

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

In the matter of Laclede Gas Company's)
Purchased Gas Adjustment Tariff Filing)

Case No. GR-2007-0179
Tariff No. JG-2007-0317

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) and for its recommendation in the PGA filing of Laclede Gas Co., Inc., states:

1. On November 3, 2006, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri filed a tariff sheet proposed to become effective November 20, 2006.
2. The tariff sheet was filed to reflect scheduled changes in Laclede's PGA factors as the result of an estimated change in the cost of natural gas for the upcoming winter season and changes in the Actual Cost Adjustment (ACA) factor.
3. This filing reflects the former Fidelity Natural Gas Company's (Fidelity) PGA filing. The Missouri Public Service Commission (Commission) approved Laclede's ownership of Fidelity effective on February 28, 2006.
4. This filing will decrease the firm PGA factor from the current PGA level that has been in effect since November 1, 2005.
5. Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Department (PAD) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 31, 2007.

6. Good cause for approval of this tariff sheet, with less than thirty days notice, is demonstrated by Fidelity's Commission-approved PGA clause allowing for ten (10) business days notice for PGA change filings.

7. Therefore Staff recommends that the tariff sheet filed November 3, 2006 be approved, interim subject to refund, with an effective date of November 20, 2006.

WHEREFORE the Staff recommends that the Commission approve Laclede's tariff sheets, interim subject to refund only, to become effective November 20, 2006.

Respectfully submitted,

/s/ Lera L. Shemwell

Lera L. Shemwell
Deputy General Counsel
Missouri Bar No. 43792

Attorney for the Staff of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-7431 (Telephone)
(573) 751-9285 (Fax)
lera.shemwell@psc.mo.gov

Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered or transmitted by facsimile or electronically mailed to all counsel of record this 7th day of November 2006.

/s/ Lera L. Shemwell