

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Verified Application of Laclede Gas)
Company for an Order Establishing Replacement) **Case No. GO-2003-0506**
Requirements for the Final Phase of its Unprotected Steel)
Main Replacement Program Previously Approved Pursuant)
to Rule 4 CSR 240-40.30(15)(E).)

DISSENTING OPINION OF COMMISSIONER
ROBERT M. CLAYTON III

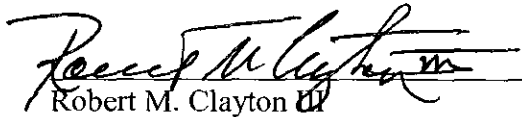
In past cases, this Commissioner has supported the majority in some of the decisions relating to Laclede's unprotected steel main replacement program and encouraged the company to be more aggressive in implementing this program. This Commissioner filed a Concurrence last year strongly encouraging the company to, "make a concerted effort to replace significantly more unprotected steel main than is minimally required." However, after one year's time, this Commissioner was disappointed to learn that the company has not only failed to exceed the goal, but for Fiscal Year 2006, it has replaced 695 feet *less* of its unprotected steel main than it replaced in Fiscal Year 2005. The company is clearly moving in the wrong direction.

This reduction in the amount of unprotected steel main replaced illustrates that the company is not making its unprotected steel main replacement program a priority. The safety of Laclede's customers, employees and the general public continues to be of the utmost importance. The decrease in the number of feet replaced slows the progress of eliminating the unprotected steel mains in the ground and puts the public's safety in jeopardy. The Staff and the Commission

majority continue to tolerate poor performance. Instead, the Commission should encourage, through stronger orders and directives, a replacement program that places safety as the highest priority. If Laclede fails to meet its replacement targets as established by the prior order, the Commission should take action through the complaint process or the whole program should be recalculated for improved performance.

For the foregoing, this Commissioner dissents.

Respectfully submitted,


Robert M. Clayton III
Commissioner

Dated at Jefferson City, Missouri,
on this 31st day of May, 2007.