BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

St. Louis Natural Gas Pipeline, LLC Complainant v. Lacede Gas Company, Respondent.

Case No. GC-2011-0294

STAFF RESPONSE TO COMMISSION ORDER DIRECTING STAFF REPORT

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COMES NOW, the Staff of the Public Service Commission, (Staff), by and through undersigned counsel and in response to the Commission's *Order Denying Laclede's Motion and Directing Staff to Investigate* states Staff has investigated and recommends the Commission direct St. Louis Natural Gas Pipeline (SLNGP) and Laclede Gas Company (Laclede) to engage in discussions to determine if a resolution may be reached.

1. SLNGP filed a Complaint on March 22, 2011 asking the Commission to investigate Laclede Gas Company's, among other things, refusal of an interconnection agreement with SLNGP. Additionally, SLNGP requested the Commission to Order Laclede, among other things, to permit SLNGP's interconnection with Laclede's distribution system.

2. On April 21, 2011, Laclede filed a Motion to Dismiss, Answer to Complaint and Response to Request for Investigation.

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3. Staff has reviewed St. Louis Natural Gas Pipeline's filing, data request responses and Laclede's information provided and, in accord with the Commission's May 26, 2011 *Order*, submits its Report.

4. In the course of its investigation, Staff has determined that it may be possible for the parties to reach resolution and recommends the Commission direct the SLNGP and Laclede to engage in further discussions to determine whether they can agree to terms in an interconnection agreement.

5. The Staff Counsel recommends that if the Parties are able to reach agreement, the Commission may dismiss the Complaint.

6. Staff Counsel also suggests the Commission order the Parties to report to the Commission within a reasonable time, perhaps four weeks, concerning their progress.

WHEREFORE Staff respectfully files its Report in response to Commission order and request the Commission issue its orders as suggested above.

Respectfully submitted,

<u>/s/ Lera L. Shemwell</u>

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, electronic mail or transmitted by facsimile to all counsel and parties of record this 30th day of June, 2011.

/s/ Lera L. Shemwell