

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

In the Matter of Laclede Gas Company's     )  
Application for a Variance from the         )     Case No. GE-2011-0\_\_\_\_  
Provisions of Commission Rules Regarding )  
The Timing of CAM Annual Reports         )

**VERIFIED APPLICATION FOR VARIANCE**

COMES NOW Laclede Gas Company ("Laclede" or "Company") and, pursuant to 4 CSR 240-2.060(4), respectfully requests the Missouri Public Service Commission ("Commission") grant Laclede a variance from Commission Rules 4 CSR 240-40.015(4)(B) and (C), and 40.016(5)(B) and (C), so that Laclede may maintain affiliate transaction information based on its fiscal year ended September 30, rather than on a calendar year basis, and provide such information by December 15 of the succeeding fiscal year rather than on March 15 of the succeeding calendar year. In support of this Application, Laclede states as follows:

**INTRODUCTION**

1. Laclede is a public utility incorporated under the laws of the State of Missouri, with its principal office located at 720 Olive Street, St. Louis, Missouri 63101.
2. A Certificate of Good Standing evidencing Laclede's standing to do business in Missouri was submitted in Case No. GF-2009-0450 and is incorporated by reference herein for all purposes. The information in such Certificate is current and correct.
3. Laclede is engaged in the business of distributing and transporting natural gas to customers in the City of St. Louis and the Counties of St. Louis, St. Charles,

Crawford, Jefferson, Franklin, Iron, St. Genevieve, St. Francois, Madison, and Butler in Eastern Missouri, as a gas corporation subject to the jurisdiction of the Commission.

4. Communications in regard to this Application should be addressed to:

Rick Zucker  
Assistant General Counsel  
Laclede Gas Company  
720 Olive Street, Room 1516  
St. Louis, MO 63101  
(314) 342-0533

5. Other than cases that have been docketed at the Commission, Laclede has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates.

6. Laclede is current on its annual report and assessment fee obligations to the Commission, and no such report or assessment fee is overdue.

**AFFILIATE TRANSACTION RULES AND  
GOOD CAUSE FOR THE REQUESTED VARIANCE**

7. The Commission's Affiliate Transaction Rules (the "Rules") can be found at 4 CSR 240-40.015, entitled "Affiliate Transactions," and 40.016, entitled "Marketing Affiliate Transactions." Sections 40.015(4) and 40.016(5) are virtually identical sections, both pertaining to Record Keeping Requirements.

8. Sections 40.015(4)(B) and (C) require information to be maintained on a calendar year basis and provided to Staff and Public Counsel on or before March 15 of the succeeding year, which is 2 1/2 months after the year end. Sections 40.016(5)(B) and (C) contain corresponding requirements for marketing affiliate transactions.

9. Laclede has for many years maintained its financial records on a fiscal year basis. It annually assembles and reports its financial data for the four quarters ended

on September 30. For Laclede to report affiliate information on a calendar year basis, it would have to make a special exception to bifurcate its financial databases and assemble the data from two different fiscal years. In effect, Laclede would have to take data from three quarters of one fiscal year and add it to data from the first quarter of the next fiscal year. This would create added cost and inconvenience for the Company, and increase the likelihood that an error may occur.

10. Based on an understanding reached with Staff and Public Counsel, Laclede has for the past few years filed its affiliate transaction information on a fiscal year basis. Such information has been filed by December 15, three months earlier than the March 15 deadline. The December 15 filing date was chosen because it is 2½ months after the end of Laclede's fiscal year, which corresponds with the same time period allowed for reports to be filed after the end of the calendar year. Accordingly, today Laclede is filing its CAM annual report for the fiscal year ended September 30, 2010.

11. The effect of this filing is merely a timing difference. Laclede is filing three-quarters of its information three months before the due date, and one-quarter of the information nine months after the due date. While this has been an excellent solution for Laclede, and has not caused a problem for any other party, all of the parties recognized that the fiscal year approach was a temporary solution that needed to be blessed by the Commission to become a permanent solution.

12. Accordingly, in Attachment C to the Partial Stipulation and Agreement approved by the Commission in Laclede's recent rate case, Case No. GR-2010-0171, the parties agreed that "Laclede shall request and the Staff and OPC shall support a waiver from the Commission of the calendar year affiliate transactions report and submission

date of March 15<sup>th</sup> requirements of the affiliate transactions rule.” This filing is being made in accordance with that agreement.

13. In summary, pursuant to Commission Rule 2.060(4), good cause exists for the Commission to grant a timing variance to Rules 40.015(4) and 40.016(5). Laclede will avoid the cost and inconvenience of trying to assemble affiliate data over two fiscal years, and reduce the risk of error. Meanwhile, Staff and Public Counsel will still receive all of the same information required by the Rules. Laclede believes that no other public utility will be affected by the variance requested herein.

### **REQUEST FOR RELIEF**

WHEREFORE, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission issue its Order granting a variance from Commission Rules 4 CSR 240-40.015(4)(B) and (C) and 40.016(5)(B) and (C).

Respectfully Submitted,

**/s/ Rick Zucker**

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**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing Verified Application for Variance was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of Public Counsel, on this 15th day of December, 2010 by hand-delivery, fax, email or United States mail, postage prepaid.

**/s/ Gerry Lynch**

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

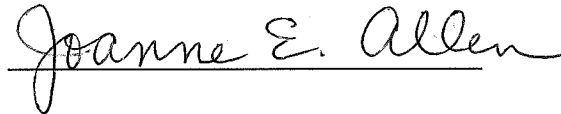
State of Missouri     )  
                                  ) SS.  
City of St. Louis     )

**VERIFICATION**

I, Michael C. Pendergast, Vice-President and Associate General Counsel of Laclede Gas Company, being first duly sworn, verify that I am familiar with the foregoing Verified Application for Variance filed on behalf of Laclede; and that the matters set forth therein are true and correct to the best of my knowledge, information and belief.



Subscribed and sworn to before me this 15th day of December, 2010.



My Commission expires:

Oct 5, 2013

