BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

In the Matter of Laclede Gas Company's)	
Experimental Price Stabilization Fund.)	Case No. GO-2000-394

STAFF'S SUGGESTIONS IN SUPPORT OF UNANIMOUS STIPULATION AND AGREEMENT

COMES NOW the Staff ("Staff") of the Missouri Public Service Commission ("Commission") and respectfully suggests the following in support of the Unanimous Stipulation and Agreement ("S&A") filed on September 1, 2000, by the parties in this case:

- 1. On July 7, 2000, Laclede Gas Company ("Laclede") filed a verified application for certain temporary revisions to its Price Stabilization Program ("PSP") for the second year of that program. The filing was made to address concerns about the status of the program in light of upward movements in the market price of gas since March of this year.
- 2. After considerable discussion among Laclede, Staff and the Office of the Public Counsel ("OPC"), the parties were able to agree that prompt action was warranted. The only step to modify the PSP upon which the parties could agree, however, is that the requirement that Laclede procure price protection for 70% of its flowing supplies should be relaxed for this year of the PSP. The Staff concurs that this additional flexibility is appropriate under the current market conditions and the current status of the PSP.
- 3. Staff continues to have concerns about the structure and function of the PSP. However, the Staff recommends that the Commission approve the S&A as quickly as possible to provide an agreed-upon additional flexibility to Laclede for this heating season, and until the parties can further address other PSP issues.

WHEREFORE, the Staff of the Commission recommends that the Commission forthwith approve the S&A.

Respectfully submitted,

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Certificate of Service

I hereby certify that copies of the foregoing have been mailed or hand-delivered to all counsel of record as shown on the attached service list this 21st day of September, 2000.

Thomas R. Schwang J.

Service List for Case No. GO-2000-394

Revised: September 21, 2000 (SW)

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