

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 30th day of
April, 2008.

In the Matter of the Verified Application of Laclede Gas)
Company for an Order Establishing Replacement)
Requirements for the Final Phase of its Unprotected)
Steel Main Replacement Program Previously Approved)
Pursuant to Rule 4 CSR 240-40.030(15)(E).)

Case No. GO-2003-0506

ORDER REGARDING STATUS REPORT AND DIRECTING FILING

Issue Date: April 30, 2008

Effective Date: May 10, 2008

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 mains 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 noted 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.

On May 1, 2007, Staff filed its fourth annual Status Report. Staff noted that during the Fiscal Year 2006, Laclede eliminated 9,675 feet of unprotected steel main that met the criteria of 4 CSR 240-40.030(15)(E)3 through (15)(E)6.

On April 21, 2008, Staff filed its fifth annual Status Report. Staff indicated that during the Fiscal Year 2007, Laclede eliminated 10,375 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 10,250 feet for Fiscal Years 2003, 2004, 2005, 2006 and 2007, which exceeds the required annual average rate of 10,000 feet. Staff further states that Laclede has notified Staff that 72,142 feet of unprotected steel main remained at the end of Fiscal Year 2007.

The Commission has reviewed Staff's Status Report and concludes that Staff should file its next annual report no later than May 4, 2009.

IT IS ORDERED THAT:

1. No later than May 4, 2009, the Staff of the Commission shall file its next annual Status Report.
2. This order shall become effective on May 10, 2008.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Davis, Chm., Murray, Jarrett,
and Gunn, CC., concur.
Clayton, C., dissent, with
dissenting opinion attached.

Dale, Chief Regulatory Law Judge