

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

In the Matter of Laclede Gas)	
Company's Tariff to Increase its)	<u>File No. GR-2010-0171</u>
Annual Revenues for Natural)	Tariff No. YG-2010-0376
Natural Gas Service)	

**LACLEDE GAS COMPANY'S
RESPONSE TO COMMISSION ORDER**

COMES NOW Laclede Gas Company ("Laclede" or "Company") and, in response to the Commission's December 10, 2009 Order in this case, states as follows:

1. In paragraph 6 of its December 10, 2009, *Order Directing Notice, Suspending Tariff, Setting Hearings, and Direct Filings*, the Commission directed Laclede and the other parties to this case to submit their recommendations concerning a true-up in this proceeding.

2. As discussed at page 5 of the Direct Testimony of James Fallert in this case, Laclede has recommended that the Commission conduct a true-up hearing to reflect certain changes to the Company's cost of service that are expected to occur subsequent to the end of the March 31, 2010 update period proposed by the Company in this case. That said, Laclede is open to discussing with the parties to this case any reasonable alternatives that may permit some or all of these items to be addressed without the necessity of a formal true-up proceeding. To that end, Laclede intends to discuss this issue with the parties at the early prehearing conference that is currently scheduled in this case for January 14, 2010. It is also Laclede's understanding that the Commission Staff intends to address this issue in greater detail in its direct testimony in this case.

3. Pending the outcome of those discussions and any subsequent filings by the parties, Laclede recommends that the Commission continue to reserve the procedural dates that it has already scheduled to accommodate a true-up hearing in this case.

WHEREFORE, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission accept this response in satisfaction of its December 10, 2009 Order in this proceeding.

Respectfully Submitted,

/s/ Michael C. Pendergast

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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 11th day of January, 2010, by hand-delivery, facsimile, email or United States mail, postage prepaid.

/s/ Gerry Lynch

Gerry Lynch