

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

In the Matter of Laclede Gas Company's     )  
Application for a Variance from the         )  
Provisions of Commission Rules Regarding )  
The Timing of CAM Annual Reports         )  
Case No. GE-2011-0171

**REPLY TO STAFF RESPONSE TO COMMISSION QUESTION**

COMES NOW Laclede Gas Company ("Laclede" or "Company") and files this Reply to the Response filed by the Staff in the above captioned case on January 18, 2011, stating as follows:

1. In its Response, the Staff addresses a Commission question regarding how long the Staff had been urging Laclede to seek the variance that was granted in this case. The Staff states that its notes from a June 27, 2003 meeting indicate that the Company had agreed to provide some additional information in its annual CAM/Affiliate Transactions Report submission to Staff and OPC and had also inquired as to what would need to be done to continue to file the Report on April 15, as required by the Stipulation and Agreement in Case No. GM-2001-342, rather than March 15, as specified in the Commission's Affiliate Transactions Rules. According to Staff, its notes indicate that Staff suggested the Company would need to file for a waiver. Staff goes on to cite additional meetings held between the Staff and the Company, but does not indicate whether this item was ever discussed again.

2. Laclede appreciates Staff's efforts to provide additional information on this matter. Staff's comments confirm that Laclede was interested from the outset in seeking a compliance procedure that would properly reconcile its legal obligations under

the Agreement in Case No. GM-2001-342 with its obligation under the Rules. Laclede's only concern with Staff's response is that it may have inadvertently given the impression that Laclede waited over seven years to seek a waiver that Staff first suggested in 2003. In fact, after its discussions with the Staff, Laclede made sure to submit its CAM (with modest revisions to address the applicability of the Rules) by March 15, 2004. Only the annual reporting data was still submitted on April 15<sup>th</sup> of each year. Laclede believed that such an approach properly reconciled both the requirements of the Agreement and those of the Rules.

3. When the issue of submission dates was again raised several years later, Laclede reached a subsequent agreement with Staff and OPC in which the Company agreed to submit its annual reporting data on December 15<sup>th</sup> of each year for the Company's immediately preceding fiscal year ending September 30th. While these dates differed from the dates in the Rules, Laclede viewed the agreement as a concession that actually made the vast majority of its affiliate transaction report data available to Staff and OPC some *three months earlier* than would have otherwise been required by the Rules and *four months earlier* than would have been required by the Agreement. Nevertheless, when Staff raised the issue of seeking a variance for this latest submission protocol in Laclede's last rate case proceeding, the Company was happy to do so and appreciates the Staff's support in obtaining it.

4. In summary, Laclede believes it has worked actively and constructively over the years with both Staff and OPC to make sure that its submissions of required affiliate transaction data have been done in a timely way that meets both the legitimate

needs of other parties as well as the requirements of the law. Any inadvertent implication to the contrary would not be accurate.

WHEREFORE, for the foregoing reasons, Laclede requests that the Commission take note of this Reply.

Respectfully Submitted,

**/s/ Michael C. Pendergast**

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**CERTIFICATE OF SERVICE**

The undersigned certifies that a true and correct copy of the foregoing pleading was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of Public Counsel, on this 25th day of January, 2011 by hand-delivery, fax, email or United States mail, postage prepaid.

**/s/ Gerry Lynch**