

Exhibit No.:	
Issue:	Overview of Transaction
Witness:	Suzanne Sitherwood
Type of Exhibit:	Supplemental Direct Testimony
Sponsoring Party:	The Laclede Group, Inc., Laclede Gas Company
Case No.:	GM-2013-0254
Date Prepared:	March 13, 2013

THE LACLEDE GAS COMPANY

GM-2013-0254

SUPPLEMENTAL DIRECT TESTIMONY

OF

SUZANNE SITHERWOOD

March 13, 2013

1           **SUPPLEMENTAL DIRECT TESTIMONY OF SUZANNE SITHERWOOD**  
2

3   Q:    Please state your name and business address.

4   A:    My name is Suzanne Sitherwood, and my business address is 720 Olive Street, St. Louis,  
5        Missouri, 63101.

6   Q:    Are you the same Suzanne Sitherwood that caused to be filed direct testimony in this case  
7        on January 14, 2013?

8   A:    I am.

9   Q:    What is the purpose of your supplemental direct testimony?

10  A:    My purpose in supplementing my direct testimony is to address a changed circumstance  
11        as it bears upon that earlier testimony.

12  Q:    Please explain.

13  A:    In my direct testimony at pages 3 and 4, I address the topic “Origins and Nature of the  
14        Proposed Transaction”. During that discussion I made a number of observations about  
15        Laclede Group’s (“LG”) acquisition of Southern Union Company’s Missouri Gas Energy  
16        (“MGE”) assets and its New England Gas Company (“NEG”) operations. Since that  
17        testimony was filed, LG has announced an agreement that will allow Algonquin Power  
18        & Utilities Corp. (“Algonquin”) to assume LG’s rights to purchase the assets of NEG.  
19        This development will not, however, cause any change to LG’s acquisition of MGE from  
20        Southern Union Company.

21  Q:    What caused this change in LG’s plans?

22  A:    Algonquin presented an attractive offer to purchase NEG that I believe will further  
23        benefit both the customers of NEG and Laclede Gas Company (“Laclede Gas”), as well  
24        as LG. In addition to reducing the cost to LG of the overall transaction as described in

1 the Joint Application, the agreement with Algonquin will allow LG and Laclede Gas to  
2 concentrate all of their efforts on integrating MGE's much larger scope of operations  
3 with those of Laclede Gas in a manner that will ensure a continued high level of service  
4 is being provided to the Missouri customers of Laclede and MGE. There are financial  
5 and other operational advantages for NEG as well in that Algonquin already has natural  
6 gas utility operations in the region whereas LG does not.

7 Q: What happens if Algonquin is not able to satisfy all conditions to closing?

8 A: LG remains obligated to go forward with the acquisition of NEG in accordance with the  
9 terms of the applicable Purchase and Sale Agreement

10 Q: Does the agreement with Algonquin change the regulatory matters presented to the  
11 Commission in this case?

12 A: No. As noted in the Joint Application in paragraph 17, the NEG acquisition is separate  
13 and distinct from the MGE acquisition and the approval of this Commission is not  
14 required for the NEG transaction to move forward. The matter before the Commission in  
15 this case remains the same as before, that is, the approval of the Purchase and Sale  
16 Agreement concerning Southern Union Company's MGE operations.

17 Q: Does this conclude your supplemental direct testimony?

18 A: Yes.