

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

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In the matter of Missouri Gas Energy's Purchased)
Gas Adjustment factors to be reviewed in its) Case No. GR-2000-425
1999-2000 Actual Cost Adjustment.)

ORDER APPROVING INTERIM RATES

Missouri Gas Energy (MGE or Company), a division of Southern Union Company, of Kansas City, Missouri, submitted a tariff sheet to the Commission on January 14, 2000, carrying an effective date of February 1, 2000. The tariff sheet was filed to reflect an unscheduled change in MGE's Purchased Gas Adjustment (PGA) factor as the result of a change in the estimated cost of natural gas for the remaining winter season. Additionally, the refund factors will change.

The effect of these changes will decrease the firm PGA factor for the remaining 1999-2000 winter season to \$0.34911 per Ccf from the scheduled winter season firm PGA factor of \$0.41724 per Ccf. This represents an approximate 16% decrease in the cost of gas to consumers.

The Staff of the Commission (Staff) filed a memorandum stating that the change in MGE's PGA was calculated in conformance with the Company's approved PGA Clause and recommends that the Commission approve the tariff sheet to become effective on February 1, 2000. Staff stated that MGE's PGA Clause allows for ten (10) business days notice for filings reflecting PGA changes. Staff recommends that the Commission approve the tariff sheet to become effective February 1, 2000 on an interim basis, subject to refund, pending final Commission decisions in MGE's ACA Case Nos. GR-98-167, GR-99-304, and GR-2000-425.

The Commission has reviewed the tariff sheet and Staff's recommendation, and finds that the tariff sheet conforms to the Company's Commission approved PGA Clause and is therefore reasonable. After considering Staff's recommendation, and for good cause shown pursuant to Section 393.140(11), RSMo 1994, the Commission finds that the proposed tariff sheet, should be approved to become effective on and after the requested effective date of February 1, 2000, interim subject to refund.

IT IS THEREFORE ORDERED:

1. That the tariff sheet submitted on January 14, 2000, by Missouri Gas Energy, a division of Southern Union Company, of Kansas City, Missouri, is approved on an interim basis, subject to refund, to become effective on February 1, 2000. The tariff sheet approved is:

P.S.C. MO. No.1

Thirteenth Revised SHEET No. 24.7 Canceling Twelfth SHEET No. 24.7

2. That this order shall become effective on February 1, 2000.

BY THE COMMISSION



Dale Hardy Roberts

Secretary/Chief Regulatory Law Judge

(S E A L)

Vicky Ruth, Regulatory Law Judge,
by delegation of authority pursuant
to 4 CSR 240-2.120(1) (November
30, 1995) and Section 386.240,
RSMo 1994.

Dated at Jefferson City, Missouri,
on this 31st day of January, 2000.