

BEFORE THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MISSOURI

In the Matter of Missouri Gas Utility, Inc.'s	)	
Purchased Gas Adjustment (PGA)	)	<u>Case No. GR-2008-0136</u>
Factors to be Audited in its 2006-2007 Actual	)	Tariff No. YG-2008-0289
Cost Adjustment	)	

ORDER APPROVING INTERIM RATES

Issue Date: November 16, 2007

Effective Date: November 20, 2007

On November 3, 2007, Missouri Gas Utility, Inc. (MGU or Company) of Littleton, Colorado, filed a tariff sheet proposed to become effective November 20, 2007. The tariff sheet was filed to reflect changes in MGU'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 ACA factor.

Implementation of the tariff rates result in changes in gas costs in the following MGU PGA area:

1. For the MGU system (serving communities such as Hamilton and Gallatin), the net effect of this filing will decrease the firm PGA factors for the 2007-2008 winter season to \$0.7039 per Ccf from the current PGA factor of \$0.7291 per Ccf. This represents a \$0.02520 per Ccf decrease.

The Commission's Staff filed its Memorandum and Recommendation on November 8, 2007. In its Memorandum and Recommendation, Staff supports the change in the costs and in the ACA factor and supports Commission approval and

incorporation of the change in rates as expeditiously as possible, in that any rate change at this time is subject to true-up in the ACA process. Staff notes that, because MGU's PGA clause allows for PGA change filings to take effect on ten days' notice, good cause has been shown pursuant to Section 393.140(11), RSMo 2000, to permit the tariffs to become effective on less than 30 days' notice. Staff recommends that the rates be immediately approved on an interim basis, subject to refund. In addition, Staff 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, 2008.

The Commission has reviewed the proposed tariff sheet and Staff's Memorandum and Recommendation. The Commission finds that the proposed tariff sheet conforms to the Company's Commission-approved PGA Clause. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 2000, the Commission concludes that the proposed tariff sheet should be approved to become effective on November 20, 2007, on an interim basis, subject to refund.

IT IS ORDERED THAT:

1. The proposed tariff sheet filed on November 3, 2007, by Missouri Gas Utility, Inc. is approved on an interim basis, subject to refund, for service rendered on and after November 20, 2007. The specific tariff sheet approved is:

P.S.C. MO. No. 1

3rd Revised Sheet No. 51, Canceling 2nd Revised Sheet No. 51

2. This order shall become effective on November 20, 2007.

BY THE COMMISSION

A handwritten signature in black ink, appearing to read 'Colleen M. Dale', written over a horizontal line.

Colleen M. Dale
Secretary

(S E A L)

Colleen M. Dale, Chief Regulatory Law Judge,
by delegation of authority pursuant to
Section 386.240, RSMo 2000.

Dated at Jefferson City, Missouri
On this 16th day of November, 2007