

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

Shane Early (a/k/a Shane Earley),)	
)	
Complainants,)	
v.)	Case No. GC-2006-0376
)	
Laclede Gas Company,)	
Respondent.)	

**LACLEDE GAS COMPANY'S
RESPONSE TO STAFF RECOMMENDATION**

COMES NOW Laclede Gas Company ("Laclede" or "Company"), pursuant to the Commission's June 26, 2006 Order Directing Filing ("Order") and submits this Response to Staff Recommendation, and in support thereof, states as follows:

1. In the Order, the Commission indicates that Staff's recommendation is more consistent with Mr. Earley's position in this case. While the Staff's tone may be critical of Laclede, Staff actually sides with Laclede, and against Mr. Earley, on the main issue in the case, and arrives at a conclusion that is very similar to Laclede's position. Accordingly, it is not surprising that Mr. Earley has filed a notice in which he disagrees with the Staff's recommendation.

2. In this Response, Laclede will address only the main issue in the case and Staff's ultimate conclusion with regard to the customer's account balance.

3. As stated in Laclede's answer, the main issue in this case is whether or not Laclede should make a billing adjustment over the entire period that it determined to be the probable period during which an overcharge existed, as provided in its tariffs and Commission rules, or simply bill the then current usage as if no billing error had occurred. Because it works to his benefit, Mr. Earley understandably would like to be

billed as if the overcharge had never occurred. In its recommendation, however, Staff agreed with Laclede that the billing adjustment should reflect usage over the entire adjustment period. (Recommendation, p.2).

4. For reasons that are not clear, Staff declined to use Laclede's calculations that allocated the actual gas used by the customer over the actual period in which it was used. Staff instead appears to have derived its own model and determined that its method would yield a total bill of \$2,239.91, which is approximately \$42.90, or 1.9%, less than the figure of \$2,282.81 calculated by Laclede. In contrast, Staff's position is approximately \$130 higher than Mr. Earley's position.

5. Without reviewing the Staff model, Laclede cannot comment on it. However, Laclede's model is well-established and produces accurate and reasonable results.

WHEREFORE, Laclede respectfully requests that the Commission accept Laclede's Response to the Staff recommendation.

Respectfully submitted,

/s/ Rick Zucker

Rick Zucker
Assistant General Counsel
Laclede Gas Company
720 Olive Street, Room 1516
St. Louis, MO 63101
(314) 342-0533 Phone
(314) 421-1979 Fax
rzucker@lacledegas.com

Certificate of Service

The undersigned certifies that a true and correct copy of the foregoing Response was served on the Complainant, the General Counsel of the Staff of the Missouri Public Service Commission, and the Office of Public Counsel on this 7th day of July, 2006 by United States mail, hand-delivery, email, or facsimile.

/s/ Rick Zucker