

LACLEDE GAS COMPANY
720 OLIVE STREET
ST. LOUIS, MISSOURI 63101

GERALD T. MCNEIVE, JR.
SENIOR VICE PRESIDENT - FINANCE
AND GENERAL COUNSEL

January 25, 2002

Hand Delivered

Mr. Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
Governor Office Building
200 Madison Street
P. O. Box 360
Jefferson City, MO 65102-0360

FILED³
JAN 25 2002
**Missouri Public
Service Commission**

Dear Mr. Roberts:

GR-2002-356

Transmitted herewith for filing with the Missouri Public Service Commission ("Commission") are the original and fourteen (14) copies of revised tariff sheets which set forth revised rate schedules and certain revised charges for all of the operating divisions of Laclede Gas Company ("Company"). There is attached hereto and incorporated herein by reference Exhibit No. 1, which Exhibit contains a listing and designation of: (1) the revised tariff sheets; and (2) the tariff sheets which are presently on file with the Commission that are to be cancelled. Also transmitted herewith for filing are the original and eight (8) copies of the Company's direct testimony.

The charges contained in the revised tariff sheets are designed to produce an increase of approximately \$36 million, or 6.3 percent (6.3%) annually, in the revenue of the Company, exclusive of associated taxes. The proposed rate increase is necessary generally to offset certain operating costs, additional return requirements, and the added capital costs associated with the Company's replacement and installation of facilities; as well as reflect the financial effect of the Company's proposals to revise certain recent ratemaking practices that have had a detrimental impact on the level of financial resources available to the Company to carry out its public service obligations. The filing has also been necessitated by the need to propose and, with the Commission's approval, implement a weather mitigation clause that can lessen the impact of weather on customer bills when such relief is most needed while, at the same time, providing the Company with the means to recover those fixed costs that are essential to providing reliable utility service.

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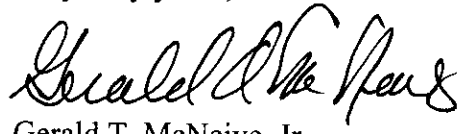
The proposed revenue increase has been allocated uniformly to each presently effective rate schedule based on the amount of non-gas revenues derived from such schedules. As such, the increase, expressed as a percentage of total revenues, including gas revenues, will vary by rate schedule. The effect of the proposed rates on the Company's residential customers would be to raise the bill of a typical customer who uses gas for heating by an average of approximately \$4.40 per month.

Within the rate schedules, the allocated increase is recovered through increased usage and demand charges where applicable. In addition, for Commercial & Industrial General Service Customers and Commercial & Industrial Seasonal Service Customers, the customer charge is proposed to be increased by \$2.00 per month to \$17.00 per month. Additional information regarding the proposed general rate increase and other proposed changes is contained in Exhibit No. 2 provided herewith pursuant to 4 CSR 240-10.07(3)(B).

The Company understands, as should all other interested parties, that the Commission's review of the aforementioned rate design could result in a substantial change, from the manner proposed in this filing, in the way in which the Company's proposed rate increase may be allocated among and within the Company's various rate classes.

The revised tariff sheets filed herewith contain an issue date of January 25, 2002 with a proposed effective date of February 25, 2002. Pursuant to 4 CSR 240-10.070(3), Laclede will, under separate cover, serve two (2) copies of this filing of the Office of the Public Counsel.

Very truly yours,



Gerald T. McNeive, Jr.

GTM:kz
Enclosures

cc: Office of the Public Counsel (2)

Laclede Gas Company

Listing and Designation of Revised Tariff Sheets

Issue Date: January 25, 2002

Effective Date: February 25, 2002

Applicable To All Divisions Of Laclede Gas Company

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Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

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DATE OF ISSUE January 25, 2002
Month Day Year

DATE EFFECTIVE February 25, 2002
Month Day Year

ISSUED BY K.J. Neises, Senior Vice President, 720 Olive St., St. Louis, MO 63101
Name of Officer Title Address

Laclede Gas Company
Name of Issuing Corporation or Municipality

For Refer to Sheet No. 1
Community, Town or City

SCHEDULE OF RATES

RESIDENTIAL NON-SPACE HEATING SERVICE (RN)

Availability – This rate schedule is available for all gas service rendered by the Company to residential customers, unless the customer qualifies for the Residential Space Heating Service or Residential Seasonal Air Conditioning Service rate schedule.

Rate – The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Customer Charge – per month \$12.00

Charge for Gas Used – per therm 20.602¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

DATE OF ISSUE	January 25, 2002	DATE EFFECTIVE	February 25, 2002
	Month Day Year		Month Day Year
ISSUED BY	K.J. Neises,	Senior Vice President,	720 Olive St., St. Louis, MO 63101
	Name of Officer	Title	Address

P.S.C. M No. 5 Consolidated, Original Sheet No. 2-a
CANCELLING All Previous Schedules.

Laclede Gas Company
Name of Issuing Corporation or Municipality

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Community, Town or City

SCHEDULE OF RATES

RESIDENTIAL SPACE HEATING SERVICE (RH)

Availability – This rate schedule is available for all gas service rendered by the Company to residential customers where gas is used exclusively for all space heating service.

Rate – The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Customer Charge – per month	\$12.00	
	Summer - Billing Months of <u>May-October</u>	Winter – Billing Months of <u>November-April</u>
Charge for Gas Used – per therm		
For the first 65 therms used per month	19.224¢	30.080¢
For all therms used in excess of 65 therms	19.224¢	13.069¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Weather Mitigation Adjustment – The charge for gas used shall be subject to the Weather Mitigation Factor as set out in Sheet No. 44.

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ISSUED BY K.J. Neises, Senior Vice President, 720 Olive St., St. Louis, MO 63101
Name of Officer Title Address

P.S.C. MO. No. 5 Consolidated, Tenth Revised Sheet No. 3
CANCELLING P.S.C. MO. No. 5 Consolidated, Ninth Revised Sheet No. 3

Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

COMMERCIAL & INDUSTRIAL GENERAL SERVICE (CG)

Availability – This rate schedule is available for all gas service rendered by the Company to commercial or industrial customers, including space heating service.

Rate – The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Customer Charge – per month

\$17.00

Summer -

Billing

Months of

May-October

Winter -

Billing

Months of

November-April

Charge for Gas Used – per therm

For the first 100 therms used per month

15.180¢

18.433¢

For all therms used in excess of 100 therms

12.523¢

15.832¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

Weather Mitigation Adjustment – The charge for gas used shall be subject to the Weather Mitigation Factor as set out in Sheet No. 44.

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ISSUED BY

K.J. Neises, Senior Vice President,

720 Olive St.,

St. Louis, MO 63101

Name of Officer

Title

Address

Laclede Gas Company
Name of Issuing Corporation or Municipality

For Refer to Sheet No. 1
Community, Town or City

SCHEDULE OF RATES

RESIDENTIAL SEASONAL AIR CONDITIONING SERVICE (RA)

Availability – This rate schedule is available for all gas service to residential air conditioning customers during the six consecutive billing months of May through October, provided that the quantity of gas used during such period for air conditioning purposes is at least twice the quantity of gas used for all other purposes during such period. All gas used by the customer for the balance of the year shall be billed under the Residential Space Heating Service rate.

Rate – The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Customer Charge – per month	\$12.00
Charge For Gas Used – per therm	19.224¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

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SCHEDULE OF RATES

COMMERCIAL & INDUSTRIAL SEASONAL SERVICE (CA)

Availability – This rate schedule is available for all gas service to commercial and industrial air conditioning or on-site power generation customers during the six consecutive billing months of May through October, provided that the quantity of gas used during such period for air conditioning or on-site power generation purposes is at least twice the quantity of gas used for all other purposes during such period. All gas used by the customer for the balance of the year shall be billed under the Commercial and Industrial General Service rate.

Rate – The monthly charge shall consist of a customer charge plus a charge for gas used as set forth below:

Customer Charge – per month \$17.00

Charge For Gas Used – per therm

For the first 100 therms used per month 15.180¢

For all therms used in excess of 100 therms 12.523¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

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SCHEDULE OF RATES

LARGE VOLUME SERVICE (LV)

Availability – Service under this rate schedule is available for qualifying firm gas uses including cogeneration and for boiler plant use where gas is the exclusive boiler plant fuel. Service under this rate schedule is available to customers contracting for separately metered gas service for a minimum term of one year with a billing demand equal to, or greater than, 250 therms and an annual usage equal to, or greater than 60,000 therms.

Rate – The monthly charge shall consist of a customer charge, a demand charge, and a commodity charge as set forth below:

Customer Charge – per month	\$565
Demand Charge – per billing demand therm	80¢
Commodity Charge – per therm	
For the first 36,000therms used per month	3.402¢
For all therms used in excess of 36,000 therms	1.866¢

Minimum Monthly Charge – The Customer Charge plus the Demand Charge.

Terms of Payment – Customer's monthly bills will be computed at both the net and gross rates. Gross rates will be two percent (2%) higher than net rates. The net bill is payable on or prior to due date stated thereon. After this date, the gross bill is payable.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

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SCHEDULE OF RATES

INTERRUPTIBLE SERVICE (IN)

Under certain conditions, and from time to time, the Company has excess gas to sell. When the Company has such gas available for resale, it will make short-term contracts for the sale thereof.

Availability – This rate schedule is available to customers contracting for separately metered interruptible gas service for a minimum term of one year with a demand equal to, or greater than, 10,000 cubic feet per hour.

Net Rate – The monthly charge shall consist of a customer charge and a commodity charge as set forth below:

Customer Charge	\$500
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Commodity Charge

First 100,000 therms – per month – per therm	8.796¢
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Over 100,000 therms – per month – per therm	6.815¢
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Charge for Gas Used During Interruption

All gas used during any period of interruption – per therm	37.417¢
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Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

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K.J. Neises, Senior Vice President, 720 Olive St., St. Louis, MO 63101

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SCHEDULE OF RATES

GENERAL L.P. GAS SERVICE (LP)

Availability – This rate schedule is available for all L.P. gas service to those customers located in subdivisions in the Company's certificated area where natural gas is not available, where the subdivision developer is willing to construct the subdivision so as to make it fully adapted to such service and the later conversion to natural gas and where a central L.P. gas system is determined by the Company to be feasible.

<u>Rate</u> Customer Charge – per month	\$10.50
For all gallons used per month – per gallon	19.972¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment

(A) The above charges shall be subject to an adjustment per gallon, which shall be referred to as the L.P. Current Purchased Gas Adjustment ("L.P. CPGA"). Concurrent with any CPGA filing made by the Company for natural gas customers, the Company will compare its current average unit cost for the purchase of L.P. gas to the average unit L.P. gas cost underlying the existing L.P. CPGA. If such difference is greater than or equal to 1.0¢ per gallon, the Company will file a new L.P. CPGA with the Commission, along with supporting materials, based on said current average unit L.P. gas cost. Upon approval by the Commission, such new L.P. CPGA factor will become effective on a pro-rata basis beginning with the effective date stated on Sheet No. 29.

(B) Whenever the actual prices paid by the Company for L.P. Gas differ from the price upon which its then effective adjustment is predicated, the amount of increased or decreased L.P. Gas cost resulting from such difference in price shall be debited or credited to a Deferred Purchased L.P. Gas Cost account. The cumulative balance of such deferred account entries for the same period set out in Paragraph C.7 of the Company's PGA Clause shall be divided by the estimated amount of L.P. Gas gallons to be sold during the subsequent twelve-month ended October period. The resulting deferred cost per gallon shall be applied as a Deferred L.P. Gas Adjustment which shall be made effective on a pro-rata basis beginning with the effective date of the Company's Winter PGA filing and shall remain in effect until superseded by a revised adjustment in the next scheduled Winter PGA filing. Such deferred adjustment shall increase or decrease the adjustments determined pursuant to Paragraph A hereof. All increases or decreases in charges resulting from the deferred adjustment shall be appropriately recorded in the Deferred L.P. Gas Cost account.

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ISSUED BY	K.J. Neises,	Senior Vice President,	720 Olive St.,	St. Louis, MO 63101
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Laclede Gas Company

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Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

UNMETERED GAS LIGHT SERVICE (\$L)

Availability – This rate schedule is available, subject to the special provisions included herein, to customers who contract for service thereunder for a minimum term of one year for unmetered gas to be used solely for the continuous operation of gas lights.

Rate

Customer Charge \$3.70 per month

For lights equipped with mantle units with an hourly input rating of 3 cubic feet or less per mantle unit:

Each initial mantle unit per light \$4.07 per month

Each additional mantle unit per light \$2.14 per month

For open flame lights or lights equipped with mantle units with an hourly input rating in excess of 3 cubic feet per mantle unit:

First 3 cubic feet of hourly input rating per light \$4.07 per month

Each additional 3 cubic feet of hourly input rating or fraction thereof per light \$2.14 per month

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29; and such adjustment per therm shall be applied on the basis of an average consumption of 19.7 therms per month per mantle unit.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

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720 Olive St.,

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For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

VEHICULAR FUEL RATE (VF)

Availability

This rate schedule shall apply to the sale of separately metered natural gas to customers for the sole purpose of compression by the customer or a party engaged by the customer for use as a vehicular fuel, whether such fuel is used directly by the customer or is resold to other end-user(s) as compressed natural gas ("CNG") for vehicular use.

Service for any end-use of gas other than the compression of natural gas for vehicular use, such as space heating, water heating, processing or boiler fuel use, is not permitted under this schedule. Service which is provided for other end-uses through a separate meter at the same location will be billed by the Company under the applicable rate schedule.

Nothing herein precludes a customer from satisfying its CNG requirements through another sales or transportation rate schedule, where applicable.

Service provided by the Company under this rate schedule does not include the provision of compression services or facilities for CNG purposes.

Rate

Customer Charge – per month	\$14.00
Charge for Gas Used – For all therms used per month per therm	4.558¢

Minimum Monthly Charge – The Customer Charge.

Purchased Gas Adjustment – The charge for gas used as specified in this schedule shall be subject to an adjustment per therm for increases and decreases in the Company's cost of purchased gas, as set out on Sheet No. 29.

Late Payment Charge – Unless otherwise required by law or other regulation, 1.5% will be added to the outstanding balance of all bills not paid by the delinquent date stated on the bill. The late payment charge will not be applied to amounts being collected through a pre-arranged payment agreement with the Company that is kept up-to-date.

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Community, Town or City

SCHEDULE OF RATES

PURCHASED GAS ADJUSTMENT CLAUSE

A. Current Purchased Gas Adjustments

In the event of increases or decreases in the cost of purchased gas, charges for gas service contained in the Company's then effective retail rate schedules on file with the Missouri Public Service Commission (Commission), with the exception of the Large Volume Transportation and Sales Service ("LVTSS") rate schedule, shall be increased or decreased at the times provided in Section E by a Current Purchased Gas Adjustment ("CPGA"). The CPGA for sales made pursuant to the LVTSS rate schedule shall be determined and implemented on a monthly basis, as described in paragraph 5 below, and shall be calculated in conformance with the CPGA for other firm sales rate schedules, except where noted. The cost of purchased gas shall include but not be limited to all charges incurred for gas supply, pipeline transmission and gathering and contract storage.

1. a. The PGA factor for firm sales shall be calculated by summing the gas cost components per therm as determined in accordance with paragraphs 2.a., b., c., d., e., and f. respectively, of Section A of this clause.

b. The PGA factor for the seasonal and interruptible sales classifications shall be calculated by summing the gas cost components per therm as determined in accordance with paragraphs 2.c., d., e., and f. respectively, of Section A of this clause.
2. The following unit gas cost components, rounded to the nearest .001¢ per therm, are recoverable under the PGA of either firm or interruptible sales customers, where applicable, as described in Paragraph A.1. above.

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Name of Issuing Corporation or Municipality

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Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

A. Current Purchased Gas Adjustments (Continued)

effective commodity-related charges divided by the total purchase volumes for such period. Such charges shall include but not be limited to producer or gas supply commodity charges and pipeline transmission and gathering commodity charges.

d. Take-or-Pay Charges. The Take-or-Pay cost component per therm shall be determined by dividing the current annualized take-or-pay related cost of purchased gas by the total sales and transportation volumes specified in Section F.

e. Other Non-Commodity-Related Gas Costs. With the exception of FERC Order No. 636 transition costs identified in an interstate pipeline company's rate schedules, the Other Non-Commodity-Related Gas Cost component per therm shall be determined by dividing all non-commodity-related gas costs subject to regulation by the FERC or any successor agency, by the total sales and transportation volumes specified in Section F. The Other Non-Commodity-Related Gas Cost component per therm applicable to the aforementioned transition costs will be determined by dividing such costs by the total sales volumes specified in Section F.

f. Gas Inventory Carrying Cost Recovery ("GICCR"). The GICCR component of the Company's CPGA factors shall be determined by dividing the estimated carrying costs on the average gas inventory balances established in the resolution of the Company's most recent general rate case by the total sales and transportation volumes specified in Section F.

3. The factors determined in Paragraphs 2.b., 2.d., 2.e., and 2.f. shall be applicable to transportation customers pursuant to Sheet No. 34 of the Company's Large Volume Transportation and Sales Service per therm, respectively. For informational purposes, such charges shall also be set forth at the bottom of Sheet No. 29.

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K.J. Neises,

Senior Vice President,

720 Olive St.,

St. Louis, MO 63101

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Address

P.S.C. MO. 5 Consolidated, Original Sheet No. 28-h
CANCELLING All Previous Schedules

Laclede Gas Company

Name of Issuing Corporation or Municipality

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Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

H. Gas Inventory Carrying Cost Recovery Account

The Company shall maintain a Gas Inventory Carrying Cost Recovery ("GICCR") Account which shall accumulate entries related to the Company's recovery of carrying costs, as defined below, associated with its investment in various natural gas and propane inventories. The inventories covered by this section include both Non-Current and Current Gas Stored Underground (Account Nos. 117 and 164) for both Company-owned storage and leased storage and L.P. Gas Stock (Account No. 154). Each month the Company shall debit the GICCR Account for the recovery of carrying costs by multiplying the end-of-month balances in the aforementioned inventory accounts by a rate equal to the prime rate published in **The Wall Street Journal** on the first business day of such month minus two percentage points. Each month the Company shall also credit the GICCR Account for the GICCR amounts billed to customers by multiplying the GICCR component of the Company's CPGA factors, as set forth in Section A.2.f. of this clause, by the Company's sales and transportation volumes. Each year the debit or credit balance in the GICCR Account at the end of September shall be divided by the Company's total estimated sales and transportation volumes during the subsequent twelve months ended October period to produce the GICCR component of the Company's ACA factors that shall become effective with the PGA factors the Company implements during November and that shall remain in effect until the effective date of the Company's new ACA factors in the subsequent November. Such GICCR ACA component shall be applied to all volumes billed to each sales and transportation customer and all actual GICCR ACA revenue recovered therefrom shall be debited or credited to the GICCR Account as appropriate.

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January 25, 2002

Month Day Year

DATE EFFECTIVE

February 25, 2002

Month Day Year

ISSUED BY

K.J. Neises,

Senior Vice President,

720 Olive St.,

St. Louis, MO 63101

Name of Officer

Title

Address

Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

B. CHARACTER OF SERVICE (Continued)

5. Authorized Overrun Provision – When requested by the Customer, and authorized by the Company in its sole discretion, the Customer's DSQ on any day may be increased to a level not to exceed 110% of the currently effective billing demand, without causing an increase in such billing demand.
6. Period of Excess Receipts – Effective at the beginning of any day, as such term is defined in Paragraph 1.1 of Section D hereof, and with the same notice requirements as in B.1. above, any Customer may be ordered to limit its DSQ to 115% of the deliveries made to such Customer. However, any such limitation shall not exceed a total of eight days in any thirty-day rolling period. When such limitation order is in effect, the Company will purchase from such Customer any excess receipts at 75% of the lesser of the first of the month index or the daily index published in the Gas Daily for MRT west leg deliveries. Such purchases by the Company shall be used to satisfy the Company's system supply requirements. When possible, prior to the notification described above, the Company shall provide advance notice to Customers on a best-efforts basis of an imminent Period of Excess Receipts that may be under consideration by the Company.

C. RATES

The monthly charge per each separately metered location shall consist of the charges set forth below:

Customer Charge - per month.	\$900
Reservation Charge - per billing demand therm.	57¢
Transportation Charge - per therm transported (*).	
For the first 36,000 therms transported per month	2.413¢
For all therms transported in excess of 36,000 therms999¢
Commodity Charge - per therm sold (*)	
For the first 36,000 therms sold per month	2.413¢
For all therms sold in excess of 36,000 therms999¢
Storage Charge - per therm for any full or partial month	2.000¢
Authorized Overrun Charge – per therm transported	4.522¢

(*) See footnote on Sheet No. 34-a

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Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

- (*) The first block transportation and commodity charges shall collectively apply to no more than 36,000 therms of throughput in any month for each separately metered location, whether such throughput is associated with sales volumes, transportation volumes, or a combination of sales and transportation volumes.

Minimum Monthly Charge -- The sum of the Customer Charge and the Demand Charge.

Additional Transportation Charges -- For all therms transported on either Basic or Firm Service, the Transportation Charge and Authorized Overrun Charge shall be increased to include the currently effective level of any take-or-pay related (TOP) charge, other non-commodity related gas cost charge per therm and GICCR charge per therm as set out on Sheet No. 29. For Firm Service, the Transportation Charge shall be further increased to include the then currently effective level of the pipeline demand gas cost (or capacity reservation charge) per therm as set out on Sheet No. 29. Such additional transportation charges, with the exception of the GICCR charge per therm, shall be included in the determination of gas cost revenue recovery described in Section C of the Company's Purchased Gas Adjustment Clause. The GICCR charge shall be treated in the manner described in Section H of such clause.

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K.J. Neises,

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Name of Officer

Title

Address

P.S.C. NO. 5 Consolidated, Original Sheet No. 41
Cancelling All Previous Schedules.

Laclede Gas Company
Name of Issuing Corporation or Municipality

For Refer to Sheet No. 1
Community, Town or City

SCHEDULE OF RATES

WEATHER MITIGATION CLAUSE

1. The Company shall maintain a Weather Mitigation Account ("WMA") which shall be credited by the amount of increased non-gas revenues attributable to colder than normal weather and debited by the amount of decreased non-gas revenues attributable to warmer than normal weather as such revenue increases and decreases are computed below.
2. Each month, during the November through April period, the Company shall compute such non-gas revenue increases and decreases for each of the customer categories set forth below through the use of the following formula and parameters:
3.
$$\text{NON-GAS REVENUE INCREASE/(DECREASE)} = \text{CGU} \times \text{UCDD} \times (\text{ABCDD} - \text{NBCDD}) \times \text{CUST}$$

where:

CGU = The second block Charge For Gas Used for the applicable rate schedule

UCDD = Use per customer per degree day established in the resolution of the Company's most recent general rate case

ABCDD = Actual average billing cycle degree days for all twenty-one cycles during a billing month

NBCDD = Normal average billing cycle degree days for all twenty-one cycles during a billing month based on 4,718 annual degree days or the annual degree days established in the resolution of the Company's most recent general rate case

CUST = Total number of customers billed during the month in the applicable customer category.

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DATE EFFECTIVE February 25, 2002
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ISSUED BY K.J. Neises, Senior Vice President, 720 Olive St., St. Louis, MO 63101
Name of Officer Title Address

P.S.C. NO. 5 Consolidated, Original Sheet No. 42
Cancelling All Previous Schedules.

Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

WEATHER MITIGATION CLAUSE (continued)

<u>Category</u>	<u>Division</u>	<u>Revenue Class</u>	<u>Rate Schedule</u>	<u>UCDD (therms)</u>
1	Laclede	Residential	RH	.145
2	Laclede	Commercial	CG	.766
3	Laclede	Industrial	CG	2.107
4	Mo. Natural	Residential	RH	.114
5	Mo. Natural	Commercial	CG	.398
6	Mo. Natural	Industrial	CG	2.871
7	St. Charles	Residential	RH	.113
8	St. Charles	Commercial	CG	.461
9	St. Charles	Industrial	CG	4.608
10	Midwest	Residential	RH	.102
11	Midwest	Commercial	CG	.499
12	Midwest	Industrial	CG	3.612

4. Each month during the November through April period the Company shall also debit or credit the WMA for any amounts credited or charged to customers in connection with the flow-through of the excess or deficient non-gas revenues that have accumulated in such account. Such credits or charges to customers shall be made by multiplying the appropriate Weather Mitigation Factor ("WMF") by the therms sold to customers under the foregoing rate schedules. A new WMF shall become effective each November, concurrent with the effective date of the Company's November PGA factors, and shall remain in effect until the effective date of the Company's June PGA factors. Such WMF for each customer category shall be computed by dividing the WMA balance from the preceding heating season by the volumes

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Address

P.S. NO. 5 Consolidated, Original Sheet No. 43
Cancelling All Previous Schedules.

Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

WEATHER MITIGATION CLAUSE (continued)

estimated to be sold to such customers between the November and June PGA effective dates in the subsequent heating season. In addition, the Company may implement adjustments to the WMF rate to become effective with the Company's January and March PGA changes in order to flow-through the excess or deficient non-gas revenues that have accumulated in the WMA during the current heating season after consideration of the direction of any concurrent PGA change. Such WMF adjustment shall be computed by dividing the estimated excess or deficiency of non-gas revenues that have accumulated in the current heating season, net of any estimated, realized flow-through of such revenues, by the volumes estimated to be sold to such customers between the effective date of the WMF and the effective date of the Company's next PGA change. Any excess or deficiency of non-gas revenues that is not flowed-through to customers through the WMF adjustments in the current heating season shall be flowed-through to customers through the new WMF that becomes effective in the following November. No WMF shall be in effect between the Company's June and November PGA effective dates.

5. At least ten business-days before applying the WMFs, the Company shall file a revised Sheet No. 44 setting forth such WMFs which shall be effective on a pro-rata basis beginning with the effective date of such sheet and shall be fully effective one month thereafter. Any change in the WMFs shall become effective concurrent with the Company's PGA changes. In addition, such WMFs shall be made effective on an interim basis, subject to refund, pending the outcome of a review of the accuracy of the Company's calculations, which such review shall occur during the course of the audit of the ACA factors filed by the Company.

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720 Olive St., St. Louis, MO 63101

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Address

P.S.C. NO. 5 Consolidated, Original Sheet No. 44
Cancelling All Previous Schedules.

Laclede Gas Company

Name of Issuing Corporation or Municipality

For

Refer to Sheet No. 1

Community, Town or City

SCHEDULE OF RATES

WEATHER MITIGATION CLAUSE (continued)

In accordance with the Company's Weather Mitigation Clause contained in Sheet Nos. 41 through 43, inclusive, the following adjustments per therm will become effective on and after the effective date of this tariff.

<u>Category</u>	<u>Division</u>	<u>Revenue Class</u>	<u>Rate Schedule</u>	<u>WMF (\$/therm)</u>
1	Laclede	Residential	RH	
2	Laclede	Commercial	CG	
3	Laclede	Industrial	CG	
4	Mo. Natural	Residential	RH	
5	Mo. Natural	Commercial	CG	
6	Mo. Natural	Industrial	CG	
7	St. Charles	Residential	RH	
8	St. Charles	Commercial	CG	
9	St. Charles	Industrial	CG	
10	Midwest	Residential	RH	
11	Midwest	Commercial	CG	
12	Midwest	Industrial	CG	

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720 Olive St., St. Louis, MO 63101

Name of Officer

Title

Address

STATEMENT OF AGGREGATE ANNUAL INCREASE

The aggregate annual increase requested by this rate filing is \$36.092 million, or 6.3%. This is the amount of the increase requested for rates only, and does not include the amount of Gross Receipts Taxes which will be applied thereto.

COMMUNITIES AFFECTED BY FILING

City of St. Louis
Annapolis
Arnold
Ballwin
Bella Villa
Bellefontaine Neighbors
Bellerive
Bel-Nor
Bel-Ridge
Berkeley
Beverly Hills
Black Jack
Bonne Terre
Breckenridge Hills
Brentwood
Bridgeton
Bridgeton Terrace
Calverton Park
Champ
Charlack
Chesterfield
Clarkson Valley
Clayton
Cool Valley
Cottleville
Country Club Hills
Country Life Acres
Crestwood
Creve Coeur
Crystal City
Crystal Lake Park
Dardenne Prairie
Dellwood
Desloge
DeSoto
Des Peres
Edmundson
Ellisville
Eureka

Farmington
Fenton
Ferguson
Festus
Flordell Hills
Florissant
Fredericktown
Frontenac
Glendale
Glen Echo Park
Grantwood Village
Greendale
Green Park
Hanley Hills
Hazelwood
Herculaneum
Hillsboro
Hillsdale
Huntleigh
Jennings
Kinloch
Kirkwood
Ladue
Lake St. Louis
Lakeshire
Leadington
Leadwood
Mackenzie
Manchester
Maplewood
Marlborough
Maryland Heights
Moline Acres
Normandy
Northwoods
Norwood Court
Oakland
O'Fallon
Olivette

COMMUNITIES AFFECTED BY FILING (continued)

Overland	Sycamore Hills
Pacific	Town & Country
Pagedale	Twin Oaks
Park Hills	Union
Parkway	University City
Pasadena Hills	Uplands Park
Pasadena Park	Valley Park
Pevely	Velda City
Pilot Knob	Velda Village Hills
Pine Lawn	Vinita Park
Poplar Bluff	Vinita Terrace
Richmond Heights	Warson Woods
Riverview	Washington
Rock Hill	Webster Groves
St. Ann	Weldon Spring
St. Charles	Weldon Spring Heights
St. Clair	Wellston
Ste. Genevieve	Wentzville
St. George	Westwood
St. John	Wilbur Park
St. Peters	Wildwood
Shrewsbury	Winchester
Sunset Hills	Woodson Terrace

COUNTIES AFFECTED BY FILING

Butler County
Franklin County
Iron County
Jefferson County
Madison County
St. Charles County
St. Francois County
Ste. Genevieve County
St. Louis County

LACLEDE GAS COMPANY
Number of Customers Affected by General
Category of Service and Rate Classification
November, 2001

Residential		
	General	588,947
	Seasonal Air Conditioning	133
	General L.P. Gas	164
	Total Residential	<u>589,244</u>
Commercial		
	General	37,908
	Seasonal Air Conditioning	43
	General L.P. Gas	2
	Unmetered Gas Light	114
	Vehicular Fuel	4
	Large Volume	55
	Interruptible	9
	Large Volume Transportation and Sales Service	54
	Total Commercial	<u>38,189</u>
Industrial		
	General	1,778
	Seasonal Air Conditioning	2
	Large Volume	58
	Interruptible	6
	Large Volume Transportation and Sales Service	99
	Total Industrial	<u>1,943</u>
Total		<u><u>629,376</u></u>

LACLEDE GAS COMPANY
Average Annual Change Requested in Dollars
and Percentage Change from Current Rates

	<u>Average Annual Change</u>	<u>Percentage Change</u>
<u>Residential</u>		
General	\$47	6.8%
Seasonal Air Conditioning	100	7.8%
General L.P. Gas	36	5.3%
Average Residential	\$47	6.8%
<u>Commercial</u>		
General	\$141	4.7%
Seasonal Air Conditioning	1,266	4.4%
General L.P. Gas	75	5.9%
Unmetered Gas Light	35	5.2%
Vehicular Fuel	105	1.8%
Large Volume	5,069	4.0%
Interruptible	6,520	4.0%
Large Volume Transportation and Sales Service	8,209	12.2%
Average Commercial	\$161	4.8%
<u>Industrial</u>		
General	\$422	4.2%
Seasonal Air Conditioning	\$1,894	4.3%
Large Volume	3,501	3.4%
Interruptible	1,499	3.6%
Large Volume Transportation and Sales Service	11,767	10.1%
Average Industrial	\$1,084	6.0%

LACLEDE GAS COMPANY
PROPOSED ANNUAL AGGREGATE CHANGE AND
PERCENTAGE CHANGE IN REVENUES FROM CURRENT RATES

	Annual Aggregate <u>Change</u>	Percentage <u>Change</u>
<u>Residential</u>		
General Service	\$27,806,672	6.8%
Seasonal Air Conditioning	\$20,685	7.8%
General L.P. Gas	\$6,039	5.3%
Total	\$27,833,396	6.8%
<u>Commercial</u>		
General Service	\$5,316,375	4.7%
Seasonal Air Conditioning	\$60,013	4.4%
General L.P. Gas	\$293	5.9%
Unmetered Gas Light	\$4,038	5.2%
Vehicular Fuel	\$411	1.8%
Large Volume	\$277,263	4.0%
Interruptible	\$48,066	4.0%
Large Volume Transportation and Sales Service	\$422,783	12.2%
Total	\$6,129,242	4.8%
<u>Industrial</u>		
General Service	\$759,987	4.2%
Seasonal Air Conditioning	\$3,787	4.3%
Large Volume	\$194,250	3.4%
Interruptible	\$8,928	3.6%
Large Volume Transportation and Sales Service	\$1,161,953	10.1%
Total	\$2,128,905	6.0%
Total	\$36,091,544	6.3%

NEWS RELEASE

LACLEDE GAS

720 Olive Street, St. Louis, MO 63101

CONTACT: Richard N. Hargraves
(314) 342-0652

FOR IMMEDIATE RELEASE

January 25, 2002

Laclede Gas seeks to recover distribution costs while mitigating impact of weather on customer bills

ST. LOUIS, MO — Laclede Gas Company, a subsidiary of The Laclede Group (NYSE: LG), today proposed a new rate structure that would increase base rates to cover the company's cost of operating and maintaining its 15,000-mile distribution and storage system, to mitigate the impact on customer bills caused by the dramatic variations in weather that continue to occur in the Company's service area, and to stabilize the Company's revenues.

Laclede Gas is Missouri's largest natural gas distribution company, serving more than 630,000 customers in St. Louis and surrounding counties in Eastern Missouri.

The proposal was filed today with the Missouri Public Service Commission, which will conduct a regulatory review process that may take as long as 11 months. Laclede's proposal only addresses so-called "non-gas" costs, which generally range from 25% to 30% of a customer's total bill. The remainder reflects costs associated with wholesale gas costs, local gross receipts taxes collected for and remitted to municipalities, and interstate pipeline and storage costs.

The proposed new rates would generate additional annual revenues of \$36.1 million, resulting in gas bills for a typical residential heating customer that would increase by an average of about \$4.40 a month. The new rates would apply throughout the Laclede Gas system, including its operating divisions known as St. Charles Gas, Midwest Missouri Gas, and Missouri Natural Gas.

Missouri law calls for rates to be established that cover the utility's cost of providing safe, reliable service to its customers while providing a reasonable rate of return to the company's investors. However, customers currently pay rates that are designed to recover the Company's costs based on volumes delivered to those customers under normal weather conditions. But temperatures in the Laclede Gas service area have been extremely volatile, and the resulting delivered volumes have seldom approached "normal" levels in more than a decade. For instance, the recently completed October-December period of 2001 was the third warmest such period on record, but the same period in 2000 was the second coldest on record. Weather that is colder or warmer than normal causes Laclede Gas to over-recover or under-recover its costs. Further, wholesale gas prices on the unregulated national market generally track the weather — rising when temperatures are cold and demand for gas heat is high, and falling when temperatures are warm and demand for gas heat is low.

Thus, the Weather Mitigation Program that is a part of Laclede's proposal would adjust customer bills to offset the impact of temperatures that are colder or warmer than normal, stabilize Laclede's utility revenues, and allow it to cover what are primarily fixed costs that do not fluctuate with the weather while still providing the Company's shareholders with a fair return on investment. Had a weather mitigation program been in

effect last winter while customer bills were going up due to weather and wholesale gas prices, Laclede Gas would have issued weather-driven credits to its customers.

Conversely, were such a program in effect this winter, there would be some upward adjustments, but they would be made to customer bills that are much lower because usage and wholesale prices are down.

“Weather mitigation programs are not a new concept,” said Richard N. Hargraves, Laclede’s Director of Corporate Communications. “They are in place in about 20 states and two Canadian provinces. In some cases, these weather programs have been operating for more than 20 years.”

On December 1, 2001, Laclede implemented new rate schedules designed to increase annual utility base rates by about \$15 million annually — assuming normal weather. However, the weather has been so warm that, during the first three months of this heating season, deliveries of natural gas to Laclede customers were nearly 14 billion cubic feet less than the same period last year, Hargraves said. In addition, several significant issues — including the weather program — were left unresolved in the expedited settlement that allowed the new rates to go into effect for this heating season.

#

REASONS FOR PROPOSED RATE AND TARIFF CHANGES

The Company's proposed rate increase is necessary generally to offset certain operating costs, additional return requirements and the added capital costs associated with the Company's replacement and installation of facilities as well as reflect the financial effect of the Company's proposals to revise certain ratemaking practices that have had a detrimental impact on the Company's ability to achieve revenue stability and on the level of financial resources available to the Company to carry out its public service obligations. Changes to other tariff sheets of the Company and reasons in support of such changes are as follows:

The Company revised Sheet Nos. 2 and 2-a of its tariff to develop a revised rate structure for residential customers that would improve the recovery of the Company's relatively fixed non-gas costs.

The Company revised Sheet Nos. 15, 17, 28-h and 34-a to include the recovery of gas inventory carrying costs in the Company's PGA clause in order to ensure that the amount of such costs recovered from customers would correspond to the Company's actual investment in these inventories.

The Company added Sheet Nos. 41 through 44 to its tariff to provide for a Weather Mitigation Clause ("WMC") that is intended to alleviate the mismatching of revenues and costs that occurs under the Company's existing general service rate design when the weather is colder or warmer than normal. The WMC would also reduce the bill volatility that occurs as a result of such weather variation.