

<b>Exhibit No.:</b>	
<b>Issue:</b>	<b>Accounting Schedules</b>
<b>Witness:</b>	<b>Brenda S. Linderer</b>
<b>Type of Exhibit:</b>	<b>Direct Testimony</b>
<b>Sponsoring Party:</b>	<b>Laclede Gas Company</b>
<b>Case No.</b>	<b>GR-2010-</b>
<b>Date Testimony Prepared</b>	<b>December 4, 2009</b>

**LACLEDE GAS COMPANY**

**GR-2010-**

**DIRECT TESTIMONY**

**OF**

**BRENDA S. LINDERER**

**Direct Testimony of Brenda S. Linderer**

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
Purpose of Testimony .....	2
Large User Load Changes.....	2
Weather Normalization – Large Users .....	4
Commercial & Industrial General Service Rate Classification .....	4
Rates Used in Calculation of Adjustment .....	5

**DIRECT TESTIMONY OF BRENDA S. LINDERER**

1  
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. What is your present position?

6 A. I am Manager, Gas Accounting for Laclede Gas Company ("Laclede" or  
7 "Company").

8 Q. Please state how long you have held your position and briefly describe your  
9 responsibilities.

10 A. I have been in my present position since January 2001. I am responsible for  
11 managing the Company's Gas Accounting Department. This department is  
12 responsible for accounting activities associated with recording natural gas  
13 revenues and related gas cost expenditures (including analyses of the effects of  
14 weather on customer sales).

15 Q. Will you briefly describe your experience with the Company prior to becoming  
16 Manager, Gas Accounting?

17 A. I joined Laclede in July 1988 as an Auditor in the Internal Audit Department. In  
18 September 1990, I was transferred to the Customer Relations Department where I  
19 served as Assistant to the Manager until being promoted to the Assistant Manager  
20 position in July 1991. I held that position until being promoted to Administrative  
21 Assistant to the Vice President of Marketing in January 1997. In November 1997,  
22 I was promoted to Manager, Customer Accounting.

23 Q. What is your educational background?

1 A. I graduated from Southeast Missouri State University in 1985 with the degree of  
2 Bachelor of Science in Business Administration, majoring in accounting.

3 Q. Have you previously filed testimony before this Commission?

4 A. No, I have not.

5 **PURPOSE OF TESTIMONY**

6 Q. What is the purpose of your testimony?

7 A. I am sponsoring certain revenue adjustments to the Company's income statement  
8 to reflect the impact of changes by large users, the effect of weather on large  
9 users, and certain changes to commercial and industrial general service rate  
10 classifications. These adjustments appear on Schedule 5.

11 **LARGE USER LOAD CHANGES**

12 Q. Please discuss the adjustments related to large users.

13 A. Adjustments 1.c., 1.d., 1.e., and 1.f. reflect known and measurable changes  
14 through September 30, 2009 in the usage levels and/or rates for several of our  
15 large customers. These are customers whose circumstances have changed or are  
16 expected to change due to changes in volumes, newly contracted-for demand  
17 levels, and/or changes in the rates under which they purchase gas. These  
18 adjustments are necessary to include the most recent known sales information for  
19 these customers in normalized revenues. Adjustment 1.c. reflects the rate  
20 switching and/or load changes of 20 specific customers who were or are served  
21 under the Firm Sales Service rate classification. Adjustment 1.d. reflects the rate  
22 switching and/or load changes of 10 specific customers who were or are served  
23 under the Firm Transportation and Sales Service classification. Adjustment 1.e.

1 reflects the rate switching and/or load changes of 9 specific customers who were  
2 or are served under the Basic Transportation and Sales Service rate classification.

3 Adjustment 1.f. reflects the rate switching and/or load changes of 1 specific  
4 customer who is served under the Interruptible Sales Service rate classification.

5 Q. What other adjustments are you sponsoring related to large users?

6 A. Adjustment 1.g. reflects a normalized level of unauthorized use charges for the  
7 Company's basic transportation customers. During the test year ended September  
8 30, 2009, this group of customers was billed a lower than normal level of  
9 unauthorized use charges due to zero days of limitation during the test year.  
10 Adjustment 1.g. increases revenues related to unauthorized use charges to a  
11 normal level based on the average number of days of limitation per year since the  
12 year that the unauthorized charge commenced.

13 Q. Are there other adjustments you made with respect to large users?

14 A. Yes. Adjustment 1.h. reflects a normalized level of demand charges to be billed  
15 to the Company's large volume and transportation customers. During the test  
16 year ended September 30, 2009, the large volume customers were billed a level of  
17 demand charges above the level that would be expected to be billed during  
18 subsequent periods. Adjustment 1.h. adjusts revenues related to billing demand  
19 charges for large volume customers to an annualized January 2010 billing level.  
20 It also adjusts revenues related to billing demand charges for transportation  
21 customers to current contract levels.

22 **WEATHER NORMALIZATION – LARGE USERS**

23 Q. Are there other adjustments related to large user customers?

1 A. Yes. I am sponsoring an adjustment concerning the effect of weather on volumes  
2 sold and transported to large user customers. Adjustment 1.b. reflects the  
3 decrease in revenues at base rates for customers served on the large volume and  
4 transportation rates compared to the level that would have been achieved at 4,551  
5 degree days. Although gas requirements for customers served on these service  
6 rates are primarily for purposes other than space heating, some customers served  
7 on these rates exhibit some degree of weather sensitivity. An average heating use  
8 per degree day for each rate and revenue class was determined by deducting the  
9 annualized May through October usage from the total usage for these groups of  
10 customers and dividing by actual degree days for the test year. The degree day  
11 variation from normal was multiplied by the average heating usage per degree day  
12 and priced at the appropriate second block base rate. A more detailed discussion  
13 of normal heating degree days is included in the testimony of Company witness  
14 Patricia Krieger.

15 **COMMERCIAL & INDUSTRIAL**  
16 **GENERAL SERVICE RATE CLASSIFICATION**  
17

18 Q. Are you sponsoring any other income statement adjustments?

19 A. Yes. Adjustment 1.i. reflects changes in the rate classification of commercial and  
20 industrial customers served on the general service rate. Pursuant to the  
21 Company's tariffs, there are three general service rate classifications, dependent  
22 on the customer's level of annual usage. These changes in rate classification are  
23 described more fully in the testimony of Company witness Michael Cline.

**RATES USED IN CALCULATION OF ADJUSTMENTS**


- 1
- 2 Q. What rates have you used to price out the revenue adjustments you have made to
- 3 test year utility operating income related to large user/load changes?
- 4 A. The revenue adjustments described above have been calculated using the non-gas
- 5 rates in the Company's tariffs effective August 1, 2007, as described more fully in
- 6 the testimony of Company witness Patricia Krieger.
- 7 Q. Does this conclude your direct testimony?
- 8 A. Yes, it does.

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

STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

1. My name is Brenda S. Linderer. My business address is 720 Olive Street, St. Louis, Missouri 63101; and I am Manager, Gas Accounting of Laclede Gas Company.

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 4<sup>th</sup> day of December, 2009.

Jammie C. Bachman  
Notary Public

