

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of the PGA filing of Laclede)
Gas Company.)

Case No. GR-2006-0288
YG-2007-0296

STAFF RECOMMENDATION

COMES NOW the Staff of the Missouri Public Service Commission in the above-captioned matter and, in response to the tariff filed by Laclede to decrease its PGA for the upcoming winter season season, states:

1. On October 31, 2006, Laclede Gas Company (Laclede) filed a tariff sheet to change its PGA factor effective November 16, 2006. Laclede filed separate tariff sheets for the former Fidelity service area and those are addressed in Case No. GR-2007-0179.

2. This tariff sheet will decrease the firm PGA factor from the current PGA level that has been in effect since January 11, 2006.

3. The Commission's Energy Department Staff (Staff) has reviewed this filing and recommends that the Commission approve the rates on the proposed tariff sheets. See Staff's Recommendation attached to this pleading.

4. Staff recommends that good cause exists for approving this tariff sheet on less than thirty (30) days since it is a decrease in rates.

5. Staff is, however recommending approval of these rates only on an interim subject to refund basis only, pending evaluation of the prudence of Laclede's gas purchases for its customers.

WHEREFORE, the Staff recommends that the Commission approve Laclede's requested tariff change to lower its PGA rate be effective on November 16, 2006, interim, subject to refund only.

Respectfully submitted,

/s/ Lera L. Shemwell

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed, hand-delivered, or transmitted by facsimile or electronically mailed to all counsel of record this 7th day of November, 2006.

/s/ Lera L. Shemwell