

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of Southern Missouri)	
Natural Gas Purchased Gas)	<u>Case No. GR-2006-0352</u>
Adjustment Factors to be Reviewed)	Tariff No. JG-2007-0230

ORDER APPROVING INTERIM RATES

Issue Date: October 26, 2006

Effective Date: November 1, 2006

On October 6, 2006, Southern Missouri Natural Gas Company, L.P. d/b/a Southern Missouri Natural Gas (SMGC), filed a proposed tariff sheet and supporting workpapers setting interim rates. The PGA filing for Sheet No. 27 reflects changes to the Purchased Gas Adjustment (PGA) factor for the upcoming winter season.

The proposed PGA rate of \$0.9500 per hundred cubic feet (Ccf) reflects a decrease of \$0.046 per Ccf over the PGA rate currently in effect of \$0.9960.

The Commission's Staff filed its Memorandum and Recommendation on October 19, 2006. In its Memorandum and Recommendation, Staff supports the decrease and supports Commission approval and incorporation of the reduction 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 SMGC'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 tariff to become effective on less than

30 days' notice. Staff recommends that the rates be immediately approved and become effective on November 1, 2006, on an interim basis, subject to refund.

Staff also recommends the Commission grant all other relief requested by Staff in Attachment A of the October 19, 2006 Staff Recommendation. Relief requested includes permission for Staff to submit its results and recommendation regarding the information included in this ACA filing to the Commission on or before December 31, 2007.

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 1, 2006, on an interim basis, subject to refund.

IT IS ORDERED THAT:

1. The proposed tariff sheet filed on October 6, 2006, by Southern Missouri Natural Gas Company, L.P. d/b/a Southern Missouri Natural Gas is approved on an interim basis, subject to refund. The specific tariff sheet approved is:

P.S.C. MO. No. 1

20th Revised Sheet No. 27, Canceling 19th Revised Sheet No. 27

2. The Staff of the Commission shall file its results and recommendation regarding information included in this ACA filing on or before December 31, 2007.

3. This order shall become effective on November 1, 2006.

BY THE COMMISSION

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

Colleen M. Dale
Secretary

(SEAL)

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 26th day of October, 2006.