2002	333	12/26/1999	334

Laclede Gas Company

GR-2001-629

Task	Laclede GR-99-315 Dates	Days	Empire ER-2001-299 Schedule	Days	MGE GR-2001-292 Schedule	Days
Date case filed with Commission	1/26/1999		11/3/2000		11/7/2000	
Staff direct testimony filed	6/28/1999	153	4/3/2001	151	4/19/2001	163
Staff rate design direct testimony filed	7/6/1999	161	4/10/2001	158	4/26/2001	170
Prehearing - start	7/12/1999	167	4/16/2001	164	5/7/2001	181
Prehearing - end	7/16/1999	171	4/20/2001	168	5/11/2001	185
All parties rebuttal testimony filed	8/5/1999	191	5/3/2001	181	5/22/2001	196
All parties surrebuttal testimony filed	8/19/1999	205	5/17/2001	195	6/12/2001	217
Hearing memo & case reconciliation filed	8/23/1999	209	5/23/2001	201	6/14/2001	219
Hearing - start	8/30/1999	216	5/29/2001	207	6/25/2001	230
Hearing - end	9/3/1999	220	6/8/2001	217	6/29/2001	234
True-up Hearing			8/22/2001	292		
True-up Hearing	10/7/1999	254	8/23/2001	293	8/16/2001	282
Operation of law date	12/26/1999	334	10/2/2001	333	10/6/2001	333

Service List for
Case No. GR-2001-629
Revised: June 20, 2001 (SW)

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