

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

Myron Lockhart,	)	
	)	
Complainant,	)	
v.	)	Case No. GC-2012-0078
	)	
Laclede Gas Company and Union Electric,	)	
	)	
Respondents.	)	

**LACLEDE GAS COMPANY’S ANSWER AND  
MOTION TO DISMISS COMPLAINT**

**COMES NOW** Laclede Gas Company (“Laclede” or “Company”) and files this answer and moves to dismiss the complaint filed by Myron Lockhart in this case. In support thereof, Laclede states as follows:

1. On September 12, 2011, Complainant Myron Lockhart filed a complaint against Laclede and Union Electric. On September 28, 2011, Laclede filed its motion to dismiss or for a more definite statement. On October 3, Union Electric Company d/b/a Ameren Missouri (“Ameren”) filed its answer and motion to dismiss.

2. Also on October 3, the Commission issued its order directing the Complainant to make a more definite statement. Specifically, the Commission directed Complainant to identify facts that show a violation of a statute related to the Commission, or a Commission rule, or a Commission-approved tariff, or a Commission order, and to also specify what Complainant would like the Commission to do.

3. In response, on October 11, 2001, Complainant filed separate documents addressing Laclede and Ameren. In the Laclede document, Complainant alleged that bonds were cashed out before their maturity date, and that shares and stocks were cashed out before their scheduled date. Complainant further alleged that the sale of these bonds,

shares and stocks caused a change in ownership of two Laclede companies that violated an instruction from 1969 that Laclede retain 100% ownership of these companies. In terms of his request for relief, Complainant asks that Laclede produce the actual bonds, shares and stocks to verify their registration and ownership so that compensation of current value can take place.

4. While Laclede appreciates Complainant's effort to clarify his complaint, for the reasons set forth below, the complaint is still deficient and should be dismissed.

### **MOTION TO DISMISS**

5. Complainant's complaint fails to comply with Section 2.070(5) of the Commission's rules. As a result, pursuant to Commission Rule 2.070(6), Laclede moves to dismiss the complaint for failure to comply with the provisions of the Commission rules.

6. Specifically, the complaint fails to meet the filing requirements of Rule 2.070(5)(A) because it does not contain the Complainant's street address and email address, if applicable. In his October 11, 2011 response, Complainant states that his complaint does not pertain to a specific address. Even if true, the rule still requires the complaint to state his street address.

7. The complaint also does not comply with Rule 2.070(5)(C), as it fails to identify "the nature of the complaint and the complainant's interest in the complaint, in a clear and concise manner." The complaint refers to stocks, bonds and shares that were cashed out early. The complaint does not identify any particular issuance of stocks or bonds or explain why an early redemption is inappropriate. The complaint makes no

attempt to identify the Complainant's interest in the issuance or redemption of any securities.

8. The complaint does not contain information providing that the Commission has jurisdiction over the subject matter of the complaint, as provided in Rule 2.070(5)(F). Nor does the complaint make any allegation that the Company has exceeded the authority granted to it by the Commission to issue securities. If this is a general matter pertaining to corporate securities, it would appear that jurisdiction would lie with the federal Securities and Exchange Commission, and not the state Public Service Commission.

9. In addition to the shortcomings in the formal complaint filing, pursuant to Rule 2.070(6), Laclede also moves to dismiss the complaint for failure to state a claim on which relief can be granted. A formal complaint must set forth acts or things the utility did or failed to do that allegedly violated a statute related to the Commission, or a Commission rule, a Commission-approved tariff, or a Commission order. The complaint does none of these things. Assuming the truth of the allegation that Laclede redeemed certain securities before their stated maturity dates, early redemption of securities does not state a violation of a statute related to the Commission, or a Commission rule, decision or order.

10. Further, the complaint appears to allege that issuance of securities by Laclede caused an unauthorized change in ownership, at least in the ownership of two Laclede affiliates. However, there is no evidence that Laclede had any obligation to avoid a change in ownership. The 1969 Laclede Annual Report attached to the Complainant's October 11 submission merely states that the Company organized the two

named affiliates and retained 100% ownership in them. It does not bind the Company in any way. There is no allegation, nor can there be, that the Company's issuance of securities violates a statute related to the Commission, or a Commission rule, decision or order. In summary, nothing in the complaint states facts that allege any act or omission of wrongdoing on which relief may be granted by this Commission.

**ANSWER**

11. In the event that the Commission does not dismiss the complaint, Laclede hereby denies each and every allegation in the complaint that may be construed to mean that Laclede has violated any laws related to the Commission, or violated any Commission orders, rules or decisions.

12. Laclede denies that there was any change in ownership of Laclede Development Company or Laclede Investment Corp. Since their formation in 1969, these companies were owned by Laclede Gas Company until Laclede reorganized into a holding company structure in 2001. Today, the two companies are wholly owned by Laclede Group, Inc.

13. The subject matter of the complaint appears to relate to securities transactions that occurred more than forty years ago. In further answer, any cognizable claim for relief is barred by the applicable statute of limitations, and by the doctrines of collateral estoppel and res judicata.

WHEREFORE, Laclede respectfully requests that the Commission grant this motion and dismiss the complaint or, in the alternative, accept Laclede's answer herein.

Respectfully submitted,

**/s/ Rick Zucker**

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**Certificate of Service**

The undersigned certifies that a true and correct copy of the foregoing Motion was served on the Complainant, the General Counsel of the Staff of the Missouri Public Service Commission, and the Office of Public Counsel on this 13<sup>th</sup> day of October, 2011 by United States mail, hand-delivery, email, or facsimile.

**/s/ Gerry Lynch**