

MEMORANDUM

TO: Missouri Public Service Commission Official Case File,
Case No. GR-2010-0138, File No. JG-2010-0308
Laclede Gas Company

FROM: Kim Cox, Energy Department – Tariffs/Rate Design

/s/ Thomas M. Imhoff 11/05/09
Utility Operations Division/Date

/s/ Lera Shemwell 11/05/09
General Counsel's Office/Date

SUBJECT: Staff Recommendation on Laclede Gas Company's Scheduled Winter Season PGA
Filing Effective November 17, 2009

DATE: November 5, 2009

On October 30, 2009, Laclede Gas Company (Laclede or Company) of St. Louis, Missouri filed a tariff sheet proposed to become effective November 17, 2009. The tariff sheet was filed to reflect scheduled changes in Laclede's Purchased Gas Adjustment (PGA) factors as the result of an estimated change in the cost of natural gas for the upcoming winter season and changes in the Actual Cost Adjustment (ACA) factor. On November 3, 2009, Laclede filed a substitute tariff sheet after discovering that certain information was inadvertently included in the determination of the new PGA factors. Laclede defines its Winter Season as November through April. All other gas companies have a five month winter season, November through March. The PGA impact on a customer's bill is during Laclede's six month winter season.

The effects of these changes from this filing will reduce the PGA rate filed by Laclede on November 17, 2008, from \$0.83163 per therm to \$0.65238 per therm. This represents a decrease of \$0.17925 per therm.

Case No. GR-2010-0138, under which these changes were filed, was established to track the Company's PGA factors to be reviewed in its 2008-2009 ACA filing. Case Nos. GR-2005-0203, GR-2006-0288, GR-2008-0140 and GR-2008-0387 were established to track the Company's PGA factors to be reviewed in its 2004-2005, 2005-2006, 2006-2007, and 2007-2008 ACA filings, respectively. This rate change should be on an interim, subject to refund status pending final Commission decisions in ACA Case Nos. GR-2005-0203, GR-2006-0288, GR-2008-0140, GR-2008-0387 and GR-2010-0138.

Due to the limited time available to review the documentation supporting the ACA factor represented in this filing, the Procurement Analysis Department (PAD) has requested permission to submit its results and recommendations regarding the information included in this ACA filing to the Commission on or before December 31, 2010.

Staff has verified that the Company has filed its annual report and is not delinquent on any of its

assessment. Staff is not aware of any other matter before the Commission that affects or is affected by this filing.

The Staff has reviewed this PGA filing and has determined that it was calculated in conformance with Laclede's PGA Clause. Staff is of the opinion that good cause for approval of these tariff sheets on less than thirty days notice is demonstrated by Laclede's Commission approved PGA clause allowing for ten (10) business days notice for PGA change filings.

Therefore, Staff recommends that the following tariff sheet, filed on October 30, 2009, and as substituted on November 3, 2009, be approved, interim, subject to refund:

P.S.C. MO. No.5 Consolidated

Two Hundred and Fourteenth Revised Sheet No. 29, Cancelling Two Hundred and Thirteenth Revised Sheet No. 29

