

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

In the Matter of Laclede Gas Company's     )  
Purchased Gas Adjustment for 2004-2005    )     **Case No. GR-2005-0203**

In the Matter of Laclede Gas Company's     )  
Purchased Gas Adjustment for 2005-2006    )     **Case No. GR-2006-0288**

**REPLY TO STAFF'S RESPONSE**

COMES NOW Laclede Gas Company ("Laclede" or the "Company") and for its Reply to Staff's Response, states as follows:

1.     Approximately two hours ago, the Staff of the Missouri Public Service Commission ("Staff") filed an out-of-time Response to Laclede's June 22, 2009 Response in Compliance with Commission Directive in which it reiterates for perhaps the six or seventh time a number of arguments that it has previously made and that the Commission has previously rejected. The one new element in Staff's "Response" is a request that the Commission direct Laclede to maintain certain documentation of its affiliate, LER, until the conclusion of this case. Ironically, while the Staff requests that the Commission recognize that ". . . this is an affiliate transactions rule compliance matter . . .", and freely acknowledges that those rules only require affiliate information to be maintained for six years, it requests that the Commission override its rules and direct that such information be maintained for a longer period of time.

2.     Laclede has no intention of destroying any documents, even those that the Commission has already determined the Staff is not entitled to obtain. Indeed, since the affiliate transactions rule requires that such documentation be maintained for six years and there is more than a year to go before that requirement would expire for the

documents Staff has requested, Staff's request is nothing but a gratuitous attempt to raise an issue where none exists. That said, it is noteworthy that, in contrast to some of the prior statements of other Staff counsel, Staff has unambiguously acknowledged in its Response that the issues it has raised in these cases are ". . . affiliate transactions rule compliance matters." Laclede could not agree more. And that is precisely why Staff's attempt to circumvent those rules through the invention of new, extra-legal standards for pricing such transactions – standards that are nowhere to found in such rules – should be rejected. This is indeed an affiliate transactions rule matter and it is well past the time when the Staff should finally be required to comply with those rules.

**WHEREFORE**, for the foregoing reasons, Laclede respectfully renews its request that the Commission issue its Order Denying the Motions for Reconsiderations and/or Clarification submitted by Staff and OPC.

Respectfully submitted,

**/s/ Michael C. Pendergast**

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**CERTIFICATE OF SERVICE**

I hereby certify that the foregoing pleading has been duly served upon the General Counsel of the Staff and the Office of the Public Counsel by email or United States mail, postage prepaid, on this 7<sup>th</sup> day of July, 2009.

**/s/ Gerry Lynch**

Gerry Lynch