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

STAFF RECOMMENDATION

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

1. On January 5, 2006, Laclede Gas Company (Laclede) filed a tariff sheet to change its PGA factor effective January 20, 2006. On January 6, Laclede filed substitute sheets to correct a typographical error.

The tariff sheet was filed to reflect a reduction in Laclede's cost of natural gas since the Company's winter rates took effect in November 2005. The decrease is approximately \$.10 per therm, primarily due to the recent drop in wholesale natural gas prices.

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 immediate approval of this tariff sheet on less than thirty (30) days notice because of the need to assist Missouri consumers by promptly implementing a decrease in natural gas rates. Laclede has indicated its willingness, upon Commission approval, to implement the lower rates on Wednesday, January 11, 2006.

5. Staff is recommending prompt approval of these rates 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 January 11, 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 emailed, mailed, hand-delivered, or transmitted by facsimile to all counsel of record this 9th day of January, 2006.

/s/ Lera Shemwell