

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 30th
day of March, 1990.

In the matter of United Cities Gas Company's revised)
purchased gas adjustment tariff sheet applicable to its)
Neelyville District service areas in accordance with the) Case No. GR-90-30
Company's Purchased Gas Adjustment Clause on file with the)
Commission.)

In the matter of United Cities Gas Company's tariff filing)
to adjust the Actual Cost Adjustment factor for its Missouri) Case No. GR-90-21
customers in the Neelyville District in accordance with the)
Company's Purchased Gas Adjustment Clause for the year 1989.)

ORDER APPROVING NEELYVILLE DISTRICT PGA EFFECTIVE APRIL 1, 1990

On July 21, 1989, United Cities Gas Company (United) of Brentwood, Tennessee, filed a tariff reflecting a change in the regular PGA factor and the Actual Cost Adjustment (ACA) factor with a proposed effective date of August 1, 1989. On July 28, 1989, the Commission allowed the tariff to become effective interim subject to refund pending its decision based on a subsequent Staff recommendation relating to the ACA portion of the filing. Case No. GR-90-21 was established to address Company's July 21, 1989, ACA filing.

In a recommendation dated March 26, 1990, Staff indicated it had completed its review of the 1988-1989 ACA filing. Staff's review indicated an additional \$8,448 should be refunded to United's customers through the ACA. Company did not object to Staff's findings. Staff proposes that the \$8,448 be returned to United's customers as a credit to the 1989-1990 ACA account balance.

Staff is also of the opinion that tariffs containing the 1988-1989 ACA which have been approved interim subject to refund in Case No. GR-90-21 pending a Commission decision on Staff's recommendation on the 1988-1989 ACA, no longer need to be interim. Staff further recommends that Case No. GR-90-21 be closed.

The Commission has considered Staff's recommendation and determined that the tariffs approved interim subject to refund in Case No. GR-90-21 which

reflect United's 1988-1989 ACA factors, no longer need to be interim and Case No. GR-90-21 should be closed.

On March 19, 1990, United submitted to this Commission for approval, a tariff reflecting an increase in the cost of gas purchased from one of its suppliers in the Neelyville District, Natural Gas Pipeline Company (NGPC), and an increase in spot market prices. The changes will have the effect of increasing the PGA by \$0.0051 per Ccf to \$(0.0698) per Ccf. Annualized revenues will increase by approximately \$3,100. Case No. GR-90-30 was established to track PGA changes that will be reviewed in Company's 1989-1990 ACA filing.

Staff recommends that the tariff proposed to become effective April 1, 1990, should be approved.

The Commission has reviewed Staff's recommendation and for good cause shown pursuant to Section 393.140(11) RSMo 1986, the Commission is of the opinion that the proposed tariff sheet should be allowed to become effective on and after the requested effective date, April 1, 1990.

It is, therefore,

ORDERED: 1. That the following tariff sheet submitted March 19, 1990, by United Cities Gas Company of Brentwood, Tennessee, for the purpose of reflecting an increase in rates for natural gas service in its Neelyville District, as the result of wholesale gas cost changes, be, and it is, hereby authorized to become effective on and after the requested effective date, April 1, 1990.

P.S.C. Mo. No. 2

9th Revised Sheet No. 46.4 cancelling 8th Revised Sheet No. 46.4

ORDERED: 2. That the tariffs reflecting United Cities Gas Company's 1988-1989 Actual Cost Adjustment factors in the Neelyville District are declared hereby to be no longer interim.


ORDERED: 3. That Case No. GR-90-21 is hereby closed effective April 10, 1990.

ORDERED: 4. That this Order shall become effective on the date hereof.

(S E A L)

Steinmeier, Chm., Mueller
and McClure, CC., Concur.
Rauch and Letsch, CC., Absent.

BY THE COMMISSION



Harvey G. Hubbs
Secretary

~~XXXXXXXXXX~~
P.S.C. MO. NO. 2 9th (Revised) Sheet No. 46.4

~~XXXXXXXXXX~~
Cancelling P.S.C. Mo. NO. 2 8th (Revised) Sheet No. 46.4

**UNITED CITIES GAS COMPANY
FOR ALL COMMUNITIES IN NEELYVILLE DISTRICT**

ADJUSTMENT STATEMENT

As provided in Sheets, 46, 46.1, 46.2, and 46.3 of this Purchased Gas Adjustment Clause, the following adjustments, in cents per Ccf, will be made to the Company's "General Service Rates" schedule:

Regular FGA	Refund	Actual Cost Adjustment	Total Cost
(10.0712)	40.0000	40.0014	(10.0698)

- * Indicates new rate or text.
- + Indicates change.

Issued: March 16, 1990

Date Effective: April 1, 1990

Issued by: Gene C. Koonce, President and Chief Executive Officer, 5300 Maryland Way,
Memphis, TN 38127

P.S.C. MO. NO. 2 ~~(XXXXXX)~~ (Revised) Sheet No. ~~(XXXXXX)~~Cancelling P.S.C. Mo. NO. 2 ~~(XXXXXX)~~ (Revised) Sheet No. ~~(XXXXXX)~~

UNITED CITIES GAS COMPANY
FOR ALL COMMUNITIES IN NEELYVILLE DISTRICT

The adjustment of incremental charges for bills rendered to customers under the provision of United Cities Gas's schedule of rates for gas service is as follows:

	Adjustment per Ccf
Basic Adjustment	(\$0.0712) per Ccf
AGA per 1st Revised Sheet No. 46.4 8/1/89	(\$0.0014) per Ccf
Net Adjustment	(\$0.0698) per Ccf

A. PGA FACTOR

Location	Annual	New Supplier Rates per Dth	Annual Cost
Natural Gas Pipeline Co. of America - Schedule G-1 Naylor and Neelyville	11,144 Mcf	\$3.5711	\$39,796.34
Spot Market Purchases Naylor and Neelyville	33,433 Mcf	\$2.2161	\$74,090.87
Texas Eastern Transmission Corporation - Schedule 5G5 Dallas	23,145.8 Dth	\$3.3270	\$77,006.08
TOTAL			\$190,893.29

\$190,893.29
 ----- = \$0.3095 per Ccf
 616,705 Ccf

Effective Base Rate	\$0.3807
New Rate Average	\$0.3095
PGA Increment Adjustment	(\$0.0712)

B. REFUND FACTOR

A/C 242.1	Balance	See Attached Sheet
Total Amount to be Refunded	None	

- * Indicates new rate or text.
- * Indicates change.