

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

In the Matter of the Application of	)	
Laclede Gas Company to Transfer an	)	Case No. GM-2017-0018
Asset to Spire Pipeline, Inc.	)	

**OPC REPLY TO LACLEDE’S MOTION TO STAY**

**COMES NOW** the Office of the Public Counsel (“OPC”) and for its Reply to Laclede Gas Company’s (“Laclede”) Motion to Stay Proceedings, states:

1. This case involves Laclede’s application to sell an eight-mile pipeline to a Laclede affiliate, Spire STL Pipeline LLC (“STL Pipeline”). On February 16, 2017, Laclede filed a Motion to Stay Proceedings, stating Spire Pipeline is “exploring” and “considering” other routes, and “may” cease its pursuit of Laclede’s pipeline.

2. Because of the potential that Spire Pipeline will build a new pipe rather than acquire Laclede’s pipe, Laclede requests a stay, stating, “it would not be an efficient use of the Commission’s or the parties’ resources to continue working on the matters at issue in this proceeding.” Laclede asks the Commission to issue a stay that relieves Staff from filing a report and “all other activities such as discovery.”

3. OPC has a single outstanding discovery request to Laclede that OPC requests *not* be subject to the stay. Otherwise, OPC has no objection to the relief requested by Laclede, including a stay of the Staff’s report.

4. OPC submitted the discovery request to Laclede on February 1, 2017, after learning Laclede had entered into a twenty (20) year term “precedent agreement” with Spire Pipeline whereby Laclede agreed to be a “foundation shipper” with a

commitment of 350 MMcf of natural gas per day. OPC's data request simply asks for a copy of this agreement and communication surrounding the agreement to better understand the circumstances under which Laclede entered into this significant long-term affiliate transaction commitment.

5. The precedent agreement is relevant to this case because it is between the two parties to the proposed sale of the eight-mile pipeline. The terms of Laclede's twenty-year affiliate gas purchasing commitments are also relevant generally in the interest of transparency towards the captive customers that will be required to pay for the gas Laclede has committed to purchase from its affiliate. It is a far better process for OPC, and the Commission, to understand Laclede's long-term commitments up front, rather than after the fact during a prudency review whereby concerns can only be raised after the affiliate transactions are already completed. Moreover, if OPC were to identify concerns with the Laclede/Spire Pipeline commitment, it is better that those concerns be understood and addressed now than in a prudency review whereby Laclede would argue the agreement is presumed to be prudent. If the Laclede/Spire Pipeline twenty-year gas purchasing commitment is in the public interest, Laclede should have no issue with providing that agreement to OPC.

WHEREFORE, the Office of the Public Counsel respectfully requests the Commission approve Laclede's request for a stay, with the exception that Laclede be required to answer the single outstanding data request from OPC that is due to be answered on February 21, 2017.

Respectfully submitted,

OFFICE OF THE PUBLIC COUNSEL

By: /s/ Marc D. Poston

Marc D. Poston (#45722)

Chief Deputy Counsel

PO 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 16<sup>th</sup> day of February 2017.

/s/ Marc Poston