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BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the matter of Laclede Gas Company's)
Purchased Gas Adjustment factors to be)
Audited in Its 1998-1999 Actual Cost)
Adjustment.)

Case No. GR-99-316

ORDER APPROVING INTERIM RATES

Laclede Gas Company (Laclede or Company) of St. Louis, Missouri, submitted a tariff sheet to the Commission on November 4, 1999, carrying an effective date of November 19, 1999. The tariff sheet was filed to reflect scheduled changes in Laclede's Purchased Gas Adjustment (PGA) factors as the result of changes in the cost of natural gas for the upcoming winter season. The winter season includes the months of November through March. Additionally, the Actual Cost Adjustment (ACA) and the Refund factors changed.

The effect of these changes will increase the firm PGA factor for the 1998-1999 winter season to \$0.07420 per therm from a summer season firm PGA factor of (\$0.03746) per therm. Computing this change by including the imbedded firm cost of gas of \$0.28489 per therm currently in base rates will represent an approximate 45% increase in gas costs to consumers.

The Staff of the Commission (Staff) filed a memorandum stating that the changes in Laclede's PGA factors were calculated in conformance with the Company's approved PGA Clause. The Staff stated that Laclede's PGA Clause allows for ten (10) business days notice for filings reflecting PGA changes. Staff recommends that the Commission approve the tariff sheet to become effective November 19, 1999, on an interim basis, subject to refund,

pending final Commission decisions in Laclede's ACA Case Nos. GR-97-222, GR-98-297 and GR-99-316. The Staff also requested that the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of the ACA period and submit its results and recommendations regarding this ACA filing on or before September 1, 2000.

The Commission has reviewed the tariff sheet, Staff's recommendation and request, and finds that the tariff sheet conforms to the Company's Commission approved PGA Clause and is therefore reasonable. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 1994, the Commission is of the opinion that the proposed tariff sheet should be approved to become effective on and after the requested effective date of November 19, 1999, interim subject to refund.

IT IS THEREFORE ORDERED:


1. That the tariff sheet submitted on November 4, 1999, by Laclede Gas Company of St. Louis, Missouri, be approved on an interim basis, subject to refund, to become effective on November 19, 1999. The tariff sheet approved is:

P.S.C. MO. No. 5 Consolidated
One Hundred and Seventy-Eighth Revised Sheet No. 29 CANCELLING One Hundred and Seventy-Seventh Revised Sheet No. 29

2. That the Commission's Procurement Analysis Department be given the time necessary to conduct its audit of this ACA period and submit its results and recommendations regarding this ACA filing on or before September 1, 2000.

3. That this order shall become effective on November 19, 2000.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Vicky Ruth, Regulatory Law Judge,
by delegation of authority Pursuant
to 4 CSR 240-2.120(1), (November 30,
1995) and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri on
this 18th day of November, 1999.

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION