LACLEDE GAS COMPANY
720 OLIVE STREET
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(314) 342-0601

KENNETH J. NEISES
SENIOR VICE PRESIDENT
ENERGY & ADMINISTRATIVE SERVICES

December 17, 1999

HAND-DELIVERED

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
Harry S Truman Building
301 W. High Street
Jefferson City, MO 65101

RE: Case No. GR-99-315

Dear Mr. Roberts:

On December 16, 1999, Laclede Gas Company ("Laclede") was advised by the Commission Staff that it would recommend rejection of the compliance tariff filing made by Laclede on that date in the above-referenced case, unless the Company filed the enclosed Fifth Revised Sheet No. 15, Ninth Revised Sheet No. 21 and Tenth Revised Sheet No. 22. Accordingly, such revised tariff sheets are being filed for the **sole purpose** of complying with the technical requirements of the Commission's Report and Order. For the reasons stated in Laclede's December 16, 1999, Request for Clarification, however, the Company is certain that the result that would be produced by implementation of these tariffs was never intended by the Staff, the Commission, or any party to Case No. GR-99-315, and therefore requests that the Commission not approve these tariff sheets for such reasons.

Sincerely,

K. J. Neises

Kenneth J. Neises

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Laclede Gas Company — For — Refer to Sheet No. 1

Name of Issuing Corporation or Municipality — Community, Town or City

SCHEDULE OF RATES

PURCHASED GAS ADJUSTMENT CLAUSE

A. Current Purchased Gas Adjustments

In the event of increases or decreases in the cost of purchased gas, charges for gas service contained in the Company's then effective retail rate schedules on file with the Missouri Public Service Commission (Commission), with the exception of the Large Volume Transportation and Sales Service ("LVTSS") rate schedule, shall be increased or decreased at the times provided in Section E by a Current Purchased Gas Adjustment ("CPGA"). The CPGA for sales made pursuant to the LVTSS rate schedule shall be determined and implemented on a monthly basis, as described in paragraph 5 below, and shall be calculated in conformance with the CPGA for other firm sales rate schedules, except where noted. The cost of purchased gas shall include but not be limited to all charges incurred for gas supply, pipeline transmission and gathering and contract storage. The total Purchased Gas Costs shall be credited for all profits from off-system sales transactions.

1. a. The PGA factor for firm sales shall be calculated by summing the gas cost components per therm as determined in accordance with paragraphs 2.a., b., c., d. and e. respectively, of Section A of this clause.

   b. The PGA factor for the seasonal and interruptible sales classifications shall be calculated by summing the gas cost components per therm as determined in accordance with paragraphs 2.c., d. and e. respectively, of Section A of this clause.

2. The following unit gas cost components, rounded to the nearest .001¢ per therm, are recoverable under the PGA of either firm or interruptible sales customers, where applicable, as described in Paragraph A.1. above.

DATE OF ISSUE	December 16, 1999	DATE EFFECTIVE	January 16, 2000
	Month Day Year		Month Day Year
ISSUED BY	R.L. Sherwin, Assistant Vice President,		720 Olive St., St. Louis, MO 63101
	Name of Officer Title		Address

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Laclede Gas Company — For — Refer to Sheet No. 1
Name of Issuing Corporation or Municipality — Community, Town or City

SCHEDULE OF RATES

C. Deferred Purchased Gas Cost Accounts (Continued)

1. Such excess or deficiency in total gas cost recovery, for each sales classification (firm other than LVTSS, LVTSS and seasonal and interruptible) and for each transportation classification (firm and basic) shall be determined by a monthly comparison of the actual cost of gas, net of storage injections and withdrawals, as shown on the Company's books and records, exclusive of refunds, for each revenue month to the gas cost revenues recovered for such revenue month.

2. Each component of actual gas cost shall be allocated to the sales and transportation classifications in accordance with the CPGA components described in Paragraph 2 of Section A above relating to each component and based on the volumes sold and/or transported to the applicable customer classification during the twelve month period ending with the September revenue month. The actual costs of propane peak shaving supplies and penalties will be allocated solely to firm sales customers, including LVTSS customers.

3. The amount of gas cost revenues recovered each month for the sales classes shall be the product of the actual therm sales of each sales class and the gas cost revenue recovery components for such sales class. Such revenue recovery components shall be the sum of the base unit cost of gas for each sales class (as set forth in Section F) and the CPGA applicable to each sales class.

4. The amount of gas cost revenues recovered each month for the transportation classes shall be the product of the actual therms transported and the "Additional Transportation Charges," where applicable, specified in the Company's Large Volume Transportation and Sales Service tariff.

5. The Deferred Purchased Gas Cost Account shall be credited for those revenues received by the Company for the release of pipeline transmission or leased storage capacity to another party. Such revenues will be allocated to firm sales, including Large Volume Transportation and Sales Service (LVTSS), and firm transportation customers, consistent with the allocation of capacity reservation charges set forth in Section A.2.b. of Laclede's tariff. The Deferred Purchased Gas Cost Account shall be credited for those revenues received by the Company for all off-system sales. For the purpose of allocating these revenues to the Deferred Purchased Gas Cost Accounts, 50% of the foregoing net revenues

P.S.C. MO. No. 5 Consolidated, Tenth Revised Sheet No. 22
CANCELLING P.S.C. MO. No. 5 Consolidated, Ninth Revised Sheet No. 22

Laclede Gas Company	For	Refer to Sheet No. 1
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SCHEDULE OF RATES

C. <u>Deferred Purchased Gas Cost Accounts (Continued)</u>

shall be deemed gas supply related and allocable to firm sales customers only and 50% shall be deemed transportation capacity related and allocable to both firm sales customers and firm transportation customers. This allocation is consistent with the allocation of capacity reservation charges set forth in Section A.2.b., unless the net revenues from off-system sales do not include the provision of transportation service, in which case 100% of such net revenues shall be allocable to firm sales customers.

6. Carrying costs shall be applied to certain excesses or deficiencies in gas cost recoveries, which such excesses or deficiencies shall comprise a Deferred Carrying Cost Balance ("DCCB"). The excesses or deficiencies to be included in the DCCB, which shall be computed separately for each of the Company's sales classifications, shall be the product of: (a) the difference between the Company's actual annualized unit cost of gas, net of storage injections and withdrawals, and the estimated annualized unit cost of gas factor included in the Company's then most recent PGA filing, and (b) the volumes of gas sold during such month. Each month, carrying costs, at a simple rate of interest equal to the prime bank lending rate (as published in The Wall Street Journal on the first business day of such month), minus one percentage point, shall be credited to sales customers for any excess recoveries of gas costs or credited to the Company for any deficient recoveries of gas costs only when and to the extent that the DCCB exceeds five percent of the Company's average annual level of gas costs for the then three most recent ACA periods.

7. For each twelve-month period ending with the September revenue month, the differences of the comparisons described above including, any carrying costs where applicable, and any balance or credit for the previous year shall be accumulated to produce a cumulative balance of excess or deficiency of gas cost revenue recovery. "Actual Cost Adjustment" (ACA) factors, which shall be included in the Company's Winter PGA filing, as such filing is described in Section E.1, shall be computed by dividing such balances by the applicable estimated sales or transportation volumes during the subsequent twelve-month ended October period for each of the respective sales and transportation classes. Such ACA factors shall remain in effect until superseded by revised ACA factors in the next scheduled Winter PGA filing. All actual ACA revenue recovered shall be debited or credited to the balance of the ACA account as appropriate and any remaining balance shall be reflected in the subsequent ACA computations.

DATE OF ISSUE December 16, 1999 (Month Day Year) DATE EFFECTIVE January 16, 2000 (Month Day Year)

ISSUED BY R.L. Sherwin, Assistant Vice President, 720 Olive St., St. Louis, MO 63101
Name of Officer / Title / Address