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February 23, 2001

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

FILED²
FEB 23 2001 (m)
Missouri Public
Service Commission

Re: Case No. GR-2001-387

Dear Judge Roberts:

Enclosed for filing please find the original and eight copies of a Motion for Waiver to Make an Accelerated Adjustment to the Company's Budget Billings.

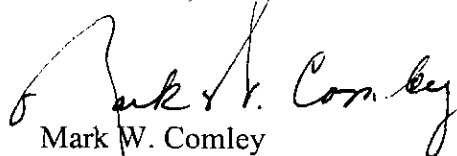
Would you please see that this filing is brought to the attention of the appropriate Commission personnel.

Thank you.

Sincerely,

NEWMAN, COMLEY & RUTH P.C.

By:


Mark W. Comley

MWC:ab

Enclosure

cc: Office of Public Counsel
General Counsel's Office
Michael C. Pendergast

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED³
FEB 23 2001 m

In the Matter of Laclede Gas Company's Purchased)
Gas Adjustment Tariff Revisions to be Reviewed)
in its 2000-2001 Actual Cost Adjustment)

Cases No. GR-2001-387 Missouri Public
Service Commission

**MOTION FOR WAIVER TO MAKE AN ACCELERATED
ADJUSTMENT TO THE COMPANY'S BUDGET BILLINGS**

COMES NOW Laclede Gas Company ("Laclede" or "Company") and in support of its Motion for Waiver to Make an Accelerated Adjustment to the Company Budget Billings, states as follows:

1. On February 20, 2001, the Commission issued its Order in the above-captioned case in which it granted Laclede's February 14, 2001 motion for a waiver to make a second unscheduled winter Purchased Gas Adjustment ("PGA") filing and approved Laclede's accompanying filing to reduce its PGA rates. *See Order Granting Motion for Waiver and Approving Interim Rates*. Laclede had made this filing in accordance with its previous commitment to seek such a reduction in its PGA rates in the event subsequent declines in wholesale gas prices made such a filing feasible as well as the Commission's previous recommendation that Laclede and other LDCs take such action should a drop in natural gas prices occur. *See Order Approving Interim Rates*, Case No. GR-2001-387 (dated January 25, 2001). Laclede's filing was also prompted by the Commission's February 13, 2001 *Order Modifying the Price Stabilization Program* ("PSP") in Case No. GO-2000-394, in which the Commission indicated that Laclede should carry out its offer to flow through to its customers on an expedited basis certain financial benefits achieved by Laclede as a result of the hedging program previously approved by the Commission.

2. Consistent with these Orders, and the Company's previous commitment to flow through to its customers the financial benefits arising from these developments, Laclede believes it would be appropriate to adjust its budget billings on an expedited basis to reflect these reductions in its PGA rates. The tariff provisions applicable to Laclede's budget billing process, however, specify that the Company will only review and adjust its budget billings twice a year, once in January (to become effective in February) and then again in July (to become effective in August). See P.S.C. MO. No. 5 Consolidated, Original Sheet No. R-39.¹ Laclede accordingly requests that pursuant to its general authority under §393.140(11) RSMo., the Commission grant Laclede a one-time waiver from the terms of its budget billing tariff so that the Company may conduct an accelerated review of its budget billings and make an accelerated adjustment to such bills to reflect the recent decrease in the Company's PGA rates.

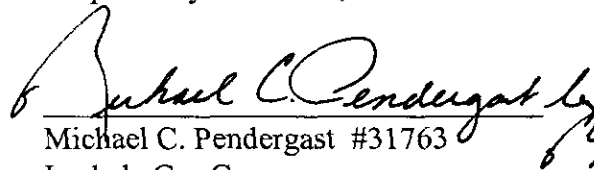
3. Although Laclede is requesting permission to review and adjust its budget billing amounts to reflect the recent reduction in the Company's PGA rates, it wishes to emphasize that the accounts applicable to most of its budget billing customers remain negative. In other words, most of Laclede's budget billing customers, like Laclede's other residential and small commercial customers, have not yet paid the full cost that Laclede has already incurred to serve them this winter. Moreover, Laclede continues to incur substantial carrying costs in connection with this under recovery of its gas costs -- an under recovery which currently exceeds \$35 million. Despite these considerations, however, Laclede is nevertheless willing to make such an adjustment to its budget

¹ Under normal circumstances, Laclede believes that two adjustments per year are fully adequate for budget billing purposes and, except for the extraordinary events of this winter, would not anticipate any need to request similar waivers in the future.

billings in order to provide those customers with the same kind of expedited recognition of these falling prices and hedging gains that Laclede has already provided to its other customers.

WHEREFORE, for the foregoing reasons, Laclede respectfully requests that the Commission grant the Company's Motion for a waiver from the terms of its budget billing tariff so that Laclede may conduct an accelerated review of its budget billings and make an accelerated adjustment to such bills to reflect the recent decrease in the Company's PGA rates.

Respectfully submitted,

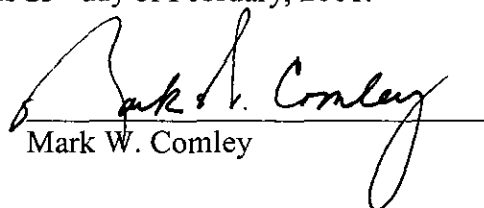


Michael C. Pendergast #31763

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CERTIFICATE OF SERVICE

I hereby certify that the foregoing Motion For Waiver to Make an Accelerated Adjustment to the Company's Budget Billings has been duly served upon the General Counsel of the Staff of the Public Service Commission, Office of the Public Counsel and all parties of record to this proceeding by placing a copy thereof in the United States mail, postage prepaid, or by hand delivery, on this 23rd day of February, 2001.



Mark W. Comley