Exhibit No.:	
Issue:	Cash Working Capital, Capital Structure, DataRaker, CCI, Line of Credit Fees, Franchise Taxes, Local Public Hearings
Witness:	Glenn W. Buck
Type of Exhibit:	Rebuttal Testimony
Sponsoring Party:	Laclede Gas Company
Case No.:	GR-2010-0171
Date Testimony Prepared:	June 24, 2010

LACLEDE GAS COMPANY

GR-2010-0171

REBUTTAL TESTIMONY

OF

GLENN W. BUCK

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REBUTTAL TESTIMONY OF GLENN W. BUCK

Q. Please state your name and business address.

A. My name is Glenn W. Buck, and my business address is 720 Olive St., St. Louis, Missouri, 63101.

Q. Are you the same Glenn W. Buck who filed direct testimony in this proceeding on behalf of Laclede Gas Company ("Laclede" or "Company") on December 4, 2009?

A. I am.

PURPOSE OF TESTIMONY

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to rebut the testimony of Staff and MIEC witnesses on the following subjects:

1. The correct collection lag to use in determining the proper level of cash working capital (Staff witness Hanneken, MIEC witness Meyer);
2. The appropriate capital structure to use in determining return on rate base (Staff witness Marevangepo, MIEC witness Gorman);
3. An update to the test period to reflect the ongoing costs of a new meter data management portal;
4. The costs related to utilization of an external collection agency for field disconnects;
5. Staff's recommendation related to Line of Credit Fees (Staff witness Marevangepo);
6. The Staff's erroneous normalization of Corporate Franchise Taxes (Staff witness Hanneken); and,

7. An overall discussion of feedback we received during the Local Public Hearings.

CASH WORKING CAPITAL – COLLECTION LAG

Q. Please describe what is at issue regarding the collection lag component of cash working capital.

A. The collection lag component of cash working capital represents the time between when the Company issues a bill for service and when it ultimately receives payment from the customer. Since the Company must provide funds to cover its costs of service during this period between bill issuance and ultimate payment, it is important to ensure that this collection lag is accurately calculated so that the Company is compensated for that investment.

Q. Do you agree with the collection lag proposed by Staff witness Lisa Hanneken?

A. No. It is important to point out that the Company determined the collection lag based on an accounts receivable turnover analysis involving the entire **universe** of our 630,000 customers during the period ended September 30, 2004. This analysis, which took into account the actual payment experience of all of the Company's customers for a full year, resulted in a collection lag for customers of 32.50 days. In contrast, Staff witness Lisa Hanneken based her collection lag on a **point-in-time sample** of 361 customers in August of 2001, and utilized the period ended **February, 2001**. Ms. Hanneken's sample indicated an overall collection lag for customers of 25.18 days (Staff Report, page 26, line 4).

Q. Has the Commission approved the methodology used by the Company in prior cases?

A. Yes. The Commission has historically supported the methodology used by the Company. To my knowledge, it was most recently litigated in Case No. GR-99-315 when the

Commission **again** found that the use of a turnover analysis utilizing the entire universe of customers was more appropriate than the very limited, and relatively dated sample analysis sponsored by Staff. The collection lag for sales customers approved by the Commission in that proceeding was 34.8 days.

Q. Does it make any sense that the lag would decrease to 25.18 days as recommended by Staff in the current proceeding?

A. No, it makes absolutely no sense at all. The recent amendments to the Cold Weather Rule passed by the Commission, which relax the terms under which customers who are under the threat of service disconnection can stay on the system, would intuitively suggest that the lag should be increasing, not decreasing. Given these circumstances, it is counter-intuitive to assume, as Staff's stale and limited sample analysis does, that the collection lag time for the Company's customers has decreased.

Q. What would be required for the Company to actually achieve the collection lag of 25.18 days recommended by Staff?

A. I have very real doubts that it is possible even under the best of circumstances to achieve the kind of collection lag recommended by Staff, given the circumstances under which the Company must operate. The Company already seeks to aggressively collect on amounts owed within the rule parameters established by the Commission. Accordingly, to even begin to approach the collection lag suggested by the Staff, the Company would have to undertake truly draconian collection practices -- practices which would result in additional and substantial expense to the Company, and additional dislocation for our customers -- to the detriment of the Company, its customers, and this Commission. And in the end, it is highly unlikely that any net savings would materialize. Moreover, based on its experience with the Commission's emergency amendments to the Cold Weather Rule, the Company believed that all stakeholders in the regulatory process recognized the need to take special measures to keep customers on the system and to restore service to customers who had been disconnected. Unfortunately, Staff's unreasonable, unrepresentative and stale collection lag recommendation seeks to penalize the Company for its efforts in this regard and, in the process, sends exactly the wrong message about how a utility's attempt to work with its customers will be subsequently treated in the ratemaking process.

Q. Aside from being inconsistent with reality and Commission policies, are there any specific deficiencies in the analysis performed by Staff in this proceeding?

A. Yes. The Staff's analysis has several serious flaws: 1) the customer sample is based on a point-in-time review of customer demographics that does not fit with a customer base that varies throughout the year; 2) the sample does not take into consideration the Company's need to carry customers who have substantial "pre-existing" balances; and 3) the period analyzed is dated and does not reflect the real change in customer payment practices that have occurred subsequent to that time.

Q. You stated that the point-in-time review of customer demographics does not match Laclede's customer base. Please explain.

A. The Staff's sample was based on discussions with the Company during the pendency of Laclede's Case No. GR-2001-629. The Staff requested a sample based on the customer demographics of Laclede's service territory in late July of 2001, and billing/payment information for 361 customers was supplied in response to such request. Please note that the Company did not, and does not, agree that such sample adequately represents Laclede's customer population.

Q. Why is that?

A. Staff's point-in-time customer sample does not reflect the true demographics that Laclede's "real-time," universal study captures. To illustrate, Staff's sample was taken from parties who were actual Laclede customers as of July 2001. Staff then looked at the billing and payment information for these customers during the period from March 2000 through February 2001. Therefore, Staff's customer sample is not drawn from all of Laclede's customers who received service during the March 2000-February 2001 period, but only those customers who received service during that period *and* who were still customers as of July 2001. Thus, any parties who were customers during some portion of the period analyzed, *but who had left the system between March 2000 and July 2001 were not counted*.[1] Since Laclede performs approximately 120,000 gas service "turn-ons" per year, the number of customers missing from Staff's study is significant. This fact undermines the reliability of Staff's point-in-time sampling, especially compared to the Company's real-time universal analysis.

Q. Did the Staff's analysis take into consideration customers who had a beginning balance entering the period under review?

A. No. The Staff's analysis did not take into consideration that many customers carry a balance owed to the Company. Customers receiving service under Cold Weather Rule and other payment arrangement procedures will, by design, be carrying a balance at any

[1] In addition, of the 361 sample customers provided to Staff from Laclede's July 2001 records, 25 were not customers during the March 2000-February 2001 period, but had initiated service after February 2001. Staff deleted these customers from its analysis, leaving Staff with a sample of 336 customers. I do not know how the deletion of 7% of Staff's sample affected Staff's desired demographics.

point in time. This represents a real cash outlay on the Company's part. Ignoring such outlays, as Staff's analysis does, deliberately understates the cash working capital needs of the Company.

Q. Is the Staff's analysis based on dated information?

A. Yes. The Staff's analysis is based on customer information from the period of March 2000 through February 2001, nearly a decade ago.

Q. Did MIEC witness Meyer sponsor testimony regarding the collection lag?

A. Mr. Meyer sponsored testimony that primarily used **Staff-derived** collection lags from periods dating as far back as 1994 and then averaged them to come up with a recommendation of 23.31 days (Meyer Direct, page 9, line 1 – page 10, line 11). .

Q. Do you have the same criticisms of Mr. Meyer's testimony as you do with Staff's?

A. In reality, the derived customer samples Mr. Meyer used in coming to his recommendation are more severely flawed than the sample used by Ms. Hanneken. For example, the Staff-derived "customer samples" used in the 1994 and 1996 cases were not random samples and, further, did not analyze a statistically significant number of customer accounts. Further, if customers were not active for the full twelve month periods analyzed, Staff would not use them in their calculation. As a result, customers who left the system or were disconnected are not reflected in the collection lags used in Mr. Meyer's calculation. The customers **not** reflected in these "samples" include those that are transient or no-pay customers, in other words, they are the customers that cause the overall collection lag to increase, and increase significantly. Furthermore, by relying upon customer samples dating back to 1994 and 1996, Mr. Meyer is reflecting customer payment patterns in effect during a period in which natural gas prices were much lower and less volatile than they are now. Mr. Meyer's use of such stale data for purposes of determining customer payment lags in today's environment is simply unreliable and misleading.

Q. Mr. Meyer used the lag from GR-94-220, GR-96-193, GR-98-374, and GR-2002-356, all from a period when Mr. Meyer was on the MPSC Staff. Was Mr. Meyer the Staff witness on collection lag in any of the aforementioned proceedings?

A. To my knowledge, he was not. As such, I have been advised by counsel that the numbers used by Mr. Meyer cannot be relied upon. Many of the witnesses in the aforementioned cases are no longer with the Commission Staff and are not available for deposition or cross-examination during hearings. As such, Mr. Meyer's testimony on collection lag should be completely disregarded.

Q. Do you have any further comments on Mr. Meyer's testimony on this issue?

A. I have two additional comments. First, I disagree with his calculation of the service lag and the calculation of the billing lag, but the difference is so small that I imagine that the Parties will be able to come to an agreement without having to burden the Commission with these issues at hearing. Second, while Mr. Meyer, in making his adjustment, reached back to the 1994, 1996, 1998 and 2002 cases to average Staff's collection lags in settled cases, he studiously omitted GR-99-315, a 1999 Laclede case in which revenue lag was <u>fully litigated</u>. In that case – again the **only** litigated case – the Commission found that the Laclede-sponsored revenue lag for sales customers, at 34.8 days, was the appropriate lag to use in determining CWC.

CAPITAL STRUCTURE

Q. Please explain your understanding of the position of the parties on the issue of capital structure.

A. Laclede filed its direct case based on the consolidated capital structure of The Laclede Group as of September 30, 2009 (the test year in the case), and subsequently updated the capital structure to the period ended March 31, 2010. Staff's direct case included The Laclede Group's consolidated capital structure at September 30, 2009, and their schedule also indicated that they meant to update to March 31, 2010 levels (Staff Report, page 18, lines 5 – 13, and Schedule 8, sponsored by Staff witness Marevangepo). However, Staff's schedule appears to have inadvertently failed to update the capital structure. Neither of these capital structures includes the effect of any short-term debt. MIEC's witness used the consolidated capital structure of The Laclede Group as of September 30, 2009, but included approximately 15.77% of short-term debt in the overall structure (Gorman Direct, page 7, line 10 – page 10, line 18). A schedule of the proposed capital structures for each witness is attached as Schedule GWB-1 to this rebuttal testimony for the Commission's convenience.

Q. Do you have any issues with Mr. Marevangepo related to capital structure?

A. It is my understanding that the Staff witness has agreed to update his capital structure to the March 31, 2010 level consistent with the update period in this case. As further evidence of this, Staff witness Cassidy's direct testimony included capital structure in the list of items that he proposed to include in the true-up, should one be necessary (Cassidy Direct, page 7, line 3). Therefore, I will not further address Mr. Marevangepo's capital structure testimony in my rebuttal other than to state that Staff's revenue requirement needs to be increased by approximately $1 million to reflect this update.

Q. Did Mr. Gorman update his capital structure to March 31, 2010?

A. He did not. I am assuming that this was an oversight on his part. If not, I will address it in surrebuttal testimony.

Q. Mr. Gorman included short-term debt in his capital structure recommendation. What is your response?

A. This is clearly inappropriate in Laclede's ratemaking, operational and financial setting for a number of reasons.

Q. Please explain.

A. First, as Mr. Gorman acknowledges, CWIP, gas inventories, and deferred gas costs (including margin calls from our hedging program) have exceeded the level of short-term debt in the test year (Gorman Direct, page 8, lines 7 – 18). All of these amounts are recovered through the PGA with a carrying cost rate, set by tariff, meant to approximate our cost of short-term debt. Accordingly, there is no short-term debt "left-over" to include in base rates. Second, economic principles would not advocate using short-term debt to finance long-term assets or, conversely, using permanent financing to finance highly volatile (and highly variable) short-term assets. Third, our proposed capital structure is very similar to the capital structure of our peers, as reflected in the testimony of Company witness Dr. Donald Murry at pages 11 through 13 of his direct testimony as well as Schedule DAM-6. Further, this same peer group analysis is reflected in the testimony of Mr. Gorman on Schedule MPG-2 regarding the Value Line capital structures of our peers. Finally, Mr. Gorman's proposal appears to be an opportunistic attempt to shift dollars away from his clients (transportation customers) in base rates and foist them onto residential and small commercial customers, with recovery in the PGA (which his clients do not pay). Such a shift would transfer the financial burden of these costs from his clients to small users in the amount of $800 thousand to $1.2 million, depending on which Class Cost of Service Study is used. At the same time, this approach would expose residential and small commercial sales customers to far more financial risk than they currently face today by having deferred gas balances, which can grow dramatically in a very short time, accumulate at an interest rate that may be significantly higher than the current one.

Q. How does Laclede recover the carrying cost related to its financing of gas supply activities in rates currently?

A. Currently, per tariff, we recover the Gas Inventory Carrying Costs related to our underground storage gas and propane inventories through the PGA at the lower of our cost of commercial paper, assuming there is any outstanding, or Prime minus 2% which is a rough approximation of what the commercial paper rate would likely be if we had any short-term borrowings. Our PGA deferred gas cost carrying costs, including the margin calls on hedging instruments, are recovered through the PGA at Prime minus 2%, consistent with other gas utilities in the state. The tariffs recognize the fact that these are short-term assets (or liabilities) and should be financed on a short-term basis. Notably, Mr. Gorman’s calculation of short-term debt included the periods ended September, 2009 and September, 2008, periods of time when Laclede had hundreds of millions of dollars of short-term capital tied up in margin calls related to our natural gas hedging program.

Q Has the Company provided the information related to the balances of the CWIP, inventories, deferred gas costs, and margins calls on the hedging instruments to either Staff or MIEC?

A. Yes. Such information was provided in response to Staff data request number 185 and MIEC data request number 1-2.

Q. Would fundamental economic principles advocate funding long-term assets with short-term debt or, conversely, short-term (and highly volatile) assets with long-term financing?

A. I would think that Mr. Gorman would agree that this would not be a wise choice to make. For example, assume that an individual has an auto loan with a year remaining on its terms and, further, that he is looking to refinance his home. Under Mr. Gorman's scenario, he would roll the auto loan into the refinance of his home, and repay a vehicle that may only last a year into a 30-year mortgage, thus paying financing costs for thirty years on a car that has long passed its useful life. In the converse, if the homeowner decided to fund his home on the commercial paper market (assuming he had access to such market), he would be at risk for changes in interest rates and even capital availability, where the funds for the 30-year long asset have to be refinanced on a quarterly, monthly, or even daily basis. Losing one's home because of temporary displacements in the market is not something any homeowner would want, nor would Laclede. During the credit crisis in the fall of 2008, and to some extent even today, access to the short-term market can be somewhat tenuous. Given Laclede's strong credit rating (in part, because of our capital structure), accessibility to credit on a short-term basis has not been materially impaired. This is largely because we fund long-term assets on a permanent basis and manage short-term requirements on a manageable level.

Q. Would Mr. Gorman's approach also result in mismatch between rates and costs and therefore much larger over and under-recoveries of costs for the Company and its sales customers?

A. Yes. Today, long-term debt is generally used to finance longer-term assets. Neither the cost of these long-term debt financing instruments nor the cost of these long-term assets change much, if at all, between rate cases so there is a reasonable matching between rates and costs. As I said before, however, deferred gas balances can increase by tens, if not hundreds of millions of dollars, over a relatively short period of time. By applying a significantly higher carrying cost rate that is based on the cost of long-term debt and equity to these balances, Mr. Gorman's approach would effectively allow the Company to collect far more money in rates for financing when these balances rise, even though the underlying cost of debt or equity hasn't increased. Conversely, if these balances turn negative, the Company would owe its customers far more in financing costs even though the underlying cost of debt or equity hasn't declined. There is simply no reason why the Commission should deliberately introduce this kind of volatility in rates based on an approach that seems calibrated to significantly widen the gap between what customers are charged for service and the actual costs of providing that service. Moreover, before such a massive shift between base and PGA rates were even attempted, particularly one that significantly benefits one customer class over another, there are other potential changes in the way costs are allocated and collected from such classes that Laclede believes would have to be evaluated first.

Q. Is the Company's proposed common equity percentage in line with its peers?

A. Yes. As previously noted, according to Company witness Dr. Murry, our peers have an equity percentage of 58.1% in 2009, and an estimated equity percentage of 58.6% in 2010. The Value Line estimated equity percentage for future years is 60.8% (Murry Direct, page 12, lines 11 – 17). Further, Mr. Gorman has similar numbers, for the same "comparable company" analysis on Schedule MPG-2. His reference to the "AUS Utility Report" contains short-term debt which, as discussed above, should not be considered in the permanent capital structure. As we received no workpapers from any of the MIEC witnesses, I currently have a data request in to Mr. Gorman to get details of his citation to the AUS report.

Q. Do you have any further comments related to the capital structure issue?

A. In response to past rate orders, including those of MGE and AmerenUE, and consistent with other previous orders of the Commission, the Company has filed its case based on a consolidated capital structure. Filing this way, we avoid any concerns of "double-leveraging" parent company corporate debt into equity infusions to the gas company. We believe that this structure is what the rating agencies and investors evaluate us on in making rating recommendations or investment decisions. We have been careful stewards of maintaining a capital structure that helps to maintain an "A" credit rating, and our customers have shared in that benefit by reducing the cost of new debt placements. Accordingly, the capital structures proposed by the Company and Staff (once updated) are clearly the appropriate ones to use in this proceeding.

DATARAKER

Q. Please explain the next adjustment you have to the Staff's case in this proceeding.

A. Beginning in October of 2009, the Company began utilizing the services of DataRaker to leverage our Automated Meter Reading System ("AMR"). Such services leverage our implementation of AMR to proactively deal with customer billing errors in advance of customer inquiries, provide revenue protection by identifying potential diversion on inactive or locked meters, and assist in the identification and future evaluation of potential cost-effective energy efficiency programs for the benefit of all of our customers.

Q. Was the cost of DataRaker in the test year in this proceeding?

A. It was not. We paid invoices in the period of October 2009 through February 2010 to DataRaker on a trial basis. The Company thereafter had a three-month abeyance period while we negotiated a new contract. Beginning with June 1, 2010, we will be paying approximately $18,200 per month in fees, or an annualize rate of approximately $218,000 per year to retain these services. It is important to note that Laclede cut the cost of its "post-test-year" monthly costs substantially through intense negotiations. In any event, these costs should be recognized in this case, as they are clearly in the update period.

CONTRACT CALLERS, INC.

Q. Please describe the next issue you will be discussing.

A. Beginning in October of 2009, the Company began fully utilizing Contract Callers, Inc. ("CCI") to perform field cut-off activities for our poor-pay customers. Approximately 14 Laclede Field Collection employees were displaced by this action. Many of those employees filled other open positions at the Company (such as in the call center or customer accounting), but a few were severed from the Company.

Q. Did the Staff reflect this reduction in employees in its payroll annualization in this proceeding?

A. Yes. Staff witness Carle reflected the effect of these (and many other) employee reductions in her payroll annualization. In total, the "post-test-year" reduction in employees amounted to approximately 51 positions, which is a positive reflection of management's efforts, in collaboration with our Unions, to make the Company more efficient.

Q. Was the decision to utilize the services of CCI meant to reduce expenses?

A. In the short-term, the answer would be no. The decision was made, in part, to reflect the fact that in the Cold Weather period, due to Commission rules, field collection activities are not very effective. During those November – March periods, our field collectors were an under-utilized portion of our work force. The advantage of using CCI is that, when weather conditions prevent us from performing cut-off activities, we reduce the number of routes that we ask CCI to perform. Laclede feels that this decision will eventually have a cost savings through reduced pension and group insurance costs.

Q. You noted that the Staff reflected the employee reductions in the payroll annualization. Did Staff include any of the corresponding costs of CCI in its direct case?

A. No. For a reason that is unclear to me, the Staff did not include the annualized cost of the CCI contract in their direct filing. Based on the number of 2009 field cut-off and collection activities that were previously performed by Laclede Field Collectors, and exclusive of those times when such employees accepted payment in the field in lieu of a disconnection (an activity that has been discontinued effective with the decision to utilize CCI), the amount of annual CCI payments not reflected in the test-year amounts is approximately $1,008,917. Actual invoices from CCI through, and even subsequent to, the update period in this case fully support such an annualization. To recognize in rates reduced employee levels and their associated cost reductions, while ignoring the corresponding costs related to the contracted arrangement that made those reductions possible, seems misguided at best and disingenuous at worst.

LINE OF CREDIT FEES

Q, Staff discussed including line of credit fees in the short-term debt costs utilized for PGA recovery of inventory carrying costs and the carrying costs of the deferred gas costs and hedging costs (Staff Report, page 16, lines 19 – 21). Does the Company have any comment on the Staff's proposed treatment?

A. It is my understanding that the prime minus 2% carrying cost convention used in Laclede's tariff was the product of a Staff and Commission effort several years ago to bring consistency among utilities in how their respective PGA/ACA mechanisms work. While Laclede doesn't necessarily oppose the Staff's recommendation to change this aspect on an ad hoc basis, there are too few details of the mechanics behind the proposal to fully evaluate the recommendation at this time. Depending on what testimony Staff provides in Rebuttal, the Company will have to reserve any additional commentary until the Surrebuttal phase of this proceeding.

FRANCHISE TAXES

Q, In its direct filing, Staff made an adjustment to the test-year level of franchise taxes (Staff Report, page 75, lines 10 – 13). Please explain Staff's adjustment.

A. Staff witness Hanneken reduced the test-year level of franchise taxes to reflect "credits" that the Company used to offset the actual level of taxes paid.

Q. Does the Company agree with the Staff's adjustment?

A. No. Staff failed to take into account that there is a cost to obtain the credits used to offset taxes. Laclede's actual franchise tax liability was $361,409 in the test year. Laclede used credits it **purchased** to meet its tax obligation related to franchise taxes. The State of Missouri allows companies to purchase credits (or alternatively, make contributions) for certain programs that the State deems worthy of being funded. For example, in 2009, the credits were related to a maternity home credit and a purchased tax credit related to Infrastructure Development. In other years, credits were purchased related to Affordable Housing Assistance. All of these items create a "win-win" situation. The Company gets a credit against a tax liability, while the state gets funds for worthy and needed infrastructure. However, to be clear, the Company paid for those credits out of its own funds, and it is not appropriate to use them as an offset to the Company's tax liability. To do so would ignore an entirely appropriate and reasonable cost that has been actually incurred by the Company and needlessly preclude the Company from making any additional investments in these worthy State-approved programs.

LOCAL PUBLIC HEARINGS

Q. How many local public hearings did Laclede have?

A. The Commission held seven local public hearings, all across our service territory. They included hearings in Arnold, St. Charles, the City of St. Louis (at Harris Stowe), Farmington, at UMSL in St. Louis County, at Meramec Community College, and at the Thornhill branch of the St. Louis County Library system. I attended each of the hearings. Further, at each of these hearings, in attendance for Laclede were customer service representatives, legal staff, and at least one (if not more) of our senior officers. Our Chief Executive Officer, Douglas Yaeger, attended the hearings at Harris Stowe and at UMSL (under the assumption that these two hearings would have the largest attendance by our customers). Further, Mr. Yaeger has reviewed all of the transcripts for those hearings that he did not attend personally.

Q. Were the hearings well-attended by customers?

A. The hearings were very lightly attended. In total, for all the hearings, 15 people chose to testify. No customers volunteered to testify at the Thornhill branch or in Farmington.

Q. What conclusions can you draw from the public hearings?

A. As one would expect, customers never favor a rate increase, and the testimony offered bore that out. However, especially during the question and answer session, Laclede believes that it was able to reach out to those customers and help them understand why Laclede is seeking an increase at this time. Perhaps most notably, however, what we generally heard from our customers during testimony is that they appreciated our customer service and our reliability.

Q. Does this complete your rebuttal testimony?

A. Yes.

GR-2010-0171
Capital Structure - Positions of the Parties

Laclede - Based on the March 31, 2010 Capital Structure
Staff - Filed based on September 30, 2009 Captial Structure*
MIEC - Filed based on September 30, 2009 Capital Structure

	Amount Outstanding	Percentage
Laclede		
Common Equity	$ 553,526	59.06%
Short-term Debt	-	0.00%
Long-Term Debt	383,754	40.94%
Total	$ 937,280	100.00%
Staff		
Common Equity	$ 517,030	57.41%
Short-term Debt	-	0.00%
Long-Term Debt	383,613	42.59%
Total	$ 900,643	100.00%
MIEC		
Common Equity	$ 517,145	48.41%
Short-term Debt	168,464	15.77%
Long-Term Debt	382,666	35.82%
Total	$ 1,068,275	100.00%

* Staff appeared to indicate that it was planning to update through March 31, 2010, but this was not done in their initial filing.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's	)	
Tariff to Revise Natural Gas Rate Schedules	)	Case No. GR-2010-0171

AFFIDAVIT

STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

Glenn W. Buck, of lawful age, being first duly sworn, deposes and states:

1. My name is Glenn W. Buck. My business address is 720 Olive Street, St. Louis, Missouri 63101; and I am Manager-Financial Services of Laclede Gas Company.

2. Attached hereto and made a part hereof for all purposes is my rebuttal testimony, on behalf of Laclede Gas Company.

3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.

Glenn W Buck

Glenn W. Buck

Subscribed and sworn to before me this 23rd day of June, 2010.

Karen A. Zurliene

Notary Public

KAREN A. ZURLIENE
Notary Public - Notary Seal
STATE OF MISSOURI
St. Louis City
My Commission Expires: Feb. 18, 2012
Commission # 08382873