BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's) Purchased Gas Adjustment (PGA) Tariff Filing)

Case No. GR-2014-0231

STAFF REPLY TO LACLEDE GAS COMPANY'S RESPONSE TO STAFF ACA RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission in the abovecaptioned matter and submits the attached Memorandum in both Highly Confidential and Public versions as its Reply to the Response filed herein by Laclede Gas Company ("Laclede" or "Company") to the Recommendation filed by Staff concerning Laclede's 2013-2014 Actual Cost Adjustment ("ACA") filing. In support thereof, Staff further states as follows:

1. Staff filed its ACA Recommendation in this case concerning Laclede's 2013-2014 ACA filing on December 18, 2015.¹

2. Laclede filed its Response to the Staff Recommendation on February 16, 2016.

3. As reflected in the attached Memorandum which is incorporated herein by reference, there is no remaining disagreement between Laclede and Staff regarding the ACA account balances. Therefore, Staff recommends that the Commission issue an order establishing the ACA account balances shown in the table in the attached

¹ On December 18, 2015, the Staff Recommendation was filed as Highly Confidential ("HC") in its entirety. On February 5, 2016, Laclede informed Staff what portions of the Staff Recommendation Laclede believed should be designated as HC, and thereafter on February 11, 2016, Staff re-filed the Recommendation in both HC and Public versions; however, there was no change to the substance of the Recommendation from what was filed on December 18, 2015.

Memorandum to reflect the under or (over)-recovery balances as of September 30, 2014.

4. As also reflected in the attached Memorandum, Staff does not agree with all statements made in Laclede's Response and has concerns with certain aspects of Laclede's responses to portions of the Staff Recommendation. These items are discussed in greater detail in the attached Memorandum. It should be noted that Staff does not necessarily agree with, or acquiesce in, other comments in Laclede's Response not specifically addressed herein or in the attached Memorandum. However, the only item on which Staff requests a Commission order is the establishment of the ACA account balances.

WHEREFORE Staff respectfully requests that the Commission issue an order (1) establishing Laclede's ACA account balances as shown in the table in the attached Memorandum to reflect the under or (over)-recovery balances as of September 30, 2014, and (2) closing this case.

Respectfully submitted,

/s/ Jeffrey A. Keevil

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 26th day of February, 2016.

/s/ Jeffrey A. Keevil