BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of the Verified Application and)	
Petition of Laclede Gas Company for)	Case No. GO-2011-0058
Establishment of an Infrastructure System)	Tariff No. YG-2011-0225
Replacement Surcharge)	

RESPONSE TO STAFF RECOMMENDATION AND MOTION FOR EXPEDITED TREATMENT

COMES NOW Laclede Gas Company ("Laclede" or "Company") and files this Response to Staff Recommendation, and in support thereof, states as follows:

- 1. On October 29, 2010, Laclede filed a proposed tariff sheet entitled Sixteenth Revised Sheet No. 12 (the "Tariff Sheet"), in connection with its application to establish an ISRS in this case. The Tariff Sheet has been docketed as YG-2011-0225. The Tariff Sheet was intended to recover incremental annual pre-tax revenues of \$2,570,494, based upon ISRS eligible replacements from April 1, 2010 through September 30, 2010, plus plus pro forma ISRS costs through November 30, 2010.
- 2. On November 16, 2010, Laclede filed its Request for Approval of Customer Notices. The notices are virtually identicall to those that have been approved in past ISRS cases. No party has filed a response objecting to the notices.
- 3. On December 28, 2010, Staff timely filed its Recommendation ("Staff Recommendation"), in which it recommended that the Commission reject the Company's tariff filing, and instead approve the Staff's determination of such revenues, based upon actual ISRS eligible costs incurred from April 1, 2010 through November 30, 2010 in the amount of \$2,490,876. The Staff recommended that Laclede be authorized to file ISRS rates as reflected in Attachment B to the Staff Recommendation.

4. Also on December 28, 2010, the Commission issued an order directing responses to the Staff Recommendation by noon on January 3, 2011.

Response to Staff Recommendation

- 5. Laclede responds to the Staff Recommendation by stating that it accepts the Staff's figure for annual pre-tax revenues as stated in paragraph 2 above, and accepts the ISRS rates reflected in Attachment B of the Staff Memorandum.
- 6. Contemporaneously herewith, Laclede is filing a tariff (the "Compliance Tariff"), with rates that comply with Attachment B to the Staff Recommendation.

Motion for Expedited Treatment

- 7. Pursuant to paragraph 16 of the Partial Stipulation and Agreement approved by the Commission in Case No. GR-2010-0171, the parties have agreed to work to implement the Company's ISRS filings as soon as reasonably possible. Laclede respectfully requests that the Commission issue its order approving the Compliance Tariff effective as soon as reasonably practicable, but not later than January 7, 2011.
- 8. Since this request is based upon the Stipulation, which was signed by all of the parties to this case and approved by the Commission, harm will be avoided, and the intent of the parties and the Commission will be served, by Commission approval of the Compliance Tariff effective by January 7, 2011. Laclede states that there will be no negative effect on Laclede's customers or the general public if the Commission acts to permit the Compliance Tariff to be effective on or before the date requested.
- 9. This pleading was filed as soon as it could have been following evaluation of yesterday's filing of the Staff Recommendation, along with issuance of the Order Shortening Time for Response.

WHEREFORE, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission approve the annual pre-tax ISRS revenues and rates in accordance with the Staff Recommendation, and approve the customer notices, all effective as soon as reasonably possible, but no later than January 7, 2011.

Respectfully submitted,

/s/ Michael C. Pendergast

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

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ATTORNEYS FOR LACLEDE GAS COMPANY

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the foregoing pleading was served on all parties of record this 29th day of December, 2010 by hand-delivery, fax, electronic mail or by placing a copy of such pleading, postage prepaid, in the United States mail.

/s/ Rick Zucker
Rick Zucker