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

ORDER GRANTING VARIANCE

Issue Date: December 13, 2006 Effective Date: December 13, 2006

On December 6, 2006, Laclede Gas Company filed a Verified Application for Variance. Laclede asked the Commission for "...a variance from certain billing provisions contained in the PGA Clause on Tariff Sheet No. 21 of the tariffs applicable to customers previously served by Fidelity Natural Gas, Inc. ("Fidelity"), so that Laclede may bring the benefits of lower gas costs more quickly to the former customer[s] of Fidelity than would otherwise be permitted by such tariff provisions." Laclede also requested expedited treatment for approving the variance.

The Commission's Staff filed its Memorandum and Recommendation on December 13, 2006. In its Memorandum and Recommendation, Staff supports the variance, and supports Commission approval and incorporation of the reduction in rates as expeditiously as possible. Staff recommends that the rate change be approved on an interim basis, subject to refund pending final Commission decisions in ACA Case Nos. GR-2006-0170 and GR-2007-0179.

Commission Rule 4 CSR 240-2.060(4) allows the Commission to grant an applicant a variance from its tariff provisions if the applicant shows good cause. The Commission has reviewed the variance request and Staff's Memorandum and

Recommendation, and finds that Laclede has shown good cause for the variance. The Commission will grant the variance.

Commission Rule 4 CSR 240-2.080(16) allows the Commission to give expedited treatment to applications upon a showing of the harm that will be avoided, or the benefit that will accrue, should the Commission grant a request for expedited treatment. The Commission finds that Laclede's customers will benefit from the reduced rates, if the Commission grants the request for expedited treatment. The Commission will grant the request.

IT IS ORDERED THAT:

- The Application for Variance filed by Laclede Gas Company on December
 2006, is granted.
 - 2. This order shall become effective on December 13, 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 13th day of December 2006.