

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

In the Matter of the Application of Laclede Gas)	
Company for Establishment of an Infrastructure)	<u>File No. GO-2011-0058</u>
System Replacement Surcharge.)	Tariff No. YG-2011-0225

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission (“Staff”), by and through its attorney, and submits to the Missouri Public Service Commission (“Commission”) its Staff Recommendation and recommends the Commission approve Laclede’s tariffs to modify its Infrastructure System Replacement Surcharge (“ISRS”), and in support of that recommendation states as follows:

1. On December 29, 2010, Laclede Gas Company (“Laclede”) filed replacement tariff sheets having ISRS rates consistent with the Staff’s Recommendation filed December 28, 2010.
2. On December 28, 2010, the Commission directed Laclede to file its response to the Staff Recommendation by January 3, 2011.
3. On December 29, 2010, Laclede filed its Response accepting Staff’s calculation for pre-tax revenues, and also Staff’s recommended ISRS rates. Laclede contemporaneously filed a substitute tariff sheet to comply with Staff’s Recommendation.
4. On December 29, 2010 the Commission directed Staff to notify the Commission whether Laclede’s substitute tariff sheet complied with Staff’s Recommendation.
3. As further detailed in Appendix A, Staff has reviewed Laclede’s tariff sheet and has found it to be in compliance with the Staff’s December 28, 2010 Recommendation in this case.

4. Additionally, Staff raises no objection to the request for an expedited effective date of January 7, 2011. Therefore, Staff recommends that the following tariff sheet, as filed on December 29, 2010, be allowed to go into effect on January 7, 2011, or as soon thereafter as practical, as requested by Laclede.

WHEREFORE, for the foregoing reasons, Staff respectfully requests that the Commission accept Staff's recommendations in this case, approve Laclede's tariff as submitted and issue its Order approving the tariff as soon as practical in accord with Staff's recommendations.

/s/ Meghan E. McClowry
Meghan E. McClowry
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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, emailed, sent by facsimile or hand-delivered to all counsel of record this 3rd day of January, 2011.

/s/ Meghan E. McClowry

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GO-2011-0058, File No. YG-2011-0225, Laclede Gas Company

FROM: Michael J. Ensrud, Energy – Tariffs / Rate Design

/s/ Thomas M. Imhoff 1/3/11 /s/ Meghan McClowry 1/3/11
Energy Department / Date Staff Counsel's Office / Date

SUBJECT: Staff Report and Recommendation Regarding Laclede Gas Company's
RESPONSE TO STAFF RECOMMENDATION AND MOTION FOR
EXPEDITED TREATMENT in order to Change its Infrastructure System
Replacement Surcharge and Subsequent "Compliance" Filing

DATE: January 3, 2011

BACKGROUND

On December 29, 2010 Laclede Gas Company (Laclede or Company) of St. Louis, Missouri filed a RESPONSE TO STAFF RECOMMENDATION AND MOTION FOR EXPEDITED TREATMENT (Motion) with the Missouri Public Service Commission (Commission) stating that it "accepts" Staff's Recommendation.

On December 29, 2010, in a separate submission, Laclede filed a "compliance" tariff sheet reflecting Staff's rates and included a cover letter with that filing.

On December 29, 2010, the Commission issued an ORDER SHORTENING TIME FOR STAFF RESPONSE directing the Staff to notify the Commission as to whether Laclede's December 29, 2010 tariff filing complies with Staff's recommendation filed on December 28, 2010.

STAFF'S ACTION & RECOMMENDATION

The Staff has reviewed Laclede's tariff sheet. Staff's analysis indicates that the tariff sheet filed by Laclede on December 29, 2010 complies with the Staff's December 28, 2010 recommendation. Staff raises no objection to the expedited effective date of January 7, 2011.

The Staff has verified that the Company has filed its 2009 annual report and is not delinquent on any assessment. The Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

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OFFICIAL CASE FILE MEMORANDUM
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Therefore, Staff recommends that the following tariff sheet, as filed on December 29, 2010, be allowed to go into effect on January 7, 2011, as requested by Laclede.

P.S.C. MO. No. 5

16th Revised Sheet No. 12, CANCELLING 15th Revised Sheet No. 12

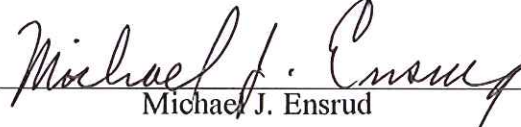
**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the Application of)	
Laclede Gas Company for Establishment)	
of an Infrastructure System Replacement)	Case No. GO-2011-0058
Surcharge)	

AFFIDAVIT OF MICHAEL J. ENSRUD

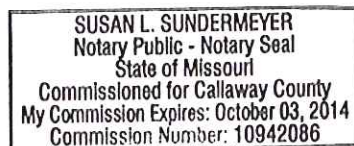
STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Michael J. Ensrud, employee of the Missouri Public Service Commission, being of lawful age and after being duly sworn, states that he has participated in preparing the accompanying Staff Recommendation in Memorandum form, and that the facts therein are true and correct to the best of his knowledge and belief.



Michael J. Ensrud

Subscribed and sworn to before me this 3rd day of January, 2011.





Notary Public