

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

In the Matter of the PGA filing of Laclede)
Gas Company.)

Case No. GR-2005-0203

STAFF RECOMMENDATION IN THIS CASE

COMES NOW the Staff of the Missouri Public Service Commission in the above-captioned matter and, in response to the tariff filed by Laclede to increase its PGA for the remaining winter season, states:

1. On February 28, 2005, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri, filed a tariff sheet proposed to become effective March 14, 2005.

2. The tariff sheet was filed to reflect scheduled changes in Laclede's Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the remaining winter season.

3. Unlike other local distribution companies in the state, Laclede's winter season includes the month of April.

4. The Commission's Energy Department Staff (Staff) has reviewed this filing and has determined that the rates on the proposed tariff sheet were calculated in conformance with Laclede's PGA Clause.

5. Laclede has requested expedited treatment and Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days notice is demonstrated by Laclede's Commission approved PGA Clause allowing for ten (10) business days notice for PGA change filings.

6. The rates should be approved interim subject to refund only.

WHEREFORE, the Staff recommends that the Commission approve Laclede's requested tariff change to be effective on March 14, 2005, interim subject to refund only.

Respectfully submitted,

DANA K. JOYCE
General Counsel

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been emailed, mailed, hand-delivered, or transmitted by facsimile to all counsel of record this 7th day of March, 2005.

/s/ Lera Shemwell

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2005-0203, File No. YG-2005-0663, Laclede Gas Company

FROM: James A. Gray, Energy Department – Tariffs/Rate Design

/s/ Warren Wood 03-07-05
Energy Department/Date

/s/ Lera Shemwell 03-07-05
General Counsel's Office/Date

SUBJECT: Staff Recommendation on Laclede Gas Company's Scheduled Winter Season PGA Filing Effective March 14, 2005

DATE: March 7, 2005

On February 28, 2005, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri, filed a tariff sheet proposed to become effective March 14, 2005. The tariff sheet was filed to reflect scheduled changes in Laclede's Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the remaining winter season. Laclede's winter season was set in their last rate case to include the months of November through April. All other Local Distribution Companies have a winter period of November through March.

The net effect of these changes will increase the firm PGA factor to \$0.77260 per therm from the firm PGA factor of \$0.70996 per therm currently in effect. This proposal would increase a typical residential customer's bill approximately \$16, or 2% for the remainder of the 2004-2005 winter season, when compared to the rates currently in effect.

Case No. GR-2005-0203, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2004-2005 Actual Cost Adjustment (ACA) filing. Case Nos. GR-2003-0224 and GR-2004-0273 were established to track the Company's PGA factors to be reviewed in its 2002-2003 and 2003-2004 ACA filings, respectively. Interim subject to refund status should be maintained pending final Commission decisions in ACA Case Nos. GR-2003-224, GR-2004-0273, and GR-2005-0203.

The Commission's Energy Department Staff (Staff) has reviewed this filing and has determined that the rates on the proposed tariff sheet were calculated in conformance with Laclede's PGA Clause. Staff is of the opinion that good cause for approval of this tariff sheet on less than thirty (30) days notice is demonstrated by Laclede's Commission approved PGA Clause allowing for ten (10) business days notice for PGA change filings. The Staff has verified that the Company has filed its

Appendix A

MO PSC CASE NO. GR-2005-0203
OFFICIAL CASE FILE MEMORANDUM
PAGE 2 of 2

annual report and is not delinquent on any assessment. The Staff has reviewed this filing and is unaware of any issue currently pending before the Commission that affects or is affected by this filing; however, the following cases involving this Company are open:

GO-99-155	GR-2003-0224	GC-2005-0249
EC-2002-1	GO-2004-0195	GR-2005-0284
GO-2003-0506	GR-2004-0273	

In addition, Commission Case No. GT-2001-329 is on appeal.

Staff recommends approval of the following tariff sheet, filed on February 28, 2005, with a proposed effective date of March 14, 2005:

P.S.C. MO. No.5 Consolidated

Two Hundredth and Fourth Revised Sheet No. 29, Cancelling Two Hundredth and Third Revised Sheet No. 29

Copies: Director - Utility Operations Division
Director - Utility Services Division
Public Information Administrator
General Counsel
Manager - Procurement Analysis Department
Manager - Energy Department
Michael Cline, Director-Tariff and Rate Administration (Laclede)
Kenneth J. Neises, Executive Vice President-Energy & Administrative Services (Laclede)
Michael Pendergast, Vice President-Associate General Counsel (Laclede)
Office of the Public Counsel

WINTER SEASON
 Approximate Billing Impact Of 984 Therm per Winter Season
 Laclede Gas Company
 Residential Heating Customer

	Winter Season with Current Rates (Months)	Therms Usage	Total Fuel Bill (\$)
*	November 2004	97	117.87
*	December	179	185.87
#	January 2005	236	204.99
#	February	217	191.50
#	March	159	150.32
#	April	96	105.59
	6 Month Winter Season Total	984	\$956.14

	Winter Season with Scheduled Filing (Months)	Therms Usage	Total Fuel Bill (\$)
*	November 2004	97	117.87
*	December	179	185.87
#	January 2005	236	204.99
#	February	217	191.50
+	March	159	160.28
+	April	96	111.61
	6 Month Winter Season Total	984	\$972.12

REMARKS

For a residential customer using approximately 255 therms for the remainder of the winter season (March - April), natural gas rates will increase by approximately \$16 or approximately 2% when comparing the fuel bills for the current remaining winter season before and after the scheduled winter filing.

Notes:

- (1) Total fuel bill does not include gross receipts or local sales taxes.
- (2) Monthly usage priced at the rates in effect during the appropriate time period.
- (3) Tariff Sheet No. 2: Customer Charge = \$12.00; Energy Charge for
 Nov- Apr: First 65 therms = \$.39133/therm; For therms in excess of 65 therms = \$.00000/therm
- # (4) Tariff Sheet No. 29: PGA Charge = \$0.82923 per therm
- * Tariff Sheet No. 29: PGA Charge = \$0.70996 per therm
- + Tariff Sheet No. 29: PGA Charge = \$0.77260 per therm