

LACLEDE GAS COMPANY  
720 OLIVE STREET  
ST. LOUIS, MISSOURI 63101  
(314) 342-0601

KENNETH J. NEISES  
EXECUTIVE VICE PRESIDENT  
ENERGY & ADMINISTRATIVE SERVICES

February 28, 2003

**VIA HAND DELIVERY**

Mr. Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
Governor Office Building  
200 Madison Street  
Jefferson City, MO 65101

**RECEIVED<sup>4</sup>**  
FEB 28 2003  
*Records*  
*Public Service Commission*

Dear Mr. Roberts:

Enclosed herewith for filing with the Missouri Public Service Commission is a revised tariff sheet, P.S.C. MO. No. 5 Consolidated, One Hundred and Ninety-Sixth Revised Sheet No. 29, which is applicable to both divisions of Laclede Gas Company ("Company"). This revised tariff sheet, which has an issue date of February 28, 2003 and an effective date of March 14, 2003, reflects the scheduled March Purchased Gas Adjustment ("PGA") for the Company's natural gas customers. Such sheet also reflects a revised Purchased L.P. Gas Adjustment for the Company's subdivision propane customers.

The increased natural gas PGA factors reflected in this filing are primarily attributable to the significant increase in wellhead natural gas prices that has occurred since the Company established the PGA factors that became effective in mid-January 2003. However, the Company's use of natural gas financial hedging instruments and withdrawals of gas from underground storage facilities has substantially reduced the impact of these higher prices on the rates paid by the Company's customers.

As provided by the Company's tariff, the revised natural gas Current PGA factors do not apply to the Company's Large Volume Transportation and Sales Service ("LVTSS") and Vehicular Fuel ("VF") customers. Unlike the Current PGA for all other customers, the Current PGA for LVTSS and VF customers is revised on a monthly basis by means of the notification procedure specifically provided by Section A.5. of the Company's PGA clause.

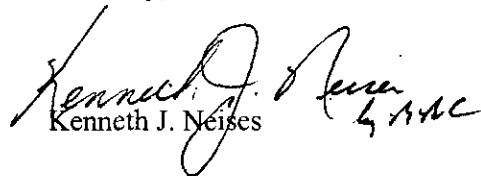
The natural gas PGA rates provided herein will increase the bill of the typical residential heating customer during the months of March through May 2003 by approximately \$6.40 per month compared to the Company's existing rates. The Company's next scheduled PGA change will occur during the month of June 2003.

The new L.P. Current PGA factor reflects the average price of L.P. gas purchased by the Company for delivery in January 2003.

Included with this filing, in addition to Laclede's Revised Sheet No. 29, is the computation of the revised natural gas Current PGA factors.

I have enclosed three copies of this filing, one of which is for your convenience in acknowledging your receipt thereof.

Sincerely,

  
Kenneth J. Neises

Enclosures

cc: Office of the Public Counsel

**P.S.C. MO. No. 5 Consolidated, One Hundred and Ninety-Sixth Revised Sheet No. 29**  
**CANCELLING P.S.C. MO. No. 5 Consolidated, One Hundred and Ninety-Fifth Revised Sheet No. 29**

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**

**Adjustment Statement**

In accordance with the Company's Purchased Gas Adjustment Clause contained in Sheet Nos. 15 through 28-g, inclusive and the Company's Purchased L.P. Gas Adjustment Clause contained on Sheet No. 8, the following adjustments per therm or per gallon, where applicable, will become effective on and after the effective date of this tariff.

| <u>Sales Classification</u>        | <u>Current<br/>PGA</u> | <u>ACA</u> | <u>UACA</u> | <u>Refund</u> | <u>Total<br/>Adjustment</u> |
|------------------------------------|------------------------|------------|-------------|---------------|-----------------------------|
| <b>Residential:</b>                |                        |            |             |               |                             |
| Block 1                            | 44.808¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 39.419¢                     |
| Block 2                            | 79.876¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 74.487¢                     |
| <b>Commercial &amp; Industrial</b> |                        |            |             |               |                             |
| Class I - Block 1                  | 39.175¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 33.786¢                     |
| Class I - Block 2                  | 78.450¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 73.061¢                     |
| Class II - Block 1                 | 49.740¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 44.351¢                     |
| Class II - Block 2                 | 78.450¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 73.061¢                     |
| Class III - Block 1                | 50.593¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 45.204¢                     |
| Class III - Block 2                | 78.450¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 73.061¢                     |
| LVTSS                              | *                      | 14.573¢    | 0.000¢      | (0.039¢)      | *                           |
| VF                                 | *                      | -0-        | 0.000¢      | (0.039¢)      | *                           |
| Other & Unblocked Firm             | 64.186¢                | (2.850¢)   | (2.500¢)    | (0.039¢)      | 58.797¢                     |
| Seasonal & Interruptible           | 55.778¢                | (5.615¢)   | 0.000¢      | (0.000¢)      | 50.163¢                     |
| L.P. Gas                           | 87.972¢                | (6.302¢)   | --          | --            | 81.670¢                     |

Residential sales are rendered under Residential General Service (Sheet No. 2)

Commercial & Industrial sales are rendered under Commercial & Industrial General Service (Sheet Nos. 3, 3-a and 3-b)

LVTSS sales are rendered under the Large Volume Transportation and Sales Service Rate (Sheet No. 34).

VF sales are rendered under the Vehicular Fuel Rate (Sheet No. 11).

Other Firm sales are rendered under the Large Volume Service Rate (Sheet No. 5) and the Unmetered Gas Light Service Rate (Sheet No. 9).

Seasonal and Interruptible sales are rendered under the Residential Seasonal Air Conditioning Service Rate (Sheet No. 4), the Commercial & Industrial Seasonal Service Rate (Sheet No. 4-a) and the Interruptible Service Rate (Sheet No. 7).

L.P. Gas sales are rendered under the General L.P. Gas Service Rate (Sheet No. 8).

\* Revised each month in accordance with Section A.5 of the PGA clause.

**Additional Transportation Charges, ACA Factors and Refunds**

| <u>Customer Groups</u> | <u>TOP</u> | <u>Capacity<br/>Reservation</u> | <u>Other<br/>Non-Commodity</u> | <u>ACA</u> | <u>Refund</u> |
|------------------------|------------|---------------------------------|--------------------------------|------------|---------------|
| Firm                   | -          | 5.490¢                          | -                              | 0.851¢     | 0.000¢        |
| Basic - Firm Sales     | -          | -                               | -                              | 0.000¢     | 0.000¢        |
| Prior to 11/15/89      | -          | -                               | -                              | 0.000¢     | 0.000¢        |
| Basic - Other          | -          | -                               | -                              | 0.000¢     | (0.055¢)      |

DATE OF ISSUE

February 28, 2003

DATE EFFECTIVE

March 14, 2003

Month Day Year

Month Day Year

ISSUED BY

K.J. Neises, Executive Vice President,

720 Olive St.,

St. Louis, MO 63101

Name of Officer

Title

Address

**LACLEDE GAS COMPANY**  
**COMPUTATION OF CURRENT PURCHASED GAS ADJUSTMENT FACTORS**  
**EFFECTIVE MAR 14, 2003**

| <u>GAS COST COMPONENT</u>         |                     | ANNUALIZED<br>COST                | VOLUMES<br>(THERMS) | <u>GAS COST PER THERM</u>             |   |
|-----------------------------------|---------------------|-----------------------------------|---------------------|---------------------------------------|---|
|                                   |                     |                                   |                     | <u>FIRM-<br/>OTHER THAN<br/>LVTSS</u> | <u>SEASONAL &amp;<br/>INTERRUPTIBLE</u> |
| GAS SUPPLY DEMAND                 |                     | \$11,994,812                      | 842,766,046         | \$0.01423                             | \$0.00000                               |
| CAPACITY RESERVATION              |                     | \$62,964,880                      | 917,430,841         | Avg cost<br>\$0.06863                 | \$0.06985 (1)                           |
| COMMODITY RELATED CHARGES         | Unit Cost per MMBtu |                                   |                     |                                       |   |
| COMMODITY                         | \$5.4274            |                                   |                     |                                       |   |
| GRI SURCHARGE                     | \$0.0055            |                                   |                     |                                       |   |
| ANNUAL CHARGE ADJUSTMENT          | \$0.0021            |                                   |                     |                                       |   |
| S/T                               | \$5.4350            |                                   |                     |                                       |   |
|                                   |                     | Standard Deliveries<br>To Laclede |                     |                                       |   |
|                                   |                     | 87,382,092 MMBtu                  | \$474,919,922       | 851,443,420                           | 0.55778                                 |
| FIXED TAKE-OR-PAY RELATED CHARGES | 0                   |                                   |                     |                                       |   |
| S/T                               | \$0                 | X                                 | 12                  | \$0                                   | 1,041,611,868                           |
| OTHER NON-COMMODITY-RELATED COSTS |                     | \$0                               | 851,443,420         | 0.00000                               | 0.00000                                 |
| TOTAL                             |                     | \$549,879,614                     |                     | \$0.64186                             | \$0.55778                               |

(1)

|   |              |
|---|--------------|
| Avg capacity reservation charge per therm                     | \$0.06863    |
| Firm transportation factor per Sheet No. 16                   | 80%          |
| Firm transportation capacity reservation charge per therm     | \$0.05490    |
| Annual firm transportation volumes                            | 74,664,795   |
| Capacity reservation charges allocated to firm transportation | \$4,099,097  |
| Total capacity reservation charges                            | \$62,964,880 |
| Capacity reservation charges allocated to firm sales          | \$58,865,783 |
| Annual firm sales volumes                                     | 842,766,046  |
| Firm sales capacity reservation charge per therm              | \$0.06985    |