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-2005-0284

AFFIDAVITS OF STAFF

COMES NOW the Staff of the Missouri Public Service Commission and submits the accompanying affidavits in support of the *Stipulation and Agreement* filed by parties to this case on August 31, 2005. Paragraph 20 of the *Stipulation and Agreement* provides that the affidavits prepared and filed by any of the parties to the *Stipulation and Agreement* in lieu of Memoranda in Support that relate to any issue resolved by the *Stipulation and Agreement* shall be received into evidence without the necessity of the respective witnesses taking the stand. Accordingly, Staff is hereby filing the accompanying affidavits in lieu of testimony as well as a Memorandum in Support of the *Stipulation and Agreement.*

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ David A. Meyer

David A. Meyer
Senior Counsel
Missouri Bar No. 46620

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-8701 (Telephone)
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Staff Exhibit No. 3
Case No(s). GR-2005-0284
Date 9-26-05 Rptr. JL

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 9th day of September 2005.

/s/ David A. Meyer

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's Tariff to Raise Natural Gas Rates.	))))	Case No. GR-2005-0284
STATE OF MISSOURI	))	
COUNTY OF COLE	)	

AFFIDAVIT

Thomas M. Imhoff, of lawful age and being first duly sworn deposes and states:

My name is Thomas M. Imhoff and I am employed by the Missouri Public Service Commission (Commission) as a member of the Commission's Energy Department Staff (Staff). I work in the Commission's Jefferson City Office and my business address is P.O. Box 360, Jefferson City, Missouri 65102.

I am providing this affidavit in support of the Stipulation and Agreement (Stipulation) that was filed regarding Laclede Gas Company's (Laclede or Company) request to increase its permanent customer rates in Case No. GR-2005-0284. The purpose of this affidavit is to state Staff's opinion that the terms of that Stipulation are just and reasonable for the provision of safe and adequate service. This affidavit addresses the following stipulation provisions:

Low Income Program – Paragraphs 13 & 14 Pages 8, 9 & 10

Stephen M. Rackers of the Auditing Staff is also providing an affidavit in support of the Stipulation that covers additional issues in this case.

Rate Design/Class Cost of Service

The terms of the Stipulation include elements of class revenues and rate design issues. In terms of rate design, the revenue increase will be equally shared between the different customer classes based on Laclede's current revenues collected from the margin (non-gas) rates. However, a small shift of $50,000 will result in a smaller increase for the transportation classes and a larger shift to the commercial and industrial classes. To put this shift into perspective, the system average increase in margin rates is approximately 4.4% while the transportation classes' increase is approximately 3.9% and the commercial and industrial classes increase is approximately 4.5%.

The rate design did not result in any changes in the customer charges for the residential and the smallest commercial and industrial (C&I) class, C&I 1. The customer charges for the other C&I classes, C&I 2 and C&I 3, were increased from $17.25 and $23.50 to $25.00 and $50.00 respectively. These changes were made to more accurately reflect the cost of the equipment needed to serve these classes. Since the three C&I classes were newly created in the last rate case, it is not surprising that as additional data became available regarding their usage characteristics, these customer charges needed to be modified. For the transportation classes, all of the increase will be collected in the customer charge and, therefore, the customer charge will increase from $1,183 to $1,473 or approximately 25%.

The average residential customer uses 961 therms of natural gas per year and will see an approximate net increase of $1.05 per month due to the change in margin rates. However, the residential IRIS surcharge will be reset to $0.00.

Tariff Modifications

The terms of the Stipulation contain changes to Laclede's tariff relating to: (1) an increase in interruptible charges for gas used by interruptible customers during interruption periods, (2) modifications of customer deposit provisions, (3) a time extension for discontinuance of service, (4) a change in the returned check charge, (5) changes in the transportation customer notice provisions and (6) changes in the Purchased Gas Adjustment (PGA) language.

The charge for gas usage during any period of interruption has increased to $2.00 per therm plus the commodity charges and the applicable PGA charges. Interruptible customers take service on an interruptible basis in order to receive lower rates. Interruptible customers should not be using firm sales customers' gas during periods when interruption is necessary. Interruption of service would typically occur when residential customers' usage increases due to cold weather. If after notification, interruptible customers use gas that is needed for firm sales customers, interruptible customers should pay a premium. The increase in the charge provides an incentive for interruptible customers to avoid using gas during periods of interruption.

Credit Scoring

The use of a credit scoring mechanism is being implemented solely on an experimental basis, and will be subject to the final Chapter 13 rulemaking currently being discussed in roundtables. The use of credit scoring replaces the current method entailing assessment of deposits on all customers who live in rental property with an approach that applies deposits to any customer only when there is a reasonable basis for doing so. Guidelines will be established for Laclede's credit scoring policy prior to implementation.

Laclede will submit data to the Staff and the Office of the Public Counsel (OPC) for review and concurrence in advance of any credit scoring implementation. Laclede will supply information on a representative assessment of how certain credit scores have correlated with previous customer payment performances. If there is a dispute between the Staff, OPC and Laclede, the dispute will be brought to the Commission for resolution.

The computation of a customer deposit of four (4) times the average bill in a twelve-month period will achieve consistency across all customer classes and will utilize Laclede's information system more efficiently. This should remove the manual process Laclede follows when computing the customer deposit at two (2) times the highest bill. It will eliminate the potential that the highest bill could reflect two months worth of usage and charges, thereby causing a customer's deposit to be four (4) times the highest actual monthly bill.

The Stipulation provides that Laclede may extend its hours of disconnection from 8:00 am to 4:00 pm, to 7:00 am to 7:00 pm or to sunset, whichever is earlier. The extension of these hours will allow Laclede the opportunity to make contact with the customer one last time, and permit the customer to pay the overdue bill and avoid disconnection. This proposal will be implemented on an experimental basis, and will be subject to compliance with the upcoming Chapter 13 final order of rulemaking that addresses the expanded hours of service disconnections. Missouri Gas Energy currently has a similar provision for expanded hours in its tariff.

The Stipulation allows Laclede to increase the number of effective days for a notice of discontinuance from eleven (11) business days to thirty (30) calendar days. This will allow Laclede the use of these notices in a more efficient manner and will account for a customer's normal billing cycle. This change allows for an effective thirty (30) day notice period before discontinuance. This should reduce the problems Laclede encounters when pursuing discontinuance of service for late paying customers. This change will also help reduce the overall number of discontinuance notices Laclede issues because more cases will be resolved in a timely manner. This proposal will also be subject to change under the upcoming Chapter 13 rulemaking.

The Stipulation allows Laclede to increase the returned check payment charge from $10 to $15. This reflects more closely the current trend relating to this activity.

The Stipulation modifies customer notice options for Laclede's transportation customers. This revision incorporates the methods of telephone, e-mails and facsimiles that would be designated as notifications to Large Volume Transportation and Sales Service customers. Laclede will be able to use these different methods of notification when such contact information is provided to Laclede from the customer. This is in addition to the current method of notice by regular mail.

The Stipulation also provides for changes to Laclede's PGA tariff that Laclede had previously agreed to in the Commission's generic PGA docket, Case No. GO-2002-452. Laclede had requested that these changes be implemented in Laclede's next general rate case. These changes will bring Laclede into compliance with the agreement reached in Case No. GO-2002-452 and be consistent with the other Local Distribution Companies in the state.

Gas Supply Incentive Plan

The Stipulation reflects the parties' agreement on a Gas Supply Incentive Plan (GSIP) for Laclede. The GSIP agreed to in this case is essentially a continuation of the currently effective GSIP that was proposed by the Office of Public Counsel in Case No. GR-2002-356. The plan was implemented in November of 2002 pursuant to the Commission-approved Stipulation and Agreement in that case. The parameters of the current plan have been modified in this Stipulation to account for the increase in the cost of natural gas. The Stipulation preserves the broad Commission review authority of Laclede's natural gas purchasing practices and provides that prudence reviews are applicable in all circumstances.

A. Current Gas Supply Incentive Plan

The current GSIP entails three tiers of natural gas costs. When natural gas costs are in the middle tier, Laclede receives an incentive. The ceiling price (top tier) is meant to reflect a price when gas costs are so high, that it is inappropriate to reward the Company. The floor price (bottom tier) is set to address a situation where prevailing prices in the market are considered generally low enough that rewards to the Company are unnecessary. For prices set between the floor and ceiling, the incentive portion of the plan provided Laclede with ten percent (10%) of any cost reductions, up to a $5,000,000 cap. Thereafter, the incentive drops to one percent (1%) of any cost reductions.

Another of the major elements of the existing GSIP includes the comparison of the supply related portion of actual natural gas costs with a benchmark of various locations where the Company can source natural gas. That benchmark reflects so-called "first-of-month" (FOM) index pricing which in turn represents a monthly market-based benchmark.

The current GSIP also integrates gains and losses from financial instruments. The GSIP applies to the total commodity cost of natural gas supplies purchased for on-system consumers, inclusive of the cost and price reductions associated with the Company's use of financial instruments. Therefore, results of hedging are incorporated into those costs that are compared to the FOM index based benchmark, although the benchmark itself is based solely on index based pricing.

The Stipulation preserves broad Commission review authority of Laclede's natural gas purchasing practices.

B. Modifications to the Current GSIP

In this proceeding, the ceiling has been updated from the existing $5.00 per MMBtu to $7.50 per MMBtu to recognize that the current natural gas market is substantially higher than the prevailing market prices when this program was originally established. The floor has been raised from $3.00 per MMBtu to $4.00 per MMBtu for a similar reason. The FOM prices for the benchmark were updated to account for the fact that certain FOM price index locations are no longer routinely published.

Staff is generally supportive of incentive programs that actually do reduce the overall delivered cost of gas to consumers. However, it is extremely difficult to design a plan for local distribution companies that balance risk and reward between the company and its customers. This plan attempts to strike this balance by setting narrow parameters that will provide incentives to Laclede to reduce natural gas cost, while limiting the impact on customers. The proposed GSIP again provides that prudence reviews are applicable in all circumstances and this Stipulation preserves the Commission's broad authority to review Laclede's natural gas purchasing practices.

The agreement also addresses Staff's other concerns by adding further enhancements to the GSIP to improve the periodically submitted monitoring and reliability reports. Monitoring report filings will simplify Actual Cost Adjustment audits and provides the Staff with more timely information regarding results of the incentive plan. These reports have been improved to help address concerns about the use of outdated index price points and documentation of the type of supply acquired.

Low-Income Program

The Stipulation provides for a low-income program. The proposed Low-Income Energy Affordability Program (Program) increases the amount currently being used for weatherization and provides a new energy-efficiency rebate program. The Program will be jointly administered by the Community Action Agencies (CAA) and the Company in the Laclede Service territory. The Program shall be funded at a total annual level of $950,000, and shall consist of the Winter Bill Payment Assistance Program and the Arrearage Repayment Program (ARP).

A. Winter Bill Payment Assistance Program

The Winter Bill Payment Assistance Program provides bill credits in the sum of $550,000 annually and shall be made available during the months of November to April to households with incomes ranging from 0% to 150% of the federal income poverty guidelines ("FPL"). To participate in the Winter Bill Payment Assistance Program, a customer must make a minimum monthly payment of $40. Credits will be provided to customers participating in this part of the Program, thereby reducing their current total winter bill.

B. Arrearage Repayment Program

The Arrearage Repayment Program (ARP) shall be funded at an annual level of $350,000, and shall be made available to households with incomes ranging from 0% to 185% of FPL. Customers who enroll in the ARP during the months of April through June will be provided the following arrearage repayment assistance.

Customers would first make a payment sufficient to reduce his or her arrearage balance by one third of the unpaid balance. Upon making this initial payment, the customer will receive an ARP credit equivalent to 15% of their arrearage balance to be paid from Program funds. Customers must pay their current monthly bill on time and in full, including a program designated required monthly arrearage amount. Customers will be provided a matching arrearage amount through the ARP. On November 1, any customer who has successfully remained current in the ARP will receive an additional program credit to be applied to their remaining arrearage balance in the amount of 15% of their original arrearage balance.

Customers not entering the ARP during the April-June timeframe will not qualify for the upfront ARP credits or the November 1 credit, but would continue to qualify for the dollar-for-dollar matching from Program funds at the minimum levels set forth by the Program. The customer who is successfully participating in the ARP will not incur late payment charges on the outstanding arrearage balance amounts covered under the program. The Bill Payment Assistance Program and the ARP will not affect any of the provisions of the Cold Weather Rule, including the initial payment requirements.

Credits will be provided to customers participating in this part of the Program, which will help in the reduction of arrearages on a customer's bill.

FURTHER, Affiant says not.

Thomas M. Imhoff

Subscribed and sworn to before me, the undersigned notary public this 9th day of September, 2005.

Notary Public

My Commision Expires:

NOTARY PUBLIC NOTARY SEAL STATE OF MISSOURI

DAWN L. HAKE
My Commission Expires
March 16, 2009
Cole County
Commission #05407643

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's Tariff to Raise Natural Gas Rates.	))	Case No. GR-2005-0284

STATE OF MISSOURI)
)
COUNTY OF COLE)

AFFIDAVIT

Stephen M. Rackers, of lawful age and being first duly sworn deposes and states:

My name is Stephen M. Rackers and I am employed by the Missouri Public Service Commission (Commission). I am a member of the Auditing Staff (Staff) at the Commission's St. Louis office. My business address is 1845 Borman Court, Suite 101, St. Louis, MO 63146.

I am providing this affidavit in support of the Stipulation and Agreement (Stipulation) that sets forth the terms of settlement of Laclede Gas Company's (Laclede or Company) requested increase in its permanent customer rates in Case No. GR-2005-0284, and to state the Staff's opinion that the terms of that Stipulation are just and reasonable and necessary for the provision of safe and adequate service. I will be addressing the following paragraphs in the Stipulation:

Revenue Requirement - Paragraph 1	Page 2
Gas Inventories - Paragraph 3.c	Page 3
Pensions and OPEBs - Paragraphs 4, 5 & 6	Page 4
Depreciation - Paragraph 7	Page 5
AAO/Emergency Cold Weather Rule - Paragraph 10	Page 5
Off-system Sales/Capacity Release - Paragraph 11	Page 6
Additional Information/Bill Redesign - Paragraph 15	Page 6
ISRS - Paragraph 16	Page 7

Thomas M. Imhoff of the Commission's Energy Department is also providing an affidavit in support of the Stipulation.

Case Summary

In this rate case filing, Laclede sought to increase permanent non-gas rates by approximately $39 million. The Company is currently authorized by Commission orders to collect an Infrastructure System Replacement Surcharge (ISRS) of approximately $6 million on an annual basis. When the permanent rates established as a result of this case become effective, the ISRS will be reset to zero. As a result, the net change in rates requested by Laclede is approximately $33 million.

On July 6, 2005 the Staff provided its calculation of revenue requirement to the parties to this case. The Office of Public Counsel (OPC) and the Missouri Industrial Energy Consumers (MIEC) also provided their recommendations regarding specific revenue requirement components. Attached to this affidavit is a reconciliation of the revenue requirement recommendations of the Staff, OPC, MIEC and Laclede. The Staff's calculation supported an increase in permanent rates of approximately $6 million at its high-end rate of return. On July 13, 2005, the Parties to this case exchanged their positions regarding rate design. Mr. Imhoff will be discussing the rate design portions of the Stipulation. The parties met to discuss their positions at the Settlement Conference, which began July 18, 2005. As a result of those and other discussions, the parties reached an agreement that is presented in the Stipulation.

Revenue Requirement (paragraph 1)

The parties have stipulated to an increase in non-gas customer rates of $10.5 million and an increase in PGA rates of $4.1 million. The reconciliation attached to this affidavit shows the significant disparity in the various positions of the parties regarding revenue requirement. The reconciliation lists over 30 issues totaling a difference of approximately $39 million.

Considering the significant differences and complexity of the positions at issue in this case, the Staff believes that the revenue requirement agreement represents a reasonable settlement for both the ratepayer and the Company. After the elimination of the current ISRS, the agreed-to revenue requirement represents only a 1% increase in the total rates charged to customers. However, the revenue requirement recognizes the increases in investment and expenses experienced by the Company that are required to provide safe and adequate service to ratepayers. The Company has experienced approximate increases in net utility investments of $90 million and operating expenses of $16 million since the last rate increase in 2002.

Gas Inventories (paragraph 3.c)

In prior rate cases, the carrying cost associated with gas inventories was included in the determination of non-gas rates. This was implemented by including an average balance of gas inventories stored in both Laclede-owned facilities and on the Mississippi River Transmission System in rate base. Multiplying the rate base by the rate of return applied the total cost of capital, as a carrying cost, to the gas inventories. This mechanism recovered the carrying cost of gas inventories differently than the commodity cost of the gas and also resulted in significant risk associated with a change in the cost of gas.

According to the terms of the Stipulation, the recovery of the carrying cost of gas inventories would move from non-gas rates, to the Purchase Gas Adjustment Clause (PGA)/Actual Cost Adjustment (ACA) mechanism. The carrying cost recovered through the PGA/ACA mechanism is based on the amount of gas inventories at the end of each month times the average cost of short-term debt outstanding for the consolidated Laclede Holding Group, or the prime rate minus 2%, if no short-term debt is outstanding. Moving the carrying cost of gas inventories into the PGA/ACA will provide a mechanism to track recovery and true-up to the actual cost. It will mitigate the risk associated with the volatility of the cost of natural gas and will also align the recovery of the carrying cost of gas with the recovery of the commodity cost of gas.

Since it is generally recognized that short-term debt initially finances construction and working capital, this change in the recovery of the carrying costs for gas inventories affects the level and cost of short-term debt included in the rate of return in this case and in subsequent ISRS filings. Since the gas inventories eliminated from rate base exceeded the level of short-term debt included in the capital structure, short-term debt was removed from the rate of return for the determination of revenue requirement in this case. The effect on future ISRS filings will be discussed later in this affidavit.

Pensions and Other Post-Employment Benefits (OPEB) (paragraphs 4, 5 and 6)

The terms of the Stipulation continue the provisions implemented as a result of the Company's last rate case. These terms specify including pension expense in rates based on Laclede's actual contributions to the pension fund and recognition of a regulatory asset or liability to account for the difference between pension expense in rates and pension expense calculated for financial reporting. The terms also allow the Company to continue to recover the prepaid pension asset that accumulated under the Staff's prior policy of recognizing pension expense according to a financial accounting method, which resulted in negative pension expense. Since funds cannot be withdrawn from the pension fund to replace the lost cash resulting from including negative pension expense in rates, the Company was allowed to accumulate and recognize a prepaid pension asset in rate base. The amortization of this prepaid pension asset maintains the elimination of this item from rate base. The Company will also be allowed to continue the accounting treatment established in the previous rate case for other post-employment benefits (OPEBs). This accounting treatment, which is similar to that for pensions, includes the actual contributions in rates and allows the Company to recognize a regulatory asset or liability to account for the difference between OPEB expense in rates and pension expense calculated for financial reporting.

These terms address the Staff's desire to determine rates based on actually incurred costs, while allowing the Company to address concerns expressed by its auditor regarding financial reporting.

Depreciation (paragraph 7)

The terms of the Stipulation specify implementation of the depreciation rates calculated by the Staff. These rates allow for the recovery of original cost of the Company's investment, based on the Staff's determination of average service lives, and include a component for the recovery of the estimated future net cost of removal and salvage associated with the retirement and removal of plant. As part of this Stipulation, these separate components will be specifically identified in the depreciation reserve. In prior rate cases, the net cost of removal and salvage was included in the cost of service as an expense, based on actually incurred costs. This change in the methodology for calculating depreciation rates reflects the recent decisions of the Commission in the Laclede Gas Company (Case No. GR-99-315) and Empire District Electric Company (Case No. ER-2004-0570) rate cases.

AAO / Emergency Cold Weather Rule (paragraph 10)

As a result of this Stipulation the Company will be allowed to recover, over a 10-year period, costs deferred since the previous general rate proceeding, Case No. GR-2002-356, associated with the Commission's mandated main and yard line replacement programs. The deferrals totaling $859,805 will be offset by any amount recovered in excess of the costs resulting from the enactment of the Emergency Cold Weather Rule Amendment (ECWR), as agreed to in Case No. GR-2001-629, through the effective date of the rates established in the current case. The cost of the ECWR was determined according to a formula agreed to in Case

No. GR-2001-629. In that case and in the following rate proceeding, Case No. GR-2002-356, amounts were included in rates to pay for the costs incurred due to the ECWR.

The terms of the Stipulation also continue the tax treatment of normalization for the timing differences related to the deferred cost recognized in this and previous rate cases. Normalization will also continue for Pensions and OPEBs. These terms provide treatment consistent with previous Commission policies and prior agreements among the parties.

Off-system Sales and Capacity Release Revenues (paragraph 11)

The terms of the Stipulation are intended to establish a fair and reasonable sharing mechanism between the ratepayer and the shareholder for the revenues from off-system sales margins and capacity release credits. Through a reduction to the cost of service for revenues from off-system sales margins and capacity release credits, the ratepayer realizes a reduction in rates. The shareholders realize any of the revenues achieved in excess of the reduction to the cost of service, up to the first $12 million of revenues attained. Any amount of revenues achieved in excess of $12 million is shared evenly by the ratepayer and shareholder.

Provision of Additional Information / Bill Redesign (paragraph 15)

As a result of this Stipulation Laclede has agreed to provide data, on a quarterly basis, which will allow the Staff and OPC to monitor certain aspects of the quality of service being received by customers. The Stipulation also requires the Company to observe specific time periods regarding its response to the Commission's Customer Service Department in order to better address inquiries and complaints from customers. This section of the Stipulation also establishes a process that allows the Staff and OPC to provide input to the Company regarding an entirely new bill design. The Staff is seeking to provide ratepayers with a more detailed breakdown of the cost of gas and the Company believes envelope billing will provide more meaningful information to its customers.

Infrastructure System Replacement Surcharge (paragraph 16)

Laclede's Infrastructure System Replacement Surcharge (ISRS) was first implemented on June 10, 2004, and was increased January 20, 2005, and again on July 1, 2005. As required by statute and Commission rules, the ISRS, currently totaling $6,126,000, will be reset to zero on the effective date of the new rates from this case.

The terms of this Stipulation establish the parameters for the capital structure and the cost of capital that will be used in future ISRS filings. These parameters resulted from averaging the positions of the parties to this case and from an agreement to impute the level and cost of short-term debt. As previous discussed in the gas inventories section of this affidavit, short-term debt was eliminated from the rate of return for the determination of revenue requirement in this case. As part of the gas inventories agreement, there will be an imputation of short-term debt for the determination of the rate of return to be used in subsequent ISRS filings. This agreement requires that $25,000,000 of short-term debt will be imputed to the capital structure determined by averaging the positions of the parties in this case. The rate assigned to this debt will be the prime interest rate at the date of the ISRS filing minus 2.5%.

Parameters have also been established for the calculation of the ISRS revenue requirement associated with income taxes. The parties have agreed to include half of the Staff's tax adjustment and pursue expedited implementation of rates. Establishment of these parameters resolves a disagreement among the parties that has existed in prior ISRS cases.

The terms of the Stipulation also identify July 31, 2005, as the cut-off date for plant recognized in rates for this case. Only plant additions subsequent to July 31, 2005, will be eligible for inclusion in a future ISRS filing.

FURTHER, Affiant says not.

Stephen M. Rackers

Subscribed and sworn to before me, the undersigned notary public this 8th day of September, 2005.

TONI M. CHARLTON
NOTARY SEAL
NOTARY PUBLIC
STATE OF MISSOURI

Notary Public

My Commission Expires: ______________

TONI M. CHARLTON
Notary Public - State of Missouri
My Commission Expires December 28, 2008
Cole County
Commission #04474301

Laclede Gas Company
GR-2005-0284

Revenue Requirement Reconciliation Based On High End of Range on Return On Equity

MIEC Revenue Requirement Position		(251)
MIEC Proposed 4% Pre-Tax Return On Prepaid Pension Asset	5,264	
Capacity Release and Off-System Sales	1,114	
Office of Public Councel Position		6,127
MIEC and OPC Proposed 10% Return On Equity	(350)	
Missouri PublicService Commission Staff Position		5,777
Rate Base		
Net Plant Difference	(1,808)	
Prepaid Pension Asset	1,844	
Gas Inventories	(255)	
Gas Safety Deferrals	316	
Miscellaneous Items	65	
Deferred Tax Balance	258	
Net Income		
Revenue - Weather and Load Changes	49	
Revenue - Growth	1,871	
Revenue - Off-System Sales and Capacity Release	3,486	
Gas Cost - Laclede Pipeline	837	
Payroll - O&M Percent	2,632	
Payroll - Employee Levels	2,328	
Payroll - Overtime	1,242	
Payroll - Bonus & Incentive	920	
Payroll - Benefits & Taxes	896	
AAO Amortization	133	
Cost of Removal in Expense	216	
Uncollectibles/Bill Credits	2,329	
Winterization Funding	(200)	
Billing Format Change	(379)	
Advertising	415	
Dues and Miscellaneous	488	
Pension - Payments/ERISA	283	
Pension - Incentive Comp	528	
OPEB's - Trust Interest	150	
Injuries & Damages	505	
PSC Assessment	313	
Property Insurance	483	
Appliance Repair	818	
Property Tax	1,161	
Cash Working Capital	1,116	
Depreciation Rates	935	
Miscellaneous Items	37	
Tax Deduction - Transfer of Service	160	
Rate of Return		
Capital Structure & Embedded Cost	(793)	
Laclede 11.75 Return On Equity	9,832	
Laclede Gas Company Position		38,988