720 Olive Street
Room 1520
St. Louis, Missouri 63101
Phone: (314) 342-0532
Fax: (314) 421-1979

Laclede Gas Company

Fax

To:	Tim Schwarz – 573-751-9285 Doug Micheel – 573-751-5562	**From:**	Michael C. Pendergast
Fax:		**Date:**	June 4, 2001
Phone:		**Pages:**	4 (including cover page)
Re:		**CC:**	

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

•Comments:

Attached please find the work papers of Glenn Buck in GT-2001-329.

Exhibit No. 28
Date 6-19-01 Case No. GT-2001-329
Reporter KF

Earned Returns Versus Authorized Returns
Fiscal Years 1997 - 2000
Based On Unadjusted Average Equity

Fiscal Year	Average Equity [1]	Net Income	After Tax GSIP	Adjusted Net Income	Return On Average Equity	ROE Excl. GSIP	Authorized Return
1997	255,679	32,369	4,542	27,827	12.66%	10.88%	11.00%
1998	260,986	27,795	3,908	23,887	10.65%	9.15%	11.00%
1999	273,892	25,965	3,320	22,645	9.48%	8.27%	10.19%
2000	289,073	25,872	5,917	19,955	8.95%	6.90%	10.50%

(1) Based on Average Equity as Reported in the "Shakelford Report"

Laclede Gas
GT-2001-329

Effect of Commodity Business ($000)				**Total Cost**
Inventory Levels				
	Propane		11,671	
	Natural Gas Stored Underground - Lac.		15,016	
	Natural Gas Stored Underground - Other		42,626	
			69,313	
	Pre-Tax Return on Rate Base		12.70%	
	Revenue Reqmt.		8,803	
	Carrying Cost	7.79%	5,399	
	(After-tax Weighted Cost of Capital)			
	Short Term Debt Rate	6.31%	4,374	4,374
Cash Working Capital Effect				
	Gas Cost Component		6,187	
	After-Tax Return on Rate Base		7.79%	
			482	482
Customer Deposits				
	12 Month Average included in Rate Base		(3,628)	
	Percent Gas Cost		66.39%	
			(2,409)	
	After-Tax Return on Rate Base		7.79%	
			(188)	(188)
Deferred Gas Cost	**Monthly**			
	12 Month Average Deferred Gas Costs (Exclusive of IA Amounts)		17,182	
	After-Tax Return on Rate Base		7.79%	
			1,338	1,338
CWRB	**Monthly**			
	12 Month Average CWRB Balance		3,794	
	Percent Gas Cost		66.39%	
			2,519	
	Weighted Cost of Capital		7.79%	
			196	196
Uncollectible Accounts				
	Normalized Level		9,216	
	Percent Gas Cost		66.39%	
			6,119	6,119
TOTAL				12,321

Billed Revenue	780,913	
Billed Gas Cost	518,463	66.39% Percent used above

Laclede Gas
GR-99-315

				Total Cost
Effect of Commodity Business ($000)				
Inventory Levels				
	Propane		12,602	
	Natural Gas Stored Underground - Lac.		11,670	
	Natural Gas Stored Underground - Other		24,234	
			48,506	
	Carrying Cost	7.61%	3,691	
	(After-tax Weighted Cost of Capital)			
	Short Term Debt Rate	5.29%	2,566	2,566
Cash Working Capital Effect				
	Gas Cost Component		9,307	
	After-Tax Return on Rate Base		7.61%	
			708	708
Customer Deposits				
	12 Month Average included in Rate Base		(3,066)	
	Percent Gas Cost		66.39%	
			(2,036)	
	After-Tax Return on Rate Base		7.61%	
			(155)	(155)
Deferred Gas Cost	**Monthly**			
	12 Month Average Deferred Gas Costs		-	
	(Exclusive of IA Amounts & PSP)			
	After-Tax Return on Rate Base		7.61%	
			-	-
CWRB	**Monthly**			
	12 Month Average CWRB Balance		3,062	
	Percent Gas Cost		66.39%	
			2,033	
	Weighted Cost of Capital		7.61%	
			155	155
Uncollectible Accounts				
	Normalized Level		6,352	
	Percent Gas Cost		66.39%	
			4,217	4,217
TOTAL				7,491

Billed Revenue	780,913	
Billed Gas Cost	518,463	66.39% Percent used above