BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's) Case No. GR-2005-0284 Tariff to Revise Natural Gas Rate Schedules)

STAFF RECOMENDATION

COMES NOW the Staff of the Missouri Public Service Commission and files its recommendation concerning the tariffs filed by Laclede Gas Company (Laclede or Company) to Implement a Natural Gas Equipment Rebate Program. For its recommendation Staff states:

1. On February 28, 2006, Laclede Gas Company (Laclede or Company) filed tariff sheets proposed to become effective on March 31, 2006.

2. These tariff sheets are designed to implement a new high-efficiencyappliance rebate program (Rebate Program). As described in the attached Staff Recommendation, rebates are available to customers who install energy efficient natural gas appliances.

3. The purpose of the Rebate Program is to encourage more efficient use of natural gas by encouraging customers to make energy efficiency improvements. To do this the Company will offer economic incentives (rebates) for installation of high-efficiency natural gas equipment with the Energy Star® (ES) rating.

4. Implementation of this program satisfies the requirements found in paragraph 14 of the Stipulation and Agreement (Stipulation) in Case No. GR-2005-0284 (Laclede's rate case). The Stipulation provides:

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Low-Income Weatherization and Efficiency Rebate Programs

14. The Parties agree that the funding of the Company's existing low-income weatherization program should be increased, that a new high efficiency appliance rebate program should be implemented, and that the Company's existing EnergyWise high efficiency loan program should be supplemented, consistent with the recommendations set forth in Attachment 5 to this Stipulation and Agreement, which is hereby incorporated herein for all purposes.

WHEREFORE Staff requests that the Commission accept Staff's Recommendation and approve Laclede's tariffs designed to implement an high efficiency natural gas appliance program.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronic mail to all counsel of record this 16th day of March 2006.

/s/ Lera L. Shemwell