

Exhibit No.:

Issue:

**Large User Load Changes;
Commercial & Industrial General
Service Rate Classification**

Witness:

Brenda S. Linderer

Type of Exhibit:

Rebuttal Testimony

Sponsoring Party:

Laclede Gas Company

Case No.

GR-2010-0171

Date Testimony

Prepared

June 24, 2010

LACLEDE GAS COMPANY

GR-2010-0171

REBUTTAL TESTIMONY

OF

BRENDA S. LINDERER

Rebuttal Testimony of Brenda S. Linderer

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1 **REBUTTAL TESTIMONY OF BRENDA S. LINDERER**

2 Q. Please state your name and business address.

3 A. My name is Brenda S. Linderer, and my business address is 720 Olive Street, St.
4 Louis, Missouri 63101.

5 Q. Are you the same Brenda S. Linderer who previously submitted direct testimony
6 in this proceeding?

7 A. Yes.

8 **PURPOSE OF TESTIMONY**

9 Q. What is the purpose of your rebuttal testimony?

10 A. The purpose of my rebuttal testimony is to respond to the direct testimony of Staff
11 witness Thomas M. Imhoff, in the matter of Large User Load Changes. In
12 addition, I will address the issue of Commercial & Industrial General Service
13 Rate Classifications.

14 **LARGE USER LOAD CHANGES**

15 Q. Please describe this issue.

16 A. In this proceeding, revenue requirement adjustments were made by both the
17 Company and Staff to appropriately reflect known and measurable changes in the
18 load requirements of large user customers. In addition, Staff annualized the
19 billing demand levels of all large volume and transportation service customers to
20 their test year ending levels. The Company does not agree with or adopt in
21 principle all of the components of Staff's methodology. However, the only
22 significant difference pertains to three specific customer changes that were known
23 and measurable.

1 Q. Please describe these differences.

2 A. In the large volume rate class, the test year included an out-of-period billing
3 adjustment for one large volume customer. Additionally, a normalized
4 adjustment related to another customer was provided to Staff as an updated item
5 known and measurable at March 31, 2010, which supports a reduction in large
6 volume demand therms for the test year. The Company believes it is necessary to
7 include normalization adjustments removing these demand amounts from the test
8 year so that normalized billing determinants and revenue requirement
9 appropriately reflect ongoing sales levels.

10 Q. Please continue.

11 A. Also, by not removing the billing demand for the out-of-period adjustment, Staff
12 inadvertently reflected the out-of-period billing demand adjustment in its
13 normalized level of demand therms. Staff then normalized demand therms to
14 September levels, which happens to have been the same month that the out-of-
15 period adjustment was recorded. As a result, Staff overstated annual demand
16 levels by eleven times the amount of the out-of-period adjustment.

17 Q. Are there other differences you would like to address?

18 A. Yes. In the Firm Transportation rate class, the Company normalized sales and
19 billing demand levels related to one of its Firm Transportation customers that has
20 closed its plant and thus significantly reduced its usage. Staff reflected the change
21 in the therm sales in its filed adjustment; however, Staff erred by not
22 appropriately reflecting the reduced billing demand levels for this customer,

1 which are known and measurable. The Company believes it is necessary to
2 recognize this reduction in billing demand.

3 **COMMERCIAL & INDUSTRIAL GENERAL SERVICE**
4 **RATE CLASSIFICATIONS**
5

6 Q. Please explain the issue regarding commercial & industrial general service rate
7 classifications.

8 A. I sponsored an adjustment in this proceeding to reflect changes in the rate
9 classifications of commercial and industrial customers served on the general
10 service rate, as discussed in the direct testimony of Company witness Michael T.
11 Cline. Subsequently, Mr. Cline provided an updated adjustment to reflect
12 additional information. It is my understanding that Staff is working to incorporate
13 this updated information into billing determinants for this case. Laclede reserves
14 the right to review and comment on these determinants in surrebuttal.

15 Q. Does this conclude your testimony?

16 A. Yes, it does.

In the Matter of Laclede Gas Company's)
Tariff to Revise Natural Gas Rate Schedules) Case No. GR-2010-0171

[illegible]

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.


Brenda S. Linderer

Subscribed and sworn to before me this 23rd day of June, 2010.

Hannie Co Bachman
Notary Public

