

LACLEDE GAS COMPANY
720 OLIVE STREET
ST. LOUIS, MISSOURI 63101

AREA CODE 314
342-0532

MICHAEL C. PENDERGAST
ASSISTANT VICE PRESIDENT
ASSOCIATE GENERAL COUNSEL

June 22, 2000

FILED

JUN 23 2000

VIA FEDERAL EXPRESS

Missouri Public
Service Commission

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. GF-2000- 843

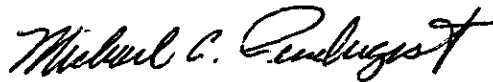
Dear Mr. Roberts:

On behalf of Laclede Gas Company, I have enclosed for filing the original and eight copies of a Verified Application. Please see that this filing is brought to the attention of the appropriate Commission personnel. Also, please note that in its Application, Laclede has requested that the Commission approve the Application by August 23, 2000.

Please file-stamp the additional copy of this Verified Application and return the same in the pre-addressed, stamped envelope provided.

Thank you for your consideration in this matter.

Sincerely,



Michael C. Pendergast

MCP:jaa

cc: Office of the Public Counsel

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

JUN 23 2000

In the matter of the Application of)
LACLEDE GAS COMPANY for an order)
authorizing LACLEDE GAS COMPANY, to)
issue and sell First Mortgage Bonds, Unsecured)
Debt and authorized but unissued Common Stock)
of the Company in a total amount not to exceed)
\$350,000,000 together with certain rights to)
accompany the Common Stock and any additional)
shares of Common Stock as may be required by the)
exercise of such rights; all pursuant to a Universal)
Shelf Registration Statement.)

Missouri Public
Service Commission

Case No. GF-2000- 843

VERIFIED APPLICATION

COMES NOW Laclede Gas Company ("Laclede" or "Company"), by its counsel, pursuant to 4 CSR 240-2.060 and 2.080 of the Rules of Practice and Procedure of the Commission,¹ and in support of its verified application ("Application") for authority under Sections 393.180, 393.190, 393.200, 393.210, and 393.220, Revised Statutes of Missouri, 1994, as amended,² to issue and sell first mortgage bonds, unsecured debt and authorized but unissued common stock of the Company in a total amount not to exceed \$350,000,000, together with certain rights to accompany the Common Stock and any additional shares of common stock as may be required by the exercise of such rights; all pursuant to a universal shelf registration statement, respectfully represents and states as follows:

1. Laclede is a public utility incorporated under the laws of the State of Missouri, with its principal office located at 720 Olive Street, St. Louis, Missouri 63101.

¹ Hereinafter references to specific sections of the Commission's Rules of Practice and Procedure shall be designated as follows: "Commission Rule," followed by the specific Rule number.

A Certificate of Good Standing evidencing Laclede's corporate status in Missouri is attached hereto, and made a part hereof, as Exhibit 1. Laclede is engaged in the business of distributing and transporting natural gas (and to a limited extent distributing liquefied petroleum gas) to customers in the City of St. Louis and the Counties of St. Louis, St. Charles, Crawford, Jefferson, Franklin, Iron, Ste. Genevieve, St. Francois, Madison, and Butler in Eastern Missouri, as a gas corporation subject to the jurisdiction of the Missouri Public Service Commission (the "Commission").

2. Communications in regard to this Application should be addressed to:

Gerald T. McNeive, Jr.
Senior Vice President-Finance & General Counsel
Laclede Gas Company
720 Olive Street, Room 1522
St. Louis, MO 63101
(314) 342-0508

Michael C. Pendergast
Assistant Vice President & Associate General Counsel
Laclede Gas Company
720 Olive Street, Room 1520
St. Louis, MO 63101
(314) 342-0532

3. Laclede has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court that involve customer service or rates.

4. Laclede is current on its annual report and assessment fee obligations to the Commission, and no such report or assessment fee is overdue.

5. The financial statements of Laclede as of March 31, 2000, in the form as required in Commission Rule 4 CSR 240-2.060(11)(E) are attached hereto, and made a part hereof, as Exhibit 2.

² Hereinafter all references to Chapters and Sections of the Revised Statutes of Missouri, 1994, as amended, shall be by Chapter number or Section number only.

6. The five (5) year capitalization expenditure schedule, as referred to in Commission Rule 4 CSR 240-2.060(11)(G), and as contemplated by Section 393.200, is attached hereto, and made a part hereof, as Exhibit 3.

7. Laclede proposes to file with the Securities and Exchange Commission a universal shelf registration statement for debt and equity securities in an overall amount not to exceed \$350,000,000 (hereinafter the "Registration Statement"). Laclede's previous shelf registration statement concluded with the issuance of \$25 million in first mortgage bonds in May 1999. Pursuant to the new Registration Statement, Laclede contemplates issuing and selling at one time, or from time to time, the following securities or any combination thereof in a total amount not to exceed \$350,000,000: (a) first mortgage bonds ("Bonds"); (b) unsecured debt instruments ("Unsecured Debt"); and/or (c) common stock, par value \$1.00 per share ("Common Stock"), with attached common stock purchase rights, in accordance with the terms and provisions of the Rights Agreement approved by the Commission in Case No. GF-96-303 ("Rights") (all of such debt and equity securities hereinafter collectively referred to as the "Securities"). Laclede contemplates that any such issuance would occur from time to time after the effective date of the grant of the authority requested herein up to September 1, 2003, and requests that such authority be granted initially from such effective date to September 1, 2003.

8. Laclede intends to sell the Securities in any of three ways: (a) through underwriters or dealers; (b) through agents; or (c) directly to a limited number of purchasers or to a single purchaser. If the Securities are sold by competitive bidding, Laclede reserves the right to reject all bids. Laclede will file the applicable sales documents with the Commission when they are executed and the Securities issued. The

specific amount of each type of the Securities to be issued and sold (if, in fact, such securities are issued and sold), the actual price to be paid to Laclede for such Securities, and the compensation to be paid to any person, such as an underwriter, dealer or agent, who assists in such sales, will be determined in light of the financial market conditions at or preceding the public offering of such Securities. As set forth below, the terms and conditions applicable to such Securities, and the manner of their issuance, will vary depending on the type of Security being issued.

BONDS

9. The Bonds will be created and issued pursuant to one or more supplemental indentures (the "Supplemental Indentures") to be dated as of the first or fifteenth of the month in which the Bonds are issued, which Supplemental Indentures will supplement the Mortgage and Deed of Trust dated as of February 1, 1945, between Laclede and Mississippi Valley Trust Company (which has been succeeded by State Street Bank and Trust Company of Missouri, N. A.), as "Trustee" (the "Original Indenture"). A copy of the Supplemental Indentures (subject to various optional features) will be subsequently filed by the Company when they are finalized and the Bonds issued. Copies of the Original Indenture and of the first twenty-four supplemental indentures thereto (or forms thereof) are included or referenced in the Commission's files in the following case numbers:

<u>Case No.</u>	<u>Original or Supplemental Indentures</u>
GF-86-130 ³	Original Indenture dated February 1, 1945.

³ The specific Commission cases pertaining to the Original Indenture and the First and Second Supplemental Indentures could not, for the purpose of the Application made in Case No. GF-86-130, be identified; therefore one copy of each such Indenture was attached to the original copy of the Application in

GF-86-130 ³	First Supplemental Indenture dated December 1, 1946.
GF-86-130 ³	Second Supplemental Indenture dated March 15, 1948.
12,205	Third Supplemental Indenture dated April 1, 1951.
12,965	Fourth Supplemental Indenture dated December 1, 1954.
13,651	Fifth Supplemental Indenture dated May 1, 1957.
14,465	Sixth Supplemental Indenture dated July 1, 1960.
15,531	Seventh Supplemental Indenture dated June 1, 1964.
15,932	Eighth Supplemental Indenture dated April 15, 1966.
16,499	Ninth Supplemental Indenture dated May 1, 1968.
16,930	Tenth Supplemental Indenture dated May 15, 1970.
17,369	Eleventh Supplemental Indenture dated March 15, 1972.
17,989	Twelfth Supplemental Indenture dated March 15, 1974.
18,344	Thirteenth Supplemental Indenture dated June 1, 1975.
GF-88-234	Fourteenth Supplemental Indenture dated October 26, 1976.
GF-79-164	Fifteenth Supplemental Indenture dated July 15, 1979.
GF-86-130	Sixteenth Supplemental Indenture dated May 1, 1986.
GF-88-234	Seventeenth Supplemental Indenture dated May 15, 1988.
GF-88-234	Eighteenth Supplemental Indenture dated November 15, 1989.
GF-91-307	Nineteenth Supplemental Indenture dated May 15, 1991.
GF-91-307	Twentieth Supplemental Indenture dated November 1, 1992.
GF-93-272	Twenty-First Supplemental Indenture dated May 1,

Case No. GF-86-130, and made a part thereof, and each such Indenture is incorporated in this Application by reference.

	1993.
GF-93-272	Twenty-Second Supplemental Indenture dated November 15, 1995.
GF-97-302	Twenty-Third Supplemental Indenture dated October 15, 1997.
GF-99-332	Twenty-Fourth Supplemental Indenture dated June 1, 1999.

10. In addition to the terms referred to in the Original Indenture, and in the Supplemental Indentures, there are certain additional terms that will apply to all or some of the Bond issuances and that will be established on the basis of prevailing market conditions at or prior to the offering of the Bonds. The additional terms listed in A through D below shall apply to all Bonds:

A. Security.

The Bonds will be issued under the Original Indenture and Supplemental Indentures between Laclede and the Trustee to be dated as of a date or dates not now known.

B. Price.

The Bonds will be sold at prices not less than 95% or more than 105% of their principal amount.

C. Interest Rate.

The interest rate on such Bonds will not exceed a rate equal to 300 basis points above the yield on a United States Treasury security with a comparable maturity at the time of the issuance of the Bonds. Each series of the Bonds may have its own interest rate.

D. Maturity.

The maturity of any series of Bonds will not be more than thirty (30) years from the date of issuance of the Bonds. Each series of the Bonds may have its own maturity date.

The additional terms listed in I through IV below may be applied to one or more series of the Bonds:

I. Sinking Fund.

Some or all of the Bonds may provide for an annual Sinking Fund that would begin at any time following the year of issuance of such Bonds, and would, for example (depending on term and amount), be sufficient to redeem approximately 90% of such Bonds prior to maturity.

II. General Redemption Price (on redemption at Laclede's option at any time).

Some or all of the Bonds may provide for general redemption at prices that shall be determined by Laclede in accordance with prevailing market conditions at or prior to the public offering of such Bonds.

III. Restriction on General Redemption.

Some or all of the Bonds may provide that none of such Bonds may be redeemed under the general redemption provisions, unless the date fixed for redemption is on or after a specified date, if the redemption is for the purpose of refunding such Bonds through the use of funds borrowed at an effective interest cost to the Company less than the effective interest cost of such Bonds.

IV. Special Redemption Price (for certain redemptions by reason of specified maintenance and improvement fund and sinking fund payments, if any, or following certain eminent domain proceedings).

Some or all of the Bonds may provide for special redemption prices as may be established by the Company for any redemption, which may, for example, be the principal amount of the Bonds being redeemed, plus accrued interest to the date fixed for such redemption, with no premium (or such premium) as may be fixed by Laclede prior to the date of the public offering of such Bonds.

UNSECURED DEBT

11. The Unsecured Debt will be created and issued pursuant to one or more indentures ("Indentures"). A copy of the Indentures will be subsequently filed by the Company with the Commission when they are executed and the Unsecured Debt issued. In addition to the terms contained in the Indentures, there are certain additional terms that will apply to all or some of the Unsecured Debt issuances and that will be established on the basis of prevailing market conditions at, or prior to, the public offering of the

Unsecured Debt. The additional unsecured terms listed in A through C below shall apply to all Unsecured Debt:

A. Price.

The Unsecured Debt will be sold at prices not less than 95% nor more than 105% of its principal amount, unless it carries a 0.0% interest coupon, in which case a lower discounted sale price may be determined.

B. Maturity.

The final maturity of the Unsecured Debt will be more than 270 days but no more than thirty (30) years from the date of its issuance. Each series of Unsecured Debt may have its own maturity.

C. Interest Rate.

If a fixed rate, the interest rate will not exceed 300 basis points above the yield on a United States Treasury security of a comparable maturity at the time of the issuance of the Unsecured Debt. If a variable rate, the basis for determining the interest rate will be defined at the time of issuance, along with any maximum or minimum interest rates that may be specified for that series. Each series of Unsecured Debt may have its own interest rate.

The additional terms listed in I through III below may apply to one or more series of Unsecured Debt:

I. Early Redemption.

Laclede may specify any right to redeem the Unsecured Debt, on or after specified dates at prices to be determined by Laclede in accordance with market conditions at the time of the issuance of that series of Unsecured Debt.

II. Sinking Fund.

Laclede may provide for an annual Sinking Fund which, if any, may begin at any time following the year of issuance of such series of Unsecured Debt.

III. Other options.

Laclede may specify that the holders of a series of Unsecured Debt have the option to require Laclede to repurchase or redeem the Unsecured Debt under certain circumstances or on certain dates. Any other options reserved by Laclede or allocated to the holders of a series of Unsecured Debt that are not inconsistent with the Indenture may be specified.

COMMON STOCK

12. Laclede presently has authorized 50,000,000 shares of Common Stock.

As of March 31, 2000, there were 18,877,987 shares issued and outstanding and 1,865,638 treasury shares. Thus, the total number of shares of Common Stock issued by Laclede at March 31, 2000, pursuant to authority granted by this Commission is 20,743,625.

13. Laclede proposes to issue and sell at one time, or from time to time, Common Stock with attached Rights and, pursuant to the Commission's authorization herein, to issue such additional common shares as may be issuable upon the exercise of such Rights.⁴

14. The statutory provisions under which authorization is requested include Section 393.200, which states, among other things, that a gas corporation may not "issue stock" unless such issuance is first approved by the Commission. While Section 393.210 does not specifically require Laclede to obtain the Commission's approval to declare, issue, pay, or distribute a non-stock dividend, the validity of the exercise of any Rights depends, in part, upon Laclede's authority to issue additional Common Stock in

⁴ The executed Rights Agreement was filed with the Commission in Commission Case No. GF-96-309, in which proceeding the Commission approved the distribution of Rights and issuance of Common Stock upon the exercise of such Rights, as described in that proceeding. Since that filing, the Rights Agreement has remained unchanged, except for a modification to reflect the addition of UMB Bank, National

connection with the exercise of the Rights. Therefore, to ensure the validity of: (A) the Common Stock issuance; (B) the issuance of the attached Rights; and (C) the issuance of Common Stock in connection with any exercise of such Rights; all in accordance with the same authority granted Laclede by the Commission in Case No. GF-96-309, Laclede hereby seeks an order of the Commission granting such requested authorizations as described herein.

15. The specific number of shares of Common Stock, the price to be paid to Laclede for such shares, and the compensation to be paid to the Underwriters for their commitments in selling the shares of Common Stock to the public, will be determined in the light of financial market conditions on the day preceding the date of any such issuance, and will be subject to approval by further action of Laclede's Board of Directors. The shares of Common Stock proposed to be issued and sold by reason of the exercise of the Rights related to such shares will, in the unlikely event that such Rights are exercised, be sold pursuant to the terms of the Rights Agreement, which Agreement, filed in Commission Case No. GF-96-309, defines the terms thereof.

16. Laclede's Articles of Incorporation ("Articles") and By-Laws will provide the terms of the shares of Common Stock proposed to be issued to the extent that such characteristics are not prescribed by the provisions of the statutes of Missouri relating to common stock of business corporations. Laclede's Articles, By-laws, and specimen stock certificate for the Common Stock were submitted in Case No. GA-99-236 and are hereby incorporated by reference herein.

Association, as the successor Rights Agent to Boatmen's National Bank of St. Louis, the prior Rights Agent.

PURPOSES FOR WHICH SECURITIES ARE TO BE ISSUED

17. The proceeds from the Securities are to be used for the following purposes: (1) the discharge or lawful refunding of short-term debt; (2) the discharge or redemption of previously issued bonds; (3) the purchase, acquisition, and construction of additional properties and facilities, as well as improvements to the Company's existing plant; (4) the improvement or maintenance of service; (5) the reimbursement of moneys actually expended from income; and (6) the performance of the Company's other public utility obligations as described more fully below.

18. In order to serve the demands of the public for gas service in its certificated areas, Laclede has had to make, and will continue to make, substantial expenditures for additions, improvements, and extensions of plant. For Laclede's past five (5) fiscal years, and Laclede's three (3) next-ensuing fiscal years, its construction expenditures have been, and are estimated to be, as follows:

Fiscal year ending	1995	\$ 45,804,000
	1996	\$ 41,205,000
	1997	\$ 42,842,000
	1998	\$ 47,254,000
	1999	\$ 48,698,000
	2000	\$ 47,500,000
	2001	\$ 44,600,000
	2002	\$ 45,700,000

19. The net proceeds from the issuance and sale of the Securities shall be applied, at management's election, to the purposes described above, including, without limitation, the reimbursement of Laclede's treasury for unreimbursed expenditures in the amounts shown on Exhibit 3 attached hereto. In the unlikely event⁵ the Rights related to the additional Common Shares issued pursuant to the Stock Issuance are exercised and

Laclede is required to issue additional shares of Common Stock, any proceeds received therefrom would be used by Laclede only for the purposes specified in, and authorized by, Section 393.200.

20. Subject to unforeseen market or other developments that may necessitate another financing approach, Laclede currently contemplates issuing the Securities over time, and in such amounts and forms, as to seek to maintain its capital structure generally within the parameters shown in Exhibit 2 to this Application. Laclede also contemplates issuing the Securities in a manner that would preserve its ability to maintain an investment grade credit rating.

FEES AND AUTHORIZATIONS

21. Because the Company has not made a final determination regarding the specific quantity of individual Securities that will be issued, it cannot determine at this time what portion of the Securities that are the subject of this Application is subject to the fee schedule set forth in subsection 386.300.2. However, if and when individual debt securities are issued, the Company will submit a verified report to the Commission's Internal Accounting Department documenting such issuance, the use of any associated proceeds and the applicability and measure of fees under subsection 386.300.2.

22. A certified copy of the resolutions of Laclede's Board of Directors authorizing, among other things, the filing of this Application and the Registration Statement, together with the issuance and sale of the Securities referenced therein, is attached hereto, and made a part hereof, as Exhibit 4.

⁵ The conditions that make the exercise of the Rights unlikely are more fully described in the Application filed by Laclede in Commission Case No. GF-96-309, and the Rights Agreement filed in that case.

23. Laclede respectfully requests that no hearing be required by the Commission on this Verified Application. Applicant will submit such sworn affidavits, exhibits and other information to the Commission as may be required by the Commission and its Staff. Laclede further requests that if the Commission should issue its order authorizing Laclede to issue and sell the Securities upon the terms requested by Laclede in this Application, that such order be issued no later than August 23, 2000 and be made effective immediately as of the date of its issuance. In the event that the authority as requested in this Application is granted by this Commission, Laclede hereby waives any requirement of notice to Laclede prior to such order becoming effective for purposes of applying for rehearing of such order.

24. The issuance of the Securities for the purposes hereinbefore described, and for which authorization is herein sought, will, for the reasons hereinbefore set forth, be beneficial to Laclede, its stockholders and its customers.

WHEREFORE, Laclede Gas Company, the Applicant herein, respectfully requests that an order be issued by the Commission at the earliest possible time:

(1) finding, as required by Section 393.200, that the money, property or labor to be procured or paid for by the issuance of the Securities proposed herein is or will be reasonably required for the purposes specified in the order and that such purposes are not in whole or in part reasonably chargeable to operating expenses or to income; and (2) specifically authorizing Laclede:

- (a) to issue and sell Bonds, Unsecured Debt and Common Stock with attached Rights, pursuant to the terms and conditions as described in this Application, in an aggregate amount not to exceed \$350,000,000 at any

time, or from time to time, for a period after the effective date of the Order or Orders in this proceeding up to September 1, 2003;

- (b) to issue any additional Common Stock due to any exercise of such Rights;
- (c) to enter into, execute, deliver and perform the necessary agreements, indentures, notes, and other documents and filings concerning such Securities; and
- (d) to do any and all other things not contrary to law or the rules and regulations of the Commission, incidental, necessary or appropriate to the performance of any and all acts specifically to be authorized in such order; and that the Commission make such other order as it may deem just and proper.

Dated at St. Louis, Missouri, this 22nd day of June, 2000.

LACLEDE GAS COMPANY

By Michael C. Pendergast

Michael C. Pendergast # 31763
Assistant Vice President & Associate
General Counsel
Laclede Gas Company
720 Olive Street, Room 1520
St. Louis, MO 63101
(314) 342-0532 Phone
(314) 421-1979 Fax

STATE OF MISSOURI)
) SS.
CITY OF ST. LOUIS)

Gerald T. McNeive, Jr. being duly sworn, on his oath states that he is Senior Vice President - Finance & General Counsel of Laclede Gas Company, petitioner in the foregoing Application; that he has read said Application and that the matters and things set forth therein are true and correct to the best of his knowledge, information and belief.


Gerald T. McNeive, Jr.

Subscribed and sworn to before me a Notary Public in the City of St. Louis, State of Missouri, this 22nd day of June, 2000.

My Commission expires: 06-27-02

[seal]

PATRICIA P. HICKS
Notary Public — Notary Seal
STATE OF MISSOURI
City of St. Louis
My Commission Expires: June 27, 2002



Notary Public, State of Missouri

No. 00042501

STATE OF MISSOURI



Rebecca McDowell Cook
Secretary of State

CORPORATION DIVISION

CERTIFICATE OF CORPORATE GOOD STANDING

I, REBECCA McDOWELL COOK, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

LACLEDE GAS COMPANY

was incorporated under the laws of this State on the 9th day of APRIL, 1924, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 21st day of JUNE, 2000.


Secretary of State



Exhibit No. 2

Laclede Gas Company

Index

to Financial Statements

	<u>Pages</u>
Financial Statements regarding Issuance of Long-Term Debt, Common Stock and Repayment of Short-Term Debt	1-5
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Financial Statements regarding Rights Exercised at One-Half of the Market Value	10-13

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Balance Sheets at March 31, 2000, Actual and Pro Forma. (Pro Forma A gives effect to the issuance of \$175,000,000 First Mortgage Bonds, the issuance and sale of up to 9,032,258 shares of additional \$1.00 per share par value common stock and the repayment of \$93,100,000 of short-term debt. Pro Forma B gives effect to the issuance of \$275,000,000 First Mortgage Bonds, the issuance and sale of up to 3,870,968 shares of additional \$1.00 per share par value common stock and the repayment of \$93,100,000 of short-term debt.)

	(Thousands of Dollars)		
	ACTUAL	PRO FORMA A	PRO FORMA B
ASSETS			
Utility Plant	\$ 898,781	\$ 898,781	\$ 898,781
Less: Accumulated provision for depreciation and amortization	366,117	366,117	366,117
Net utility plant	532,664	532,664	532,664
Other Property and Investments	31,753	31,753	31,753
Current Assets:			
Cash and temporary cash investments	2,801	257,612	261,741
Accounts receivable - net	89,969	89,969	89,969
Materials and supplies - at average cost	5,849	5,849	5,849
Natural gas stored underground for current use - at LIFO cost	22,726	22,726	22,726
Propane gas for current use at FIFO cost	12,200	12,200	12,200
Prepayments	3,764	3,584	3,584
Delayed customer billings	12,009	12,009	12,009
Deferred income taxes	7,990	7,990	7,990
Total current assets	157,308	411,939	416,068
Deferred Charges:			
Prepaid pension cost	90,145	90,145	90,145
Regulatory assets	54,499	54,499	54,499
Other	1,450	1,450	1,450
Total deferred charges	146,094	146,094	146,094
Total	\$ 867,819	\$ 1,122,450	\$ 1,126,579

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Balance Sheets at March 31, 2000, Actual and Pro Forma. (Pro Forma A gives effect to the issuance of \$175,000,000 First Mortgage Bonds, the issuance and sale of up to 9,032,258 shares of additional \$1.00 per share par value common stock and the repayment of \$93,100,000 of short-term debt. Pro Forma B gives effect to the issuance of \$275,000,000 First Mortgage Bonds, the issuance and sale of up to 3,870,968 shares of additional \$1.00 per share par value common stock and the repayment of \$93,100,000 of short-term debt.)

	(Thousands of Dollars)		
	ACTUAL	PRO FORMA A	PRO FORMA B
CAPITALIZATION AND LIABILITIES			
Capitalization:			
Redeemable Preferred Stock	\$ 1,763	\$ 1,763	\$ 1,763
Common Stock	20,744	29,776	24,615
Premium on common stock	85,424	244,016	153,306
Gain on reacquired stock	407	407	407
Retained earnings	216,187	210,998	206,243
Accumulated other comprehensive income	(77)	(77)	(77)
Less: Treasury Stock	(24,017)	(24,017)	(24,017)
Total Common Stock Equity	298,668	461,103	360,477
Long-term debt:			
First Mortgage Bonds:			
6-1/4% Series, due May 1, 2003	25,000	25,000	25,000
8-1/2% Series, due November 15, 2004	25,000	25,000	25,000
8-5/8% Series, due May 15, 2006	40,000	40,000	40,000
7-1/2% Series, due November 1, 2007	40,000	40,000	40,000
6-1/2% Series, due November 15, 2010	25,000	25,000	25,000
6-1/2% Series, due October 15, 2012	25,000	25,000	25,000
7% Series, due June 1, 2029	25,000	25,000	25,000
Pro Forma 7-3/4% Series	-	175,000	275,000
Unamortized discount on debt	(635)	(635)	(635)
Total long-term debt	204,365	379,365	479,365
Total capitalization	504,796	842,231	841,605
Current Liabilities:			
Notes payable	93,100	-	-
Accounts payable	32,165	32,165	32,165
Customer deposits	4,189	4,189	4,189
Taxes accrued	20,925	17,658	14,663
Interest accrued	8,132	21,695	29,445
Current portion of preferred stock	150	150	150
Unamortized purchased gas adjustments	3,085	3,085	3,085
Other	18,788	18,788	18,788
Total current liabilities	180,534	97,730	102,485
Deferred Credits and Other Liabilities:			
Deferred taxes	129,813	129,813	129,813
Pension and postretirement benefit costs	23,648	23,648	23,648
Regulatory liabilities	9,989	9,989	9,989
Other	19,039	19,039	19,039
Total deferred credits and other liabilities	182,489	182,489	182,489
Total	\$ 867,819	\$ 1,122,450	\$ 1,126,579

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Statement of Income for twelve months ended March 31, 2000, Actual and Pro Forma. (Pro Forma A gives effect to the issuance of \$175,000,000 First Mortgage Bonds, the issuance and sale of up to 9,032,258 shares of additional \$1.00 per share par value common stock and repayment of \$93,100,000 short-term debt. Pro Forma B gives effect to the issuance of \$275,000,000 First Mortgage Bonds, the issuance and sale of up to 3,870,968 shares of additional \$1.00 per share par value common stock and repayment of \$93,100,000 short-term debt.)

	(Thousands of Dollars)		
	<u>ACTUAL</u>	<u>PRO FORMA A</u>	<u>PRO FORMA B</u>
Operating Revenues			
Utility operating revenues	\$ 491,074	\$ 491,074	\$ 491,074
Non-utility operating revenues	24,838	24,838	24,838
Total Operating Revenues	<u>515,912</u>	<u>515,912</u>	<u>515,912</u>
Operating Expenses:			
Utility operating expenses			
Natural and propane gas	261,972	261,972	261,972
Other operation expenses	82,841	82,841	82,841
Maintenance	19,406	19,406	19,406
Depreciation and amortization	22,810	22,810	22,810
Taxes, other than income taxes	41,383	41,383	41,383
Total utility operating expenses	<u>428,412</u>	<u>428,412</u>	<u>428,412</u>
Non-utility operating expenses	<u>24,163</u>	<u>24,163</u>	<u>24,163</u>
Total Operating Expenses	<u>452,575</u>	<u>452,575</u>	<u>452,575</u>
Operating Income	63,337	63,337	63,337
Other Income and Income Deductions - Net	(1,896)	(1,896)	(1,896)
Income Before Interest and Income Taxes	<u>61,441</u>	<u>61,441</u>	<u>61,441</u>
Interest Charges:			
Interest on long-term debt	14,841	28,404	36,154
Other interest charges	6,996	1,889	1,889
Total interest charges	<u>21,837</u>	<u>30,293</u>	<u>38,043</u>
Income Before Income Taxes	39,604	31,148	23,398
Income taxes	<u>14,352</u>	<u>11,085</u>	<u>8,090</u>
Net Income	25,252	20,063	15,308
Preferred Dividends	96	96	96
Earnings on Common Stock	<u>\$ 25,156</u>	<u>\$ 19,967</u>	<u>\$ 15,212</u>

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

Pro Forma Journal Entries Relating to Pro Forma Balance Sheet at March 31, 2000.

(Thousands of Dollars)				
	<u>PRO FORMA A</u>		<u>PRO FORMA B</u>	
	<u>DR</u>	<u>CR</u>	<u>DR</u>	<u>CR</u>
(1) Cash	175,000		275,000	
Long-term debt - First Mortgage Bonds		175,000		275,000
To record the sale and issuance of				
First Mortgage Bonds				
Pro Forma A: \$175,000,000				
Pro Forma B: \$275,000,000				
(2) Interest on long-term debt	13,563		21,313	
Interest accrued		13,563		21,313
To record interest for the twelve months ended				
March 31, 2000 on First Mortgage Bonds at an				
assumed average interest rate as follows:				
Pro Forma A: \$175,000,000, 7-3/4%				
Pro Forma B: \$275,000,000, 7-3/4%				
(3) Cash	167,624		71,753	
Common stock		9,032		3,871
Premium on common stock		158,592		67,882
Pro Forma A:				
To record the issuance and sale of up to 9,032,258 shares of additional \$1.00 per share par value				
common stock (includes provision for possible over-allotment of 1,178,121 shares which may not				
be sold) at \$19.375 per share and estimated fees to underwriter of \$7,225,806 and other issuance				
costs of \$150,000. If over-allotted shares are not issued, cash received is expected to amount to				
\$145,740,594 (on the issuance and sale of 7,854,137 common shares). Common stock will				
increase by \$7,854,137 and premium on common stock will increase by \$137,886,457.				
Pro Forma B:				
To record the issuance and sale of up to 3,870,968 shares of additional \$1.00 per share par value				
common stock (includes provision for possible over-allotment of 504,909 shares which may not				
be sold) at \$19.375 per share and estimated fees to underwriter of \$3,096,774 and other issuance				
costs of \$150,000. If over-allotted shares are not issued, cash received is expected to amount to				
\$62,374,546 (on the issuance and sale of 3,366,059 common shares). Common stock will				
increase by \$3,366,059 and premium on common stock will increase by \$59,008,487.				
(4) Notes payable	93,100		93,100	
Cash		93,100		93,100
To record the repayment of short term debt.				

(Thousands of Dollars)				
	<u>PRO FORMA A</u>		<u>PRO FORMA B</u>	
	<u>DR</u>	<u>CR</u>	<u>DR</u>	<u>CR</u>
(5) Cash	5,287		5,287	
Prepaid interest		180		180
Short term capital interest charges		5,107		5,107
To eliminate short term interest due to the repayment of short-term debt.				
(6) Taxes accrued	3,267		6,262	
Income taxes applicable to utility operations		3,267		6,262
To record the reduction in income taxes resulting from increased interest expense as follows:				

Assumptions:

- 1) Pro Forma A: \$175,000,000 First Mortgage bonds with an assumed average interest rate of 7-3/4% will be sold and issued.
Pro Forma B: \$275,000,000 First Mortgage bonds with an assumed average interest rate of 7-3/4% will be sold and issued.
- 2) Pro Forma A: Issuance and sale of up to 9,032,258 shares of additional \$1.00 per share par value common stock (includes provision for possible overallotment of 1,178,121 shares which may not be sold) at \$19.375 per share and estimated fees to underwriters of \$7,225,806 and other issuance costs of \$150,000.
- 2) Pro Forma B: Issuance and sale of up to 3,870,968 shares of additional \$1.00 per share par value common stock (includes provision for possible overallotment of 504,909 shares which may not be sold) at \$19.375 per share and estimated fees to underwriters of \$3,096,774 and other issuance costs of \$150,000.
- 3) Pro Forma A: Repayment of \$93,100,000 of short-term debt.
Pro Forma B: Repayment of \$93,100,000 of short-term debt.

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Balance Sheets at March 31, 2000, Actual and Pro Forma. Pro Forma gives effect to the exercise of all outstanding Rights at \$60 per share. The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the Pro Forma A: 9,032,258 Newly Issued Rights-Bearing Shares, Pro Forma B: 3,870,968 Newly Issued Rights-Bearing Shares.

	(Thousands of Dollars)		
<u>ASSETS</u>	<u>ACTUAL</u>	<u>PRO FORMA A</u>	<u>PRO FORMA B</u>
Utility Plant	\$ 898,781	\$ 898,781	\$ 898,781
Less: Accumulated provision for depreciation and amortization	366,117	366,117	366,117
Net utility plant	<u>532,664</u>	<u>532,664</u>	<u>532,664</u>
Other Property and Investments	<u>31,753</u>	<u>31,753</u>	<u>31,753</u>
Current Assets:			
Cash and temporary cash investments	2,801	1,845,040	1,439,492
Accounts receivable - net	89,969	89,969	89,969
Materials and supplies - at average cost	5,849	5,849	5,849
Natural gas stored underground for current use - at LIFO cost	22,726	22,726	22,726
Propane gas for current use at FIFO cost	12,200	12,200	12,200
Prepayments	3,764	3,764	3,764
Delayed customer billings	12,009	12,009	12,009
Deferred income taxes	7,990	7,990	7,990
Total current assets	<u>157,308</u>	<u>1,999,547</u>	<u>1,593,999</u>
Deferred Charges:			
Prepaid pension cost	90,145	90,145	90,145
Regulatory assets	54,499	54,499	54,499
Other	1,450	1,450	1,450
Total deferred charges	<u>146,094</u>	<u>146,094</u>	<u>146,094</u>
Total	<u>\$ 867,819</u>	<u>\$ 2,710,058</u>	<u>\$ 2,304,510</u>

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Balance Sheets at March 31, 2000, Actual and Pro Forma. Pro Forma gives effect to the exercise of all outstanding Rights at \$60 per share. The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the Pro Forma A: 9,032,258 Newly Issued Rights-Bearing Shares, Pro Forma B: 3,870,968 Newly Issued Rights-Bearing Shares.

	(Thousands of Dollars)		
	ACTUAL	PRO FORMA A	PRO FORMA B
CAPITALIZATION AND LIABILITIES			
Capitalization:			
Redeemable Preferred Stock	\$ 1,763	\$ 1,763	\$ 1,763
Common Stock	20,744	57,687	47,364
Premium on common stock	85,424	1,890,720	1,495,495
Gain on reacquired stock	407	407	407
Retained earnings	216,187	216,187	216,187
Accumulated other comprehensive income	(77)	(77)	(77)
Less: Treasury Stock	(24,017)	(24,017)	(24,017)
Total common stock equity	298,668	2,140,907	1,735,359
Long-term debt:			
First Mortgage Bonds:			
6-1/4% Series, due May 1, 2003	25,000	25,000	25,000
8-1/2% Series, due November 15, 2004	25,000	25,000	25,000
8-5/8% Series, due May 15, 2006	40,000	40,000	40,000
7-1/2% Series, due November 1, 2007	40,000	40,000	40,000
6-1/2% Series, due November 15, 2010	25,000	25,000	25,000
6-1/2% Series, due October 15, 2012	25,000	25,000	25,000
7% Series, due June 1, 2029	25,000	25,000	25,000
Unamortized discount on debt	(635)	(635)	(635)
Total long-term debt	204,365	204,365	204,365
Total capitalization	504,796	2,347,035	1,941,487
Current Liabilities:			
Notes payable	93,100	93,100	93,100
Accounts payable	32,165	32,165	32,165
Customer deposits	4,189	4,189	4,189
Taxes accrued	20,925	20,925	20,925
Interest accrued	8,132	8,132	8,132
Current portion of preferred stock	150	150	150
Unamortized purchased gas adjustments	3,085	3,085	3,085
Other	18,788	18,788	18,788
Total current liabilities	180,534	180,534	180,534
Deferred Credits and Other Liabilities:			
Deferred taxes	129,813	129,813	129,813
Pension and postretirement benefit costs	23,648	23,648	23,648
Regulatory liabilities	9,989	9,989	9,989
Other	19,039	19,039	19,039
Total deferred credits and other liabilities	182,489	182,489	182,489
Total	\$ 867,819	\$ 2,710,058	\$ 2,304,510

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

(a) Statement of Income for twelve months ended March 31, 2000, Actual and Pro Forma.

Pro Forma gives effect to the exercise of all outstanding Rights at \$60 per share.

The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the

Pro Forma A: 9,032,258 Newly Issued Rights-Bearing Shares,

Pro Forma B: 3,870,968 Newly Issued Rights-Bearing Shares.

	(Thousands of Dollars)	
	<u>ACTUAL and</u> <u>PRO FORMA A</u>	<u>ACTUAL and</u> <u>PRO FORMA B</u>
Operating Revenues		
Utility operating revenues	\$ 491,074	\$ 491,074
Non-utility operating revenues	24,838	24,838
Total Operating Revenues	<u>515,912</u>	<u>515,912</u>
Operating Expenses:		
Utility operating expenses		
Natural and propane gas	261,972	261,972
Other operation expenses	82,841	82,841
Maintenance	19,406	19,406
Depreciation and amortization	22,810	22,810
Taxes, other than income taxes	41,383	41,383
Total utility operating expenses	<u>428,412</u>	<u>428,412</u>
Non-utility operating expenses	<u>24,163</u>	<u>24,163</u>
Total Operating Expenses	<u>452,575</u>	<u>452,575</u>
Operating Income	63,337	63,337
Other Income and Income Deductions - Net	<u>(1,896)</u>	<u>(1,896)</u>
Income Before Interest and Income Taxes	<u>61,441</u>	<u>61,441</u>
Interest Charges:		
Interest on long-term debt	14,841	14,841
Other interest charges	6,996	6,996
Total interest charges	<u>21,837</u>	<u>21,837</u>
Income Before Income Taxes	39,604	39,604
Income taxes	<u>14,352</u>	<u>14,352</u>
Net Income	25,252	25,252
Preferred Dividends	96	96
Earnings on Common Stock	<u>\$ 25,156</u>	<u>\$ 25,156</u>

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

Pro Forma Journal Entries Relating to Pro Forma Balance Sheet at March 31, 2000.

		<u>PRO FORMA A</u>		<u>PRO FORMA B</u>	
		<u>DR</u>	<u>CR</u>	<u>DR</u>	<u>CR</u>
(1)	Common stock				
	Premium on common stock				
Memo Entry					
To record the issuance of one right for each additional share of common stock issued from the proposed issuance and sale of an additional					
Pro Forma A: 9,032,258 shares					
Pro Forma B: 3,870,968 shares					
of common stock. Each Right enables the shareholder to buy one additional share of					
Company common stock at \$60 per share.					
(2)	Cash	1,842,239		1,436,691	
	Common stock		36,943		26,620
	Premium on common stock		1,805,296		1,410,071

To record the sale of common stock as a result of the exercise of all outstanding Rights by shareholders to purchase one additional share of Company common stock at \$60 per share.

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Balance Sheets at March 31, 2000, Actual and Pro Forma. Pro Forma A gives effect to the exercise of all outstanding Rights at \$9.6875 per share (one-half the assumed market price of \$19.375 per share). The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the 9,032,258 Newly Issued Rights-Bearing Shares. Pro Forma B gives effect to the exercise of all outstanding Rights at \$9.6875 per share. The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the 3,870,968 Newly Issued Rights-Bearing Shares.

(Thousands of Dollars)			
ASSETS	ACTUAL	PRO FORMA A	PRO FORMA B
Utility Plant	\$ 898,781	\$ 898,781	\$ 898,781
Less: Accumulated provision for depreciation and amortization	366,117	366,117	366,117
Net utility plant	532,664	532,664	532,664
Other Property and Investments	31,753	31,753	31,753
Current Assets:			
Cash and temporary cash investments	2,801	1,845,040	1,439,492
Accounts receivable - net	89,969	89,969	89,969
Materials and supplies - at average cost	5,849	5,849	5,849
Natural gas stored underground for current use - at LIFO cost	22,726	22,726	22,726
Propane gas for current use at FIFO cost	12,200	12,200	12,200
Prepayments	3,764	3,764	3,764
Delayed customer billings	12,009	12,009	12,009
Deferred income taxes	7,990	7,990	7,990
Total current assets	157,308	1,999,547	1,593,999
Deferred Charges:			
Prepaid pension cost	90,145	90,145	90,145
Regulatory assets	54,499	54,499	54,499
Other	1,450	1,450	1,450
Total deferred charges	146,094	146,094	146,094
Total	\$ 867,819	\$2,710,058	\$ 2,304,510

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Balance Sheets at March 31, 2000, Actual and Pro Forma. Pro Forma A gives effect to the exercise of all outstanding Rights at \$9.6875 per share (one-half the assumed market price of \$19.375 per share). The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the 9,032,258 Newly Issued Rights-Bearing Shares. Pro Forma B gives effect to the exercise of all outstanding Rights at \$9.6875 per share. The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the 3,870,968 Newly Issued Rights-Bearing Shares.

	(Thousands of Dollars)		
	ACTUAL	PRO FORMA A	PRO FORMA B
<u>CAPITALIZATION AND LIABILITIES</u>			
Capitalization:			
Redeemable Preferred Stock	\$ 1,763	\$ 1,763	\$ 1,763
Common Stock	20,744	202,640	165,512
Premium on common stock	85,424	1,745,767	1,377,347
Gain on reacquired stock	407	407	407
Retained earnings	216,187	216,187	216,187
Accumulated other comprehensive income	(77)	(77)	(77)
Less: Treasury Stock	(24,017)	(24,017)	(24,017)
Total Common Stock Equity	<u>298,668</u>	<u>2,140,907</u>	<u>1,735,359</u>
Long-term debt:			
First Mortgage Bonds:			
6-1/4% Series, due May 1, 2003	25,000	25,000	25,000
8-1/2% Series, due November 15, 2004	25,000	25,000	25,000
8-5/8% Series, due May 15, 2006	40,000	40,000	40,000
7-1/2% Series, due November 1, 2007	40,000	40,000	40,000
6-1/2% Series, due November 15, 2010	25,000	25,000	25,000
6-1/2% Series, due October 15, 2012	25,000	25,000	25,000
7% Series, due June 1, 2029	25,000	25,000	25,000
Unamortized discount of debt	(635)	(635)	(635)
Total long-term debt	<u>204,365</u>	<u>204,365</u>	<u>204,365</u>
Total capitalization	<u>504,796</u>	<u>2,347,035</u>	<u>1,941,487</u>
Current Liabilities:			
Notes payable	93,100	93,100	93,100
Accounts payable	32,165	32,165	32,165
Customer deposits	4,189	4,189	4,189
Taxes accrued	20,925	20,925	20,925
Interest accrued	8,132	8,132	8,132
Current portion of preferred stock	150	150	150
Unamortized purchased gas adjustments	3,085	3,085	3,085
Other	18,788	18,788	18,788
Total current liabilities	<u>180,534</u>	<u>180,534</u>	<u>180,534</u>
Deferred Credits and Other Liabilities:			
Deferred taxes	129,813	129,813	129,813
Pension and postretirement benefit costs	23,648	23,648	23,648
Regulatory liabilities	9,989	9,989	9,989
Other	19,039	19,039	19,039
Total deferred credits and other liabilities	<u>182,489</u>	<u>182,489</u>	<u>182,489</u>
Total	<u>\$ 867,819</u>	<u>\$ 2,710,058</u>	<u>\$ 2,304,510</u>

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

- (a) Statement of Income for twelve months ended March 31, 2000, Actual and Pro Forma.
Pro Forma A gives effect to the exercise of all outstanding Rights at \$9.6875 per share (one-half the assumed market price of \$19.375 per share). The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the 9,032,258 Newly Issued Rights-Bearing Shares. Pro Forma B gives effect to the exercise of all outstanding Rights at \$9.6875 per share. The Rights exercised include those distributed with the 18,877,987 common shares outstanding at March 31, 2000 and the 3,870,968 Newly Issued Rights-Bearing Shares.

	(Thousands of Dollars)	
	ACTUAL and PRO FORMA A	ACTUAL and PRO FORMA B
Operating Revenues		
Utility operating revenues	\$ 491,074	\$ 491,074
Non-utility operating revenues	24,838	24,838
Total Operating Revenues	<u>515,912</u>	<u>515,912</u>
Operating Expenses:		
Utility operating expenses		
Natural and propane gas	261,972	261,972
Other operation expenses	82,841	82,841
Maintenance	19,406	19,406
Depreciation and amortization	22,810	22,810
Taxes, other than income taxes	41,383	41,383
Total utility operating expenses	<u>428,412</u>	<u>428,412</u>
Non-utility operating expenses	<u>24,163</u>	<u>24,163</u>
Total Operating Expenses	<u>452,575</u>	<u>452,575</u>
Operating Income	63,337	63,337
Other Income and Income Deductions - Net	<u>(1,896)</u>	<u>(1,896)</u>
Income Before Interest and Income Taxes	<u>61,441</u>	<u>61,441</u>
Interest Charges:		
Interest on long-term debt	14,841	14,841
Other interest charges	6,996	6,996
Total interest charges	<u>21,837</u>	<u>21,837</u>
Income Before Income Taxes	39,604	39,604
Income taxes	<u>14,352</u>	<u>14,352</u>
Net Income	25,252	25,252
Preferred Dividends	96	96
Earnings on Common Stock	<u>\$ 25,156</u>	<u>\$ 25,156</u>

LACLEDE GAS COMPANY
Financial Statement

(Pursuant to 4 CSR 240-2.060 (11) (E) of the Rules of Practice and Procedure of the Commission)
as of March 31, 2000.

Pro Forma Journal Entries Relating to Pro Forma Balance Sheet at March 31, 2000.

	<u>PRO FORMA A</u>		<u>PRO FORMA B</u>	
	<u>DR</u>	<u>CR</u>	<u>DR</u>	<u>CR</u>
(1) Common stock				
Premium on common stock				
Memo Entry				
To record the issuance of one right for each additional share of common stock issued from the proposed issuance and sale of an additional				
Pro Forma A: 9,032,258 shares				
Pro Forma B: 3,870,968 shares				
of common stock. Each Right enables the shareholder to buy 6.19355 additional shares of Company common stock at one-half the market price.				
(2) Cash	1,842,239		1,436,691	
Common stock		181,896		144,768
Premium on common stock		1,660,343		1,291,923

To record the sale of common stock as a result of the exercise of all outstanding Rights by shareholders to purchase 6.19355 additional shares of Company common stock at \$9.6875 per share (one-half the assumed market price of \$19.375 per share).

Statement of Unreimbursed Property Additions and
of Unreimbursed Money Expended from Income to
Discharge Funded Debt at March 31, 2000

Unreimbursed Expenditures for Net Property Additions and Discharge of Funded Debt at September 30, 1998, Applicant's Exhibit No. 2, Commission Report and Order in Case No. GF-99-239 (all after October 1, 1993).	\$194,362,496
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Plus: Expenditures for Net Property, October 1, 1998 to March 31, 2000.	59,871,512
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Expenditures for Discharge of Funded Debt, October 1, 1998 to March 31, 2000:

First Mortgage Bonds:
None

Preferred Stock:			
5% Series B - 1999 and 2000, Sinking Fund due March 31, of each year.		\$320,000	
4.56% Series C - 1999 and 2000, Sinking Fund due March 31, of each year.		<u>200,000</u>	520,000

Less: Amount authorized to be reimbursed for Net Property Additions and
Discharge of Funded Debt by the Commission:

Through issuance of 1,000,000 shares of Common Stock,
authorized by Report and Order in Case No. GF-94-167:

	466,525	cumulative shares issued at 3/31/00	\$10,229,730	
Less:	<u>466,525</u>	shares reported previously	<u>10,229,730</u>	
	0	shares issued during current period	\$0	0

Through issuance of 1,250,000 shares of Common Stock authorized by Report and Order in Case No. GF-99-239.	(24,234,375)
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Unreimbursed Expenditures for Net Property Additions and Discharge of Funded Debt at March 31, 2000.	\$230,519,633
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Less: Unreimbursed Expenditures for Net Property Additions and Discharge of Funded Debt made Prior to April 1, 1995	39,532,928
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Unreimbursed Expenditures for Net Property Additions and Discharge of Funded Debt for the 5-year period, April 1, 1995 through March 31, 2000.	<u>\$190,986,705</u>
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LACLEDE GAS COMPANY
Net Property Additions for the Period
April 1, 1995 through March 31, 2000

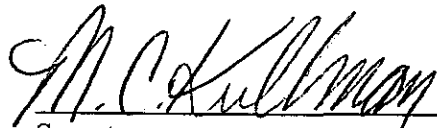
	Gross Additions	Retirements	Net Additions
Manufactured Gas Production Plant			
Land and Land Rights	\$ 0	\$ 0	0
Structures and Improvements	78,646	35,991	42,655
Other Power Equipment	13,994	2,300	11,694
L.P. Gas Equipment	1,258,146	267,590	990,556
L.P. Gas Storage Cavern	0	0	0
Natural Gas Production and Gathering Plant			
Unsuccessful Exploration and Development	-2,121,687	0	-2,121,687
Underground Natural Gas Storage Plant			
Land	0	0	0
Rights of Way	47,933	20,000	27,933
Structures and Improvements	59,944	16,749	43,195
Wells	197,870	21,218	176,652
Storage Leaseholds and Rights	1,912	0	1,912
Reservoirs	0	0	0
Non-Recoverable Natural Gas	0	0	0
Lines	0	0	0
Compressor Station Equipment	60,329	7,507	52,822
Measuring and Regulating Equipment	186,686	14,231	172,455
Purification Equipment	12,915	6,423	6,492
Other Equipment	1,507	14,705	-13,198
Other Natural Gas Storage Plant			
Land and Land Rights	0	0	0
Structures and Improvements	43,249	4,944	38,305
Gas Holders	89,394	46,044	43,350
Compressor Equipment	50,064	15,930	34,134
Transmission Plant			
Rights of Way	0	0	0
Mains	97,950	15,431	82,519
Other Equipment	0	1,872	-1,872
Distribution Plant			
Land and Land Rights	43,704	7,636	36,068
Structures and Improvements	1,378,997	349,230	1,029,767
Mains	60,537,761	4,312,405	56,225,356
Measuring and Reg. Sta. Equipment-General	472,209	454,353	17,856
Measuring and Reg. Sta. Equipment-City Gate	1,051,163	145,085	906,078
Services	75,647,489	9,232,440	66,415,049
Meters	28,650,810	7,180,154	21,470,656
House Regulators	4,504,198	71,969	4,432,229
Meas. and Reg. Sta. Equip.-Comm. and Ind.	2,814,783	153,194	2,661,589
L.P. Gas Systems on Customers' Premises	7,804	6,100	1,704
Other Distribution Equipment	26,152	1,964	24,188

LACLEDE GAS COMPANY
Net Property Additions for the Period
April 1, 1995 through March 31, 2000

	Gross Additions	Retirements	Net Additions
General Plant			
Land and Land Rights	\$ 0	\$ 0	\$ 0
Structures and Improvements	612,377	38,007	574,370
Office Furniture and Equipment	943,884	203,190	740,694
Data Processing and Equipment	25,023,316	2,332,539	22,690,777
Mechanical Office Equipment	223,476	304,435	-80,959
Transportation Equipment	10,073,378	5,998,228	4,075,150
Stores Equipment	129,067	11,143	117,924
Tools, Shop and Garage Equipment	2,436,332	475,433	1,960,899
Laboratory Equipment	32,680	3,463	29,217
Power Operated Equipment	6,247,122	3,090,809	3,156,313
Communication Equipment	561,829	442,452	119,377
Miscellaneous Equipment	118,527	45,873	72,654
Other Utility Plant	-22,235,855	0	-22,235,855
Gas Plant Purchased or Sold	0	0	0
Gas Plant Held for Future Use	-23,918	0	-23,918
Compl Construction Not Classified	442,932	0	442,932
Construction Work in Progress	486,613	0	486,613
Other Gas Plant Adjustments	-123,565	0	-123,565
Gas in Underground Storage--Non-Current	0	0	0
Total Utility Plant	\$ 200,162,117	\$ 35,351,037	\$ 164,811,080
Sinking Fund Payments, Redemptions and Common Stock Repurchases (5years)			26,300,000
Total Expenditures (5 years)			\$ 191,111,080

I, M. C. Kullman, Secretary of Laclede Gas Company, a Missouri corporation, do hereby certify that the attached is a true and correct copy of resolutions adopted by the Board of Directors of said Company at the duly called and held regular meeting of said Board on June 22, 2000, at which meeting a quorum was present and acted throughout, and that said resolutions are in full force and effect.

IN WITNESS WHEREOF, I have set my hand and the seal of Laclede Gas Company this 22nd day of June, 2000.


Secretary

RESOLUTIONS RELATING TO
SHELF REGISTRATION OF DEBT AND EQUITY

BE IT RESOLVED THAT:

1. The officers of this Corporation be, and each of them hereby is, authorized and empowered to do all acts and things which, in their or his or her judgment, are necessary or appropriate: (A) to apply to the Missouri Public Service Commission for authority to issue and sell, from the date of the requisite order or orders and thereafter, additional long-term debt consisting of first mortgage bonds, debentures, medium-term notes, subordinated debentures and/or other debt securities or instruments of indebtedness having maturities in excess of 270 days (hereinafter collectively referred to as "Debt Securities") and additional common stock, par value \$1 per share, with attached common stock purchase rights (hereinafter collectively referred to as "Equity Securities") in an aggregate amount not to exceed \$350 million, and to present documentary evidence in support of such application to the Missouri Public Service Commission; (B) to prepare and file with the Securities and Exchange Commission ("SEC"), on behalf of this Corporation, pursuant to the then applicable rule or rules of the General Rules and Regulations of the SEC (including Rules 415 and 430A) under the Securities Act of 1933, as amended, at such time or times and for such dollar amounts as they deem appropriate, but not to exceed \$350 million in aggregate amount of Debt Securities and Equity Securities, one or more Registration Statements on Form S-3 (or any then applicable and appropriate SEC form) and any necessary amendments thereto or supplements to the prospectuses contained therein, together with any and all other documents required as exhibits thereto and any and all other documents which, in their

opinion, may be necessary or desirable with respect to the registration, issuance or sale of Debt Securities and/or Equity Securities, subject to the necessity for further action by the Board of Directors approving any pricing and method of offering of each issue of Debt Securities and/or Equity Securities; (C) to qualify or register the offer and sale of Debt Securities and Equity Securities under the securities acts and/or under the "blue sky" laws of any state or states; (D) to consent, on behalf of this Corporation, to service of process in connection with any registration of the Debt Securities and Equity Securities; and (E) to list any of the Debt Securities and/or Equity Securities on any stock exchange as such officers may deem desirable in connection with any offer and sale of such securities.

2. Any Registration Statements to be filed with the SEC with respect to the Debt Securities and Equity Securities shall name as alternative agents for service, D. H. Yaeger, G. T. McNeive, Jr., and M. C. Kullman, any one (or more) of whom is hereby authorized to do all things that may properly be done by such agent.

3. Each officer and director who, in connection with the Debt Securities and Equity Securities herein authorized, may execute or be required to execute any Registration Statements of this Corporation to be filed with the SEC, or any amendment thereto (whether on behalf of this Corporation or as any officer or director thereof, or otherwise), is hereby authorized to execute a power of attorney appointing D. H. Yaeger, G. T. McNeive, Jr., and M. C. Kullman, and each of them, severally, as true and lawful attorneys-in-fact, to execute in his or her name, place, and stead (in any such capacity) any such Registration Statements and any and all amendments thereto, and all instruments necessary or advisable in connection therewith, and to file the same with the SEC, each of said attorneys-in-fact to have power to act with or without the others.

4. P. A. Seamands, the Chief Engineer of this Corporation, be, and he hereby is, appointed as the engineer to give any requisite Engineer's Certificates, including, without limitation, the Engineer's Certificate required pursuant to Section 6.06 of the Mortgage and Deed of Trust of this Corporation dated as of February 1, 1945, as supplemented and as may be supplemented (hereinafter referred to as the "Mortgage"), with respect to any principal amount of the Debt Securities to be issued in the form of first mortgage bonds which are to be authenticated upon the basis of property additions.

5. G. T. McNeive, Jr., Senior Vice President-Finance and General Counsel of this Corporation, or M. C. Kullman, Secretary and Associate Counsel of this Corporation, be, and each of them acting separately is, hereby appointed as counsel to give any and all requisite opinions in connection with the Debt Securities and Equity Securities herein authorized, including, without limitation, the opinions required pursuant to Sections 6.06, 7.01 and 9.10 of the Mortgage and as may be required under any indenture to be executed by this Corporation regarding unsecured Debt Securities (hereinafter referred to as the "Unsecured Indenture") as such indenture may be supplemented from time to time.

6. During the effective term of the Registration Statements, any sale of Debt Securities to be issued in the form of first mortgage bonds shall include, without limitation, terms substantially similar to those in the form of the Twenty-Fifth Supplemental Indenture presented at this meeting, reflecting the terms of any particular borrowing, including without limitation, any sinking fund or redemption provisions (and one or more additional, similar, sequentially numbered, supplemental indentures).

7. During the effective term of the Registration Statements, any sale of unsecured Debt Securities shall include, without limitation, terms substantially similar to those included in the form of Unsecured Indenture presented at this meeting.

8. The forms referred to in Paragraphs 6 and 7 are hereby approved, together with such variations and changes therein as any officer of this Corporation shall deem reasonable and appropriate to make, it being part of the intention of this resolution that, subject to the necessity for further action by the Board of Directors approving any pricing and method of offering of each issue of Debt Securities, the execution by any officer of this Corporation of a Twenty-Fifth Supplemental Indenture (and/or any additional, similar, sequentially numbered, supplemental indentures) or of the Unsecured Indenture (and/or any additional sequentially numbered supplemental indentures) shall conclusively evidence the approval by such officer of any variations and changes contained therein; and the copies of said forms of Twenty-Fifth Supplemental Indenture and Unsecured Indenture presented to this meeting, identified by the signature of the Secretary as being the copies so presented, shall be filed with the permanent records of this Corporation.

9. Subject to the necessity for further action by this Board of Directors as to the approval of any pricing and method of offering of each issue of Debt Securities and/or Equity Securities, the officers of this Corporation be, and each of them is, hereby authorized at any time, and from time to time, to do all the acts and things, including without limitation, the entering into of negotiations regarding any negotiated sales and/or the solicitations of bids for any sales of Debt Securities and/or Equity Securities, and to execute on behalf of this Corporation all instruments, contracts, documents (such as, but not limited to, bid solicitation letters), and certificates, of any and every kind, that may in

the judgment of the officer doing or executing the same, be necessary or appropriate to carry out the general plan of financing by means of the issuance and sale of Debt Securities and/or Equity Securities, or that may in their or his or her judgment be necessary or appropriate in connection with the same, or in any manner in relation thereto, including (but without limiting the generality of the foregoing) the making of amendments to any Registration Statement or to any prospectus relating to any Debt Securities and/or Equity Securities, the making of solicitations of bids for the sale of any Debt Securities and/or Equity Securities and/or the entering into of negotiations for sales of any Debt Securities and/or Equity Securities.

10. The officers of this Corporation be, and they hereby are, authorized and directed to do or cause to be done all such other acts and things as they may deem necessary or desirable in order to carry into effect the purposes and intent of the foregoing resolutions.