

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

In the Matter of Laclede Gas Company's Verified)
Application to Re-Establish and Extend the Financing) **File No. GF-2015-0181**
Authority Previously Approved by the Commission)

STAFF'S STATEMENTS OF POSITION

COMES NOW the Staff of the Missouri Public Service Commission pursuant to the procedural schedule previously established for this case and submits the following *Statements of Position* on the issues set forth in the *List of Issues, Order of Witnesses, Order of Cross-Examination, and Order of Opening Statements* filed herein on October 1, 2015:

Issue 1: What amount of financing should be authorized by the Commission for Laclede Gas Company through September 30, 2018?

Staff Position: Based on Laclede Gas Company's actual financing plans over the next three years and its communications with rating agencies, the Commission should authorize ** _____ ** of total capital issuance for Laclede Gas Company over this period, subject to the conditions listed below.

Issue 2: What conditions should the Commission place on Laclede Gas Company's financing authority?

Staff Position: The Commission should authorize the amount set forth above
subject to the following conditions:

1. That Laclede Gas Company (“Laclede” or “Company”) be authorized to issue registered securities (first mortgage bonds, unsecured debt and preferred stock), issue common stock and receive capital contributions, issue and accept private placement investments, and to enter into capital leases in an aggregate amount

not to exceed ** _____ ** at any time, or from time to time, through September 30, 2018, provided that the Company shall not be authorized to use any portion of the ** _____ ** for any purpose other than for the exclusive benefit of Laclede Gas Company's regulated operations, as such purposes are specified in Section 393.200 RSMo.

2. That the total amount of the long-term debt, capital leases, and preferred stock issued and outstanding under such authorization shall not, at any time during the period covered by this authorization, exceed the lesser of the value of Laclede's rate base or 65 percent of its total capitalization, as such conditions are defined in Case Nos. GM-2001-342 and GF-2007-0220.

3. That the current Commission Authority under Case No. GF-2009-0450, which was extended in Case No. GF-2013-0085, shall be superseded by the Authority granted in Case No. GF-2015-0181.

4. That the interest rate for any debt issuance covered by the Authority shall not be greater than a rate that is consistent with similar securities of comparable credit quality and maturities issued by other issuers.

5. That, if and when individual debt securities are issued under this Authority, the Company shall submit a verified report to the Commission's Budget and Fiscal Services Department (formerly the Internal Accounting Department) documenting such issuance, the use of any associated proceeds and the applicability and measure of fees under Section 386.300.2, RSMo.

6. That the Company shall also be required to file with the Commission all final terms and conditions on this financing including, but not limited to, the aggregate

principal amount to be sold or borrowed, price information, estimated expenses, portion subject to the fee schedule and loan or indenture agreement concerning each issuance.

7. That the Company shall submit to Staff and The Office of the Public Counsel any information concerning communications with credit rating agencies concerning individual debt securities issued under this Authority.

8. That the Company shall file with the Commission any credit rating agency reports issued on the Company, the Company's debt issuances, or on the Laclede Group.

9. That nothing in the Commission's order shall be considered a finding by the Commission of the value of these transactions for rate making purposes, and that the Commission reserves the right to consider the rate making treatment to be afforded these financing transactions and their results in cost of capital, in any later proceeding.

10. In seeking a renewal of the Authority granted in this case, Laclede and Staff shall operate under the general time frames set forth for financing cases in the 2004 case management roundtable project.

Respectfully submitted,

/s/ Jeffrey A. Keevil

Jeffrey A. Keevil, #33825

Deputy Counsel

Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 526-4887 (Telephone)

(573) 751-9285 (Fax)

Email: jeff.keevil@psc.mo.gov

Attorney for the Staff of the
Missouri Public Service Commission

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to counsel of record this 6th day of October, 2015.

/s/ Jeffrey A. Keevil