

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

In the Matter of the Application of)
Laclede Gas Company for an Accounting)
Authority Order Authorizing the Company)
to Defer Future Recovery of Costs of)
Complying with the Permanent)
Amendment to the Commission's Cold)
Weather Rule.)

Case No. GU-2007-0138

**PUBLIC COUNSEL'S RESPONSE
OPPOSING LACLEDE'S REQUEST**

COMES NOW the Office of the Public Counsel and for its response opposing Laclede's request to defer the determination of the cost of compliance with the permanent amendment to the cold weather rule, states:

1. On October 31, 2007, Laclede Gas Company filed its Request for a Determination of the Cost of Compliance with the Permanent Amendment to the Cold Weather Rule pursuant to 4 CSR 240-13.055(14)(G). Laclede's filing also requests that the Commission defer a review of Laclede's cost calculations until Laclede's next general rate case proceeding.

2. On October 31, 2007, the Commission issued its Order Establishing time to Respond to Laclede's Request to Defer Consideration of Request for Determination of the Cost of Compliance. The Order directs Staff and Public Counsel to respond no later than November 9, 2007 indicating whether they agree with deferring the determination of the cost of compliance until the next rate case. For the reasons stated below, Public Counsel opposes deferring the cost determination.

3. Public Counsel reviewed Laclede's calculations and discovered miscalculations in Laclede's requested costs of compliance with the permanent cold weather rule amendment. The true costs of compliance are substantially less than the amount requested by Laclede.

4. Due to this substantial disagreement, Public Counsel believes it would be in the interests of the Commission and the public to review these calculations as a stand alone case rather than as another contested issue among the many issues in a general rate case proceeding. General rate cases are extremely time consuming and place significant pressures on the resources of Public Counsel and the Commission's Staff. Resolving this issue before the general rate case will allow for a more efficient review of the cold weather rule cost calculation as well as a more efficient review of Laclede's next general rate case.

5. For the above reasons, Public Counsel requests that the Commission deny Laclede's request to defer the cost determination until Laclede's next general rate case, and direct the Staff and Public Counsel to file their positions and all supporting evidence as contemplated by 4 CSR 240-13.055(14)(G)2.

WHEREFORE, Public Counsel offers this Response and respectfully requests that the Commission deny Laclede's request to defer a cost determination.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to the following this 9th day of November 2007:

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