

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service Commission held at its office in Jefferson City on the 21st day of January, 2009.

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| In the Matter of Laclede Gas Company's Purchased Gas Adjustment for 2005-2006 |) | |
| |) | <u>Case No. GR-2006-0288</u> |
| |) | |
| In the Matter of Laclede Gas Company's Purchased Gas Adjustment (PGA) Factors to be Audited in its 2004-2005 Actual Cost Adjustment |) | |
| |) | <u>Case No. GR-2005-0203</u> |
| |) | |

ORDER REGARDING REQUEST FOR CLARIFICATION

Issue Date: January 21, 2009

Effective Date: January 21, 2009

On October 20, 2008, the Commission issued an order granting Staff's motion to compel Laclede to produce information concerning Laclede Energy Resources (LER). Laclede then filed a Motion for Reconsideration which the Commission denied on December 17. In its order the Commission stated the following:

Laclede has expressed concerns about its right to a hearing. Although the Commission will deny Laclede's motion for reconsideration, the Commission assures Laclede that no decision will be made with regard [to these matters] without the benefit of an evidentiary hearing.

In its request for clarification Laclede argues that in granting Staff's motion to compel, the Commission is effectively granting the relief Staff requests; which is that the Commission open a docket to investigate Laclede's dealings with its affiliate, LER, under the Commission's Affiliate Transactions Rule. Laclede therefore requests clarification with regard to the above quoted language. Laclede also requests that the Commission hold an evidentiary hearing prior to Laclede producing the information sought by Staff.

In its response to Laclede's motion, Staff points out that Laclede is not complying with the Commission's order and requests that the Commission direct its General Counsel to proceed to circuit court to obtain compulsory relief.

The Commission has ordered Laclede to produce information about its affiliate according to the rules of discovery not under the Commission's Affiliate Transaction Rule. Although it is true that by granting Staff's motion, Staff is permitted to investigate Laclede's affiliate transactions, such investigation is limited to information that may lead to evidence that is relevant to these ACA cases. To the extent that Laclede is in possession of the information, the Commission clarifies its order compelling Laclede to produce the information requested by Staff.

Laclede has also requested that the Commission hold a hearing on the above-captioned matters prior to producing the information requested by Staff. The purpose of discovery, which is to facilitate preparation for hearing, would be thwarted if the Commission granted this relief to Laclede. Laclede's request, in this regard, shall therefore be denied.

The Commission has directed Laclede to produce the information requested by Staff. Laclede is reminded that under Section 386.570, RSMo 2000, the Commission is allowed to seek penalties against Laclede for failure to comply with a Commission order. To this end, the Commission will again direct Laclede to produce information set out in the Order Granting Motion to Compel issued on October 20, 2008.

THE COMMISSION ORDERS THAT:

1. Laclede Gas Company's request for clarification is granted to the extent set out in the body of this order.

2. Laclede Gas Company's request for a hearing prior to Laclede producing the information set out in the Commission's Order Granting Motion to Compel issued on October 20, 2008, is denied.

3. Laclede Gas Company shall produce, no later than February 4, 2009, to the Staff of the Commission the information set out in the Commission's Order Granting Motion to Compel issued on October 20, 2008.

4. This order shall become effective upon issuance.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Clayton, Chm., Murray, Davis,
Jarrett, and Gunn, CC., concur.

Jones, Senior Regulatory Law Judge