

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

In the Matter of the Laclede Gas Company's)
Verified Application to Re-Establish and Extend)
the Financing Authority Previously Approved)
by the Commission.)

Case No. GF-2015-0181

**STAFF'S RESPONSE TO LACLEDE'S MOTION TO EXTEND ITS CURRENT
FINANCING AUTHORITY UNTIL THE END OF THIS CASE**

COMES NOW the Staff of the Missouri Public Service Commission, by and through counsel, and for its *Response to Laclede's Motion to Extend its Current Financing Authority Until the End of this Case*, states as follows:

1. Laclede Gas Company filed its Verified Application to re-establish and extend its financing authority on April 15, 2015. Some \$370 million remains unused of the financing authority granted by the Commission on June 16, 2010, in Case No. GF-2009-0450. After one extension, that authority will expire on June 30, 2015.

2. Thereafter, Staff recommended that Laclede be granted financing authority in the amount of \$300 million for the next three years, an amount that Laclede finds unacceptable and inadequate.

3. The parties have been unable to negotiate a temporary extension of the current authority while this case is litigated. On June 17, 2015, Laclede moved for an extension "from June 30 to the effective date of an order deciding and disposing of this case."

4. Staff objects to the open-ended nature of the extension sought by Laclede. While an extension *pendente litem* is necessary, it should expire on a date certain. An open-ended extension would obviate any need for additional authority and

might lend itself to gamesmanship. Staff believes that a 90-day extension would be both sufficient and in the public interest.

5. Attached hereto is an *Affidavit* that states the expert opinion of Staff witness Robert Schallenberg that \$100 million is a sufficient financing authority for Laclede for the 90 days following June 30, 2015.

WHEREFORE, Staff prays that the Commission will extend Laclede's financing authority in the amount of \$100 million for no more than 90 days following June 30, 2015; and grant such other and further relief as is just in the circumstances.

Respectfully submitted,

/s/ Kevin A. Thompson

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Attorney for Staff of the
Missouri Public Service Commission

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and correct copy of the foregoing has been served, by hand delivery, electronic mail, or First Class United States Mail, postage prepaid, to all counsel of record on this 18th day of June, 2015.

/s/ Kevin A. Thompson

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's)	
Application for Authority to Issue and Sell)	Case No. GF-2015-0181
First Mortgage Bonds, Unsecured Debt)	
and Preferred Stock, and to Issue)	
Common Stock and Receive Capital)	
Contributions	

AFFIDAVIT OF ROBERT E. SCHALLENBERG

State of Missouri)
) ss.
County of Cole)

AFFIDAVIT

COMES NOW Robert E. Schallenberg and on his oath declares:

I am experienced utility regulatory auditor. Over the past 33 years, I have filed and given testimony at the Kansas Corporation Commission and Federal Energy Regulatory Commission in addition to the Missouri Public Service Commission. I am a 1976 graduate of the University of Missouri at Kansas City with a Bachelor of Science degree and major emphasis in Accounting. I am a CPA. After joining the Commission in November 1976, I have participated in many regulatory cases and have been involved with many of the incentive or alternative regulatory plans that have been implemented here in Missouri as well as multiple cost of services issues. These endeavors span the electric, natural gas and telephone industries. As director of the Utility Services Department, I supervise the work of the Financial Analysis Unit.

I am addressing the question of what level of financing authority Laclede requires for a three to six month period. My position is that financing authority for this period should be no more than \$100 million.

I reach this conclusion by considering two factors. Nothing in this extension precludes Laclede from seeking specific approval of any actual financing the Company wishes to execute. These situations have occurred in the past and Staff has met timeframes required to complete each specific financing.

The parties disagree regarding the amount of general financing authority that should be authorized for Laclede for a three to six month period. In fact, no general financing authority is needed because any specific financing the Company needs can

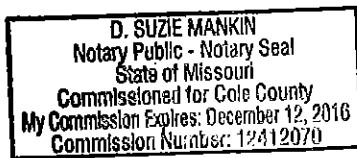
be approved as has been done many times in the past. The \$100 million cap I support was derived by considering dividing the \$370 million three year authority the Company seeks by six (representing six months). This calculation results in \$61.7 million. Then I rounded up to \$100 million in consideration for a contentious case running longer than six months.

Further the Affiant sayeth not.


Robert E. Schallenberg

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 18th day of June, 2015.




NOTARY PUBLIC