Laclede Gas Seeks to Recover Increased Distribution Costs; First Such Increase Since 2002; No Impact This Winter

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ST. LOUIS, Feb. 18 /PRNewswire-FirstCall/ -- Laclede Gas Company , a subsidiary of The Laclede Group (NYSE: LG), today filed tariffs with the Missouri Public Service Commission requesting an increase in its rates to reflect increased costs the company incurs to operate and maintain its 15,000- mile distribution and storage system through which it distributes natural gas to its 630,000 customers.

Laclede last received such a general rate increase in 2002. Today's proposal will have no impact on customers this winter as the Commission will conduct a review of the filing that may take as long as eleven months.

If approved, the proposed new rates would result in an increase in gas bills for a typical residential heating customer of about $4.00 per month. The new rates would apply throughout the Laclede Gas system, including its southeastern operating division known as Missouri Natural Gas.

Missouri law calls for rates to be established that reflect the utility's cost of providing safe, reliable service to its customers while providing a reasonable rate of return to the company's investors.

The proposed new rates would generate additional new annual revenues to the Company of $34.0 million. Although the Company's filing requests an increase of $39.0 million, $5.0 million of that amount already is being paid by customers through the current Infrastructure System Replacement Surcharge, which would no longer be collected upon approval of the Company's rate request.

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

SOURCE Laclede Gas Company

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(LG)

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