

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

<b>In the Matter of Laclede Gas )</b>	
<b>Company's Transfer of its Gas Supply )</b>	<b>Case No. GO-2002-1099</b>
<b>Function to a Separate Corporation. )</b>	

**MOTION TO DISMISS INVESTIGATION AND CLOSE CASE**

**COMES NOW** Laclede Gas Company (“Laclede” or “Company”) and files its Motion to Dismiss Investigation and Close Case, and in support thereof states as follows:

1. On July 16, 2002, the Commission issued an Order granting Staff’s motion to establish a case to investigate issues surrounding the formation of Laclede Energy Services, Inc (“LES”).
2. On November 13, 2002, Staff filed its first status report in this case.
3. On January 13, 2003, Staff filed a second status report indicating that it planned to complete its review shortly, finish its final report, and then share that report with Laclede.
4. On January 31, 2003, Staff emailed its draft final report to Laclede. Laclede reviewed the report and discussed it with Staff.
5. Laclede formed LES in 2002 in order to more efficiently perform the gas supply administrative and risk management functions for Laclede Gas Company and its energy marketing affiliate, Laclede Energy Resources, Inc. Laclede believed, and still believes today, that this organizational change would not cause any detriment to Laclede or its customers. To the contrary, the Company believed that its customers would more likely benefit from the administrative efficiencies achieved by this structure.

6. It has become apparent, however, that Staff does not share Laclede's views regarding LES. Instead, Staff's view is that the process used to form and operate LES raises more issues than it resolves.

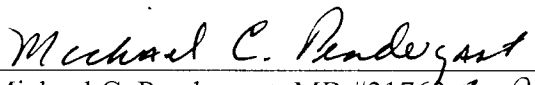
7. As a consequence, Laclede has determined to dissolve LES, effective no later than April 30, 2003. This short period is needed in order to make the necessary filings with the Secretary of State, as well as to ensure that proper authorizations to perform hedging transactions are in place before LES is dissolved.

8. The impending dissolution of LES eliminates the transaction that gave rise to Staff's request to conduct an investigation. Laclede has discussed this issue with Staff and Staff agrees that this case may be closed. Following the dissolution of LES, Laclede agrees to file a notice with the Commission confirming such dissolution.

9. Based on the impending dissolution of LES, Laclede has been authorized to represent that neither Staff nor the Office of Public Counsel objects to the dismissal of Staff's investigation and the closing of this case, upon the filing of the notice specified in paragraph 8. In the interests of administrative convenience, Laclede requests that the Commission stay all reporting requirements in this docket, including the status report to be filed by Staff on or before March 31, 2003, pending Commission action on this Motion.

**WHEREFORE**, for the foregoing reasons, Laclede Gas Company respectfully requests that the Commission issue an order that stays all reporting requirements in this docket, dismisses the investigation and closes this case.

Respectfully submitted,

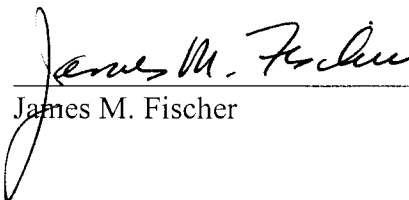
  
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**Certificate of Service**

The undersigned certifies that a true and correct copy of the foregoing Motion was served on the General Counsel of the Staff of the Missouri Public Service Commission and the Office of the Public Counsel on this 28th day of March, 2003, by hand-delivery, fax, email, or by placing a copy of such Request, postage prepaid, in the United States mail.

  
James M. Fischer