

**Exhibit No.:** \_\_\_\_\_

**Issue(s):**

Advertising Expense/  
Safety Replacement Program  
and the Copper Service Replacement Program/  
Dues and Donations/  
Rate Case Expense

**Witness // Type of Exhibit:**

Bolin/Direct

**Sponsoring Party:**

Public Counsel

**Case No.:**

GR-2002-356

## **DIRECT TESTIMONY**

**OF**

**KIMBERLY K. BOLIN**

Submitted on Behalf of the Office of the Public Counsel

**LACLEDE GAS COMPANY**

**Case No. GR-2002-356**

**June 20, 2002**

## **TABLE OF CONTENTS**

Advertising Expense	Page 2
Gas Safety Replacement and Copper Service Replacement Programs	Page 7
Dues and Donations	Page 13
Rate Case Expense	Page 14

**DIRECT TESTIMONY**

**OF**

**KIMBERLY K. BOLIN**

**LACLEDE GAS COMPANY**

**CASE NO. GR-2002-356**

**Q. PLEASE STATE YOUR NAME AND ADDRESS.**

A. Kimberly K. Bolin, P.O. Box 7800, Jefferson City, Missouri 65102.

**Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?**

A. I am employed by the Office of the Public Counsel of the State of Missouri (OPC or Public Counsel) as a Public Utility Accountant I.

**Q. PLEASE DESCRIBE YOUR EDUCATIONAL BACKGROUND.**

A. I graduated from Central Missouri State University in Warrensburg, Missouri, with a Bachelor of Science in Business Administration, major in Accounting, in May 1993.

**Q. WHAT IS THE NATURE OF YOUR CURRENT DUTIES WITH THE OFFICE OF THE PUBLIC COUNSEL?**

A. Under the direction of the Chief Public Utility Accountant, I am responsible for performing audits and examinations of the books and records of public utilities operating within the state of Missouri.

**Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE MISSOURI PUBLIC SERVICE COMMISSION (COMMISSION)?**

A. Yes. Please refer to Schedule KKB-1, attached to this direct testimony, for a listing of cases in which I have previously submitted testimony.

1 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

2 A. The purpose of my direct testimony is to express the Public Counsel's recommendations regarding  
3 the appropriate regulatory treatment of Advertising expenses, the Safety Replacement Program and  
4 the Copper Service Replacement Program. I will also be addressing Dues and Donations and Rate  
5 Case Expense.

6 **ADVERTISING**

7 **Q. WHAT WAS THE COMMISSION'S DECISION CONCERNING ADVERTISING**  
8 **EXPENSES IN LACLEDE'S LAST RATE CASE?**

9 A. In Laclede Gas Company's (Laclede or Company) last rate case, GR-99-315, the Commission  
10 stated in its Report and Order:

11 The Commission finds that the proposal of a cap on advertising expenses  
12 set at .5 percent of total utility revenues of Laclede is not supported by  
13 competent and substantial evidence. The Commission could not fulfill its  
14 duties of determining if Laclede's expenses on advertising were prudent  
15 without some review of the advertising. The commission will continue to  
16 follow the standards set out in the KCPL case.

17 **Q. PLEASE PROVIDE THE HISTORY OF THE COMMISSION ADOPTING THE**  
18 **KCPL STANDARD.**

19 A. Prior to 1986, the Commission used the "New York Rule" to determine the amount of advertising to  
20 be included in rates for gas and electric utilities operating in Missouri. "As applied by this  
21 Commission, the rule first excludes all political and promotional advertising and then allows all  
22 other advertising, including goodwill advertising, up to an amount equal to one-tenth of one percent  
23 of the utility's revenues." Re: Union Electric Company, 25 Mo. P.S.C. (N.S.) 194, 200 (1982).

1        However, in 1986, in Re: Kansas City Power and Light Company, 28 Mo. P.S.C. (N.S.) 228, 75  
2        PUR4th 1 (1986) (KCPL), the Commission adopted the Staff's recommendation to abandon the  
3        New York Rule and replace it with an analysis which separates advertisements into five categories  
4        and provide separate rate treatment for each category. The five categories of advertisements  
5        recognized by the Commission for purposes of this approach are;

- 6        1.     General – advertising that is useful in the provision of adequate service;
- 7        2        Safety – advertising which conveys the ways to safely use the company's service and to  
8        avoid accidents;
- 9        3.     Promotional – advertising used to encourage or promote the use of the particular  
10       commodity the utility is selling;
- 11       4.     Institutional – advertising used to improve the company's public image;
- 12       5.     Political – advertising which is associated with political issues

13       KCPL, pp. 269 - 271

14       The Commission adopted these categories of advertisements because it believed that a utility's  
15       revenue requirement should: (1) always include the costs of general and safety ads, provided such  
16       costs are reasonable, (2) never include the cost of institutional or political ads, and (3) include the  
17       cost of promotional ads only to the extent that the utility can provide cost-justification for the ads.  
18       (KCPL, pp. 269-271) The Commission also noted that it was abandoning the New York Rule  
19       because its use had not eliminated the need for an ad-by-ad review of each utility. (KCPL, p. 270)

1 **Q. WHAT EXAMINATION AND ANALYSIS HAVE YOU PERFORMED REGARDING**  
2 **LACLEDE GAS COMPANY'S (LACLEDE OR COMPANY) ADVERTISING**  
3 **EXPENDITURES?**

4 A. I examined copies of each print ad and copies of scripts for radio and television ads. After  
5 examining all of the advertisements, I categorized each ad using the five categories established by  
6 the Commission in the KCPL case as discussed above. (See Schedule KKB-2)

7 **Q. HOW DID YOU DETERMINE EACH ADVERTISING CLASSIFICATION UNDER**  
8 **THE KCPL STANDARD?**

9 A. Each advertisement was reviewed to determine which of the following "primary messages" the  
10 advertisement was designed to communicate:

- 11 1. The promotion of a product or service (promotional);
- 12 2. The dissemination of information necessary to obtain safe and adequate gas service (safety,  
13 general)
- 14 3. The promotion of the company image (institutional); or
- 15 4. The endorsement of a political candidate/message (political).

16 **Q. HAVE YOU INCLUDED GENERAL ADVERTISING IN THE COST OF SERVICE?**

17 A. Yes. General advertising is advertisements that detail the hours and days business offices will be  
18 open, locations of business offices, rates customers are charged, office telephone numbers, and bill  
19 payment procedures. This type of advertisement provides the customer with useful and needed  
20 information

1 **Q. WHY DID YOU INCLUDE SAFETY ADVERTISING IN THE COST OF**  
2 **SERVICE?**

3 A. Safety advertising conveys to the customer ways to safely use gas and to avoid accidents, therefore I  
4 included safety advertising in the cost of service.

5 **Q. HAVE YOU INCLUDED PROMOTIONAL ADVERTISING IN THE COST OF**  
6 **SERVICE?**

7 A. No. As previously stated, promotional advertising encourages or promotes the use of gas or  
8 encourages new customers to use gas. As stated by the Commission in KCPL (pg. 269-271),  
9 promotional advertising should be included in the cost of service only if a company can reasonably  
10 demonstrate that the benefits received exceed the costs incurred. In Staff Data Request Number 55,  
11 when asked to provide a cost/benefit study that supports the Company use of advertising, the  
12 Company has stated, "Laclede knows of no way to obtain, much less provide, cost/benefit  
13 documentation that Staff will find satisfactory."

14 **Q. HAVE YOU INCLDUED INSTITIUTIONAL ADVERTISING IN THE COST OF**  
15 **SERIVCE?**

16 A. No. Institutional advertising is used by a company to enhance its public image. Institutional  
17 advertising is not necessary for Laclede to provide safe and reasonable service to its customers;  
18 therefore it should not be included in the cost of service recovered from ratepayers.

1 Q. DID LACLEDE INCUR ANY POLITICAL ADVERTISING EXPENDITURES  
2 DURING THE TEST YEAR?

3 A. No.

4 Q. IN WHICH ACCOUNTS DOES LACLEDE BOOK ADVERTISING EXPENSE?

5 A. Laclede books advertising expense in accounts 416, 909, and 930.10.

6 Q. IN TWO OF LACLEDE'S ADS, THE CHARACTER OF ERNEST P. WORNELL  
7 WAS USED DID OPC DISALLOW ALL OF THE COSTS ASSOCIATED WITH  
8 THE USE OF THIS CHARACTER?

9 A. Yes.

10 Q. PLEASE EXPLAIN HOW ARRIVED AT YOUR ADJUSTMENT FOR THE ERNEST  
11 LICENSE FEE.

12 A. The Ernest License fee is paid by Laclede to utilize the character Ernest P. Wornell in advertising  
13 materials. The Company used the Ernest character in two ads for the test year. Both of the ads I  
14 have categorized promotional because these ads promote appliance service work.

15 Q. WHAT IS THE TOTAL AMOUNT OF ADVERTISING EXPENSE YOU ARE  
16 PROPOSING TO DISALLOW?

17 A. \$596.060. See Schedule KKB-3 for more detail.



**GAS SAFETY REPLACEMENT AND COPPER SERVICE REPLACEMENT PROGRAMS**

**Q. WHAT IS THE ISSUE?**

A. There are two parts to this issue. First, according to Company witness, James A. Fallet, Laclede has deferred and booked to account 182.3 the costs incurred for replacement of service lines and replacement and cathodic protection of bare steel and cast iron mains, as well as associated work on other facilities (SRP) and copper service lines (CSRP). Such costs include depreciation and property taxes, and also includes a carrying cost which is a component which would normally have been expensed beginning with the in-service date.

Second, the Company has proposed to discontinue the Accounting Authority Orders, and include the average continuing costs which are scheduled to be incurred over the subsequent three years for costs associated with the gas safety replacement program and the copper service replacement program.

**Q. WHAT DOES THE COMPANY MEAN IT USES THE TERM DEFER?**

A. When a cost (expense) is deferred, it is removed from the income statement and entered on the balance sheet (e.g., Account 186, Miscellaneous Deferred Debits), pending the final disposition of these costs at some future time, usually a rate case. The Federal Energy Regulatory Commission USOA Account No. 186, Miscellaneous Deferred Debits states:

A. This account shall include all debits not elsewhere provided for, such as miscellaneous work in progress, construction certificate, application fees paid prior to final disposition of the application as provided for in gas plan instruction 15A, and unusual or extraordinary expenses not included in other accounts which are in process of amortization, and items the final disposition of which is uncertain.

1                   B.     The records supporting the entries to this account shall be so kept  
2                   that the utility can furnish full information as to each deferred debit  
3                   included herein.

4   **Q.   WHAT IS DEFERRED BALANCE AMOUNT AT THE END OF THE TEST YEAR**  
5       **(NOVEMBER 30, 2001)?**

6   A.   \$2,939,608.

7   **Q.   IS COMPANY PROPOSING TO INCLUDE THE DEFERRED BALANCE IN RATE**  
8       **BASE?**

9   A.   Yes. The Company is proposing to include \$180,000 in rate base. This amount is the estimated gas  
10       safety deferral balance as of March 31, 2002.

11   **Q.   WHY IS THERE A DIFFERENCE OF \$2,759,608 BETWEEN THE DEFERRED**  
12       **BALANCE AS OF NOVEMBER 30, 2001 AND THE ESTIMATED DEFERRED**  
13       **BALANCE OF MARCH 31, 2002?**

14   A.   In the Company's last rate case, GR-2001-629, the parties to the case signed a stipulation and  
15       agreement. In this stipulation agreement the parties agreed "that a regulatory asset equal to the  
16       balances deferred pursuant to the Safety Replacement Program accounting authorization granted in  
17       Paragraph 5 of the Stipulation and Agreement in Case No. GR-99-315 through July 31, 2001 shall  
18       be established with a balance of \$2,755,688." On December 1, 2001, the Uniamious Stipulation and  
19       Agreement became effective, thus the Company credited the deferral balance by \$2,755,688 and  
20       began amortizing this amount over a ten year period.

1 **Q. WHAT AMOUNT OF THE DEFERRED BALANCE IS THE COMPANY PROPOSING**  
2 **TO INCLUDE IN THE COST OF SERVICE?**

3 A. Company proposes to amortize the deferred balance over five years. The first year amortization  
4 amount, which is identified on Schedule 2, page 5, adjustment 6 b. of Company's direct testimony  
5 filing is \$(120,978). The Company arrived at this number by dividing the total deferred balance by  
6 five, then subtracting \$157,000 from that amount. The reduction of \$157,000 reflects the imputed  
7 maintenance savings resulting from the SRP, pursuant to the Stipulation and Agreement in Case No.  
8 GR-99-315.

9 **Q. YOU STATED EARLIER THAT THE COMPANY HAS INCLUDED THE SRP**  
10 **DEFERRED BALANCE IN RATE BASE, IS THAT AN APPROPRIATE**  
11 **ADJUSTMENT?**

12 A. No. The Public Counsel recommends that the SRP deferred balance not be included in the  
13 Company's rate base. The rationale for this position is that the Company is being given an effective  
14 guaranteed "return of" the deferrals associated with the Safety Replacement Program; therefore, it  
15 should not be also provided with a guaranteed return on those same amounts.

16 **Q. PLEASE EXPLAIN THE TERMS " RETURN OF' AND " RETURN ON."**

17 A. If an expenditure is recorded on the income statement as an expense it is compared dollar for dollar  
18 to revenues. This comparison is referred to as a "return of" because a dollar of expense is matched  
19 by a dollar of revenue.

1 "Return on" occurs when an expenditure is capitalized within the balance sheet because it increased  
2 the value of a balance sheet asset or investment. This capitalization is then included in the rate base  
3 calculation, which is a preliminary step in determining the earnings the company achieves on its  
4 total regulatory investment.

5 **Q. IS IT TRUE THAT SRP DEFERRED CARRYING COST AND DEPRECIATION**  
6 **EXPENSE ARE NOT ACTUALLY FUNDED BY THE COMPANY?**

7 A. Yes. The carrying cost and depreciation expense associated with the SRP deferral are not actually  
8 dollars of investment funded by the Company, they are merely paper accounting entries on the  
9 financial books of the Company. Neither the carrying cost nor the depreciation expense causes the  
10 Company to forego any actual outlay of cash. However, the dollars associated with these book  
11 entries will be recovered from ratepayers through the SRP amortization included in the Company's  
12 cost of service.

13 **Q. IF THE SRP DEFERRAL BALANCE IS INCLUDED IN RATE BASE WOULDN'T**  
14 **THAT PERMIT THE COMPANY TO EARN A RETURN ON AMOUNTS FOR WHICH**  
15 **THERE WAS NO ACTUAL INVESTMENT MADE BY THE COMPANY?**

16 A. Yes. In fact, allowing the Company to earn a return on the SRP deferrals has the same effect of  
17 allowing it to earn a return on a return. Stated another way, the Company will recover (receive a  
18 return of) the deferred carrying cost and depreciation expense by way of the amortization included  
19 in rates and then will earn a return on those same amounts.

1 **Q. DOES THE AAO INSULATE THE COMPANY FROM THE EFFECTS OF**  
2 **REGULATORY LAG?**

3 A. Yes. The Safety Replacement Program AAO insulates the Company's shareholders from a  
4 significant majority of the risks associated with regulatory lag that may occur if the SRP  
5 construction projects are completed and placed in service before the operation of law date of a  
6 general rate increase case.

7 **Q. PLEASE EXPLAIN THE CONCEPT OF REGULATORY LAG.**

8 A. This concept is based on the difference in timing of a decision by management and the  
9 Commission's recognition of that decision and its effect on the rate base rate of return relationship  
10 in the determination of a company's revenue requirement. Prudent management decisions which  
11 reduce the cost of service without changing revenues result in a change in the rate base/rate of return  
12 relationship. This change increases the profitability of the firm in the short-run, and until such time  
13 Commission reestablishes rates which properly match the new level of service cost. Companies are  
14 allowed to retain cost savings, i.e., excess profits during the lag period between rate cases. When  
15 faced with escalating costs which will change the rate base/rate of return relationship adversely with  
16 respect to profits, regulatory lag places pressure on management to minimize the change in the  
17 relationship, by filing an application for a rate increase.

18 **Q. HAS THIS COMMISSION RULED THAT IT IS NOT REASONABLE TO**  
19 **PROTECT SHAREHOLDERS FROM ALL REGULATORY LAG?**

20 A. Yes. In Missouri Public Service Company, Cases Nos. EO-91-348 and EO-91-360, the  
21 Commission stated:

1 Lessening the effect of regulatory lag by deferring costs is beneficial to a  
2 company but not particularly beneficial to ratepayers. Companies do not  
3 propose to defer profits to subsequent rate cases to lessen the effects of  
4 regulatory lag, but insist it is a benefit to defer costs. Regulatory lag is a  
5 part of the regulatory process and can be a benefit as well as a detriment.  
6 Lessening regulatory lag by deferring costs is not a reasonable goal unless  
7 the costs are associated with an extraordinary event.

8 Maintaining the financial integrity of a utility is also a reasonable goal.  
9 The deferral of costs to maintain current financial integrity though is of  
10 questionable benefit. If a utility's financial integrity is threatened by high  
11 costs so that its ability to provide service is threatened, then it should seek  
12 interim rate relief. If maintaining financial integrity means sustaining a  
13 specific return on equity, this is not the purpose of regulation. It is not  
14 reasonable to defer costs to insulate shareholders from any risks.

15 **Q. SHOULD RATEPAYERS BE REQUIRED TO PROVIDE THE COMPANY WITH AN**  
16 **EFFECTIVE GUARANTEED RETURN ON THE SRP CONSTRUCTION**  
17 **EXPENDITURES JUST BECAUSE THE COMPANY'S MANAGEMENT CHOOSES**  
18 **NOT TO EXERCISE ITS PLANNING AND OPERATING RESPONSIBILITIES?**

19 A. No, ratepayers should not be required to fund such a return. Planning and operation of the  
20 Company's construction projects are a fundamental responsibility of Laclede's management. Only  
21 management has complete access to the data and resources necessary to fulfill these responsibilities,  
22 and as such, management should be able to implement a SRP construction program that minimizes  
23 the effects of regulatory lag on the Company finances. To the extent regulatory lag moves against  
24 the Company, the Commission has already decided, as mentioned earlier, that lessening regulatory  
25 lag by deferring costs is not a reasonable goal.

26 The purpose of the accounting variance is to protect the Company from adverse financial impact  
27 caused by the regulatory delay period, and to afford it the opportunity to recover these charges. The

1 accounting variance should not be used to place the Company in a better position than it would have  
2 been in if plant investment and rate synchronization had been achieved.

3 **Q. PLEASE RECAP THE PUBLIC COUNSEL'S RECOMMENATION REGARDING**  
4 **LACLED'S SRP ACCOUNTING AUTHORITY ORDER.**

5 A. The Public Counsel believes that the Commission should order the Company to exclude the  
6 deferred balance of the SRP Accounting Authority Order from rate base, thus eliminating the  
7 Company's earning a return on the balance.

8 **Q. IS THE COMPANY PROPOSING TO CONTINUE THE GAS SAFETY**  
9 **REPLACEMENT AAO AND THE COPPER SERVICE REPLACEMENT AAO?**

10 A. No. The company's testimony also supports not continuing the AAO. Instead, the Company is  
11 proposing to include in rates an average of three future budgeted years of the associated costs of the  
12 SRP and the CSRP. Public Counsel does not agree with this adjustment. I will be addressing this  
13 proposed adjustment in my rebuttal testimony.

14 **DUES AND DONATIONS**

15 **Q. WHAT ADJUSTMENT DO YOU PROPOSE TO THE TEST YEAR FOR DUES AND**  
16 **DONATIONS EXPENSE?**

17 A. I recommend disallowing \$198,516 from the test year costs of service for dues and donations. This  
18 amount includes the \$44,509 the Company has proposed removing from the cost of service. (See  
19 Schedule KKB-4)

1 **Q. PLEASE EXPLAIN WHY YOU PROPOSE REMOVING CERTAIN DUES AND**  
2 **DONATIONS EXPENSES FROM THE TEST YEAR.**

3 A. I propose removing certain dues and donations expenses because the expenditures are either:

- 4 1. Representative of involuntary ratepayer contributions;
- 5 2. Supportive of activities which are duplicative of those performed by other organizations to  
6 which the Company belongs and pays dues;
- 7 3. The cost of the organization's activities do not provide any direct benefit to the ratepayer; or
- 8 4. Membership to the organization is not necessary for the utility to provide safe and adequate  
9 service.

10 **RATE CASE EXPENSE**

11 **Q. WHAT IS THE ISSUE?**

12 A. Laclede Gas Company's last rate case was filed on May 18, 2001 and settled in December 2001,  
13 just a month outside of this rate case's test year (twelve months ending November 2001). Thus, the  
14 test year for this rate case includes rate case expenses incurred for Case No. GR-2001-629.

15 **Q. PLEASE EXPLAIN HOW THE COMPANY RECORDS RATE CASE EXPENSE?**

16 A. The Company charges work order number 50862 when the Company incurs rate case expense.  
17 This work order is then cleared to account 928 on a monthly basis during the proceeding.

18 **Q. DID LACLEDE REMOVE THESE COSTS IN ITS RATE CASE EXPENSE**  
19 **ADJUSTMENT?**



1 A. No. Company's workpapers do not indicate the Company has removed these costs from test year  
2 expense. The Company has proposed increasing test year expenses for one-half of the estimated  
3 rate case expense for this rate case. (See Schedule KKB-5)

4 **Q. WHY DID YOU NOT INCLUDE THE RATE CASE EXPENSE FROM THE LAST**  
5 **CASE IN DETERMINING RATE CASE EXPENSE IN THIS CASE?**

6 A. To include the expenses incurred for the last rate case would be double recovery from the  
7 ratepayers. The expenses the Company will incur to present its current proposal will be included in  
8 my rate case annualization.

9 **Q. WHAT WAS THE AMOUNT OF RATE CASE EXPENSE INCURRED FOR THE**  
10 **PREVIOUS CASE?**

11 A. In the previous rate case the Company estimated it would spend \$275,000 for rate case expense. As  
12 of May 2001 the Company had already spent \$37, 855. In reviewing legal fees incurred during the  
13 test year, Public Counsel has found an additional \$11,229 of rate case expense the Company  
14 incurred after May 2001. I have requested a breakdown of the rate case expense incurred by the  
15 Company for Case No. GR-2001-629. In my rebuttal I will address the total dollar amount that  
16 should be removed from test year for Case No. GR-2001-629 rate case expense.

17 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

18 A. Yes.

**CASE PARTICIPATION**  
**OF**  
**KIMBERLY K. BOLIN**

<u>Company Name</u>	<u>Case Number</u>
St. Louis County Water Company	WR-95-145
Missouri-American Water Company	WR-95-205
Steelville Telephone Company	TR-96-123
St. Louis Water Company	WR-96-263
Imperial Utility Corporation	SR-96-427
Missouri-American Water Company	WA-97-45
Associated Natural Gas Company	GR-97-272
St. Louis County Water Company	WR-97-382
Union Electric Company	GR-97-393
Gascony Water Company, Inc.	WA-97-510
Missouri Gas Energy	GR-98-140
Laclede Gas Company	GR-98-374
St. Joseph Light & Power	ER-99-247
	GR-99-246
	HR-99-245
Laclede Gas Company	GR-99-315
Missouri-American Water Company	WR-2000-281
St. Louis County Water Company	WR-2000-844
Osage Water Company	SR-2000-556
	WR-2000-557
Empire District Electric Company	ER-2001-299
Gateway Pipeline Company	GM-2001-585
Warren County Water & Sewer	WC-2002-155
	SC-2002-160
Laclede Gas Company	GR-2001-629
Environmental Utilities	WA-2002-65
Missouri-American Water Company	WO-2002-273

**Company Excluded Dues**

Backstoppers	\$ 150
The Bogey Club	\$ 8,162
Media Club	\$ 13,026
The Municipal Theatre Association of St. Louis	\$ 25
Noonday Club	\$ 4,115
St. Louis Ambassadors	\$ 1,200
Roundtable	\$ 150
St. Louis Club	\$ 3,190
Strathalbyn Farms Club	\$ 2,436
TWA Ambassadors Club	\$ 175
University Club	\$ 2,770
American Airlines Admirals Club	\$ 650
Missouri Athletic Club	\$ 7,138
Jefferson City Rotary Club	\$ 160
Rotary Club of St. Louis	\$ 1,162
<b>Total Company Excluded</b>	<b>\$ 44,509</b>

**Additional Dues Excluded by OPC**

Civic Progress	\$31,000
Focus St. Louis	\$150
Missouri Chamber of Commerce	\$10,000
Saint Charles Historical Society	\$50
St. Louis Regional Commerce & Growth Assn.	\$65,000
The Downtown St. Louis Partnership, Inc.	\$6,250
Midwest Gas Storage Section, SPE	\$75
National Gas Vehicle Coalition	\$18,900
Home Builders Association	\$1,330
St. Louis Area Business Health Coalition	\$13,800
The Boy Scouts of America	\$7
AAIM Management Association (Voluntary Contribution)	\$300
Advertising Club	\$150
Air & Waste Mgmt Assoc	\$150
American Assn. Of Consumer Sciences	\$128
American Assn. Of Occupational Health Nurses	\$190
American Society of Heating, Refrigeration, & A/C Cont	\$170
Associated General Contractors of St. Louis	\$530
ASTD	\$45
Attney Reg State IL.(ARDC)	\$720
Building Owners and Managers Assn.	\$1,435
Construction Products Council	\$200
Consumer Science Business Professionals	\$300
Corporate Volunterr Council	\$150
Employee Benefits Assn. Of St. Louis	\$150

Direct Testimony of  
Kimberly K. Bolin  
Case No. GR-2002-356

Internaitonal Assn. Of Arson Investigators	\$50
Internaitonal Society of Fire Service Instructors	\$75
Midwest Assn. Of Colleges and Employers	\$110
Missouri Assn. Of Building Officials	\$40
Missouri Police Chiefs Association	\$100
Missouri Restaurant Assn.	\$275
National Assn. Of Colleges and Employers	\$74
National Fire Protection Assn.	\$115
National Fire Protection Association	\$230
Nat'l Investor Rel Inst	\$475
Press Club of Metropolitan St. Louis	\$75
Professional Fire & Fraud Investigators Assn.	\$45
School Food & Nutrition Directors	\$20
SMACNA St Louis Chapter	\$140
Society of Petroleum Engineers, Inc	\$210
St. Charles County Heating & Air Conditioning	\$200
St. Louis Assn. Of Realtors	\$293
St. Louis Consumer Science Business Profesionals	\$80
The Construction Specifications Institute	\$220
<b>Total Additional Dues Excluded by OPC</b>	<b>\$154,007</b>
<b><u>Total</u></b>	<b><u>\$ 198,516</u></b>

Laclede Gas Company  
GR-2002-356  
Rate Case Expenses

Outside Services	228,000
Meals, Lodging, Etc.	29,000
Other	<u>18,000</u>
Estimated Total Rate Case Expenses	275,000
Two Year Amortization	137,500
Actual Expenses In Test Year - 12 Months 11/01	<u>0</u>
Company Adjustment	137,500