

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

In the Matter of Laclede Gas Company's)	
Tariff Revision Designed to Clarify Its)	Case No. GT-2009-0056
Liability for Damages Occurring on)	
Customer Piping and Equipment.)	

**LACLEDE GAS COMPANY'S RESPONSE TO STAFF RECOMMENDATION
TO SUSPEND THE EFFECTIVE DATE OF THE TARIFF**

COMES NOW Laclede Gas Company ("Laclede" or "Company") and, in response to the Staff's Recommendation to Suspend the Effective Date of the Tariff filed by Laclede on August 22, 2008 ("Staff Recommendation"), respectfully states as follows:

1. In the Recommendation, Staff opined that Laclede's tariff filing presents a significant public interest policy decision for the Commission. In setting this policy, Staff set forth the following principles:

- A. The Company is entitled to have its tariffs reasonably limit its liability in certain situations (Recommendation, par. 6);
- B. The Commission has the authority to approve such tariffs (Recommendation, pars. 7-11); and
- C. The Commission's gas safety rules were not intended to make the Company an unwilling insurer of customer actions and equipment beyond the Company's point of delivery (Recommendation, par. 15).

2. However, the Staff believes the tariffs as written do not strike the ideal balance in how to treat the Company's exposure to liability. Staff therefore recommends that the Commission suspend the Company's tariff sheets and setting a prehearing conference in this case.

3. While Laclede disagrees with various aspects of Staff's analysis of the tariffs' alleged shortcomings, Laclede appreciates the principles Staff espouses and its goal of reaching a proper balance between the responsibilities of the Company and its customers.

4. Laclede joins the Staff in requesting that the Commission promptly set a prehearing conference for the purpose of negotiating mutually acceptable tariff language, and for proposing a procedural schedule in the event the parties cannot reach a resolution.

WHEREFORE, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission accept this Response to the Staff Recommendation, and set a prehearing conference in this case.

Respectfully submitted,

/s/ Rick Zucker

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ATTORNEYS FOR
LACLEDE GAS COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing Response was served on the General Counsel of the Staff of the Missouri Public Service Commission, and the Office of the Public Counsel, on this 1st day of December, 2008 by hand-delivery, fax, electronic mail or by regular mail, postage prepaid.

/s/ Gerry Lynch

Gerry Lynch