

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Purchased)
Gas Adjustment filing of Laclede) **Case No. GR-2006-0288**
Gas Company) **Tariff No. YG-2007-0296**

ORDER APPROVING INTERIM RATES

Issue Date: November 9, 2006

Effective Date: November 16, 2006

On October 31, 2006, Laclede Gas Company filed a proposed tariff sheet reflecting 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 upcoming winter season and changes in the Actual Cost Adjustment (ACA) factor.

On November 2, 2006, Laclede filed a substitute tariff sheet to reflect further estimated reduction in the cost of gas for the upcoming winter season. On November 3, 2006, Laclede filed a separate tariff sheet for the former Fidelity service area in Case No. GR-2007-0179.

The proposed PGA rate of \$0.90497 per-therm reflects a decrease of \$0.12439 per-therm over the PGA Rate currently in effect of \$1.02936. This filing represents an approximate 12% decrease from the existing PGA rate.

The Commission's Staff filed its Memorandum and Recommendation on November 7, 2006, In its Memorandum and Recommendation, Staff supports the decrease and supports Commission approval and incorporation of the reduction in rates

as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because Laclede's PGA clause allows for PGA change filings to take affect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariff to become effective on less than 30 days' notice. Staff recommends that the rates be approved on an interim basis, subject to refund only, pending evaluation of the prudence of Laclede's gas purchases for its customers.

Staff also recommends the Commission grant all other relief requested by the Procurement Analysis Department in Staff's Recommendation Memorandum of the November 7, 2006 Staff Recommendation. Relief requested includes permission for Staff to submit its results and recommendation regarding the information included in this ACA filing to the Commission on or before December 31, 2007.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheet conforms to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheet should be approved to become effective on November 16, 2006, on an interim basis, subject to refund only, pending evaluation of the prudence of Laclede's gas purchases for its customers.

IT IS ORDERED THAT:

1. The proposed tariff sheet filed on October 31, 2006, by Laclede Gas Company is approved on an interim basis, subject to refund only, pending evaluation of

the prudence of Laclede's gas purchases for its customers. The specific tariff sheet approved is:

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

209th Revised Sheet No. 29, Canceling 208th Revised Sheet No. 29

2. The Staff of the Commission shall file its results and recommendation regarding information included in the ACA filing on or before December 31, 2007.

3. This order shall become effective on November 16, 2006.

BY THE COMMISSION



Colleen M. Dale
Secretary

(SEAL)

Colleen M. Dale, Chief Regulatory Law
Judge, by delegation of authority pursuant
to Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri,
on this 9th day of November, 2006.