

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

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

LIST OF ISSUES, ORDER OF WITNESSES,
ORDER OF CROSS-EXAMINATION AND ORDER OF OPENING STATEMENTS

On December 4, 2009, Laclede Gas Company (“Laclede” or “Company”) submitted to the Missouri Public Service Commission (“Commission”) revised tariff sheets reflecting increased rates for gas service provided to customers in its Missouri service area. The proposed tariff sheets contained a requested effective date of January 4, 2010, and were designed to produce a net annual incremental increase of approximately \$52.6 million in permanent rates charged for gas service, exclusive of amounts that were then being collected by the Company through its Infrastructure System Replacement Surcharge (“ISRS”). In addition to the proposed tariff sheets, the Company also submitted its minimum filing requirements and prepared direct testimony in support of its requested rate increase.

By Order dated December 10, 2009, the Commission suspended the proposed tariff sheets and established a procedural schedule for interventions and evidentiary hearings. By subsequent orders, the Commission granted the applications to intervene filed by the Missouri Energy Group (Barnes-Jewish Hospital and SSM HealthCare) (“MEG”); Missouri Industrial Energy Consumers (Anheuser-Busch Companies Inc., The Boeing Company, Hussmann Refrigeration, J.W. Aluminum, Monsanto Company, Proctor & Gamble, and U.S. Silica) (“MIEC”); USW Local 11-6 (“Union”), and the Missouri Department of Natural Resources (“MDNR”).

Pursuant to the Commission's February 1, 2010 Order Adopting Procedural Schedule and Establishing Test Year the Parties submit this List of Issues, Order of Witnesses, Order of Cross-Examination and Order of Opening:

I. ORDER OF OPENING STATEMENTS, IF ANY

Laclede
Staff
Office of the Public Counsel ("OPC")
MDNR
MIEC
MEG
Union

II. LIST OF ISSUES AND ORDER OF CROSS-EXAMINATION

The following contested issues are before the Commission:

- 1. Overview and Policy:** Laclede's overview of "cost of service," and/or what policy considerations, if any, should guide the Commission in deciding this case? Staff's overview of the Revenue Requirement Cost of Service Report.

WITNESS (Party)

ORDER OF CROSS-EXAMINATION

Douglas H. Yaeger (Laclede)

Staff, OPC, MDNR, MIEC, MEG, UNION

John P. Cassidy (Staff)

OPC, MDNR, MIEC, MEG, Union, Laclede

2. Pension Expense.

A. Qualified Pension Expense: What level of qualified pension expense should be used for determining Laclede's revenue requirement?

B. Non-Qualified Pension Expense:

- i. What level of Directors and Supplemental Employee Retirement Plan (SERP) costs should be used for determining Laclede's revenue requirement?
- ii. Should a tracker be implemented for Directors and SERP retirement plan costs that captures and defers any variance from the level of expense the Commission recognizes in Laclede's revenue requirement?

James A. Fallert (Laclede)

Staff, OPC, MDNR, MIEC, MEG, Union

Doyle L. Gibbs (Staff)	OPC MDNR, MIEC, MEG, Union, Laclede
Russell Trippensee (OPC) (on 2Bii)	Staff, MDNR, MIEC, MEG, Union, Laclede

3. Cost of Capital.

A. Return on Equity: What return on equity should be used for determining Laclede's revenue requirement?

Donald A. Murry (Laclede)	OPC, MDNR, MIEC, MEG, Staff, Union
Zephania Marevangapo (Staff)	OPC, MDNR, MIEC, MEG, Union, Laclede
Michael Gorman (MIEC)	OPC, MDNR, MEG, Staff, Union, Laclede

B. Capital Structure: What capital structure should be used for determining Laclede's revenue requirement?

Glenn W. Buck (Laclede)	OPC, MDNR, MIEC, MEG, Staff, Union
Donald A. Murry (Laclede)	OPC, MDNR, MIEC, MEG, Staff, Union
Zephania Marevangapo (Staff)	OPC, MDNR, MIEC, MEG, Union, Laclede
Michael Gorman (MIEC)	OPC, MDNR, MEG, Staff, Union, Laclede

4. Uncollectibles, PGA/ACA Treatment and Tracker:

A. What level of uncollectibles should be used for determining Laclede's revenue requirement?

B. Is it appropriate to include a [portion](#) (what the Company believes to be the gas cost portion) of uncollectibles and uncollectible variations for recovery as part of the PGA/ACA process?

C. Should a tracker be implemented for uncollectibles that varies from the level of expense the Commission recognizes in Laclede's revenue requirement?

James A. Fallert (Laclede)	OPC, MDNR, MIEC, MEG, Staff, Union
Michael T. Cline (Laclede)	OPC, MDNR, MIEC, MEG, Staff, Union
David M. Sommerer (Staff)	OPC, MDNR, MIEC, MEG, Union, Laclede
Lisa K. Hanneken (Staff)	OPC, MDNR, MIEC, MEG, Union, Laclede
Russell Trippensee (OPC)	Staff, MDNR, MIEC, MEG, Union, Laclede

5. Emergency Cold Weather Rule Accounting Authority Order:

A. Should the current amortization of the deferred compliance costs associated with the Commission's Emergency Amendment to the Cold Weather Rule be continued? If yes, what amount should be included in the amortization for the Emergency Amendment to the Cold Weather Rule?

B. Should the deferred compliance costs associated with the Commission's Permanent Amendment to the Cold Weather Rule be amortized in rates in this proceeding over a five year period? If yes, what amount should be included in the amortization for the Permanent Amendment to the Cold Weather Rule?

James A. Fallert (Laclede) OPC, MDNR, MIEC, MEG, Staff, Union

John P. Cassidy (Staff) Union, Laclede, MDNR, MIEC, MEG, OPC

Russell Trippensee (OPC) MDNR, MIEC, MEG, Union, Staff, Laclede

- 6. Conservation, Energy Efficiency and Low Income Weatherization Programs:** What is the appropriate funding, and what are the appropriate terms, for Laclede's energy efficiency and low income weatherization programs; what is the appropriate regulatory treatment of the costs of these programs?

Theodore B. Reinhart (Laclede) OPC, MIEC, MEG, Staff, Union, MDNR

Lesia A. Jenkins (Staff) Union, Laclede, OPC, MIEC, MEG, MDNR

Laura Wolfe (MDNR) MIEC, MEG, Union, Laclede, Staff

- 7. Low Income Programs:** What is the appropriate amount to include in Laclede's revenue requirement to fund low income programs?

Theodore B. Reinhart (Laclede) OPC, MIEC, MEG, Staff, Union, MDNR

Henry E. Warren (Staff) Union, Laclede, OPC, MIEC, MEG, MDNR

Barbara A. Meisenheimer (OPC) Union, Laclede, MIEC, MEG, MDNR

- 8. Rate Design, Customer Usage Adjustment and Customer Usage Refund:**

How should the total revenue requirement ordered by the Commission in this rate proceeding change the level of rates of each customer class?

A. Should the Commission implement Staff's straight fixed variable rate design proposal?

B. Should the Commission implement OPC's standard rate design proposal?

C. Should the Commission continue Laclede's weather mitigation rate design, with the modifications proposed by the Company, including either the Customer Usage Adjustment or Customer Refund Proposal?

Michael T. Cline (Laclede)

MIEC, MEG, MDNR, Staff, Union, OPC

Thomas A. Solt (Staff)

MIEC, MEG, MDNR, Laclede, Union, OPC

Henry E. Warren (Staff)

MIEC, MEG, MDNR, Laclede, Union, OPC

Barbara A. Meisenheimer (OPC)

MIEC, MEG, MDNR, Laclede, Union, Staff

III. ORDER OF ISSUES AND WITNESSES

Tuesday, August 3, 2010 1:00 PM

1:00 P.M. *Mark Exhibits*
Entries of Appearance
Motions, Outstanding Matters

Opening Statements (In order to assist the Commission in better understanding of the litigated issues and to make the process more efficient, the Parties suggest abbreviated initial opening statements with reservation of the right to make brief opening statement at the beginning of the hearing of each issue.)

Wednesday, August 4, 2010

A.M. *Company's Overview and Policy / Staff's Overview of the Revenue Requirement*
Cost of Service
Douglas H. Yaeger
John P. Cassidy

P.M. *Pension Expense – Qualified and Non-Qualified SERP Costs*
James A. Fallert
Doyle L. Gibbs
Russ Trippensee

Thursday, August 5, 2010

A.M. *Uncollectibles, PGA/ACA and Tracker*
James A. Fallert
Michael T. Cline
David M. Sommerer
Lisa K. Hanneken
Russell W. Trippensee

P.M. *Emergency and Permanent Cold Weather Rule AAO Amortizations:*

James A. Fallert
John P. Cassidy
Russell W. Trippensee

Friday, August 6, 2010

Cost of Capital - Return on Equity/Capital Structure
Glenn W. Buck
Donald A. Murry
Zephania Marevangepo

Monday, August 9, 2010

A.M. *Cost of Capital - Return on Equity/Capital Structure*
Michael Gorman

P.M. *Conservation, Energy Efficiency and Low Income Weatherization*
Theodore B. Reinhart
Lesa A. Jenkins
Laura Wolfe

Low Income Programs
Theodore B. Reinhart)
Henry E. Warren
Barbara A. Meisenheimer (OPC)

Tuesday, August 10, 2010

Rate Design
Michael T. Cline
Thomas A. Solt
Henry E. Warren
Barbara A. Meisenheimer

Wednesday, August 11, 2010

Rate Design (continued, as necessary)

WHEREFORE, the Parties respectfully request that the Commission approve this List of
Issues, Order of Opening Statements

Respectfully submitted,

LACLEDE GAS COMPANY

/s/ Michael C. Pendergast

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COMMISSION STAFF

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