

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

Office of the Public Counsel,	)	
	)	
Complainant,	)	
	)	
v.	)	Case No. GC-2016-0297
	)	
Laclede Gas Company, and Missouri Gas	)	
Energy,	)	
	)	
Respondents	)	

**REPLY TO LACLEDE'S RESPONSE  
TO OPC'S MOTION TO STAY PROCEEDINGS**

**COMES NOW** the Office of the Public Counsel (OPC) and for its Reply to Laclede's Response to OPC's Motion to Stay Proceedings, states:

1. In its response to OPC's Motion to Stay Proceedings, Laclede intentionally mischaracterizes OPC's motion in a manner that warrants this response.

2. Laclede's October 4, 2016 response suggests OPC seeks a stay because it does not have a sufficient basis for concluding that Laclede's current rates are unjust and unreasonable. Nothing could be further from the truth. The evidence OPC gathered through discovery in this case provides sufficient evidence to conclude Laclede's rates are unjust and unreasonable. OPC's position on that point has not changed.

3. OPC filed the request to stay the proceedings because the evidence shows the general rate case will result in greater rate reductions for ratepayers than those warranted from the limited issues OPC was able to review. For the most part, OPC's cost of service calculations accepted Laclede's booked cost of service and rate reductions are

warranted based mostly upon large dollar issues such as rate of return and capital structure. A rate case, however, will include a comprehensive audit that will address these issues and other significant rate-impacting issues that OPC was unable to pursue in its complaint. For these reasons, and these reasons alone, OPC determined the public interest would be best served by a full rate case.

4. OPC also asks the Commission to deny Laclede's renewed request to dismiss the case rather than issue a stay. In the past there has been disagreement over whether the Commission has the authority to *reduce* rates when a regulated utility files for a rate *increase*, and this is an argument that Laclede could raise in the next rate case. While OPC does not agree with this interpretation, issuing a stay will avoid the argument. A stay will allow the Commission to consolidate the two cases and reduce rates pursuant to the complaint and rate case should the Commission agree Laclede's rates are too high.

WHEREFORE, the Office of the Public Counsel respectfully offers this reply to correct Laclede's mischaracterization of OPC's Motion to Stay Proceedings.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: /s/ Marc D. Poston  
Marc D. Poston (#45722)  
Chief Deputy Counsel  
P. O. Box 2230  
Jefferson City MO 65102  
(573) 751-5558  
(573) 751-5562 FAX  
[marc.poston@ded.mo.gov](mailto:marc.poston@ded.mo.gov)

**CERTIFICATE OF SERVICE**

I hereby certify that copies of the foregoing have been mailed, emailed or hand-delivered to all counsel of record this 5<sup>th</sup> day of October 2016.

**/s/ Marc Poston**

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