

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 9th day of
January, 2007.

In the Matter In the Matter of Missouri Gas)	
Energy Purchased Gas Adjustment)	<u>Case No. GR-2007-0256</u>
Rate Change)	Tariff No. YG-2007-0458

ORDER APPROVING INTERIM RATES

Issue Date: January 9, 2007

Effective Date: January 10, 2007

On January 3, 2007, Missouri Gas Energy (MGE) filed a proposed tariff sheet making changes in MGE's Purchased Gas Adjustment (PGA) factors as a result of estimated changes in the cost of natural gas for the remaining winter season. On January 5, 2007, MGE filed a substitute tariff sheet to correct a typographical error.

The proposed PGA rate of \$0.78791 reflects a decrease of \$0.09554 per Ccf over the PGA Rate currently in effect of \$0.88345.

The Commission's Staff filed its Memorandum and Recommendation on December 8, 2007. In its Memorandum and Recommendation, Staff supports the decrease of MGE's firm PGA factor. Furthermore, Staff supports Commission approval and incorporation of the 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 MGE's PGA clause allows for PGA change filings to take affect 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 on an interim basis, subject to refund basis only.

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 January 10, 2007, on an interim basis, subject to refund.

IT IS THEREFORE ORDERED:

1. That the proposed tariff sheet filed on January 3, 2007, by Missouri Gas Energy is approved on an interim basis, subject to refund. The specific tariff sheet approved is:

P.S.C. MO. No. 1

12th Revised Sheet No. 24.3, Canceling 11th Revised Sheet No. 24.3

2. That this order shall become effective on January 10, 2007.

BY THE COMMISSION



Colleen M. Dale
Secretary

(SEAL)

Davis, Chm., Murray, Gaw,
Clayton and Appling, CC., concur.

Dale, Chief Regulatory Law Judge