BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of Laclede Gas Company's Tariff to Increase its Annual Revenues for Natural Natural Gas Service

<u>File No. GR-2010-0171</u> Tariff No. YG-2010-0376

LACLEDE GAS COMPANY'S RESPONSE TO ORDER DIRECTING FILING

COMES NOW Laclede Gas Company ("Laclede" or "Company") and for its Response to the Commission's June 24, 2010 Order Directing Filing in the above captioned case, states as follows:

1. On June 24, 2010, the Commission issued its Order Directing Filing in this case in which it instructed the parties, either jointly or separately, to submit suggestions for supplying evidence in support of their respective positions on Staff's Motion to Add Parties.¹ The Commission also directed the parties to recommend when a hearing to take such evidence might be held.

2. To that end, Laclede recommends that the Commission reserve several hours of time on July 9, 2010 – the date of the oral argument in this case – so that additional direct examination and cross examination can be conducted in connection with the Company and Staff witnesses who have sponsored pre-filed testimony in this proceeding relating to the allocation of costs between Laclede and its affiliates. Presumably, these are the fact witnesses who, by virtue of the matters addressed in their testimony, are in the best position to provide factual support for the parties' respective

¹Laclede's affiliates include The Laclede Group, Inc., Laclede Energy Resources, Inc., Laclede Gas Family Services, Inc.; Laclede Venture Corp; Laclede Development Company; Laclede Investment, LLC, and Laclede Pipeline Company.

position on whether there is any need or justification for adding Laclede's affiliates as parties to this case. These witnesses include James A. Fallert and Michael T. Cline for the Company and Lisa K. Hanneken for the Staff.

3. Although Laclede has attempted with this pleading to be responsive to the Commission's Order Directing Filing, the Company believes it is also important to note that the legal and practical barriers to adding seven new parties to this case have only grown with the passage of time. Indeed, even if the Commission were to act favorably on Staff's Motion shortly after the oral argument in this case – a result that the Company strongly opposes for all of the reasons previously stated in its Response to that Motion – there would still be only a few days left before the *final* round of testimony is scheduled to be filed in this case. Laclede believes that the procedural disruptions and damage done to the due process rights of all existing parties would be so obvious and profound at this late stage of the proceedings that there can be no justification for taking such action, even if it was in the power of the Commission to do so. Accordingly, Laclede believes that the case for denying Staff's Motion is even more compelling today than it was at the time Laclede filed its Response to that Motion.

WHEREFORE, for the foregoing reasons, Laclede Gas Company respectfully renews its request that the Commission deny Staff's Motion outright or, alternatively, adopt the recommendations set forth herein.

Respectfully Submitted,

/s/ Michael C. Pendergast

Michael C. Pendergast, #31763 Vice President & Associate General Counsel Rick Zucker, #49211 Assistant General Counsel-Regulatory

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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 remaining parties to Case No. GR-2010-0171 on this 30 day of June, 2010, by hand-delivery, facsimile, email or United States mail, postage prepaid.

/s/ Gerry Lynch

Gerry Lynch