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JUN 19 2003

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## Missouri Public Service Commission

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FILED  
 June 18, 2002

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**DANA K. JOYCE**  
 General Counsel

Michael C. Pendergast  
 Laclede Gas Company  
 720 Olive Street, Room 1520  
 St. Louis, MO 63101

Missouri Public  
 Service Commission

FEB 26 2007

Laclede Exhibit No. 9  
 Case No(s) 68-2005-0273  
 Date 1-29-07 Rptr xf

**RE: Laclede Gas Company Natural Gas Purchasing Status**

Dear Mike:

The natural gas market currently has very high prices, and a number of groups suggest that natural gas prices may not go down before next spring and may go even higher. Few factors at this time provide much comfort in this market.

With even Fed Chairman Greenspan remarking on gas prices and inventories, Staff anticipates continuing inquiries from the Commission and the press this summer. Given reports that storage, nationally, is 28% below the five-year average, Staff expects questions on the Missouri storage and hedging situation. Further, continuation of current prices, even with normal winter weather, could put a tremendous financial burden on Missouri's natural gas customers, and also on local distribution companies by increasing collection and bad debt problems.

In order to answer anticipated questions in a timely and meaningful manner, Staff is asking each Missouri LDC to advise Staff of the following (assuming normal weather conditions):

1. The company's current inventory of natural gas in storage expressed by volume and as a percentage of the maximum storage quantity available to the company; and the weighted average cost of this storage inventory.
2. The company's current expectation for percentage of maximum storage quantity that they will have injected into storage by November 1, 2003.
3. The company's current expectation of total heating season demand (November 2003 through March 2004) that will be met through storage withdrawals.

4. The company's current expectation of total heating season demand (November 2003 through March 2004) that will be met through deliveries from fixed-price contracts; and the weighted average cost of these fixed price contracts.
5. The company's current expectation of total heating season demand (November 2003 through March 2004) that will be met through deliveries from contracts priced off of daily or monthly indexes.
6. The company's current expectations for price and availability of natural gas through March 2004.
7. The company's price strategies and hedging plans in place, including the use of storage if feasible, through March 2004. If you have no hedging plans, please note that fact.
8. The company's current level of under recovery of gas cost expressed in dollars and as a percentage of total annual gas cost.
9. The company's current dollar level of uncollectibles; number of disconnected customers; and average amount owed per disconnected customer.
10. Any other actions taken, or anticipated to be taken, to address the current natural gas market environment.

Staff asks that this information be provided as of June 15th, August 15th and October 15th, as soon as practicable after each date. Your thoughts, comments, suggestions and questions in addition to the requested information would be greatly appreciated.

If you have any questions, please call Warren Wood (573 751 2978), Dave Sommerer (573 751 4356) or Tim Schwarz (573 751 5239).

Sincerely yours,



Thomas R. Schwarz, Jr.  
Deputy General Counsel  
(573) 751-5239  
(573) 751-9285 (Fax)