

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

In the Matter of the filing of Laclede Gas)
Company's PGA factors to be reviewed in)
its 2001-2011 ACA filing.)

Case No. GR-2012-0133

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (Staff) in the above-captioned matter and, in response to the tariff filed by Laclede to implement a decrease its Purchased Gas Adjustment (PGA) for the upcoming winter season. Staff recommends approval of the tariff rates on an interim, subject to refund basis, and further states:

1. On October 31, 2011, Laclede Gas Company (Laclede or Company) of St. Louis, filed a tariff sheet proposed to become effective November 16, 2011.
2. The tariff sheet was filed to make scheduled changes in the rate Laclede charges customers for natural gas.
3. Laclede proposes this rate change as the result of the Company's estimated change in the cost of natural gas for the upcoming winter season and changes in the Actual Cost Adjustment (ACA) factor.
4. In its Commission approved tariffs, Laclede defines the winter season as November through April. All other gas companies have a five month winter season, November through March.
5. These changes which result from Commission approval of this filing will, beginning November 16, 2011, reduce the PGA rate for Laclede's customers from \$0.64093 per therm to \$0.59440 per therm. This represents a decrease of \$0.04653 per therm.

6. This rate change should be on an interim basis, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2012-0133, GR-2011-0055, GR-2010-0138, GR-2008-0387, GR-2008-0140, GR-2006-0288 and GR-2005-0203.

7. Due to the limited documentation filed and the time available to review the Company's documentation supporting the ACA factor change, the Procurement Analysis Unit (PAU) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 14, 2012.

8. The Staff has reviewed this PGA filing and has determined that it was calculated in conformance with Laclede's PGA Clause. Staff's opinion is there is good cause for approval of these tariff sheets on less than thirty days notice as demonstrated by Laclede's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings.

9. This rate change should be approved only on an interim basis, subject-to-refund status pending final Commission decisions in ACA Case Nos. GR-2011-0055, GR-2010-0138, GR-2008-0387, GR-2008-0140, GR-2006-0288, and GR-2005-0203.

WHEREFORE, Staff recommends there is good cause for approval of this tariff sheet on an expedited basis, demonstrated by Laclede's Commission approved PGA clause which permits ten (10) business days notice for PGA change filings. Staff recommends the proposed tariffs be approved, on an interim basis, subject to refund.

Respectfully submitted,

/s/ Lera L. Shemwell

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

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been emailed, mailed, hand-delivered, or transmitted by facsimile to all counsel of record this 5th day of November, 2011.

/s/ Lera Shemwell

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2012-0133, File No. JG-2012-0199
Laclede Gas Company

FROM: Kim Cox, Energy Department – Tariffs/Rate Design

/s/ Thomas M. Imhoff 11/04/11
Utility Operations Department/Date

/s/ Lera Shemwell 11/04/11
Staff Counsel Department/Date

SUBJECT: Staff Recommendation on Laclede Gas Company's Scheduled Winter Season
PGA Filing Effective November 16, 2011

DATE: November 04, 2011

On October 31, 2011, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri filed a tariff sheet proposed to become effective November 16, 2011. The tariff sheet was filed to reflect 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. Laclede defines its Winter Season as November through April. All other gas companies have a five month winter season, November through March. The PGA impact on a customer's bill is during Laclede's six month winter season.

The effects of these changes from this filing will reduce the PGA rate filed by Laclede on November 16, 2011, from \$0.64093 per therm to \$0.59440 per therm. This represents a decrease of \$0.04653 per therm.

Case No. GR-2012-0133, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2010-2011 ACA filing. Case Nos. GR-2011-0055, GR-2010-0138, GR-2008-0387, GR-2008-0140, GR-2006-0288 and GR-2005-0203 were established to track the Company's PGA factors to be reviewed in its 2009-2010, 2008-2009, 2007-2008, 2006-2007, 2005-2006 and 2004-2005 ACA filings, respectively. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2012-0133, GR-2011-0055, GR-2010-0138, GR-2008-0387, GR-2008-0140, GR-2006-0288 and GR-2005-0203.

Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Unit (PAU) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 14, 2012.

The Energy Unit – Tariffs/Rate Design Staff (Staff) has verified that the Company has filed its annual report and is not delinquent on any of its assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

The Staff has reviewed this PGA filing and has determined that it was calculated in conformance with Laclede's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty (30) days notice is demonstrated by Laclede's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings.

Therefore, Staff recommends that the following tariff sheet, filed on October 31, 2011, be approved, interim, subject to refund:

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

Two Hundred and Seventeenth Revised Sheet No. 29, Cancelling Two Hundred and Sixteenth Revised Sheet No. 29

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

In the Matter of The Laclede Gas)	Case No. GR-2012-0133
Company's Purchased Gas Adjustment)	File No. JG-2012-0199
Tariff Filing)	

AFFIDAVIT OF KIM COX

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Kim Cox, of lawful age, on oath states: that she has participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was given by her; that she has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of her knowledge and belief.



Kim Cox

Subscribed and sworn to before me this 4th day of November, 2011.



Notary Public

SUSAN L. SUNDERMEYER Notary Public - Notary Seal State of Missouri Commissioned for Callaway County My Commission Expires: October 03, 2014 Commission Number: 10942086
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