

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 27 day of
April, 2006.

In the Matter of the Verified Application of Laclede Gas)
Company for an Order Establishing Replacement)
Requirements for the Final Phase of its Unprotected) **Case No. GO-2003-0506**
Steel Main Replacement Program Previously Approved)
Pursuant to Rule 4 CSR 240-40.030(15)(E).)

ORDER REGARDING STATUS REPORT AND DIRECTING FILING

Issue Date: April 27, 2006

Effective Date: May 7, 2006

On March 5, 2004, the Commission issued its Report and Order approving Laclede Gas Company's application regarding the establishment of requirements for the final phase of Laclede's unprotected steel main replacement program. The Commission's order modified the replacement program by reducing the annual replacement requirements for unprotected steel remains that meet the criteria in paragraphs (15)(E)3 through (15)(E)6 of Rule 4 CSR 240-40.030, from an average of 20,000 feet per year to an average annual rate of 10,000 feet, until all remaining mains identified by this section have been replaced. Ordered paragraph 4 of the Report and Order directed the Staff of the Commission to file annual status reports regarding Laclede's progress in the unprotected steel main replacement program, with the first report due no later than May 5, 2004.

On April 12, 2004, Staff filed its first annual Status Report. Staff noted that during Fiscal Year 2003, Laclede eliminated 10,532 feet of unprotected steel main that met the criteria of paragraphs 4 CSR 240-40.030(15)(E)3 through (15)(E)6.

On April 15, 2005, Staff filed its second annual Status Report. Staff noted that during Fiscal Year 2004, Laclede eliminated 10,300 feet of unprotected steel main that met the criteria of 4 CSR 240-40.030(15)(E)3 through (15)(E)6.

On April 20, 2006, Staff filed its third annual Status Report. Staff indicated that during the Fiscal Year 2005, Laclede eliminated 10,370 feet of unprotected steel main that met the criteria of 4 CSR 240-40.030(15)(E)3 through (15)(E)6. Staff notes that this represents an annual average rate of 10,400 feet for Fiscal Years 2003, 2004, and 2005, which exceeds the required annual average rate of 10,000 feet. Staff further state that Laclede has notified Staff that 92,192 feet of unprotected steel main remained at the end of Fiscal Year 2005.

The Commission has reviewed Staff's Status Report and concludes that Staff should file its next annual report no later than May 4, 2007.

IT IS ORDERED THAT:

1. No later than May 4, 2007, the Staff of the Commission shall file its next annual Status Report.
2. This order shall become effective on May 7, 2006.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, and Appling, CC., concur;
Clayton, C., concurs with opinion to follow;
Gaw, C., dissents with opinion to follow;
and certify compliance with the provisions
of section 536.080, RSMo 2000.

Dale, Chief Regulatory Law Judge