

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

In the Matter of the Joint Application of)
Fidelity Natural Gas, Inc. and Laclede Gas)
company for an Order Authorizing the)
Sale and Transfer of Certain Assets of)
Fidelity Natural Gas, Inc., Located in)
Missouri to Laclede Gas Company and)
Either Authorizing the Transfer of)
Existing Certificates of Public)
Convenience and Necessity or Granting a)
New Certificate of Public Convenience)
and Necessity to Laclede Gas Company in)
Conjunction with Same)

Case No. GM-2006-0183

STAFF RECOMMENDATION

COME NOW the Staff of the Missouri Public Service Commission (Staff), and respectfully states as follows:

1. On March 31, 2006 Laclede filed with the Missouri Public Service Commission (Commission) a tariff sheet proposed to become effective on May 1, 2006. The tariff sheet was filed to comply with paragraph 7 of the Commission's Order Approving Unanimous Stipulation and Agreement For the Sale of Assets and Granting a Certificate of Public Convenience and Necessity in this case.

2. Staff has reviewed the proposed tariff sheet, and recommends that it be approved effective May 1, 2006. Staff's recommendation from the Energy Department Tariffs/Rate Design Staff is attached hereto as Appendix A. Staff further recommends that the certificate granted to Fidelity in Case No GA-91-299 be cancelled.

WHEREFORE, Staff respectfully recommends that the Commission approve the Tariff sheets as recommended in Appendix A.

Respectfully submitted,

/s/ Robert V. Franson

Robert V. Franson

Senior Counsel

Missouri Bar No. 34643

Attorney for the Staff of the
Missouri Public Service Commission

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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 14th day of April 2006.

/s/ Robert V. Franson

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

In the matter of the Tariff filing of Laclede
Gas Company:

Case No. GM-2006-0183

AFFIDAVIT OF TIMOTHY M. PETERSON

STATE OF MISSOURI

COUNTY OF COLE

)
) ss.
)

Timothy M. Peterson, of lawful age, on oath states: that he has participated in the preparation of the foregoing written report, consisting of one page to be presented in the above case; that the information in the attached written report was given by Laclede Gas Company; that he has knowledge of the matters set forth in such report; and that such matters are true to the best of his knowledge and belief.



Subscribed and sworn to before me this 14th day of April, 2006.



DAWN L. HAKE
My Commission Expires
March 16, 2009
Cole County
Commission #05407643



Notary Public

My commission expires _____

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GM-2006-0183, Tariff File No. YG-2006-0746, Laclede Gas Company

FROM: Tim Peterson, Energy Department -- Tariffs/Rate Design

<u>/s/ Thomas M. Imhoff 04/14/06</u> Energy Department/Date	<u>/s/ Lera Shemwell 04/14/06</u> General Counsel's Office/Date
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SUBJECT: Staff Recommendation to Approve Tariff Sheet Filed in Accordance with the Order
Authorizing Laclede Gas Company to Provide Gas Services to Areas Previously
Served By Fidelity Natural Gas Inc.

DATE: April 14, 2006

On March 31, 2006, Laclede Gas Company (Laclede or Company) filed a tariff sheet proposed to become effective on May 1, 2006. The tariff sheet was filed in compliance with paragraph 7 of the February 21, 2006, Order authorizing Laclede to provide gas services in the areas previously served by Fidelity Natural Gas Inc. (Fidelity) "in accordance with the existing rules, regulations, rates, and tariffs of Fidelity as may be on file with and approved by the Commission from the effective date of the sale agreement until the effective date of a Commission order in Laclede's next general rate case or until the Commission orders otherwise"(Paragraph 7).

Laclede will adopt and ratify the Schedule of Rates For Natural Gas of Fidelity Natural Gas Inc. that was on file with the Commission on February 28, 2006, and the adoption will be effective as of February 28, 2006.

The Commission's Energy Department Tariffs/Rate Design Staff (Staff) has reviewed this filing and has determined that the proposed tariff sheet comports with the Order issued in Case No. GM-2006-0183.

Staff therefore recommends approval of the following tariff sheet, as filed on March 31, 2006, with an effective date of May 1, 2006, and that the certificate granted to Fidelity in Case No. GA-91-299 be cancelled:

P.S.C. MO. No. 1 Original Adoption Notice

Staff has verified that this company has filed its annual report and is not delinquent on any assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.