STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a session of the Public Service Commission held at its office in Jefferson City on the 16th day of October, 1997.

In the matter of Laclede Gas Company's tariff) sheets to be reviewed in its 1996-1997 Actual) Case No. GR-97-222 Cost Adjustment.

ORDER APPROVING INTERIM RATES

Laclede Gas Company (Laclede or Company) of St. Louis, Missouri, submitted a tariff sheet to the Commission on October 3, 1997, carrying an effective date of October 18, 1997. The tariff sheet was filed to reflect a change in the Company's Purchased Gas Adjustment (PGA) factor as a result of an increase in Laclede's cost of natural gas. Also, there is a decrease in the L.P. sales classification PGA factor to reflect decreases in Laclede's cost of propane. The effect of these changes will be to increase annualized revenues by approximately \$57.6 million. The impact on a typical residential space heating customer using 97 therms of natural gas in the month of November will be an increase of \$9.08, or 17.0%.

The Staff of the Commission (Staff) filed a memorandum stating that the change in Laclede's PGA was calculated in conformance with the Company's approved PGA Clause and recommends that the Commission approve the tariff sheet to become effective on October 18, 1997. Staff stated that Laclede's PGA Clause allows for ten (10) business days notice for filings reflecting PGA changes. Staff recommended that the tariff sheet be approved on an interim basis, subject to refund, until the Commission makes its final determinations in Case Nos. GR-97-222 and GR-96-181.

The Commission has reviewed the tariff sheet and Staff's recommendation, and finds that the tariff conforms with Laclede'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 October 18, 1997, interim subject to refund.

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IT IS THEREFORE ORDERED:

1. That the tariff sheet submitted on October 3, 1997, by Laclede Gas Company of St. Louis, Missouri, is approved on an interim basis, subject to refund, to become effective on October 18, 1997. The tariff sheet approved is:

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

2. That this order shall become effective October 18, 1997.

BY THE COMMISSION

Cecil I. Wright
Executive Secretary

Cecil July 10

(SEAL)

Lumpe, Chm., Drainer, and Murray, CC., Concur. Crumpton, C., Absent.
ALJ: Derque

CANCELLING P.S.C. MO. No. 5 Consolidated, One Hundred and Seventieth Revised Sheet No. 29

Laclede Gas Company For Refer to Sheet No. 1

Name of Laculage Corporation or Municipality Community, Town or City

\$ÇHEDÜLE 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-e, 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.

	Current	Total			
Sales Classification	PGA	ACA	<u>UFA</u>	Refund	Adjustment
Firm Other Than LVTSS	13.323¢	(2.799¢)	-	(0.090¢)	10.434¢
LVTSS	12.853¢	(2.799¢)	-	(0.090¢)	9.964¢
Seas. & Int.	10.784¢	(0.575¢)	-	(0.022¢)	10.187¢
L.P.	4.106¢	4.867¢	-	-	8.973¢

Firm Other Than LVTSS sales are rendered under General Service Rate (Sheet No. 2), the Large Volume Service Rate (Sheet No. 5), the Unmetered Gas Light Service Rate (Sheet No. 9), Vehicular Fuel Rate (Sheet No. 11) and all special contracts for firm service.

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

Seasonal and Interruptible sales are rendered under the Seasonal Air Conditioning Service Rate (Sheet No. 4), 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).

Additional Transportation Charges, ACA Factors and Refunds

		Capacity	Other Non-			
Customer Groups Firm	TOP -	Reservation 5.242¢	Commodity -	ACA (1.631¢)	Refund (0.000¢)	
Basic - Firm Sales						
Prior to 11/15/89	-	-	<u></u>	.000¢	(0.012¢)	
Basic - Other	_	_	-	.000¢	(0.012¢)	

The above Current PGA Factors are based on wholesale pipeline gas cost levels, per therm, which include TOP, Capacity Reservation and Other Non-Commodity.

DATE EFFECTIVE October 18, 1997

Senior Vice President, 720 Olive Street, St. Louis, MO 63101