

**MEMORANDUM**

TO: Missouri Public Service Commission Official Case File,  
Case No. GR-2006-0288, File No. JG-2006-0527, Laclede Gas Company

FROM: Tom Solt, Energy Department – Tariffs/Rate Design

<u>/s/ Tom Imhoff</u>	<u>01/09/05</u>	<u>/s/ Lera Shemwell</u>	<u>01/09/05</u>
Energy Department/Date		General Counsel's Office/Date	

SUBJECT: Staff Recommendation on Laclede Gas Company's Unscheduled Winter Season  
PGA Filing Effective January 20, 2006

DATE: January 9, 2006

On January 5, 2006, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri filed tariff sheets proposed to become effective January 20, 2006. Twice on January 6, 2006, Laclede filed substitute tariff sheets to correct typographical errors. The tariff sheets were filed to reflect an optional change in Laclede's PGA factors as the result of an estimated change in the cost of natural gas for the remainder of the current winter season, and to correct Current PGA factors which were not updated in the Company's October 1, 2005 rate case tariff filing.

These changes will decrease the firm PGA factor for the remainder of the 2005-2006 winter season to \$1.02936 per therm from the current firm PGA factor of \$1.13049 per therm. The effect of the proposed rate on a typical residential heating customer's natural gas bills for the remaining winter season is a decrease of approximately \$40 or 4% when compared to the rates currently in effect.

Case No. GR-2006-0288, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2005-2006 ACA filing. Case No. GR-2005-0203 was established to track the Company's PGA factors to be reviewed in its 2004-2005 ACA filing. Case No. GR-2004-0273 was established to track the Company's PGA factors to be reviewed in its 2003-2004 ACA filing. Interim subject to refund status should be maintained pending final Commission decisions in ACA Case Nos. GR-2004-0273, GR-2005-0203, and GR-2006-0288.

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. The following Cases involving this Company are pending before the Commission:

Attachment A

MO PSC CASE NO. GR-2006-0288  
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GO-99-155	AX-2005-0364	GC-2006-0060
GO-2003-0506	GE-2005-0405	GW-2006-0110
GR-2004-0273	GC-2005-0487	GM-2006-0183
GR-2005-0203	GR-2006-0288	GX-2006-0181

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

Although Laclede filed its sheets with a requested effective date of January 20, 2006, the Commission may approve them before that date and order an earlier effective date. While Staff has not had an opportunity to verify the numbers contained in the instant filing, given the interim nature of the filing, the amount of the decrease contained therein, and the need to assist Missouri consumers by promptly implementing a decrease in natural gas rates, which Staff believes constitutes good cause, Staff recommends that the filing be approved on an expedited basis, to become effective on January 11, 2006. Therefore, Staff recommends that the following tariff sheets, filed on January 5, 2006, and as substituted on January 6, 2006, be approved, interim subject to refund:

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

Third Revised Sheet No. 18-a CANCELLING Second Revised Sheet No. 18-a  
Two Hundredth and Eighth Revised Sheet No. 29, CANCELLING Two Hundredth and Seventh  
Revised Sheet No. 29

